About the Programs Not Profits Campaign

The following brief is part of In the Public Interest’s Programs Not Profits campaign. Each year, the private corrections industry collects hundreds of millions of dollars in profits from taxpayers. To strengthen safety and justice in our communities, we should invest that money in improving and expanding treatment and rehabilitation programs. Programs Not Profits is a multi-year campaign that promotes replacing private profits that hurt incarcerated people, correctional officers, and taxpayers, with publicly funded and managed programs that provide job training, mental health care, and substance abuse treatment. Follow along and get involved at www.programsnotprofits.org.

About In the Public Interest

In the Public Interest is a comprehensive research and policy center committed to promoting the values, vision, and agenda for the common good and democratic control of public goods and services. We are committed to equipping citizens, public officials, advocacy groups, and researchers with information, ideas, and resources on best practices in government contracting and other types of public-private agreements. Our goal is to ensure that government contracts and agreements and related public policies increase transparency, accountability, efficiency, and shared prosperity and opportunity through the provision of quality public goods, services, and assets. For more information, please visit www.inthepublicinterest.org.

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Any errors or omissions in this report are the sole responsibility of In the Public Interest.
How Private Prison Companies Increase Recidivism

The United States incarcerates 716 out of every 100,000 people, a higher rate than any other country in the world.¹ A large portion of these prisoners have been incarcerated before. According to a 30-state study conducted by the U.S. Department of Justice (DOJ), 50 percent of incarcerated people return to prison within three years of being released.²

America’s high rates of incarceration and recidivism have had dire consequences for communities, the economy, and taxpayers. One in nine black children have an incarcerated parent, and in 2009, the incarceration of a parent led, at least in part, to 14,000 children entering the foster care system.³⁴ Incarceration also reduces a released prisoner’s earnings by nearly $179,000 through age 48.⁵ Operating prisons costs taxpayers an average of $31,286 per prisoner per year.⁶

Academic research has found that incarcerating people in prisons operated by private companies, which have business models dependent on incarceration, increases the likelihood of those people recidivating. Evidence also suggests that prison telephone and video call companies make business decisions that increase the likelihood of recidivism among prisoners subjected to their services.

This brief discusses the connections between private corrections companies and recidivism.
Overall, state and federal corrections departments send 131,000 prisoners to private facilities, comprising 8.4 percent of the total prison population. Some jurisdictions rely heavily on private facilities to incarcerate people in their custody. In 2014, New Mexico and Montana contracted with private prison companies to incarcerate 44 percent and 39 percent of the states’ prisoners, respectively. In the same year, the Federal Bureau of Prisons (BOP) contracted with private prison companies to incarcerate 19 percent of all federal prisoners. Additionally, the two largest private prison companies, Corrections Corporation of America (CCA) and GEO Group, held 14,000 of U.S. Immigration and Custom Enforcement’s (ICE) prisoners, equivalent to 45 percent of ICE’s total capacity. In 2013, the U.S. Marshals Service incarcerated 18,000, or 31 percent, of its prisoners in private facilities. Data are lacking on the extent to which county jails send prisoners to private facilities.

Government bodies manage prisons with the primary goals of rehabilitating prisoners and protecting public safety. When a private company takes control of a prison, increasing profit for investors becomes a corollary goal. Often times, achieving this profit comes at a cost to prisoners, those who work inside the prisons, and the broader public.

Private prison companies have long histories of neglecting prisoners’ basic needs and failing to create an environment conducive to rehabilitation. Instead, private prison companies seek to create an environment that maximizes their own revenues and profits. Research shows that governments that outsource prison operations often fail to save money from the privatization deals. To reduce normal business risks around fluctuating prison populations, private prison companies add occupancy guarantee clauses to many contracts, which compel states and local governments to pay the companies for unused beds if the population drops below a certain threshold, typically around 90 percent of a facility’s capacity.

