

Budget Request FY 2013 – 2014

Secretary John E. Wetzel

Pennsylvania Department of Corrections

House Appropriations Committee

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Together we must challenge individuals, communities, cities, counties, regions, states, and the nation to be accountable for the outcomes of the justice systems at every level of government.
-- [James Bell](#)

Introduction

Good morning, Chairmen Adolph and Markosek and the members of the House Appropriations Committee. Thank you for the opportunity to discuss the PA Department of Corrections FY2013-14 budget request.

The Pennsylvania Department of Corrections (PADOC) is undergoing a challenging, yet necessary transition. This budget reflects our ongoing efforts and enables us to continue with the implementation of cost savings initiatives that I will address with you today.

Over the past year, under the leadership of Governor Corbett, fundamental transformations to Pennsylvania's criminal justice system have been enacted into law as a part of the administration's Justice Reinvestment Initiative (JRI). In the Corbett Corrections Reform initiative, population and cost, although both remain essential measurements, will not be the sole numbers. The "**new normal**" is to expect and require quantifiable results. Citizens of the Commonwealth should have every expectation of a corrections system that actually helps people correct themselves; one that is based on research, not on anecdotal stories and innuendo. Changes resulting from JRI are expected to significantly improve public safety, reduce recidivism, and lower correctional costs for the citizens of the Commonwealth in the years to come. Make no mistake - crime reduction will always be the benchmark for performance measurement when we talk about recidivism reduction efforts.

With the unanimous support of the General Assembly, we were able to pass a significant Corrections Reform Package in Acts 122 and 196 of 2012. These two critical pieces of legislation are expected to reduce the prison population by 1,260 inmates and save the Commonwealth approximately \$138.7 million over the next five years. Act 122, which will generate significant and immediate savings, focuses on the expansion of eligibility for existing programs, such as County Intermediate Punishment (CIP), State Intermediate Punishment (SIP), state motivational boot camp incarceration, and Recidivism Risk Reduction Incentive (RRRI). Act 196 provides a vehicle to reinvest a portion of those savings into other areas of the criminal justice system. It is estimated that \$49 million of the \$138.7 million will be used to support local law enforcement, victim services, county probation and parole, and other evidence-based programs and services that work to reduce crime.

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As a result of the success of Act 122 and a decline in the inmate population by 573 in the 6 month period ending December 2012, which is projected to continue to decline, we had to re-examine the purpose of SCI Benner, a new 2000-bed facility scheduled to open in 2013. The solution was to replace old capacity with new capacity. We are closing two facilities – SCI Greensburg and SCI Cresson – older, more costly and less efficient facilities which will result in \$22-\$23 million in savings in the 2013-14 budget and up to \$35 million in the future when all closing and mothballing costs are eliminated.

We continue to look at all avenues to reduce our population and costs without compromising the safety of staff, inmates and the citizens of Pennsylvania.

Funding and Changes

The PA DOC is requesting an overall 2013-2014 budget of \$1,927,609,000, which is an increase of \$60,587,000 or 3.24%. Please recall that last year, the Department, through the effort of its staff, was able to deliver the first budget with no increase in over 10 years. Additionally, the 11/12 budget had a net increase of only \$15M, so the average increase over the past three years is roughly \$25M per, in spite of a yearly rollover of \$100M. The increase in salaries and benefits to operate the Department of Corrections in 2013-14 is \$99.6 million. There is also an increase of \$7.2 million for increases in medical contracts, information technology costs including the CAPTOR information management system for the department and the Board of Probation and Parole, Justice Reinvestment Fund costs and inflationary costs. These increases are partially offset by the \$22-\$23 million in savings achieved in opening new housing and closing older housing and by \$19.8 million in pension collars.

The closure of SCI Greensburg and SCI Cresson was a difficult, but necessary, decision to reduce the growing costs of the correctional system at a time when the inmate population is decreasing. This decision impacts the lives of the 870 employees and families, contractors and the surrounding communities. I deeply regret the manner in which employees learned about the pending closures and have committed to Senator Greenleaf to work with member of the General Assembly through his committee to develop a protocol for future closings.

