



**Testimony of Kimberly McCullough, Legislative Director
In Support of SB 1005
Senate Committee on Judiciary
April 5, 2017**

Chair Prozanski and Members of the Committee:

The American Civil Liberties Union (ACLU) of Oregon¹ supports SB 1005, which directs the Oregon Investment Council and State Treasurer to try to ensure that moneys in Public Employees Retirement Fund are not invested in companies that operate private prisons or corporations that own more than one million shares in companies that operate private prisons.

For-profit companies and financial institutions who invest in private prisons are getting rich off mass incarceration. From in-custody medical care to the operation of prisons, jails, halfway houses, and probation supervision systems, state and federal governments are increasingly outsourcing criminal justice functions to profit-driven corporations—with disastrous results.

Mass incarceration has enabled the modern private prison industry to metastasize into a multi-billion-dollar enterprise that depends on and profits from our national addiction to incarceration. Each year, the three biggest private prison companies in America rake in nearly \$4 billion in revenue—in part because they have invested more than \$45 million in campaign contributions and lobbying over the past decade. A significant share of this lobbying has sought to block public accountability by keeping their prisons exempt from the open records laws that apply to publicly-run prisons.

Handing over control of prisons to for-profit companies is a recipe for abuse, neglect, and misconduct. Moreover, these companies essentially admit that their business model depends on high rates of incarceration. For example, the Corrections Corporation of America's 2013 annual report specifically identifies drug law reform, immigration reform, reductions in mandatory minimum sentences for non-violent crimes, and lower crime rates as "risk factors" that could hurt its bottom line.

The ACLU of Oregon fights to keep prisons, jails, and other criminal justice functions democratically accountable to the public and directly controlled by public officials, not for-profit companies. Please join us by making Oregon a leader in the movement to divest from companies that profit from incarceration. Thank you for your time and consideration. Please feel free to contact me if you have questions or concerns.

¹ The American Civil Liberties Union of Oregon (ACLU of Oregon) is a nonprofit organization a nonpartisan organization dedicated to preservation and enhancement of civil liberties and civil rights with more than 37,000 members in the State of Oregon.