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How for-profit prisons have become the biggest lobby no one is talking about

Sen. Marco Rubio is one of the biggest beneficiaries.



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Several industries have become notorious for the millions they spend on influencing legislation and getting friendly candidates into office: Big Oil, Big Pharma and the gun lobby among them. But one has managed to quickly build influence with comparatively little scrutiny: Private prisons. The two largest for-profit prison companies in the United States – GEO and Corrections Corporation of America – and their associates have funneled more than \$10 million to candidates since 1989 and have spent nearly \$25 million on lobbying efforts. Meanwhile, these private companies have seen their revenue and market share soar. They now rake in a combined \$3.3 billion in annual revenue and the private federal prison population more than doubled between 2000 and 2010, according to a report by the Justice Policy Institute. Private companies house nearly half of the nation's immigrant detainees, compared to about 25 percent a decade ago, a Huffington Post report found. In total, there are now about 130 private prisons in the country with about 157,000 beds.

Marco Rubio is one of the best examples of the private prison industry's growing political influence, a connection that deserves far more attention now that he's <u>officially launched a presidential bid</u>. The U.S. senator has a history of <u>close ties</u> to the nation's second-largest for-profit prison company, GEO Group, stretching back to his days as speaker of the Florida House of Representatives. While Rubio was leading the House, GEO was awarded a state government contract for a \$110 million prison soon after <u>Rubio hired an economic consultant</u> who had been a trustee for a GEO real estate trust. Over his career, Rubio has received nearly \$40,000 in campaign donations from GEO, making him the Senate's top career recipient of <u>contributions from the company</u>. (Rubio's office did not respond to requests for comment.)

The Justice Policy Institute identified the private-prison industry's three-pronged approach to increase profits through political influence: lobbying, direct campaign contributions, and building relationships and networks.

On its website, CCA states that the company doesn't lobby on policies that affect "the basis for or duration of an individual's incarceration or detention." Still, several reports have documented instances when private-prison

companies have indirectly supported policies that put more Americans and immigrants behind bars – such as <u>California's three-strikes rule</u> and <u>Arizona's highly controversial anti-illegal immigration law</u> – by donating to politicians who support them, <u>attending meetings with officials who back them</u>, and <u>lobbying for funding for Immigration and Customs Enforcement</u>. Showing just how important these policies are to the private prison industry, both GEO Group and Corrections Corporation of America have warned shareholders that changes in these policies would hurt their bottom lines.

In its 2014 annual report, CCA wrote:

The demand for our facilities and services could be adversely affected by the relaxation of enforcement efforts, leniency in conviction or parole standards and sentencing practices or through the decriminalization of certain activities that are currently proscribed by our criminal laws. For instance, any changes with respect to drugs and controlled substances or illegal immigration could affect the number of persons arrested, convicted, and sentenced, thereby potentially reducing demand for correctional facilities to house them. ... Legislation has been proposed in numerous jurisdictions that could lower minimum sentences for some non-violent crimes and make more inmates eligible for early release based on good behavior.

This outlook runs counter to what should be a rehabilitative mission of the nation's criminal justice system. Instead, private prison contracts often require the government to keep the correctional facilities and immigration detention centers full, forcing communities to continuously funnel people into the prison system, even if actual crime rates are falling. Nearly two-thirds of private prison contracts mandate that state and local governments maintain a certain occupancy rate – usually 90 percent – or require taxpayers to pay for empty beds. In Arizona, three private prisons are operating with a 100 percent occupancy guarantee, according to Mother Jones. There's even a lockup quota at the federal level: The Immigration and Customs Enforcement's detention budget includes a mandate from Congress that at least 34,000 immigrants remain detained on a daily basis, a quota that has steadily grown each year, even as the undocumented immigrant population in the United States has leveled off. Private prisons have profited handsomely from that policy, owning nine of the 10 largest ICE detention centers, according to a report released this month by Grassroots Leadership.

With the growing influence of the prison lobby, the nation is, in effect, commoditizing human bodies for an industry in militant pursuit of profit. For instance, privatization created the atmosphere that made the "Kids For Cash" scandal possible, in which two Pennsylvania judges received \$2.6 million in kickbacks from for-profit juvenile detention centers for sending more kids to the facilities and with unusually long sentences. The influence of private prisons creates a system that trades money for human freedom, often at the expense of the nation's most vulnerable populations: children, immigrants and the poor.

The biggest beneficiaries of private prisons' political donations have been Republican politicians in Florida, Tennessee, and border states with high populations of undocumented immigrants. The Republic Party of Florida PAC has received nearly \$2.5 million from <u>GEO</u> and <u>CCA</u> since 1989. In 2010, GEO and its affiliates <u>pumped</u> \$33,500 into political action committees benefiting Florida Republicans, including the Marco Rubio for U.S. Senate PAC. Since 2009, GEO Group's co-founder and chief executive, George Zoley, has personally <u>donated</u> \$6,480 to Rubio.

<u>A 2011 investigative report</u> published by The Center for Media and Democracy detailed the connections between Rubio and GEO during his time in the Florida House. It notes that Rubio hired Donna Arduin, a former trustee for GEO's Correctional Properties Trust, as an economic consultant. Arduin worked with Rubio's then-budget chief, Ray Sansom, who <u>pushed through</u> a \$110 million deal for a new GEO prison in the House Appropriations Bill. The report also detailed how legislation favorable to GEO Group has shadowed Arduin's presence in government <u>from California</u> to <u>Florida</u>. In 2011, Florida Gov. Rick Scott – who also <u>used Arduin as a budget</u> adviser – pushed (<u>unsuccessfully</u>) to privatize 27 prisons south of Orlando.

Upon winning the Senate seat, Rubio tapped former lobbyist Cesar Conda as his chief of staff in 2011. Conda had co-founded what is now GEO's main lobbying firm, Navigators Global, and after joining Rubio, continued receiving payments of \$150,000 from the firm as part of a stock buyout arrangement. In April 2014, Conda went on to lead Rubio's Reclaim America PAC as a senior adviser, until recently rejoining Navigators. During Conda's time with Rubio, GEO became a top-10 contributor to Reclaim America, giving \$16,000 in 2014, according to OpenSecrets.org. Conda's firm also banked \$610,000 from the private prison company between 2011 and 2014 as its lobbying firm. According to a disclosure form obtained by The Nation, among the issues Navigators lobbied for on GEO's behalf was immigration reform, an issue on which Rubio has remained dubious. In an e-mail responding to these issues, Conda said Navigators never lobbied for GEO's prison business (he said the services were for GEO's subsidiary, BI Incorporated, and the team working on it, which he wasn't a part of, focused on homeland-security issues), and that he never met nor communicated with a Navigators lobbyist about GEO while working for Rubio, though he couldn't speak for other members of senator's staff.

But Rubio shouldn't get a pass just because there's no clear quid pro quo. What our criminal justice system needs is reform, not incentive for expansion. In fact, opposition to criminal justice reform should render any candidate woefully inadequate to lead a nation suffering from a prison system that essentially perpetuates the oppression of its most vulnerable citizens. We can't allow the proliferation of private prisons and their political influence to remain the most important issue that no one's talking about.

Clarification: This story has been updated to include more details on lobbying by the for-profit prison industry and on CCA's lobbying policy.

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