THE NONVIOLENT OFFENDER REHABILITATION ACT: PRISON OVERCROWDING, PAROLE AND SENTENCING REFORM (PROPOSITION 5)

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Part 1

Introduction

California’s prisons are overburdened because state policies have created an endless cycle of incarceration that does little to promote public safety. An estimated one-third of inmates in California prisons are nonviolent recidivists who have never been sentenced for a violent crime. Meanwhile, as a result of sentencing changes in the late 1970s and early '80s, the prison population has quadrupled, the parolee population has more than quadrupled, and general fund expenditures for the Department of Corrections and Rehabilitation (CDCR) have ballooned from 2 percent to 10 percent, or more than $10 billion today. State institutions are at double their capacity, resulting in such poor performance that portions of the state’s criminal justice system are now run by federal mandate. The threat of federal takeover of more of the state’s failing prison system is real and significant.

Proposition 5, the Nonviolent Offender Rehabilitation Act, will be decided by voters in the November 4, 2008 General Election. The proposition contains within it some of the important reform measures that numerous advisory committees have for years urged the state to implement. These reforms would help to break the state’s appallingly high prison recidivism rate by bringing California’s parole terms and sanctions for parole violation more in line with other states’, which have managed incarcerated populations more effectively. Proposition 5 would also build on the cost-saving drug treatment programs approved by voters in 2000 under Proposition 36, the Substance Abuse and Crime Prevention Act.
Overview of Proposition 5

Proposition 5 would change the way the state handles some nonviolent drug crimes and expand drug treatment programs, primarily for nonviolent offenders and parolees with substance abuse problems. It would also modify parole terms, adjusting parole periods based on the offense history of the parolee, and providing graduated sanctions rather than immediate return to prison for nonviolent offenders who violate certain conditions of parole.

Expansion of drug treatment diversion programs. Currently, the state has three main types of diversion programs for criminal offenders, those provided under Penal Code 1000 and by Proposition 36 (the Substance Abuse and Crime Prevention Act of 2000) and drug courts. Under these programs, certain people charged with drug offenses can be sentenced to probation and treatment rather than jail or prison, and are subject to monitoring by probation officers, drug treatment providers and court judges. Proposition 5 expands and largely replaces these existing programs with a new three-track drug treatment diversion program. The three tracks would vary in eligibility requirements, period of participation and level of supervision, and provide a series of graduated sanctions for offenders based on performance in the program.

The measure appropriates $150 million from the General Fund in FY 2009, and $460 million in FY 2010 to the Substance Abuse Treatment Trust Fund, initially created under Proposition 36 (2000). The funding would be adjusted annually for population growth and cost of living after that year. The proposition would also create a new committee to set rules regarding the use and distribution of these funds. A set portion of the fund would create a new county-operated program for nonviolent youth under age 18 considered to be at risk of committing drug offenses (publicly funded drug treatment programs for people under age 18 are not currently available).

Changes to state parole and rehabilitation programs. With some exceptions, most offenders released from prison are currently placed on parole for a period of three years. Parolees are returned to prison if they are convicted of a new misdemeanor or felony, or if parole authorities revoke parole based on either a criminal or non-criminal parole violation. The state currently has very limited resources for rehabilitation programs (such as substance abuse treatment, education and job training) to prepare inmates for successful parole, and does not directly provide any such services to offenders once they have been discharged from parole.
Proposition 5 would reduce parole terms for offenders with no violent crime history whose most recent prison term was for drug or nonviolent property crime to six months, and increase parole terms for any offender whose most recent prison sentence was for a violent or serious felony to five years. Nonviolent offenders who violate technical conditions of parole would face graduated sanctions such as additional parole time, more frequent drug testing, placement in rehabilitation programs and community work assignments. Misdemeanor parole violations would generally result in jail rather than prison sentencing. The measure would also provide drug treatment and other rehabilitation programs to prison inmates at least 90 days before release, as well as rehabilitation programs during and up to a year after release from parole, as requested. The measure creates a new board to review these programs and provides state funding for county jail and probation costs incurred by state parolees.

**Credits for performance in rehabilitation programs.** Proposition 5 would expand existing credits toward reduced prison time that inmates earn for participating in rehabilitation programs.

**Change in marijuana possession penalties.** The proposition would make possession of less than 28.5 grams of marijuana by an adult an infraction rather than a misdemeanor, and allocate revenues from the existing $100 fine for such offenses to support the new youth programs created under the measure. People under age 18 who committed this offense would be required to attend a drug education program, rather than paying the fine. The proposition would also limit the additional penalties and fines for possession of small amounts of marijuana to a maximum of $100.

