

HOUSE FINANCE COMMITTEE
February 18, 2015
1:37 p.m.

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CALL TO ORDER

Co-Chair Neuman called the House Finance Committee meeting to order at 1:37 p.m.

MEMBERS PRESENT

Representative Mark Neuman, Co-Chair
Representative Steve Thompson, Co-Chair
Representative Dan Saddler, Vice-Chair
Representative Bryce Edgmon
Representative Les Gara
Representative Lynn Gattis
Representative David Guttenberg
Representative Scott Kawasaki
Representative Cathy Munoz
Representative Lance Pruitt
Representative Tammie Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Jeff Jessee, Chief Executive Officer, Alaska Mental Health Trust Authority; Carmen Gutierrez, Consultant, Justice Improvement Solutions; Nancy Meade, General Counsel, Alaska Court System; Ron Taylor, Commissioner, Department of Corrections; Valerie Davidson, Commissioner, Department of Health and Social Services; Bryan Butcher, Chief Executive Officer and Executive Director, Alaska Housing Finance Corporation, Department Of Revenue; Joe Thomas, Deputy Commissioner, Department of Labor and Workforce Development;

SUMMARY

2015 RECIDIVISM REDUCTION PLAN: COST EFFECTIVE SOLUTIONS TO SLOW PRISON POPULATION GROWTH & REDUCE RECIDIVISM

Co-Chair Neuman provided background details about the recidivism working group. He explained that the group was born out of an idea that a set of legislators had to examine ways to reduce costs associated with inmates within the Department of Corrections (DOC), the Department of Public Safety (DPS), and the Department of Health and Social Services (DHSS). He spoke of his positive experience in bringing the group together over the previous summer. The presentation that would be heard reflected the recommendations resulting from the collaborative effort of the group. The focus of the recommendations was how to reduce and maintain costs within the state's operating budget. He relayed that the state's correction facilities were at 101 percent capacity.

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^2015 RECIDIVISM REDUCTION PLAN: COST EFFECTIVE SOLUTIONS TO SLOW PRISON POPULATION GROWTH & REDUCE RECIDIVISM

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JEFF JESSEE, CHIEF EXECUTIVE OFFICER, ALASKA MENTAL HEALTH TRUST AUTHORITY, pointed out that DOC Commissioner, Ron Taylor, co-chaired the recidivism workgroup. He explained that the purpose of the group was to look at what could be done to contain the state's DOC budget over time. He introduced the Power Point presentation, "2015 Recidivism Reduction Plan: Cost Effective Solutions To Slow Prison Population Growth & Reduce Recidivism."

Mr. Jessee turned to slide 2, "Right on Crime":

"We want to reduce crimes as rapidly and as seriously as possible. But the real cost in doing this wrong is broken families, destroyed neighborhoods and lives that didn't need to be stunted." --Grover Norquist, San Diego Pew Public Safety Conference, November 19, 2014

Mr. Jessee highlighted that looking at recidivism and minimizing the amount of time people spent in prison was not some sort of left-winged agenda. It was about trying to do things the right way in order to achieve the desired results. He mentioned that, based on the quote from Grover Norquist, people started to realize that the federal and

state governments were spending significant amounts of money on correctional systems without correcting the problem. The country was still facing ever-increasing numbers of people in the correctional systems with ever-increasing budgets. Alaska legislators realized two years prior that periodic multi-million dollar capital projects, prisons with operating costs, were necessary.

Mr. Jessee turned to slide 3, "HB266 Legislative Intent Language."

- Goal is to collaboratively reduce recidivism by:
 - Gather/analyze data on:
 - substance abuse
 - mental health
 - employment
 - housing services needed
 - current services provided to returning citizens
 - Propose effectiveness/efficiency measures
 - Develop and implement plan for those who are released from correctional institutions.
- Use the plan to:
 - Assist the ADOC, DHSS, DOLWD, AMHTA, AHFC, & ACS to improve treatment & outcomes for recently released inmates.

Mr. Jessee reported that the group was charged to analyze data on all of the various issues having to do with substance abuse, mental health, employment, and housing services. The purpose was to figure out a way to turn the curve on recidivism. The good news was that state agencies were already addressing the issues surrounding recidivism. The results of the group's efforts far exceeded past collaboration.

He turned the presentation over to Carmen Gutierrez. He described her experience working in the criminal justice arena for twenty years as an attorney and as the deputy commissioner of DOC under Commissioner Joseph Schmidt. She had a tremendous amount of experience that she brought with her. The Trust contracted with her to work with the group to develop a plan. He relayed that the committee would be hearing presentations from all of the members of the workgroup.

CARMEN GUTIERREZ, CONSULTANT, JUSTICE IMPROVEMENT SOLUTIONS, thanked committee members for the opportunity to speak on a subject she felt was important to all Alaskans; promoting public safety. She turned to slide 4, "AK's Prison Population is the 3rd Fastest Growing in the U.S.":

- Even with GCCC, DOC operates at 101% of general capacity
- GCCC cost \$250,000,000 to build
- GCCC added \$50,000,000/year to Alaska budget
- AK's prison population growing 3% per year
- Prison growth rate exceeds AK population growth rate 4 fold
- Increases while crime rate decreases
- 32 other states facing budget deficits, have cut the rate of prison growth & crime rates

She reported that even with the opening of the recently completed Goose Creek Correctional Facility, Alaska was operating at 101 percent of its general capacity as of January 2015. The state spent \$250 million to build a new prison that housed over 1500 inmates. The cost of the prison added \$50 million per year to the state's annual operating budget. She highlighted that Alaska had the third fastest-growing prison population in the U.S. only falling behind Wyoming and Iowa. The prison population was consistently growing in Alaska at 3 percent per year. Alaska's prison growth rate exceeded the population growth rate 4-fold. It continued to increase while Alaska's crime rates decreased. She illuminated that 32 other states, beginning in 2007 with the nation-wide fiscal crisis, had to start looking at how they were running their corrections and criminal justice systems because they had reached the point where they could no longer afford to continue with the failed practices of the past. She pronounced that the U.S., of all the countries in the world, incarcerated the highest number of people. Every state had a high recidivism rate. If asked whether policies produced a good value for criminal justice dollars spent, most legislators would say, "No!" She summarized that Alaska incarcerated many people, its prison population continued to grow at 3 percent, and former inmates were Alaskans' neighbors.

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Ms. Gutierrez advanced to slide 5, "Former Inmates Are Our Neighbors."

- Today ADOC incarcerates > 6300 offenders
- 95% of inmates are released
- 377 convicted felons released into AK communities every month
- 63% recidivism rate as of 2011
- Public safety requires a continued reduction of this rate

Ms. Gutierrez relayed that people in halfway houses and on electronic monitoring made up a portion of Alaska's 6300 offenders. Department of Corrections estimated that on average 95 percent of the people incarcerated were eventually released. In 2014, Alaska released 377 convicted felons into its communities every month. She added that an Alaska Judicial Council study showed that since 1980, 255 thousand Alaskans had been convicted of a crime in Alaska. In reviewing the state's population many people had been convicted of crimes, yet Alaska's recidivism rate was 66 percent in 2009 [2007] and continued to drop to 63 percent by 2011. She opined that Alaskans deserved better and posed the question about what to do.

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Ms. Gutierrez continued to slide 6, "Have Alaskans Been Receiving Good Value For The Criminal Justice Dollars Spent?"

- In 2007, AJC reported 2 out 3 former offenders return within the first 3 years of release. The majority, within 6 months.
- This comes at a high price. In FY14, it cost \$158 per day per inmate to incarcerate in a hard-prison bed.
- In 2009, DOC began to implement previously eliminated reformativie programs.
- Recidivism declined from a high in 2007 of 66%, to 63.54% in FY 2010 and to 63.19% in FY 2011.

Ms. Gutierrez explained that the price to incarcerate an inmate was substantially more than it would cost to put someone in a half-way house, have them on electronic monitoring, or have them on supervised probation.

