



TESTIMONY OF:

**The Connecting Families Coalition
Joint Written Testimony of:**

**Presented before
The New York State
Senate Committee on Finance and Assembly Committee on Ways and Means
Joint Legislative Budget Hearing**

February 7, 2023

On behalf of The Connecting Families Coalition, we would like to thank Chair Kreuger of the Senate's Standing Committee on Finance and Chair Weinstein of the Assembly's Standing Committee on Ways and Means for holding today's Joint Legislative Budget hearing on Public Protection, and for giving advocates and impacted community members the opportunity to share the importance of free communication in prison and jails.

Connecting Families NY is a coalition of New Yorkers seeking to end the profiteering of the communications of families and incarcerated people in New York's correctional facilities. The Connecting Families Act (S1942/A2164) would make communication free for people incarcerated in New York prisons and jails. Phone calls are a lifeline for incarcerated people and their families. The Connecting Families Coalition is fighting for legislation that would end the extraction of wealth from families – disproportionately Black, Brown, and Indigenous and low income – by making phone calls free for all incarcerated people in New York. Keeping families connected is critical to successful reentry, and safe resilient communities.

We urge the legislator to pass the Connecting Families Act (S1942/A2164) and appropriate \$20.1 million for its implementation, and we urge Governor Hochul to support

the bill and appropriation.

We have built proprietary models based on the data we have gathered from prisons and jails across the country that allow us to support administrators and lawmakers with critical fiscal analyses. Our findings are based on the following assumptions:

I. Population.

For this analysis, we use the average daily population as of September 2021 for New York prisons and jails, or 31,853 for the Department of Corrections and Community Supervision (DOCCS) and 9,922 for the state's county jails. These population figures have fallen significantly over recent years thanks to important criminal justice reforms and lingering impacts of COVID. If the population drops further, the fiscal impact would be lower.

II. Financials.

The state prison system does not collect revenue off of communication. The county revenue data used in this analysis was pulled from the data used in the 2018 report *Paying For Jail: How County Jails Extract Wealth from New York Communities* authored by Worth Rises and the Brooklyn Community Bail Fund. The data reflects 2017 and while we would ideally use current data, we were not able to secure more recent data in time for this analysis. That said, we have adjusted annual revenue and commission figures down to account for the meaningful change in populations. However, call rates have also declined significantly over the past few years, which we have not accounted for and would further lower the fiscal impact.

III. Cost of service.

Incarcerated people in New York and their loved ones are charged between \$0.04 and \$0.21 per minute for calls, except for those in New York City, which has already made all jail calls free. For this analysis, we assume that DOCCS and the county jails would renegotiate rates in line with other progressive states and counties that have stopped taking commissions and prioritized affordability in assuming this cost directly. There are more competitive rates offered by all the leading jail telecom providers. For example, families pay a per minute rate of \$0.009 in Illinois, \$0.0119 in Dallas, \$0.025 in California, \$0.029 in Rhode Island, and \$0.05 in 17 counties in New Jersey. In this analysis, we conservatively assume DOCCS secures a rate of \$0.0119. We also very conservatively oblige the vendor's argument that smaller jails have a higher cost and use a per minute rate of \$0.07 for jails with less than 250 people, \$0.05 for jails with less than 500 people, and \$0.03 for the largest jails. New York correctional administrators and sheriffs can certainly secure these or better rates.

IV. Call volume.

Our proprietary elasticity model accounts for changes in call volume based on changes in rates. We use this model to account for the increase in volume expected when rates fall to zero as the proposed legislation requires. More specifically, when phone calls are free, we predict that call volume will increase to an average of 30.5 minutes per person per day, as it did in jurisdictions that have already made calls free.

V. Pricing models.

Conservatively, the model assumes that DOCCS and all county jails retain a per minute payment model and procure services individually. However, there are new contract models, like the one pioneered by the San Francisco Sheriff's Department, that are changing the landscape for prison and jail telecom. The San Francisco model, for example, is based on a per month phone line rate rather than a per minute call rate. The county now pays \$89.78 per phone line per month, and since they pioneered this model, offers have come in as low as \$49 per phone line per month. Based on information provided by DOCCS, state prisons have 3,628 phones. If DOCCS or any county jail pursued this or any other alternative contract models, the fiscal note would be lower. Even if New York state could only procure phone lines at the higher rate San Francisco pays, the total cost for DOCCS to provide free calls would be just \$325, 722. The fiscal note would also be lower if any of these state and county agencies decided to procure services together given economies of scale.