**Proposition 5 Overview from the Legislative Analyst’s Office**

- Expands drug treatment diversion programs for criminal offenders.
- Modifies parole supervision procedures and expands prison and parole rehabilitation programs.
- Allows inmates to earn additional time off their prison sentences for participation and performance in rehabilitation programs.
- Reduces certain penalties for marijuana possession.
- Makes miscellaneous changes to state law related mainly to state administration of rehabilitation and parole programs for offenders.

Fiscal effects:

- Increase in state costs for expansion of drug treatment and rehabilitation (potentially exceeding $1 billion annually).
- Savings on state operating costs for prison and parole systems (potentially exceeding $1 billion annually).
- Net savings on state capital outlay costs (eventually exceeding $2.5 billion).
- Unknown net fiscal impact on county operations and capital outlay.
- Various other fiscal impacts on state and local government costs and revenues.

Part 3

The Need for Reform

California’s prison system is in ongoing crisis. The state inmate population, at approximately 171,000, is nearly double what the system was designed to hold. Since 1976, when the legislature declared “the purpose of imprisonment for crime is punishment” and enacted determinate sentencing, California has experimented with a reactionary and punitive model of criminal justice. The failings of that experiment have been evident for years, as the incarcerated population, prison spending and recidivism rates have skyrocketed. In a report to the governor last year, the Little Hoover Commission found:4

Despite the rhetoric, thirty years of “tough on crime” politics has not made the state safer. Quite the opposite: today thousands of hardened, violent criminals are released without regard to the danger they present to an unsuspecting public.... California’s parole system remains a billion dollar failure.

Figure 1: Rapid Growth in Correctional System

Calculated from CDC data.
The crisis has forced the state to accept federal control of many aspects of the prison system as a result of a series of court orders in which federal courts found that the state failed to provide such constitutional rights as due process protection to parolees and adequate medical and mental health care, largely as a result of overcrowding. Additionally, many of California’s jails are operating under federally imposed inmate population caps, indirectly resulting in further strain on state facilities.

- California’s criminal justice crisis undermines public safety and burdens taxpayers. The effects of poor sentencing and parole laws cascade through the prison system and into the community: As a result of prison overcrowding, inmates have fewer opportunities for rehabilitation while incarcerated, less supervision, and greater exposure to prison gangs and violence;
- Dangerous and unhealthy conditions in prison take their toll on prison staff in addition to inmates, and result in more staff vacancies and higher staff pay rates; and
- Parole rules result in inmates re-entering home communities unprepared and more likely than not, destined to return to prison.

In October 2006, after a legislative special session on the topic failed to make any progress, Governor Schwarzenegger declared a state of emergency, noting (among other findings) that overcrowding had reached a point where strains on institutional infrastructure were resulting in electrical power failures and sewage overflow from waste treatment systems at prisons. In response, the legislature approved Assembly Bill 900, the Public Safety and Offender Rehabilitation Services Act of 2007, authorizing $7.4 billion in lease revenue bonds and $350 million from the General Fund, transferring up to 8,132 inmates out of state, and, in the short term, building 6,050 beds at four prisons and a 500-bed reentry facility to ease overcrowding.

Last fall, CDCR’s monthly population count reached a high of more than 173,000 people, 202 percent of the designed overall institutional capacity. Even if all 53,000 beds authorized under Assembly Bill 900 are built and added to the approximately 83,000 presently operating, the state will still only have a system designed for 80 percent of those currently incarcerated.

It costs an estimated $46,000 annually to incarcerate someone in California’s prisons. On top of that are heaped other hidden costs to the state, such as those incurred if families turn to welfare services as a result of the incarceration of a family wage-earner. Per-inmate spending has gone up sharply in recent years as a result of constitutionally mandated health care costs exacerbated by overcrowded conditions.

