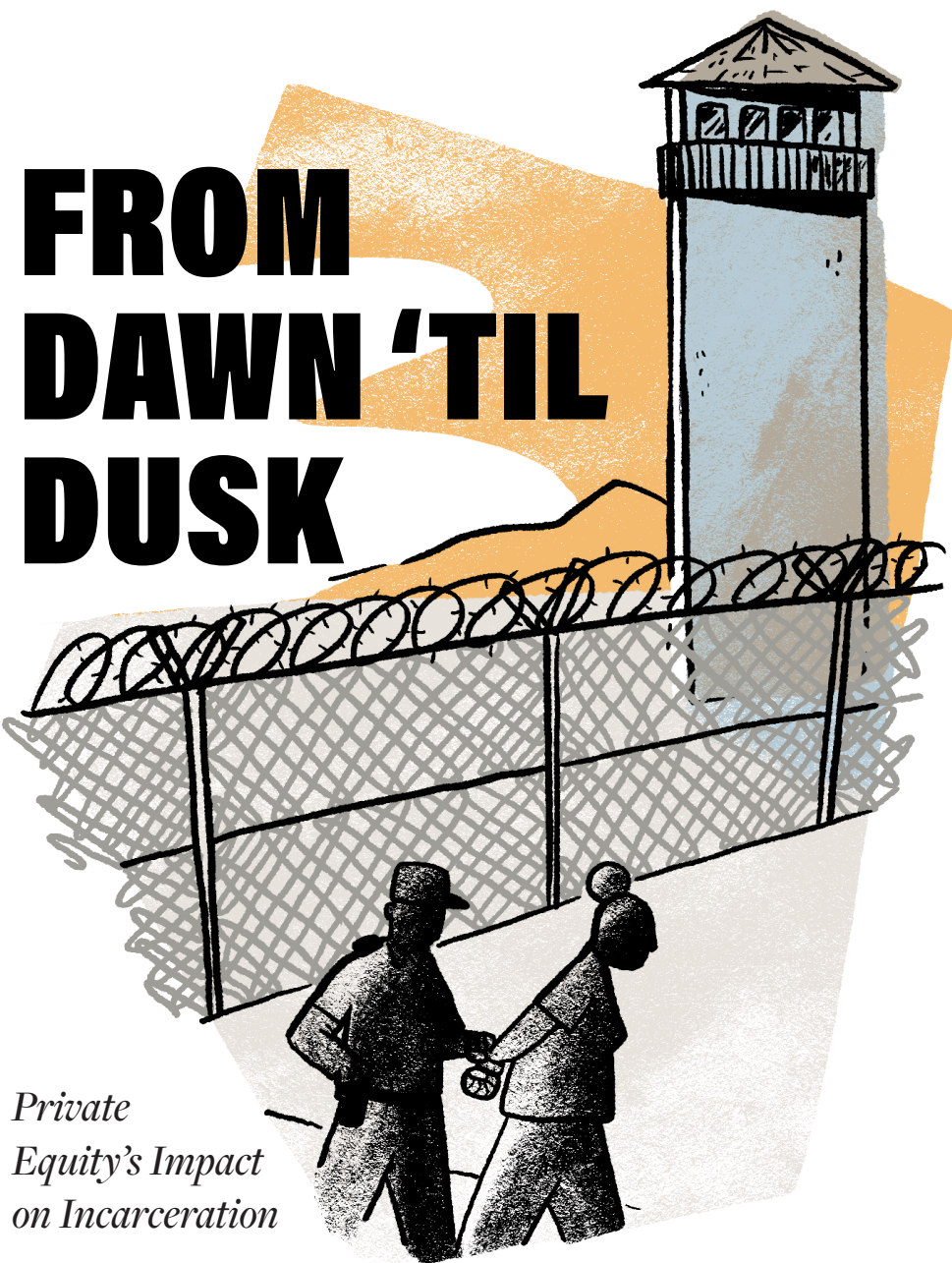


FROM DAWN 'TIL DUSK



*Private
Equity's Impact
on Incarceration*

FROM DAWN 'TIL DUSK: *Private Equity's Impact on Incarceration*

Prison life is entirely controlled by the state and corporations that service detention facilities — beyond various physical space constraints, incarcerated people have little choice in what they consume, how they communicate with loved ones, and the structure of their day. Private equity firms profit from incarcerated people as a captive audience through contracts with local governments to provide various services.

