

**ALASKA STATE LEGISLATURE  
SENATE JUDICIARY STANDING COMMITTEE  
ANCHORAGE LEGISLATIVE INFORMATION OFFICE**

October 10, 2019

1:01 p.m.

**MEMBERS PRESENT**

Senator Shelley Hughes, Chair  
Senator Lora Reinbold, Vice Chair  
Senator Mike Shower (via teleconference)  
Senator Peter Micciche  
Senator Jesse Kiehl

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

OVERVIEW(S): RECIDIVISM

- HEARD

**PREVIOUS COMMITTEE ACTION**

No previous action to record

**WITNESS REGISTER**

STEVE WILLIAMS, Chief Operating Officer  
Alaska Mental Health Trust Authority  
Anchorage, Alaska

**POSITION STATEMENT:** Provided a PowerPoint titled, "Trust: Alaska Mental Health Trust Authority."

MICHELLE OVERSTREET, Executive Director  
MY House  
Wasilla, Alaska

**POSITION STATEMENT:** Provided a PowerPoint titled, "MY House."

ERIC CROMBIE, Program Participant  
MY House  
Wasilla, Alaska

**POSITION STATEMENT:** Offered his perspective of lived experience.

POLLY-BETH ODOM, Executive Director  
Daybreak Incorporated  
Palmer, Alaska

**POSITION STATEMENT:** Provided a PowerPoint titled, "Daybreak Incorporated Prisoner Re-Entry Program and Therapeutic Court Case Management."

BRIAN GALLOWAY, Prison Reentry Case Manager  
Alaska Community Reentry Program  
Mat-Su Reentry Coalition  
Wasilla, Alaska

**POSITION STATEMENT:** Provided a PowerPoint titled, "Daybreak Incorporated Prisoner Re-Entry Program and Therapeutic Court Case Management."

JOSHUA SOPKO, Director  
Partners Reentry Center  
Partners for Progress  
Anchorage, Alaska

**POSITION STATEMENT:** Provided a PowerPoint titled, "Partners Reentry Center."

SHERRY HILL, Operations Director  
Set Free Alaska, Ince  
Wasilla, Alaska

**POSITION STATEMENT:** Provided a PowerPoint titled, "Set Free Alaska Inc."

RYAN RAY, Founder and Senior Partner  
61Sixty Social Impact Lab  
Palmer, Alaska

**POSITION STATEMENT:** Provided a PowerPoint titled, "Promoting Smart Decarceration for Formerly Incarcerated Individuals."

#### **ACTION NARRATIVE**

[1:01:52 PM](#)

**CHAIR SHELLEY HUGHES** called the Senate Judiciary Standing Committee meeting to order at 1:01 p.m. and called an at-ease awaiting the arrival of Senator Micciche and from Senator Shower via teleconference.

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At ease.

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CHAIR HUGHES reconvened the Senate Judiciary Standing Committee. Present at the call to order were Senators Reinbold, Kiehl, Micciche, and Chair Hughes. Senator Shower joined the committee via teleconference.

CHAIR HUGHES stated that materials being referenced today are all posted on the legislative website, BASIS, at <http://www.akleg.gov/basis>.

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CHAIR HUGHES made opening comments. She stated that the meeting today marks the beginning of the committee's focus on recidivism. The repeal of Senate Bill 91 was the first step taken by the legislature and the executive branch to address crime. She stated the next step is to effectively address recidivism because fewer criminals going in and out of the system will result in fewer victims and overall a safer community. After passage of House Bill 49, the committee committed to examine the efforts of state agencies and non-profit providers reduce recidivism. She anticipated that this would be a lengthy and deliberative process. Today the committee would be hearing presentations from the Alaska Mental Health Trust Authority, MY House, Daybreak Inc., Partners for Progress, Set Free Alaska, and 61Sixty Social Impact Lab.

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CHAIR HUGHES listed the four questions that were given to the presenters in preparation for this meeting.

1. What is your organization doing presently to help lower recidivism?
2. What data do you have to show your outcomes?
3. In your opinion, are there any changes the state can make to help lower the rate of recidivism?
4. How could your organization work within the justice system to lower recidivism?

She stated that the Alaska Mental Health Trust ("Trust") is the leader in providing grants to the organizations in the state that serve the most-at-risk. She said she thinks any conversation about recidivism must include the Trust.

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STEVE WILLIAMS, Chief Operating Officer, Alaska Mental Health Trust Authority, Anchorage, Alaska, stated he has lived in Alaska since 1992. He reported that he worked for the Alaska Court System for four years before beginning his 14-year career

with the Trust. His focus has been to improve the efficacies of the criminal justice system with an emphasis on the beneficiaries of the Trust. He thanked the committee for the opportunity to have this discussion and for including the organizations presenting today. He said that these organizations work to prevent individuals from entering the criminal justice system and develop and work to implement a release plan to help someone reenter the community successfully. He explained his goal for today was to give a primer on the Trust and how the Trust is involved in issues of recidivism.

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MR. WILLIAMS began the presentation with a video on the Alaska Mental Health Trust.

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MR. WILLIAMS stated that the video gives an essence of the Trust and what it does. He noted that the Trust impacts beneficiaries across the state through three major areas of work. First, the Trust is a catalytic change agent that works to help improve the systems and policies and funds programs and services to enhance the level of care for its beneficiaries. He said the Trust and the Department of Health and Social Services work together to develop a comprehensive integrated mental health program plan. The most recent version of that plan is on the commissioner's website at <http://dhss.alaska.gov/Commissioner/Pages/MentalHealth>.

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MR. WILLIAMS mentioned that the Trust channels its staff and funding resources in specific yet broad areas. He explained that the Trust's funding has been described as venture capital or Kickstarter. The Trust's resources help fund new pilot programs and evaluate new programs. If a model demonstrates efficacy, the program is implemented with partners, including the state, nonprofits, or tribal health organizations. If the model does not work, the Trust moves on to the next model. He stated the Trust uses its resources to develop infrastructure for the state. An example is the partnership with the Department of Corrections (DOC) to remodel and expand the women's mental health unit at Hiland Mountain Correctional Center to increase mental health services and provide detoxification services. The last major role the Trust plays is as a convener, such that the Trust often pulls together the key stakeholders to better understand the challenges and barriers. For example, this includes the today's topic, improving the criminal justice system by working to help identify and implement solutions. He

summarized that the Trust's key roles are to be a catalytic funder, policy maker, and convener.

MR. WILLIAMS reviewed Trust Beneficiaries on slide 3.

Alaskans who experience:

- Mental illnesses
- Developmental disabilities
- Alzheimer's disease and related dementia
- Traumatic brain injuries
- Substance abuse disorders

The Trust also works in prevention and early intervention services for individuals at risk of becoming beneficiaries.

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MR. WILLIAMS discussed slide 4, FY 2020 Trust Grant Allocations. He said the video mentioned that the Trust receives a little over \$20 million per year for grants and the pie graph on slide 4 shows how the grants are allocated. He said about \$10 million are Mental Health Trust Authority Authorized Receipts (MHTAAR) which are designated grants to state agencies and are identified on fiscal notes. He explained that a large amount of the funds are authority grants which go directly to the community for local government, tribal health corporations, or nonprofits.

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MR. WILLIAMS reviewed Accountability and Outcomes on slide 5.

1. Data-driven decision making and results-based accountability
2. Agreements established for MHTAAR and Authority Grants
3. Grants monitored for compliance and performance
  - Establish performance measures
  - Impacts on beneficiaries
  - Outcomes and accomplishments
  - Financial review

He said the Trust reviews any data before making policies or decisions about funding. The Trust reviews performance measures using a results-based accountability matrix to see if programs are producing desired outcomes. He said that there are grant

agreements set in place with the Trust and its partners. The agreements outline how the funds are to be used as well as the performance measures and reporting requirements the Trust is looking for. He highlighted that the Trust is actively engaged in the grant-making process which helps to correct problems early on in a new program.

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MR. WILLIAMS discussed The Work of the Trust on slide 6.

#### Standing Focus Areas

1. Housing and Long-Term Services and Supports.
2. Beneficiary Employment and Engagement.
3. Substance Abuse Prevention & Treatment
4. Disability Justice

#### System Improvements

1. Prevention and Early Intervention
2. Workforce Development
3. Medicaid Reform Implementation

He said the Trust identified four standing focus areas and three system improvement areas. He stated that the Trust identified broad areas that needed to change to improve the lives of its beneficiaries in a collaborative process with its partners, including state agencies, tribal health partners, community nonprofits, beneficiaries of the Trust, statutory advisory boards, the Mental Health Board, the Advisory Board on Alcoholism and Drug Abuse, the Governor's Council on Special Education and Disabilities, the Alaska Commission on Aging, and the Department of Health and Social Services. He stated that in the 1990s the Trust took more of "shotgun" approach when granting dollars to needed services and programs. However, there were specific areas where beneficiaries were struggling, so the Trust decided to take a more concentrated role in the four standing focus areas. He explained that the system improvement areas are also needed, and the Trust has channeled necessary staff and funding resources into those areas.

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CHAIR HUGHES noted the time and suggested that he skip over some of the slides.

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MR. WILLIAMS turned to slide 7 and explained that disability justice was one of the focus areas because 40 percent of the annual incarcerations at the DOC (Department of Corrections) are

Trust beneficiaries. The median lengths of stay are double for Trust beneficiaries versus non-Trust beneficiaries that are charged with similar crimes. He noted that Trust beneficiaries are 1.5 to 10 times more likely to be victims of crime. He said these statistics guide the Trust's work.

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MR. WILLIAMS reviewed the goals of Disability Justice listed on slide 8.

#### **Goals**

1. Prevent and reduce inappropriate or avoidable arrest, prosecution, incarceration, and criminal recidivism of Trust beneficiaries
2. Improve reentry planning from juvenile detention and treatment, and adult correctional facilities back into Alaskan communities
3. Increase criminal justice system's ability to accommodate, support, protect, and provide treatment for victims and offenders who are Trust beneficiaries
4. Reduce the use of jails and prisons for providing protective custody of adult Trust beneficiaries under Alaska Statute 47.37.170 (alcohol/substance holds)

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MR. WILLIAMS reviewed slide 9, Sequential Intercept Model. The Trust uses the Sequential Intercept Model [flowchart] to review the criminal justice system and identify places where the Trust and its partners and stakeholders can intercept to create change. He noted this is all done with a focus on public safety. The model shows how the community has the bookend services that will help prevent people from entering the criminal justice system and that are required for success when transitioning out of the system.

