

ANALYSIS OF THE NEW JERSEY BUDGET

**DEPARTMENT OF CORRECTIONS
STATE PAROLE BOARD**

FISCAL YEAR

2015 - 2016

NEW JERSEY STATE LEGISLATURE

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

Paul A. Sarlo (D), 36th District (Parts of Bergen and Passaic), *Chair*
Brian P. Stack (D), 33rd District (Part of Hudson), *Vice-Chair*
Peter J. Barnes III (D), 18th District (Part of Middlesex)
Jennifer Beck (R), 11th District (Part of Monmouth)
Anthony R. Bucco (R), 25th District (Parts of Morris and Somerset)
Sandra B. Cunningham (D), 31st District (Part of Hudson)
Linda R. Greenstein (D), 14th District (Parts of Mercer and Middlesex)
Steven V. Oroho (R), 24th District (All of Sussex, and parts of Morris and Warren)
Kevin J. O'Toole (R), 40th District (Parts of Bergen, Essex, Morris and Passaic)
Nellie Pou (D), 35th District (Parts of Bergen and Passaic)
M. Teresa Ruiz (D), 29th District (Part of Essex)
Samuel D. Thompson (R), 12th District (Parts of Burlington, Middlesex, Monmouth and Ocean)
Jeff Van Drew (D), 1st District (All of Cape May, and parts of Atlantic and Cumberland)

GENERAL ASSEMBLY BUDGET COMMITTEE

Gary S. Schaer (D), 36th District (Parts of Bergen and Passaic), *Chair*
John J. Burzichelli (D), 3rd District (All of Salem, parts of Cumberland and Gloucester), *Vice-Chair*
Christopher J. Brown (R), 8th District (Parts of Atlantic, Burlington and Camden)
Anthony M. Bucco (R), 25th District (Parts of Morris and Somerset)
Gordon M. Johnson (D), 37th District (Part of Bergen)
John F. McKeon (D), 27th District (Parts of Essex and Morris)
Raj Mukherji (D), 33rd District (Part of Hudson)
Declan J. O'Scanlon, Jr. (R), 13th District (Part of Monmouth)
Eliana Pintor Marin (D), 29th District (Part of Essex)
Troy Singleton (D), 7th District (Part of Burlington)
Jay Webber (R), 26th District (Parts of Essex, Morris and Passaic)
Benjie E. Wimberly (D), 35th District (Parts of Bergen and Passaic)

OFFICE OF LEGISLATIVE SERVICES

David J. Rosen, *Legislative Budget and Finance Officer*
Frank W. Haines III, *Assistant Legislative Budget and Finance Officer*

Marvin W. Jiggetts, *Director, Central Staff*
Patricia K. Nagle, *Section Chief, Judiciary Section*

This report was prepared by the Judiciary Section of the Office of Legislative Services under the direction of the Legislative Budget and Finance Officer. The primary author was Anne Raughley.

Questions or comments may be directed to the OLS Judiciary Section (609-847-3865) or the Legislative Budget and Finance Office (609-847-3105).

DEPARTMENT OF CORRECTIONS AND STATE PAROLE BOARD

Budget Pages..... C-3, C-10, C-16, C-23, D-61 to
D-79, G-1 to G-2

Fiscal Summary (\$000)

	Expended FY 2014	Adjusted Appropriation FY 2015	Recommended FY 2016	Percent Change 2015-16
State Budgeted	\$1,078,388	\$1,070,717	\$1,067,680	(.3%)
Federal Funds	5,159	9,643	9,364	(2.9%)
<u>Other</u>	<u>49,950</u>	<u>50,583</u>	<u>50,924</u>	<u>.7%</u>
Grand Total	\$1,133,497	\$1,130,943	\$1,127,968	(.3%)

Personnel Summary - Positions By Funding Source

	Actual FY 2014	Revised FY 2015	Funded FY 2016	Percent Change 2015-16
State	8,264	8,159	8,173	.2%
Federal	30	26	19	(26.9%)
<u>Other</u>	<u>258</u>	<u>218</u>	<u>230</u>	<u>5.5%</u>
Total Positions	8,552	8,403	8,422	.2%

FY 2014 (as of December) and revised FY 2015 (as of January) personnel data reflect actual payroll counts. FY 2016 data reflect the number of positions funded.

Link to Website: <http://www.njleg.state.nj.us/legislativepub/finance.asp>

Highlights

- According to the Department of Corrections' monthly Summary of Residents, Admissions and Releases report, as of December 31, 2014, there were 21,448 State sentenced inmates housed in State and county correctional facilities and halfway house placements, 873 or 3.9 percent fewer inmates than the number housed on December 31, 2013. Of this amount, 18,590 inmates were housed in DOC facilities, 2,752 were housed in various community based residential facilities, and 106 were housed in the county jails.

DIRECT STATE SERVICES

- The Department of Corrections' and the State Parole Board's combined FY 2016 Direct State Services recommendations total \$935.6 million, which is \$7.8 million or 0.8 percent less than the FY 2014 adjusted appropriation of \$943.4 million. Funding for institutional operations is recommended at \$781.191 million, totaling \$9.692 million or 1.2 percent less than the FY 2015 adjusted appropriation of \$790.883 million.

DEPARTMENT OF CORRECTIONS

- The FY 2016 budget recommends \$31.914 million for the civilly committed sexual offender facility, \$3.6 million, or 12.6 percent more than the amount appropriated in FY 2015. The recommended increase includes an additional \$1.766 million to support existing costs previously funded with prior year balances, and \$1.8 million for mental health treatment services to the civilly committed residents. Budget evaluation data indicates that the program will serve 471 participants in FY 2016, the same number as in FY 2015.
- The FY 2016 budget provides for a reduction of \$13.3 million in other institutional operating accounts. This reduction is primarily the result of a \$7.948 million reduction in the Additions, Improvements and Equipment account. During FY 2015 the department received \$8.023 million in one-time Additions, Improvements and Equipment funding for the renovation of Mid-State Correctional Facility. The FY 2016 reduction in this account reflects the removal of the Mid-State renovation appropriation. According to the Office of Budget and Management, the Mid-State project is currently in the design phase, and furthermore, based on recent estimates, additional funding of approximately \$7 million is needed for the renovations. However, salary balances in FY 2016 are expected to be used in order to provide additional funding. It is unclear why the department's budget does not re-allocate salary funding to explicitly provide additional appropriations for Mid-State renovations.

