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**Report to the Committee on Finance and the
Committee on Public Safety on the Fiscal
2024 Executive Plan for the**

**Mayor's Office of
Criminal Justice**

May 17, 2023

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Mayor's Office of Criminal Justice Budget Overview

On April 26, 2023, the Administration released the Executive Financial Plan for Fiscal 2023-2027 (Executive Plan) which includes a proposed Fiscal 2024 budget of \$106.7 billion. This report reviews the Mayor's Office of Criminal Justice's (MOCJ) Fiscal 2024 Executive Budget, including proposed budget actions taken in the Executive Plan.

The operating budget for the Mayor's Office of Criminal Justice (MOCJ) is part of the Mayoral budget in units of appropriation (U/A) 050 and 051 for criminal justice programs. The Fiscal 2024 Budget for MOCJ as of the Executive Plan totals \$10.2 million with a budgeted headcount of 46 positions which is 41 fewer funded positions than in Fiscal 2023 at adoption. MOCJ's Fiscal 2024 Budget is \$2.6 million less than its Fiscal 2023 budget at adoption. This includes a difference of \$4.6 million in personal services (PS) spending partially offset by \$1.9 million greater planned other than personal services (OTPS) expenditure for contractual services. City tax-levy accounts for 40 percent of the Office's budget, at \$4.09 million.

While MOCJ's core operations and staff are funded through the mayoral budget, most of the contractual services managed by MOCJ are budgeted in the City's miscellaneous budget. MOCJ procures contracts with legal service organizations to represent indigent New Yorkers in criminal proceedings. MOCJ also contracts with community-based organizations to provide a variety of criminal justice programs including, crime victims' services, pretrial services, alternative to incarceration (ATI) and alternative to detention programs (ATD), mediation, court operations, re-entry services, and other criminal justice services. MOCJ's contract budget falls under two U/As in the miscellaneous budget, Criminal Justice Contracts (002) and Indigent Defense Services (005).

The total contract budget managed by MOCJ for Fiscal 2024 in the Executive Plan is approximately \$631.8 million, which is \$348 million less than the amount managed in Fiscal 2023 at adoption. Criminal Justice Contracts account for \$272 million or 43 percent of those contracts managed by MOCJ, while \$359 million or 57 percent of the contracts are for Indigent Defense Services. The difference between the Fiscal 2023 and Fiscal 2024 budgets is due to the transfer of contracts to the Department of Youth & Community Development (DYCD) and PS and OTPS reductions. City dollars represent 88 percent (\$569.4 million) of MOCJ's contract budget, with federal and state funding accounting for the remaining 12 percent.

MOCJ’s Operating Budget

Table 1 provides an overview of MOCJ’s actual expenditures for Fiscal 2021 and Fiscal 2022, the Adopted Budget for Fiscal 2023, and planned expenditures for Fiscal 2023 and Fiscal 2024 as proposed in the Executive Plan.

Table 1: MOCJ – Expense Budget (002)

| <i>Dollars in Thousands</i> | FY21 | FY22 | FY23 | Executive Plan | | *Difference |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| | Actual | Actual | Adopted | FY23 | FY24 | 2023 - 2024 |
| Spending | | | | | | |
| Personal Services | \$6,908 | \$7,300 | \$9,487 | \$8,855 | \$4,851 | (\$4,636) |
| Other Than Personal Services | 3,290 | 7,854 | 3,371 | 5,426 | 5,363 | 1,992 |
| TOTAL | \$10,199 | \$15,154 | \$12,858 | \$14,282 | \$10,215 | (\$2,644) |
| Funding | | | | | | |
| City Funds | | | \$7,471 | \$6,840 | \$4,094 | (\$3,377) |
| Capital IFA | | | 361 | 361 | 361 | 0 |
| Federal | | | 1,488 | 1,526 | 204 | (1,284) |
| Federal-Community Development | | | 3,246 | 3,246 | 3,246 | 0 |
| State | | | 292 | 2,309 | 2,309 | 2,017 |
| TOTAL | \$10,199 | \$15,154 | \$12,858 | \$14,282 | \$10,215 | (\$2,644) |
| Budgeted Headcount | | | | | | |
| Full-Time Positions - Civilian | 65 | 57 | 87 | 87 | 46 | (41) |
| TOTAL | 65 | 57 | 87 | 87 | 46 | (41) |

