# Private Prisons Are Ramping Up Detention of Immigrants and Cashing In

The Trump administration is expected to use thousands more beds in these facilities as part of its mass deportation effort.

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The South Texas Family Residential Center in Dilley, Texas, in 2019. Ilana Panich-Linsman for The New York Times

The South Texas Family Residential Center in Dilley, Texas, in 2019.llana Panich-Linsman for The New York Times

Damon Hininger, the chief executive of CoreCivic, which operates private

prisons and immigrant detention centers, opened an investor call last month on a buoyant note.

"I've worked at CoreCivic for 32 years, and this is truly one of the most exciting periods in my career," he said, adding that the company was anticipating in the next several years "perhaps the most significant growth in our company's history."

CoreCivic, GEO Group and some smaller private prison companies are becoming a key cog in the Trump administration's plan to hold and then deport vast numbers of undocumented immigrants. Already in the past week, CoreCivic and GEO have announced new contracts and executives say they are expecting more.

#### Most immigrant detention beds are in facilities run by private operators

Average daily population

Note: Only facilities with an average daily detained population greater than five in fiscal year 2025 are shown. Locations are approximate. Data is as of Feb. 23.

Source: <u>Immigration and Customs Enforcement</u>

Predictions for such a stratospheric trajectory in revenue for these companies did not look to be in the cards just four years ago.

Public sentiment had turned against its industry, amid accusations of safety and health violations and the stigma of profiting from the incarceration of immigrants. Big banks, responding to pressure campaigns from activists, had announced they were going to <a href="stop:issuing.new loans to the companies.">stop issuing.new loans to the companies.</a>
The newly elected president, Joseph R. Biden Jr., had vowed on the campaign trail to end contracts with the companies.

The industry's time in the wilderness turned out to be short lived.

Despite Mr. Biden's pronouncements, most federal contracts with private

detention companies remained untouched. The banking giants Bank of America and Wells Fargo over the past two years have softened their policy statements to allow financing again for detention companies in some circumstances, after some Republican-led states passed laws aimed at forbidding the blacklisting of certain industries.

And that was before President Trump took office, having promised repeatedly during the campaign that he would swiftly rid the country of millions of undocumented immigrants. The process will necessitate detaining immigrants for weeks or months as they await a ruling from an immigration judge or transportation out of the country — with private companies standing to gain.

On Wednesday, CoreCivic announced it was reopening a shuttered family detention center in Dilley, Texas, that holds up to 2,400 children and parents.

In the earliest weeks of the second Trump presidency, immigrant detention has already started to swell. Congress currently provides funding to detain a daily average of 41,500 noncitizens. As of Feb. 23, the <u>detained population</u> in ICE custody hovered around 43,800.

That number is expected to grow.

Immigrant detention population has surpassed congressional funding for beds

Funded detention beds

Total detainee population

George C. Zoley, the executive chairman of the GEO Group, said in a conference call last week that the government was moving at an unprecedented speed to procure new contracts: "We've never seen anything like this before."

But the arrival of a crush of new detainees has advocates for immigrants

worried that government oversight and transparency of the facilities, already a longtime issue amid humanitarian concerns and the often chummy relationship between the private companies and government offices, will further decline.

## **Cultivating Ties**

The first private detention facility opened in 1983, when the Immigration and Naturalization Service (ICE's predecessor) asked CoreCivic to come up with a facility in less than a month that could hold 86 migrants in Texas.

T. Don Hutto, the now deceased co-founder of CoreCivic, found a motel the company could lease for 90 days, buying toiletries at Wal-Mart on his own credit card.

T. Don Hutto, the co-founder of CoreCivic, helped found the first private detention facility in 1983 in a motel that could hold 86 migrants in Texas.Bruce Jackson, via Associated Press

"We met the deadline, the detainees arrived, and a new relationship was forged between government and the private sector," he said at the time, according to the company.

A decade later, the federal law that lays out modern immigration detention and deportation procedures codified the practice of favoring private or local government facilities over building new federal facilities.

By that point CoreCivic had been joined by a competitor, GEO Group, which eventually overtook it in federal contracts.

Both CoreCivic and GEO Group cultivated government ties.

Though executives with the companies and their political action committees have traditionally made bipartisan campaign donations to representatives in Congress, in the last election cycle nearly all of the donations went to Republicans.

A GEO Group subsidiary gave more than \$2 million to Republican PACs that accept unlimited donations, with the bulk going to groups that supported House Republicans and Mr. Trump.

In addition to the donations, the coziness between the company and government has resulted in a revolving door of personnel, especially with ICE, which enters into and oversees the detention contracts.

That creates what some former ICE officials say often looks like a symbiotic relationship that discourages sharp scrutiny and keeps the company in favor within the agency.

David Venturella, a longtime ICE official, left in 2012 to take a position at GEO

and later became the head of client relations. The company's biggest client? ICE. He retired in 2023 and recently became a senior adviser there. The agency said in a statement that he brings invaluable expertise.

Mr. Venturella was replaced at GEO by Matthew Albence, the former acting director of ICE during the first Trump administration.