**Private Prison Industry Leaders**

<table>
<thead>
<tr>
<th>Company</th>
<th>Prisoners</th>
<th>Prisons, Jails, and Detention Centers</th>
<th>States with Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corrections Corporation of America (CCA)</td>
<td>66,000</td>
<td>71</td>
<td>20</td>
</tr>
<tr>
<td>GEO Group</td>
<td>65,000</td>
<td>64</td>
<td>16</td>
</tr>
<tr>
<td>Management &amp; Training Corporation (MTC)</td>
<td>27,000</td>
<td>26</td>
<td>7</td>
</tr>
</tbody>
</table>
Key Point #1: Research studies show that people incarcerated in private prisons have higher rates of recidivism than people incarcerated in public prisons.

A study of 3,532 Minnesota prisoners released between 2007 and 2009 found that incarcerating a person in a private prison increased the chances of the person being rearrested by 13 percent, and increased the chances of the person being reconvicted by 22 percent. The study controlled for 20 characteristics including type of offense, length of imprisonment, and age. The state's public prisons, according to the study, "offered a greater variety of programming, some of which has been demonstrated to increase employment… and lower recidivism." Additionally, the authors surmised that the private prison's remote location prohibited family and friends from visiting prisoners, which has been shown to increase the likelihood of recidivism.

A study of 22,000 Oklahoma prisoners released between 1997 and 2001 found that incarcerating people in private prisons increased the likelihood of recidivism by up to 17 percent. The study controlled for type of offense, length of imprisonment, age, and other variables. All eight models of the study found that people held in private prisons were more likely to recidivate than people held in public prisons. Results from six of the models were statistically significant.

A study of 27,000 Mississippi prisoners sentenced between 1996 and 2004 found that private prisons held people for an average of 60 to 90 days longer for similar offenses than did public prisons. However, prisoners incarcerated in private prisons were no less likely to recidivate. According to the author of the study, these results suggest that "either the marginal returns of incarceration are low, or private prisons increase recidivism risk."

A study of 8,400 Florida juvenile prisoners released between 1997 and 1999 found that incarcerating young people in public facilities instead of private facilities reduced the likelihood of them being charged with a criminal offense within one year of release between 7.3 and 8.5 percent. It is worth noting however that another study of Florida juvenile prisoners based on data from 2003 to 2006 found no correlation between recidivism rates and type of facility (public or private).

Key Point #2: Private prisons are more violent than public prisons, which can lead to higher rates of recidivism.

Multi-prison studies have found higher rates of violence in private prisons than in public prisons.

- According to an analysis by Bloomberg Business, in 2012, assaults were three times more frequent at Mississippi’s four private prisons than at the state's public prisons.

- A 2008 study conducted by the Idaho Department of Correction found that prisoner-on-prisoner assaults were four times more frequent in the prison under CCA management than in the state’s seven other prisons combined.

Much of the data in this brief cover people who were incarcerated 10-20 years ago instead of people who were more recently incarcerated. One reason for this is that recidivism can only be measured several years after prisoners are released. The Oklahoma study, for instance, assessed whether people reentered prison three to seven years after they were released. To the best of In the Public Interest researchers’ knowledge, this report uses the most recent studies and data available.
• Between 2007 and 2009, CCA’s female Otter Creek Correctional Center in Kentucky experienced more than twice the number of fights and other violent incidents than the state-managed Kentucky Correctional Institution for Women. The high rate of violence contributed to CCA’s “unacceptable operational performance” according to the Kentucky Department of Corrections.28

• A review of more than three-quarters of all prisoners by the University of South Alabama and the University of Tennessee found that in 1998, private prisons experienced an average of 40 prisoner-on-prisoner assaults while public prisons experienced an average of 19 prisoner-on-prisoner assaults.29

• The Bureau of Justice Assistance found that in the mid-1990s, prisoner-on-prisoner assault rates were 66 percent higher in private facilities than in public facilities. Prisoner-on-staff assaults were 49 percent higher.30

The increased violence in private prisons is partially the result of private prison companies cutting corners on staffing, which reduces company operating costs, thereby increasing profits. For example:

• At the Walnut Grove Youth Correctional Facility, one of Mississippi’s private prisons that experienced high rates of violence as mentioned above, GEO Group employed as few as one correctional officer for every 120 prisoners. According to the Council of Juvenile Correctional Administrators, youth prisons typically provide more than 10 times as many correctional officers than were employed at this facility.31

• At another private Mississippi prison, the East Mississippi Correctional Facility, the Occupational Safety and Health Administration (OSHA) found that GEO Group did not employ a sufficient number of correctional officers to protect them from prisoner attacks. One of the prison’s housing units that required eight correctional officers was staffed by only three.32

• A state investigation of the violent Idaho prison mentioned above found that CCA understaffed the facility by as many as 26,000 hours in 2012 – equivalent to the time that would have been worked by 13 full-time correctional officers.33 A federal judge found CCA in contempt of court for hiding the falsified hours.34

Evidence shows that prisoners who experience violence while incarcerated are more likely to recidivate than prisoners who do not experience violence.

• A study of 1,613 Ohio prisoners released between 2006 and 2007 concluded that people who found prison to be violent, fearful, and threatening were more likely to recidivate than people who found prison to be less harsh.35

• Results from a study of 20,000 people released from Florida prisons between 2000 and 2002 found that 54 percent of people who were violent in prison recidivated compared with 42 percent of people who were not violent.36

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28 The authors of this brief were able to find one study in the past 20 years that claims private prisons reduce violence. The study, conducted by the BOP, compared one private facility and three public facilities between 1999 and 2001, and found that “being an inmate at the private prison seemed to reduce the probability of violence misconduct.” Article: Scott Camp and Dawn Daggett, Office of Research and Evaluation, Federal Bureau of Prisons, “Quality of Operations at Private and Public Prisons: Using Trends in Inmate Misconduct to Compare Prisons,” 27 June 2005.
Pennsylvania officials credited the state’s decrease in its three-year recidivism rate – from 44 percent to 41 percent between 2007 and 2010 – to the prisons’ new violence-prevention programs, among other initiatives.37

Key Point #3: To fill empty beds in facilities they own, private prison companies contract with states to incarcerate people in facilities that can be far away from those prisoners’ homes. As a result, prisoners lose contact with their families and communities, which increases recidivism.

As of December 2015, approximately 7,300 state prisoners were incarcerated in private facilities outside their home states.38 While state departments of corrections may tout sending prisoners out of state as a short-term solution to alleviate overcrowding, often times states continue the practice for a decade or more, and delay addressing the root causes of overcrowding.39 The states that sent the largest numbers of prisoners to private prisons in other states were:

- California, which contracted with CCA to incarcerate approximately 5,200 prisoners in facilities in Arizona and Mississippi;40 and
- Hawaii, which contracted with CCA to incarcerate approximately 1,400 prisoners in a facility in Arizona.41

Surveys find that people imprisoned far away from their homes receive fewer visits than people imprisoned close to their homes.

- According to a 2009-2010 survey conducted by the Vera Institute of Justice in New Mexico and Oklahoma, out of the 73 prisoners who had not received at least one visit, 55 percent cited distance as the main impediment to receiving visitors.42
- According to a U.S. Bureau of Justice Statistics survey from 2004, just one in seven people incarcerated between 501 and 1,000 miles from their homes received a visit within the previous month. Comparatively, one in two people incarcerated less than 50 miles from their homes received a visit in the previous month.43

Studies find that prisoners who do not receive visits are more likely to recidivate than prisoners who receive visits.