Mid-State Correctional Facility is a male medium security institution located at Fort Dix in Burlington County, with an average daily inmate population of about 690. Formerly used as a military pre-trial detention center, it was leased to the Department of Corrections (DOC) in 1982 under a very stringent leasing agreement with the federal government requiring unique operating procedures. In August, 2004, the property was

Highlights (Cont'd)

- deeded to the DOC. In FY 2015, inmates were moved to other facilities within the correctional system so that renovations could begin.
- Institutional salary funding is recommended to decrease by \$7.8 million, reflecting a salary surplus in FY 2015 estimated at \$6.5 million. Offsetting this decrease, other institutional operating accounts are increased by \$2.3 million, to fund higher inmate medical costs and due to the shift of \$1.4 million from the Department of Human Services for operation of the Woodbridge Development Center Powerhouse.

STATE PAROLE BOARD

- The State Parole Board (SPB) is recommended to receive \$98.739 million in FY 2016, \$739,000 or .74 percent less than the FY 2015 adjusted appropriation of \$99.478 million. The SPB anticipates that it will supervise 15,795 parolees during FY 2016, 127 more than the number supervised during FY 2015.
- FY 2016 budget evaluation data indicates that the number of parolees to be monitored under the Satellite-Based Monitoring of Sex Offenders program will decline from 361 to 152 participants, a 58 percent reduction. The reduction can be attributed to a September 2014 Supreme Court ruling (Riley v. NJ State Parole Board) that provides that sex offenders who were convicted before the enactment of P.L.2007, c.128, the "Sex Offender Monitoring Act," could not be required to wear GPS tracking devices after being paroled. The recommended appropriation for this account totals \$2.282 million in FY 2016, the same amount as that appropriated in FY 2015.

GRANTS-IN-AID

DEPARTMENT OF CORRECTIONS

- The Executive projects that a total of \$1.33 million from the combined Purchase of Services Incarcerated in County Penal Facilities (FY 2015 adjusted appropriation of \$2.72 million) and the Purchase of Services for Inmates incarcerated in Out-of-State Facilities (FY 2015 adjusted appropriation of \$80,000) accounts will remain unexpended and be lapsed at the end of FY 2015. This represents a 49 percent reduction in the combined accounts. FY 2016 funding has been eliminated for the Purchase of Service for Inmates Incarcerated in Out-Of-State Facilities account, but has remained the same for the Purchase of Service for Inmates in County Penal Facilities account.
- The FY 2016 budget provides for a new appropriation of \$5 million to Essex County for a Recidivism Pilot Program. This new program, "Staying Connected", is designed to assist soon-to-be-released inmates with coordinated services to assist their reintegration into the community. This program will provide integrated services from various agencies and departments including: needs assessment, educational services, employment, healthcare, identification, housing, anger management and life skills training. The goal of the program is to eliminate barriers that prevent ex-offenders from successfully transitioning back in their communities upon release, thus reducing recidivism.

Highlights (Cont'd)

STATE AID

DEPARTMENT OF CORRECTIONS

- A total of \$22.5 million in State Aid funding is recommended in FY 2016 for Essex County Jail Substance Abuse Programs (\$20 million), and Union County Inmate Rehabilitation Services (\$2.5 million), the same amount as that appropriated in FY 2015. Funding for these programs is allocated from the Property Tax Relief Fund.

Information from the Executive indicates that the department will lapse \$1 million from the Union County Inmate Rehabilitation Services program at the end of FY 2015. The sum of \$2.5 million is recommended for the program in FY 2016, the same amount as in FY 2015.

Background Paper

- Inmate Population Trends

p. 14

Fiscal and Personnel Summary

AGENCY FUNDING BY SOURCE OF FUNDS (\$000)

	Expended FY 2014	Adj. Approp. FY 2015	Recom. FY 2016	Percent Change	
				2014-16	2015-16
General Fund					
Direct State Services	\$958,246	\$943,376	\$935,619	(2.4%)	(0.8%)
Grants-In-Aid	100,230	104,841	109,561	9.3%	4.5%
State Aid	19,183	0	0	(100.0%)	0.0%
Capital Construction	729	0	0	(100.0%)	0.0%
Debt Service	0	0	0	0.0%	0.0%
Sub-Total	\$1,078,388	\$1,048,217	\$1,045,180	(3.1%)	(0.3%)
Property Tax Relief Fund					
Direct State Services	\$0	\$0	\$0	0.0%	0.0%
Grants-In-Aid	0	0	0	0.0%	0.0%
State Aid	0	22,500	22,500	0.0%	0.0%
Sub-Total	\$0	\$22,500	\$22,500	0.0%	0.0%
Casino Revenue Fund	\$0	\$0	\$0	0.0%	0.0%
Casino Control Fund	\$0	\$0	\$0	0.0%	0.0%
State Total	\$1,078,388	\$1,070,717	\$1,067,680	(1.0%)	(0.3%)
Federal Funds	\$5,159	\$9,643	\$9,364	81.5%	(2.9%)
Other Funds	\$49,950	\$50,583	\$50,924	1.9%	0.7%
Grand Total	\$1,133,497	\$1,130,943	\$1,127,968	(0.5%)	(0.3%)

PERSONNEL SUMMARY - POSITIONS BY FUNDING SOURCE

	Actual FY 2014	Revised FY 2015	Funded FY 2016	Percent Change	
				2014-16	2015-16
State	8,264	8,159	8,173	(1.1%)	0.2%
Federal	30	26	19	(36.7%)	(26.9%)
All Other	258	218	230	(10.9%)	5.5%
Total Positions	8,552	8,403	8,422	(1.5%)	0.2%

FY 2014 (as of December) and revised FY 2015 (as of January) personnel data reflect actual payroll counts. FY 2016 data reflect the number of positions funded.

AFFIRMATIVE ACTION DATA

Total Minority Percent					
Department of Corrections	46.5%	46.9%		---	---
State Parole Board	42.9%	37.8%		---	---

Significant Changes/New Programs (\$000)

<u>Budget Item</u>	<u>Adj. Approp. FY 2015</u>	<u>Recomm. FY 2016</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
--------------------	---------------------------------	----------------------------	--------------------------	---------------------------	------------------------

DETENTION AND REHABILITATION

DIRECT STATE SERVICES

Salaries and Wages	\$523,043	\$515,261	(\$7,782)	(1.5%)	D-70
---------------------------	------------------	------------------	------------------	----------------	-------------

This appropriation funds salaries and wages of staff assigned to the 13 State correctional facilities. The FY 2016 recommendation for this account represents a reduction of \$8.191 million in surplus salary funding and overtime reductions. Information from the Executive indicates that the department will lapse \$6.493 million in salary surplus at the end of the fiscal year.

