

## STATE CORRECTIONS IN THE GOVERNOR'S PROPOSED 2014-15 BUDGET: SPENDING WOULD BE MORE THAN \$1 BILLION ABOVE THE 2012-13 LEVEL

**T**his is the fourth in a series of briefs from the California Budget Project examining key components of Governor Brown's proposed 2014-15 budget, which was released last month. This *Budget Brief* looks at spending on state corrections, which initially declined after the implementation of the state-to-county criminal justice "realignment" in 2011, but has begun to climb again. Under the Governor's proposal, spending would rise to nearly \$10 billion in 2014-15 – \$1.1 billion above the 2012-13 level, with most of this increase attributable to higher spending for prison security and operations.

### Spending on State Corrections Is Rising

"State corrections" primarily refers to the state's role in incarcerating and providing services to individuals sentenced to prison as well as supervising those released to parole. State policymakers took a major step toward transforming the state corrections system in 2011, primarily in response to a federal court order to reduce prison overcrowding. The state shifted – or "realigned" – to counties the responsibility for managing and supervising certain "low-level" felony offenders (generally those convicted of nonviolent, nonserious, nonsex offenses). This realignment, which took effect on October 1, 2011, substantially reduced the state inmate and parolee populations. The number of inmates currently managed by the state – including those housed in prisons, fire camps, and contract facilities – is about 134,000, or 16 percent below the pre-realignment level. The number of state parolees – about 47,000 – is 55 percent below the pre-realignment level.

Spending on state corrections initially declined following the implementation of realignment.<sup>1</sup> Spending fell from \$9.7 billion in 2010-11 – the fiscal year before realignment took effect – to \$8.8 billion in 2012-13, a 9 percent drop. However, this brief downward trend has since reversed, and the Governor proposes to spend nearly \$10 billion on state corrections in 2014-15 – a net increase of \$1.1 billion (13 percent) over the 2012-13 spending level.

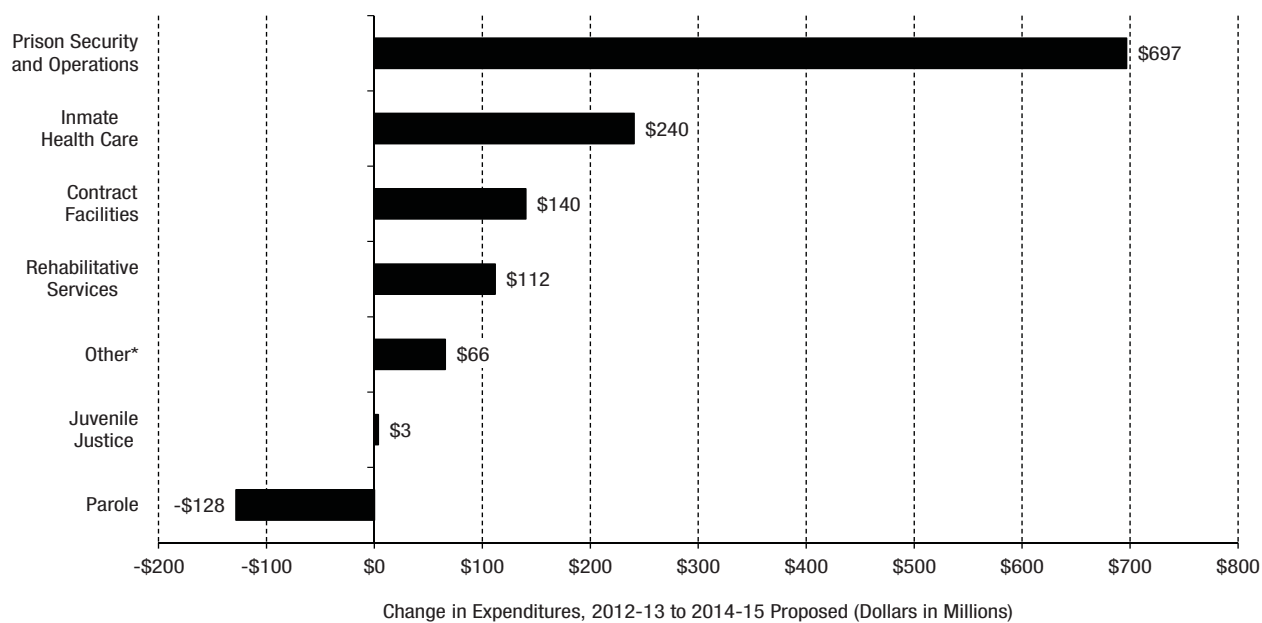
### Prison Security and Operations Accounts for Most of the \$1.1 Billion Spending Increase