- A study of 16,420 people released from Minnesota prisons between 2003 and 2007 found that any visit reduced the chance of the released prisoner committing a felony by 13 percent and reduced the chance of the released prisoner committing a technical violation by 25 percent.44
- A study of 7,000 people released from Florida prisons between November 2001 and March 2002 calculated that prisoners who were visited were 31 percent less likely to recidivate than prisoners who were not visited.45
How Private Prison Companies Increase Recidivism

About America’s Prison Telephone and Video Call Companies

At jails, prisons, and immigration detention facilities across the country, private companies hold exclusive contracts to provide phone and video call services for prisoners to contact their families and friends. The prison phone industry was worth $1.2 billion in 2012.46

Some correctional facilities find contracts with prison phone and video call companies appealing because the companies pay a portion of the revenue collected from prisoners and their families – usually between 30 and 70 percent – back to the facility operators.47

These companies have come under fire from the Federal Communications Commission (FCC) and civil rights groups for the high rates and fees they charge for calls.48

Prison Phone and Video Call Industry Leaders

<table>
<thead>
<tr>
<th>Company</th>
<th>Correctional Facilities</th>
<th>States</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Tel*Link (GTL)</td>
<td>2,400</td>
<td>50</td>
</tr>
<tr>
<td>Securus Technologies</td>
<td>2,200(^c)</td>
<td>46</td>
</tr>
<tr>
<td>Telmate(^c)</td>
<td>300(^c)</td>
<td>&quot;nearly all U.S. states&quot;</td>
</tr>
</tbody>
</table>

\(^c\) Includes some facilities in Canada.

Key Point #4: Prison telephone companies charge high calling rates and fees and influence legislators to ban prisoner cell phones, which has the combined effect of reducing the contact between prisoners and their home communities, increasing recidivism.

Until recently, prison phone companies often charged prisoners and their families between $10 and $17 for a 15-minute long distance call.52 Once the FCC limited the rates and fees in October 2015, prison phone companies filed a lawsuit to block the FCC’s order, and a federal court postponed full implementation of the lower rates.53 As of March 2016, prison phone companies could charge people in prison and their families between 21 and 25 cents per minute.54 The high rates can cause prisoners to communicate less with their families and friends in the outside world.

Prison telephone companies have helped pass legislation to ban prisoners from possessing cell phones.55 For example, Securus Technologies, which provides telecommunication services to 2,200 correctional facilities in the U.S. and Canada, spent nearly $75,000 lobbying for the 2010 Cell Phone Contraband Act.56 While public officials have suggested that cell phones in the hands of prisoners would threaten security, little evidence supports this claim. In reality, most prisoners use cell phones to contact their families.57 Regardless, the Cell Phone Contraband Act made prisoner cell phone possession punishable by up to an additional year in prison.58

Prisoners who maintain phone contact with their home communities are less likely to recidivate than prisoners who do not maintain contact. A study of 255 former prisoners participating in six states’
reentry programs between 2004 and 2007 assessed the impact of an array of factors on lowering recidivism and found that “familial telephone contact was most consistently associated with reductions in recidivism.” In its decision to rein in prison phone call costs, the FCC explained, “while contact between inmates and their loved ones has been shown to reduce the rate of recidivism, high inmate calling rates have made that contact unaffordable for many families, who often live in poverty.”

Key Point #5: Prison video call companies can cause high rates of recidivism by banning in-person visitation and then charging prisoners and their families prohibitive rates to make video calls.

While prisoners who do not receive visits are more likely to recidivate than prisoners who receive visits, some prison video call companies ban in-person visitation when they contract with a facility. Up until May 2015, Securus Technology’s standard contract required the jail or prison to eliminate in-person visits. According to a 2015 study by Prison Policy Initiative, 74 percent of county jails with video visitation have ended in-person visits.

While video calls, in theory, increase communication between prisoners and their communities, in practice, video calls can have the opposite results.

- The exorbitant rates charged by video call companies prevent prisoners from contacting their family and friends, which increases recidivism. The DOJ has found that some of the “fees charged for video visiting may be unaffordable” for families. Securus often charges $20 for a 20-minute video session, plus fees and surcharges. At a jail in southern Wisconsin that ended in-person visitation, Telmate charged $7.50 for a 30-minute video call from the jail’s visitation room and $19.80 from a home computer.

- The DOJ has found that some prisoners’ families cannot use the video call software because they lack the resources to do so. Many prisoners come from poor families that do not “own a computer and/or… have an Internet connection,” according to the DOJ.