These reductions are offset by an increase of \$412,000 from reallocation of funding from the Department of Human Services (DHS) to East Jersey State Prison for the Woodbridge Developmental Center (WDC) Powerhouse. DHS has closed their facility located on the grounds of WDC. The powerhouse located on the property needs to be operated and maintained by the DOC because it supplies steam, gas and water to East Jersey State Prison and the Adult Diagnostic and Treatment Center.

Total institutional staffing supported by State funds is projected to remain level at 6,886 positions. The institutional aggregate average daily population is also expected to remain level.

Materials and Supplies

\$58,920	\$59,159	\$ 239	.4%	D-71
-----------------	-----------------	---------------	------------	-------------

Institutional spending on materials and supplies consists primarily of inmate food and clothing costs and utility costs. The recommended increase for these purposes reflects an \$851,000 increase from shift of funding and responsibility for the WDC Powerhouse from the Department of Human Services to East Jersey State Prison, offset by \$612,000 in reductions in inmate food and clothing costs, based on spending trends.

Services Other Than Personal

\$155,534	\$157,184	\$ 1,650	1.1%	D-71
------------------	------------------	-----------------	-------------	-------------

This appropriation primarily funds inmate medical costs and inmate wages. The FY 2016 recommendation includes an increase of \$2.6 million for inmate healthcare, offset by a reduction of \$950,000 in inmate wages due to decreasing inmate population.

Maintenance and Fixed Charges

\$13,481	\$13,938	\$ 457	3.4%	D-71
-----------------	-----------------	---------------	-------------	-------------

This appropriation supports the costs of maintenance of buildings, equipment and grounds. The FY 2016 increase includes \$78,000 shifted from the Department of Human Services for the

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2015</u>	<u>Recomm.</u> <u>FY 2016</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
--------------------	---------------------------------------	----------------------------------	--------------------------------	---------------------------------	------------------------------

assumption of responsibility for the WDC Powerhouse, and a \$379,000 increase for Northern State Prison.

**Civilly Committed
Sexual Offender
Program**

\$28,348	\$31,914	\$ 3,566	12.6%	D-71
-----------------	-----------------	-----------------	--------------	-------------

The recommended increase includes an additional \$1.766 million to support existing costs previously funded with re-appropriated prior year unexpended balances, and \$1.8 million for higher costs of mental health treatment services for the civilly committed residents. Budget evaluation data indicate that the program will serve 471 participants in FY 2016, the same as in FY 2015.

**Edna Mahan
Visitation Program**

\$0	\$123	\$ 123	—	D-71
------------	--------------	---------------	----------	-------------

This appropriation results from the shift of \$89,000 in federal Social Services Block Grant funding for the Edna Mahan Visitation Program to the Department of Children and Families (DCF) a shift of State funds from DCF to the DOC to replace that funding, and an increase of \$34,000 to replace federal Violence Against Women Act funds.. The Mother/Child Visitation Program consists of a visitation program for children of incarcerated mothers, with transportation services provided for children participating in the program.

**Additions,
Improvements and
Equipment**

\$9,098	\$1,150	(\$7,948)	(87.4%)	D-71
----------------	----------------	------------------	-----------------	-------------

In FY 2015 the department received an increased appropriation of \$8.023 million for the renovation of Mid State Correctional Facility. The FY 2016 reduction in this account reflects the removal of the Mid-State renovation appropriation. According to the Office of Management and Budget, the Mid-State project is currently in the design phase. Furthermore, based on recent estimates, additional funding of approximately \$7 million is needed for the renovations. However, salary balances in FY 2016 are expected to be available and will serve as the additional funding source.

Mid-State Correctional Facility is a male medium security institution located at Fort Dix in Burlington County, which formerly housed an average daily inmate population of about 690. Once used as a military pre-trial detention center, it was leased to the Department of Corrections (DOC) in 1982 under a very stringent leasing agreement with the federal government requiring unique operating procedures. In August, 2004, the property was deeded to the DOC. In FY 2015, inmates were moved to other facilities within the correctional system in advance of renovations.

This line item also includes an increase of \$75,000 in funds reallocated from the Department of Human Services due to DOC assumption of responsibility for the WDC Powerhouse.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2015</u>	<u>Recomm.</u> <u>FY 2016</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
FEDERAL FUNDS					
Institutional Care and Treatment	\$500	\$266	(\$ 234)	(46.8%)	D-71

The FY 2016 reduction in anticipated federal funding represents the elimination of one grant, Edna Mahan Correctional Facility Violence Against Women grant totaling \$77,000 and the shift of \$89,000 in Social Services Block Grant funding for the Edna Mahan Visitation Program to the Department of Children and Families. The Edna Mahan Visitation program is recommended to receive \$123,000 in Direct State Services funding in FY 2016.

In addition, the department is anticipated to receive \$266,000 in FY 2016 under the Individuals With Disabilities Act, \$68,000 less than the amount received in FY 2015. Individuals with Disabilities Act educational programs are operated at Garden State Youth Correctional Facility and Mountainview Youth Correctional Facility.

ALL OTHER FUNDS

Administration and Support Services	\$18,904	\$18,791	(\$ 113)	(.6%)	D-71
--	-----------------	-----------------	-----------------	---------------	-------------

The anticipated reduction in other funding constitutes a reduction in the Inmate Canteen account for all of the facilities, from \$14.786 million to \$14.673 million. The balance of funding in this account represents anticipated collections of \$4.118 million in South Woods State Prison Central Food Production, the same amount as anticipated in FY 2015.

**SYSTEM-WIDE
PROGRAM SUPPORT****DIRECT STATE****SERVICES**

Integrated Information System	\$8,100	\$8,899	\$ 799	9.9%	D-73
--------------------------------------	----------------	----------------	---------------	-------------	-------------

According to the Office of Management and Budget, the recommended increase would provide \$249,000 to fully fund salaries charged to this account, and \$550,000 to fund annual subscription costs for the Microsoft Exchange Enterprise Licensing Agreement.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp. FY 2015</u>	<u>Recomm. FY 2016</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
GRANTS IN AID					
Purchase of Service for Inmates Incarcerated in County Penal Facilities	\$2,720	\$2,720	0	—	D-73
Purchase of Service for Inmates Incarcerated in Out- Of-State Facilities	\$80	\$0	(\$ 80)	(100.0%)	D-73

Information from the Executive indicates that the department will be lapsing a total of \$1.33 million from these two appropriations. This represents 49 percent of the combined FY 2015 adjusted appropriations. Funding has been eliminated for the Purchase of Service for Inmates Incarcerated in Out-of-State Facilities account for FY 2016, but has remained the same for the Purchase of Service for Inmates in County Penal Facilities account.

