

Money Transfer and Other Technology Services in Correctional Facilities

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April 21, 2023 | 2023-R-0099

Issue

This report describes JPay and the services it provides. It describes how Connecticut and other states use JPay and whether any states subsidize JPay.

Summary

JPay provides financial and technological services to inmates in state correctional facilities, including a system through which friends and family members may electronically transfer money to inmates. JPay also provides touchscreen tablets to state correctional departments that inmates may use to communicate with their friends and family and access other applications.

JPay provides money transfer services to 35 state correctional systems, including Connecticut. Several states use JPay as their exclusive provider of money transfer services, while others use JPay as one of multiple providers. JPay is one of three money transfer providers used by the Connecticut Department of Corrections (DOC), which also accepts funds through the mail. We additionally located at least three states, including Connecticut, that use JPay as their tablet provider to inmates. We were unable to find any states that subsidize JPay, but some states limit fees.

JPay Services

JPay provides financial, technological, communications, and educational services to state correctional facilities in multiple states. JPay services include the following:

1. [electronic payment and deposit services](#), from which incarcerated people may receive money from friends or family members through credit and debit card payments over telephone, the internet, mobile applications, and money orders;
2. [services](#) to facilitate required court-ordered and community-corrections payments;
3. [communications services](#) between incarcerated persons and their friends and families (e.g., video chat, email, and instant messaging); and
4. [educational services](#) in conjunction with the Correctional Education Association (CEA) to incarcerated persons through touchscreen tablets.

JPay in Connecticut

The Connecticut DOC Inmate Trust Fund (ITF) is responsible for receiving funds for incarcerated offenders, making payments for them, and maintaining all records associated with offender accounts. The ITF uses four methods to transfer funds to inmate accounts: JPay, U.S. mail, TouchPay Electronic Deposit, and Western Union Electronic Deposit. JPay [charges fees](#) for money transfers, ranging between \$2.95 and \$11.95 (depending on the amount and whether the transfer occurs online or over the phone). DOC provides specific information about how JPay payments are made on its [website](#).

The DOC also [contracted with JPay](#) in 2019 to provide tablets to the state's inmate population. According to DOC, JPay provides the tablets at no cost to the state or taxpayers and also provides for the installation, networking, and infrastructure required for their operation. The tablets do not have internet access. JPay charges inmates for premium services, including movies, songs, video games, and e-books. However, DOC states that inmates may receive some free services, including educational, religious, life skills, job skills, a law library, inmate media accounts, commissary, and internal DOC inmate communications. Outgoing emails are [free of charge](#), and tablet e-messaging is currently available at six correctional facilities. DOC provides more information about JPay tablet use on its [website](#).

JPay in Other States

According to JPay, the company provides money transfer services to inmates in 35 state correctional systems. In at least eight states, JPay appears to be the exclusive provider of money transfer services ([Florida](#), [Pennsylvania](#), [Minnesota](#), [Missouri](#), [North Carolina](#), [North Dakota](#), [Tennessee](#), and [Virginia](#)). In other states JPay is one of multiple money transfer providers to inmates (e.g., [California](#), [Colorado](#), [Illinois](#), [Iowa](#), [Ohio](#), [Oregon](#), and [Washington](#)). Fees charged for money transfers to inmates vary by state and typically depend on the amount transferred and whether the transfer is made online, over the phone, or in person.

JPay has contracted with at least two other states to provide tablets to inmate populations (Missouri and New York). In 2022, California [ended its tablet contract](#) with JPay. California now [contracts](#) with another provider (ViaPath Technologies) for its communication and tablet services.

New York has contracted with JPay to provide inmate tablet services [since 2018](#). JPay charges New York inmates \$0.20 for every outgoing email. In December 2022, the New York attorney general [determined](#) that JPay failed to refund inmates or provide technical support when inmates could not download music and videos they purchased. The attorney general reached an [agreement](#) with JPay, whereby JPay agreed to provide \$500,000 in credits to inmates that can be used to communicate with people outside correctional facilities.

States Subsidizing Services

JPay charges a fee to all persons seeking to transfer money to inmates, varying by state and the transfer method. According to DOC, JPay's tablet services are provided free of charge to the state and taxpayers and JPay directly charges inmates for premium services on the tablets.

We were unable to locate any states that explicitly subsidize JPay services in correctional facilities. Presumably, contract terms depend on what the state and vendor negotiate. For example, [a 2021 report](#) from a Virginia Department of Corrections workgroup discusses pricing for money transfers and other services, recommendations to address them, and the department's response (see pp. 41-54).

Additionally, some states may limit fee amounts in their contracts with money transfer service providers or in their laws or regulations. For example, New York state regulations set a \$5 limit on service fees for deposits in prisoner accounts ([N.Y. Comp. Codes R. & Regs. Tit. 9 § 7016.2](#)).