VI. Electronic messages.

Incarcerated people in New York prisons are charged to send electronic messages referred to as "emails" by the providers. Every electronic message requires a "stamp", and attachments, such as images or videos, can each require up to four additional stamps. Incarcerated people in New York and their families pay between \$0.17 and \$0.25 per stamp, depending on whether they buy them individually or in bundles. In 2020, there were roughly 2.5 electronic messages sent per day per person, which we estimate translates to 2.75 stamps. In this analysis, we assume that use increases to 6.5 stamps per day per person when they are free and that DOCCS conservatively pays \$0.03 per stamp, which is in line with other states that have sharply negotiated rates. We are not familiar with any jail facility that currently provides electronic messaging services in New York and thus they have not been accounted for in this analysis.

After careful and thorough analysis, we found that: Making prison and jail communication free would save New York families an estimated \$47.2 million each year.

Today, New York residents are paying as much as \$0.21 per minute to speak with an incarcerated loved one, or \$3.15 for a 15-minute phone call, and \$0.25 for a stamp for an electronic message. The proposed legislation would make prison and jail communication free

for incarcerated people and their families. New York residents spend an estimated \$36.2 million to speak with incarcerated loved ones annually, before taxes and fees – \$28.3 million on calls and \$7.9 million on electronic messages. While DOCCS does not collect commissions on communication revenue, county jails make an estimated \$7.3 million in commissions. Prison telecom vendors retain the remaining \$28.9 million. Families also pay an estimated \$6.0 million annually in other government fees and taxes, including the Federal Universal Service Fund.

The vendors also collect additional fees, including an account funding fee of \$3 per transaction (capped at \$50). With a national average deposit of \$17, the account funding fees alone are estimated to cost families an additional \$5.0 million annually.

The fiscal impact of the proposed legislation on state and county budgets is estimated between \$20.1 million in the coming year.

The fiscal implication of the proposed legislation has two parts: (1) the loss of commission revenue to counties, and (2) the cost of service for the provision of prison and jail communication.

- A. Since the state does not collect commission on prison communication, there is no loss of revenue to the state. Conversely, counties collectively make an estimated \$7.3 million in commissions on jail phone calls, annually. The expenditures covered by this revenue will need to be absorbed by another source.
- B. The cost of providing free calls in correctional facilities across New York would be an estimated \$10.5 million – \$4.2 million in state prisons and \$6.3 million in local jails – based on all the assumptions outlined previously. Note: If DOCCS pursued the alternative model pioneered by San Francisco, the cost could drop to \$2.5 million, lowering the fiscal note by \$1.7 million.
- C. The cost of providing free electronic messages in New York prisons would be an estimated \$2.3 million based on all the assumptions outlined previously.

Communicating with loved ones is an essential human need. Yet, for people who are incarcerated in New York and their loved ones, the predatory costs of prison and jail phone calls makes connecting nearly impossible. These costs force incarcerated people and their families to choose between paying for basic necessities or staying connected. The financial impact of this choice is felt most acutely by economically distressed communities and communities of color. In fact, one in three families goes into debt just to hear the voice of a loved one.

The ability of incarcerated people to stay connected with their loved ones is also critical to successful reentry. In fact, research shows that keeping family ties during incarceration is associated with lower recidivism. Keeping families connected is thus critical to safe resilient communities. Our fiscal analysis does not measure the savings of lower recidivism rates and safer communities, we anticipate by keeping families connected. Accounting for these anticipated savings would result in an even lower fiscal impact to the state and counties.

Among efforts to decarcerate our prisons and jails, we must pass legislation to connect New York's families by requiring correctional agencies provide calling services at no cost to incarcerated individuals or their families. New York City was the first major city to pass such legislation in 2018 and this model has been replicated across the nation, such as San Francisco, Connecticut and Congress passing the Martha Wright Reed Just and Reasonable Communication Act. **We urge Governor Hochul and the Legislature to support the Connecting Families Act (S1942/A2164) in its entirety.**