According to the Office of Management and Budget, the department is billed for inmates incarcerated in out-of-state facilities only when expenditures related to those inmates exceed those attributable to the inmates housed in our facilities from other states. This has not been the case for several years. FY 2011 was the last time payments were made from this account, in the amount of \$5,378.12.

Essex County – Recidivism Pilot Program	\$0	\$5,000	\$ 5,000	—	D-73
--	------------	----------------	-----------------	----------	-------------

According to the Office of Management and Budget, this new program would provide for a recidivism pilot program in Essex County, "Staying Connected". This pilot program is designed to assist inmates about to be released from incarceration with coordinated services to assist their reintegration into the community. The program will provide integrated services from various agencies and departments including: needs assessment, educational services, employment, healthcare, identification, housing, anger management and life skills training. The goal of the program is to eliminate barriers that prevent ex-offenders from successfully transitioning back in their communities upon release, thus reducing recidivism.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp. FY 2015</u>	<u>Recomm. FY 2016</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
FEDERAL FUNDS					
Institutional Program Support	\$7,217	\$7,260	\$ 43	.6%	D-73

FY 2016 federal funding represents a reduction in three grants programs, offset by funding increases in two programs. The following programs are anticipated to either receive reduced funding in FY 2016 or be eliminated:

- The State Criminal Alien Assistance (SCAAP) program is projected at \$2.695 million in FY 2016, \$1.097 million less than FY 2015. The program reimburses state and local governments for the costs of incarcerating unauthorized immigrants.
- The Engaging the Family – Community Centered program is projected to decline to \$192,000 in FY 2016, \$847,000 under estimated FY 2015 funding of \$1.039 million. The Engaging the Family program recruits the spouse/committed partner and children of offenders as allies in an effort to end the criminal and addictive lifestyle of their loved ones. Case managers facilitate relationship strengthening, parenting, financial literacy and substance abuse education workshops. The case managers also assist the offender in establishing specific links to social and drug treatment services in preparation for release and additionally act as a resource to the ex-offender and family post-release.
- Social Security Administration Incentive payments are anticipated to decline by \$13,000, from \$63,000 to \$50,000 in FY 2016

New funding of \$2 million is projected for Central Communications upgrades, \$1 million each from the U.S. Department of Commerce and the U.S. Department of Homeland Security. The department anticipated receiving these funds in FY 2014, but as yet no funding has been realized.

STATE PAROLE BOARD**DIRECT STATE SERVICES**

Salaries and Wages	\$40,239	\$39,939	(\$ 300)	(.7%)	D-76
---------------------------	-----------------	-----------------	-----------------	--------------	-------------

The FY 2016 reduction represents savings expected by the Division of Parole through staff attrition. The division's funded positions are projected to increase in FY 2016 from 418 to 429. The number of parolees under supervision is projected to increase in FY 2016 by less than 1 percent.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2015</u>	<u>Recomm.</u> <u>FY 2016</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
Sex Offender Management Unit	\$11,696	\$11,457	(\$ 239)	(2.0%)	D-76

According to the Office of Management and Budget, the FY 2016 reduction is the result of completion of line of credit payments on prior equipment purchases.

GRANTS IN AID**Community Resource
Center Program (CRC)**

\$11,581	\$11,381	(\$ 200)	(1.7%)	D-77
-----------------	-----------------	-----------------	----------------	-------------

According to the Office of Management and Budget, the FY 2016 reduction reflects efficiencies realized from unspecified contractual revisions. Information provided by the Executive indicates that this program will lapse \$387,000 at the end of FY 2015. Budget evaluation data (page D-75) indicates that the Community Resource Center (CRC) program will be providing services to 1,750 parolees in FY 2016, the same number served in FY 2015.

Community Resource Centers are non-residential programs that provide a number of services to male and female offenders. In addition, CRC programs also provide "step down" services for offenders transitioning from residential community programs. CRCs are operational seven days per week to provide offenders with the appropriate level of services to aid with their successful community adjustment. CRC Programs provide the following services: life skills development; stress and anger reduction; job readiness skills; employment counseling and placement; academic assistance; money management; family intervention; parenting skills; mental health referrals; and the development of housing resources for offenders.

**CENTRAL PLANNING
DIRECTION AND
MANAGEMENT****DIRECT STATE
SERVICES**

Salaries and Wages	\$14,435	\$14,021	(\$ 414)	(2.9%)	D-78
---------------------------	-----------------	-----------------	-----------------	----------------	-------------

The FY 2016 reduction eliminates part of a department-wide salary surplus. Information from the Executive indicates the department will lapse \$6.5 million in unspent salary funding at the close of FY 2015. The recommended level of salary funding will enable the department to maintain 136 central administrative staff in FY 2016, the same number as of January 2015.

**Maintenance and
Fixed Charges**

\$676	\$791	\$ 115	17.0%	D-79
--------------	--------------	---------------	--------------	-------------

The recommended increase is intended to provide the department with additional resources for facilities maintenance to approximate prior and current year spending levels.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp. FY 2015</u>	<u>Recomm. FY 2016</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
FEDERAL FUNDS					
Administrative and Support Services	\$1,426	\$1,338	(\$ 88)	(6.2%)	D-79

The FY 2016 anticipated amount includes funding for the following programs:

- The Adult Basic Skills program is projected to receive \$940,000 in FY 2016, \$32,000 more than the amount received in FY 2015. The Adult Basic Skills program provides educational opportunities to adults sixteen and older, not currently enrolled in school, who lack a high school diploma or the basic skills to function effectively in the workplace or their daily lives.
- Indirect cost recoveries from the Title I Neglected and Delinquent program are projected at \$230,000, \$131,000 less than the \$361,000 expected in FY 2015. The federal Title I Neglected and Delinquent program provides formula grants to State educational agencies for supplementary education services to help provide education continuity for children and youth in state-run institutions for juveniles and in adult correctional institutions, so that these youth can make successful transitions to school or employment once they are released from state institutions.
- Vocational Educational funding under the Perkins Act is projected at \$168,000 in FY 2016, \$11,000 more than that received in FY 2015. The program provides grant funds for criminal offenders who are in correctional facilities, to be used to expand, improve, modernize, and develop vocational education programs to meet workforce demands.