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MR. WILLIAMS reviewed the Examples of Partnerships listed on slide 10.

1. Peer Supports & Community Based Non-profit system
2. Local Governments
3. Tribal Health System
4. State of Alaska
  - a) Alaska Court System
    - Therapeutic Courts

- b) Dept. of Administration
- c) Dept. of Corrections
  - Hiland Mountain Women's Mental Health Unit (2x) Mental Health Clinical Capacity/Programming
  - Institutional Discharge Program Plus (IDP+)
  - Assess, Plan, Identify & Coordinate (APIC) program
- d) Dept. of Health & Social Services
- e) University of Alaska Anchorage

He highlighted 4(a), the Alaska Court System, Therapeutic Courts, and 4 (c), the DOC, Hiland Mountain Women's Mental Health Unit, the Institutional Discharge Program Plus (IDP+) and the Assess, Plan, Identify and Coordinate (APIC) programs specific reentry programs that the Department of Corrections operates in partnership with the Trust. He noted that 4 (e) the Alaska Justice and Information Center (AJiC) program at the University of Alaska Anchorage is a jointly funded project that serves as the database warehouse to help guide the Trust with its program and policy decisions.

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MR. WILLIAMS described the four Sample Projects on slides 11 and 12.

#### Sample Projects

##### Anchorage Crisis Intervention Training (CIT)

- In FY18, 2,976 documented calls for services were categorized as mental health-related or suicide-related
- Current CIT-trained APD Staffing
  - 110 officers (Goal is 30% patrol officers)
  - 33 dispatch employees

##### Bethel Holistic Defense Project (HDP)

- During FY18, 150 unduplicated beneficiaries were served.
- Examples of services to HDP participants, referral to services (57%), assistance with assessments (33%), creating social histories (33%), and case management (27%).

- Results = 35% were able to enter treatment, 31% had their needs identified, 18% were enrolled in Medicaid, and 15% acquired food stamps.

#### Sample Projects (cont'd)

APIC (Assess, Plan, Identify, and Coordinate) Discharge Planning Model

- In FY18, there were 551 unique and valid referrals
- 517 participants were released with a transitional release plan
  - ✓ 475 were connected or engaged with a community provider
  - ✓ 40% within 10 days and 60% with 30 days of release.

Interpersonal Violence Prevention

- FY08 - FY19, 73 groups with 534 participants have completed the FDP at 28 agencies throughout Alaska
- Longitudinal data shows:
  - ✓ a decrease in the incidents of interpersonal violence
  - ✓ an increase in the size of participants' social networks
  - ✓ statistically significant positive behavior outcomes such as gains in knowledge and understanding of respectful personal boundaries

MR. WILLIAMS said that these four projects that the Trust either solely funds or jointly funds are focused on improving outcomes for beneficiaries or preventing them from coming into the criminal justice system. The first one is CIT (Anchorage Crisis Intervention Training) that the Trust has partnered with the Anchorage Police Department since 2001. The Trust has also helped Juneau and Fairbanks police departments. He noted that these trainings are not solely for local law enforcement but also the Alaska State Troopers, Village Public Safety Officers, campus security, airport police, and military police.

Second, the Bethel Holistic Defense Project (HDP) is a joint project that focuses on individuals who have both criminal and civil charges and combines the cases to take a more holistic approach.

Third, the APIC program is a partnership with the Department of Corrections. This project is critical in release planning and ensures beneficiaries are connected to services such as housing, mental health, substance abuse, case management, employment, and prosocial activities which are known elements to help beneficiaries succeed in their transition back into their communities.

Lastly, is the Interpersonal Violence Prevention program through the UAA Center for Human Development, he asked. He said this is an area where data is underreported but the program does seem to help individuals develop broader prosocial relationships and networks as well as decrease reported incidents of victimization, so people are safer.

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MR. WILLIAMS explained the Sequential Intercept Model depicted on slide 13. He emphasized that as members discuss the topics of reentry and recidivism, it is important to focus before someone has contact and enters the criminal justice system. There cannot be a sole focus on the reentry piece or else there will continue to be an effort to fill the holes when someone comes out on the backend.

He directed attention to the flowchart on the right. He noted that many of the presenters today will discuss the in-reach work performed with the Department of Corrections to develop reentry planning and to support individuals at the time of reentry into the community.

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MR. WILLIAMS discussed slide 14, What should be the result?

1. Increased public safety
2. Effective and efficient use of resources achieving better outcomes
3. Healthier Alaskans and communities

He stated that the projects listed should produce these three goals. He said that much of the work that has been done since 2001 including many of the programs presenting today have met these goals. It is not yet systemic, but recidivism rates have decreased from 66 to 61 percent for felons according to the Department of Corrections. He offered his belief that better outcomes will be achieved.

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MR. WILLIAMS thanked the committee for including the community in this conversation because it will help to share what is working, what is missing, and how to develop some solutions for some of the barriers.

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CHAIR HUGHES asked if the Trust reviews and collects data for programs outside of the ones the Trust administers to see if the programs are producing good outcomes.

MR. WILLIAMS answered yes.

CHAIR HUGHES asked if beneficiaries represent a high percentage of victims.

MR. WILLIAMS answered yes.

CHAIR HUGHES referred to slide 12 that states that APIC had 517 release plans for inmates reentering society. She asked if that represented the number of beneficiaries reentering society in one year and what percentage that represented of the overall releases for that year.

MR. WILLIAMS answered that 517 represents the number of release plans for FY 2018. He said he does not know the percentage as it relates to the overall releases from DOC in that year, but it is small. He said that these beneficiaries are the ones with severe persistent mental illness or other significant impairments.

CHAIR HUGHES offered her belief that pockets of good things are happening in Alaska, but the problem is but not every offender has access to those opportunities. She hoped that if the state uses a more comprehensive approach from pre-contact to the time served and through reentry to provide access to the "best of the best" to reduce recidivism.

She said her goal is to decrease Alaska's rate of recidivism from 60 percent to 30 percent because other states and countries have accomplished that. She emphasized the importance of this for victims and the sake of Alaska's communities.

CHAIR HUGHES reported that she is pleased with the goals set by the Alaska Criminal Justice Commission (ACJC) because the commission's goals align with the legislature's vision. The Commission's four goals are: recidivism reduction, domestic violence recidivism reduction, review and update the sex offense statutes, and support for victims or victim navigation. She

noted that this will be a process and take time, but the committee will start taking steps now to move in that direction.

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SENATOR KIEHL referred to the 517 participants in APIC [on slide 12] and asked if those numbers were low because APIC has a high threshold for how sick people must be or because resources are lacking to fully implement the program, or both.

MR. WILLIAMS answered it is due to resources, but whenever discussing reentry and developing plans, the DOC has a percentage of its population that cycles through rather quickly, so it is challenging to develop successful release plans for them. Another challenge is that this is voluntary so beneficiaries may or may not decide to use the plan developed for them.

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SENATOR MICCICHE said Mr. Williams often speaks about Trust beneficiaries. However, he was unsure of the definition. He asked if a Trust beneficiary is someone who could qualify or whether the Trust has a running list of Alaskans who are Trust beneficiaries.

MR. WILLIAMS answered that the Trust does not have a running list. To qualify for a Trust program, a person must fall under one of the four diagnoses mentioned in the video. Further, those diagnoses must impact these individuals to such an extent that it impacts their ability to function and places them at high risk for institutionalization. This goes back to when Alaska was a territory and sent people to out of state to institutions in Oregon and Washington.

SENATOR MICCICHE offered his belief that a higher proportion of those incarcerated Alaskans could be identified as beneficiaries but are undiagnosed and are slipping through the cracks.

CHAIR HUGHES noted that he said 40 percent of offenders are beneficiaries, but she suggested it would be higher. She asked if those were only the ones that have been diagnosed.

MR WILLIAMS clarified that overall, 40 percent of the annual incarcerations are Trust beneficiaries, but if a snapshot was taken on a specific day, then 65 to 67 percent of incarcerated individuals would be Trust beneficiaries. He agreed people do slip through the cracks in terms of identification at the Department of Corrections because not everyone wants to self-

identify for personal and safety reasons. Further, it is not easy to recognize FASD (Fetal Alcohol Spectrum Disorders) or traumatic brain injury victims. He agreed that the percentage is underreported.

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SENATOR REINBOLD asked for a contact about projects associated with the Alaska Mental Health Land Trust.

MR. WILLIAMS answered Wyn Menefee.

SENATOR REINBOLD commented that the Trust has millions of acres of state land. She asked how the Trust was kept accountable for positive outcomes. She asked whether it was through the Mental Health Trust Board or a certain goal for the rate of return on investments.

MR. WILLIAMS answered that the Mental Health Trust Land Office is a separate section within the Department of Natural Resources. The Mental Health Land Office manages those lands to maximize revenues for the Trust since the trust must operate in perpetuity for current and future beneficiaries. The Trust's board of trustees provides oversight for both the cash and non-cash assets of the Trust.

SENATOR REINBOLD asked if all Alaskans technically should be considered Trust beneficiaries if the effort is prevention of substance abuse or mental health issues.

MR. WILLIAMS replied he believes prevention and early intervention should be a part of the same discussion. He said the Trust partners with the state Suicide Prevention Council to help inform people of the resources available to them. Early intervention is about identifying mental health issues through assessments and screening tools to hopefully intervene before someone progresses to a point of institutionalization.

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SENATOR REINBOLD remarked that she has never been a fan of the Criminal Justice Commission (CJC). She said she has found some extreme red flags with the Domestic Violence Diversion program. She offered her belief that the important goal should be offense reduction, not recidivism reduction. She said every state defines recidivism differently and she is concerned about how Alaska has defined it in the past.

CHAIR HUGHES responded that she thinks of offense reduction when she thinks of recidivism reduction. She said she is also concerned about the Domestic Violence Diversion program. She clarified that the program's priority is to reduce overall domestic violence. She offered her belief that the diversion program was currently not the CJC's priority.

