

**Alex Friedmann's Testimony to PA House Labor and Justice Committees,
Oct. 25, 2007, Harrisburg, PA**

I appreciate the opportunity to speak to the Committee members today.

My name is Alex Friedmann and I'm the associate editor of Prison Legal News, a monthly publication that covers corrections and criminal justice issues. PLN has published since 1990, and has extensively covered prison privatization -- including riots, escapes, contract issues, financial difficulties, litigation, and court rulings. PLN has about 7,000 subscribers nationwide and internationally; 60% of our readers are prisoners, and the rest include judges, corrections professionals, lawmakers, academics, Attorney Generals and attorneys.

I also serve as vice president of the Private Corrections Institute. PCI is a Florida-based non-profit that serves as a clearinghouse of anti-private prison information, and advocates against private prisons. We maintain a vast number of news reports and factual information available on our website at privateci.org. You will be hearing testimony later today from PCI's field organizer, Frank Smith.

I'm also a former prisoner, who served time at almost identical prisons in Tennessee, one privately operated and one publicly run. I spent six years at the CCA-managed South Central Corr. Facility, where I became extremely familiar with CCA's internal operations from an inside perspective. That experience led me to research and write about the industry, and to become involved with opposing prison privatization after my release. I am not unbiased, and my bias is based on extensive research and empirical experience.

It's good to be back in Pennsylvania, where I spent several of my high school years at the Mercersburg Academy. I remember the beautiful countryside, including fields filled with pecan and black walnut trees.

Consider the pecan industry. Once the nuts are picked, they must be stored. Companies bid to hold tens of thousand of pecans in warehouses. To submit the lowest bid they have to cut expenses, so the warehouses aren't well maintained and some of the pecans go bad. But that's not the concern of the storage companies. They're only paid to hold the pecans, so they have an incentive to pack them in tightly and store them as long as possible, while cutting expenses, to maximize their profit margin.

Replace pecans with prisoners, and warehouses with prisons, and, in a nutshell, that's the private prison industry.

I want to speak briefly about accountability. Public prisons, run by public officials, are accountable to the public. There is public oversight by legislative committees, the inspector general, the GAO on the federal level, and most basically, directly by citizens through Public Records laws.

Private prisons are accountable to shareholders; they have a fiduciary duty to make money. That's the reason they exist – not to protect the public, or to safeguard society, or for the public good – but for private profit.

"You're dealing with a private business here, and they are in it to make money and answer to shareholders. Our mission is public safety, and the ideologies don't always line up" -- Oklahoma Corrections Director Justin Jones, October 12, 2006

For example, public records are public. Private records stay private. After a hostage situation at the CCA-run Bay County Jail in Florida in 2004 in which a hostage and prisoner were shot, CCA refused to release an after-action report about the incident, stating it was a proprietary document.

When I was at a CCA prison, I obtained minutes to an administrative meeting where the Chief of Security stated, "we all know that we have lots of new staff and are constantly in the training mode." And "so many employees are totally lost and have never worked in corrections." If that was a private prison in PA, you would never see that memo – a private prison company would be under no obligation to produce it.

Several months ago I spoke with a former CCA insider, who stated that when CCA does internal quality assurance audits, two reports are produced. One is for internal use only, and the other, with all negative references removed, is provided to the government contracting agency.

Private prison companies claim they can save money. But prisons are prisons, and there are only so many costs that can be cut without endangering public safety. 70-80% of prison operational costs are due to staff expenses: the number of employees and their wages, benefits and training. Private prison companies cut prisoner-related costs, too – from less spent on food and fewer blankets to rationing rolls of toilet paper. But the largest corners cut are in staffing: hiring fewer employees, at lower wages than in the public sector, with fewer benefits and less training, and keeping vacant staff positions vacant as long as possible.

That is the business model of the private prison industry, and it results in high staff turnover – of up to 50%, according to the industry's own numbers. I recall one private prison in Florida where, over a time period of 8 to 10 months, the turnover rate was 100%. The comparable average rate at public prisons is around 15%.

"The (high turnover rate) generally means that tenured staff is generally low, and when tenured staff is very low, sometimes they have difficulties dealing with situations that are not typical of everyday operations" -- Colorado DOC's director of prisons, Nolin Renfrow. September 22, 2004

"Not typical operations" meaning violence and riots.