This zine profiles a day that could take place in any US prison, jail, or immigrant detention facility, highlighting all the ways that incarcerated people interact intimately with private equity-owned companies on a regular basis. Processes such as eating or communication do not remain untouched by private equity, which continues to seek influence within prisons.¹ Firms benefit from increased incarceration - the more people using food or healthcare services, the more money they make.

As Richard McDonald describes his experience while incarcerated, “there is a specific daily schedule that you will have to follow while you’re in prison. From mealtimes to headcounts, the schedule is set for you.”² *Dawn ‘Til Dusk* explores how these set schedules within prisons are often reflective of the whims of corporate actors and more specifically, the whims of the private equity industry.



Count, which appears throughout the zine, is one of the main features that structures time within prisons and jails. Several times per day, incarcerated people are forced to line up according to the facility’s schedule, remaining in place until guards have counted

everyone. In Carolyn Baxter’s poem *On Being Counted*, she writes about the count that takes place at lights out during her time at Rikers in New York: “I can’t sleep until I pay my personal digits to Washington.”³ Not only is count used to monitor the population within prisons, it also serves as a reminder for those inside that they maintain no ownership over time itself. As Jerry Metcalf explained, “when each one might end is anybody’s guess. It’s basically purgatory.”⁴

Zines have long been part of how incarcerated people communicate with each other and with people outside, starting with the first in-house publications in the 1930s. Not only do zines provide a critical means of self-expression in a space where folks can control little else, they are also a creative way to share information that can be useful in organizing.⁵

It is our hope that this zine helps expose the ways that private equity firms continue to put profits over people through investments in the US prison system. We also envision this being a useful tool for organizers who are fighting back against private equity. For more information about private equity investments in incarceration, visit pestakeholder.org/issues/detention-surveillance/.

6:00 a.m.

FACILITIES

The estimated cost of the U.S. mass incarceration system is \$182 billion a year, with hundreds of companies competing for lucrative government contracts.⁶ The average cost of incarcerating someone has gone from \$150,000 per year in 2011 to over \$500,000 as of 2021.⁷ It takes hundreds of millions of dollars to design and build a prison in addition to millions more in annual maintenance.

Layton Construction, owned by **Saybrook Capital**, has a full portfolio of prison and jail construction projects concentrated in the western United States.⁸ The company has constructed facilities that are under the management of county governments, California and Wyoming state corrections departments, and the Bureau of Indian Affairs.⁹

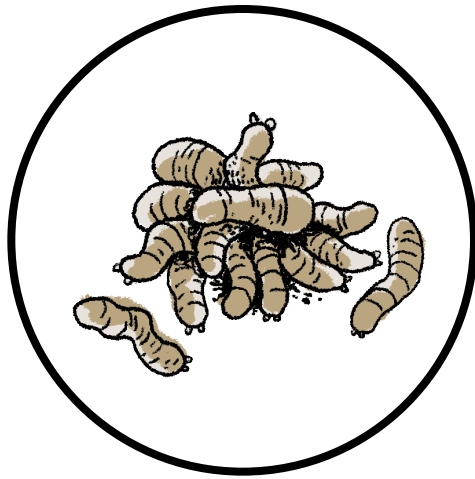


COUNT



7:00 a.m.

CAFETERIA



Prisons often outsource food service to other companies motivated by profit rather than providing nourishing meals. According to a 2017 report by the Centers for Disease Control and Prevention, incarcerated individuals are 6.4 times more likely to fall ill from spoiled or contaminated food than non-incarcerated individuals.¹⁰

H.I.G. Capital owns TKC Holdings, which provides food, commissary, and telecom services to jails, prisons, and immigrant detention centers. H.I.G. formed the company by combining Trinity Services Group (food services) and Keefe Group (commissary).¹¹ Mold, maggots, and dirt have been found in TKC-served facilities, at times leading to unrest and contract termination.¹² In the U.S.

