

State Rep. Neal P. Goodman
Remarks for hearing on prison closures
Jan. 23, 2017

Thank you Chairmen Argall, Boscola, Greenleaf, and Leach for inviting us today to talk about the administration's decision to close two state prisons and for the opportunity to discuss the impact this will have on the community if SCI Frackville is chosen.

I know I speak for all the impacted communities when I say thank you for holding this hearing.

I am joined today by Representatives Jerry Knowles, Mike Tobash, Kurt Masser, and Tarah Toohil. I am also joined by William Hanley of Congressman Matt Cartwright's office, Frank Zukas of the Schuylkill Economic Development Corporation, and Ryan Township Supervisor Champ Holman.

To say we were shocked by the announcement on the morning of January 6th is an understatement.

That shock continued when we learned three of the five prisons on the potential closure list are from northeastern Pennsylvania. Our region is rural and economically depressed, and anyone familiar with it knows the devastating effect a closure would have on an area already struggling.

We all know the Commonwealth is facing a \$2 billion deficit and something needs to be done to address it during this budget cycle. But closing two state prisons in such a short time frame to achieve \$80 million to \$160 million in savings is worrisome.

None of the elected officials before the committee today want to see a facility close anywhere in the state. All will testify to their concern for public safety and the economic impact a closing will have in the area they represent. However, as the Legislative Delegation and elected officials and residents of Schuylkill County, we are compelled to speak about the impact closing SCI Frackville will have on Schuylkill County and the communities that surround it.

As a former committee Executive Director and a House member who has spent more than 20 years working in the committee process, I know the committee members are interested in hearing the facts and impact of a possible closure – so let's address the facts.

We have been told the closure evaluation criteria will be: age, location, function, costs, infrastructure, and economic impact.

These criteria work in Frackville's favor because based on the Department of Correction's 2017 statewide evaluations, Frackville was rated excellent in all 6 categories. It is the only facility on the list being considered for closure that can say that.

Let's review the Department of Correction's criteria:

Age

Frackville is the newest facility of the five, and it is the only one determined to be in “excellent” condition by the Department.

Location & Accessibility

Frackville is conveniently located off Interstate 81, and it has no negative impact on any of the surrounding communities. We often kid in the coal region that if they didn’t turn the lights on at night - you wouldn’t even know they were there.

And let’s not forget Schuylkill County is the only one in the northeast corridor that fought to get a prison. Our residents did not push back, like other communities did. Ryan Township willingly created a special zoning designation for the prison, and the economic development agency sold the Commonwealth the 212 acres to build the facility at a 90 percent discount.

Function

Frackville is the most versatile of the five because it can house all levels of inmates, including the most violent - level four inmates.

Cost

The department claims closing Frackville would save \$44 million dollars, this would be the lowest savings of the five. If budget savings are the goal, it doesn’t make sense to pick the prison with the smallest savings, nor the newest prison when four others facilities in the Commonwealth are more than 100 years old.

Frackville also has the lowest annual expenditures, lowest cost-per-inmate, and lowest overtime of the five.

Infrastructure

In all seven categories evaluated as infrastructure, which are Potable Water System, Sanitary Sewer System, Storm Water System, Electric System, Cooling System, Heating System and Condition of Buildings, Frackville received a grading of excellent!

SCI Frackville is the only facility under consideration to be rated "excellent" in all categories of infrastructure.

Economic Impact

Everyone who testifies today will say the community impact will be great, but this is nowhere truer than in Schuylkill County.

In the past two years, Schuylkill County has lost over 500 jobs from plant closures and cut backs. Two weeks ago the Administration announced the closing of nearby Hamburg State Center, eliminating another 350 state jobs from our area.

Schuylkill County already has one of the highest unemployment rates in Pennsylvania. If SCI Frackville closes, our communities will have seen over 1200 jobs lost in the last three years. This is a body blow our area may not recover from for years to come.

And it's not just the loss of the prison jobs that are in jeopardy. There will be a ripple effect.