David Venturella, a longtime ICE official, became the head of client relations for GEO in 2012 before retiring in 2023, exemplifying the revolving door of personnel between private prison companies and the government.Ron Holman/Visalia Times-Delta, via Imagn

Matthew Albence, the former acting director of ICE during the Trump administration, replaced Mr. Venturella at GEO.llana Panich-Linsman for The New York Times

Other former prominent officials, like Henry Lucero, who once oversaw deportation officers during Mr. Trump's era, and Daniel Ragsdale, a former ICE leader during the Obama administration, are also part of the company.

In October, the head of ICE's deportation wing during the Biden administration, Daniel Bible, moved directly from overseeing a division that included ICE detention facilities, including GEO's, to joining the company, according to a public document and his LinkedIn page.

## **Adding Beds**

Private companies that operate much of the detention system now overseen by ICE are starting to get a big piece of a larger pie.

To deliver on Mr. Trump's plans, his border czar, Tom Homan, has said he will need at least 100,000 detention beds — more than double the current capacity.

Private operators are ready to double immigrant detention capacity

Average daily detainee population at facilities owned or operated by each group

Current detention beds in use Expansion beds proposed 14,000 **GEO Group** 10,000

CoreCivic

12,000

Other private

45,000

GEO Group and CoreCivic

Each square represents 100 detainees

He has made clear that the tally of immigrants the administration is able to deport is almost entirely dependent on the number of beds the government makes available. Lawmakers are scrambling to come up with massive funds for holding adult detainees at a cost of around \$165 a day per bed.

Over the past few months, prison companies that own or operate facilities have housed a daily average of around 36,000 detainees — almost 90 percent of all detention beds in the country. GEO Group, the largest operator, says it can more than double its number of beds by increasing capacity at existing facilities and reopening idle ones this year.

CoreCivic, the second-largest operator, says it is in steady communication with Trump administration officials and has already submitted a plan to make nearly three times as many beds available within a few months. That would mean an extra \$1.5 billion in revenue for the company — 75 percent of the company's entire revenue for 2024.

Revenue from ICE has been steady for private detention operators

Share of revenue from ICE

Source: GEO Group; CoreCivic

When Wall Street analysts on a recent call asked executives how they would now be able to scrounge up so many more spots, executives explained that it would be, in part, by placing more people into facilities beyond their stated capacity.

They say they can do this without worsening conditions.

Government inspections for years have found evidence of negligence at private detention facilities, from a lack of access to medical care to unsanitary conditions, including problems that may have led to deaths of detainees. Lawsuits against the companies allege that programs paying detainees as little as \$1 a day to work is tantamount to illegal forced labor.

Mr. Homan recently <u>said at a conference for sheriffs</u> that he was working to try to reduce the number of inspections and agencies that monitor these facilities.

He also said that the conditions that are acceptable in local prisons and jails for U.S. citizens should be good enough for detained immigrants. But such penal facilities often have lower standards than federal detention centers. Many immigrants housed in them are not charged or convicted of crimes; rather, they are accused of civil violations related to their entry into the country.

"You're going to have even less accountability and many more abuses and almost certainly more deaths," said Heidi Altman, the vice president of policy at the National Immigration Law Center.

Heidi Altman, the vice president of policy at the National Immigration Law Center, during a House Judiciary subcommittee hearing in 2019. Jose Luis Magana/Associated Press

In a statement, an ICE spokesperson said the agency has "a robust and multilevel oversight and compliance program" to protect the health and safety of those in its custody. The agency "continues to uphold all ICE detention policies and standards, with no changes to our oversight procedures," the spokesperson said.

CoreCivic maintains that its labor program is voluntary and that detainees get proper access to medical care.

In a statement, a CoreCivic spokesman said that in adding more detainees to existing facilities, the company would "never do anything that would diminish our priority of running safe and secure facilities or providing high-quality services to those in our care."

A GEO Group spokesman, in a statement, said the company's "facilities and services are closely monitored in accordance with strict government contract standards." The company said it works with all level of government to ensure that all persons entrusted to our care are treated in a safe, secure and humane manner.

If more beds are made available, they could come in some instances by reopening facilities that have been forced to reduce population or shutter amid allegations of unsafe or crowded conditions.

In 2020, a federal judge <u>ordered the release</u> of detainees and banned new ones from being held at an ICE processing center in Adelanto, Calif., after an outbreak of Covid tore through the facility. Since then, fewer than five detainees have been held there. In January, the court order was lifted, allowing the GEO Group facility to return to its full capacity of 1,940 this month.

The Adelanto facility was found, in a federal audit in 2018, to have violations that "pose a significant threat to maintaining detainee rights and ensuring their mental and physical well-being."

The facility in Dilley that will reopen became one of the flash points during the first Trump administration <u>over humanitarian concerns</u> associated with Mr. Trump's immigration policies that included detaining children.

During the Biden administration, the facility became adult-only as the administration largely ended the practice of detaining families crossing with children. It was shut down last year because it was the most expensive detention facility in ICE's network, the agency said at the time. The closure had caused CoreCivic's stock to tank.

This week, its stock is on the rise.

Alain Delaquérière contributed research.

#### A correction was made on

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An earlier version of this article misstated the name of an advocacy group for immigrants. It is the National Immigration Law Center, not the National Immigrant Law Center.

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