Ms. Gutierrez reported that in 2009 the commissioner recognized that DOC was not doing any correcting, thus, not promoting public safety. A reformative program began being re-implemented within DOC with the support of the legislature. The good news was that the recidivism rate started to decrease. In 2007 the recidivism rate was 66 percent, dropped to 63.5 percent in 2010, and descended to 63.19 percent in 2011. She was unable to provide numbers in 2012 and 2013 because it reflected a look-back of three years.

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Ms. Gutierrez advanced to slide 7, "Alaska At A Crossroads." She reviewed that Alaska was operating at about 100 percent capacity with the prison population growing at about 3 percent per year. She wondered whether the state was planning to build a new prison, recommit to incarcerating out of state, or invest in cost-effective strategies that targeted the factors driving Alaska's prison population. She believed that the third option would provide more value for the dollars spent in promoting better public safety.

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Ms. Gutierrez explained slide 8, "Do We Wish To Spend \$300 Million to Build A New Prison?"

- Or, invest in cost-effective strategies proven to reduce recidivism, produce better public safety outcomes & cost less money?
- Should the State choose cost-effective strategies, how does it determine those strategies?
 - Identify factors driving Alaska's prison population growth
 - Identify who is recidivating & why.

Ms. Gutierrez intimated that the state would have to decide how to identify cost effective strategies and better understand the factors driving the annual 3 percent growth rate in the prison population. She remarked that other states were doing work with the Pew Public Safety Performance Project (PSPP) and the Council of State Governments. Next, she would be talking about the Pew PSPP.

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Ms. Gutierrez advanced to slide 9, "Invite The Pew Public Safety Performance Project To Alaska."

- Mission: The PSPP helps states advance fiscally sound, data-driven sentencing & corrections policies that protect public safety, hold offenders accountable, and control corrections costs.
- Goal: Help states get a better return on their public safety dollars.
- Strategies:
 - Research on national trends & on what works.
 - Provide FREE technical assistance to state.

Ms. Gutierrez offered that the Pew PSPP was interested in helping Alaska deal with the unsustainable prison population growth that the state was experiencing currently. The Pew PSPP typically brought in a team of about five data experts to look at criminal justice data from DOC, DPS, and the Alaska Court System. The goal of the Pew PSPP was to identify, in a systemic fashion, the factors driving Alaska's prison population growth. She stressed that the project's approach was not a soft-on-crime approach. She pointed out that the project's primary goal was to ensure states received a better return on their investment of public safety dollars. Technical assistance from PSPP was free. The only burden on the state was that departments needed to supply data to the Pew data divers.

Ms. Gutierrez advanced to slide 10, "Pew Would Guide AK In A Justice Reinvestment Process."

- Skilled data analysts perform criminal justice overview
- Examine drivers of AK's prison population growth
- Outline lessons learned from other States
- Policy Development
- Make Final Findings & Recommendations

Ms. Gutierrez outlined that the Pew team would do the data analysis on Alaska's criminal justice system, examine drivers causing the growth in prison populations, and then share with Alaska the lessons learned in 32 other states. Many states had very different systems. That Pew PSPP had assimilated an array of evidence-based practices to attack

identified drivers and made policy recommendations. She emphasized that states were not obligated to implement any of the strategies recommended by Pew.

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Ms. Gutierrez thought it would be helpful for the committee to hear what other policy makers had to say about the Pew experience in a video.

Co-Chair Neuman recognized that Representative Pruitt and Representative Munoz had joined the meeting.

Ms. Gutierrez played a video for the committee entitled, "PEW."

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NANCY MEADE, GENERAL COUNSEL, ALASKA COURT SYSTEM, joined the presentation and continued to slide 13, "Known Factors Driving AK's Prison Growth."

1. Increased Number of Pretrial & Unsentenced Inmates
2. Increased % of Non-violent Offenders
3. Increased Average Length of Stay
4. Increased Probation Violations

Ms. Mead pointed out that it was complex to identify the factors that were causing an increase in the prison growth. She suggested that there were a few conclusions that could be made based on DOC's data. Slide 13 listed what the data showed. First, there were more people in Alaska's prisons who were pre-trial and sentenced. Second, there was an increase in the number of non-violent offenders. Most people wondered if filling the state's prison beds with non-violent offenders who likely did not pose a threat to public safety was the best use of state resources. Third, she reported an increased length of stay in which prison terms were getting longer after people were sentenced. Fourth, there were more probation violations.

Ms. Mead scrolled to slide 14, "Increased Number Of Pretrial and Unsentenced Inmates." She posed the question of why there was an increase in people sitting in prisons pre-trial. The problem was that the questions were fairly complex. The Pew organization would be able to help answer such questions.

Ms. Mead wanted to discuss the Alaska Criminal Justice Commission, a very high-level, blue-ribbon panel which included judges, the attorney general, district attorneys, and Mr. Jessee. She expounded that there were 18 commissioners on the panel. They had been working since the summer on identifying some of the problems Alaska had, hopefully coming up with solutions, and trying to implement them. The commission was a three-year commission with an established deadline, and therefore, not a bureaucratic beast. She relayed that each year the commission was supposed to come back to the legislature with recommendations. She claimed that the questions were so complex that they were being studied by one of the subgroups of the Criminal Justice Commission. There was a subgroup called "Pretrial Practices and Procedures." The focus of the subgroup was to evaluate the numbers and determine a course of action. They were evaluating whether the state's dollars were being put to good use. They were trying to answer such questions about whether the results of the dollars spent were good for society; whether they were helping to prevent crimes or victims of crimes from suffering additional offenses.

Ms. Mead discussed a few obvious things about pre-trial inmates. The most obvious was that if someone was in custody prior to their trial it was because they did not make bail. A person had a constitutional right to bail and to see a judicial officer in order to set bail within 24 hours of being arrested. She reported that more and more people could not make their bail. The Criminal Justice Commission was specifically studying the current bail statute which defined the criteria considered when setting bail. For example, the judicial officer had to weigh whether the person was going to appear for their following court appearance and whether releasing the person on bail would threaten the public safety of victims or others in a community. The bail statute provided for 18 possible conditions that could be placed on a person released on bail. The conditions were determined at a bail hearing and often included a financial component, a third party custodian assignment (someone to keep eyes and ears on the defendant at all times), and an option to order 24/7 (sobriety testing twice a day to ensure a person was not returning to drug and alcohol use). These were 3 of 18 possible conditions a judge could impose on a defendant. The Criminal Justice Commission subgroup was looking at

what conditions were appropriate in light of the current knowledge, whether the conditions were based on evidence that worked. She added that an important part of the bail statute was that in 2010 a presumption was added that for a large category of crimes no conditions could protect the public. In a bail hearing the presumption was that if a person was charged with an unclassified crime, a Class A felony, a sex crime, a domestic violence crime, a misdemeanor, a felony, or any crime against a person (crimes in 1141) the presumption was that no conditions could adequately protect the public. This presented a burden in bail hearings. It was a rebuttable presumption in which the defense could say in a particular case that a specific condition would protect the public. She indicated that she had presented an outline within which people had worked to determine the appropriate bail, if any, in a particular case.

Ms. Mead discussed slide 15, "Increased Percent of Non-Violent Offenders." She explained that most non-violent offenders committed Class C felonies, such as drug offenses rather than crimes against people. Class C felonies included drug offenses such as selling or being in possession of a controlled substance, writing bad checks, or thefts of \$750 or more. She suggested that a consideration was whether to fill Alaska's prisons with non-violent offenders, who currently made up 64 percent of the prison population, or whether there was a better way to deal with them.

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Ms. Gutierrez turned to slide 16, "Public Opinion on Jailing Non-violent Offenders in Expensive Prison Beds." She spoke of the Pew PSPP conducting a nation-wide public polling that asked citizens their opinion about using expensive prison beds for non-violent offenders. Pew retained Public Opinion Strategies and The Mellman Group, entities of which were the gold standard of public polling.

Ms. Gutierrez scrolled to slide 17, "Reformation Trumps Incarceration For Non-Violent Offenders." She relayed that pollsters found that the overwhelming public opinion was that reformation trumped incarceration for non-violent offenders.

Ms. Gutierrez advanced to slide 18, "Prison Is For the Violent." The pollsters also found that the public opinion was that prison was for violent offenders.