**The difference of Fiscal 2022 Adopted Budget compared to Fiscal 2023 Executive Plan*

MOCJ's Fiscal 2024 budget in the Executive Plan totals \$10.2 million, and supports MOCJ’s office and operations, including headcount. The Fiscal 2024 budget is \$2.6 million less than the Fiscal 2023 budget at adoption, attributable mainly to a difference of 41 funded positions. MOCJ’s Fiscal 2023 Budget in the Executive Plan is \$1.4 million greater than its budget at adoption.. This is due to an increase in OTPS spending in Fiscal 2023 partly offset by reduced PS spending.

MOCJ’s Contract Budget

As shown in table two, MOCJ's Fiscal 2024 Contract Budget in the Executive Plan totals \$631.8 million. MOCJ’s contract budget supports the City’s criminal justice and indigent defense contracts, as well as Council discretionary programs. Of note, Council discretionary funding in Fiscal 2024 will not be recognized until Adoption.

Table 2: MOCJ – Contracts Budget (098)

| <i>Dollars in Thousands</i> | FY21 | FY22 | FY23 | Executive Plan | | *Difference |
|---------------------------------|------------------|------------------|------------------|--------------------|------------------|--------------------|
| | Actual | Actual | Adopted | FY23 | FY24 | 2024 - 2023 |
| Indigent Defense (005) | \$419,643 | \$456,491 | \$434,554 | \$532,477 | \$359,381 | (\$75,173) |
| Criminal Justice Programs (002) | 386,495 | 525,657 | 545,246 | 562,007 | 272,370 | (272,876) |
| Total | \$806,139 | \$982,148 | \$979,800 | \$1,094,484 | \$631,751 | (348,048) |
| Funding | | | | | | |
| City Funding | | | \$824,279 | \$911,844 | \$569,374 | (\$254,906) |
| State | | | 149,369 | 174,276 | 56,226 | (93,143) |
| Federal | | | 6,152 | 8,364 | 6,152 | 0 |
| Total | \$806,139 | \$982,148 | \$979,800 | \$1,094,484 | \$631,751 | (\$348,048) |

**The difference of Fiscal 2022 Adopted Budget compared to Fiscal 2023 Executive Plan*

The Indigent Defense contracts for Fiscal 2024 totals \$359.4 million, which is \$75.2 million less than the Fiscal 2023 budget at adoption. However, the Fiscal 2023 budget is \$98 million, or 22.5 percent, greater than the Fiscal 2023 budget at adoption

The criminal justice contracts for Fiscal 2024 in the Executive Plan are \$272.9 million less than the Fiscal 2023 budget at adoption. The difference is primarily the result of the transfer of ONS contracts to DYCD totaling \$184.9 million adjustment and City Council initiatives that get added at adoption.

Personal Services and Headcount

MOCJ’s Executive Plan includes funding for 87 full-time position in the current year, decreasing to 46 in Fiscal 2024. For Fiscal 2024, the current plan represents a reduction in agency headcount of 41 positions in Fiscal 2023 since adoption.

In the Executive Plan, funding for MOCJ’s personal services (all agency staffing related expenses) comprise 62.2 percent of the Office’s Fiscal 2023 plan. This amount decreases to 48 percent in Fiscal 2024.