Medical expenses alone have increased 210 percent since 2000. According to reports, the chief medical offer at one California prison estimates that half of the inmates have been infected with Hepatitis C, the treatment of which adds up to as much as $30,000 per inmate annually. Most recently, the court-appointed federal receiver of the California Prison Health Care System has sued the state, demanding that $8 billion be provided to build 10,000 new medical beds and upgrade
existing prison health care facilities. In November, the Ninth Circuit Court of Appeals is scheduled to consider whether or not the health services provided in California prisons have improved enough to forestall a federal cap on the state’s prison population.

| Table 1: California’s Prison System: Spending, Population and Parolees |
|--------------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Spending % of General Fund | $2.5 B 6.2%   | $3.6 B 8.6%     | $4.7 B 7.1%     | $7.0 B 8.5%     | $9.1 B 9.0%     | $10.1 B 9.8%    | $10.4 B ~10.0%  |
| Prison Population rate of incarceration | 89,171 1 in 218   | 127,784 1 in 166 | 161,100 1 in 136 | 164,169 1 in 146 | 172,774 1 in 143 | 171,444          |
| State Parolees rate on parole | 61,211 1 in 318 | 90,913 1 in 233 | 117,935 1 in 185 | 113,899 1 in 210 | 121,849 1 in 203 | 126,906          |

Sources: California Legislative Analyst’s Office, State of California Expenditures, 1984–85 to 2008–09 (Sacramento, May 2008); California Department of Justice, Division of California Justice Information Services, Bureau of Criminal Information and Analysis, Criminal Justice Statistics Center, Crime in California, 2006 (Sacramento, 2007); California Department of Corrections and Rehabilitation Offender Information Services Branch Estimates and Statistical Analysis Section Data Analysis Unit, California Prisoners and Parolees, 2007 (Sacramento, 2008) pp. 9, 60. Incarceration and parole rates are based on the adult population at risk (18–69 years of age) for each year. Spending expressed in billions of nominal dollars budgeted to the California Department of Corrections and Rehabilitation (CDCR) and its predecessors.

Prison spending is consuming a greater and greater percentage of the state’s General Fund, from 2 percent in FY 1982, to approximately 10 percent in the current year. At the same time, the prison incarceration rate has increased steadily, from roughly 1 in 375 in 1985, to 1 in 145 Californians behind bars today. While California’s incarceration rate is not extraordinary compared to some other states, the nation as a whole incarcerates a larger percentage of its citizens than any other country in the world. Since 1981, the proportion of adult Californians under supervision in the state criminal justice system as a whole (prison, parole, jail, or probation), has doubled to 1 in 34.

California’s crime rate is near the national average. What sets the state far apart from the rest of the nation is its recidivism rate, and in particular, the rate of parolees returned to prison for technical violations of parole. Two-thirds of inmates leaving prison return within three years, most of them for violating conditions of parole. The recidivism rate reflects both the poor preparation that prisoners have for re-entry and parole rules and back-end sentencing conventions that make successful parole exceptionally rare. In 2001, the most recent year for which this data is available, 18,000 parolees were returned to prison for non-criminal technical violations of parole, such as missing appointments or failing to take a drug test.

Drug offenses are at the core of many of the prison system’s failings. Drug offenses account for 20 percent of state prisoners and 31 percent of state parolees. Most inmates have substance abuse problems. The state spends tens of thousands of dollars on each inmate every year, but few receive any drug treatment or counseling.
Pulling back from this crisis and reforming the state criminal justice system requires what the previous CDCR secretary, James Tilton, has called a “seismic philosophical shift,” which entails “moving away from solely housing inmates in remote prisons until the date when they must be released, and toward a new model that seeks to rehabilitate offenders in our custody so that we can return them to their home communities better off than when they arrived.” A recent report from the Legislative Analyst’s Office adds:

> Various studies have demonstrated that well-designed rehabilitation programs such as drug treatment, academic and vocational education, and cognitive behavioral therapy can reduce recidivism when targeted to the right offenders by addressing issues that contribute to their criminal behavior…. Ultimately, an approach that addresses inmate population management as well as increased rehabilitation programs would likely reduce prison overcrowding, inmate recidivism and, therefore, criminal justice system costs.
Strengthening California’s Criminal Justice System

Politicians have not demonstrated the will to solve California’s prison crisis, or implement the criminal justice reforms that numerous independent panels and experts have been recommending for years. Proposition 5 would implement some of the single-most needed and proven reform measures available to begin to manage this critical issue.

A. Reserving prison space for serious offenders

Changing parole terms and conditions are perhaps the two single simplest, most cost-effective means of managing the state’s prison system with the goal of improving public safety.

Parole terms in California are determined by statute, with most prisoners serving a period of three years, regardless of the crime they were sentenced for. (Certain sex offenders are an exception, and serve five or more years on parole or are committed to state hospitals.) Almost every other state in the nation exercises discretion over at least one part of the prison-and-parole equation, adjusting prison or parole terms based on the evidence of the case rather than automatically applying statutory terms. Some other states, such as Florida, release a large portion of inmates without any supervision, so that parole resources can be concentrated on the higher-risk parolees. Others have shorter parole terms (Michigan, for example, paroles inmates for two years) or no parole supervision at all (Maine, Virginia).

