

Private Corrections Institute, Inc.

January 2012

CORRECTIONAL PRIVATIZATION IN FLORIDA: A BRIEF HISTORY AND TIMELINE

In 1993, Florida lawmakers passed authorizing legislation, Chapter 957, Florida Statutes, that made a substantive change in existing law by allowing prison management – traditionally a function of the state – to be put in the hands of private for-profit companies. The statute also created the Correctional Privatization Commission (CPC) for the “purpose of entering into contracts with contractors for the designing, financing, acquiring, leasing, constructing, and operating of private correctional facilities.”

The Florida Department of Corrections (FDOC) currently uses seven privatized prisons that are run by three private prison companies. Four are managed by Corrections Corporation of America (CCA), while the GEO Group operates two and MTC operates one. Approximately 10% of the state’s prisoners are housed in private prisons. CCA also manages the Citrus County jail, and operated the Bay County Jail until 2008 and the Hernando County Jail until 2010.

The following timeline describes significant or noteworthy events involving privatized prisons, jails and correctional services in Florida.

October 1999 – The Florida Commission on Ethics levies a [\\$20,000 fine](#) on former University of Florida professor Charles Thomas, who had directed the Private Corrections Project, which conducted research related to prison privatization. While providing studies favorable to prison privatization, Thomas concurrently owned stock in private prison companies, sat on the board of Prison Realty Trust (a CCA spin-off), and was paid \$3 million by Prison Realty Trust/CCA. Thomas had also served as a consultant to the CPC.

January 2002 – The Florida Commission on Ethics finds [probable cause](#) that C. Mark Hodges, the director of the CPC, had committed violations of state ethics laws by using his position for personal gain, because he had earned \$150,000 from prison consulting contracts in other states. Hodges had also failed to report an honorarium that he received from a private prison company. He was subsequently [fined \\$10,000](#), and resigned in April 2002.

December 2003 – A [joint study](#) by the FDOC, the CPC and Florida State University examines recidivism rates at both public and private prisons. Titled “Recidivism: An Analysis of Public and Private State Prison Releases in Florida,” the study addressed “the central question of whether inmates released from private prison recidivate less than those released from public prisons.” The study found that there was little difference in recidivism rates between inmates at public and private prisons. Female inmates released from private prisons in one study group had lower recidivism rates; however, “In summary, in only one of thirty-six comparisons was there evidence that private prisons were more effective than public prisons in terms of reducing recidivism. This indicates that, at this time, public and private prisons are essentially the same in terms of their relative effectiveness in preventing inmates from being re-imprisoned for adult males, adult females, and youthful offender males after release from Florida’s prisons.”

September 2004 – Four prisoners at the CCA-run Bay County Jail, using improvised weapons, take three nurses and a guard hostage. The incident resulted in part due to faulty locks that CCA had failed to repair for months. A SWAT team was called in, and during a rescue attempt nurse Ann Hunt and two of the prisoners were shot. An [Unusual Incident Review](#) by county officials specifically noted that “Violations of both CCA policies and procedures and the Florida Model Jail Standards were found to exist at the time the incident occurred.”

June 2005 – The Department of Management Services (DMS) releases an [evaluation report](#) that reveals “the CPC failed to adequately safeguard the State’s interest. Available records and contract documentation showed that the CPC consistently made questionable contract concessions to the [private prison] vendors. Consequently, the State incurred about \$12.7 million in additional costs.” Those additional costs included unfilled jobs, inflated per diem rates and maintenance overpayments. “Our review showed numerous instances where [private prison] vendors’ interests were considered over the State’s interests,” the DMS report noted. CCA and GEO later settled the overpayment claims for pennies on the dollar; GEO settled for just \$402,541. The Florida Department of Law Enforcement investigated but found no criminal wrongdoing.

February 2006 – Alan Duffee, former director of the CPC, [pleads guilty](#) to embezzling almost \$225,000 from a maintenance fund set up for private prisons; he is subsequently sentenced to 33 months in federal prison. Duffee had [resigned in May 2004](#), and the CPC was abolished by the Florida Legislature that same month.

July 2006 – *Prison Legal News*, a monthly publication that reports on criminal justice-related issues, publishes a [lengthy cover story](#) on privatized jail operations in Florida, describing specific incidents involving inadequate medical care; preventable suicides due to failures by CCA guards to conduct cell checks; multiple escapes; mistaken releases of prisoners; substandard conditions of confinement; arrests of CCA employees due to misconduct, including having sexual contact with prisoners; high staff turnover; and failures by CCA staff to enter prisoners’ fingerprints in the statewide fingerprint database. Such problems at the CCA-operated Hernando County Jail had been noted in an [April 2006 report](#) by the State Attorney’s Office.

