

## North Louisiana family is a major force in the state's vast prison industry

Published: Monday, May 14, 2012, 5:00 AM Updated: Monday, May 14, 2012, 2:27 PM



By Cindy Chang, The Times-Picayune

JONESBORO -- Clay McConnell is an unlikely scion for a prison empire. An ordained minister, his curly brown hair is fashionably ruffled, and he gets flustered when speaking in front of a video camera. His father, Billy, is the brains behind LaSalle Corrections, the one who expanded the family business from senior citizens to criminals.



**Enlarge Scott Threlkeld, The Times-Picayune** SCOTT THRELKELD / THE TIMES-PICAYUNE LaSalle Corrections owns and manages the Jackson Parish Correctional Center near Jonesboro, but it needs the sheriff as much as the sheriff needs it: Only government entities can receive state inmates. In return, the Sheriff's Office gets a guaranteed \$100,000 a year. LaSalle's pipelines from the New Orleans area are so well-established that the warden does not call Jefferson Parish — Jefferson calls him to announce that a busload of inmates is ready to be shipped up north. **Louisiana Incarcerated: Local prisons clean up** gallery (13 photos)

When a prison-building boom swept north Louisiana in the 1990s, Billy McConnell got in on the financing and construction ends. Then he thought, why not run the prisons, too? He already ran nursing homes, and the bottom line was the same. His experience feeding and housing old folks could be applied to keeping drug pushers and petty thieves behind bars.

"We realized that prisons are like nursing homes. You need occupancy to be high. You have to treat people fairly and run a good ship, but run it like a business, watch food costs, employee costs," said Clay McConnell, 37.

Today, the McConnells are a major force in Louisiana's vast prison industry, playing a role in the incarceration of one in seven prisoners. The family's fortunes have risen hand in hand with those of rural sheriffs who are the best-known face of Louisiana Incarceration-for-Profit Inc. More than half of the state's 40,000 inmates are housed in local prisons run by sheriffs or private companies like LaSalle for the express purpose of making a buck.



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Whether a sheriff uses the revenue to buy shotguns or whether LaSalle uses it to build a gleaming new headquarters, the result is the same. If you are sentenced to state time in Louisiana, odds are you will be placed in a local prison -- a low-budget, for-profit enterprise where you are likely to languish in your bunk, day after day, year after year, bored out of your skull with little chance to learn a trade or otherwise improve yourself. A coveted spot at a state prison like Angola, Hunt or Dixon is a long shot for anyone not convicted of a violent crime such as murder, rape or armed robbery.

Local prisons specialize in incarceration on the cheap. State prisons are built on huge acreage, offer an array of vocational classes and require able-bodied inmates to work. While the average daily price tag for an inmate at a state prison is \$55 a day, local prisons only get \$24.39 -- and try to wring a few extra dollars from that.

Yet these are the very inmates, convicted of minor crimes such as drug possession and writing bad checks, who will soon be back in society. While lifers at Angola learn welding, plumbing and auto mechanics, 11,000 of the 15,000 people released from Louisiana prisons each year come out of local facilities and have had no such opportunities.

Louisiana locks up more people per capita than any other state. One in 86 of its adult citizens is behind bars. Of those Louisiana inmates, 53 percent are housed in local prisons -- by far the highest percentage in the country.

The two statistics are inextricably linked. Prison operators, who depend on the world's highest incarceration rate to survive, are a hidden driver behind the harsh sentencing laws that put so many people away for long periods. Then, there are the regime's losers: the ex-convicts who have not received any rehabilitation in local prisons and the innocent citizens who become their victims.

This incarceration bonanza evolved with the wholehearted encouragement of the Louisiana Department of Corrections as a cheap, ad hoc solution to overcrowding in the state prisons. The state spends \$182 million a year to house inmates in local prisons. While rural sheriffs and private investors reap the benefits, the negative consequences are most acute in New Orleans and other urban areas that produce more criminals than they can house in their own local jails.

South Louisiana's crime problems fuel north Louisiana's incarceration industry. The dollars that might have been scraped together to pay for inmate rehabilitation go instead to upgrading a rural sheriff's vehicle fleet.

Annual profits in good years range from about \$200,000 for an average-sized operation to as much as \$1 million for parishes with several prisons.

"For the sheriffs, that became like heroin, that became a regular source of income for them," said Burk Foster, a former University of Louisiana-Lafayette professor and an expert on Louisiana prisons. "The way they save money is not because the sheriffs are more efficient but because they have fewer staff and almost no services in terms of medical care or psychological assistance or rehab or educational classes."

