

House Committee on Agency Reorganization and Reform March 26, 1991 -
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report a speaker's exact words. For complete contents of the
proceedings, please refer to the tapes.

HOUSE COMMITTEE ON AGENCY REORGANIZATION AND REFORM

March 26, 1991Hearing Room D 3:30 p.m.Tapes 45 - 46

MEMBERS PRESENT:Rep. Clarno, Chair Rep. Clark Rep. Derfler Rep.
Jones Rep. Katz Rep. Brian

MEMBERS ABSENT: Rep. Hugo, Vice-Chair

STAFF PRESENT: Janet Adkins, Acting Committee Administrator Scott
Kaden, Committee Assistant

MEASURES CONSIDERED:None

INFORMATIONAL MEETING: Fred Pearce, Director -
Department of Corrections

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statements made during this session. Only text enclosed in quotation
marks report a speaker's exact words. For complete contents of the
proceedings, please refer to the tapes.

TAPE 45, SIDE A

004 CHAIRPERSON CLARNO: Calls the meeting to order at 3:42 p.m..
Introduction of Janet Adkins, Acting Committee Administrator for this
committee meeting. - Discussion of budget note on the Department of
Human Resources.

021 REP. JONES: Is this a budget note?

022 CHAIRPERSON CLARNO: Yes. It is a committee recommendation.

027 REP. JONES: How does this fit with other discussions that are
taking place in other committees and leadership meetings regarding
possible audits or consolidation?

032 CHAIRPERSON CLARNO: I don't know how this fits into that. I do
know that there has been a lot of concern about the public relations
departments at each agency within the DHR umbrella. Rep. Katz has
spoken on this issue. Instead of having public relations people, the
Director of DHRmight be better served by four outside consultants that

answer only to him. We might want to add that to our note. This is completely open to recommendations and suggestions. - In addition to this budget note, we have several pages of questions for Mr. Kevin Concannon.

048 REP. JONES: Has Mr. Concannon had an opportunity to look at the budget note recommendation yet?

049 CHAIRPERSON CLARNO: No. In our past recommendations, we have sent them directly to the Ways and Means Committee. I will provide Mr. Concannon with a copy after it meets the satisfaction of this Committee.

053 REP. JONES: I would like to hear Mr. Concannon's reaction to this budget recommendation. That is my concern.

054 CHAIRPERSON CLARNO: I see no problem with that. We will get Mr. Concannon a copy of this budget note and see if he can respond to us by Thursday. Then we can take further actions as a committee on Thursday. - Are there comments on the list of questions?

064 REP. DERFLER: The purpose of the questions must be scrutinized. If we ask questions, people will look for the answers that we want to hear. If we do get answers, would it change our Committee's direction or operation?

067 CHAIRPERSON CLARNO: I hope to be able to assist the DHR or the various divisions under DHR with reorganization and reform. We know that we have 239 children's programs in 28 agencies at a cost over \$1 billion. The legislature gets bombarded by these programs and we enact the programs because they sound solid and worthwhile. We hand off the programs to the agencies, and they are never coordinated properly. I want to help Mr. Concannon's agency become better and stronger. That is my goal. If you feel some of these questions don't strive for that goal, then we need to discuss them.

083 REP. DERFLER: Obviously, these questions will take a lot of his time. If it makes a difference in what happens, then I would send the questions.

086 CHAIRPERSON CLARNO: Let me ask a question of the committee members. "If we get answers to these questions, what would be your idea of what we should then do?"

089 REP. DERFLER: There will be more questions.

090 CHAIRPERSON CLARNO: Then we don't want to do that because that will just take up more staff time.

092 REP. JONES: My knowledge will never be sufficient to know what ought to be done in DHR. They could tell me whatever they want to, and I probably won't know if it is true. I am not suggesting that they wouldn't tell the truth. I do know they will spend a lot of time trying to answer the questions in a politically appropriate manner. I think we should do a cover letter which prefaces the questions by conveying our desire to help. We want to insure that we get answers that are based on our desire to improve the agency's responsiveness and reduce administration overhead, some of which we have caused.