To be eligible for minimum parole terms and supervision under Proposition 5, an inmate must:

1. Have been committed for a controlled substance offense or a nonviolent property offense (a crime against property that does not involve or threaten to involve the use of force or violence).
2. Never have been convicted of a serious or violent felony and never been a registered sex offender.
3. Never have been convicted of participating in or committing a felony in association with a criminal street gang.
4. Complete any assigned rehabilitation programs, as appropriate.

Source: Proposition 5 text, Section 20,
so thin as it is, that most parolees have little contact with parole officers and, at last official report, 18,660 paroled felons and “civil addicts” were “at large,” having absconded from supervision entirely.21

Public safety is better served by reducing parole loads and concentrating supervision on those who need it most, something Proposition 5 addresses by shortening parole terms for nonviolent offenders who have never been convicted of a serious or violent felony or gang involvement to six months.

A second anomaly of the state criminal justice system is that so many parolees are returned to prison on technical violations. The state’s overall recidivism rate is among the highest in the nation—only 21 percent of California parolees successfully complete parole—two-thirds are returned within the three-year average parole period, and of those, roughly one-fifth are returned because of non-criminal violations of parole.22 That means that the state is using its most costly criminal sanction, at $46,000 a head annually, on a significant number of people who have already served the sentences they were convicted of but who have missed appointments, failed to take drug tests, failed to secure work and housing, not registered a change of address or some other technical violation. Other states respond to these violations with intermediate community-based sanctions such as house arrest, more stringent conditions of supervision, or day-reporting centers (e.g. Illinois, Ohio, Washington and New York).23 Certainly, many parole violations are crimes in their own right, but a misdemeanor offense that would ordinarily result in a fine or limited jail time (such as some drug possession) will return a state parolee to prison.

Proposition 5 addresses this issue by assigning graduated sanctions on parole violators, based on certain eligibility requirements, ranging from more frequent drug testing, community work assignments, assignment to rehabilitation programs, or jail time rather than return to prison. The
measure also requires that parole violations be better categorized as either technical, misdemeanors, or felonies—which would be very helpful in deconstructing the recidivism rate—and generally reserves return to prison for felony violations.

Both of these provisions, changing the terms of parole and how and why parole may be revoked, will improve public safety and help to cut the cycle of recidivism that has inflated state prison populations far past institutional capacity.

Ultimately, parole should not function as an overflow mechanism for packed prisons or an obstacle course to test the readiness of inmates for life on the outside, but as a period of structured reentry into home communities for those who have served their sentences and demonstrate potential for leading lawful lives—a function it once served, before determinate sentencing laws automated the release of inmates from state prison.

**B. Expanding on the success of drug addiction treatment programs**

Incarceration is neither an effective deterrent, nor an appropriate response to drug use and related offenses. Abundant research has shown that punitive drug laws don’t reduce drug use. In July, a World Health Organization survey of drug policies and drug use concluded, “The U.S., which has been driving much of the world's drug research and drug policy agenda, stands out with higher levels of use of alcohol, cocaine, and cannabis, despite punitive illegal drug policies…. Clearly, by itself, a punitive policy towards possession and use accounts for limited variation in nation-level rates of illegal drug use.” The survey found that 42 percent of Americans have tried marijuana, more than double the incidence of use in the Netherlands, where possession of small amounts of marijuana is permitted. Likewise, the incidence of cocaine use was four times higher in the United States, at 16 percent, than it was in Columbia, where cocaine is produced.24

In particular, the longtime focus of U.S. criminal justice resources on marijuana offenses has been a mistake. Marijuana availability and use has little relationship to the use of other illicit drugs according to many studies, including recent research at RAND Drug Policy Research Center which

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**To be eligible for Track I diversion to drug treatment under Proposition 5, a defendant must:**

1. Be charged with one or more nonviolent drug possession offenses.
2. Never have been convicted of a violent or serious felony.
3. Have no prior conviction for any felony, other than a single nonviolent drug possession offense, within the previous five years.
4. Not be charged with any offense other than a nonviolent drug possession offense, or have a court determine that it is in the interest of the defendant and in the furtherance of justice to permit Track I entry despite a concurrent charge for another offense.

