

Private company plans to end New Mexico prison contract

By MARY HUDETZ June 27, 2019

ALBUQUERQUE, N.M. (AP) — A private prison company plans to end its contract to manage a corrections facility in a remote corner of New Mexico starting in the fall, paving the way for the state to begin running the medium-security prison that houses male inmates.

The GEO Group, a Florida-based company that currently operates three out of 11 prisons in the state, made the decision to end its contract for the Northeast New Mexico Detention Facility in Clayton because of difficulties recruiting and retaining workers, said James Hallinan, a company spokesman. GEO will continue to manage the Guadalupe County Correctional Facility in Santa Rosa and the Lea County Correctional Facilities in Hobbs, both of which are owned by the company, he said.

In a statement, Gov. Michelle Lujan Grisham, a Democrat, said her administration was negotiating to take over management of the prison owned by the town of Clayton, home to about 3,000 people. Details were being finalized, according to her office.

“Accountability in correctional management is paramount,” the governor said in a brief emailed statement late Thursday. “Direct state management, at this and other state-run correctional facilities, will lead to an environment where rehabilitation, public safety and community welfare are unquestioned priorities.”

The governor’s office says the state will host a hiring event for prison employees in Clayton on July 17 and July 18.

The planned transfer to state management at the Clayton facility comes amid deepening scrutiny of for-profit prisons nationwide, especially among Democrats.

Half of New Mexico’s 7,000 inmates — a greater share than in any other state — serve their sentences inside five privately operated prisons, according to a report from the Legislative Finance Committee last year.

CoreCivic and the Management & Training Corporation, or MTC, operate two of them.

Of the three GEO-run prisons, those in Clayton and Santa Rosa have the capacity to house about 600 men while the Hobbs prison can hold twice as many, according to the company's website.

In its decision to leave Clayton, the company said it had not received increased compensation adjusted for inflation, and that resulted in minimal wage changes for prison staff, according to the company.

GEO Group's 2018 annual report shows \$2.3 billion in total revenue, with about 2% coming from the state of New Mexico.