The department has made many positions available at other facilities for this staff to continue to work for the department, albeit these positions will involve a greater commute for most employees. The closings are tied to the opening of SCI Benner and the 546 jobs at that facility. A hiring freeze was implemented prior to the closure and remains in effect for most jobs and institutions. Over 170 jobs were

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offered at closer institutions where the department had need for these positions. All of these available jobs total close to 1,500 and of this amount close to 1,000 of the jobs were within a 60 mile radius of one or both of the facilities. We have placed 716 of the staff into jobs at other facilities and continue to work on placement for the remaining employees who choose not to retire. The Department of Labor and Industry's workforce development staff will also be working with displaced staff.

The Governor's Office, Department of Corrections, Department of Labor and Industry, Department of General Services and the Department of Community and Economic Development are working with community leaders to determine the reuse of the facilities and the impact of the closings on those communities. The team has met with the leaders in the Greensburg area and will travel to Cresson tomorrow to meet with community leaders in that area.

Inmate Population

There were 51,757 inmates in the state system at the end of June 2012, and a bed capacity of 49,534. In November 2011, inmates with sentences of 2 to 5 years were no longer sent to county jails if the jails were over capacity. We expected to receive approximately 100 more inmates per month from this change but have not seen much of an impact in the short time period since the change began.

With the help of the state legislature, our agency has implemented several initiatives that will enhance public safety and save precious taxpayer dollars. The State Intermediate Punishment program that began in May 2005 continues to be a solid investment. Since inception, through September of 2012, approximately 1,743 offenders have graduated from the SIP program. SIP graduates do better than a matched group of offenders in terms of successful reintegration with the Commonwealth and lower recidivism rates, saving approximately \$35,456 per SIP graduate. Significant and multi-pronged strategies have been, and continue to be, used to increase the number of eligible offenders sentenced to SIP and these efforts are bearing fruit. Act 122 of 2012 is expected to further increase referrals to the SIP program.

Another legislative reform is the Recidivism Risk Reduction Incentive (RRRI), which was created in 2008. This legislation provides for eligible non-violent offenders to receive a reduction of their minimum sentence by completing all recommended treatment and education programs and maintaining positive institutional adjustment. An estimated 3,466 inmates with RRRI sentences have been certified and released from DOC custody. These offenders served significantly less time in prison than they would have absent the RRRI program with a resulting savings to the Commonwealth of almost \$10,693 for each certified RRRI offender released. As

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of December 31, 2011, the RRRRI initiative has resulted in a prison population reduction of 1,628 inmates.

Governor Tom Corbett launched the Justice Reinvestment Initiative in 2011. Two critical pieces of legislation, Senate Bill 100 (Act 122) and House Bill 135 (Act 196), signed under the initiative in 2012, are expected to reduce the prison population by 1,260 inmates and save the Commonwealth approximately \$138.7 million over the next five years. Act 122, which will generate significant and immediate savings, focuses on the expansion of eligibility for existing programs, such as County Intermediate Punishment (CIP), State Intermediate Punishment (SIP), state motivational boot camp incarceration, and Recidivism Risk Reduction Incentive (RRRI). Act 196 provides a vehicle to reinvest a portion of those savings into other areas of the criminal justice system. It is estimated that \$49 million of the \$138.7 million will be used to support local law enforcement, victim services, county probation and parole, and other evidence-based programs and services that work to reduce crime.

The Department and the Board of Probation and Parole are also working on initiatives to expedite the paroling of inmates who meet the Board's criteria for parole. This includes expediting and targeting programs within the department regarding offenders likely to be paroled, improving the management of the docket, and reducing paperwork processes between the agencies.

Inmate Capacity

As previously indicated, at the end of June 2012, the number of inmates exceeded the Operational Bed Capacity by 6%. The goal of the department is to operate the Pennsylvania correctional system at our operational bed capacity, which represents the optimal number of inmates that each facility can accommodate based on housing, availability of inmate employment and/or programming support and facility infrastructure.

The department changed its capacity definition in September 2011 to reflect a truer sense of the number of inmates that can be housed within the facilities with sufficient staff, infrastructure, bed space and other criteria. This change increased the capacity by 3,263 from the previous definition.

