

2009-2010 LEGISLATORS' GUIDE TO THE ISSUES

By Marc A. Levin, Esq.
Center for Effective Justice

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PRIVATE SECTOR PUBLIC SAFETY SOLUTIONS

THE ISSUE

The private sector can bring innovation and competition to the criminal justice system.

There are approximately 16,000 state inmates in private prisons and jails. Private prisons cost Texas taxpayers about 14 percent less to operate than their government-run counterparts.

Even within state prisons, some functions are outsourced. A private company will operate a new inmate telephone system through which inmates will pay for monitored calls, with the proceeds going to the Crime Victims' Compensation Fund and the state.

The Prison Industry Enhancement (PIE) program enables inmates at five Texas prisons to work for for-profit companies on the premises. The program enrolls between 250 and 450 inmates, who manufacture computer chips in Lockhart, windows in Coffield, and veneer products in Ellis.

Many community corrections facilities, including both residential and day treatment programs, are privately operated. For example, the non-profit Gateway Foundation runs Substance Abuse Felony Punishment Facilities (SAFPs) and Transitional Treatment Centers (TTCs), which house offenders with substance abuse problems who are diverted from prison or are sentenced to SAFP as a condition of parole. Over 80 percent of participants obtain employment and recidivism rates are lower than traditional prisons. Taxpayers save money because the length of stay is shorter than the prison sentence would have been.

Private companies have also developed technologies, such as GPS, that can help control correctional costs while protecting the public. For example, McLennan County is considering a GPS program to redirect low-risk misdemeanants from county jail. Offenders would pay for their own GPS supervision, which would save the County \$800,000 annually, not including avoided costs of new jail construction. GPS can verify whether an offender is at his job or attending treatment, and new crime scene correlation technology pinpoints whether the offender was at the location of a crime.

The private sector also plays a critical role in preventing and solving crimes, with 2 million private security guards in the United States compared with only 700,000 police officers.

THE FACTS

- ★ In 2006, state-run prisons cost \$40.06 per inmate per day, not including health care, while private prisons cost \$35.23.

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- ★ From 1993 to 2007, PIE factories yielded about \$34 million in paychecks, with \$14 million going for room and board, \$5 million for child support, and nearly \$3 million for crime victim restitution.
- ★ Private security protects 80 percent of sites identified as possible terrorist targets.

RECOMMENDATIONS

- ★ *Continue utilizing privately-run correctional institutions, but provide greater flexibility to innovate and tie funding to performance.* Private prisons save taxpayers' money, but their ability to innovate is limited because they are contractually required to be nearly identical to state prisons. Texas should adopt a system similar to the one proposed by the British Conservative Party in which private prisons would receive two tiers of funding, one a flat amount per inmate and the other tied to outcomes such as recidivism and GED's and occupational certificates earned.
- ★ *Empower parole board to order GPS monitoring and pass through funding based on the parole rate.* When the Board of Pardons and Paroles meets or exceeds their own goals for paroling the lowest-risk, nonviolent inmates, they should be able to tap into a fund that reallocates some of the savings to the state to TDCJ's Parole Division by designating certain parolees for GPS monitoring, including active GPS with crime scene correlation.
- ★ *Clarify that Sheriffs' departments can contract with a private provider to run a GPS program for pre-trial defendants not on probation.* A 2008 Attorney General's opinion determined a statutory change is needed to allow sheriffs' offices to operate such programs.
- ★ *Enhance collaboration with private security.* The Department of Public Safety should allow licensed private security guards to access state radio interoperability channels in emergencies, run warrant checks when a person seeks access to a power plant or other private property, and include private security when distributing alerts identifying fugitives.

RESOURCES

- *Work Release: Con Job or Big Payoff for Texas* by Marc Levin, Texas Public Policy Foundation (Apr. 2008) <http://www.texaspolicy.com/pdf/2008-04-PP11-workrelease-ml.pdf>.
- *Prisons with a Purpose: Our Sentencing and Rehabilitation Revolution to Break the Cycle of Crime*, U.K. Conservative Party, <http://www.conservatives.com/getfile.cfm?file=SecurityAgendaScreen&ref=GENERALFILE/3585&type=pdf>.