Ms. Gutierrez revealed slide 19, "Key Public Opinion Takeaways:"

A national public opinion survey conducted in January 2012, along with similar surveys in Georgia, Missouri, and Oregon, found those attitudes persist and revealed opinions on specific policy solutions.

KEY TAKEAWAYS:

1. American voters believe too many people are in prison and the nation spends too much on imprisonment.
2. Voters overwhelmingly support a variety of policy changes that shift non-violent offenders from prison to more effective, less expensive alternatives.
3. Support for sentencing and corrections reform (including reduced prison terms) is strong across political parties, regions, age, gender, and racial/ethnic groups.

Ms. Gutierrez found it interesting to know the thoughts of the public. She turned the presentation back over to Ms. Mead.

Ms. Mead turned to slide 20, "Increased Average Length of Stay." She reported that another factor driving the prison growth was an increased length of stay, also being studied by a subgroup of the Criminal Justice Commission. One of the obvious circumstances was that the sentences were too long explaining why people stayed in prison for longer periods of time. One of the precise charges given to that subgroup was to look at the statutory presumptive sentences that accompanied each crime. Judges were provided with a range in which they must order the sentence for a certain crime. However, for example, if someone was charged with a Class C felony misconduct involving drugs in the fourth degree the sentencing ranged from 1 to 3 years. She suggested that there should be some evidence showing that 3 years was more effective than 1 year or that 1 year was

just as effective. Pew would help the state delve into such questions as well as the commission that was working on the same issues.

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Ms. Mead displayed slide 21, "Increased Probation Violations."

- In 2003, 1,602 jail admissions for probation violations.
- By 2013, that number had grown to 2,995.
 - More than 54% of the 8000 probationers had a PTRP filed against them
 - 72% of PTRPs alleged technical violations
 - 28% of PTRPs alleged commission of a new crime

Ms. Mead discussed increased probation violations. She reported that the court system had seen that it was difficult for people to get on probation without bumping into problems. She highlighted that more than 54 percent of people on probation had a petition to revoke probation (PTR) filed against them and 72 percent of those were technical violations. She elaborated that an offender had to file several conditions and that probation could vary from 3 years or 5 years or more. A person might have to report somewhere several times a week to do a urinalysis test and follow the instructions of one's probation officer. She conveyed that 72 percent of the people had something filed against them. She provided examples of probation mistakes such as not showing up for an appointment or having a positive drug test result. She reasoned that these sort of mistakes might be better handled with something other than additional prison time. She made clear that it was different for someone reoffending while on probation versus making a technical violation. She reiterated that the ramifications of a technical violation were being studied as well as the alternatives to additional prison time.

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Ms. Gutierrez discussed slide 22, "What We Know About Alaskans Who Recidivate."

- The more serious the underlying offense, the lower the recidivism rate.
 - Misdemeanants had significantly higher recidivism rates than felons
 - Class C felons had higher rates than other felons
- High rates among offenders who are youthful, male, have lengthy or more serious prior criminal histories, and are Native and African American.
- Offenders convicted of violent & property crimes most likely to be reconvicted of a new offense of the same type.

Ms. Gutierrez purported that having information about recidivated Alaskans would allow the state to target particular subgroups of individuals who recidivated at higher rates than others. However, the state needed to know more about what drove recidivism. She believed that an entity like the Pew PSPP could help to discover more information.

Ms. Gutierrez turned to slide 23, "The Texas Experience."

- 2007: Texas DOC projected 17,000 prison bed shortfall over five years.
- Recommended construction of 4,000 new beds at > \$900,000,000.
- Senate President: "No more prisons. We can't afford them."
- Solution: Reformative programs as alternatives to incarceration.
- Decision: Invest \$241,000,000 in evidence-based strategies to reduce recidivism.

Ms. Gutierrez indicated that Texas was reputed to be the most notoriously tough state on criminals. She reported that in 2007 Texas' DOC was projecting a 17 thousand prison bed shortfall over a period of 5 years. The department recommended constructing 4 thousand new prison beds which the senate president refused to support. Instead, the governor announced that Texas would commit to investing \$241 million on alternatives to incarceration, a gamble which turned out to be a good investment.

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Ms. Gutierrez continued with slide 24, "Evidence-Based Investment Strategy."

- Drug courts
- Intermediate sanction facilities for probationers who violate conditions of probation
- Residential treatment programs for probationers who can't stay clean & sober
- In prison residential treatment programs (like our RSSAT)

Ms. Gutierrez reviewed the list of different areas in which Texas invested.

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Ms. Gutierrez read the list on slide 25, "Evidence-Based Strategies For Probationers."

- Community-based Substance Abuse Treatment
- Incentives to Encourage Probation Compliance
- PACE type, Swift Certain & Proportionate Sanctions for certain Probation Violations

Ms. Gutierrez reviewed slide 26, "Texas Results."

- Since Texas enacted these new approaches:
 - Recidivism rates dropped 25%
 - Crime rate dropped 18%, lowest since 1968
 - Imprisonment rate dropped 10%
 - Avoided nearly \$3 billion in prison costs

Ms. Gutierrez stated that Texas had actually closed prisons.

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Ms. Gutierrez looked at another state that was worth noting in slide 27, "South Dakota."

- 2013, prison population had grown dramatically to 3600
 - Imprisonment rate growing faster than national average and crime rate falling slowly.
 - Majority of incarcerated offenders were nonviolent

- High number of parole/probation revocations
- High recidivism rate: 4 in 10 returned within in 3 years of release
- Projected to grow 25 percent through 2022
- This growth would require 2 new prisons and a total expenditure of \$224,000,000

Ms. Gutierrez explained that she was bringing South Dakota to the committee's attention because it was a state unlike Texas that had a very small prison population. She reported that in 2013 the prison population grew to 3600, about half the number of prisoners in Alaska. South Dakota was incarcerating predominantly non-violent offenders and probation violators, and had a high rate of recidivism. The state's prison population was expected to grow 25 percent by the end of 2022 requiring the construction of additional prisons costing \$224 million. South Dakota could not afford the expenditure.

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Ms. Gutierrez continued with slide 28, "PSPP SO. Dakota Findings."

- In 2012, 61 percent in prison for nonviolent offenses.
 - 81% of newly admitted prisoners were nonviolent
 - 53% were drug and alcohol offenders,
- Planned investment strategy over 10 years will save \$207 million of which \$53 million will be invested in new evidence-based strategies.

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Ms. Gutierrez moved on to slide 29, "What Leaders In So. Dakota Said."

"Our state faces a clear choice. Down one path, we can continue to build prisons and allow corrections to consume an ever-increasing proportion of taxpayers' dollars. The alternative is to follow the path blazed by almost two dozen states across the country. A path that makes us safer and one that will save our state millions of dollars." –Gov. Dennis Daugaard, State of the State address, Jan. 8, 2013

Ms. Gutierrez reported that the state enacted an omnibus bill that when the governor signed it he discussed how it would make citizens safer and save the state millions of dollars.

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Ms. Gutierrez read slide 30, "What Leaders In So. Dakota Said."

"We have been putting a lot of people in prison ... but we have now recognized that we haven't changed behaviors of those prisoners. Most of them get out of prison eventually and a very high proportion goes back, because the main change that took place in prison is that they became better criminals."

--Sen. Craig Tieszen, floor testimony, Jan. 24, 2013

Ms. Gutierrez read Senator Craig Tieszen's statement.

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Ms. Gutierrez read slide 31, "South Dakota Solutions."

- Passed SB 70 to reduce growth by 716 beds and slow corrections budget growth by:
 - averting construction of two prisons, saving state taxpayers \$207 million in construction and operating costs through 2022; and
 - redirects \$8 million from current budget to programs and policies proven to reduce recidivism and improve offender accountability.
- An ongoing annual investment of 4.9 million in these programs is expected.

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Ms. Gutierrez turned to slide 32, "Reformative Programs In Alaska."