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SENATOR KIEHL referenced slide 13 and the chart with intercepts shown. He pointed out there is nothing on the model for time spent in prison. He said that many of the organizations here today are reaching people in prison to help them successfully reintegrate. He expressed concern that very few resources were available to help someone during incarceration. He asked how important the Trust believes it is to offer programs while people are incarcerated.

MR. WILLIAMS replied that he did not spend much time discussing Intercepts 2 and 3 in the sequential intercept model shown on slide 13 due to the focus of today's conversation. Both intercepts speak to his concern of what access those incarcerated have to treatment and support services to address those needs, including addiction, mental health, or supporting those with developmental disabilities. These issues are very important to the Trust. The Trust works with the Department of Corrections as well as the Division of Juvenile Justice to build up their mental health clinical capacities. He added that the Trust has worked with both agencies to provide resources so staff, including POs and mental health clinical staff are trained in trauma, mental health first aid, and other specific conditions beneficiaries may have. In addition, the Trust has supported residential substance abuse treatment programs in the Department of Corrections (DOC). He stated this issue is a significant focus of the Trust's work, but he focused on the reentry piece in today's presentation.

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CHAIR HUGHES said the committee is interested in the in-reach programs that the agencies and nonprofits have in DOC's correctional institutions. She pointed out that Alaska has a Unified Corrections System so sometimes jail and prison are used interchangeably. She suggested Intercept 3 should probably read jail/prison.

She thanked Mr. Williams for his concise answers.

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CHAIR HUGHES welcomed Michelle Overstreet.

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SENATOR SHOWER joined the meeting via teleconference.

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At ease.

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CHAIR HUGHES called the committee back to order.

[1:49:08 PM](#)

MICHELLE OVERSTREET, Executive Director, MY House, Wasilla, Alaska, introduced herself and Eric Crombie who is a client of MY House and offers peer support and has lived experience. She said she was born and raised in Alaska and started MY House in 2010 with the idea of providing better care and resources to homeless youth in local communities. She said she assumes the members are familiar with MY House. MY House serves a geographic area the size of West Virginia. The MY House office located in Wasilla is a one-stop shop with wraparound services. MY House is a nonprofit organization that owns two for-profit businesses that train and employ homeless youth, she said.

She highlighted that one fourth of their clientele are reentry clients. MY House has a total of 575 clients and 395 of them have been active in the last 60 days. She noted that MY House sees an average of about 120 clients a week and about 100 active reentry clients.

MS. OVERSTREET said both businesses offer onsite case management services and immediate intervention regarding clients' work issues as well as classes on communication, coping skills, problem solving, decision making, suicide prevention, and domestic violence. She noted that MY House clients are all high risk. At one time, 100 percent of the clientele who came through the transitional housing program were reported survivors of domestic violence. She added that the case managers coordinate services for clients' basic needs, including food, clothing, showers, laundry, and public health services. Last month MY House gave out over \$700 in clothing through its thrift boutique shop. MY House has partner services such as public health that treat conditions ranging from head lice to trench foot and reproductive health services.

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MS. OVERSTREET noted that MY House offers high school completion and GED services through Nine Star. She said 40 percent of MY House clients do not have a high school diploma or a GED, including the reentry clients, which proves to be a tremendous barrier for them to be employable. Access to education is important for reentry clients to make that first step toward a better life.

She said that MY House offers recovery services with partners like Set Free Alaska, True North Recovery, Akeela House Recovery Center, and CITC (Cook Inlet Tribal Council). A CITC peer support mentor staff works in the MY House office to provide young people in long-term recovery adequate access to care. She stated that MY House trains an average of 20 homeless youth, of which 10 are in recovery, so it is important to have that peer support readily available to clients. She said the peer support mentors help coordinate meetings and treatments as well as create a client's work schedule to fit around their treatment and education needs. This keeps clients busy which helps them stay out of trouble and helps them to internalize their progress in multiple areas of their lives.

MS. OVERSTREET pointed out that MY House has partners for dental and health care, primary care, and Alaska Native Benefits Recognition. She said two MY House staff members provide ACEs (Adverse Childhood Experiences) training. This provides the entire staff, including the peer support teams, volunteers, and community partners, to be trauma informed. She said the goal is to have everyone in the community aware of the risk factors these youth face. She commented that last year their office had more clients graduate through the Nine Star High School Completion program than the Anchorage program. MY House has focused on education and peer support to encourage clients to better themselves.

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MS. OVERSTREET, in terms of recidivism said that 98 percent of clients who complete a job training program are in housing one to three years later. These clients are not homeless. She emphasized that the average age of a MY House client is 18 years old and the overall average age is 22. She stated that MY House performs three-year follow ups because clients choose to stay with the program. She highlighted that the recidivism rate for clients in reentry programs is 39 percent which is almost half the statewide average for the 18 to 24-year-old age bracket. She said 80 percent of MY House clients work in jobs that the participants were trained to perform or in better positions.

Another 12 percent of clients continue to pursue further educational or vocational training. She related that 70 percent of clients in the transitional housing program have successfully moved into their own housing. Another eight percent transition into additional training or education programs like Job Corps or college. She said that 94 percent of clients who are not successful in transitional housing are referred to behavioral health services or substance abuse treatment programs.

In 2016, MY House lost 11 clients to overdoses, one to suicide, and one was murdered. To combat these types of deaths, MY House started the Opioid Task Force that helped write legislation that passed the legislature two years ago. This legislation regulated narcotics, developed the pharmaceutical networks, and limited the amount of narcotics prescribed at one time. She noted that simultaneously, NARCAN training was implemented and kits were given to all MY House staff, the first responders in the Mat-Su Valley, and the Wasilla Police Department. She added that MY House started a suicide prevention program and engaged in sex-trafficking prevention awareness and education. As a result, in 2017 only one client died of overdose, no clients committed suicides and no murders occurred and in 2018 there were no deaths. She pointed out how in three years MY House went from losing 13 clients to losing zero.

MS. OVERSTREET highlighted that in terms of outcomes, focusing on the number of clients in MY House programs does not give the full story. She preferred to couch the outcomes in a different way, such that some children are still alive due to the work of MY House. She related that a detective came up to her last week and told her how he saved four lives with NARCAN that the MY House staff taught him how to use.

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MS. OVERSTREET said MY House has been a member of the Mat-Su Reentry Coalition since its inception. MY House data was used for the first quarterly report for the grant because the Coalition had no clients at the time. She stated that MY House only received reimbursement for that funding source by attending meetings. She noted that MY House works with the courts and parole officers. Most of the clients for reentrance are referred by other clients, their family members, or a Department of Corrections partner including law enforcement. She explained that MY House clients are successful because their housing is peer supported, their job training is on site, and the case management offers wrap-around services.

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MS. OVERSTREET discussed what the state could change to reduce recidivism. She opined that the state has a history of rewarding failure. She suggested approaching things differently because it does not make sense to continue to fund organizations that fail. She said if Alaska continues to do the same things, Alaska will continue to get the same results. She noted that Alaska's statistics for sexual assault, domestic violence, addiction rates, and suicide are all high enough that there is not room to keep going back. She stated that successful programs need to be rewarded. She recommended finding ways to build additional support or offering opportunities for successful programs to role model how to develop community-based programs that work. She said she believes that MY House is successful because the organization operates from a small base and serves the local community. MY House has passionate case managers who care about their clients. These case managers personally know their clients, which creates a built-in accountability. She suggested offering treatment services to inmates. When these offenders come into programs such as theirs, onsite support would allow for continued treatment. These individuals would not need to first go to treatment and start job training piecemeal. Instead, the transition could flow. Their lives would not be interrupted periodically, which is what jail does. This flow could make the transition easier for inmates reentering society and help them create a better life for themselves.

[2:00:41 PM](#)

MS. OVERSTREET, in terms of lowering recidivism, said it is important for MY House to continue to build capacity within the community. For example, the Opioid Task Force program brought several other treatment programs into the community, built peer support, and increased the number of sober activities. She said that people released from jail need clean and sober activities with others who are also in recovery in order to build a better life.

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CHAIR HUGHES said she has never seen a team work as hard as the one at MY House. She said that she has a great respect for their work and their outcomes are impressive. She asked if peer mentors have any contact or relationship with clients during their incarceration and if that type of contact would increase the number of people who choose to work with MY House.

MS. OVERSTREET answered that MY House previously had contact with clients during incarceration, but the program ended.

Currently, their outreach coordinator could do some of that work. Some of My House's case managers have gone to Hiland Mountain Correctional Center and a few other places. She agreed that MY House has the capacity to go back to that kind of outreach.

[2:03:13 PM](#)

SENATOR KIEHL noted that she mentioned many of the MY House participants come by referral, but that the organization works with judges and parole officers. He asked if client come voluntarily to MY House or if some are referred to the organization by the court.

MS. OVERSTREET answered that the program is 100 percent voluntary. However, sometimes parole officers send people to MY House. Transportation is offered to clients, so peers will often pick them up. Thus, the first contact with MY House is from those with a shared experience. This helps clients feel more comfortable, she said.

SENATOR KIEHL asked for an overview of how MY House is funded.

MS. OVERSTREET explained that the program does not receive any reentry grant funding at this time, but it receives one state grant, the BHAP [Basic Homeless Assistance Program] funding. She said generally funding comes from one-third fundraisers, one-third donors, and one-third grants. The Mat-Su Health Foundation funds the operations of MY House and the United Way helps fund the Friday Night Porch, a program for 14 to 24-year-olds, who can play basketball at a local fitness center from nine to midnight to help keep them off the streets.

[2:05:05 PM](#)

SENATOR REINBOLD commented on the difficulty to address mental health and substance abuse issues. She related a scenario about two medical professionals overprescribing opioids. She said she believes in prevention as well as performing program audits. She advocated to eliminate any programs that are not effective and invest in the programs that show positive outcomes. She offered her belief that Alaska rewards failure.

[2:06:53 PM](#)

SENATOR MICCICHE asked if MY House collaborates with other programs and providers across the state to help provide resources to clients who move between communities.

