

Sponsor Statement

SB 99

“An Act expressing legislative intent regarding privately operated correctional facility space and services; relating to the development and financing of privately operated correctional facility space and services; authorizing the Department of Corrections to enter into an agreement for the confinement and care of prisoners in privately operated correctional facility space; and providing for an effective date.”

[Senate Bill 99](#) authorizes the Department of Corrections to enter into an agreement with the City of Whittier for a 1,200-bed medium security correctional facility and services for a period of 25 years. The facility shall be constructed and operated by third-party contractors procured through a competitive bid process.

All of Alaska’s prisons are currently operating at or over capacity. Over 600 Alaskan prisoners are housed in Arizona. The prisoner population is, unfortunately, projected to rise. Prison overcrowding exposes inmates and staff to the risk of serious injury and death, which exposes the State to civil liability, as well as to judicial intervention into the management prerogatives of the executive branch. Alaska needs a new prison.

Given the current fiscal challenges the State faces, a private prison offers the best value for scarce dollars. In addition to being the only economically viable choice, building a prison will bring great benefit to the State, both economically and socially. A private prison makes economic sense by procuring in-state prison beds at significantly less cost than State-operated beds. By returning Alaskan prisoners closer to the family and community support systems necessary for effective rehabilitation, the cycle of recidivism is more likely to be reduced.

SB 99 will not only save money in the short term. It will provide investment for future economic growth here in Alaska by creating more than 500 direct and indirect union scale construction jobs and more than 450 permanent, direct and indirect, jobs for Alaskans associated with prison operations for the 25-year lease authorized by the legislation. In addition, it will stimulate the Alaskan economy with the purchase of goods and services associated with a \$110 million construction project.

By locating the prison in Whittier, that community will have an anchor industry to generate vital economic benefits for an economically disadvantaged rural community. Additionally, reduced tolls and expanded hours of operation will be justified for the Anton Anderson tunnel, spurring further economic growth through tourism.

Whittier completed a public process documenting local support from 80% of resident, adult registered voters before competitively soliciting contractors and bringing this proposal before the Legislature in 2002. Whittier renewed this process with the same results in 2003.

SB 99 makes sense for Alaska’s economy and her citizens. I urge your support.