- 2007: the Commissioner inherited an ADOC with NO programs
- With legislative support, reinstatement of programs began
 - Substance Abuse Treatment
 - Educational/Vocational Programs

- Cognitive Behavioral Treatment
- FY 2014: ONLY 2.9% of DOC's operating budget goes to reformative programs

Ms. Gutierrez steered the conversation back to Alaska after examining solutions from other states. In 2007, the commissioner of DOC inherited a department with no reform programs other than one federally funded substance abuse treatment program. The department was able to reinstate programs with legislative support some of which were substance abuse, educational and vocational programs, and cognitive behavioral treatment. She talked briefly about cognitive behavioral treatment because, when looking at the research, it provided more value per dollar than any other reformative program. Cognitive behavioral treatment changed the mindset of the individual who committed the criminal behavior. She relayed that many young people were not learning what they needed to learn and had criminal thinking attitudes. She concluded that without changing the criminal thinking attitude, the offender would not change. In FY 14 2.9 percent of DOC's budget went to reformative programs which proved to be a positive investment with positive outcomes.

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Ms. Gutierrez reviewed the chart on slide 33, "Outcome From Investment: Recidivism Reduction." She pointed out that in FY 07 recidivism was at its highest at 66.03 percent and dropped to 63.19 percent in FY 11. She believed Alaska was moving in the right direction.

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Ms. Gutierrez read slide 34, "ADOC Runs Quality Programs."

- 2.9% of ADOC operating budget for reformative programs is low compared to American Correctional Association finding that, on average, other state prisons devote 4.4% of budgets to programming.
- Dec. 2014, Leg. Audit very complementary of the ADOC programs in terms quality, array & motivating inmates to attend.

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Ms. Gutierrez reviewed slide 35, "WA State Institute Of Public Policy Finds."

- The cost-benefit of custodial substance abuse treatment programs have a 100% chance of the benefits exceeding the costs.
- The cost-benefit of both educational and vocational custodial programs have a 100% chance of the benefits exceeding the costs.

Ms. Gutierrez turned the spotlight to Commissioner Taylor for review of DOC.

RON TAYLOR, COMMISSIONER, DEPARTMENT OF CORRECTIONS, talked about slide 36, "AK Department Of Corrections."

- Alaska Prisoner Reentry Framework

Commissioner Taylor informed the committee that the department had been working on a prisoner reentry initiative for the past several years. The initiative was based on three phases developed through the National Institute of Corrections by a former colleague that had worked in the department 20 years previously. He explained that the program would help transition a person from prison back into the community. The three phases included an institutional phase, a transition phase, and a community phase.

Commissioner Taylor explained the institutional phase. He pointed out that a risk needs assessment was critical to identifying problems that persons presented when coming into Alaska's institutions. He relayed that SB 64 [Omnibus Crime-Corrections-Recidivism bill introduced in 2013] would require that anyone who was sentenced to 30 days or more would have a risk needs assessment done by DOC. The risk needs assessments would be used to develop programing and also to help with transition. He offered that it was a critical part of the release preparation. He claimed that the department released over 13 thousand people from Alaska's institutions throughout the course of a year.

Commissioner Taylor moved on to discuss the transition phase of Alaska's prisoner reentry framework. He reported that 75 percent of prisoners would be released without any kind of probation or parole supervision. In other words, prisoners would be returning to communities where they

would likely have some support. However, many of the communities were ill-equipped to take care of them or to understand their needs. Department of Corrections was working with community stake holders to identify ways to develop in-reach into the institutions in order to connect those persons being released prior to their release. The department was also making sure that it was sharing information on programing needs and on areas of concern with prisoners being released. In addition, the department was restructuring the way that people were released as part of the transitional phase whether through halfway houses, electronic monitoring, or the parole board. In each case, the release process needed simplification to ensure that employees in the department were not spending an inordinate amount of time processing paperwork. Rather, he wanted to see staff spending more of their time meeting with inmates and understanding their true needs.

Commissioner Taylor moved on to discuss the third phase of prisoner reentry, the community phase. He elaborated that the third phase dealt with community supervision and looking at probation and parole violations. He expressed the importance of better understanding why prisoners were violating their probation and whether they should return to a hard bed or whether other alternatives should be considered. He suggested that alternatives included helping released prisoners maintain housing, stay employed, and other things that have proven to help in making them successful in their community.

Commissioner Taylor spoke of a discharge phase that would make communities understand that they had a role in citizens returning to their communities. He stressed proper follow-up and providing aftercare to prisoners once they were released into communities. He summarized that the department had been working on getting a comprehensive strategic plan in place and would continue to work with other departments listed in the recidivism reduction workgroup as well as with community stakeholders.

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VALERIE DAVIDSON, COMMISSIONER, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, expressed her support and advanced to slide 37, "Div Of Health & Social Services."

- Division of Juvenile Justice

- Community Services
- New Directions
- Sobriety 24/7
- Therapeutic Courts
- Community Based Treatment Programs

Commissioner Davidson expressed the department's excitement about being a part of the multi-department effort to invest in the health of Alaskans; building the health of Alaskans rather than building additional prisons. She highlighted some of the opportunities that DHSS had undertaken to highlight some programs to reduce recidivism. She spoke of the Division of Juvenile Justice and its reliance on community-based services. She stressed the importance of working with everyone in the community including the local government, the tribe, and the school district to ensure that when young people returned to their community they had the support needed to be successful.

Commissioner Davidson explained that there were 8 different categories of evidence-based practices of intervention to reduce juvenile crime. She stated that she would only be highlighting 4 or 5 of them. She began with access to mental health services and recognized that trauma-informed care was critical to ensuring that youth made good decisions and changed their behavior. Next, she mentioned substance abuse screening, education, and intervention, mental health services, and aggression replacement therapy or training. She acknowledged that there were other opportunities that could be implemented.

Commissioner Davidson relayed that one of the new directions of the Division of Justice was to implement a program called "Seven Challenges." The program was a new evidence-based treatment program in a secure institutional treatment facility for youth with substance abuse disorders. She pointed out that the department was also in the process of converting the Ketchikan Juvenile facility to a state-wide treatment facility. She argued that being able to dedicate a facility that provided state-wide service would make a significant improvement. She went on to identify other programs the department had undertaken including Sobriety 24-7 in response to SB 64. She elaborated that the 24-7 sobriety monitoring program was a smart justice evidence-based program that allowed participants to be able to remain in their community,

continue working, live with their families, and continue their education while ensuring public safety. If a person's crime was alcohol-related they would be required to participate in alcohol testing twice a day and random drug testing 2-3 times per week. The goal was to ensure that individuals could remain a part of their community while ensuring public safety. The program began in the previous summer in July 2014. As of December, 31, 2014 the 218 participants had almost 12 thousand successful alcohol breath tests administered. Of the tests administered there were only 26 failed tests, less than 1 percent. She continued to provide statistics. She relayed that of the approximately 1400 successful drug tests that were administered there were only 16 failed drug tests, only 1 percent. She furthered that 64 of the participants had completed the program without violations. The program showed tremendous promise.

Commissioner Davidson mentioned therapeutic courts and that the alternative justice model worked very well. There was a collaborative court team made up of a judge, district attorney, defense council, probation officers, substance abuse and mental health treatment providers who worked with participants to get what they needed. She reported that there were currently 14 therapeutic courts in Alaska; six in Anchorage, one in Bethel, two in Juneau, one in Ketchikan, two in Palmer, and two in Fairbanks.

Commissioner Davidson moved on to talk about community-based treatment programs. She credited the department through the Division of Behavioral Health for providing funding for community-based substance abuse programs through grants. In 2014, 25 million was provided for treatments including detox, opioid treatment, residential treatment, and outpatient services. She added that many of the grants were provided because the individuals did not currently qualify for Medicaid. She emphasized that Medicaid expansion for childless adults within the applicable income categories would address substance abuse and alcohol treatment needs. For people on existing Medicaid the department administered an additional 12 million for substance treatment through Medicaid. She concluded that DHSS was excited to be a part of the team and felt that it was a tremendous opportunity to build the health of Alaskans rather than building more prisons.

