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## Vermont Legislative Research Shop

### Corrections: The Issue of Privatization

There are currently 132,346 beds in 186 facilities under contract or construction as Private Secure Adult Facilities in U.S., U.K., and Australia as of 12-31-98 (Logan 1991). Of these facilities, 159 are dispersed among 33 U.S states including Puerto Rico and the District of Columbia. Though, for the most part the private facilities are largely found in two states, Texas with 43 and California with 24.

<b>Distribution of the 157 Adult Private Prisons in the United States, 1/99</b>			
State	Quantity	State	Quantity
Arizona	6	Montana	1
Arkansas	2	Nevada	1
California	24	New Jersey	1
Colorado	9	New Mexico	7
District of Columbia	1	New York	1
Florida	10	North Carolina	2
Georgia	5	Ohio	2
Idaho	1	Oklahoma	8
Illinois	1	Pennsylvania	1
Indiana	1	Puerto Rico	4
Kansas	2	Rhode Island	1
Kentucky	4	Tennessee	6
Louisiana	2	Texas	43
Michigan	1	Utah	1
Minnesota	1	Virginia	1
Mississippi	6	Washington	1

Source: [web.crim.ufl.edu/pcp/census/1999/Image1.gif](http://web.crim.ufl.edu/pcp/census/1999/Image1.gif)

### Quality and Cost Analysis of Five States

The Governmental Accounting Office (GAO) report, *Private and Public Prisons: Studies comparing costs and/or quality of Service*, analyzed research regarding the difference in cost per prisoner and/or quality of

service provided at the institutions. The report summarized the findings of five studies conducted in five different states between 1991 and 1996 (Texas in 1991, New Mexico in 1991, California in 1994, Tennessee in 1995, and Washington in 1996). The report stated that the results of the studies comparing costs of public and private prisons were inconclusive. The cost savings achieved by the private prisons in the five states were found to be insignificant. The only state that reported a substantially lower private prison cost-per-prisoner was Texas (14-15% savings). However, it was also stated in the report that the Texas study was the least methodologically sound of the five studies, as it compared the actual cost of operating four privately managed prisons vs. the estimated cost of operating similar but hypothetical public prisons in Texas. The Tennessee study was found to be the most methodologically sound of the five studies and reported a cost savings per prisoner of 7% (private prisons' cost per prisoner per day averaged \$33.61 compared to a public prison cost per prisoner of \$35.82 and \$35.28.) The Washington and California studies reported similar findings. (GAO 1996)

Quality of service provided by the public and private prisons was also measured and compared within the five states. The report found two of the studies—on NM and TN—were the most methodologically sound and assessed the quality of service in much greater detail than the others did. The results obtained from the NM study were difficult to interpret and provided no clear conclusions regarding quality differences between public and private prisons. On the basis of surveys of correctional staff and reviews of institutional records, the study reported that the private prisons outperformed the public prisons on most of the measured quality dimensions. However, the author of the NM study noted that the results from one of the data-collection instruments, the inmate surveys, showed an opposite result, with the public prisons outperforming the private prison on all but one dimension. The TN study found that both the public and private prisons were rated as operating on essentially the same level of performance.

The GAO, upon evaluation the research, concludes that nothing about cost savings or quality of service could be derived from these studies. The GAO analysts states that the reports provide little information that is accurate since philosophy, location, economic factors, and inmate populations are different with each prison. The GAO suggests that future studies comparing public and private prisons should:

- Focus on both operational cost and quality of service.
- Compare operational costs at existing, not hypothetical, institutions.
- Employ multiple indicators or data sources to measure quality of service.
- Base research on data collected over several years. (GAO 1996)

### **Recidivism Comparisons**

In order to determine if there is a significant difference between recidivism rates of releasees from private-managed and public-managed prisons in Florida two Sociology professors at University of Florida (Lonn Lanza-Kaduce and Karen f. Parker 1998) conducted a study on recidivism, with focus on official reports on the prisoners (within one year of release).

Lanza-Kaduce and Parker focused exclusively on short-term recidivism. The data is based on two out of the four private prisons operating under contract with the Correctional Privatization Commission. All cases were classified as minimum or medium security prisoners. Four correlates were used to build case to case matches. These correlates include the nature of offence, race, prior incarceration, and age. The Sample consisted of 396 inmates, 198 from private and 198 from public (all released within one year of each other).

The study found that recidivism of releasees is lower in private prisons than in public prisons in all the indicators of recidivism save technical violations. Ten percent of the private facility releasees were re-arrested versus the 19 percent of the public facility releases. Finally, the study found that the seriousness of the re-offence was much less in private recidivism than public recidivism. The mean level of seriousness in private recidivism was 2.32 versus 3.43 for public recidivism.

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