Table 3: Spending and Budgeted Headcount Summary

| <i>Dollars in Thousands</i> | 2021 | 2022 | 2023 | Executive Plan | | *Difference |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| | Actual | Actual | Adopted | 2023 | 2024 | 2023 - 2024 |
| Spending | | | | | | |
| Personal Services | \$6,908 | \$7,300 | \$9,487 | \$8,855 | \$4,851 | (\$4,636) |
| Other Than Personal Services | 3,291 | 7,854 | 3,371 | 5,426 | 5,363 | 1,992 |
| TOTAL | \$10,199 | \$15,154 | \$12,858 | \$14,282 | \$10,215 | (\$2,644) |
| Budgeted Headcount | | | | | | |
| Full-Time Positions - Civilian | 65 | 57 | 87 | 87 | 46 | (41) |
| TOTAL | 65 | 57 | 87 | 87 | 46 | (41) |

**The difference of Fiscal 2023 Adopted Budget compared to Fiscal 2024 Executive Budget.*

Funding Sources

MOCJ’s budget is financed by city funds as well as state and federal funding. In the current financial plan, the agency’s primary funding source is city funds. For Fiscal 2023 and Fiscal 2024, City funds comprise 83.5 percent (\$918.7 million) and 89.3 (\$573.5 million) respectively of MOCJ’s contract budget.

The State budget included a number of initiatives that may affect MOCJ’s contract budget in the coming fiscal year, including \$80 million for legal defense funding, \$40 million for discovery reform, \$92 million for assigned counsel rate increases, and additional funding for alternative to incarceration programs. The City’s Executive Plan does not include any State funding associated with these items in the State Enacted Budget.

Table 4: MOCJ Contracts Funding Sources

| <i>Dollars in Thousands</i> | 2023 Adopted | Executive Plan | | *Difference |
|-------------------------------|------------------|--------------------|------------------|--------------------|
| | | 2023 | 2024 | 2024 - 2023 |
| Funding | | | | |
| City Funds | \$831,750 | \$918,684 | \$573,468 | (\$258,282) |
| Capital IFA | 361 | 361 | 361 | 0 |
| Federal | 7,640 | 9,890 | 6,356 | (1,284) |
| Federal-Community Development | 3,246 | 3,246 | 3,246 | 0 |
| State | 149,661 | 176,585 | 58,535 | (91,126) |
| TOTAL | \$992,658 | \$1,108,766 | \$641,967 | (\$350,692) |

**The difference of Fiscal 2023 Adopted Budget compared to Fiscal 2024 Executive Budget.*

Source: The Office of Management and Budget

Executive Plan Changes

Each financial plan is comprised of changes to an agency’s budget from the prior plan. These changes are comprised of new needs that have not previously been included in the agency’s budget, other

adjustments to existing spending (these adjustments can involve adding additional funding or removing funding), savings programs which provide additional resources either through reduced spending or increased revenue, and savings restorations which include the restoration of expenditures that had been reduced in prior financial plans.

New Needs

MOCJ's Executive Plan includes four new needs, totaling \$23.08 million in Fiscal 2023 and \$8.6 million in Fiscal 2024, and \$1.07 million in the outyears.

- **18B Adjustment.** (\$9 million in Fiscal 2023) The Executive Plan includes a one-time addition of \$9 million in Fiscal 2023 to ensure payments to 18-B attorneys could be made through the end of Fiscal 2023 after rates were increased via litigation late last fiscal year.
- **Article 10 Adjustment** (\$14.1 million in Fiscal 2023) The Executive Plan includes one-time funding of \$14.1 million in Fiscal 2023 to provide legal representation to parents involved in child abuse and neglect cases who are unable to afford an attorney. This additional funding brings the Article 10 funding up to \$48.8 million in Fiscal 2023.
- **Reentry Service for Women.** (\$1.1 million in Fiscal 2024) The Executive Plan baselines an additional \$1.1 million beginning in Fiscal 2024 to expand reentry services targeted towards women.
- **Transitional Housing Adjustment.** (\$7.5 million in Fiscal 2024) The Executive Plan includes a one-time addition of \$7.5 million to increase transitional housing bed capacity by 120. This will bring total capacity to 1,068 beds.