### **'I get the patronage'**

The drive down U.S. Route 167 to the Jackson Parish Correctional Center on a cold, drizzly December day is bleak and beautiful. For mile upon mile, pine trees mingle with bare branches and the last of the season's dying leaves in a panorama of green, gray and red. Near Jonesboro, the parish seat, a factory spews white clouds, infusing the air with a sickly sweet smell as cardboard boxes made from local lumber take shape inside.

For as long as anyone can remember, north-central Louisiana has been timber country. These days, it is also prison country. Although Jackson Parish came relatively late to the prison game, the correctional center and its 130 jobs are as vital to the local economy as the Smurfit-Stone cardboard plant.

Inside, prisoners in black-and-white striped jumpsuits nap on bunk beds. It is 9 a.m., and breakfast was served hours ago. There is nothing to do until lunch. Some watch television in a corner of the dormitory, which houses about 80 men. At least there is a cafeteria and daily yard time. At some local prisons, inmates eat in their dorms and only breathe fresh air a few times a week.

An orange uniform denotes trustee status -- about 100 of these inmates mop floors and prepare food inside the prison. Another 100 leave the premises each day for jobs in the free world as part of a work-release program. Two dorms are devoted to a Christian-themed substance-abuse program called Celebrate Recovery. The rest of the 1,100 men, the lowly black-and-white stripes, must figure out how to amuse themselves.

When Sheriff Andy Brown was elected in 2004, Jackson Parish's only jail was on the top floor of a 1930s-era courthouse so Old South it retains a long-defunct hook and trapdoor for hangings. Inmates enjoyed plugging up the toilets so the whole building, including the sheriff's office, would flood. Brown ran on the promise of a new jail for local residents incarcerated while awaiting trial.

The best way to finance the operation, Brown realized, was to scale it up by also keeping prisoners from other parishes who would bring in the \$24.39 state per diem. Could he raise enough cash from his rural electorate to build such a large prison, and did he want to branch out from law enforcement to feed, house and secure hundreds of inmates from tough urban areas?

**In business: Clay McConnell of LaSalle Corrections** Clay McConnell of LaSalle Corrections talks about his company's partnerships with local sheriffs to house criminals.

The sheriff decided to bring in Billy McConnell's company, LaSalle Corrections, which is based in nearby Ruston and runs a dozen prisons in north Louisiana and Texas. LaSalle poured \$15 million into the one-story warehouse-like structures a few miles from Jonesboro's quaint, semi-abandoned downtown.

The company owns and manages the Jackson Parish Correctional Center, but it needs the sheriff as much as the sheriff needs it: Only government entities can receive inmates from the state. In return, Brown's department gets a guaranteed \$100,000 a year.

Brown now has a decent place to house his pretrial inmates. The regular payments from LaSalle certainly come in handy. But for him, the real cake is the jobs. He made sure the prison's 100-plus employees

would be sheriff's deputies with full government benefits, instantly tripling his workforce. LaSalle pays their salaries, while Brown has the final say on hiring and firing. His constituents are always asking about openings. For a parish of only 16,000 residents, a 1,147-bed prison is an economic powerhouse. Last fall, Brown won re-election unopposed.

"There's a lot of patronage here by hiring all these people. It's good for a rural community," Brown said. "We were able to bring a facility to this community without using any tax dollars. We employ X number of people and don't spend any money, plus the \$100,000 a year sponsor fee. I get the patronage."

### **Far from home**

Among the inmates from New Orleans in Jackson Parish Correctional Center on that chilly December day are Michael Heine, 26, serving five years for burglary; David Adams, 45, transferred from a state prison because of his skill in painting cars; and Tyrone Dupleche, 39, with five years left on drug charges.

Since Hurricane Katrina, Orleans Parish Prison has not had room for all the low-level convicts sentenced at Tulane and Broad. About one in five of those with sentences of fewer than 10 years ends up at a local prison in another parish. In Jefferson Parish, nearly all the convicted burglars, swindlers and drug dealers are sent hundreds of miles from home to be fed on as little as \$1.50 a day.

Jackson gets about a quarter of its inmates from the New Orleans metro area, with more than 200 typically hailing from Jefferson Parish. LaSalle houses many more south Louisiana natives at its other prisons, which form a swath roughly paralleling Interstate 20 -- Catahoula, Claiborne, LaSalle, Richwood, Lincoln, Concordia. In Richland Parish, the company has a financial stake in the prison but does not manage it.

Few Louisianians have heard of LaSalle Corrections, but its reach is broad: A quarter of local prison inmates are incarcerated in a LaSalle-affiliated facility.