Immigration and Customs Enforcement Laredo Processing Center in Texas, immigrant detainees complained of TKC's "inedible food and undrinkable, foul-smelling water."¹³



8:00 a.m.

MEDICAL



A handful of private equity firms have invested heavily in private prison services, including two of the biggest prison healthcare providers: **Wellpath** (H.I.G. Capital) and **YesCare** (Perigrove Capital).

Since H.I.G. formed the company in 2018, **Wellpath** has been subject of lawsuits and investigations across the county. A 2021 report from the U.S. Department of Justice found that the San Luis Obispo County (California) Jail, where Wellpath provided medical care, “failed to provide a medical screening system that ensures adequate diagnosis and treatment of serious medical conditions and continuity of care,” and that “Wellpath and its staff appear not to take seriously prisoner grievances or the grievance process as a mechanism for prisoners to raise legitimate medical concerns.” The report concluded that the jail’s poor care violated detainees’ constitutional right to adequate medical care.¹⁴ At other facilities, incarcerated people, their families, and even contractors have alleged overmedication,¹⁵ refusal of psychiatric care,¹⁶ unnecessary physical and chemical restraints,¹⁷ and wrongful deaths.¹⁸



8:30 a.m.
WORK CENTER

John R. Wald Company, owned by UK-based private equity firm **Finance Birmingham**,¹⁹ considers itself “a leader in engineered manufacturing solutions and automated production systems for correctional industries” — the company’s founder was the superintendent of the Prison Labor Division of Pennsylvania from 1919 to 1924.²⁰ John R. Wald relies on prison labor throughout the United States, where the average wage ranges from \$.30 to \$1.30 per hour as of 2021. Around 80 percent of US license plates are made in prisons — in New York alone, incarcerated

people fulfill \$30 million worth of license plate orders per year.²¹

In Alabama, Arkansas, Florida, Georgia, and Texas, incarcerated people generally do not get paid for their work at all. **Televerde**, backed by **Main Street Capital**, operates call centers entirely staffed by incarcerated women in Arizona and Indiana, where a third of their federal minimum wage pay immediately goes to the state “to pay for room and board.”²²

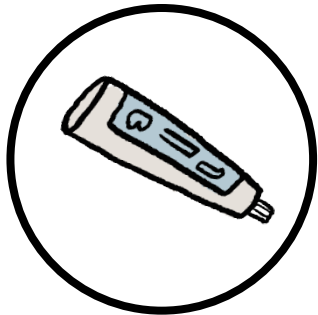


COUNT



12:00 p.m.