Annual revenue losses to the SCMA water authority would be \$283,000. Annual revenue losses to the FAMA sewer authority would be \$348,000. The prison is 23 percent of the sewer authority's total revenue collections. With more than \$1.5 million in capital investments in recent years, the burden to ratepayers would be tremendous.

Wheelabrator, which provides steam power to the prison and helps remediate the county's waste coal banks, would lose \$700,000 a year. This will put the plant at undo risk.

It is fair to say the sudden economic loss of the Frackville facility will result in an economic hardship that would hit our area hard.

All of us want to see the number of incarcerated people decline, but not at the cost of public safety or by putting those who work at these facilities in harm's way. Ensuring the public's safety is a core function of government. It's our most important job.

Since the announcement, we have had more questions than answers.

If prison levels are down, then why is the Department of Corrections one of our fastest growing line items in the budget? Can it all be blamed on infrastructure costs? Or is it administrative policy changes that are responsible for driving up the costs?

How can the department close facilities when their own data shows they would be at 109% capacity state-wide?

We've also recently learned the Department of Corrections is seeking an arrangement with the Federal Government to house federal inmates in Pennsylvania prisons on a per diem basis. I think this would be a good move for all involved. However, I hope the department is not considering selling its best asset to the federal government in order to sweeten the deal. I have a growing suspicion that is why Frackville is on this list – in fact, I think it is the only reason SCI Frackville is being considered.

That would be short-sighted. Closing facilities, while at the same time expanding policies and procedures will only increase our long term costs. Isn't this the same type of short-term thinking that got us into our current budget problem? Balancing a budget with one-time revenue sources is why we have a \$2 billion deficit.

I simply can't understand how a facility built in 1987 is on the list when four other facilities in the Commonwealth are over 100 years old.

I would also like it read into the record that the elected representatives and leaders from Schuylkill County are prepared to do whatever it takes to keep the Frackville state correctional facility open. SCI Frackville is one of the best run correctional facilities in the state. It has received numerous accommodations and accolades from the Department of Corrections. Putting it simply, Frackville does not belong on any list of closures, and we will let the facts speak for themselves.

Finally, we are concerned about how this process is being handled. You cannot do an adequate study of this type and magnitude in just 20 days and without public input and transparency. We are asking the department to slow the process down to ensure a thorough evaluation can be completed and with long term considerations in mind.

Again, thank you for the opportunity to speak to you today.

Reasons to Keep SCI Frackville Open

Facility and Infrastructure:

- Newest facility of the five – built in 1987
- The only one the Department of Corrections listed as “excellent” condition for every category evaluated
- The most versatile of the five – can accommodate all four levels of prisoners, including the most violent.
- The community is about to undertake \$600,000 in infrastructure improvements serving SCI Frackville and \$100,000 of that investment is coming from the state.
- It has no negative impact on surrounding communities.
- It is strategically located off of Interstate 81, so prisoners do not have to go through neighborhoods.
- Why consider closing Frackville while continuing to invest in multiple 100-year old prisons?

Other Savings to DOC:

- If it really is a budget decision, why consider a prison with the lowest savings generated by closing it? The savings will be eaten up by upgrade costs at the other facilities.
- SCI Frackville has:
 - the lowest annual expenditures of the five.
 - the second lowest cost-per-inmate of the five.
 - the lowest overtime costs among the five.

Community Impact:

- The prison is one of the county’s top employers.
- The governor also announced this month the closure of nearby Hamburg State Center, a loss of 353 jobs. If SCI Frackville closes, too, more than 750 state jobs will be lost all at once.
- In the past two years alone, Schuylkill County lost more than 500 jobs from plant closures and cut-backs.
- Schuylkill has the highest unemployment rate of the five and one of the highest in the state. It has a seasonally adjusted rate of 6.2 percent. Thirteen percent of residents live below the poverty line.
- The ripple effect would be devastating.
 - Ryan Township (where prison located) estimates tax losses equivalent to one mill.
 - The sewer authority would lose \$348,000 a year - 23 percent of total collections.
 - The water authority would lose \$283,123 a year.
 - Wheelabrator provides steam power to the prison and would lose \$700,000 annually.