Ms. Gutierrez commented about the Division of Juvenile Justice. She pointed out that finance members had a nicely bound recidivism reduction plan in front of them. The work that had been conducted by the Division of Juvenile Justice was addressed in the plan. She explained that she included it in the plan because she felt it served as a significant example and model for the adult criminal justice system. She noted the number one strategic approach the division made with juvenile justice. The division realized that its data collections system was terrible. The division was able to receive federal grant money and other money to implement a very effective data collection system. The collected data allowed the division to perform the data analysis required to help it better understand the needs of its population.

Ms. Gutierrez continued by elaborating that following analysis, the division developed strategic plans that were discussed by the commissioner to address the needs. As a result, the number of juvenile detentions was reduced dramatically. She opined that the Division of Juvenile Justice served as a model for the criminal justice system concerning adults. She added that Jeff Jessee would be talking more about the state's need for better data collection in the adult system.

BRYAN BUTCHER, CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR, ALASKA HOUSING FINANCE CORPORATION, DEPARTMENT OF REVENUE, began his portion of the presentation by turning to slide 38, "Alaska Housing Finance Corp."

- Tenant Based Assistance Program -Partnership with DOC
 - Reduces 66% re-incarceration rate to 33%
 - Reduces prison population growth rate at \$7.5k cost per person. Prison costs \$58k / year / person
- Fund Prisoner Re-entry Services through HAP and SNHG capital programs
 - Partners for Progress Re-Entry Center, New Life Development Supportive Housing

Mr. Butcher suggested that at first blush it might be difficult to see the correlation between Alaska Housing Finance Corporation (AHFC) and DOC. He relayed that AHFC chaired the governor's Alaska Council on the Homeless. Most of the agencies in the committee room sat on the council. A few other agencies and some public members sat on it as

well. He told of speaking with DOC five years prior about a problem. The problem was that when a person came out of the correctional system they did not have any family, money, or a place to go upon release. They were essentially homeless. He suggested that someone that was released yet homeless was far more likely to recidivate ending up back in the system than someone that had a place to live; a base to transition into the following stage of their life. He reported that AHFC had been able to find \$660 thousand in federal funds per year to put together a tenant-based assistance program working with DOC to determine candidates to receive a voucher similar to the state's public housing voucher. The public housing voucher worked such that candidates found a private apartment funded through the voucher program up to a maximum of two years. It was meant to transition people out of the system and into the rest of their lives. He reported a remarkable reduction in re-incarceration over the previous five-year period. The average, nationally and in Alaska, had bounced between the low 60's to the mid 60's in terms of recidivism. Alaska Housing Finance Corporation (AHFC) had seen a 33 percent recidivism rate amongst the approximately 250 people that participated in the program thus far. The cost to AHFC with federal funds equaled about \$7500 per year. The average prison cost per person was about \$58 thousand per year. He concluded that it made more sense to reduce recidivism rates at a lower cost than for criminals to return to the state prison system at a higher cost.

Mr. Butcher continued to discuss the awards that AHFC received for the program, national housing awards for innovation. He told the committee that he had been approached by other states that conveyed their surprise in AHFC being able to work with DOC. He emphasized the benefit of Alaska's DOC looking long-term and helping to reduce recidivism rates. Alaska Housing Finance Corporation also helped to fund prisoner reentry services through its Homeless Assistance Program and its Special Needs Housing Grant capital programs. The Partners for Progress Re-entry Center and the New Life Development Supportive Housing worked with Alaskans transitioning from the correctional system into housing and the workplace. A criminal who experienced a successful transition would be less likely to re-offend and be placed back into the correctional system.

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JOE THOMAS, DEPUTY COMMISSIONER, DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT (DOLWD), advanced to slide 39, "Labor & Workforce Development Collaborations."

- WorkKeys & NCRC certification in GCCC & Hiland Mountain women's prison
- Pre-Release program at various facilities
- Employment after Incarceration Workshops at AK Job Centers
- Operating Engineers and Ironworkers Pre-Apprenticeship pilot program at Hiland and Palmer
- Minimum custody inmates working in fishing processing plants
- Job Centers working directly with field probation officers

Deputy Commissioner Thomas noted that although there were differing situations for each prisoner transitioning out of prison he believed they would be well-served by having some sort of certification or training that would put them to work. He added that ideally prisoners would have a job secured before leaving jail. He pointed out that prisoners, particularly felons, were somewhat difficult to employ. Some industries did not employ convicted felons. He spoke of the challenge of providing prisoners with training in a particular skill or in searching for a job. Acquiring proper training in prison was necessary for prisoners to successfully transition out of jail and to avoid returning to drug addiction and old occupations once released.

Commissioner Thomas discussed key elements. The department evaluated prisoners before sending them into the workforce. It was the department's role to make sure it did not send people out that would steal or rob from patrons or businesses. In the case of those prisoners being released early, there had been an opportunity for them to take introductory programs for various crafts and trades. He reported that at Hiland Correctional Institute for Women [Hiland Mountain Correctional Center], several women had been put to work within the iron workers' union. These women increased their job skills and were given the opportunity to learn something that could be used in the future. Through the WorkKeys program participants earned their national career readiness certification preparing people for work and giving them a better feel for their work interests. He claimed that most trades required some

basic knowledge in trigonometry or geometry. Many employers typically required aptitude in a certain areas. The first few months after being released were extremely important to the success of reintegration to society. Otherwise recidivism was likely. He wanted the state to be relieved of the cost of \$55 thousand per year for incarceration costs and having an employer gain an employee.

Commissioner Thomas discussed a variety of barriers that needed addressing. He mentioned issues around traveling to work, the stigmatism of coming out of prison, employers being informed about a prisoner's training. He mentioned Adult Basic Education and assisting prisoners prior to their release in taking their GED [General Education Development] test, a prerequisite for employment. He noted pre-apprenticeship training and the availability of help at the job centers. He highlighted the challenge of getting into the workforce with a stigma that follows someone released from jail. He also spoke about the importance of learning about soft skills such as grooming, dressing, and communications when applying for a job. He reiterated that not having a driver's license, a GED, or a skill set were all challenges. He stressed the importance of addressing these challenges prior to prisoner release. The department had been able to transition folks into jobs out of the prison system. He noted conversations with the Southeast seafood processors. He asked for any questions.

Mr. Jessee advanced to slide 40, "DOLWD Employer Incentives."

- Work Opportunity Tax Credit (for employers)
- Fidelity Bonding Program to address employee bonding to overcome barriers for the former offender population

Mr. Jessee revealed slide 41, "What We Are Doing That Works."

- ADOC institutional & community based reformative programs
- The Alaska Criminal Justice Commission's work
- The Partner's Reentry Center
- PACE, Sobriety 24/7, Therapeutic Courts
- ADOC partnership with AHFC & DOLWD

Mr. Jesse reported that the state was doing several things to reduce recidivism that worked thanks to the efforts of DOC, the Criminal Justice Commission, and the Partners Reentry Center. He noted that the reentry center combined and tailored housing, employment, and support for recovery to fit each returning citizen. He mentioned Probation Accountability and Certain Enforcement (PACE), Sobriety 24-7, Therapeutic Courts, and DOC's partnership with AHFC and DOLWD.

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Mr. Jessee continued to slide 42, "Next Steps With Fiscal Component."

- Maintain current funding on ADOC reformative programs
- Support ADOC Alaska Prisoner Reentry Initiative
- Create a new ADOC position --Reentry Coordinator
- Support the ADOC efforts to work collaboratively with the community Reentry Coalitions
 - Support the Partner's Reentry Center in Anchorage
- Expand community based substance abuse treatment
- Development community based cognitive behavioral treatment

Mr. Jessee stated that there would be a fiscal component involved in maintaining DOC's reformative programs such as the department's reentry initiative. He suggested creating a position for a reentry coordinator to keep a focus on reentry. He also favored supporting the department's efforts in working with the reentry coalitions, especially the Partners Reentry Center in Anchorage. The Partners Reentry Center had been supported with capital appropriations the previous two years. He stated the state needed to find a way to expand community-based substance abuse treatment. He suggested that if people could not get sober and maintain sobriety, their chances of staying out of prison declined significantly. He encouraged the development of more cognitive behavioral treatment in a community. He added, "If you don't change their criminal thinking, you are not going to change the criminal." He also mentioned the importance of making sure to spend the base funding on data collection and analysis through the justice center at the university. He opined that if the state did not collect data and assess the results of the strategies it invested in, then it would not be worth

making the investment. He stressed the significance of being able to measure the success of a strategy and to determine whether a strategy needed to be adapted or changed. He emphatically stated that the data piece was critical.