Dupleche, a 9th Ward native, is lucky to have a job in the prison cafeteria. At least there is something to take his mind off the distance from his family in New Orleans. He applied for a geographic transfer but never heard back.

"These places, you just housed. It's a warehouse. And then to be away from home," said Dupleche, a round-faced man with a shaved head, clad in an orange trustee jumpsuit. In nearly a year, he has not had a visit from his aunt and grandmother, who are too old and sick to make the five-hour drive from New Orleans. In a previous stint at Dixon Correctional Institute, a state prison, Dupleche learned the plastering trade, landing a job at Stucco King when he returned home. At Jackson, he simply marks time.

Adams is more philosophical about the distance. The Algiers native started his armed-robbery sentence in 1998 at Avoyelles state prison. There, he learned how to paint cars.

After 12 years, Adams was transferred to a local prison in Concordia Parish, near the Mississippi River. The reason? The Concordia sheriff needed someone to paint his patrol vehicles. Adams didn't get along with a lieutenant there, so off he went to a LaSalle-run prison, also in Concordia. Since last June, he has been at Jackson, where the staff is making good use of his painting skills.

Adams chooses not to dwell on the series of transfers. The private prisons are less authoritarian than state facilities, he said, and there is more trust between inmates and guards. His job allows him to spend most of his time outdoors. He doesn't mind being far from home; he is planning to leave New Orleans and its

troubled streets behind anyway. When he is released in three years, he would like to open an auto body shop in Natchez, where he has family.

"You accept your surroundings. This is part of my sentence," said Adams. "All I'm worried about is the 36 months. Prison is prison."

Heine is similarly sanguine. He wishes the prison offered more classes, which would be "a lot more time off people's hands and give them something to look forward to when they get home." But for him, the distance from New Orleans is a good thing, providing him with distraction-free time to think about what went wrong and how to do better.

### **Incarceration gold rush**

Two decades ago, the last thing Louisiana sheriffs wanted was more inmates. The state prison system was under a federal court order to reduce overcrowding, and there was no money for new facilities.

The backlog flowed to the sheriffs, who were outraged at having the problem foisted on them. Charles Foti, then the sheriff of Orleans Parish, famously dumped a busload of inmates in a state prison parking lot.

Richard Stalder, who took over the Department of Corrections in 1992, saw a solution. Sweeten the financial incentives, he reasoned, and sheriffs would change their tune. Sure enough, an increased per diem payment and a guarantee of 40 percent occupancy was enough to spark an incarceration gold rush. Sheriffs, seeing jobs for their constituents and new equipment for their deputies, volunteered to build the new prisons the state could not afford. The once-recalcitrant Foti expanded his prison to more than 7,000 beds.

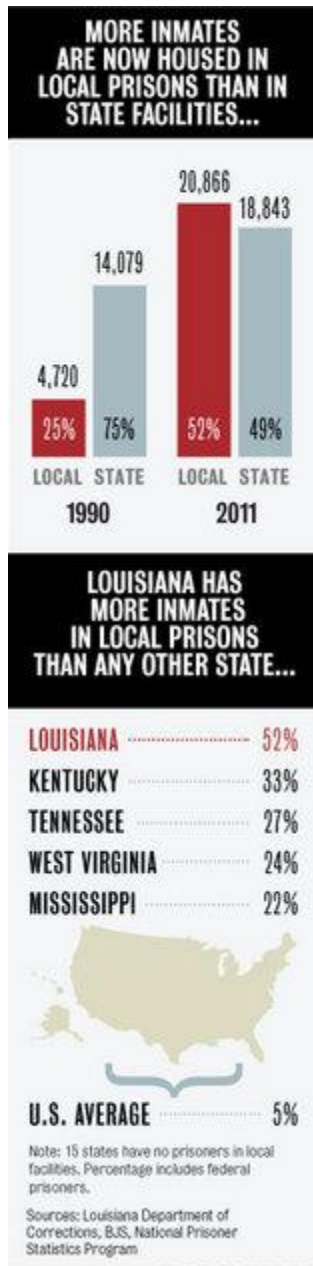
In rural, impoverished north Louisiana, the deal was particularly alluring, not only for sheriffs but for private investors, who knocked on sheriffs' doors, dangling financing and profit-sharing deals. Low, cinder-block buildings ringed with barbed wire sprouted along country highways across the state.

Some small-time investors merely fronted capital for construction costs, collecting monthly rent while avoiding the headaches of running a prison. Billy McConnell, with his nursing home experience, plunged into the management side. Another Louisiana company, LCS Corrections, developed a similar profile, with three prisons in Louisiana and three in Texas. Louisiana's private prison industry is mostly homegrown: The national chains CCA and GEO each operate a state prison but no local prisons.