109 CHAIRPERSON CLARNO: We do want concise and helpful answers. We will take a further look at the cover letter. - What do you think about

the committee recommendation to DHR? Should we send it on to Ways and Means?

128 REP. JONES: I would like to get DHR's comment on the recommendation. I just don't have enough knowledge at this point to give a very good response.

132 REP. DERFLER: Have we asked Mr. Concannon to write a letter or notice on how he might see his agency changing in the future, or how this Committee might help him (legislatively) do a better job?

137 CHAIRPERSON CLARNO: In my opening remarks to this Committee, I stated that this Committee exists in order to help agencies operate more effectively and efficiently. I have tried to reiterate that point to each agency as they have come before the Committee. So far, no one has come forth with any suggestions. That is why we are trying to pursue other means for obtaining this information. I would like to be able to help DHR in more ways than just with confidentiality rules.

154 REP. JONES: If we restate those concerns in a cover letter, I think that will be very helpful.

157 CHAIRPERSON CLARNO: I thank the Committee for their input. - Introduction of Fred Pearce.

174 FRED PEARCE, DIRECTOR OF DEPARTMENT OF CORRECTIONS: - Introduces his assistant directors who are in attendance.

194 REP. JONES: At some point in your presentation, please address the issue which was addressed in a recent editorial regarding the funds, inmates, machines, and the resources that are provided. I know this committee wants to hear about that.

199 PEARCE: I will do that. I have talked about the Inmate Welfare Fund with Rep. Brian, but I will make sure that I address the editorial. - Submits and summarizes written testimony. See EXHIBIT A.

TAPE 46, SIDE A

096 REP. KATZ: Are you prepared to add all the new beds that we are going to put into effect this session?

090 PEARCE: If you can fund the beds, we are prepared to construct them.

100 REP. KATZ: Thank you. I could have answered that.

102 PEARCE: Reference to EXHIBIT B, Corrections population forecasts.

115 REP. KATZ: Since I don't have the opportunity to ask any questions in Judiciary on this issue, I would like to have your input on the capacity and the need for more beds. Is there a difference between the supply and demand for beds? If so, what are you going to do about it?

126 PEARCE: We would be happy to provide that to the committee. The Criminal Justice Council and my staff are evaluating the pieces of legislation and surveying the situation.

130 REP. KATZ: Could you share with this committee who you will have to release, assuming that these people are prosecuted to the full extent of

the law?

134 PEARCE: Certainly we will be able to provide an estimate on the number of beds it takes up. I will say today that we will need additional legislation to force us to release anybody. The door closed on any kind of leaves or early releases as a result of the last legislative session.

132 REP. KATZ: Then we have an even bigger problem if there isn't a way out.

141 REP. CLARK: The Criminal Justice Council is under attack; please advocate the need and the work of the Council. How does the work of the Council fit into your mission and why is it necessary for what you do?

151 PEARCE: I appreciate the opportunity to speak to that. I oppose the abolishment of the Criminal Justice Council and the Sentencing Guidelines Board. From a mechanical point of view, the transfer of the staff is certainly possible. But to me, we will lose a great deal more than we will gain. Essentially, as I read it, you will only cut one position. The duties of the staff of the Council will become the duties of the Department of Corrections. There is a lot of experience which we gather at these Council meetings; we will not be able to get these people together on an ad hoc basis. To have Supreme Court justices and legislators together is incredibly beneficial, as a forum for exploring and making recommendations to the Legislature. - The bill also allows the Director of the Department of Corrections to enact the rules that currently are put forth by the Sentencing Guidance Board. I think that is a conflict of interest.

195 REP. JONES: In all honesty, could you reduce the size of the Council and still be effective?

202 PEARCE: The Council essentially doesn't cost anything, except for the staff. I am not sure of the staff's size. We need to have the work that is mechanically done by the Council. I don't know how you would cut it down and still have all that work done. Essentially, no one on the Council is being paid.