ALL OTHER FUNDS	\$4,159	\$4,613	\$ 454	10.9%	D-79
------------------------	----------------	----------------	---------------	--------------	-------------

The All Other Funds line item consists of funding awarded to the institutions under “The State Facilities Education Act of 1979” (P.L.1979, c.207). Funds for this program are provided through the Department of Education and based on an annual pupil count that is conducted on the last school day prior to October 16th for the following school year. Eligible student offenders are 20 years of age or younger on July 1, enrolled in education programs, and do not yet possess a high school diploma or equivalent. Funds are distributed proportionally based on each facility's pupil count after adjustments are made for central office educational support services, various special services and other contingencies.

Significant Language Changes

There are no significant language changes for the Department of Corrections or the State Parole Board.

EXPLANATION: FY 2015 language not recommended for FY 2016 denoted by strikethrough.
Recommended FY 2016 language that did not appear in FY 2015 denoted by underlining.

Background Paper: Inmate Population Trends

Summary

New Jersey's adult and young adult State prison population steadily increased through the 1980's and into the 1990's. Commencing with the year 2000, prison population growth abated as inmate populations decreased, providing some relief to the Department of Corrections (DOC). Concurrently, the makeup of the prison population began shifting from primarily violent offenders to primarily non-violent offenders with an increasing number of drug offenders. Recent increases in alternatives to incarceration, drug treatment and parole programs have reversed this trend and violent offenders are again the major population cohort within the State's prisons. The imposition of mandatory minimum sentences has also resulted in an increase in the number of inmates who are 50 years of age or older, which may be the beginning of a trend toward a more elderly prison population.

More recently, the FY 2009 closure of Riverfront State Prison has highlighted the State's focus on reducing the State prison population in favor of lower cost alternatives to incarceration and expanded parole programs. The imposition of the drug court program, expanded parole programs and other alternatives to incarceration have contributed to the reduction in the State's prison population and the number of drug offenders sentenced to a custodial term.

The decline in the State sentenced prison population has provided the department with the flexibility to shift inmates among facilities in order to perform facility renovations. During FY 2015, the department began this process by transferring all inmates from Mid-State Correctional Facility to other institutions within the DOC to allow for the complete renovation of that facility. Upon the completion of the work at Mid-State, the department has plans to re-populate Mid-State and renovate other facilities.

Introduction

The DOC is responsible for custody, care, discipline, training and treatment of persons committed to State correctional institutions, as well as for those individuals under community supervision or on parole.

The department has under its jurisdiction 13 institutions: one reception center, eight housing adult male offenders, one of which is dedicated to the treatment and rehabilitation of sex offenders; one housing adult female offenders; and three housing youthful offenders. Additionally, the department is responsible for housing offenders who have completed their term of incarceration but who have been classified as sexually violent predators, are considered to be a danger to the public and have been involuntarily committed to a separate facility specifically designated for this population. While the Department of Corrections is responsible for housing and providing security for these individuals, the Department of Human Services is responsible for treatment services.

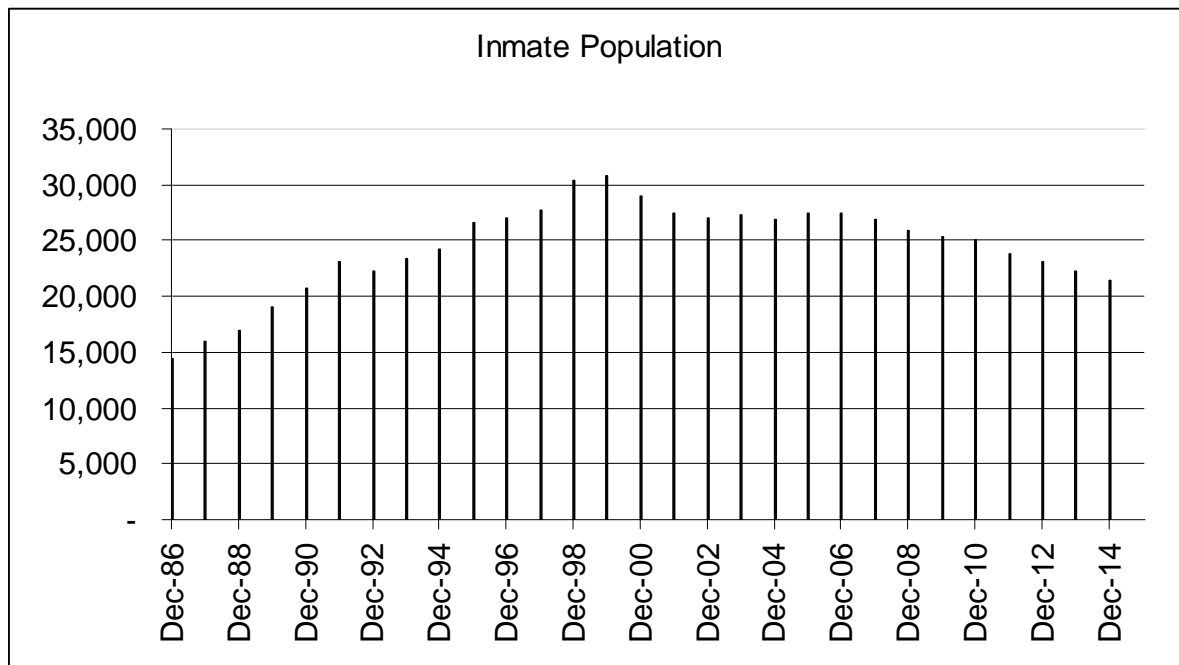
In addition to the State-run institutions, the Department of Corrections houses inmates in county jails and in various alternatives to incarceration. These placements serve two functions: to prevent overcrowding within the State operated facilities, and to provide various

Background Paper: Inmate Population Trends (Cont'd)

treatment and educational services to State sentenced inmates to help smooth the transition back to society at the end of the inmate's term of incarceration.

