Governor approves new youth justice programs in California’s final FY 18/19 budget package

On June 27, Governor Jerry Brown approved the FY 2018/19 Budget Act and companion trailer bills sent to him by the Legislature. A revenue surplus approaching $10 billion was happily divided between reserve funds (on which the Governor insisted) and spending for new and expanded programs. Housing, health and education sectors fared especially well with spending increases. There was also enough surplus available to support new justice system diversion and re-entry initiatives. The Governor also approved changes in confinement law at the Division of Juvenile Justice (DJJ), as described below.

✓ Youth Reinvestment Fund – $37 million targeted to community-based youth diversion programs

In May, both houses of the Legislature approved a $100 million Youth Reinvestment Fund grant program for an array of juvenile justice alternative-to-prosecution programs. Lead legislative proponents were Assembly Member Reginald Jones Sawyer (D- Los Angeles) and Senator Steven Bradford (D. – Gardena), backed by a strong and vocal coalition of youth service advocates. In its original design, the Fund was to be split three ways, with a share for social workers to assist juvenile defense counsel, a share for diversion services for Native American/Tribal Youth, and the largest share for community-based diversion-from-prosecution programs. In final negotiations with the Administration the Youth Reinvestment Fund underwent a series of changes. First of all, the total amount was whittled down to $37.3 million. Moreover, the social worker component was removed, and the Indian Tribe (renamed) share was lowered to just 3% of available grant funds. The bulk of funds (94%) are now targeted to “Trauma-informed Diversion Programs for Minors”. A final 3% goes to the Board of State and Community Corrections (BSCC) to administer the competitive grant program. AB 1812 includes control language on the grants. Some of the key features are:

- Applicants are local units of government (counties, cities), acting as lead agencies for coordinated services.
- Ten percent of available funds is reserved for the lead government agency to coordinate the various program elements.
• Ninety percent is reserved for pass-through by the funded lead agency to community-based organizations (defined as nongovernmental, non-law enforcement and non-probation) to deliver designated services “in underserved communities with high rates of juvenile arrests”.

• Funding priorities are identified for CBOs serving communities with high rates of status offense and misdemeanor arrests and high rates of arrests involving racial and ethnic disparities.

• Each grant must be no less than $50,000 and not more than $1 million. There is no language in AB 1812 governing the life span of the grants; that will be up to BSCC to determine, in line with the budget requirement that the funds must be spent or encumbered by June 30, 2021. There is no promise of renewal funding next year. Thus, if the funds and grants are stretched over two- or three-year performance periods, the amount-per-year available for programs will decline accordingly.

• A 25% cash match is required, but the match requirement drops to 10% for defined “high needs” jurisdictions based on criteria to be developed by BSCC.

• Services supported by grants must be “evidence based or research supported, trauma informed, culturally relevant and developmentally appropriate”. Based on the current language of AB 1812, applicants must supply all types of services listed in the bill including diversion, educational, vocational, mentoring and behavioral/mental health services.

• Extensive requirements for BSCC implementation include coordination with the Department of Education and the Health and Human Services Agency; a detailed data collection and evaluation requirement that includes contracting with a research firm or university to do the evaluation; and a list of performance outcome measures for the evaluation.

✓ Re-entry grant program - $50 million focused on housing after prison

In the Senate budget version of the proposed $100 million Youth Reinvestment Fund, $50 million had been designated for community-based re-entry housing assistance. In the budget as finally adopted, this amount was segregated into a stand-alone grant program supporting community-based re-entry services for “offenders formerly incarcerated in state prison”—meaning that the target population now consists of adults rather than juveniles. The grants are to be competitively awarded by the Board of State and Community Corrections (BSCC). Most of the funding goes to support re-entry housing, including $25 million for rental assistance and $15 million to rehabilitate buildings to house offenders released from prison. Another $9 million supports “warm handoff and reentry of offenders transitioning from prison to communities”. Unlike the Youth Reinvestment Fund, which has detailed statutory control language governing grant terms, the criteria for awarding grants under this larger appropriation are left largely to the discretion of BSCC. However, the control language does designate stakeholder groups that must be represented on the BSCC Executive Steering Committee that will design the Re-entry Grant RFP and recommend grant awards.
✓ CalVIP gang crime prevention grant program - $9 million

Last year this long-standing grant program for city-based gang violence prevention programs was modified to allow direct grants to community-based organizations. The grant program also got a name change from “CalGRIP” to “California Violence Intervention and Prevention Program” ("CalVIP"). The grants are administered competitively by the Board of State and Community Corrections (BSCC). In 2017, BSCC awarded CalVIP funds to 10 CBOs and 10 cities (including a statutory $1 million set-aside share for Los Angeles). This year’s budget now allocates another round of $ 9.0 million to supply continuing funds for the CalVIP grants, with (as before) $1 million earmarked for the City of Los Angeles.