During 2012, there were no significant capacity changes. In 2013 the department will open a 150-bed housing unit at Mahanoy and two 150-bed units at Pine Grove.

The new 2,000 bed prison on the grounds of SCI Rockview, SCI Benner, is scheduled to open in April 2013. The two prisons selected to close by June 30,

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2013 are SCI Cresson and SCI Greensburg. These institutions house approximately 2,300 inmates.

The current Graterford prison will be replaced by two new prisons (Phoenix) with a total of 4,100 beds. The new institutions being built on the site will be much more efficient than the large and aging SCI Graterford. The new Phoenix prisons are projected for completion in FY 2015-16.

Cost Savings Initiatives

The PA DOC recognizes the need to be fiscally responsible while maintaining a safe and secure correctional environment. Besides the institution closings mentioned previously, the FY2013-14 budget request incorporates cost savings resulting from continued efforts to improve operational efficiency, implementation of Justice Reinvestment, and additional initiatives reducing the overall PA DOC budget:

Implementation of Justice Reinvestment Initiative

The Justice Reinvestment Initiative (JRI) is a corrections reform package, unanimously supported and passed by the General Assembly in 2012. The JRI promotes data-driven policies to enhance operations, reduce corrections spending, and re-invest a portion of the savings in the front-end of the system.

The JRI was implemented in two components: Act 122 of 2012 and Act 196 of 2012. The PA DOC, in partnership with the PBPP and other partners, has started implementing components of the JRI resulting in initial indicators of progress, performance improvement, and cost savings. Over the next five years, this package of legislation is expected to reduce the prison population by 1,260 inmates and save the Commonwealth approximately \$138.7 million. Approximately \$49 million of the \$138.7 million will be reinvested into other areas of the criminal justice system generating further savings over the long term. For FY 2013-14 a total of \$761,000 has been earmarked from the general fund for this initiative.

- **Act 122 of 2012**

In July 2012, Governor Corbett signed Senate Bill 100 (Act 122 of 2012) providing a vehicle to implement justice reinvestment initiatives and improve corrections and the criminal justice system. The legislation enables the PA DOC to focus its mission of delivering programs, education, and job training to inmates in an effort to prevent offenders from committing future crimes, thus reducing recidivism and overall crime rate.

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Key components of Act 122 include: the elimination of pre-release; the development of a risk assessment tool by the PA Sentencing Commission; expansion of program eligibility for offenders while they are incarcerated; establishment of a Safe Community Reentry Program; county utilization of a high intensity supervision program for probationers involving swift and predictable but short sanctions for probation violations and; reorganization of the PA DOC Community Corrections focusing on Technical Parole Violators (TPV) and Parolees.

Implementation of Act 122 is expected to continue through FY13-14 and beyond. Progress on implementation activities are noted below:

- **Timely classification and placement of short-minimum offenders** – Short minimum (short-min) offenders are inmates committed to the DOC with less than one year to serve until they reach their minimum sentence expiration date. To address extended periods of short-min offender incarceration beyond the eligible minimum release date, improvements were made to the classification and placement of offenders. In 2012, the average time for classification period decreased from 75 days to 30 days, resulting in more efficient placement of short-minimum offenders and improved productivity to prepare short-mins for their transition back to the community.
- **Community Corrections “Non-Residential” Services** – The PA DOC traditionally coordinates residential services (Group Home, Drug & Alcohol, Mental Health, and Dual Diagnosis) for offenders to be released into the communities. In light of JRI’s holistic approach on offender re-integration, the PA DOC and PBPP are reviewing opportunities to coordinate non-residential supportive and wrap-around services across the Commonwealth to support an offender’s successful re-integration into the community.
- **Augmenting SIP with HOPE:** In FY13-14, the PA DOC will analyze and evaluate opportunities to augment State Intermediate Punishment (SIP) to Hawaii’s Opportunity Probation with Enhancement (HOPE) supervision model. Evaluation results are intended to detail the impact the HOPE model has on subsequent criminal conduct.
- **Expand Program Eligibility:** To increase offender access and utilization of treatment programs, Act 122 expanded eligibility

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for County Intermediate Punishment (CIP), the Recidivism Risk Reduction Incentive (RRRI), the State Intermediate Program (SIP), and the PA DOC Boot Camp. Eligibility expansion is expected to provide alternative reduced minimum sentences for offenders successfully completing treatment, increase use of diversionary programs, and ultimately reduce the number of offenders committed to state corrections.