Prison Population Changes

The following chart tracks the number of inmates in the State's custody from the late 1980's through 2014. On December 31, 1986, the Department of Corrections housed 14,346 adult and young adult State sentenced inmates in State and county correctional facilities and in various community based halfway house facilities. By December 31, 1999, the high point in the State prison population, the number of State sentenced inmates more than doubled, totaling 30,818. On December 31, 2014 the State sentenced prison population totaled 21,448 inmates, 9,370 inmates fewer than the number housed in 1999, a decline of about 30.4 percent, but still about 49.5 percent more inmates than those housed in 1986.



Source: New Jersey Department of Corrections, "Residents, Admissions and Releases" report, issued monthly by the Division of Policy Analysis and Planning.

The inmate population growth during the 1990's was due primarily to the enactment of various laws that prescribed new and longer sentences for various drug offenses, drug related criminal activity and violent crimes. In addition, minimum mandatory sentences imposed on several offenses required longer prison stays for convicted offenders. Finally, statutes mandating stiffer parole eligibility criteria served to keep offenders incarcerated longer, swelling the State prison population.

The reductions in the State sentenced prison population after 2000 can be attributed to the Division of Parole's expansion of various alternatives to incarceration and its efforts to

Background Paper: Inmate Population Trends (Cont'd)

increase staff to facilitate the reduction of backlog of inmates awaiting parole hearings. The Statewide expansion of the Drug Court program and the Judiciary's Intensive Supervision program have also contributed to the reduction in the State prison population. The enactment of P.L.2012, c.23 which provides for the phased in implementation of mandatory drug court for drug offenders will likely contribute to further reduction of drug offenders housed in the State correctional facilities and the overall number of inmates in the State prison system.

The decline in the State sentenced prison population has provided the department with the flexibility to shift inmates among facilities in order to undertake renovations. During FY 2015, the department began this process by transferring all inmates from Mid-State Correctional Facility to other institutions within the DOC to allow for the complete renovation of that facility. Upon the completion of renovations to Mid-State, the department has plans to re-populate Mid-State and perform renovations at other facilities.

Offender Characteristics

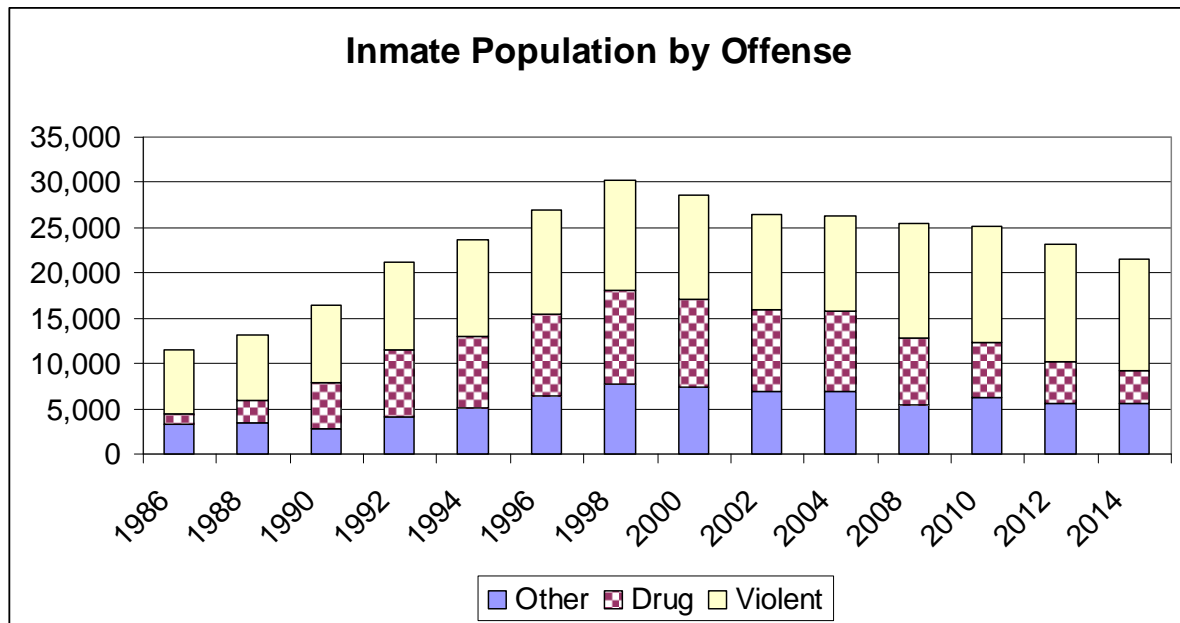
Over time, the makeup of the State sentenced prison population began to show a disproportionate increase in the number of drug offenses over the increase in violent crime. For example on December 31, 1986, a total of 11 percent of the State prison population were drug offenders. Another 61 percent were convicted of violent crimes, while the remaining 28 percent were convicted of all other types of crimes. In January, 1998 drug offenders accounted for 34 percent of the total prison population, the proportion of violent offenders declined to 40 percent, and those convicted of other offenses totaled 26 percent of the inmate population.

After rising significantly from 1986 to 1998, the number of imprisoned drug offenders began to decline as a result of the State's use of alternative programs such as drug court, which provides treatment rather than incarceration for non-violent drug offenders. The enactment of P.L.2012, c.23, expanding mandatory drug courts Statewide over five years may contribute to future reductions in the drug offender population. The following chart illustrates the growth and subsequent reduction in the drug offender population.

Over time, the total makeup of the State prison population has shifted. As of January 2014, inmates convicted of violent crimes have risen back to 57 percent of the State sentenced prison population. Another 17 percent of the State prison population were drug offenders and the remaining 26 percent were convicted of all other types of crimes.

The following chart illustrates to makeup of the State sentenced prison population by offense.