MS. OVERSTREET related some current efforts, that MY House recently sent five youth advisory board members to Kenai and Homer to discuss the possibility of opening a MY House type center in Homer. If MY House receives potential funding, it could partner closely with the youth-led project in Homer and could provide more opportunities for collaboration. She said she believes the treatment and peer support opportunities in the Mat-Su are currently the best within the state because of the Opioid Task Force programs and the community activism. She related a scenario where someone rolled a person overdosing on opioids out of a car at MY House because the center is a known location within the community to administer NARCAN. In terms of community response, the community has wraparound treatments available for people to obtain care.

[2:10:32 PM](#)

SENATOR MICCICHE mentioned that the PDMP (Prescription Drug Monitoring Program), the FBI, and strengthening Alaska's laws against trafficking have proven helpful. He asked if she was worried about increased illegal drug use and if MY House could help law enforcement monitor what is happening on the streets.

MS. OVERSTREET replied that MY House has a good relationship with local law enforcement. MY House has an assigned officer from the Wasilla Police Department that works directly with them. Since MY House does not offer clinical services, it is not bound by confidentiality laws. She said she sends information related to drug and human trafficking to an assigned FBI agent on a weekly basis. MY House has been advised to be discreet concerning information channels.

She offered her belief that peer support groups are passionate advocates for recovery. These peers do not enable clients and generally know what happens to clients within the community. She has been encouraged and inspired by the number of young people in recovery who are dedicated to help prevent those new to recovery from being victimized.

SENATOR MICCICHE explained that his question was about developing networks to encompass not only those who are imprisoned by addiction but to track those that traffic drugs since those activities move around.

CHAIR HUGHES asked if MY House would have the capacity to help replicate similar programs in other communities.

MS. OVERSTREET answered yes. She said she believes part of it could be accomplished by youth ambassadors. She highlighted that the youth advisory board would like to offer more community-based support services across the state.

[2:13:54 PM](#)

CHAIR HUGHES thanked MY House for the work it is doing and said she would like to see it done statewide.

[2:14:55 PM](#)

CHAIR HUGHES welcomed Polly-Beth Odom with Daybreak Inc.

[2:15:32 PM](#)

POLLY-BETH ODOM, Assistant Executive Director, Daybreak Incorporated, Palmer, Alaska, delivered a PowerPoint titled "Daybreak Incorporated Prisoner Re-Entry Program & Therapeutic Court Case Management." She reviewed slide 2, Daybreak Incorporated (Daybreak).

- Since 1988, Daybreak has been providing comprehensive case management services. Our initial focus was working with adults diagnosed with a mental illness, helping them to engage in their communities by assisting them to find and obtain employment, housing, transportation and other services. Daybreak is a DBH grantee and a CARF accredited agency.
- In 2017 we expanded services to include traumatic brain injury and the Mat-Su reentry program.

She explained that over time Daybreak began to work with other groups, including the Traumatic Brain Injury group and saw a need for case management for some participants of the Palmer Therapeutic Court. In 2006, Daybreak partnered with the Palmer Therapeutic Court and the Alaska Mental Health Trust to provide case management specifically for their programs. Three case managers work in the Palmer and Anchorage Therapeutic Courts, she said. She related that Daybreak is also a part of the APIC program in Anchorage.

[2:16:36 PM](#)

CHAIR HUGHES commented that the committee is focused on more than just reentry, but she would like to know more about how to incorporate what Daybreak and other groups are doing in the prisons.

[2:16:49 PM](#)

MS. ODOM said that in 2017 Daybreak received funding from the Mat-Su Health Foundation for a pilot reentry project. In 2018, Daybreak received formal funding to provide case management with the reentry program. Mr. Galloway is the case manager who works within the Department of Corrections for that reentry program, she said.

2:17:18 PM

MS. ODOM turned to the slide titled, What services are offered in the therapeutic court case management program? She explained that Daybreak Inc. works with the court system to ensure participants graduate from the therapeutic court. The participants may have been in an institution like the Alaska Psychiatric Institute, Department of Corrections (DOC), or these participants could have been homeless for some time. She explained that the organization works with landlords and the Alaska Housing Finance Corporation (AHFC) to help secure housing for participants. Daybreak works to ensure that participants attend their mental health or substance abuse treatment appointments. Daybreak assists clients keep their benefits in place and help if someone needs a representative payee or assistance from the Office of Public Advocacy. She emphasized that Daybreak's most important role is to help the participants graduate from the program with the necessary skills to keep them from reoffending. Daybreak serves about 45 people in the therapeutic courts and the recidivism rate is about four percent, she reported.

The low recidivism rate is due to Daybreak's involvement and intense client case management. Daybreak frequently meets with participants to address them and avert crises.

2:19:05 PM

BRIAN GALLOWAY, Prisoner Reentry Case Manager, Mat-Su Reentry Program, Alaska Community Reentry Program, Wasilla, Alaska, turned to the slide titled, What services are provided in the re-entry program? He explained that the reentry program has four case managers in Anchorage, Mat-Su, Fairbanks and Juneau. The reentry program is unique because it only serves medium to high-risk offenders coming from the Department of Correction institutions. These clients are ones who were primarily convicted of violent or drug crimes. He highlighted that the program focuses on these clients, that most are homeless when reentering their community. He noted that this program is based on Michigan's risk needs responsivity model. This model identifies antisocial behaviors, needs, associations, or other issues that lead to recidivism. He said the program focuses on

the criminogenic needs to help identify certain service reports and ensure those reports are delivered in conjunction with the probation, parole, or supervision requirements. He noted that probation and parole supervision is not a requirement for eligibility for the program.

MR. GALLOWAY related that the reentry program is in its third year, so it does not have an official recidivism number. The aggregate recidivism rate over the last two years is 10 percent and is defined by people who have committed new crimes, created new victims and returned to a DOC facility. The reentry program has served approximately 187 individuals, most from the institutions. He visits DOC institutions at least twice a week to help individuals set up a transition case plan and begin the wraparound service process. This helps inmates to connect to the services and providers needed to successfully reenter society. He chronicled that between the various state institutions, Daybreak has had contact with over 1,000 inmates. He emphasized that this program works with all the reentry coalitions around the state, no matter where the organizations are located or how the coalitions are funded, including the Trust. The organization also works with the Division of Behavioral Health, he said.

MR. GALLOWAY responded to a previous question about how many DOC releases APIC covers, which was 7.5 percent in 2018. He advised that he routinely meets with the clinicians at APIC and IDP+ every week. These numbers are increasing, he said.

[2:22:37 PM](#)

MS. ODOM displayed the slide 5 titled, Who has Daybreak served?

Mat-Su Prisoner Re-Entry Program

- FY 20: Twelve (12) current participants and 44 in reach contacts from 9/11/19 through 9/30/19
- FY 19: Thirteen (13) Mat-Su residents participated in the re-entry program.
- FY 18: Seventeen (17) Mat-Su residents participated in the Mat-Su Reentry program from December 2017 through June 30, 2018

Palmer and Anchorage Therapeutic Courts

- FY 20: Daybreak is currently providing case management for five (5) participants (3 in the Mat-Su and 2 in Anchorage)

- FY 19: Daybreak provided case management for 10 participants (8 in the Mat-Su and 2 in Anchorage)
- FY 18: Daybreak provided case management with 12 participants ( 8 in the Mat-Su and 4 in Anchorage)
- FY 17: Daybreak provided case management services for 14 participants (7 Mat-Su and 7 Anchorage)

[2:23:35 PM](#)

She explained that Daybreak uses a program in AKAIMS [Alaska's Automated Information Management System] to differentiate between CMI [chronically mentally ill] clients and CRP [Coordinated Resource Project] clients in the Palmer Therapeutic Court. She offered to follow up with more complete data. Participation in Anchorage is increasing, she said, after the organization received a community behavioral health grant through the Division of Behavioral Health. This is in addition to the therapeutic court services provided in Mat-Su.

MS. ODOM turned to the slide titled, What has the Daybreak Reentry program assisted with? She explained that Daybreak focuses on the social determinants of housing, connection to substance abuse and mental health services, medical care, obtaining financial benefits, employment opportunities, and transportation to appointments for clients. This will help ensure that participants have the most robust and fulfilling lives possible, she said.

MS. ODOM displayed the slide titled, Barriers Faced by Mat-Su Reentry Participants. She stated she could list a litany of examples of the barriers that Mat-Su reentry participants face related to housing, transportation, and employment opportunities. She explained that the available employment often pays \$13-15 an hour, which is not enough to pay for rent in the core areas of Wasilla or Palmer, where it typically costs around \$1200 a month. Affordable housing tends to be further away, such as on Knik Goose Bay Road or north towards Willow. She said that this housing is far from job opportunities which creates expenses for gas or the need for a reliable automobile. She said these three factors act as a triangle, which makes it very difficult for people to successfully reenter their communities. Currently, the Mat-Su Borough does not have a robust transportation system. This is something the Mat-Su Health Foundation has been collaborating with the Mat-Su Borough to address. This might help connect people to needed services. She said this could make a big difference.

2:26:13 PM

MR. GALLOWAY added that Daybreak's partner providers in the Mat-Su have been working to expand transitional living programs. Again, the current barriers are related to transportation. He explained that the housing programs or landlords who are willing to provide transitional living are generally located far outside of public transportation areas. He highlighted that two of their routinely used transitional living programs are less than three miles from the city center, but these areas lack bus access.

2:27:07 PM

MS. ODOM related that she and Mr. Galloway discussed what could be done to collaborate on changes that could address these reentry barriers. First, unsentenced offenders cannot participate in the substance abuse, mental health, or educational/vocational programs while serving in DOC institutions. Someone must be sentenced in order to participate. This prevents defendants who are fighting their charges from receiving treatment. This period could range from 12-18 months. She offered her belief that participation in programs prior to sentencing could help reduce recidivism.

Second, she suggested expanding the programs to provide more in-reach opportunities. Daybreak has been tracking specific in-reach data and has found it beneficial to have a person, like Mr. Galloway, to be the face within the Department of Corrections (DOC). That department contact could let offenders know that reentry services are available. She said Mr. Galloway is often the catalyst to help people in Fairbanks or some of the more rural communities. Further, providing an itinerant probation officer (PO) would be helpful for people living in the more outlying regions of the Mat-Su so participants would not need to travel from Willow to Palmer to see their PO. This could also prevent some remands because of missed appointments, she said. This could bring the service to the people rather than have the people get to the service.