- **Act 196 of 2012**

On October 25, 2012, Governor Corbett signed several pieces of criminal justice-related legislation including HB 135 (Act 196). Act 196 will redirect savings, generated by JRI, from corrections to the communities by establishing a "Justice Reinvestment Fund" and supporting "front end" criminal justice activities, such as:

- Innovative policing
- Offender diversion programs
- County-based offender treatment
- Improved probation services
- Victim services, and
- Creation of the Juvenile Justice & Delinquency Prevention Committee
- Pennsylvania Commission on Sentencing for the development of a sentencing Risk Assessment Tool

DOC INITIATIVES

- **State Intermediate Punishment**

The DOC has just recently released the latest performance report for the SIP program. For the first time with this report, the DOC is able to substantiate a significant reduction in new crime recidivism (re-arrest rates) for those who participate in the SIP program compared to similarly situated DOC offenders who are eligible for, but do not participate in, SIP. The three-year re-arrest rate for SIP participants is seven percentage points lower than the re-arrest rate for DOC inmates who are eligible for SIP but do not participate. Additionally, the SIP program is estimated to save approximately \$35,456 per participant, with a total estimated cost savings since the initiation of the program of approximately \$61.8 million. Unfortunately, the program

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remains largely underutilized, with only about one-quarter of eligible participants actually being referred by the courts for SIP participation.

- **Recidivism**

The DOC has just completed a landmark recidivism study, which documents recidivism rates for the department using a variety of different measures and exploring a number of different aspects of recidivism. The report examines both re-arrest rates and re-incarceration rates. The DOC's 3-year re-arrest rate is 50.7%, the 3-year re-incarceration rate is 43.0%, and the 3-year overall recidivism rate is 62.0%. Unfortunately recidivism rates have remained largely unchanged in Pennsylvania over at least the past decade. With so many offenders failing after release from prison and after release from a Community Corrections Center, the numbers in this report stand to serve as a baseline performance measurement for the corrections reforms that have been enacted over the past year. These are the numbers to improve upon going forward. The "new normal" of our corrections system should be to expect and require quantifiable results based on research rather than anecdotal stories or innuendo.

- **Reorganization of Community Corrections** – The PA DOC is restructuring the entire Community Corrections System with a focus on outcomes and performance of contracted providers, including reduction of recidivism. New contracts will be in place by the beginning of the FY 2013-14 budget. Contracts will require service providers to maintain or reduce recidivism and will provide incentives for successful reduction of recidivism.
- **Prison Rape and Elimination Act (PREA) Compliance** Criminal justice facilities across the country are required to become compliant to new regulatory changes impacting the Prison Rape and Elimination Act. In line with Governor Corbett's commitment to eliminate all victimization within our prison system, the Department of Corrections has contracted a PREA compliance manager/statewide coordinator to oversee system implementation in addition to a consultant to evaluate the Department's effectiveness in PREA training.
- **Short-Minimum Facilities:** Approximately one-third of all new court admissions were short minimum inmates who enter the department with less than 12 months until their parole eligibility date. To most effectively and efficiently address programming needs for these offenders, the Department has identified four facilities as short minimum facilities with a primary responsibility of ensuring this category of offenders receives and completes programming in an expeditious fashion. Inmates identified as short

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minimum will receive an expedited and abbreviated classification at the Central Diagnostic and Classification prior to transferring to the short minimum facility for completion of classification and programming. In doing so, the Department will better prepare inmates for parole release and reintegration into the community. PBPP will align their resources also to ensure timely hearings for this challenging population.