Other Adjustments

MOCJ's Executive Plan includes an increase of \$7 million in other adjustments in Fiscal 2023 and a decrease of \$182.9 million in Fiscal 2024. Some of the major adjustments include the following:

- **Alternatives to Incarceration Grant.** (\$2 million in Fiscal 2023) The Executive Plan includes a one-time \$2 million addition in Fiscal 2023.
- **City Council Member Items Reallocation.** (\$15.7 million reduction in Fiscal 2023) The Executive Plan includes a \$15.7 million one-time reduction in Fiscal 2023. This change reflects the transfer of Council discretionary contracts to DYCD.
- **Indigent Legal Services Hurrell-Herring Adjustments.** (\$19.0 million in Fiscal 2023). The Executive Plan includes a one-time funding of \$19.0 million in Fiscal 2023 for the Hurrell-Herring grant from the State Office of Indigent Services for the remaining quarter of Fiscal 2023 until the new grant starts in Fiscal 2024. The Hurrell- Herring Settlement, approved in March 2015, requires New York State and the five defendant counties to improve the delivery of public defense services in four key areas: Counsel at Arraignment; Caseload Relief; Initiatives to Improve the Quality of Indigent Defense; and Eligibility Standards for Representation. Under the terms of the Settlement, the State is obligated to fund these initiatives.
- **Office of Neighborhood Safety Transfer to DYCD.** (\$184.9 million reduction in Fiscal 2024). The Executive Plan includes a shift of \$184.9 million from MOCJ's contract budget to DYCD's budget. The transfer includes contracts for Mediation, the Mayor's Action Plan (MAP) for

Neighborhood Safety, and Anti-Gun Violence. Additionally, MOCJ transferred \$3.02 million in contracts relating to ATD Juveniles to the Administration for Children’s Services (ACS) as of the Fiscal 2024 Executive Plan.

Program to Eliminate the Gap (PEG)

MOCJ’s Executive Plan includes no initiatives as part of the citywide PEG.

Fiscal 2024 Preliminary Budget Response

In the City Council’s Fiscal 2024 Preliminary Budget Response (Budget Response),¹ the Council identified a couple areas of concern relating to Criminal Justice.

Despite some increased funding there are still essential programs that did not receive additional support in the Executive Plan.

Table 5: FY24 Budget Response Items

| # | Response Priorities | Amount Requested | Amount in the Exec Budget |
|---|---|------------------|---------------------------|
| 1 | Funding Fairness for Legal Service Providers | \$125 Million | \$23.07 million |
| 2 | Supportive Housing for Individuals involved with the Justice System | \$57.8 Million | \$0 |

• Funding Fairness for Legal Service Providers

In the Budget Response the Council called on the Administration to provide \$125 million so that public defender groups can continue to provide free court representation to low-income New Yorkers in criminal and civil matters. This field is experiencing unprecedented attrition and obstacles to recruiting and hiring. The lack of funding for these positions has resulted in attrition rates of over 25 percent, causing these organizations to lose many of their most experienced and knowledgeable attorneys. The Executive Plan includes \$23.1 million to support the additional funding for contracted legal service providers. Although, this is additional funding, it is not responsive to the continuing issue of New York City’s underfunded legal service providers.

• Supportive Housing for Individuals involved with the Justice System

In 2019, the Council negotiated a Points of Agreement to close Rikers Island that included funding to expand the Justice Impaired Supportive Housing (JISH) program. It remains a priority of the Council to expand and improve programs that help people transition from the justice system to stable housing and employment opportunities. These programs are proven to reduce recidivism and provide wrap-around services that address basic needs, as well as pathways to success. In the 2023 Executive Plan \$28 million was provided for this program. The Council called upon the Administration to provide an additional \$57.8 million to expand this as well as similar programs. This funding will keep existing housing units viable, make new units viable, and ensure that the 15/15 supportive housing units are adequately funded.

¹ The full response can be found at: <http://council.nyc.gov/wp-content/uploads/2023/04/Fiscal-2024-Preliminary-Budget-Response.pdf>