COMMISSARY



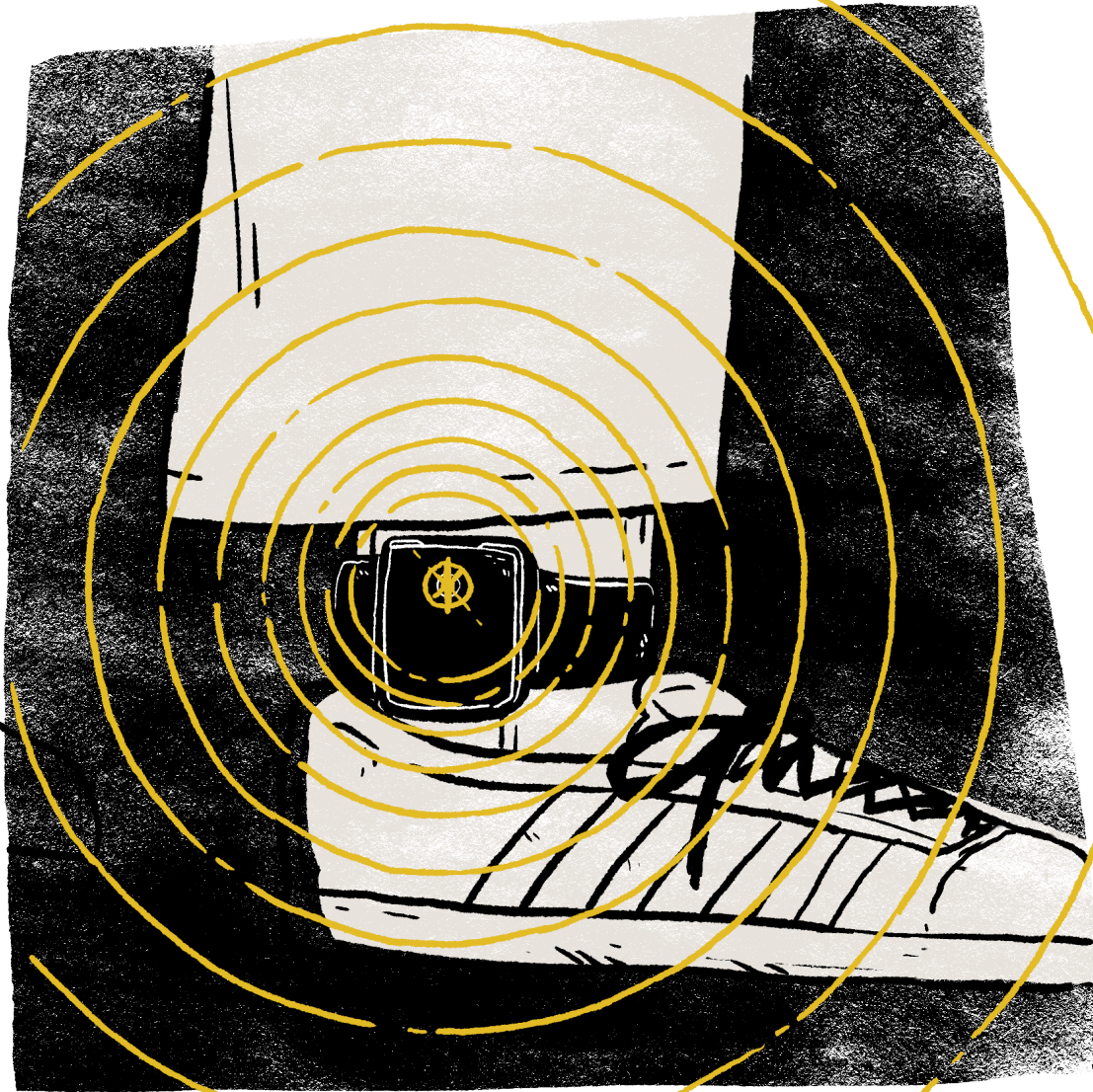
Prison and jail commissaries have basic necessities like toothpaste, soap, menstrual products, and thermal wear for cold months, but often at prices much higher than stores outside. As the only store in the facility, the commissary has no competition and no incentive to lower prices. For example, a 4.6 ounce Crest toothpaste costs \$3.77 in a Kentucky commissary run by **HIG Capital's** company **Keefe Group**, but costs just \$1.38 at the local Wal-Mart (173% markup). In 2022, Keefe raised commissary prices in Idaho (8.5%),²³ Kentucky (7.2%),²⁴ and Nevada,²⁵ citing “world events such as supply chain shortages, shipping cost increases and increased labor costs” after a Nevada state audit.

At facilities where TKC Holdings has both the cafeteria and commissary store contracts, the company has an incentive to reduce the quality of food, so that customers buy food at the Keefe-operated commissary store rather than eating in the Trinity-owned cafeteria. In the cafeteria, meals are covered by the facility according to a set contract — profits can only increase by serving more people (increased incarceration) or reducing cost (and often quality) of food.²⁶



2:00 p.m.

E-CARCERATION



Electronic monitoring is often presented as less restrictive and more humane than prisons, but electronic monitoring only serves to make the prison portable — the prison comes home with you. Given all of the location and other data that electronic monitoring devices and applications collect, civil rights organizations have raised questions about expectations of privacy and what is done with the data.²⁷ Additional problems with electronic monitoring, also known as e-carceration, include false alerts and technical failures,²⁸ impeding one's ability to secure a job,²⁹ and the cost to those being monitored — electronic monitoring's user-funded schemes can cost individuals up to \$600 a month.³⁰

Four companies control the electronic monitoring industry, three of which are owned by private equity firms: **Satellite Tracking of People LLC** (subsidiary of Securus Technologies), owned by **Platinum Equity**; **Sentinel Offender Services**, owned by **Bison Capital Asset Management**; and **Attenti**, owned by **Warburg Pincus**.³¹

COUNT



5:00 p.m.