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Mr. Jessee scrolled to slide 43, "Next Steps With No Fiscal Component."

- AK Criminal Justice Commission currently working on:
 - current bail conditions
 - deferred sentencing & pretrial diversion
 - limited licenses for committed therapeutic court participants & others who have demonstrated long-term sobriety & lawfulness
 - study barrier crimes
- Enact legislation to provide "good time" credits to motivated probationers complying with probation conditions
- Enact legislation providing "good time" credit to people on Electronic Monitoring

Mr. Jessee reported that there were steps that could be implemented in the short-run with no fiscal impacts. He commented that the Criminal Justice Commission was doing its work. He spoke of legislation that could be passed to incentivize people to do the right thing such as motivating probationers to comply with probation conditions by giving them good time or providing good time credit to people with electronic monitoring.

Ms. Gutierrez interjected that there was also one aspect that the Criminal Justice Commission had been working on; the issue of differed sentencing and pre-trial diversion. She relayed that 40 percent of DOC's current population was comprised of pre-trial offenders, people who had not been convicted of a crime. She continued that under the notion of differed sentencing an offender was basically being told that if they did A, B, C, and D including drug and alcohol treatment, then they would appear in front of a judge that would take into account that person's sincere, demonstrated efforts at achieving rehabilitation. She noted that pre-trial diversion was another avenue that many other states were investigating. She clarified that she was discussing

strategies that could potentially help to address the 40 percent population that otherwise occupied a prison bed at the cost of \$158 per day.

Mr. Jessee discussed the final slide 44, "Plan Implementation."

- Identify strategies needed to match the # of hard prison beds with appropriate offender population
- Develop an implementation plan that identifies:
 - strategy & timeline for implementation
 - cost
 - number served
 - estimated impact on recidivism
- Greatly postpone construction of new costly prison

Mr. Jesse concluded that the group had done what it had been asked to do. The group got together, collaborated, and developed a plan. He added that the group had completed the legislative intent assigned by the legislature in the previous session. He purported that the state was at a crossroads. The ball was in the legislature's court. It was up to the body to decide the next step forward. If the state wanted to continue on the path that it had been on of not addressing the issues, then the state would have to deal with the prison population by building additional prisons or sending criminals outside. He suggested that maybe the legislature wanted the group to continue to work at matching the prison bed population to the people that needed incarceration. He asked the legislature for direction concerning the next step which he believed was to develop an implementation plan that laid out the specifics about how to get to where the state wanted to go.

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Co-Chair Neuman relayed his experience in working with the group over the previous summer. One of the things he learned that was not included in the presentation was how the system worked; how real life worked with many of the people the state had to deal with. He talked about bail being a hurdle for prisoners. Prisoners that were unable to make bail set by a judge remained in jail at the cost of \$158 per day, \$58 thousand per year. He reiterated that 40 percent of the 6300 inmates currently in corrections, equaling approximately 2400 inmates, awaited sentencing. He

pointed out that 2.9 percent of the money that went into corrections actually was designated for treatment programs. He continued that 80 to 90 percent of the people in corrections were there with drug and alcohol-related problems. He expressed his frustration with the disparity of funding set aside for treatment. He reported that he had asked about treatment in corrections. Many of the treatment programs lasted for 90 days, yet many of the people that went into jail were not sentenced as long as 90 days, therefore ineligible for treatment. He did not want to elaborate on all of the repercussions of being intoxicated on drugs and alcohol. He mentioned drug testing. He reported that there were programs or hardware available that the state could invest in for testing. He recalled Representative Gattis trying to help community members with getting to and from their urine or breathalyzer test appointments twice daily. He suggested that there was technology which allowed people to breathe into a cell phone or any device with visual capabilities and the chemical markers would be read. Such technology was inexpensive, more convenient, and allowed people to remain at work making compliance attainable.

Co-Chair Neuman mentioned serious problems with the state budget and emphasized that the plan could not have happened at a better time. He restated that the correction system was at 101 percent capacity currently. He wondered if the state was going to continue doing the same thing it was currently doing. He maintained that there was a plan in front of the committee on how to deal with capacity. He conveyed that the cost of treatment programs were \$12 hundred to \$16 hundred per person, yet the state was paying \$158 per day. He asserted that the drug and alcohol problems needed to be resolved. He wanted to complete the implementation of the plan before the committee. He stated that he had challenged the group to do a cost-benefit analysis. The state would have to prove that the money it invested in the plan would save the state money in the long-run. It would also make the lives of Alaskans, family, friends, and neighbors much better. He offered that with the reductions in the budget many jobs would be lost in the current year. Drugs and alcohol problems were epidemic particularly in rural Alaska. He mentioned suicide. He wanted to reemphasize the goal of reducing the state budget overall.

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Co-Chair Thompson asked Deputy Commissioner Thomas if he had looked at the positive results and positive stories from youths that had been through youth courts of their own peers. He wondered if he had heard stories about youths turning their lives around avoiding the juvenile justice system.

Ms. Gutierrez responded that when she worked on the recidivism reduction plan she had a number of conversations with Director Forest, the director of the Division of Juvenile Justice. However, she had not talked to individuals who worked at the youth court. The youth court was a great example of peer incentivized change. She was aware of many adult treatment programs that used the same sort of peer supported incentivized change approach. She indicated she would be happy to do research on whether the youth court model was effective in working with adults, particularly some of the younger adults re-offending at significantly high rates.

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Representative Wilson asked if Ms. Gutierrez had looked at Alaska's prisons and how Alaska's prisoners were treated versus those in the Lower 48. She had heard from inmates that had been brought back to the state from other states. The inmates claimed that conditions were much worse outside of Alaska and did not want to return to the Lower 48.

Co-Chair Neuman asked if Alaska's prisons were too soft.

Commissioner Taylor responded that he did not think they had examined how soft Alaska's prisons were compared to other States. He suggested that when people were thousands of miles away from home they would likely be motivated to remain in state in order to have access to people. He did not believe that Colorado and Arizona were egregious places for people to serve time. Colorado's facility was virtually new on par with Alaska's Goose Creek facility. He felt that distance was a greater issue than the treatment of inmates.

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Representative Wilson asked if a savings would result from the state closing its Goose Creek facility, sending long-term offenders south, and using part of the savings for the

group the commissioner was talking about. She wanted to make sure the state was investigating all potential savings options.

Commissioner Taylor assured Representative Wilson that everything was on the table. He added that with the charge of the governor to reduce the department's budget 25 percent, all facilities would be looked at. Programming, probation, and medical coverage were areas that would also be examined.

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Co-Chair Neuman remarked that the report indicated that Goose Creek Correctional Center was currently the most efficient in the state. One of the main reasons for building the facility was to reduce recidivism because of inmates having access to their families, an important part of returning to society. He mentioned Representative Munoz's comments on the availability of telecommunications and video teleconferencing with family members.

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Vice-Chair Saddler appreciated the legislators who directed the creation of the plan and the people that put the plan together. He referred to slide 26 and mentioned the smart justice efforts in Texas that reduced recidivism rates by 25 percent. He wanted to know Texas' recidivism rate after the reduction of 25 percent.

Ms. Gutierrez was not sure what Texas' recidivism rate was in 2007. According to the material provided by Pew PSPP the drop was 25 percent. She stated she would provide him with Texas' recidivism rate in 2007 and in the current year for comparison.

Vice-Chair Saddler posed the question, "The implication being, are they low-hanging fruit or real tough nuts to crack?"

Ms. Gutierrez added that the strategy that produced the best results was creating therapeutic alternatives for drug and alcohol offenders. They created a Driving Under the Influence (DUI) prison, community-based treatment programs for people on probation, prison residential treatment programs similar to the Residential Substance Abuse

Treatment (RSAT) program. The therapeutic alternatives were all treatment-based targeting the treatment needs of the individual.

