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# 106-115 More private prison use urged

## Chamber: It would save tax money

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The Courier-Journal

FRANKFORT, Ky. — The Kentucky Chamber of Commerce has recommended that the state increase its reliance on private prisons to save tax money.

The chamber cited figures from the Department of Corrections that show the average annual cost of housing an inmate in the three privately run prisons in Kentucky is \$2,500 less than the average cost in the 13 facilities operated by the state.

"We do not present that as a

panacea but clearly one of the items that needs to be considered if you are interested in (saving) \$2,500 per inmate," chamber President and CEO Dave Adkisson said during a meeting last week of the General Assembly's interim joint Judiciary Committee.

The state's prison population — about 21,000 — is the fastest-growing in the nation and could reach 31,000 within 10 years, according to a recent report by the Pew Center on the States.

Kentucky spends about \$500 million a year to house prisoners, compared with \$7 million in 1973. Even adjusting for inflation, the state spends about 14 times as much to house inmates now than it did then.

Justice Secretary J. Michael Brown said Kentucky's limited use

of private prisons has been successful, but he isn't eager to increase its reliance on the for-profit facilities.

"Private prisons have been very useful to us, but I'm not at the point of saying that I am looking to increase privatization," he said.

In recent weeks the Kentucky Department of Corrections and the Kentucky State Police have been investigating a series of allegations by inmates at the private women's prison in Eastern Kentucky that they have been sexually abused by corrections officers.

At least five workers at Otter Creek Correctional Center in Wheelwright have been charged with having sex with inmates in

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the past three years. As of Friday, 6 percent of Kentucky's total prison population — 21,386 — was housed in one of the three private prisons.

Brown said the \$2,500 difference cited by the chamber does not account for higher medical costs at state-run facilities than the private institutions.

None of the private facilities house inmates who suffer from severe mental or physical problems, and pregnant women are eventually sent to the state-run Kentucky Correctional Institution for Women rather than Otter Creek, he said.

And when inmates at the private prisons must be hospitalized beyond 48 or 72 hours — depending on the facility — the state foots the bill.

Last fiscal year the state paid an additional \$162,184 to Corrections Corporation of America for the hospitalization of inmates at the Marion

Adjustment Center and an extra \$43,565 for inmates at Otter Creek. It paid no additional medical costs for inmates at its third Kentucky facility, the Lee Adjustment Center.

The state paid nearly \$20 million last year to house inmates at the three private prisons.

Rep. Robin Webb, D-Grayson, said that if states rely too heavily on private institutions taxpayers can be held hostage when the companies demand more money to house prisoners.

"You might know what your costs are this year," she said. "But when that contract renewal comes up, you don't know what they are going to hold you to or what you are going to be forced to do."

Kentucky is currently negotiating extensions with Corrections Corp. for its contracts at all three private prisons.

In December 2007, when Gov. Steve Beshear announced cuts to the state budget because of lagging

revenue, Corrections Corp. won a 3.2 percent per diem increase at Otter Creek. The current per diem is \$53.77.

In August 2008, after another round of cuts to the state budget, Corrections Corp. was granted a 10 percent per diem increase at Marion, effective July 1, plus a 5 percent retroactive increase going back to December 2007. The current contract at Marion expired June 30; the existing per diem is \$35.56.

The company negotiated an increase at Lee in May 2007. The per diem there is \$46.24, and the contract expired last May.

Other committee members — including the co-chairmen, Sen. Robert Stivers, R-Manchester, and Rep. John Tilley, D-Hopkinsville — say they don't know enough about the issues surrounding increased prison privatization but are open to studying the matter.

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