✓ Juvenile justice data systems—Dept. of Finance kills the JCPSS upgrade plan

A disappointment for Commonweal was the rejection of the proposed Department of Justice plan to upgrade the state’s outmoded juvenile justice data bank, known as the Juvenile Court and Probation Statistical System or “JCPSS”. Commonweal worked with youth advocacy organizations and others on a budget provision that would have required DOJ to produce, by March of 2019, a cost plan and options for replacing JCPSS with a modern system having the capacity (currently lacking) to support outcome measures for statewide youth justice grants, program and policy reforms. This would have been a baby step in the direction of modernizing the state’s antiquated juvenile justice data bank, as recommended in the 2016 report submitted to the Legislature by the California Juvenile Justice Data Working Group. Our DOJ planning requirement made it into the Senate and Assembly budget versions that went to the Conference Committee. However, in final budget negotiations, the Department of Finance targeted the JCPSS plan and effectively knocked it out of the final budget. They cited the cost to produce the plan (estimated by DOJ to exceed $1 million) and other unspecified policy concerns. This is not the first time that the Dept. of Finance has discouraged or blocked proposed state-level juvenile justice data system improvements. Advocates are gathering to try again with a new Administration next year.

✓ California Division of Juvenile Justice—Transition Age Young Adult Offender Pilot Program is approved along with a custody age increase

The Administration’s pilot program to move qualified young adult prisoners into DJJ facilities got final approval in the Public Safety budget trailer bill (AB 1812). The DJJ changes include more custody time for some juvenile court commitments. Here is a summary of the changes:

- Custody time in DJJ for certain juvenile court youth is extended to age 25 from age 23. The age bump applies only to youth committed to DJJ by a juvenile court for an offense that is eligible for transfer to criminal court and carries an adult max term of seven or more years. The intent here is to ensure enough available confinement time in the Division of Juvenile Justice (DJJ), so that judges in transfer hearings will not shift cases to adult criminal court based on insufficient juvenile confinement time.
• A parallel change would allow young adult offenders housed in DJJ (after conviction in adult court) to stay there until age 25 if their adult sentence could be completed by then, without mandatory transfer back to the adult prison system at an earlier age (Welfare & Institutions Code 1731.5).

• A new Transition Age Young Offender Pilot program authorizes CDCR to house young adults in DJJ so they may benefit from DJJ’s “developmentally appropriate, rehabilitative programming”. Program participants will be selected by CDCR based on conduct and other criteria outlined in a new Section 1731.7 of the Welfare & Institutions Code. Those eligible for the pilot program must have been under 18 at the time of committing a listed WIC 707 (b) offense and must be able to complete their adult sentence by age 25. The new program is authorized for seven years. DJJ must provide an interim report to the Legislature by January 2020 on program effectiveness and must also retain an outside firm or university to conduct a more detailed evaluation. The budget appropriates $3.8 million to CDCR/DJJ to support the conversion of two dedicated DJJ units for the new young adult population.

• A companion change relieves counties from having to pay the marginal cost of DJJ confinement ($24,000/year) for youth who stay in DJJ after reaching age 23. Another change allows DJJ housed juveniles or young adults beyond age 23 to apply for honorable discharge status from the Board of Juvenile Hearings.

✓ Proposition 47-- Savings grow for the Safe Neighborhood and Schools Fund.

Adopted by state voters in 2014, Prop 47 deploys state savings from reduced prison costs (due to reclassified felonies) to a Safe Neighborhoods and Schools Fund. The California Department of Finance (DOF) determines the savings amount each year that is deposited into the Fund. 65% of each annual Prop 47 savings amount goes to the Board of State and Community Corrections (BSCC) for distribution via competitive grants to local collaboratives supporting youth and adult offender services in the areas of mental health, substance abuse, re-entry assistance and housing. In 2017, BSCC distributed the first round of Prop 47 grants—totaling $103 million to 23 counties. These are 3-year grants. The next BSCC funding cycle will occur in 2019-20. For the FY 17/18 year (the new baseline year for savings calculation), Dept. of Finance has estimated an increase of $19 million in Prop 47 savings over the prior year. This brings the amount available for further deposit in the Safe Neighborhood and Schools Fund to nearly $65 million. The BSCC share of this injection of Prop 47 funds will be applied to support the 3-year grants awarded by BSCC in 2017.

✓ Juvenile Justice Crime Prevention Act, Youthful Offender Block Grant and Juvenile Re-entry Fund

These long-standing grant programs have furnished counties with more than $3 billion in youth crime/violence prevention and juvenile probation funds over the last 18 years. Funds for these grant programs—now running at a total annual payout of about $280 million—flow annually into county realignment accounts that are automatically restocked from year to year based on available revenues, statutory formulas and growth-factor add-ons for each fund. Technically the
renewal funding for FY 18/19 has been pre-approved under past realignment reforms and was not subject to debate or change in the current budget cycle. Below is a recap of the status of these state-local grants.