MS. ODOM said that often inmates receive a substance abuse assessment in the Department of Corrections. Once release, the Probation Office requests another substance abuse assessment. The regulations do not allow the assessments more frequently than every six months. It would be very helpful if substance abuse or behavioral health assessments done within DOC could be sent to the probation officer and/or service provider when an individual is released. The Division of Behavioral Health has often discussed ways to ensure timely access to services. The

division is very good at getting the initial qualification assessment done in a timely manner but then it usually is two to four weeks before the actual assessment takes place, she said. Often it takes six to 12 months before a participant sees a behavioral health therapist. She said the 1115 Behavioral Health Medicaid Waiver for substance abuse is set to begin in January, but it would be beneficial if people had access to treatment at the specific time needed in-house and in the communities. She asked Mr. Galloway to discuss flat time.

[2:31:08 PM](#)

MR. GALLOWAY explained flat time, which is an approach that is becoming more popular for offenders in Department of Corrections. He said offenders would serve the entire portion of their sentences without applying for parole, electronic monitoring (EM), and work or rehab furloughs. Once these inmates serve their time and exit the DOC institutions, these individuals are not followed by field probation officers. No one holds them accountable for following up on requirements, such as substance abuse treatment or other therapies that could improve their situations. These offenders are usually the first to reoffend and create more victims, and end up back in the DOC, he said.

He questioned whether the DOC or the courts could mandate these offenders not subject to parole or probation supervision to connect with a community organization to ensure these individuals receive treatment once released. He suggested it could be similar to the ASAP [Alcohol Safety Action Program] requirements to ensure post-incarceration individuals receive the needed treatment. He offered his belief that court-ordered treatment during sentencing would set up offenders for success after release.

CHAIR HUGHES thanked both presenters for their practical solutions and asked them to provide them to the committee in writing.

MS. ODOM concluded her presentation by reviewing the slide titled, How could Daybreak work within the justice system to help lower the recidivism? She emphasized the need for Daybreak to provide a case manager within the court system for first time offenders to help them navigate the system more successfully. This could help prevent offenders from missed court appointments and subsequent remands.

[2:34:32 PM](#)

CHAIR HUGHES asked Senator Shower, participating via teleconference, if he had any questions.

SENATOR SHOWER replied he would forward any questions via email.

[2:35:11 PM](#)

SENATOR KIEHL referred back to slides concerning the reentry program and therapeutic courts. He asked why the number of participants seemed to be declining from FY 2017 to FY 2020 since the need for these services has not declined.

MS. ODOM explained that the therapeutic court program is often voluntary so someone who does not want a case manager may elect to not use Daybreak's services.

MR. GALLOWAY said the same thing holds true for the reentry program. For example, individuals who are flat timing may not want services because the offenders know Daybreak will hold them accountable and report their behavior and actions to the DOC. These decisions could result in some fluctuations over time, he said.

[2:36:08 PM](#)

SENATOR REINBOLD asked what definition Daybreak uses for recidivism and the source of the definition.

MR. GALLOWAY answered that the reentry program uses the same definition as the State of Alaska, including the Department of Corrections. He explained that the PowerPoint uses the term aggregate recidivism rate because the program has only been in effect for two years and the state usually defines the recidivism rate over a three-year period. The 10 percent recidivism rate relates to the last two years, he said.

SENATOR REINBOLD asked how he would define recidivism.

MR. GALLOWAY replied it is a person reentering the DOC on new charges.

[2:37:08 PM](#)

SENATOR REINBOLD offered her belief that it is critical to consider how recidivism is defined. She said she does not agree with the state's criminal justice system's definition of recidivism. She said she has found very different definitions used in other states. She expressed concern that many offenders in Alaska are not held accountable since recidivism isn't tracked over a lifetime. The ultimate goal of public safety

should be to reduce offenses. She expressed an interest in preventing more victims. When the courts delay trials, healing for the victim and their families is delayed. She said she is grateful that the presenters indicated that offenders must be sentenced to get help.

[2:39:59 PM](#)

CHAIR HUGHES asked for an update on the partnership with the Department of Labor and how it could be enhanced.

MR. GALLOWAY answered that the Department of Labor & Workforce Development (DLWD) has multiple programs that serve reentrants and include funding opportunities. Almost every DLWD job center in the state has an employment specialist who specifically works with reentrants.

[2:40:44 PM](#)

SENATOR REINBOLD asked if he would support work requirements in prison. She offered her belief that it would reduce prison costs and it could prepare inmates for trade schools. She also asked if he would also support tax breaks for employers who hire inmates after their release.

MR. GALLOWAY answered that a federal program currently provides tax breaks to businesses that reemploy reentrants. He noted that limited employment opportunities exist for offenders in custody. He suggested another need was to increase the vocational and occupational training available within DOC's institutions. That would increase the likelihood of reentrants finding employment and reduce the likelihood of reoffenders.

[2:42:12 PM](#)

SENATOR REINBOLD asked if he would support work requirements inside the prisons.

MR. GALLOWAY clarified that he would not call it a work requirement, but he does agree that inmates would benefit from having a schedule while in prison.

[2:42:41 PM](#)

At ease.

[2:48:13 PM](#)

CHAIR HUGHES called the committee back to order and welcomed Joshua Sopko.

[2:48:42 PM](#)

JOSHUA SOPKO, Director, Partners Reentry Center, Partners for Progress, Anchorage Alaska, began a PowerPoint, noting he would skip some slides. He began by explaining that the Partners Reentry Center is a program with Partners for Progress, a collaborative program that has been working with the therapeutic courts since 1999. He said the reentry center opened in August 2013 and he began working at the center in March 2014.

He said the reentry center is community based and works in partnership with employers, training opportunities, the Department of Labor and more. He said that the reentry center is a walk-in center that prefers to work with people on a same-day basis. He said he believes that people cannot change without first making a decision to change. Even though it can be helpful to mandate or entice people, each person must be willing to change. He stated the importance of encouraging good behavior and offering participants support when people need it.

He explained that in the summertime about 45 people come into the center on a given day and about twice that in the winter. He said their clients work on their resumes, look for and apply for jobs, or attend the substance abuse or peer support groups. The center helps people with tangible needs like housing, bus passes, and clothing during the process to integrate them back into society. When he began working for the center, he said he could never have imagined the number of people he would meet who are a part of a multigenerational outside-of-society type of family. Some of these people were raised on the street or in a household engaged in criminal behavior. He said he is unsure if he can fully appreciate the level of change someone must go through to come from that type of situation and yet manage to turn his/her life around.

[2:51:44 PM](#)

MR. SOPKO explained that the center works primarily with medium to high risk offenders in the same way Mr. Galloway does with the reentry coalition case management. The Partners for Progress Reentry Center works almost exclusively with people who would otherwise be homeless. He explained that someone must be actively working towards their goals to continue transitional housing. He briefly mentioned that the center helps people work through barriers such as transportation and other basic needs.

He addressed the question Chair Hughes posed earlier. According to Laura Brooks at the Department of Corrections, 880 people with felony charges were released in 2018. He was unsure of the number of people released for misdemeanor charges. He explained

that the center calculates how many clients are served during the fiscal year not the calendar year. In FY 2019 over 1,600 clients came into the center. Some of those people came only a couple times and never came back, while others stayed for a couple of months to get back on their feet. He said he believes the center probably sees the majority of the 880 clients, but he could not say for certain. He noted that housing is a big focus since most of their clients are homeless. When someone has a more stable income, the reentry center will help clients pay the first month's rent for a place of their own.

MR. SOPKO related that Partners for Progress's goals are to reduce the number of crimes committed, increase public safety, and reduce the number of victims. He mentioned that he has been a victim of a minor crime, but many Alaskans have been the victim of very serious crimes. He said that the center works with people who usually have committed felony crimes. Partners for Progress would like to reduce the state's costs and increase public safety by teaching clients how to get along, stay out of trouble, and become productive. He noted that the moving target is the prosocial support designed to help people identify and recognize their problems but realize their ability to change.

[2:55:44 PM](#)

MR. SOPKO said Partners for Progress provides clients with support groups that promote prosocial change. The organization offers cognitive behavioral therapy groups over the course of three to six months with a facilitator. During this time the clients use a workbook to help improve their prosocial thinking and reduce criminal attitude. He noted that the reentry center is located in downtown Anchorage near Fire Station One, but the center accepts referrals from all over the state. The center can accept people as a walk in within six months of release from any facility including out of state facilities.

[2:57:12 PM](#)

MR. SOPKO discussed the DOC reentry process. He explained that Partners for Progress is able to accept applications before release, so the client knows where to go and what is expected of them. When a client first arrives, he/she will meet with someone from the center to discuss the tangibles in terms of looking for work and preparing a resume. The center's goal is to connect clients with prosocial groups and activities in the community to help them stay out of trouble.

He said he would not review the barriers to reentry but pointed out that when someone is homeless, the likelihood of recidivism

nearly doubles. Most people who recidivate will do so within the first three months of being released. Oftentimes it is related to the barriers of homelessness, transportation, and employment.

2:59:01 PM

SENATOR REINBOLD agreed that people must be willing to help themselves. She offered her belief that some sort of assessment should be done to identify if the person is ready to benefit from help. She expressed concern about the amount of money that goes into programs that are failing. She asked if he supports having a model to screen people to determine readiness and willingness to be helped.

MR. SOPKO answered yes, but he also believes it is important to assess behavior. Someone who elects to go to classes and join rehabilitation groups or vocational training shows a willingness to try.

SENATOR REINBOLD talked about accountability and then asked what percentage of statewide offenders are released in Anchorage.

MR. SOPKO answered that he was unsure but offered to follow up with the information.

SENATOR REINBOLD thanked all the members and presenters. She said she would review the remaining slides.

3:01:52 PM

CHAIR HUGHES thanked Senator Reinbold and asked her to follow up with the presenters if she has questions.

