

Alaska State Legislature

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Kenai Private Prison Bill Passes House

Project Would Hold Down State Costs, Improve Peninsula Economy

(JUNEAU) – A private prison on the Kenai Peninsula moved another step closer to reality after the House today passed Rep. Mike Chenault’s House Bill 149, allowing the state to house prisoners in a privately built and operated correctional facility in Kenai.

HB 149 would allow the state to contract with the Kenai Peninsula Borough to build and operate an 800-bed facility that would reduce the need for Alaska to send state prisoners to private prisons in Arizona. The bill would bring hundreds of jobs, millions of dollars in construction and operations payroll, and improved economic stability to the Kenai Peninsula Borough, Chenault said.

“Our experience on the Kenai demonstrates that the corrections industry is an important and valued part of our community and our economy,” said Chenault. “This bill would allow us to extend the benefits of this industry to the region and to the state, take advantage of the efficiencies of private enterprise to save money for the state, and bring Alaskans home closer to their families and home culture.”

The bill requires the contractor to agree to build a medium-security facility capable of housing at least 800 prisoners, and of operating in full compliance with state prison laws, for at least 20 years. Such a facility would cost an estimated \$60 million to build, create 250 steady jobs, and generate an estimated \$600 million in state expenditures for construction and operations over 20 years, he said.

The Legislature expects a private prison would cost from 18 percent to 20 percent less than state-run facilities, even including the costs of borrowing construction funds and building the facility, with additional savings coming from reduced costs of transporting prisoners back and forth to Arizona. It would have the additional benefit of housing Alaska prisoners, many of them Alaska Natives, closer to their homes, families, and cultures, which should help in their rehabilitation and ease their reintegration into society, Chenault said.

The Borough has already decided to seek to contract with Corrections Group North, a joint venture including the Kenai Native Association, Cornell Corrections, and the contracting joint venture Livingstone Sloane Inc. Neeser/VECO. The Kenai Native Association owns 4,700 acres of former military land next to Wildwood prison, a likely site for a private prison.

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Broadcasters note: Comments are available on the Majority Actuality Line 1-800-478-6540