Source: Proposition 5 text, Section 14, amendment to Penal Code § 1210.03
concluded, “Policies aimed at reducing or eliminating marijuana availability are unlikely to make any dent in the hard drug problem.” Making possession of small amounts of marijuana an infraction rather than a misdemeanor, as Proposition 5 would, is an appropriate measure given these realities of drug use patterns and would free up law enforcement and court resources for issues of higher priority.

Proposition 5 builds on the successes of Proposition 36, the Substance Abuse and Crime Prevention Act of 2000, and helps implement lessons that state practitioners have already learned from this initial experiment in providing treatment rather than incarceration for nonviolent drug offenders.

In its final report on Proposition 36 last year, University of California, Los Angeles, researchers found that, overall, taxpayers saved nearly $2.50 for every $1 invested under the program. About one-third of participants who entered treatment under Proposition 36 went on to complete treatment. Treatment “completers” saved $4 for every $1 allocated. Accounting just for the first year’s participants, Proposition 36 resulted in total government savings of $173.3 million—an average of $2,861 in net savings over incarceration for each of the 61,609 participants—despite offsetting start-up costs. Based on their cost-benefit analysis, the report authors recommended many of the measures now proposed under Proposition 5, including increasing funding to provide more proven treatment methods, incorporating some procedures now used in drug courts, and differentiating treatment based on offenders’ conviction history.

The Legislative Analyst’s Office conducted two separate cost-benefit analyses of Proposition 36 and found that the $120 million allocated annually (through FY 2006) under the measure resulted in savings to the state of $205 million in FY 2003 and $297 million in FY 2005. This constituted a more modest but still significant savings of $2 for every $1 spent on treatment instead of incarceration.

Although Proposition 5 entails much more than what was implemented under Proposition 36, the Legislative Analyst’s Office projects that the measure potentially pays for itself in reduced parole and prison spending in the short run, and in the long run will save billions of dollars in capital outlay for new prisons.

It makes good sense to make treatment programs more readily available to inmates with substance abuse problems who are scheduled to be paroled, and thereby give them better chances of successful parole and reintegration into productive society. Proposition 5 would do that, as well as expand incentives and opportunities for inmates to receive other rehabilitation services while in prison.
Conclusion

Ineffectual sentencing and parole laws in California have turned both the criminal justice system and the state budget upside-down in the last few decades. Reform of these laws is one of the state’s highest priorities, but lawmakers have not been able to move forward on this issue.

Proposition 5 contains some of the recommended measures to address the crisis in the state’s dangerously overcrowded and unnecessarily expensive prison system. These include modifying parole terms so that parolees get the supervision they need, using intermediate and graduated sanctions for violations of parole rather than automatically returning parolees to prison, and providing more drug treatment and rehabilitation services at every step of the criminal justice system—particularly for nonviolent offenders whose only crime is drug-related.

With these measures in place, California can begin to improve its criminal justice system and restore the function of incarceration as a tool for improving public safety.
Endnotes


3. California Penal Code § 1170. Although determinate sentencing reformed some aspects of the criminal justice system, an unintended consequence was that it reduced incentives for good behavior and rehabilitation in prison while limiting judicial discretion to deny or defer parole of dangerous offenders. Sentence extensions and enhancements approved by the legislature and by voter initiative have also played a role in the recent prison population increase.


8. The design bed capacity of CDCR institutions and camps on December 31, 2007 was 82,936 according to California Department of Corrections and Rehabilitation, Data Analysis Unit, California Prisoners and Parolees, 2007 (Sacramento, 2008), p. 1.


12 The Pew Center on the States, *One in 100*.

13 California Department of Justice, Division of California Justice Information Services, Bureau of Criminal Information and Analysis, Criminal Justice Statistics Center, *Crime in California, 2006* (Sacramento, 2007). The Department of Justice uses the “at risk” population, defined as people between the ages of 18 and 69, to calculate incarceration and related rates.


15 Ibid, pp. x, 74.

16 California Department of Corrections and Rehabilitation, *California Prisoners and Parolees, 2007*.


18 Elizabeth G. Hill, California Legislative Analyst’s Office, *California’s Criminal Justice System: A Primer*, pp. 75–76.

19 Joan Petersilia, *Understanding California Corrections*, p. 65. Illinois is the only state that uses a model similar to California’s.


21 California Department of Corrections and Rehabilitation, *California Prisoners and Parolees, 2007*, p. 2. “Civil addicts” are individuals in compulsory substance abuse treatment. Addicts convicted of a felony or misdemeanor can be committed first to the California Civil Addict Program and then face sentencing for the original charge.


23 Ibid, p. x.