3:02:09 PM

MR. SOPKO displayed a photo of the Partners Reentry Center at 401 Barrow Street. He explained that it is a walk in center for homeless reentrants, halfway house clients and others. Once clients are set up with the reentry program, the center helps them find temporary housing and work, address their tangible needs, and help them to move forward. Clients are referred to the Department of Labor or Division of Vocational Rehabilitation to obtain job assistance or further employment training to help them rise above the level of working poor.

3:03:33 PM

MR. SOPKO said the next few slides relate to the program's values and assist [slides 10-11]. The centers program is a voluntary program. The center reminds people the program is not an entitlement. "Breaking into somebody's house does not entitle

you to a month's free rent from us. You have to want to change. You have to acknowledge that you are in the wrong. You have to look at the issues that brought you into the justice system." Everyone is treated with respect and dignity and staff expects to be treated that way too. The staff models good behavior and helps clients navigate other interactions in their lives. Obviously, if their clients are pushing staff around and do the same to their employers, it will not result in success. Clients who are able to work must find jobs within the first 30 days of working with Partners in Progress or 45 days if the clients have put in more than the minimum amount of time. This center is not simply a place to "hang out" in, he said. People must be motivated and move to accomplish their goals. The center exists to assist clients and help them turn their lives around. The center never denies service without giving the reason and another option or referral to another program.

CHAIR HUGHES reminded him he had about five minutes to finish his presentation. She indicated that members could review the remaining slides.

MR. SOPKO agreed to use his remaining time to address the questions Chair Hughes posed for presenters. In terms of recidivism, Partners for Progress does not have access to ACOMS (Alaskan Corrections Offender Management System), so the organization performed its own internal study with 300 people, of whom 150 were participants of the program and 150 were not participants. The recidivism rate over an 18-month timeframe was 27 percent for participants and 48 percent for those who did not participate.

[3:06:35 PM](#)

CHAIR HUGHES asked him to update the data to match the state definition for recidivism which requires a three-year timeframe.

MR. SOPKO agreed to do so. He said that Partners for Progress has brainstormed about potential changes the state could make to reduce recidivism, such as changing the barrier crimes matrix. The current process prevents participants from being hired until the employer has received a variance, which could take up to one or two months. The employer may not want to hire the person but cannot wait for the variance so the employer may decide to hire someone without a record. If a client could apply for a background variance, the person could be hired immediately, it would help many avoid shift work usually found after being released.

He offered another idea. He said that he was recently at Spring Creek Correctional Center, but the facility lacks a substance abuse training program. The program was put out to bid, but no one bid on it. Many of those inmates have numerous infractions and aren't eligible to be transferred to a facility that offers treatment, so it would be helpful if these inmates had equal access to training programs across all facilities.

3:08:48 PM

MR. SOPKO turned to work opportunities. He discussed the Wildwood Correctional Center on the Kenai Peninsula, which offers a summer program where clients work at a fish processing plant and make minimum wage. This allows inmates to save enough money to pay rent on their own once released. He said he thinks it would be valuable if the Department of Corrections and the Department of Labor & Workforce Development worked together to create more apprenticeships or other work opportunities like that for clients on electronic monitoring.

He highlighted the challenges and expense to find safe and sober housing when inmates are released. He said he thinks money for housing would be very helpful to reduce recidivism. He added that it would also be helpful to provide more incentives for inmates who are released, such as a means to earn back their driver's licenses or reclaim their professional/occupational licensure. He stated that Partners for Progress works well with the Department of Corrections and receives many referrals from probation officers as well as from the field office in Anchorage before inmates are released. Partners for Progress holds ongoing communications with probation officers once the clients start the program, he said.

3:11:02 PM

CHAIR HUGHES asked if the reentry center has contact with offenders prior to release and if it would be helpful to go into the prisons to hold classes to describe the services the center provides.

MR. SOPKO answered that Partners for Progress currently goes into the prisons to highlight the benefits of their program. The center also takes applications from inmates. He said the organization goes to the Hiland Mountain Correctional Center and the Anchorage (Correctional Complex) twice a month, to the Spring Creek Correctional Center three to six times a year, and to the Goose Creek Correctional Center four times a year.

3:12:05 PM

SENATOR KIEHL asked for examples of when a background variance would be needed or available.

MR. SOPKO answered that people need a background variance check to work with a vulnerable population. The reentry center has performed a background variance on some of its employees. He listed examples of jobs that need a background check, including home health care, social work, Southcentral Foundation or Cook Inlet Tribal programs. Many of the companies follow the background check variance as an internal guideline for human resources purposes, he said.

[3:13:18 PM](#)

SENATOR KIEHL asked about the handoff between services if there is one.

MR. SOPKO answered the handoff is 50/50. He explained that many reentrants have undergone treatment while inside institutions and upon release are required to obtain a second assessment even with a discharge recommendation. The difficulty arises because substance abuse assessments and treatments do not always mesh in a cohesive manner, so people must stop and start over. Sometimes people are kicked out of classes because of their inappropriate choices but some agencies want to perform their own assessments before working with the individuals. He said the vocational classes offer good start up experiences for people, but the skills gained are not always what employers need. For example, someone might complete a 20-hour OSHA [Occupational Safety and Health Administration] safety class when a contractor requires a 40-hour class. Another difficulty arises when a person may have simulated experience but no practical experience. It's also problematic if inmates are only halfway through a cognitive behavioral program at the time of release. These individuals will need their workbook for that class to count in order to continue the program outside of prison. If these individuals do not have the book post-incarceration, the offenders must start over.

[3:16:02 PM](#)

SENATOR MICCICHE said many employers have a policy of not hiring felons. He asked if reentry organizations have thought about approaching the state to give tax credits to employers to incentivize them to take a chance on hiring a certain category of offender on a case-by-case basis.

MR. SOPKO answered that employers can use federal work opportunities or tax credit and fidelity bonding to be eligible

for a \$5,000 tax break up to a certain threshold if the employers hire people with a criminal background. He said the background check requirements serve as a barrier since the process is often costly for employers. Unfortunately, most people that come to the reentry center have more than one offense and have burned their bridges of support with their families and communities, he said.

[3:18:25 PM](#)

SENATOR SHOWER, participating via teleconference, said he did not have any questions.

CHAIR HUGHES thanked Mr. Sopko for his presentation.

Set Free Alaska [3:18:47 PM](#)

CHAIR HUGHES welcomed the next presenter, Sherry Hill.

[3:19:10 PM](#)

SHERRY HILL, Operations Director, Set Free Alaska, Inc., Wasilla, Alaska, gave a Power Point, "Set Free Alaska, Inc." She reviewed the first slide.

Who We Are ...?

Set Free Alaska is a Substance Abuse Treatment Center that uses a mind-body-spirit approach to recovery.

Services .....

- Outpatient & Intensive Outpatient
- Peer Support
- Women's Residential (Adult Women, Pregnant Women and Women with Children) Future Growth
- Men's Residential (Adult Men and Men with Children)

She explained that Set Free Alaska is a substance abuse treatment center located in the Mat-Su Valley that has been providing services for about 11 years. The center offers outpatient services and most recently peer support, which is the missing link. It is greatly beneficial when a client has the support of someone with shared life experience.

MS. HILL highlighted that Set Free just received a grant from the Mat-Su Health Foundation for child behavioral health services. It is offered in four schools and the early intervention will help at-risk children. She said that their women's residential treatment center is the only one in the state that accepts pregnant women or women with children. For

future growth plans, the center has applied for a grant that will open a men's residential center sometime next year in Homer. It will be the only place in Alaska to accept men with children. She noted that the residential treatment centers are available to any Alaskan resident. Set Free is also opening an outpatient center in Homer, she said.

[3:21:26 PM](#)

CHAIR HUGHES reiterated that Set Free will be opening a men's residential treatment center as well as an outpatient center next year in Homer. Set Free is currently based in Mat-Su, but the organization is expanding its operation.

MS. HILL explained that Set Free offers peer support crisis stabilization for someone who may not be in treatment yet but is in a crisis. This support helps these individuals find the stability needed to be ready to come in and receive treatment. She added that Set Free is willing to do crisis stabilization within the prisons and help connect people to the treatments and services upon release.

MS. HILL turned to the slides relating to 2019 outcomes and outpatient services for adults. She explained intensive outpatient services are for clients in need of more intense treatment, such as high IV users, so it is longer hours and more clinical time.

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CHAIR HUGHES asked her to point out the statewide average of adults who complete outpatient services.

MS. HILL answered that the statewide average is 39 percent.

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MS. HILL turned to the slide relating to peer support. She said last year Set Free expanded its peer support so it could offer more services where people can do silver light. She stated that the treatment center created a softball team and their first game was against the correctional officers.

CHAIR HUGHES asked for the name of the team.

MS. HILL answered that the team name was Chain Breakers. She explained that other agencies are invited to join on hikes and campouts with clients. She said she believes these activities go a long way in helping someone recover.

MS. HILL reported that 59 percent of women's residential completed treatment compared to the statewide average of 39 percent. There were 14 total reunifications, which indicates great success. The partnership with the Office of Children's Services (OCS) is strong. There have been children born to two sober moms who were attending VORTC) (Valley Oaks Residential Treatment Center).

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MS. HILL displayed data relating to Children's Behavioral Health. She reported that with early intervention, 42 percent of the 65 children with trauma completed treatment, which is above the statewide average.

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MS. HILL displayed the following data on the slide relating to overall outcomes for all programs:

- 82 percent Evidence Decrease in Substance Use
- 69 percent Improvement on Quality of Life Domains
- 94 percent Treated with Respect and Satisfied with Services
- 77 percent Stated Served Improved Their Overall Quality of Life
- 69 percent Increase in Hours Engaged in Productive Activities During the Week (Work, Volunteering, Subsistence)

She noted that these statistics came from AKAIMS through the Client Status Review. She also directed attention to the next slide that highlights mental health improvement indicators.

[3:26:12 PM](#)

CHAIR HUGHES asked how these outcomes compare to other programs throughout state.

MS. HILL answered that the data is not available at AKAIMS.

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MS. HILL reviewed the following slide relating to unique populations and referral sources:

#### Unique Populations

- 10 Pregnant Women Served
- 59 Injection Users Served

Referral Source

- 33 percent OCS
- 27 percent ASAP
- 40 percent Courts/Probation/DOC
- 49 percent Overall (OCS, DOC, Courts and Probation)

She explained that Set Free monitors how individuals receive their referrals. She said they have seen a reduction in ASAP referrals, but she believes it is attributed to the new legislation and will increase over time.