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Vice-Chair Saddler wondered about the scientific evidence-based results of the effectiveness of treatment programs. He also asked if there were any limitations on how many times a prisoner could participate in a treatment program.

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Mr. Jesse responded that there was information about the effectiveness of programs. For example, the State of Washington had conducted a thorough examination of evidence-based practices not only to determine their effectiveness but also to track the return on investment. He relayed that programs that targeted youth had a better lifetime return on investment because every youth that was deterred from a criminal career had many years to be a productive citizen. There was informative evidence available that was useful because there were programs that were liked by participants but not very effective such as Scared Straight. Youths were taken into prisons to observe the horrors of incarceration, but the program proved itself to be less effective. He reported that the fear of the unknown contributed to program success. Once people saw that prisoners were not hanging by chains from the wall it was not the deterrent that it was thought it would be.

Mr. Jesse continued that as far as the number of times a person could seek treatment depended on the individual. In looking at the chronic homeless inebriate population, many of the Housing First people at Karluk Manor had been through treatment up to 14 times. He suggested that it was a myth that chronic homeless chose to drink, because a person did not go through treatment 14 times unsuccessfully. In answer to Representative Saddler's question, he responded that there was no limit on the number of times a person could go to treatment. The state's goal was to improve the approach for each individual. He also pointed out that although people asked the question about the number of times the state would pay for substance abuse treatment, people did not ask the same question about diabetics who routinely relapsed by going off their diet, not exercising, or not following their doctor's orders.

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Co-Chair Neuman added that when he was the chairman of the Department of Health and Social Services finance subcommittee in the budget the behavioral health grants cost approximately \$200 million per year for 2 to 3 year grants. He saw that individuals had been through treatment a number of times before staying sober; 12 to 13 times for some individuals. He opined that the problem in Alaska was that all of the available treatment programs differed. There was no systematic methodology in the treatment of behavioral health problems. He claimed that the state was primarily dealing with a transient clientele that took advantage of family, friends, and neighbors moving to other places and taking advantage of more people over time. He argued that there was no systematic program and that the state was spending the people's money without any say in the treatment approach. He explained that he asked the health commission to provide the legislature with information about successful treatments. He wanted to know what treatment programs worked for cocaine, heroin, methamphetamines, and alcohol so that the state could invest in those programs.

Co-Chair Neuman relayed that the providers that received grant monies reported that there was a tremendous amount of paperwork. He furthered that the largest Fairbanks treatment facility reported that 70 percent of the funds received were spent on administrative fees. He opined that the state spent more time making sure money was spent appropriately rather than getting the money on the street. He believed in accountability, but wondered what to do about high administrative costs. In the previous session he reported talking with Mr. Jessee about turning grants into contracts and having the state dictate what programs were used with the help of the health commission.

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Vice-Chair Saddler acknowledged the general principle that the earlier a younger person was treated the better chance that person had to live a longer life. He asked to be directed to the supporting data. He also suggested asking both diabetics and substance abusers the reasons they did not follow their treatment programs, as the information would be helpful in a cost-benefit analysis. He added it

would be more beneficial than not to ask the question. He furthered it was a fair question to ask whether the state should treat one person 15 times or treat 15 people one time. He wanted to know about the current cost-benefit analysis.

Mr. Jessee remarked that he would look into the answer to Representative Saddler's question and report back. He was aware of being able to provide a reference to the cost-benefit analyses from the State of Washington.

[3:04:28 PM](#)

Representative Gattis wanted to know the court costs associated with a prisoner. She understood that the cost of a bed per day for an inmate in prison was \$158. However, the state did not have costs for court, law enforcement, or damages incurred by citizens related to the inmate's crime. She thought the state incurred a larger cost than \$158 per day.

Mr. Jessee informed the committee that the McDowell group was hired to look at the cost of alcohol abuse in Alaska. He shared that it was a cost of \$1.2 billion to the state, approximately \$560 million of that accounted for lost productivity. He continued that about \$650 million of the state's money was being spent on the issues of excessive alcohol consumption. He added that the state generated about \$40 million in taxes.

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Ms. Gutierrez added to Mr. Jesse's answer. She indicated that when she started with a plan the first thing she wanted to do was to determine how much of the court's budget was devoted to criminal cases encompassing the Department of Law (LAW), The Office of Public Advocacy, the Public Defender's Office, Police departments, and others. She realized that she did not have the ability or authority to collect the information. She thought it would be very beneficial to policy makers to know the sum total cost of the criminal justice system. She agreed with Representative Gattis that it did not equal \$158 per day per bed.

[3:06:12 PM](#)

Representative Edgmon appreciated the work product on behalf of the workgroup. He made a comparative fish reference. He suggested that the state was potentially at the edge of a paradigm shift; if done right and given the proper amount of resources Alaska could see results similar to Texas or some other states. He commented that of the major policy initiatives the House Finance Committee could undertake, the plan could produce an incredible amount of savings, something on par with Medicaid reform. He spoke of having some authority because he had been working on the DOC budget for several years and Department of Public Safety's budget for the previous two years. He witnessed the ping-ponging of the dollar that traveled through the criminal justice institutions in the state. He speculated that if there was a part two to the plan he recommended that there be an emphasis on the tribal side. He reviewed some statistics including the figure of 40 percent of the prison population being young Alaska Native males. These prisoners return to their communities after a minor offence likely involving alcohol they reoffend, reoffend again, and become felons. He supported working with Alaska's villages, tribal courts, circle sentencing, and incorporating cultural sensitivity into the reentry process and prior to offending.

Representative Edgmon recalled a kid in Togiak two years prior who encountered a stray dog eating at the fish rack and shot the dog. He reported that the kid had received a call from the child's mom claiming she did not know where her son was at. The young man was brought to McLaughlin Youth Center where he sat for six weeks in the summer months. As a legislator, Representative Edgmon had tried to contact agencies but did not get any response. He finally figured out the kid's location and established that he was okay. HE offered that it took over six weeks to get him back to the village of Togiak. Luckily the kid, an honor student at Mount Edgecombe, returned to graduate. The other 9 of 10 kids that offended would have potentially reoffended and returned to the correctional system. He pointed out that it was a circular pattern that the legislature was attempting to address with the efforts that had been made. He reiterated his appreciation of the presentation and reemphasized a part two that would include a tribal element in order to target young Alaska Native males who were reoffending (probably the steepest number on a per capita basis in the US) and returning to the system without getting needed treatment.

Commissioner Taylor responded thanking Representative Edgmon for bringing up a tribal emphasis. He spoke about reentry efforts in the rural areas. He noted the efforts on behalf of the department to reach out to tribal entities and would continue to reach out. He highlighted doing a better job of insuring that the partnerships had access to DOC. He reported that the department was working on its partnerships with the prisoner re-entry initiative by including the tribes and giving them a voice. He surmised that without a voice at the table the department would continue to see failure that it had already seen. He made it clear that the department had been actively working with Alaska Native Justice Center in Bristol Bay to improve accessibility and assured the committee he would continue his efforts whole-heartedly.

Representative Edgmon thanked Commissioner Taylor for his comments and expressed his appreciation to the committee for designating an entire meeting to hear the presentation. He was aware that the subject did not directly involve dollars and a budget. However, he highlighted that it did involve setting the state in a policy direction that would save what he thought would be a significant amount of money down the road.

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Representative Pruitt told of an experience in college in which his friend had a job that he disagreed with then and continued to agree with currently. He asked his friend why he did it. His friend responded by informing him that he made \$1000 per night. His friend ended up a felon serving time in a federal prison in Seattle. He had always remembered his friend and his conversation with him. He relayed that his friend had found something that he could not get away from. He conveyed that it did not take much time for his friend to return to prison once he was released. He opined that part of the barriers that were placed on criminals were, in some cases, instituted by legislators. He continued to explain that legislators felt that if they were not hard enough on crime they were not doing their job correctly. He did not like the hard and soft discourse. He expounded that it was time to be smart on crime rather than hard or soft on crime. One of the things he was interested in knowing about was the recidivism aspect. He continued to explain that the fact

that legislators placed barriers on offenders reentering their communities such as not being allowed to work in certain positions or limiting the number of years a person could work in a position. He surmised that legislators had randomly imposed certain restrictions that did not necessarily match the crime committed. Therefore, there was a cost associated with recidivism and a potential cost associated with some sort of social program they might have to participate in because they could not achieve employment. He had not heard in the day's presentation about what the state could do to change and place in statute the correct mechanisms for those people who had come out of prison to ensure that the legislature was not placing undue barriers for them.