A handful of tiny towns have even gotten in on the spoils. Richwood, a town of 3,400 near Monroe, gets more than \$100,000 a year from LaSalle for the right to operate a 900-bed prison. Epps, population 854, leases its prison rights to Lafayette-based Emerald Prison Enterprises in exchange for an annual payment of as much as \$200,000. The 700-some prisoners almost outnumber Epps residents, and the detention center accounts for half the village's annual revenue.

Michael Ranatza, executive director of the influential Louisiana Sheriffs' Association, downplays the profit motive. Sheriffs are saving taxpayers a lot of money by incarcerating a prisoner on just \$24.39 a day, Ranatza said. The association is in favor of more inmate programs, but money is an issue.

"It's not like just warehousing. We are providing a lot of programs for \$24.39," Ranatza said. "But as costs continue to rise, that's what they're faced with -- you're getting a lot of them operating right on the edge."



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## Prison economics

So many prisons were built in the boom times of the 1990s that sheriffs are having trouble keeping their beds full, in a business where less than 100 percent occupancy means going in the red. Now, instead of unloading inmates, sheriffs compete with each other for the catch of the day. They trade inmates as they please -- shipping some to a colleague with beds to fill, unloading a guy who complains too much or asking around for a skilled mechanic.

As the cost of food, staffing and health care rises without a corresponding increase in the per diem, some sheriffs are even thinking about selling.

"If you're losing money, you have to do something. If you have a business and it's losing money, you've got to get out of it," said Caldwell Parish Sheriff Steve May. "Since the economy got bad and the cost of everything's gone up, we haven't been able to funnel money to the department. It's been just strictly to keep the prisons going."

A private company is more adaptable than a law enforcement agency with a single prison enterprise, and the McConnells are not worried. Their pipelines from the New Orleans metro area are so well-established that Jackson Parish Warden Tim Ducote does not call Jefferson Parish. Rather, Jefferson calls him to announce that a busload of inmates is ready to be shipped up north.

A drop in the incarceration rate could spell doom for both LaSalle Corrections and the sheriffs. The Louisiana Sheriffs' Association lobbies extensively on its members' behalf and funds campaigns through a related political action committee. Private prison companies have the resources to be major political donors themselves. With strategically placed contributions, they can influence legislation as well as potentially steer inmates to their own prisons.

In the past decade, LaSalle and the McConnells have donated about \$31,000 to campaigns, including \$10,000 to Gov. Bobby Jindal and numerous contributions to north Louisiana state legislators. LCS and its owners have thrown much more cash at politicians -- about \$120,000 since 1999.

Some of LCS's donations are to urban sheriffs who have a surplus of state-sentenced inmates and can choose where to send the overflow. LCS gave East Baton Rouge Sheriff Sid Gautreaux the maximum, \$5,000, in 2008, 2009 and 2010, for a total of \$15,000. About 3,100 Baton Rouge residents are currently incarcerated throughout the state, while Gautreaux's own prison has room for only 1,800.

Pat LeBlanc, one of LCS's founders, ran unsuccessfully for Lafayette-area state representative before dying in a plane crash in 2008. His brother, Michael LeBlanc, continues as the chief executive. LCS has run into corruption allegations in Texas, but a spokesman said the Louisiana operations have not had any issues.

If worse comes to worst, the McConnells will get into the more lucrative business of housing federal and out-of-state inmates, which they have already been doing to some extent. They are quick to seize on expansion opportunities.

When Jindal floated a short-lived proposal to sell two state prisons, LaSalle's bid included the option of closing those facilities and moving the inmates to existing LaSalle properties. The company is angling to open a 1,000-bed facility in Arizona, where the detention of illegal immigrants is a growth industry. Jindal's new plan to privatize the state-run Avoyelles Correctional Center presents a golden opportunity for experienced prison operators like LaSalle.

Clay McConnell will not discuss LaSalle's balance sheets, but the family business exists to make money.

"I'm not running a nonprofit," he said.