High turnover results in fewer employees, less experienced employees, and instability in the prison environment. This, in turn, results in more riots, escapes and violence at privately-run prisons, as well as staff misconduct.

In Indiana in April 2006, GEO Group was seeking prison guards at a job fair at starting wages of \$8/hour, to be increased to \$11/hour after training. Will a private guard being paid \$8/hour risk his life to break up a knife fight, or to prevent an escape, or even stand his ground during a riot? Statistically, there is more violence and vastly more escapes at private prisons. There have been many examples of private prison guards fleeing during riots, in some cases leaving their co-workers behind. Private prison guards have low-paid jobs as if they worked in Burger King or Wal-Mart; they do not have professions or careers as with state corrections officers.

In one 10-month period from May 2004 to March 2005, just two to three years ago, there were five major riots at CCA-run prisons and one hostage situation, involving at least 910 prisoners and resulting in 120 reported injuries, a double shooting and one death. That was with just one private prison company, during ten months. There is simply no comparable level of rioting and violence in state-run prison systems. None.

Private prison companies also cut costs by accepting only prisoners without serious medical conditions, minimum or medium security but not the more expensive maximum, often no women prisoners who have higher per-diem incarceration costs, and by placing caps on medical expenses. When I was at South Central, one day CCA officials rounded up all the prisoners who were HIV positive, put them on a bus, and shipped them to state prisons. They didn't want to pay their medical expenses. The companies then say they can "do it cheaper."

"If you're cherry-picking the very best prisoners, like private schools do with students, the state ends up with the worst ones, thereby driving up our costs."
-- Minnesota state Rep. Debra Hilstrom, March 13, 2005

This hearing is hopefully to answer questions you may have about prison privatization, and I would like to answer two of the most common questions now.

Don't problems exist at public prisons, too? Yes, they do. And those same problems exist in private prisons; prisons are prisons. However, the business model of the private prison industry, which focuses on maximizing profit by cutting corners and staff expenses, which results in high turnover, inexperienced employees and security lapses, means those problems are more likely to occur more frequently.

Can private prisons save money? Maybe. Many studies have been conducted, and most have found inconclusive or minimal savings. A comprehensive study conducted by the GAO in 1996 examined other studies and found inconclusive savings. A comprehensive study done in TN found prison

privatization saved literally pennies per day over public prisons – around \$.30-.50 per diem.

Proponents of prison privatization claim savings of up to 30%. These include the Reason Foundation, which accepts funding from private prison companies including CCA and GEO Group, and former Prof. Charles Thomas, who conducted research into prison privatization while owning private prison stock, while being paid \$3 million for assisting with a private prison merger, and while serving on a private prison company's board. Prof. Thomas resigned his position at a Florida university and was fined \$20,000 by the state's ethics commission. However, some private prison companies still cite his research.

Personally, I believe that private prison companies can save money. Any time a company cuts corners and hires fewer staff at lower wages with fewer benefits and less training, while cherry-picking prisoners and capping medical costs, of course they can save money. The question is, at what cost? The cost of public safety? The cost of professionalism in corrections?

"We've tried it and it did not work. In my opinion, they can't do it better for less."
-- Arkansas Prison Director Larry Norris. January 13, 2006

While I'd be glad to answer any questions you may have, you should seek answers from other people besides me and the other speakers here today.

Such as the family of Bryant Alexander. Bryant Alexander was 17 years old when he died due to medical neglect at a privately-run juvenile facility in Texas. A jury awarded his family over \$40 million against Corr. Services Corp.

Or the mayor of Youngstown; after CCA built a prison in his city, it experienced two murders, mass tear gassing of prisoners, an escape in broad daylight of six prisoners (five were convicted murderers), and a refusal by CCA officials to let state lawmakers visit the prison. A \$1.6 million settlement resulted from abuse at the prison. He called CCA the most irresponsible company he had ever dealt with.

Or the family of Estelle Richardson, a female prisoner who was beaten to death at a CCA jail in Nashville, TN; her death was ruled a homicide. CCA has never determined who killed her.

Or the family of Gregorio De La Rosa, a prisoner at a GEO prison in Texas who was beaten to death. A Texas jury, which has no liking for prisoners, awarded his family \$47.5 million in 2007 for his egregious, preventable death.

Thank you for your time. I would be glad to answer any of your questions.