Background Paper: Inmate Population Trends (Cont'd)



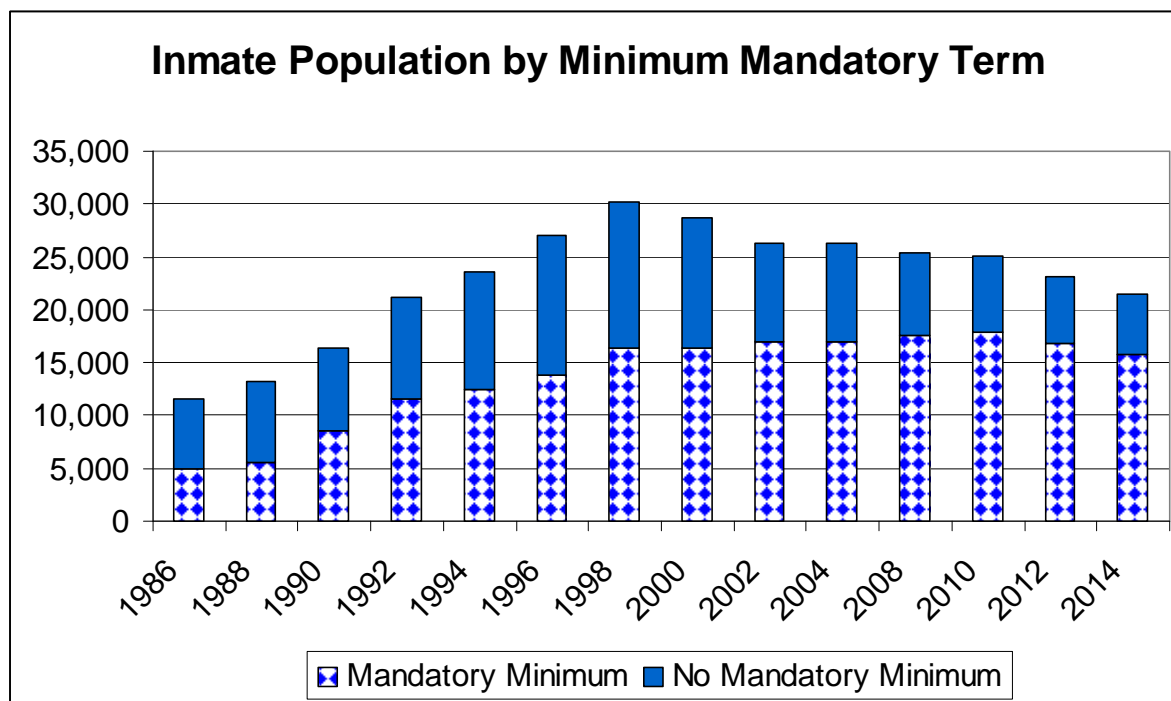
Source: New Jersey Department of Corrections, "Offender Characteristics Report", issued by the Division of Policy Analysis and Planning.

Mandatory Minimum Sentences

During the 1980's and into the 1990's, the Legislature's efforts to reduce and punish crime in New Jersey included enacting statutes imposing mandatory minimum sentences on individuals convicted of certain crimes. Under a mandatory minimum term, an inmate must serve a specified minimum amount of time in prison before becoming eligible for parole. Prior to the enactment of these laws, convicted offenders generally served from one-third to one-half of the sentence imposed due to time and work credits earned while incarcerated and the parole process.

The following chart illustrates that since 1986, the number of inmates serving mandatory minimum terms generally grew at a greater pace than the total number of inmates in the correctional population. Since 1998 the number serving non-mandatory minimum sentences has declined steeply. In 1986, about 43 percent of the State's total adult population were serving mandatory minimum terms. By 2014 this proportion totaled 73 percent of the inmate population. One factor contributing to the increasing percentage of inmates serving mandatory minimum terms is the State's focus on making alternative to incarceration programs available to those offenders convicted of offenses not requiring mandatory sentencing, thus decreasing this portion of the population. Because of the increasing proportion of inmates serving mandatory minimum sentences, several bills have been introduced relaxing mandatory terms and making sentencing alternatives available to this portion of the population.

Background Paper: Inmate Population Trends (Cont'd)



Source: New Jersey Department of Corrections, "Offender Characteristics Report", issued by the Division of Policy Analysis and Planning.

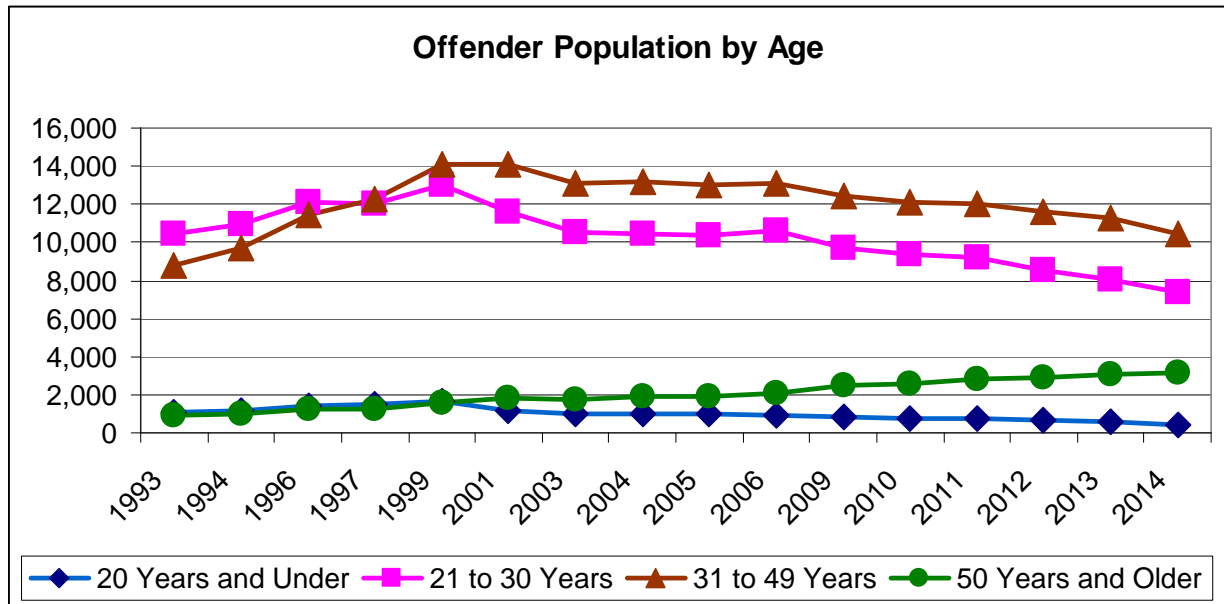
Aging Prison Population

While the size of the State’s prison population declined over the past 15 years, mandatory minimum sentences have contributed to demographic shifts within this population. Absent parole opportunities for offenders serving mandatory minimum sentences, their longer prison stays have resulted in an increase in the number of inmates who are more than 50 years of age.