223 REP. CLARK: I think the total budget for the Council is something like \$600,000.

227 PEARCE: Reference to Exhibit B (Data Sourcebook). - Introduces each of the sections of the Sourcebook.

265 REP. JONES: How many of these maintenance projects will be done with inmate participation?

267 PEARCE: In every project, whenever inmates can be used, they are used. They do a lot of the manual labor, not the skilled labor because they are not licensed.

280 REP. JONES: Are you now prohibited from having a licensed electrician or plumber supervise and train inmate helpers?

284 PEARCE: Yes, you have to be licensed to do the work. We have vocational training that will teach them to do this work. We get cited for not having appropriate supervision over a licensed electrician. - Reference to Exhibit B (Sourcebook).

312 REP. JONES: You don't have a site for a women's prison do you?

313 PEARCE: No, we do not.

314 REP. CLARK: Nor do you have the process for selecting a site.

315 PEARCE: No. We would have to go through the normal land use process unless it was placed on property that was already owned by Corrections.

316 REP. JONES: So you haven't started the process yet?

317 PEARCE: No. We wanted to wait until last November to start that horrendous process.

319 REP. JONES: And now that November has passed?

320 PEARCE: Quite frankly, we wanted to come to the Legislature for direct siting rather than go through the process we did for Snake River where we started with 96 possible sites, held hearings on 14 different sites, and then started the process over again for the finalists. It has been an interesting process to go through.

332 REP. JONES: Some of us remember those hearings. I realize the process takes longer than any of us would like to see. I was just wondering if that process had begun.

336 PEARCE: In the last super-siting bill, there was a section that required LCDC to come up with a plan for siting unwanted uses - landfills and so forth. They have been working on that and will soon provide a report to the Legislature on that topic.

350 CHAIRPERSON CLARNO: What is the current capacity for the women's prison?

353 PEARCE: Our current capacity is 210.

354 CHAIRPERSON CLARNO: And we really have a need for additional space?

355 PEARCE: Yes. We have 360 or 370 women in our system. We have 190 beds plus 20 temporary beds set up in a day room at OWCC. We have 58 women at the women's release center at the state hospital. We have about 95 women at the Columbia River Correctional Institution in Portland - half of whom are in the alcohol and drug program up there. Then we have 10 women at the Coos County Jail, which is our only other medium security capability. We also have one woman working in a private work release program.

372 CHAIRPERSON CLARNO: What sort of facilities are you proposing?

374 PEARCE: It would be a combination of maximum, medium, and minimum security, so that we could have all the women in one facility.

386 REP. JONES: Is this additional space, over what you currently have?

388 PEARCE: Yes, and your next question will probably be what will we do with OWCC. We have a tremendous need for a geriatric facility. We are getting older and older inmates. As we get more inmates with life without parole, we are going to have people here for a long time. This older population doesn't fit in well with the general inmate population.

OWCC, a one level structure, would become a geriatric and invalid center. That is my goal for the use of that facility.

416 REP. CLARK: I sat on the Interim Judiciary Committee which looked into the allegations of abuse. Fred has only been here for two years, and the amount of change in the Department has been phenomenal. I am amazed at your ability to get any sort of long-range planning done while you have been dodging bullets for the past two years.

434 PEARCE: I have excellent staff.

439 REP. JONES: Could he finish his presentation before we begin questions?

440 REP. CLARK: I am sorry. I thought he was finished with his presentation.

441 PEARCE: Refers to Exhibit B (Sourcebook).

466 REP. CLARK: When you took over, you had the ability to fill the upper management of the Department. Something like eleven positions?

475 PEARCE: Yes, that is true. I appointed five Superintendents. I appointed all but two Assistant Superintendents, and all but one Assistant Director. I think this has allowed me a luxury that most agency heads have not had.

TAPE 45, SIDE B

029 REP. CLARK: The mark of a good manager is when the manager is out of the office, and the office still runs like a clock. In private business, when someone comes in he usually brings in his own management team. In state government, I don't think we have that same luxury. There have been many people who preceded you who just were not here long enough. - There are 35,000 people on probation from the courts, and there are 381 probation and parole officers in the state. That is a very high caseload for those parole people. How does that compare to other states?