CAFETERIA

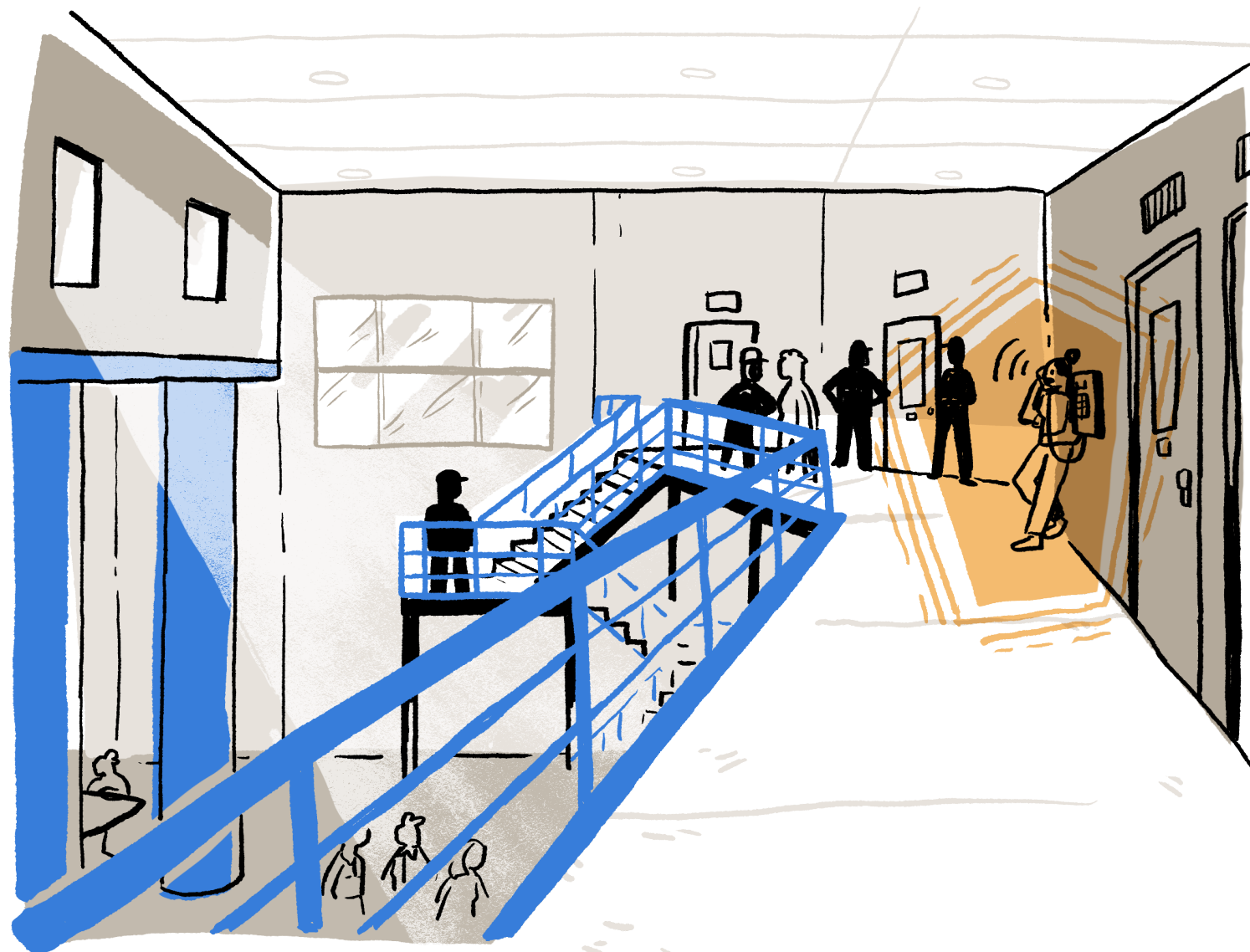
The food within prisons is often unappetizing, and does not have possible food restrictions that incarcerated people may have due to religious reasons, allergies, or ethical preferences such as veganism.