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MS. HILL turned to the slide that lists ways to partner. She read the following:

- Warm Hand-Off Prior to Release
- Peer Support Engagement
- Connect to Treatment
- Workforce Development
- Sober Living
- Continued Partnership with the Therapeutic Courts

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SENATOR KIEHL asked how long AKAIMS tracks the outcome improvements after treatment.

MS. HILL answered that the Division of Behavioral Health requires a Client Status Review survey at the time of discharge.

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SENATOR KIEHL referenced the slide that lists referral sources and asked if the data indicates that 49 percent of people who come in are referred.

MS. HILL clarified that 49 percent of the clients Set Free takes in are referred by the Court System.

CHAIR HUGHES asked if 51 percent are not from those organizations.

MS. HILL explained that 49 percent of the clients the center took in were from the OCS, the DOC, and the courts; 33 percent from OCS, 27 percent from ASAP, and 40 percent from the courts.

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SENATOR MICCICHE offered his belief that DOC needs more pretrial services. He noted that Set Free offers some of these services, but the treatment center is not necessarily court dependent. He asked how to better inform inmates about pretrial services.

MS. HILL stated that many prisoners do not qualify for pretrial treatment services or even Medicaid because they do not have any means of payment for the treatment. This creates a gap in services and makes it difficult for Set Free to treat clients during the pretrial phase.

CHAIR HUGHES asked if money were not an issue, whether Set Free would have a beneficial program for those incarcerated for only 60 to 90 days until pretrial.

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MS. HILL answered that an assessment would be helpful to provide clients with the appropriate services like peer support or basic education upon reentrance.

CHAIR HUGHES disclosed that her husband had served on the board of this organization and she knew the founder and executive director. She said she has heard of the success stories from people who have gone through the Set Free program. It is a tremendous asset to the community. She said she was very excited that Set Free has a vision to expand statewide. She wondered if Set Free would be interested as well as have the resources to offer substance abuse treatment behind the walls of the prisons and how their program compares to the other substance abuse programs in the state.

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MS. HILL answered that the outcomes she shared earlier were completion rates compared to other providers. She said that AKAIMS data does not show how a specific provider compares to Set Free Alaska. It only shows how Set Free's programs compare generally to other providers. She noted that the Set Free team is always willing to sit down and discuss issues to help better Alaskans.

CHAIR HUGHES asked if she was tracking recidivism rates or relapses of substance abuse and how that compares to the statewide average.

MS. HILL answered that clients are tracked during their treatment with Set Free but afterwards, the organization does not have any way to track if these clients have been involved

with the courts or involved in any criminal activity. She said part of the CSR is to actively ask clients for their involvement in any subsequent criminal activity.

CHAIR HUGHES asked if there was a formal way to stay in contact once the clients complete the Set Free program.

MS. HILL answered that contact after treatment is invited through peer support and Set Free does offer sober activities to keep clients engaged. Clients who have completed intensive outpatient treatment will go into aftercare which provides monthly check-ins until the clients are ready to successfully reenter society. She noted that aftercare is also provided for women's residential treatment.

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CHAIR HUGHES asked if she could give any recommendations on how to follow up with clients three years after completing their program. She highlighted the importance of this data.

MS. HILL answered that funding would be required to study individuals after treatment. It can be difficult because people move around or move out of state. She noted that she sees success stories every day in her community. She said she agrees that there could be a better follow-up study on clients post treatment.

CHAIR HUGHES asked if she sees people who used to be a part of the Set Free program eight or nine years ago that are still doing well within the community.

MS. HILL answered yes; some of those clients now work for Set Free. For example, the current case manager at Set Free used to be in the program. She said Set Free goes through the process of background checks because the center hires a lot of people with lived experience.

CHAIR HUGHES asked Senator Shower, participating via teleconference, if he had any questions for Ms. Hill.

SENATOR SHOWER said he had no questions.

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CHAIR HUGHES welcomed Ryan Ray.

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RYAN RAY, Founder and Senior Partner, 61Sixty Social Impact Lab, Palmer, Alaska, thanked the committee for being here today. He offered his belief that all the resources needed to solve this problem are right here in this room and that gives him a significant amount of hope. He said that to address recidivism, it is important to discuss the issue of generational impact.

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MR. RAY explained that he is a passionate social innovator who does what he can to improve the lives of Alaskans. He said he recently created 61Sixty Social Impact Lab as a platform for creative problem solving concerning complex social challenges. He said he believes that stakeholders should be brought together to develop new interventions and creative solutions to drive answers to this problem moving forward.

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CHAIR HUGHES asked him to mention his work with the legislature and the university.

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MR. RAY explained that in a 2013 Senate Finance meeting, Senator Pete Kelly and Jeff Jessee, the former CEO of the Alaska Mental Health Trust, realized the committee was discussing issues regarding health and social challenges that had already been discussed and nothing had changed. Senator Kelly hired Mr. Jessee to work with the Senate Finance committee to help the state develop innovative solutions to these challenges, specifically in this type of fiscal environment. He noted that they soon realized that the state was operating from a data deficit and that the public university should be a partner on this issue. Mr. Ray said that he transitioned to the university to work as a health policy fellow where he connects the applied health research capability of the university with the needs of the legislature and the executive branch to solve these types of issues.

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MR. RAY read the vision of 61 Sixty and the goals of the discussion today:

#### The Vision

All Alaskans thrive to the fullest of their potential, experience the truth of their self-worth, and become powerful forces for good in their families and in their communities.

Goals of Today's Discussion:

1. Discuss the Problem and its Determinants
2. Clarify the Sources of Cost Savings
3. Present a Three Phase Way Forward

He encouraged the members to adopt a vision that goes beyond recidivism reduction or reincarceration because there is so much more to Alaskans and to life.

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MR. RAY stated that the Oxford dictionary defines recidivism as "the tendency of a convicted criminal to reoffend." He said the problem is that formerly incarcerated individuals continue to commit crimes and abuse drugs and alcohol following their release. The correlation between drug and alcohol abuse and criminal behavior and recidivism is clearly defined. Nationally, about 1.5 million incarcerated individuals have addiction disorders, which is 63 percent of the total population of Americans who are incarcerated.

MR. RAY explained that these individuals face many challenges once released. It is more than just finding housing or a new job. He highlighted that these individuals are 129 times more likely to die from a drug overdose within the first two weeks after reentry. The Bureau Justice Statistics completed a nine-year study of reincarceration rates in 30 states which included Alaska. It shows 77 percent of individuals are reincarcerated for a new offense within five years of release. After nine years, the number increases to 82 percent. Most individuals are rearrested and reincarcerated within the first year after their release. He said that the Department of Corrections website reports that 92 percent of Alaskans who are reincarcerated still require substance abuse treatment. He stated that this is a very solvable problem.

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MR. RAY stated that to fully address this issue, the determinants of recidivism and relapse must be understood. First is human relationships, since it is critical for someone to have quality relationships that support positive behavior. The second determinant is social norms. These are the unspoken rules of behavior within the correctional facility or within society that people must follow. For example, laws do not disqualify anyone for employment because of a felony on their record. The non-hire is driven by fear and social norms. He explained that the

transition phase of adopting new social norms can create anxiety in individuals, which can bring them back to prison. Third is access to treatment for addiction, health care, and pain management. Fourth is having a supportive environment that includes safe and sober housing and the community in which an individual lives that promotes recovery. Fifth, economic stability and viability are crucial to recover. He stated that these individuals need careers, not just jobs. Finally, the level of resilience and hope that a person experiences is important. He emphasized that to address recidivism, every determinant must be addressed.

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MR. RAY stated that the model to address the challenge of recidivism can occur in four phases. He read the following:

1. The "Warm Handoff"  
Relational Reintegration:
  - Peer Support
  - Disrupting Prison Social Norms
  - Bridging the gap in the transition between services the institution and in the community
  
2. Access to Care  
Opportunities for Rehabilitation:
  - Behind the Walls
  - In the Community
  
3. Personal Stability  
Overcoming Determinants:
  - Housing
  - Economic Stability
  - Positive Peer Connection
  - Total Health
  
4. Social Systems  
Sense of Belonging:
  - Subverting Negative Social Norms in the community
  - Personal Resilience
  - Community Restoration

He explained that for a model to be effective, it must be comprehensive but with that comes complexity and high costs. The challenge is to meet the demand. He highlighted that legislators have a burden and desire to set good policy and an expectation of what the policy can and will accomplish.

He stated that the three primary cost factors in the correctional system are facilities and infrastructure, personnel and staff operations, and mandatory medical care. Traditionally, cost savings are found through closing a facility, laying off personnel and staff operations, and preventing mandatory medical care such as for Hepatitis C.

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MR. RAY emphasized the importance of understanding the average cost versus the marginal cost in correctional facilities. He said there is a lot of discussion about the average cost of \$170 per day to incarcerate and house an individual. That figure is the average cost, which is the total cost divided by the number of inmates. If it costs \$170 per day, it will cost \$62,050 per person per year, he said. Using those figures, reducing the number of inmates by 250 would yield a \$15.5 million savings. While this looks appealing, it is not accurate because correctional systems operate on a marginal cost basis, not an average cost basis.

He explained that the marginal cost is the cost of adding or subtracting one inmate and that number ebbs and flows every day. The literature indicates that it is 12 to 20 percent of the average cost. Thus, the marginal cost of keeping 250 people incarcerated would be \$3.1 million. Marginal cost factors include food, medical care, and clothing but not the cost of lights or staff. That means it would not cost \$62,050 to incarcerate someone for a year because the lights are already on, the water bill would be about the same, and staffing wouldn't change. The costs for that new inmate would come from food and clothing. He said it is important to know that if policies are created to decrease incarceration levels and are based on average costs, then those policies will not meet expectations.

MR. RAY reviewed the data on the slide titled, Identifying Cost Savings.