047 PEARCE: It would be easy to say that we would like a 50 to 1 ratio, but it is not that simple. We don't have that ratio. - We are struggling with budgetary problems.

072 REP. CLARK: Is the 16% increase in the offender population during the last 12 months a continuation of a prior trend, or is that a substantial jump?

077 PEARCE: That is somewhat a continuation. The majority is parolees and probationers. The increase in institutions has slowed down considerably. In 1989, we averaged 85 per month net increase in our prison population. In 1990, that reduced to 20 per month.

084 REP. CLARK: At least some of that would be due to the sentencing guidelines taking effect?

085 PEARCE: I don't know. We really are not quite sure. There are a number of things which are occurring. New court commitments and parole violations have run at a constant pace over the past two years. The true increase has been in parole returns. At the same time as our net

increases have gone up, our releases have gone up (people have served their time and were released). At this point in time, I couldn't tell you factually that the sentencing guidelines have had an effect. We are trying to figure that out and it is not simple.

103 REP. CLARK: In terms of criminal justice as a whole, we are not doing some things right, obviously. What are your reflections on what the state should be doing to turn this situation around, especially with regard to juveniles? Our recidivism rate is very high with juveniles. What is the youngest offender in any of your institutions?

113 PEARCE: Our youngest is 16.

115 REP. CLARK: If he is 16, we have probably lost that individual. We need to intervene earlier to be successful. What do you think about boot camps? Is that the direction that we should be following, in order to turn those juveniles around?

121 PEARCE: I do not profess to be an expert in juvenile corrections. I have been terribly frustrated with how juveniles have been treated in the criminal justice system, especially in Multnomah County. Juveniles are far more dangerous than adults and yet they are still treated like kids. - I was really interested in boot camps when I was first appointed to this position. Recent studies have shown that recidivism is exactly the same between prisons and boot camp. But those states that have boot camps do save money. - I think boot camps would help juveniles more than adults. We could do those camps now, if Ways and Means would fund it. It costs the same as prisons, but the stays are shorter and the cost per person is less. Anecdotes tell us that it does help some people.

186 REP. DERFLER: What is your biggest frustration with the Department?

189 PEARCE: For the most part, my frustrations are getting better after two years. The uniform issue may seem very small, but it was incredibly frustrating. Making that change took an enormous amount of energy, but things are coming around and the department is shaping up.

203 REP. DERFLER: So if we get all of the inmates in proper uniforms, everything is going to be perfect?

204 PEARCE: Not at all, and I hope you didn't think I was saying that. You were asking me about my frustrations; not what I wanted to see the Department do. I would like to have more money so we can develop more industries and have more inmates working.

215 REP. DERFLER: So you think work programs would be something that would interest you the greatest?

216 PEARCE: Yes, as far as I am concerned. We have tremendous idleness in our prisons. Over one half of the inmates do absolutely nothing.

219 REP. DERFLER: Have you presented or come up with a plan to institute additional industries inside our prisons?

221 PEARCE: In our budget initiatives, we have proposed plans for full employment. This includes a new industries building at OSCI, which currently has no industries plan.

230 REP. DERFLER: If you had the materials, could you build the buildings necessary for industry programs?

231 PEARCE: Yes, some of them we build with inmate labor.

239 REP. DERFLER: Would it be possible for you to have a joint venture between private industry and the prisons?

241 PEARCE: We have a number of partnerships with private providers. We have a data entry operation and also a cut stock operation. The problem is that you need a building. Generally, you cannot make enough money from the industries to build a building inside our property. That is what we wanted to expand upon in this year's initiatives.

256 REP. DERFLER: Could you train the inmates to do the construction work?

257 PEARCE: Yes. As long as we have the funds to hire the skilled labor to supervise the inmates, we can do that. For some licensed work, we have to contract with skilled labor.