In April 2022, Norman Simmonds sued **Trinity Services (HIG Capital)** and DeKalb County officials for failing to provide a diet consistent with his faith, leading to “a prolonged period of insufficient nutrition that might have caused long-term health problems, including organ damage, given several pre-existing health conditions.”³² Simmonds and others observing Ramadan, when Muslim observers fast from dawn until dusk, were denied pre-sunrise and post-sunset meals. During the first week of Ramadan, Simmonds’ commissary access was revoked, barring him from purchasing food he could eat outside of standard meal times. The County settled the suit the day after it was filed, and agreed to start providing meals in a timely manner. The Executive Director of the Georgia chapter of the Council on American-Islamic Relations (CAIR) celebrated the settlement, but noted that “these basic accommodations should have been provided from the very start of Ramadan. The fact that these have just now been adopted after the filing of a federal lawsuit shows the extreme lengths Muslim detainees are forced to take.”³³



6:00 p.m.

PHONE



Private equity firms dominate prison telecommunications services — **Securus**, owned by **Platinum Equity**, and **ViaPath** (formerly Global Tel Link), owned by **American Securities**, controlled an estimated 74 to 83 percent of the market as of 2019. Prisons and jails contract with a single provider, allowing companies to charge high prices in what is literally a captive market.³⁴ In 2018, Securus charged as much as \$22.56 for a 15-minute phone call, while ViaPath charged as much as \$16.50.³⁵ On top of the base per-minute charges for calls, companies tack on additional fees for things like adding funds to an account or making a call without an account.³⁶ These costs are passed on to family members, at times causing loved ones to go into debt.

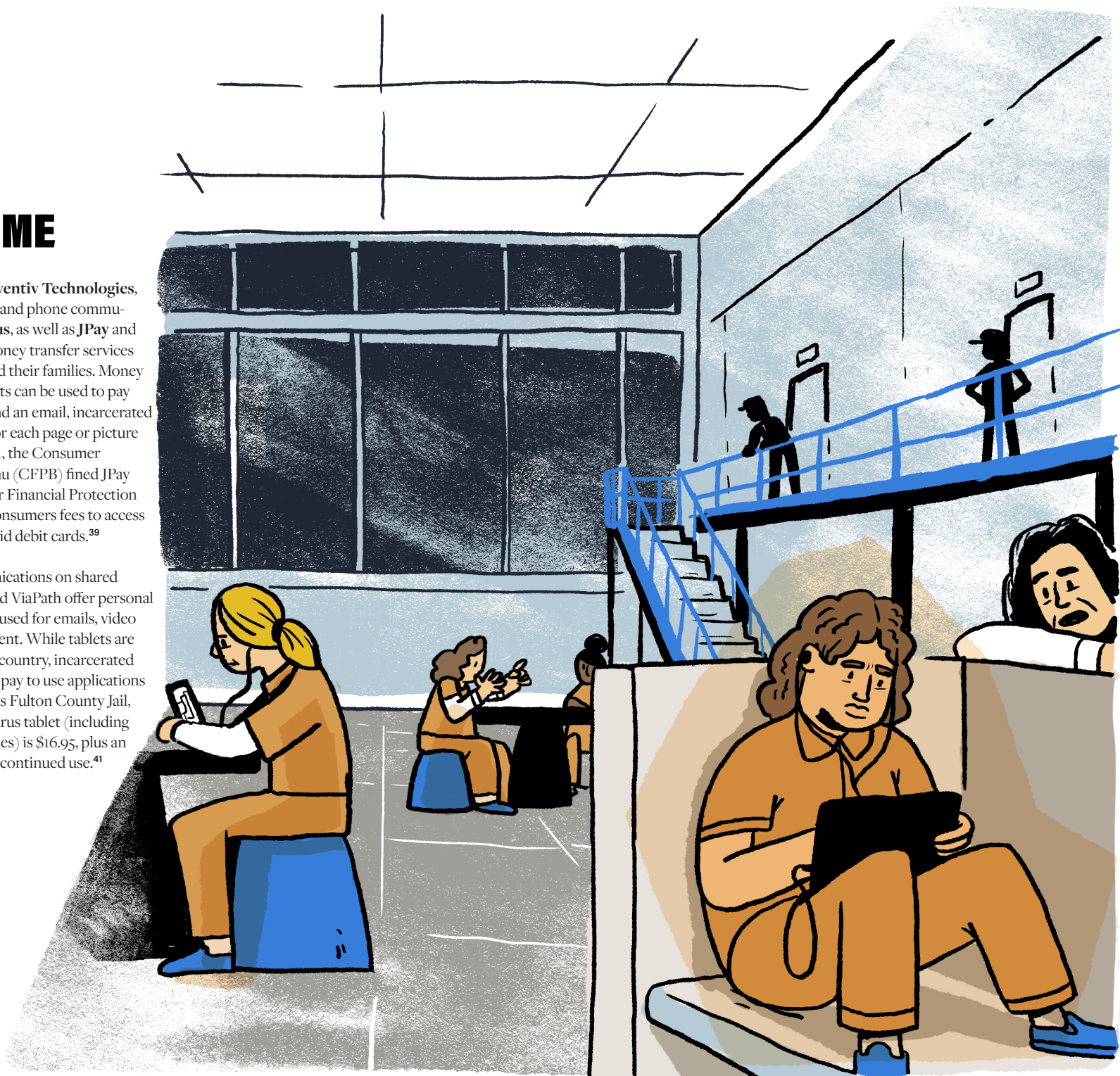
While prison telecom companies and the private equity firms that own them profit from high rates, county sheriff offices and state corrections departments often receive “commissions” (a form of legal kickbacks) from calls. Kickbacks are fundamental to the current industry business model as facilities choose their telecom providers based on which company pays the most in kickbacks.³⁷ In 2019, the state of Georgia made more than \$8 million from site-commission kickbacks.³⁸