#### Incarceration v. New Crime

Marginal Cost of 1 Additional Inmate  
(.20 x \$62,050 x 1 = \$12,410 annually)

Average Marginal Cost of a New Crime  
(Excluding Murder) = \$71,659

#### Reducing Recidivism v. Sentencing

Reduced Sentencing Savings = Marginal Cost  
(\$12,410 per year)

Reduced Recidivism Savings = Cost of New Crime  
(\$71,659 per crime)

He said that the additional cost of an additional inmate is about \$12,410 annually. However, the average marginal cost of a new crime, excluding murder, is \$71,659. This includes lawyers, state troopers, investigators, victim services, property damages, and more. He said that when comparing reducing recidivism versus reducing sentencing costs, it is important to understand that sentencing cost savings are on a marginal cost basis of \$12,000 per year. However, the reduction of recidivism operates with the new cost of crime, which is \$72,000.

MR. RAY emphasized that it is costly to have a strategy that only focuses on reducing incarceration and not recidivism. For example, if 100 people were released for five years, the savings would be \$6.2 million in marginal costs. However, 77 percent of those individuals will commit a new crime in that five year period and that costs \$27.6 million. He said the impacts of this were seen with some of the policies in Senate Bill 91 that focused on reducing incarceration costs. The net cost of that strategy for those 500 individuals is \$21.4 million.

If the same number of people were released, \$15 million was invested in a new reentry program over five years, and the new crime level was reduced to 10 percent, the state would realize a net savings of \$15.2 million.

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MR. RAY turned to the slide titled, The Way Forward. He restated that the capability to make change is possible. He expressed that the challenge lies in creating a platform for a unified model for individual organizations to communicate operationally. In this financial climate, he said the question is how to scale up proven interventions. He said he would propose a three-phase way forward. The first is to establish a public-private partnership to address criminal recidivism and addiction challenges. The second is to launch a new reentry prototype that addresses all determinants of recidivism and relapse. This can be done with all service providers working together. The third is to fund the model with a social impact bond financing mechanism. These leverage private sector investment to rapidly scale up proven interventions.

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MR. RAY stated that 61sixty is the Alaska Recidivism Reduction project. It is a public-private partnership that strategically addresses criminal recidivism and addiction challenges in Alaska. It considers the tactical approach that brings all the key stakeholders into the process, including individuals with lived experience. He said these partnerships are commonly seen in Alaska's emergency management, since they are very focused operationally on solving a problem. He said the project he is proposing would be completed in about three years and would be used to strategically launch new interventions. He said one of the main benefits is that it would shift the responsibility for solution development from the government onto a community-based collaboration. He said this model would also allow the Alaska Criminal Justice Commission to focus on policy and use the partnership to bring all of the providers together to develop a model and test it.

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MR. RAY reviewed the R4 Prototype for reentry, recovery, reintegration, and restoration. He explained that the R4 Prototype is based on the Norway model and the European Union's model of reentry, restoration and recovery. The reentry phase focuses on peer support and transition. Peer support includes treatment and job training provided in the correctional facilities 90 days before someone is released. He noted that the key is to have a smooth transition of those services for offenders who reenter the communities. The recovery phase is for individuals who need addiction treatment. They are transitioned into a level 3.1 residential substance abuse treatment program. Treatment in the home addresses access to treatment and safe and sober housing. Access to health care services and other medical needs are provided. The reintegration phase builds careers. It can be a continuation of the skills inmates were learning during incarceration but also includes career training, building community connections, and creating economic stability and viability. The restoration phase is focused on stability and resilience and creating full community reintegration. In this phase the individuals can transition into private housing and create a positive community impact, he said.

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MR. RAY displayed the Social Impact Bond Financing slides. He offered his belief that the social impact bond financing mechanism has proven to be successful in other parts of the United States as well as Europe. However, this model has not been used to address recidivism. He said he believes this is an

opportunity for Alaska to take a strong leadership role. He explained that it is not a bond in the traditional sense, but rather a partnership between private sector investors, government payers, and service providers to offer specific services to a specific group of people. That group is independently evaluated and facilitated by individuals like himself who act as an intermediary. He said the private sector investment is provided upfront which expedites the use of proven interventions and shifts the entire model to an outcome-based mechanism. He opined that the social impact bond mechanism is a great way to ensure programs are producing the desired results. He continued that the government then pays back the principal and a return based on the achievement of the outcomes. This allows the government to know exactly which programs are working and the tangible benefits and social impacts of the programs before paying for them.

MR. RAY related that when the Senate Finance Committee reviewed expenditures and outcomes of social programs in 2013, they found \$332 million was unaccounted for. This demonstrates that there is a lot of credit for initiating new programs, but little follow up as to whether the programs work. He stated that the social impact bond model shifts that, but still provides enough resources for the service providers to accomplish their mission. The potential challenge for the government is to find investors to invest \$12 to \$15 million into a social program. He suggested that if social impact bonds were treated as a deferred maintenance budget line, the upfront capital would be fully leveraged and potentially guarantee a return of the principal, and then base the return on investment on the achieved outcomes. Ultimately, the cost of recidivism is currently impacting society and Alaska is paying for it either way. You either pay for the solution or pay for the problem. He suggested that the deferred maintenance budget line could be discussed in more detail in the coming months.

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MR. RAY said to recap, recidivism is common and costly and a strategy to address it must include all the determinants. It's important to understand the average versus the marginal cost savings when considering policy expectations. Also, that reducing new crime is probably going to be the greatest source of savings. He also highlighted the public-private partnership, R4 Prototype, and the social impact bond.

He reported that two weeks ago the governor spoke at a Set Free Alaska fundraiser and stated that "those people are us." They

are Alaskans, family members, cousins, neighbors, or coworkers who are worth investing in. He asked the committee to consider the potential economic and societal impact if these individuals were viewed as one of Alaska's greatest undeveloped resources.

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CHAIR HUGHES asked him to discuss the potential savings and the number of people who would be helped if there were a pilot with private investors upfront.

MR. RAY said the two \$100 million accounts that the Alaska Permanent Fund Corporation set aside two weeks ago to impact and invest in Alaska provide an excellent possibility. For example, if the state could get \$12.5 million upfront to start seven homes that each house 16 people per year for five years, that calculates to 112 individuals per year or 560 individuals in a five-year period. If the state were to save \$12.5 million upfront with a 25 percent return on investment (ROI), after five years it would result in \$15 million. He surmised that the savings from offenders not committing new crimes, or at least reducing overall crimes by 10 percent, would save the state an additional \$15 million.

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SENATOR MICCICHE said he did not disagree with Mr. Ray. He reported that sexual assaults in Alaska are twice the national average and Anchorage is number two in the country for the number of murders, suicides, substance abuse and domestic violence crimes. He offered his belief that Alaska needs a cradle-to-grave approach because the number of new criminals rises each year. It is ineffective to only deal with those who are incarcerated, he said. Some people lack supportive relationships, their families are disintegrating, and it leads Alaska further downhill. Many inmates do not have good role models and do not know any better behavior. He offered his belief that crime figures will not go down until this core issue is dealt with. It needs to be dealt with comprehensively and not with silos. He said that all states have similar problems, but the problems in Alaska are amplified and unique.

MR. RAY agreed. He responded that one of the greatest motivations for programs like Set Free Alaska was an opportunity to focus on trauma and children's programs. He said the reason he has proposed a public-private partnership is to decrease the existence of the operational silos and to create a dynamic that brings all of the stakeholders together to help them move in the same direction.

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CHAIR HUGHES encouraged the members to begin to think about a pilot project. She offered her belief that members want offenders to have comprehensive opportunities from beginning to end to ensure that all Alaskans are valued. She related that she has been working with Mr. Ray to bring stakeholders together. She noted Mr. Ray's capstone project for his PhD focuses on recidivism reduction. She said she would like to involve the committee in this process to hold discussions on the full spectrum of the issues Senator Micciche highlighted. She offered her belief that a public-private partnership to help improve outcomes across the state was worth considering. Alaska cannot keep on doing what it has been doing since its resources need to be used wisely and effectively, so it must look at new options, she said. She asked if a date and location for the next stakeholder meeting has been set.

MR. RAY replied that the next stakeholder meeting was tentatively scheduled for November 7th, partnering with tech giant Oracle to bring extra resources to Alaska to solve these problems.

CHAIR HUGHES asked if the meeting would be in Anchorage.

MR. RAY answered yes.

CHAIR HUGHES noted that the meeting would not be listed in the committee announcements, but that she would inform the members and post it to social media.

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SENATOR KIEHL asked about doing something different and the scalability of his model to those people who will not walk in.

MR. RAY replied that scalability is always going to be a challenge because of the financial aspect and the workforce in Alaska. He said he does believe that it can be scaled and correlated with the policies and the philosophical approach of corrections. If the correction system is viewed as a punitive environment then access to services will not be available, but if corrections is looked at as a rehabilitative opportunity then services will be. He said the question is how fast can Alaska scale and what philosophical environment would facilitate those nonvolunteering individuals to enter these programs. He asked how the rehabilitative culture could be built up in Alaska's society and system through a policy approach.

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SENATOR MICCICHE opined that investing in lives prior to their entering the system is important. There is a huge population in Alaska that is failing at life for the exact same reasons someone becomes incarcerated. To dramatically reduce crime, those factors must go away, he said.

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CHAIR HUGHES agreed. She noted that if those 560 individuals went through a program and after release in society, these offenders could find good jobs and start families, they could change that cycle for the future generations. She offered her belief that the state needs to reach the full spectrum, and this is a start.

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SENATOR SHOWER summarized that phase one was intended to get the criminal justice system working efficiently again. The second phase would address rehabilitation as a means to break the cycle. He thanked Chair Hughes for scheduling the presentations since it provides a great start for this discussion.

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CHAIR HUGHES thanked the presenters. She expressed her willingness to hear suggestions from members about other entities to come before the committee. She thanked Senator Kiehl for forwarding contact information for the reentry and recovery manager of the Central Council of the Tlingit and Haida Indian Tribes of Alaska. She said she has also been in touch with TLC [Transforming Living Communities] and the chaplains of the Anchorage Correctional Complex. She said she hopes to showcase these programs to the committee because these highly successful organizations have tremendous models. She said that she would like to see these programs expanded across the state.

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There being no further business to come before the committee, Chair Hughes adjourned the Senate Judiciary Standing Committee meeting at 4:25 p.m.