- **The Juvenile Justice Crime Prevention Act (JJCPA),** first adopted in 2000, supplies counties with funds to support evidence-based approaches to the custody, supervision and rehabilitation of justice system youth. The funds are allocated to counties by the State Controller, based on youth population share and on the total amount of state funds available each year from Vehicle License Fee revenues and “growth” revenue supplements. Local allocations to county-level programs are made by the county Juvenile Justice Coordinating Council (JJC)—a stakeholder group consisting of statutorily designated public and community-based agency members. Under 2011 realignment, JJCPA funds are locked into local justice system subaccounts with the funding renewed each year based on levels calculated by the state Controller’s office. For FY 16/17 (most recent full funding year), counties received a total of $107 million with an added growth component of $32 million, for a total of $139 million. The FY 17/18 amount will have a base of $107 million with total growth factor yet to be determined.

- **The Youthful Offender Block Grant (YOBG) program** was created as part of the 2007 legislative realignment of the Division of Juvenile Justice. YOBG provides counties with funds to handle the caseload of non-violent youth shifted under realignment from state to local control. Like the JJCPA, YOBG funds are distributed by the Controller each year to local public safety realignment accounts, based on sales tax revenues and funding formulas calculated annually by the Department of Finance. Unlike JJCPA funds, YOBG funds go directly to probation departments (not through the coordinating council)—a process that has elicited criticism from advocates on the basis that YOBG dollars are largely absorbed by probation salaries and are insufficiently deployed to community-based youth services. For FY 16/17, the total YOBG statewide fund amount available to counties was $134 million augmented by a growth factor of $7 million, for an annual total of $141 million. For FY 17/18 (still in process) we expect YOBG totals to be the same or higher.

- **Juvenile Reentry Grant Fund.** This is another, smaller realignment fund that pays counties to supervise and serve youth returning to local control upon release from the state Division of Juvenile Justice. This fund was created in 2010 to support county costs resulting from the realignment of state youth parole to local probation departments. The annual amount is calculated by the Department of Finance based on DJJ release volume and other factors; for FY 17/18, the amount available to all counties for the Reentry Grant fund was determined by DOF to be $8.4 million.

County-level detail on how JJCPA/YOBG grant funds were most recently expended can be found in the annual JJCPA/YOBG report published by BSCC. The March 2018 report for the FY16/17 grant cycle can be accessed on line at: [http://www.bscc.ca.gov/downloads/2018%20JJCPA-YOBG%20Leg%20Report%20FINAL%203.9.18.pdf](http://www.bscc.ca.gov/downloads/2018%20JJCPA-YOBG%20Leg%20Report%20FINAL%203.9.18.pdf)
Juvenile Probation Services and Probation Camp Funds

These funds, furnished through local realignment accounts, are distributed annually to probation departments to support a range of youth justice programs and facilities. The funding stream dates back to the old “Probation TANF” federal allocation that was subsequently converted to a General Fund allocation. For FY 17/18, $151 million went to county probation departments based on population share, and another $29 million was allocated to counties operating probation camps and ranches as a state subsidy supporting those local facilities. This allocation level will repeat for FY 18/19.

More on local juvenile detention facilities: Empty beds and closures give rise to new proposals on space utilization

In our last budget report, we mentioned the budget request advanced by Chief Probation Officers of California (CPOC) for $30 million to “repurpose” empty detention space in county probation-run juvenile facilities. According to data collected by the Board of State and Community Corrections, occupancy in these county juvenile detention facilities (juvenile halls, probation camps) has declined steadily to a present level of only 35 percent of total rated capacity. The drop in detention rates is due to lower juvenile crime rates overall and to the expansion of alternative-to-incarceration models and programs for justice system youth. Los Angeles County has already adopted a plan to consolidate its former complex of 18 probation camps into just six remaining camps serving “high risk/high needs” youth. The Grand Jury in Marin County (Commonweal’s home base) has now recommended closing the county juvenile hall due to high cost and low occupancy rates. The CPOC “repurposing” proposal would likely avoid closures and incidental losses of probation jobs, by converting empty space into therapeutic treatment centers—centers that could also serve probation youth who can no longer be placed in residential group homes eliminated by the state’s Continuum of Care Reform (CCR) initiative. CPOC’s budget request was not adopted by either the Assembly or the Senate Budget Committees. Nevertheless, it is a harbinger of continuing concern, discussion and debate over the best and highest uses of county juvenile detention facilities that have suffered big population declines in recent years.