9:00 p.m.

"FREE" TIME

Platinum Equity owns Aventiv Technologies, the parent company of jail and phone communications company Securus, as well as JPay and AllPaid, which provide money transfer services for incarcerated people and their families. Money in JPay and AllPaid accounts can be used to pay for calls or emails — to send an email, incarcerated people must buy stamps for each page or picture they send. In October 2021, the Consumer Financial Protection Bureau (CFPB) fined JPay for violating the Consumer Financial Protection Act (CFPA) by charging consumers fees to access their own money on prepaid debit cards.³⁹

In addition to telecommunications on shared facility devices, Securus and ViaPath offer personal tablets. The tablets can be used for emails, video calls, and educational content. While tablets are "free" for many across the country, incarcerated people or loved ones must pay to use applications on the tablet.⁴⁰ In Georgia's Fulton County Jail, the initial price of the Securus tablet (including a required set of headphones) is \$16.95, plus an additional monthly fee for continued use.⁴¹



COUNT





11:00 p.m.

LIGHTS OUT

A handful of private equity firms, using capital from pension funds, foundations, endowments, insurance companies, and other institutional investors, have invested heavily in companies providing tools and services used to detain, deport, and surveil people in the United States and around the world. The tools and services provided by private equity-owned companies in this sector disproportionately impact working-class, Black, indigenous, and immigrant communities.

While public and investor debate around the privatization of prisons, jails, and detention facilities has largely focused on publicly-traded corporations, private companies control a much larger portion of this market. The private equity-owned companies that provide phone and video services, commissary services, medical services, bail bonds, ankle monitors, facial recognition technology, and more to detention facilities, governments, and other businesses belong to a growing detention and surveillance industry that poses significant risks to civil rights and liberties.

To learn more about private equity investments in prisons and jails, visit pestakeholder.org/issues/detention-surveillance/

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The Private Equity Stakeholder Project seeks to research and hold private equity companies accountable for the impacts they have on the people and planet by uplifting the voices of people who are directly impacted by private equity firms. Find out more at <https://pestakeholder.org>.