Most of the \$1.1 billion increase in spending on state corrections between 2012-13 and 2014-15 – under the Governor's proposal – is attributable to prison security and operations (Figure 1). This category includes the cost of correctional officer training, salaries, and overtime, as well as inmate support services, such as meals and clothing. Under the Governor's proposal, spending on prison security and operations in 2014-15 would total \$5.7 billion – \$697 million (14 percent) above the 2012-13 level. This increase is due to several factors, including employee raises, higher workers' compensation costs, and the Governor's proposal to train additional correctional officers in 2014-15. Other parts of the state corrections budget, including inmate health care and rehabilitative services, would account for smaller shares of the total spending increase since 2012-13, while spending for parole would decline over this period.

### The Cost Per State Prison Inmate Is Up Sharply Since 1994-95

The short-term rise in state corrections spending reflects a longer-term trend toward an increasingly costly state prison system. Specifically, the cost per state prison inmate has risen

Figure 1: Under the Governor's Proposed Budget, Prison Security and Operations Accounts for Most of the \$1.1 Billion Increase in Spending on State Corrections Between 2012-13 and 2014-15



\* Statewide administration, legal services, and the Board of State and Community Corrections.  
Source: Department of Finance

substantially over the past two decades.<sup>2</sup> In 1994-95, the state spent \$33,391 per inmate, after adjusting for inflation. Under the Governor's proposal, the state would spend \$62,396 per inmate in 2014-15 – 87 percent higher than the 1994-95 level. This increase is due to several factors, including significantly higher staffing levels, employee raises that have outpaced increases in the cost of living, and the substantial rise in the cost of inmate health care.<sup>3</sup> Notably, the overall rise in state corrections spending over the past two decades is *not* attributable to a growing prison population. In fact, there were slightly *more* prisoners in 1994-95 (121,656) than are projected for 2014-15 (120,660).<sup>4</sup>

## Corrections Spending Needs Greater Scrutiny

Despite the 2011 realignment, the prison population exceeds the court-ordered cap by several thousand inmates. (The court recently extended the deadline for meeting the population cap to February 28, 2016.) As state policymakers consider options to further reduce prison overcrowding, greater scrutiny of state corrections spending is essential. Certainly, some spending increases – such as those intended to expand rehabilitative services – may be warranted if the dollars support approaches determined to be effective at reducing recidivism. Other increases may be unavoidable, particularly for inmate health care, which remains under the management of a federal Receiver. On balance, however, policymakers do have choices about how much funding

to allocate to corrections and how those dollars are spent. “Bending the prison cost curve” – that is, curtailing the persistent trend of rising state prison spending – would free up General Fund dollars that could be redirected to other critical state priorities in the years ahead.

## ENDNOTES

- As used in this *Budget Brief*, “spending on state corrections” excludes (1) dedicated funding provided to counties to support their new criminal justice responsibilities under the 2011 realignment and (2) spending for corrections-related infrastructure.
- The figures cited in this section reflect inmates housed in state prisons as well as the relatively small number of inmates housed in fire camps.
- For a more detailed discussion of these factors, see California Budget Project, *A Mixed Picture: State Corrections Spending After the 2011 Realignment* (June 2013), pp. 5-6.
- Figures reflect average daily populations.

*Scott Graves prepared this Budget Brief, which was made possible in part by grants from the Ford Foundation and the Rosenberg Foundation. The CBP was established in 1995 to provide Californians with a source of timely, objective, and accessible expertise on state fiscal and economic policy issues. The CBP engages in independent fiscal and policy analysis and public education with the goal of improving public policies affecting the economic and social well-being of low- and middle-income Californians. General operating support for the CBP is provided by foundation grants, subscriptions, and individual contributions.*