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Webpage

The Private Corrections Institute maintains an excellent webpage on the for-profit private prison industry. You can get recent news, lawsuits, reports, and links to other sites. Our "Hall of Shame" is a hit among activists.

The link is:

www.PrivateCI.org

Get aboard the PCI-Watch

If you are serious about fighting the for-profit private prison industry, then you need to sign-up for the PCI's Watch — the electronic private prison news service. Just send your request to kenk@PrivateCI.org and ask to be put on the list. Please be aware — this is not for the faint-at-heart. Sometimes there is a lot of reading but it is well worth it.



Privatization Issues In The News

The True Cost Of Prison Privatization

Advocates for prison privatization always talk about "so-called" cost savings by prison privatization. The problem is that the devil is in the details. How are the cost savings determined? Florida law requires at least a seven percent cost savings, but is it really an "apples-to-apples" comparison or is there some fudging of the numbers?

Also, are there any functions of government that should not be privatized regardless of whether some company thinks it can save the state money? If the only concern of the Florida legislature and **Governor Scott** is cost, what is to stop the privatization of FDLE or the court system?

Let's talk about costs and alleged cost savings by privatization.

First, there are major questions about how to make a cost comparison of public and private prisons. The independent Office of Program Policy Analysis and Governmental Accountability (OPPAGA) warned that "Comparability issues limit the conclusiveness of cost savings analyses." This is backed up by a 2008 report for the National Institute of Justice on cost studies warning "Cost comparisons are deceptively complex, and great care should be taken when comparing the costs of privately and publicly operated prisons."

For example, here in Florida there are major discrepancies in public prison costs. For example, the public adult male prison, New River Correctional Institution, was used for comparison against the privately run Bay Correctional Facility. DMS reports New River's per diem is \$57.52, but the Auditor General states it at \$52.04, and the DOC has it at \$44.36. Then, there is OPPAGA's average cost for adult male facilities at \$35.96. So which is correct?

Since 1994, the State of Florida has bonded seven private prisons for a total building cost of \$441 million. The debt service on these bonds exceeds \$227 million dollars. Where's the cost savings if you are paying 50 percent more for a prison through bonding? This is cost shifting to the future and bilking the taxpayers.

The new contracts with private prison vendors have automatic "escalators" in them. The total cost for these increases over the next four years will be close to 12 percent. This will cost the state over \$17 million more by the end of the contract extensions in August 2015.

I have to remind readers about the cost overruns by the vendors back when private prisons were under the Correctional Privatization Commission, which was disbanded in 2004 after numerous scandals. The Department of Management Services auditors found \$13 million in overpayments to Corrections Corporation of America and the GEO Group (formerly Wackenhut Corrections). Both vendors paid the state less than \$2 million leaving the taxpayers holding the bag on \$11 million.

What about transparency? When the PBA requested documents for lawsuits and facility incidents to the GEO Group's re-bid for the South Bay prison, we were met with obstruction. The GEO Group claimed that disclosing these portions of their proposal would reveal elements crucial in determining pricing structure, as well as the staffing and design of their facilities.

The PBA would never jeopardize public safety nor is it interested in out-bidding the GEO Group. But the PBA is interested in GEO's previous lawsuits and any correctional facility disturbances. These documents would give taxpayers some understanding of how GEO is operating its prisons.

Now let's look at the quality of the services being provided by the for-profit private prison vendors to the taxpayers.

According to FDLE, over the last four years officer turnover in for-profit prisons has been generally twice as high as state run facilities.

How have the overall operations in the private prisons in Florida been doing? What follows are some incidents in

Florida facilities:

In March 2010 an inmate at GEO's Graceville Correctional Facility in Florida was killed during a fight at the prison.

In 2008 and 2009, four guards at CCA's Gadsden Correctional Facility were fired because they had "inappropriate" relationships with inmates. They could not be charged because Florida Statutes against contact with inmates did not apply to private guards.

In 2010, Hernando County took back its jail operations from CCA when the Sheriff said he could run the jail for less than CCA. The county is currently being sued for \$1.86 million by its former "partner," CCA, in a dispute over who owns the property in the jail. **Hernando County Sheriff Major Michael Page** said that the existing medical unit at the jail showed "22 years" of neglect by CCA.

This return to public operation of a jail from CCA was preceded by Bay County doing so in 2008 after CCA terminated the contract saying they couldn't abide by the financial terms in the contract.

Let's look at the for-profit prisons as a "system." Here is some of what is going on in their facilities:

In July last year, three dangerous inmates escaped from MTC's Kingman facility in Arizona. MTC currently holds the contract for the Gadsden Correctional Facility. Two of these inmates eventually killed two innocent people in New Mexico. The fence at the facility had 89 false alarms in the 16 hours prior to the escape. The local sheriff was not notified of the escape for over an hour. The plan was hatched using a cell phone smuggled into the prison.

In June, there was a 45 minute brawl between black and white inmates at the Kingman Facility. Inmates used padlocks wrapped in socks to beat each other.

In early 2008, an employee of CCA walked into the warden's office at its Otter Creek Correctional Facility in Kentucky, announced she was quitting, pulled out a .22 caliber pistol she had smuggled past CCA security and shot herself to death. Hawaii pulled all of its female inmates from this facility after numerous sexual assaults by its staff. CCA employees could not be charged with a crime (just like in Florida) because there was no law making it a crime for private guards to rape inmates.

In June 2009, an escapee from CCA's Delta Correctional Facility in Mississippi shot and almost killed a Nashville police officer. The CCA inmate somehow got hold of a cell phone while in prison to make arrangements to escape during a doctor's visit. He took the gun used in the shooting from a CCA guard.

A woman was held hostage in Ohio for three hours by a CCA escapee who stole a gun from a guard during a crime spree in 2007.

The second Hawaiian inmate in five months died in CCA's Saquaro Correctional Facility in Arizona in June 2010. The first was stabbed to death in February. Hawaii has since begun returning its inmates to the island. Hawaii's State Auditor released a scathing report about the poorly written contracts with CCA.

In May 2010 a CCA guard pled guilty to sexually assaulting women detainees at its Hutto Residential Center east of Austin, Texas. ICE sent a letter to CCA saying that the guard's alleged actions occurred because CCA failed to follow federal guidelines regulating detainees transport.

Arizona officials investigated a riot by 43 California inmates at CCA's Red Rock Correctional Center in December 2010. Seven inmates were transported to local hospitals including three with life-threatening injuries.

Also in December two inmates were injured during a disturbance at CCA's Pre-Parole Transfer Facility in Texas.

Three armed and dangerous men escaped from a GEO detention center in Illinois in January 2010.

In November 2010, a convicted murderer walked away from a GEO halfway house in Houston, Texas, the third to