- **Security Threat Groups (STG)** – The STG program gained significant momentum during 2012 and validated more than 3,200 state offenders currently monitored by security staff at each SCI – an increase from 2699 in 2011. In addition, the PA DOC implemented a specialized housing unit for STG offenders at SCI Greene. The housing unit opened in August of 2012 and has 65 STG validated inmates. To better identify, validate and track STG offenders, the PA DOC has strengthened partnerships with law enforcement in all the major agencies located in the Commonwealth at the federal, state and local levels.
- **Technical Parole Violators:** Implementation of Act 122 expanded the use of TPV centers in community corrections. This will result in a decrease in the TPV population housed in SCIs (versus being housed in less costly Community Corrections Centers or Contract Facility). The result will be better program delivery to prepare TPVs for re-parole in a more expeditious manner, as well as a significant cost savings.
- **Veteran's Initiative:** The PA DOC will pilot the implementation of specialized Veteran's Housing Units (VHU) at SCI Pittsburgh and two additional facilities. The VHU format will be similar to a therapeutic community (TC) with a targeted focus on customized treatment and programming for the veteran offender population. Additionally, the PA DOC has solicited proposals for veteran-specific group homes and will utilize its partnership with the Veteran's Administration to alleviate costs. The PA DOC will pay for the first 60 days in a group home, following which eligible offenders will be transferred to an approved veteran's program and the Veteran's Administration will assume financial responsibility from that time until their release from the program.

PA DOC/PBPP Joint Initiatives

- **Efficient Parole Docketing Management** - Started in FY12-13, this joint initiative prioritizes the docket of inmates to be seen by PBPP with efforts to streamline paperwork, improve the parole hearing process, and reduce the number of days between positive parole determination and release. Since

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implementation of JRI in July 2012, the percent of parole board inmate interviews increased from 58 to 83 percent – the highest percentage of docketed cases in history. Consequently, in the same time period, parole releases were up by 1,176 – a credit to the PBPP for minimizing waiting periods for offenders to be considered for release and for those deemed eligible to be released in a timely manner.

- **PA CAPTOR** – The Pennsylvania Corrections and Parole Total Offender Repository (PA CAPTOR) will be an integrated cross-system information repository that enables the DOC and the PBPP to manage all aspects of offender management, from incarceration to supervision, on one information system.
- **Safe Community Reentry Program** – A component of Act 122, the PA DOC and PBPP will work together to assess offenders' needs (treatment, educational and vocational) to assist a successful transition to the community and reduce recidivism. Additional activities include increasing partnership and collaboration efforts with community and non-profit organizations.

Legislative Recommendations

- **PIE PROGRAM** – Under the Prison Industry Enhancement Certification Program (PIECP), the federal Bureau of Justice Assistance (BJA) certifies that local or state prison industry programs meet all the necessary requirements to be exempt from federal restrictions on prisoner-made goods in interstate commerce. PIECP legislation would allow private industry to establish joint ventures with the PADO to produce goods using inmate labor. It would enable inmates to make a contribution to society, help offset costs of their incarceration, compensate crime victims, and provide financial support to families. PIECP also provides inmates with realistic work experience and enables them to acquire marketable skills to increase their potential for successful rehabilitation and meaningful employment upon release.

Process Efficiencies

- **Supply Chain Transformation:** The PA DOC released a Supply Chain Transformation Initiative (SCTI) bid that sought a consultant to analyze and work with DOC staff to reduce costs in its transportation, food service and laundry services that details and aligns with the Department's goal and

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vision. The SCTI procurement is currently in progress. It is anticipated that a 10% cost reduction (\$6 million) will be obtained. A similar change has occurred in the Michigan Department of Corrections.

- **Overtime Management:** We currently budget \$60 million per year for overtime. By contracting with a time and attendance system provider, we can explore a system that allows for both centralized management and calls for overtime that will ultimately eliminate grievances for not properly calling staff for overtime. We anticipate a 10% savings by improved management and reduced errors in processing. PADOC has also developed a Relief Factor Pilot Project which will increase staffing in an attempt to reduce overtime costs and save money.

Conclusion

Public safety is a top priority for the PA DOC. The Commonwealth has implemented corrections reform that continues to emphasize public safety and simultaneously looks to improve corrections in a manner that is smart on crime, cost effective for tax payers, and turns offenders into productive citizens upon their return to the community.