AGE OF SCI BUILDINGS

SCI Pittsburgh	III	III	III	III	III	III	III	III	III	III	III	III	III	III	III	135 years
SCI Huntingdon	III	III	III	III	III	III	III	III	III	III	III	III	III	III	III	128 years
SCI Waymart	III	III	III	III	III	III	III	III	III	III	III	III	I	106 years		
SCI Rockview	III	III	III	III	III	III	III	III	III	III	III	102 years				
SCI Muncy	III	III	III	III	III	III	III	III	III	III]	97 years				
SCI Graterford	III	III	III	III	III	III	III	III	III	III	88 years					
SCI Cambridge Springs	III	III	III	III	III	III	III	III	III	88 years						
SCI Laurel Highlands	III	III	III	III	III	III	III	III	79 years							
SCI Retreat	III	III	III	III	III	III	III	III	79 years							
SCI Camp Hill	III	III	III	III	III	III	III	III	76 years							
SCI Dallas	III	III	III	III	III	III	III	57 years								
SCI Mercer	III	III	III	III	II	39 years										
SCI Frackville	III	III	III	II	30 years											
SCI Smithfield	III	III	III	II	29 years											
SCI Somerset	III	III	III	24 years												
SCI Coal Township	III	III	III	24 years												
SCI Mahanoy	III	III	III	24 years												
SCI Albion	III	III	III	24 years												
SCI Greene	III	III	III	24 years												
SCI Houtzdale	III	III	III	22 years												
SCI Chester	III	III]	19 years												
SCI Pine Grove	III	III	:	16 years												
SCI Fayette	III	III	14 years													
SCI Forest	III	III	13 years													
SCI Benner Township	III	4 years														

OLDER BUILDING

 NEWER BUILDING

SCI TOTAL EXPENDITURES/COST SAVINGS

IN THOUSANDS

Quehanna	(\$)	(\$)	(\$)	(\$)	\$26,362															
Cambridge Springs	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$45,694													
FRACKVILLE	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$52,935												
Retreat	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$52,943												
Chester	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$54,478												
Mercer	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$56,395											
Pine Grove	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$60,756											
Smithfield	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$66,347										
Coal Twp	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$73,099									
Benner	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$73,115									
Somerset	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$78,337								
Albion	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$79,617								
Muncy	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$80,160								
Laurel Highlands	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$80,947								
Mahanoy	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$81,296								
Houtzdale	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$82,383								
Huntington	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$85,973								
Forest	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$87,907								
Dallas	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$88,748								
Fayette	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$90,731								
Waymart	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$91,754								
Greene	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$93,396								
Pittsburgh	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$93,677								
Rockview	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$95,612								
Camp Hill	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$125,665				
Graterford	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	\$145,280

UNEMPLOYMENT RATES BY COUNTIES WITH SCIS

		COUNTY
Forest	 7.6%	Forest
Fayette	 7.3%	Fayette
Laurel Highlands	 6.5%	Somerset
Quehanna	 6.4%	Clearfield
Smithfield	 6.3%	Huntingdon
Greene	 6.3%	Greene
Coal Twp	 6.0%	Northumberland
Pine Grove	 6.0%	Indiana
Albion	 5.9%	Erie
FRACKVILLE	 5.7%	Schuylkill
Dallas/Retreat	 5.7%	Luzerne
Muncy	 5.6%	Lycoming
Mercer	 5.5%	Mercer
Cambridge Springs	 5.5%	Crawford
Waymart	 5.3%	Wayne
Pittsburgh	 4.8%	Allegheny
Chester	 4.5%	Delaware
Graterford	 3.8%	Montgomery
Camp Hill	 3.7%	Cumberland
Rockview	 3.5%	Centre