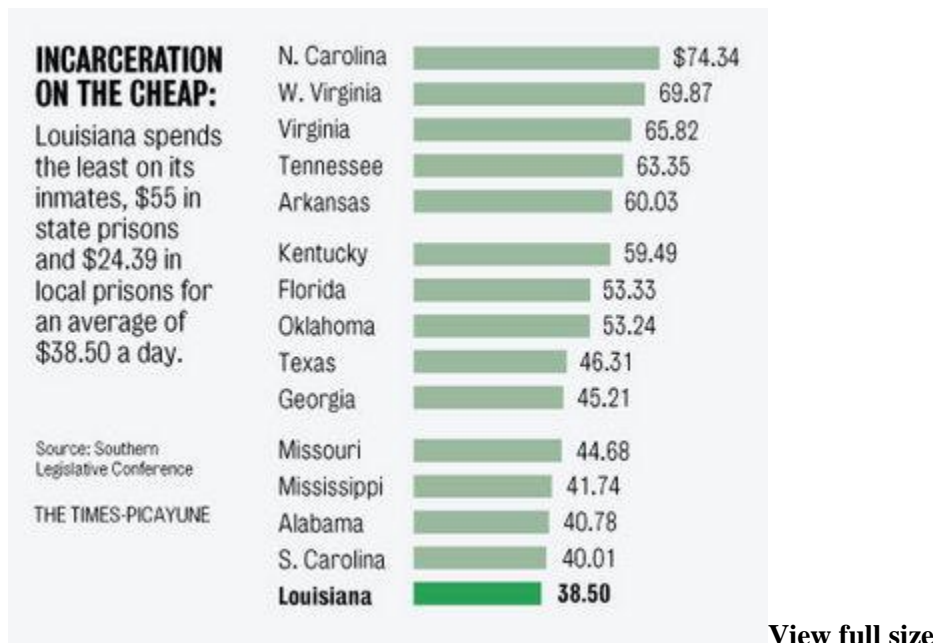
### **Money for rehabilitation**

Local prisons undergo annual inspections and are required to comply with the Department of Correction's Basic Jail Guidelines. Beyond that, they are so loosely regulated that even Secretary of Corrections Jimmy LeBlanc is having trouble getting a handle on the daily transfers of inmates among facilities.

According to a review of inspection reports for the state's 100-some local prisons, physical conditions are usually adequate, if basic. A major exception is Orleans Parish Prison, an aging, understaffed facility where violence and substandard living conditions are endemic. Following multiple lawsuits and withering criticism from federal authorities, Sheriff Marlin Gusman recently closed one building, the House of Detention, which housed over 600 inmates.

Prisons dating from the 1990s boom are new enough to still be in good shape physically. Prison officials, inmates and former inmates say the main problem is the lack of constructive activities, which not only engenders stifling boredom but leaves prisoners ill-prepared to re-enter society when they are released. Many sheriffs say they would gladly offer more programs, but they need more money from the state to do so.

In part because of their religious bent, the McConnells are more focused on rehabilitation than many local prison operators and are willing to set aside a portion of their profits for that aim. The relationship is sometimes symbiotic: Offering the Blue Walters substance-abuse rehab program, as LaSalle does, fills beds with inmates even as it only consumes 60 hours of their lengthy stays.



Clay McConnell may want to show his charges the right path, but there is no disguising that these are bare-bones operations. The \$24.39 per diem is by far the lowest that any state spends on prisoners. Out of that, LaSalle must not only turn a profit but divvy up the money with its public-sector partners. At Richwood Correctional Center, a row of classrooms is shuttered, awaiting teachers and books.

One of LeBlanc's signature initiatives is the 100-hour job and life skills curriculum known as re-entry, which is offered to all inmates leaving state prisons. He said he hopes the 53 percent of inmates serving their time in local prisons will someday go through the program, too.

But at a time when budget cuts have forced him to leave guard towers at the Angola state penitentiary unmanned, finding money is like squeezing the proverbial blood from a stone. Lowering the incarceration rate would free up some cash, but the political winds do not seem to be blowing in that direction.



LeBlanc, always careful to praise the sheriffs as important "partners," said he would like to see a smaller prison population, with more resources devoted to those who remain behind bars. Under that scenario, sheriffs would continue to house state prisoners, receiving higher payments in return for providing more rehabilitation.

LeBlanc has also hinted that he might implement a centralized system for distributing inmates among local prisons, ending the daily horse trading that goes on below the radar.

In the past few months, Department of Corrections officials have begun to regulate the locations of inmates from Orleans and Jefferson parishes.

"You have to understand that, politically, it has a lot to do with the politics side," LeBlanc said of the sheriffs. "Economically, it means a lot to their parish. They use that money for patrols. It helps their parish and public safety to have extra funds. You can't knock them for that, and that's why we've got to do it in partnership."

**Louisiana Incarcerated: Intro Video** Louisiana has more citizens in prison than anywhere else in the world. A New Orleans Times-Picayune team of reporters led by Cindy Chang along with photographer Scott Threlkeld investigates why. Here is a video preview of this Times-Picayune special Report.

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