Prior Studies Showing Lower Rates of Recidivism at Private Prisons Have Been Discredited

Three studies using Florida Department of Corrections data from the late 1990s and early 2000s have concluded that people released from private prisons have lower recidivism rates than people released from public prisons. However, the director of the Private Corrections Project, which oversaw the first two studies, was later penalized by the Florida Ethics Commission for receiving large consulting fees from the private corrections industry, opening the door for conflicts of interest and calling into question the studies’ conclusions. These two studies, along with the third, were later discredited by a fourth study that used sounder research methods and a wider data set, and found no significant difference in recidivism rates between people in private prisons and people in public prisons in Florida. For further discussion on these studies, see “Inmate Recidivism as a Measure of Private Prisons Performance” by Andrew Spivak and Susan Sharp.
Endnotes


8. Ibid.

9. Ibid.


11. Public records request information obtained by the American Civil Liberties Union. Carl Takei, American Civil Liberties Union, personal communication, 15 April 2016.

12. For more information, see American Civil Liberties Union, “Banking on Bondage,” November 2011. Also see American Civil Liberties Union, “Warehoused and Forgotten: Immigrants Trapped in Our Shadow Private Prison System,” June 2014. Also see in the Public Interest, “Corrections Corporation of America’s Troubling Track Record,” 23 February 2016. Also see In the Public Interest, “Cutting Corners in America’s Criminal Justice System: How Corrections Companies Harm Prisons and the Public in Pursuit of Profit,” April 2016.


17. Prisoners: The GEO Group, “Form 10-K,” fiscal year ended 31 December 2015. 65,000 derived from dividing 23,841,256 (compensated mandays) by 365 (the number of days in a year).


22. Ibid.


24. Ibid.


26. Ibid.


31. Letter from LaDonna Thompson, Kentucky Department of Corrections, to Natasha Metcalf, Corrections Corporation of America, regarding “CCA Correspondence dated May 21, 2009, Renewal and Per Diem Adjustment for Otter Creek Correctional Center (OCCC): Approval to house 20 additional Hawaiian inmates,” 24 July 2009.

32. Curtis Blakely and Vic Bumphus, “Private and Public Sector Prisons – A Comparison of Select Characteristics,” Federal Probation, Volume 68, Number 1, pages 27-31, June 2004. Note: While private prisons experienced more than twice the number of prisoner-on-prisoner assaults than public prisons, private prisons reported approximately equal numbers of prisoner-on-staff assaults. (Nine in private prisons and 10 in public prisons.)

33. James Austin and Garry Coventry, Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice, “Emerging Issues on Privatized Prisons: February 2001. The difference in frequency of assaults between public and private prisons was derived from Table 20.

34. Margaret Newkirk and William Selway, “Gangs Ruled Prison as For-Profit Model Put Blood on Floor,” Bloomberg Business, 12 July 2013. The prison was initially owned by Cornell Cos, which was purchased by GEO Group.

35. U.S. Department of Labor, Occupational Safety and Health Administration, “Citation and Notification of Penalty” (Inspection Number: 315306357; To: The GEO Group, Inc.), 11 June 2012 (issuance date). For other examples of private prison companies cutting corners on staffing, see In the Public Interest, “Cutting Corners in America’s Criminal Justice System: How Corrections Companies Harm Prisons and the Public in Pursuit of Profit,” April 2016.

36. “FBI Investigates Idaho Prison Run by Private Corporation,” Al Jazeera America, 7 March 2014. “13 full-time correctional officers” derived from assuming that one correctional officer works 2,000 hours per year.


HOW PRIVATE PRISON COMPANIES INCREASE RECIDIVISM

65 According to Equal Justice Initiative, “while state and federal officials have suggested that cell phones in prisons present a security threat, little evidence supports the argument that prisoners using cell phones reduces public safety. In the overwhelming majority of cases, prisoners use cell phones to stay in touch with family members, which actually reduces the risk of recidivism. “ For more information, see note 57.


69 See note 38.

70 See note 38.


78 See note 64.