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Ms. Gutierrez credited Representative Pruitt for bringing up a significant and valid point; collateral consequences to crime. The good news was that prior to 2013, Alaska was unaware how many collateral consequences or barriers the state had erected as a result of criminal conviction. She reported that the American Bar Association recognized the problem existed in every state. The association received a grant that funded hard-working young lawyers to identify the collateral consequence statutes in regulations in every state. Alaska's statutes and regulations were reviewed early in the process due to the legislative support for looking at the state's practices. They were able to identify 1625 statutes and regulations that provided for some kind of barrier or collateral consequence as a result of criminal conviction. She highlighted that 746 of the barriers pertained to employment, many of which were rationally related to the promotion of public safety. However, she emphasized that many of them were not and referred to page 22 of the Recidivism Reduction Plan (slide 26 - or the spiral bond document in file - the report). She offered that many people thought it was in order to have a committee made up of prosecutors, policy makers, and others evaluate every one of the provisions and decide whether they were rationally related to the promotion of public safety. She stressed that without looking at the provisions carefully to avoid making it impossible for prisoners being released that did want to work and support their families to obtain employment.

Mr. Jesse added that the other possibility the commission and the Criminal Justice working group were going to look at was using individualized waivers in certain circumstances. The problem with the current system was that an employer had to offer a person a position, hold it open while that person applied for a waiver, and wait to find out whether the waiver was approved. He surmised that an employer would have to be pretty committed, firstly to take a chance on hiring someone with a criminal record, and secondly to wait on a waiver. He argued that employment was critical to lowering recidivism.

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Representative Pruitt appreciated Mr. Jesse's comments. He asked if there was something more the state needed to do, for example, setting up an additional group to look at the issues. He wondered if the commission was handling things moving forward.

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Ms. Mead informed the committee that it was a specific charge to the Criminal Justice Commission and there was a specific workgroup, a subgroup, called, "the Barriers to Reentry and Collateral Consequences of Crimes Subgroup." The subgroup was currently meeting once per month and had the study that Ms. Gutierrez referenced listing 746 crimes. They were working on the study and intended to make recommendations potentially within a year, although she was unclear about the timeframe.

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Representative Pruitt suggested there were different subgroups charged with the completion of a task within three years. He wondered if the commission would be reporting back intermittently to the legislature or if it would wait to come back at the end of three years. He suggested that because of the fiscal crisis it would be better to hear back sooner rather than later so that issues could be addressed quickly.

Ms. Mead indicated that their plan was to come back annually with recommendations. She thought the last set would be the largest.

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Representative Guttenberg relayed a personal experience shadowing a judge in Fairbanks in the therapeutic courts. He reported that predominately middle-aged women attended and were happy to have gone through the program. He wondered about a baseline of the entire picture. There were many different components including housing, employment, and collateral consequences.

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Ms. Gutierrez responded that if the PEW was invited to Alaska it would perform a comprehensive data analysis on the factors driving Alaska's prison population growth. She remarked that four factors had been outlined in the current meeting. There would likely be additional factors that the state simply did not know about due to the comprehensive collection of data that was really required. She continued to explain that the Alaska Criminal Justice Commission was anxious to have PEW come in to advance the state light years ahead on the work that was required to be completed. She opined that it was a huge advantage for the state to have PEW's people come do the work, as the state did not have the proper manpower. The PEW offered to do the work at no cost to the state. Department of Corrections and other departments would likely give up man hours to work with PEW. She suggested that in regards to some of the issues that were brought up such as housing, therapeutic courts, and community-based approaches for reducing recidivism, the next step would be to design an implementation plan. She wanted to be able to inform the legislature about its choices including timeframes, cost estimates, numbers of people going to be served, expected outcomes, and potential savings for the state. She explained that the state had not taken this next step because it was not the mandate and because it was the finance committee's prerogative to decide on the next step.

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Representative Guttenberg suggested sending them [PEW's people] to communities he had previously represented and communities in Representative Edgmon's district to see what Alaska was like.

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Representative Gara expressed a lack of hope that the state would avoid building another prison. He suggested that trying to prevent people who had committed crimes from committing additional crimes could be compared to bailing water out of a boat that was taking on water at the same time. He had not heard much in the presentation about the people who had never committed a crime who would commit a crime. He relayed that there was a huge waiting list of people unable to get into affordable housing. He voiced that the state had a pile-up program for prisoners to get into housing, but the innocent people who had never committed a crime before and could not get into affordable housing could be expected to become part of the prison population. He spoke of a large population of neglected and abused children who had never committed a crime in their lives. He shared that 23 percent of Alaska's foster youth would end up in jail. These were people who never committed a crime that were not being addressed because they had not yet committed a crime. He posed the question about what the state has done to address the foster youth group. He answered that five years previously the governor had called for a study to determine how short on resources the state was for the particular group. He noted that the state had not implemented that study and in five years the number of foster youth had grown from 1700 to 2400. He continued that on a per-person basis the state was providing fewer and fewer resources to the group of kids of which 24 percent would end up in jail. He concluded by saying that water could be bailed out of a boat by reducing recidivism which he supported, but water was also being taken on the boat with the innocent who have yet to commit a crime. He added that very little other than substance abuse treatment would help. He wanted to hear more about what the state was going to do for those individuals who have never committed a crime. He indicated he was speaking out of frustration.

Co-Chair Neuman understood Representative Gara's concerns, but emphasized that the charge of the group was to focus on people that were already in the correctional system. He commented that the state had added additional funding and done what it could to address the many needs of the state. He suggested Representative Gara speak to the Commissioners to help individuals. He was unclear what the group could do about addressing those who had not yet committed a crime. He acknowledged that the group would take his concern into account.

Representative Gara restated that the bulk of the funds that went into the foster care system were court ordered which included an increase in the daily reimbursement rate. In his opinion, it was not the best use of money. In terms of staff for foster youth on a per-child basis, he observed had shrunk according to a study that said the state did not have the resources for the kids in the first place. He saw the plan as a sinking boat unless both sides were addressed.

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Vice-Chair Saddler wanted to give voice to the people of Alaska that did not commit crimes but paid the cost for crimes who might be asking themselves why they had to pay for people who said they would reoffend or return to jail without job training, a second or fifteenth chance at treatment, or educational assistance. He wanted to know at what point personal responsibility for crimes came into play. He hoped the work that the group did provided an answer to those people who did not commit crimes. He relayed that he heard the question from his constituents and hoped to get an answer.

Co-Chair Neuman thanked all the people involved in the program. He acknowledged attendees including the commissioners of DOC and DHSS, the deputy commissioner of DOLWD, and the CEO of the Alaska Mental Health and Trust Authority. He relayed that Mr. Jesses had gone to his board with a request for \$82 thousand to hire Ms. Gutierrez to write the report. The report did not cost the State of Alaska any money. He also acknowledged other participants including the CEO and the executive director of AHFC. He commended the entity to secure housing for 266 people per-year for housing for up to two months. He acknowledged the Alaska Court System, the Alaska State Troopers, DPS, and the University of Alaska. He expounded that outreach to the University proved helpful. It was asked to implement programs in behavioral health to cultivate professional providers that could work in the correctional system. He provided additional outreach information. He really appreciated the efforts of the combined group. He concluded that the answer to the question of whether to move forward with the plan was, "yes." He did not believe there was another choice. He briefly spoke of budget reductions and the challenges of the fiscal crisis. He talked about a

discussion he had had with Commissioner Taylor about what DOC and DHSS were going to do. He thanked everyone for their time and attention.

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ADJOURNMENT

3:33:04 PM

The meeting was adjourned at 3:33 p.m.