275 REP. DERFLER: Would it be possible to put a think tank together to develop more work for the inmates?

278 PEARCE: Certainly I would be happy to participate in that. We provided the Legislature, through the E-Board, a plan for full employment. As I said earlier, we are now in the garment manufacturing business. We have a 47,000 square foot garment industry building at Eastern Oregon Correctional Institution. - We are looking for potential contracts for our garments. We are in the process, but we are limited by space within the secure institutions.

301 CHAIRPERSON CLARNO: I am thinking about our state printing costs and wondering if prison industries would like to go into printing.

302 REP. JONES: First of all, I would like to have you respond to my first question. In addition, don't you currently still have a prison industries oversight group, a management board? One of the problems expressed by this legislative body a few sessions ago was the fact that the private sector was complaining bitterly about competition from the prisons. We send a lot of projects overseas which are incredibly labor intensive. Our major companies in this state do overseas manufacturing. That is one area where I think we could find some benefit. There isn't anything more productive than to have people working on something where results actually occur. If there is anything we can do in this committee to remove barriers and assist you, I think we should do that. - On another note, are you satisfied with what we are doing in our drug and alcohol treatment programs, because that does create a constant population?

333 CHAIRPERSON CLARNO: Before we change gears, Rep. Derfler, did you have a follow up question?

334 REP. DERFLER: I was just going to comment on the Japanese prisons and how the private sector comes in and trains the inmates. I think there are some things that could be done in that direction that would help.

340 CHAIRPERSON CLARNO: I see this committee as being able to pursue something along that line. Rep. Jones, would you like to comment further?

343 REP. JONES: You mentioned a bill which would address this issue? Would you like to comment on Rep. Brian's bill, HB 2202?

350 PEARCE: You were talking about manufacturing firms doing labor-intensive work outside the United States. A lot of garment manufacturing is done outside the country. We are continuously looking at products being made off-shore for our inmates to become involved with. I know the board is looking into that issue a great deal. - HB 2202 speaks to the issue brought up by Rep. Brian. When I asked for the audits on the canteen and the inmate accounts, a question arose whether we had the authority to spend the money on inmate welfare. There was no expressed authority, but auditors recommended that we seek legislation granting expressed authority to authorize certain inmate revenues for certain types of activities. I thought this was going to be a very simple bill. - As a result of Rep. Brian's questions, we found some surprising things about the use of these funds. An Oregonian editorial mentioned the purchase of baseball uniforms from funds raised by the inmate canteens. There is some difference of opinion on how this money should be spent. This is a reasonable thing to discuss, especially in this body. - Money spent on televisions, an occasional video, etc. is not money badly spent. These are good baby-sitting tools that we use to manage people and keep our institutions "quiet". The newspaper took an exception to how some inmate funds were spent. - Rep. Brian and I have agreed to use some of these funds for education. I had no idea that the size of the pot was adequate for helping with inflation. We are about \$.5 million short to provide education in every one of our institutions because there were no start-up funds. We will discuss this issue before Ways and Means at greater length.

TAPE 46, SIDE B

060 CHAIRPERSON CLARNO: Have you looked into using ED-NET?

061 PEARCE: Yes, we have. I don't think it is funded at our Snake River facility, but we would like to have it there in conjunction with the college. We would like to have it in all of our institutions.

065 REP. JONES: Is Oregon Public Broadcasting being utilized?

068 PEARCE: Yes, it is. We provide in the inmate newspaper the time and courses that are offered by Oregon Public Broadcasting.

074 REP. JONES: This would give them something productive to do. It would also train and educate them while we have control over them - to help them prepare for being released.

077 PEARCE: That is very important. We are encouraged with the inmates' new ability to "earn" time off for following counselor's recommendation for treatment (drug, alcohol and mental) and successfully completing the program. This is true for work and education as well. You always hear about "good time." But good time in Oregon hasn't meant anything because of the sentencing guidelines. Since those have been reworked, inmates now have the opportunity to earn "good time," and better themselves in the process. That is a very important tool.

109 REP. BRIAN: I appreciate Fred's assistance and cooperation. I think the \$2.6 million in the Inmate Welfare Fund will be handled well. This is one of the most frustrating areas to work in because we are dealing with the worst Oregonians we have; these are damaged goods. These people have had a variety of opportunities to change, and they decided

not to. - Determining what works for everyone is very difficult.

