



BY SCOTT GRAVES

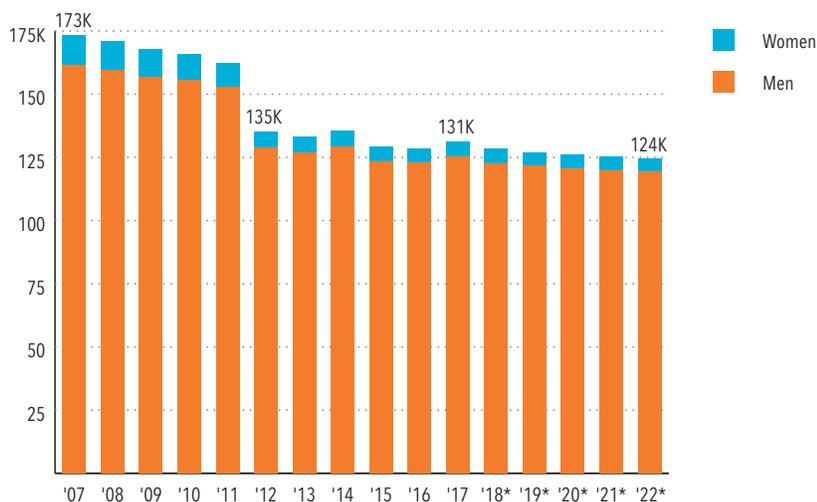
Despite the Recent Decline in Incarceration, Corrections Spending in the Governor’s Proposed 2018-19 Budget Remains High

In recent years, California has made significant progress in reducing incarceration. The number of adults incarcerated at the state level, which peaked at more than 173,000 in 2007, declined to 131,260 by June 2017 – a reduction of nearly one-quarter. This substantial drop resulted largely from criminal justice reforms adopted by state policymakers and the voters following a 2009 federal court order that required California to reduce overcrowding in state prisons.¹ The most recent of these reforms was Proposition 57, a 2016 ballot measure that provided state officials with new tools to reduce the amount of time that people spend in prison.²

State-level incarceration is expected to continue falling over the next several years, “driven by the expected impacts” of Prop. 57, according to the California Department of Corrections and Rehabilitation (CDCR).³ The CDCR projects that the number of incarcerated adults will decline to about 124,400 by June 2022 – a modest 5% drop from the June 2017 level (131,260). The Brown Administration anticipates that by freeing up a relatively small amount of space in state prisons, Prop. 57 – along with other recent criminal justice reforms – will allow the state to end the use of out-of-state “contract facilities” by fall 2019.⁴ However, the Administration does not anticipate closing any state prisons, which account for the vast majority of corrections-related spending at the state level.

The Number of Adults Incarcerated at the State Level Is Projected to Decline by Just 5% From 2017 to 2022

As of June 30 of Each Year



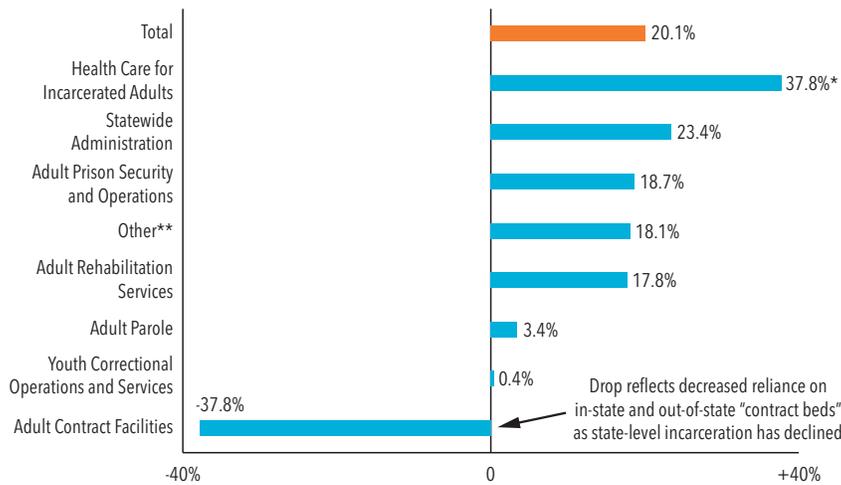
* Projected.
Note: Data reflect individuals housed in a range of facilities, including (but not limited to) prisons operated by the State of California and out-of-state correctional facilities.
Source: California Department of Corrections and Rehabilitation

Despite the ongoing decline in incarceration, spending on state corrections remains high. Under the Governor’s proposed budget, combined funding for the CDCR and the Board of State and Community Corrections would be \$12.1 billion in 2018-19 (the fiscal year that begins this coming July 1) – \$2 billion higher than the 2012-13 level, after adjusting for inflation.⁵ This growth generally reflects spending increases that have outpaced inflation, including for prison health care (up by 37.8%, or \$857 million); for CDCR statewide administration (up by 23.4%, or \$96 million); and for prison security and operations (up by 18.7%, or \$1.1 billion), which includes the cost of salaries and benefits for correctional officers and support services for incarcerated adults, such as meals and clothing.⁶

Significantly reducing corrections spending will require California to go beyond recent reforms. This should include simplifying the state’s complex Penal Code with an eye toward shortening prison sentences. Such reforms would further reduce incarceration, allowing the state to close costly prisons. This, in turn, would free up substantial revenues that could be reallocated to a range of services and supports that can promote rehabilitation, reduce poverty, and strengthen families and communities.

Spending on State Corrections Is Up Overall and in All but One Category

Percent Change in Expenditures, 2012-13 to 2018-19 Proposed, Inflation-Adjusted



* Increase partially reflects a shift of roughly \$270 million from the Department of State Hospitals’ budget to the California Department of Corrections and Rehabilitation’s budget effective July 1, 2017.
 ** California Department of Justice legal services and the Board of State and Community Corrections.
 Source: Budget Center analysis of Department of Finance data

¹ For a discussion of these reforms and the 2009 federal court order, see Scott Graves, *Corrections Spending Through the State Budget Since 2007-08: Still High Despite Recent Reforms* (California Budget & Policy Center: November 2015), pp. 1 and 3 and endnote 4.

² Scott Graves, *Proposition 57: Should Voters Provide State Officials With New Flexibility to Reduce the Prison Population?* (California Budget & Policy Center: October 2016).

³ California Department of Corrections and Rehabilitation, *Fall 2017 Population Projections* (January 2018), p. v.

⁴ Department of Finance, *Governor’s Budget Summary 2018-19* (January 2018), p. 71. About 3,500 Californians are housed in facilities in Arizona and Mississippi. The court-imposed prison population cap (137.5% of prisons’ “design capacity”) precludes the state from housing all of these individuals in state prisons at this time.

⁵ These expenditures generally reflect the operational costs of the state correctional system. This spending *excludes* capital outlay as well as state funding that counties receive each year to carry out certain correctional responsibilities that they assumed as part of the state-to-county “realignment” enacted in 2011.

⁶ Budget Center analysis of Department of Finance data. The increase in prison health care spending is partly attributable to a shift of roughly \$270 million from the Department of State Hospitals’ budget to the CDCR’s budget, which took effect on July 1, 2017. Excluding this shift, prison health care spending is up by 25.9% since 2012-13, after adjusting for inflation.