April 2007 – Former FDOC Secretary James Crosby, Jr. is [sentenced to eight years](#) in federal prison after pleading guilty to charges stemming from a kickback scheme involving a prison canteen services contractor. Crosby and FDOC official Allen Clark pleaded guilty to accepting \$130,000 in bribes from American Institutional Services (AIS) for helping another private contractor, Keefe Commissary, obtain a contract to operate canteen stores at FDOC prison visitation parks. Clark received a 31-month sentence. Two AIS officials were indicted in connection with the kickback scheme in June 2010, and later [pleaded guilty](#).

May 2008 – CCA announces it will terminate its contract to operate the Bay County Jail, as it cannot generate sufficient profit. County officials later said it was less expensive to run the jail after CCA left. “In 2009, the sheriff’s budget, entire budget, with insurance, building payments, power, everything, was \$1.3 million cheaper than it was in 2008 under CCA’s operation,” said Bay County Commissioner Mike Thomas, in a March 2010 [news report](#).

December 2008 – The Office of Program Policy Analysis and Government Accountability (OPPAGA) [reports](#) that the Department of Management Services “needs to further strengthen its oversight of the state’s . . . private prisons,” as “DMS has not adequately addressed security, contraband and prison infirmary problems identified by Department of Corrections’ reviews” of privately-operated prisons in Florida.

April 2010 – A [policy brief](#) by the Florida Center for Fiscal and Economic Policy, titled *Are Florida’s Private Prisons Keeping Their Promise?*, concludes that “Florida’s experience with privatized prisons raises serious questions about whether the taxpayers are getting their money’s worth,” and “There is no compelling evidence that the privatization of prisons has actually resulted in savings.” The report notes, “There are differences between inmates in private and public prisons: those who are more costly to handle are usually incarcerated in public prisons, such as those who are the highest security risks and those with extensive medical issues. Also, most of the public prisons were constructed many years ago and do not offer the architectural advantages to supervision and custody that the newly constructed privately operated prisons have that lower operational costs.”

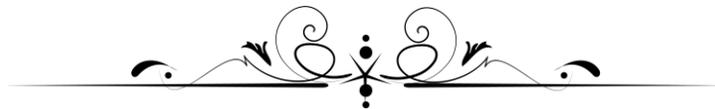
August 2010 – After giving the county four months’ notice, CCA [withdraws](#) from its contract to operate the Hernando County Jail, which reverts to management by the Sheriff’s Office. The county found that CCA had failed to perform maintenance at the facility, resulting in the need for substantial repairs, and withheld \$1.8 million in payments to CCA. When Sheriff Richard Nugent took over the jail, he rejected a third of the CCA employees who previously worked at the facility due to lack of qualifications, substance abuse and other issues. CCA sued the county over the withheld payment; the case [settled](#) in January 2012, with the county receiving \$100,000 of the contested amount. Also in January 2012, county officials said that they had saved about [\\$1 million](#) in the first year since taking over the jail from CCA.

January 2011 – The FBI [issues subpoenas](#) to county officials in Santa Rosa County as part of a federal grand jury investigation involving former State Rep. Ray Sansom and the Blackwater River Correctional Institute, a GEO-owned prison that houses FDOC inmates. One subpoena requested all records related to “the projection, planning, design, funding, appropriation, construction and/or operation of any privately owned correctional facility located in Santa Rosa County.” Another subpoena, served on the Florida Office of Legislative Services, requested travel vouchers for Rep. Sansom and some of his assistants. Sansom had traveled to Boca Raton, where GEO Group is headquartered, on March 27, 2008; a week later he inserted a provision into the 2008-2009 appropriations bill for \$110 million for an expansion of the GEO-operated Graceville Correctional Institute. When that was struck, he inserted another provision for \$110 million for new private prison construction, which eventually went to build GEO’s Blackwater facility. DBA Press published a [lengthy article](#) on the GEO/Blackwater issue.

June 2011 – A team of FDOC inspectors arrives at the South Bay Correctional Institution, operated by GEO Group, to conduct a surprise drug sweep. They are [unable to gain entry](#) to the facility despite trying to attract the attention of GEO staff by flashing lights at a security camera and pushing an alert button outside the facility. The FDOC later announced it was auditing the prison as a result of the incident.

July 2011 – The Florida Legislature inserts a provision in the 2011-2012 appropriations bill to privatize approximately 30 state correctional facilities in FDOC Region IV, which becomes effective in July 2011. The budget proviso was challenged in court by the Police Benevolent Association and found [unconstitutional](#) in Sept. 2011; the case has since been appealed.

January 2012 – The Florida Legislature introduces bills in the Senate and House to privatize approximately 30 state correctional facilities in FDOC Region IV, including prisons, annexes, work release centers and work camps. A related Senate bill, SB2036, would relax existing statutory requirements for contracts involving the privatization of state functions, including requirements that specifically apply to prison privatization. The bills have been [fast-tracked](#), with limited public debate and committee assignments.



The Private Corrections Institute (PCI) is a non-profit citizen watchdog organization that works to educate the public about the significant dangers and pitfalls associated with the privatization of correctional services. PCI maintains an online collection of news reports and other resources related to the private prison industry, and holds the position that for-profit prisons have no place in a free and democratic society. For more information: www.privateci.org.