

# **PROPOSED FY 2009 NEW JERSEY STATE BUDGET**

## **Testimony to the Assembly Budget Committee**

**Wednesday, March 26, 2008, 9:00 AM**

**Assemblyman Louis Greenwald, Chair**

**Assemblyman Gary Schaer, Vice Chair**

**Assemblyman Joseph Malone, Republican Officer**

**Enterprise Center, Burlington County College**

**Mount Laurel, New Jersey**

**Presented By**

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Good morning, Chairman Greenwald and members of the Committee. I am Daniel L. Lombardo, President and CEO of Volunteers of America Delaware Valley. Our organization's staff and volunteers work directly with the community and with county, municipal, and state governments to develop services and programs that provide immediate and long-term benefits to those in most need. We operate 43 separate programs serving persons who are experiencing homelessness, seeking permanent housing, struggling with addictive behavior, coping with chronic mental illness and developmental disabilities, returning to society from the criminal justice system, and dealing with domestic violence.

The Fiscal Year 2009 budget proposal, as expected, is bleak. The inflationary increases, desperately needed to sustain rising costs to community programs, are non-existent. The budgetary increases expected in the proposal, a result of the Governor's crime plan, are nowhere to be seen. With the exception of the Halfway Back Program, all funding for alternative programming has been cut or held flat and, as you know, funding that is held flat is essentially a cut. One program in particular that sustained a 50% cut was our "Program for Returning Offenders with Mental Illness Safely and Effectively", also known as PROMISE. It serves to transition offenders with mental illness from incarceration to the community. Our PROMISE staff helps clients in finding employment, participating in treatment, linking with mental health services, and discharge planning. It can be found in the Parole budget under "Grants-in-Aid" and is referenced as "Re-Entry Case Management Services". This cut of four hundred thousand dollars will be disastrous to the

program and it is very probable that it will force it to close. Until the Governor put forth his budget, we had intended to ask for an additional one hundred thousand dollars for PROMISE to keep up with rising costs in treatment and housing. Knowing that the funding has been cut in half, we implore you to restore this four hundred thousand dollar cut in its entirety and, if possible, add the additional one hundred thousand dollars.

In addition to PROMISE, there are several other incongruities and inefficiencies that must be brought to light that deal directly with the Department of Corrections. It is well documented that shifting costs, burdens, and responsibilities from DOC to community programs is not only much less expensive, but it is highly successful in comparison. For example, it costs the New Jersey Department of Corrections approximately \$48,000 per year to house a non-violent offender when you include the costs the inmate incurs and correctional staff salaries and benefits. Volunteers of America's costs for the same inmate are \$21,000 – less than half the DOC's. Furthermore, the statewide recidivism rates usually hang around 67% - Volunteers of America is 21%. Similar statistics can be found in other non-profit and for-profit organizations that provide the same re-entry services. The numbers cannot be distorted or altered. It's all in black and white. Put simply, we do it better and we do it cheaper. Unfortunately, the Department of Corrections has the power to limit the amount of offenders sent to a community program in order to keep their beds filled to capacity. It begs the question of why does the Department keep operating in such a fashion when their results are poor and their costs to taxpayers is astronomically

high. An overhaul is certainly in need but who has the time, wherewithal, or courage to do it? But, what if I were to tell you that you could lower the prison populations by upward of 6,000 inmates, lower crime, and save \$166 million immediately? All this could be done in approximately two years through prison closures and community program infrastructure enhancements. It would cost zero dollars to the state and savings could be exponential. All it takes is philosophical support and trust in the data put forth by well respected research bodies such as the Pew Center on States and the New Jersey Government Efficiency and Reform Commission.

Pew recently released a study stating that 1 in 100 Americans are incarcerated. It also offered compelling data on New Jersey such as us having the third largest corrections budget in the Northeast and how New Jersey incarcerates more people than entire European countries. The State of New Jersey's inmate population is higher than 25 of the 26 largest European countries. The evidence speaks for itself and it is clear that the correctional system in our state faces some severe problems.

The New Jersey Government Efficiency and Reform Commission or "GEAR" was formed in April 2006 with the intent on evaluating the budget, structure, and organization of New Jersey state government. Its Task force on Sentencing and Corrections (chaired by former Chief Justice Deborah Poritz) released a report saying, conservatively, the state could release 24% of its non-violent inmates into more effective and less costly community programs. To determine this number, GEAR studied the Department of Corrections' own data. 24% represents 6,173 of

the total inmate population. Of that total, 1,296 of them are non-violent offenders with no criminal background. This sub-set would exceed the number of beds in Riverfront State Prison, an institution constantly slated for closure. Our estimates show that the state could save \$30 million if the institution was closed and all of the beds distributed to community based programs. The remaining 4,877 inmates are non-violent offenders with criminal backgrounds that *do not* include violent crimes. If do the math based on all 6,173 non-violent inmates, the state could save approximately \$166 million. Of course, this savings could not be achieved overnight. It would require the closing of state run institutions, the permanent removal of beds from the system, and infrastructure enhancements on the community programs side. But the results will bear fruit for decades to come and the savings would be held entirely by the state with no taxpayer money required for enhancements in community programs. With the backing of hard data from several well respected research groups and the courage to take on such a cause, the state could save millions of dollars, improve the lives of over 6,000 individuals, and make true positive enhancements to society as a whole.

If the State were to take on such a task and release these non-violent offenders into community based programs, it is important to recognize that they do not pose a public safety hazard. In fact, it is just the opposite. Through treatment of these individuals, we are improving public safety. In community based programs, these individuals are taught the basic skill sets to lead a respectful life. They are helped along the road to employment and re-connected with their families. We re-establish

the bonds that make normal citizens lead law-abiding lives. Through our programs, we are greatly reducing the chances of these individuals re-offending by wrapping the services around them. The State's recidivism rate stands at around 65%. Volunteers of America's rate is 21%. The numbers speak for themselves. Any argument that can be posed that these individuals are a risk to public safety can be proven inaccurate by simply looking at the numbers. We're not hurting public safety. Rather, in a sense, we are improving upon it.

One final point that I would like to make centers around the manner in which the Department of Corrections made their cuts. In the budget proposal, the Department recommended \$29.5 million in cuts to grants-in-aid while only sustaining a \$1.2 million cut directly to the Department. For those of us who enjoy percentages versus numbers, the department's disproportionate direct cut represents one tenth of one percent of their entire budget. This cut in grants-in-aid will mostly effect the county jails. A suggestion to the committee would be to restore this funding but shift it over to community based programs. Organizations such as ours statewide can provide double the amount of services to inmates that the Department can, at half the cost. I know that during a lean year, restoring a cut of this size is most likely impossible. But, please consider that if this were restored and shifted to community-based programs, at the end of the year, assuming the Department reduces their beds, the budget would be better off.

I encourage look at the potential savings within Department of Corrections' budget, look at the Pew study and GEAR report, and make the necessary rational cuts and policy changes that will save taxpayer dollars and improve the system.

If any of you would like to meet with me to discuss these issues, I am always available. We would also welcome you to tour some of our facilities to get a hands-on feel for what we do and the populations we serve. Thank you.