182 REP. DERFLER: I understand that your work programs basically haven't changed in the last seven or eight years. I have been active in this area, and it appears that we are addressing the same problems.

190 PEARCE: I don't find that surprising. It seems to me that we have had a succession of managers in inmate industries. Every time a problem cropped up, they left. I have tried to institutionalize the changes in all branches so that when I am gone, these improvements will still be there. That is my goal. Fix the problems so that they stay fixed.

203 REP. BRIAN: There are three major areas that Corrections must struggle with: management and control issues, institutional capacity issues, and field service capacity and effectiveness. What have we done to address the third issue? This was to be the big year for parole officers. Ratios are high: recidivism is unacceptably high. What about field service?

221 PEARCE: Field services are the big unknown. We don't know the solution to this, as you point out. This session was to be our field "get well time". We haven't had increases in our parole and probation officers in the last three sessions. We have been putting more and more in filing cabinets because of the increasing numbers. We have also been expecting parole officers to do more and more, which is not right. - We have developed a classification system for our offenders in the field and have set down supervision requirements. - I don't really have any definitive answers until we get more money to deal with this and I know money is not a good issue. We have been getting the workload, but not the resources to deal with it. - We do a terrible job transitioning people from our institutions to the street. But we don't have the money to implement some of our ideas. We need to get releasees into a support system to help them with the transition. Now, we kick them out and say, "Don't get in trouble."

286 REP. BRIAN: As late as the early 1970's, you had to have an address, a job, a sponsor, etc. to be paroled. Now, that is not required. Two years ago, I visited OSP's homeless room.

290 PEARCE: Yes. They had their sack of property, and they got a mattress on the floor.

292 REP. BRIAN: The prison's homeless are crammed into this one glass room.

294 PEARCE: We don't have that any more.

295 REP. BRIAN: The Legislature has also eliminated the early and social releases. Up until that time, I was under the impression that "we were tapping people on the shoulder, saying 'surprise you are out tomorrow'".

300 PEARCE: That is correct. That was a population management program. It was not a transition program.

302 REP. BRIAN: With the cancellation of those programs, it is interesting that we have the institutional population relatively under control.

306 PEARCE: Well, Rep. Brian, we have added about 2,500 new beds.

307 REP. BRIAN: What is the population compared to two years ago?

308 PEARCE: When I came, the institutional population was 5,000. It is now 6,300, but we have added all these beds.

313 REP. BRIAN: We haven't discussed Snake River. I understand the idea of contracting it out to other states may not even be possible.

316 PEARCE: "At this point in time (tomorrow I may have a different story), I believe we will be able to rent out the beds - at least some of them."

322 REP. JONES: If you are frustrated with regard to industries and how we can keep inmates actively involved in productive activity, maybe you could come back to this Committee and tell us how we can help. I still believe the private sector has a role and is willing to help. Maybe we can provide tax incentives to involve the private partnerships. Maybe the private sector can provide the materials necessary for the industry buildings. I am certainly open and willing to look ways to make the situation better through partnerships.

342 REP. DERFLER: There are many rules which prevent that from happening. I tried once to get inmates to work on buses, and we found there are many federal regulations that would not allow us to do it. Every time you try to do one of these projects, you run into reasons why you cannot do it.

348 CHAIRPERSON CLARNO: I think Rep. Jones has addressed many of the things I would say in closing. Please let us know what this Committee can do, whatever it may be, to help you with the issues discussed today. I appreciate your time and testimony.

374 PEARCE: I do appreciate your time and would be happy to come back any time to talk more about Corrections. We are at your service. It is in our best interest to solve these problems together. Thank you again.

382 CHAIRPERSON CLARNO: Thank you for your testimony. - This meeting is adjourned (5:21 p.m.).

EXHIBIT LOG

Exhibit A - Fred Pearce - 8 pages Exhibit B - Fred Pearce - 100 pages (estimated)

Submitted by:

Reviewed by:

Scott Kaden

Susan M. Browning