According to the New Jersey Department of Corrections’ Offender Characteristics Reports, on December 31, 1992 the number of offenders aged between 21 to 30 years old, the largest sector of the prison population at that time, totaled 10,431 inmates, or 49.1 percent of the prison population. Inmates aged 50 years and over totaled only 894, or 4.2 percent of the population. By January, 2015, demographics shifted such that the largest population group included inmates ranging in age from 31 to 49 years of age, totaling 10,421 individuals, or 48.7 percent of the State prison population. The number of 21 to 30 year old offenders totaled 7,403, or 34.6 percent of the prison population and the number of offenders age 50+ totaled 3,184 inmates or 14.9 percent of the prison population.

The following chart illustrates the trend toward an older prison population. Within an overall population decline, the number and proportion of inmates aged 31 through 49 has become the largest age cohort. The offender population 50 years of age and older is the only of these four age cohorts to have increased in the past decade.

Background Paper: Inmate Population Trends (Cont'd)



Source: New Jersey Department of Corrections, "Offender Characteristics Report", issued by the Division of Policy Analysis and Planning.

Alternative Housing Options

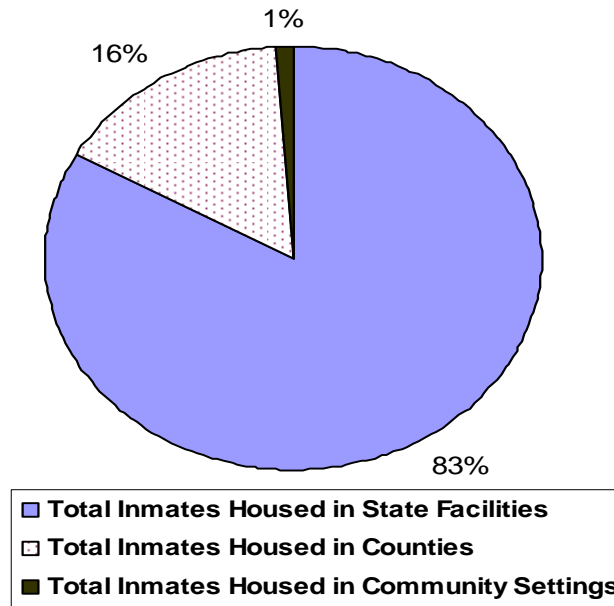
As the DOC's prison population grew during the 1980's and 1990's, the department faced the task of acquiring secure housing to meet its mandate to house the State's convicted offenders. In response, the DOC enlisted county jails and expanded its use of community based halfway houses and treatment facilities and various alternatives to incarceration. Recent trends show the department placing more reliance on halfway house alternatives than on county facilities as a housing option. County jails remain one facet of the department's overall housing strategy but have become significantly less important.

In December 1986, while the Department of Corrections had a total of 14,346 inmates, of which, 11,937, or 83 percent, were housed in State facilities. Of the remaining number, 2,244 (16 percent) were housed in county facilities and 165 (1 percent) were housed in community settings (which includes both community based treatment centers and alternatives to incarceration). In December, 2014, the number of State sentenced inmates totaled 21,448. The number housed in State facilities totaled 18,590 inmates, comprising 87 percent of the prison population. The number of county placements dwindled to 106 (0.49 percent), and the number of community placements totaled 2,752 (13 percent). The increasing use of community placements reflects the State's attempt during the past several years to reduce the number of inmates housed in the counties as well as an effort to expand the use of alternatives to incarceration. In FY 2016, the State projects that the number of inmates housed in the counties will total 200, while community placements are estimated to total 2,697. Still, the vast majority of inmates will reside in State facilities (19,365), the most expensive form of confinement.

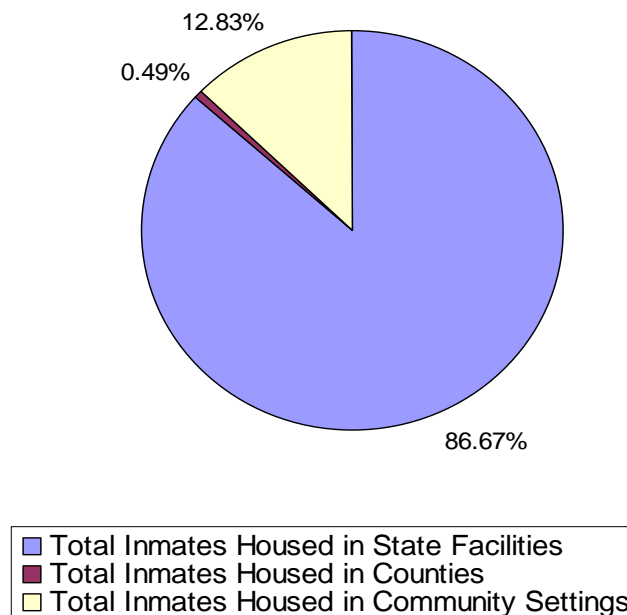
Background Paper: Inmate Population Trends (Cont'd)

The following charts illustrate the shift in the use of county facilities and the department's increasing reliance on community based alternatives to incarceration.

**Population Distribution
December 1986**



**Population Distribution
December 2014**



Source: New Jersey Department of Corrections, "Residents, Admissions and Releases" report, issued monthly by the Division of Policy Analysis and Planning

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services provides nonpartisan assistance to the State Legislature in the areas of legal, fiscal, research, bill drafting, committee staffing and administrative services. It operates under the jurisdiction of the Legislative Services Commission, a bipartisan body consisting of eight members of each House. The Executive Director supervises and directs the Office of Legislative Services.

The Legislative Budget and Finance Officer is the chief fiscal officer for the Legislature. The Legislative Budget and Finance Officer collects and presents fiscal information for the Legislature; serves as Secretary to the Joint Budget Oversight Committee; attends upon the Appropriations Committees during review of the Governor's Budget recommendations; reports on such matters as the committees or Legislature may direct; administers the fiscal note process and has statutory responsibilities for the review of appropriations transfers and other State fiscal transactions.

The Office of Legislative Services Central Staff provides a variety of legal, fiscal, research and administrative services to individual legislators, legislative officers, legislative committees and commissions, and partisan staff. The central staff is organized under the Central Staff Management Unit into ten subject area sections. Each section, under a section chief, includes legal, fiscal, and research staff for the standing reference committees of the Legislature and, upon request, to special commissions created by the Legislature. The central staff assists the Legislative Budget and Finance Officer in providing services to the Appropriations Committees during the budget review process.

Individuals wishing information and committee schedules on the FY 2016 budget are encouraged to contact:

**Legislative Budget and Finance Office
State House Annex
Room 140 PO Box 068
Trenton, NJ 08625
(609) 847-3105 • Fax (609) 777-2442**