PRESS RELEASE

Human Rights Defense Center
For Immediate Release

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CCA Prison Rape Shareholder Resolution Gains Over 18% of Voting Shares

14.6 million shares voted in favor of requiring Corrections Corporation of America to report on efforts to reduce prisoner rape and sexual abuse. Resolution proponent calls vote results “significant.”

Nashville, TN – On May 10, the shareholders of Corrections Corporation of America (NYSE: CXW), the nation’s largest private prison company, voted on a shareholder resolution that sought to hold CCA more accountable for reducing incidents of rape and sexual abuse at the company’s for-profit detention facilities.

The resolution, introduced by Alex Friedmann, a former prisoner who was incarcerated at a CCA-operated facility in the 1990s, would have required the company to issue biannual reports describing the Board of Directors’ oversight of the company’s efforts to reduce incidents of rape and sexual abuse at each of CCA’s prisons. Friedmann is employed as the associate editor of Prison Legal News, a publication of the non-profit Human Rights Defense Center (HRDC).

The voting results, reported by CCA on Form 8-K filed with the SEC, indicated that 14.6 million shares voted in favor of the resolution and 64.35 million shares voted against, with 7.89 million shares abstaining and 5.33 million recorded as broker non-votes. Therefore, of the shares voting, around 18.5 percent voted for the resolution – or more than one in six of the voting shares. CCA did not release the voting results at the annual meeting as was its prior practice. ISS Governance, one of the nation’s leading proxy advisory firms, had recommended a “for” vote.

“The results are significant,” said Friedmann, “particularly considering the public policy subject matter of the resolution and the fact that it was backed by a limited campaign initiated by a single shareholder – who is a former CCA prisoner, at that.”

“Since almost 20% of the voting shares were in favor of this resolution, CCA’s management team should take notice – and action – accordingly,” added HRDC director Paul Wright, who noted that the SEC considers a 3% favorable shareholder vote to be successful enough to re-introduce a resolution the following year.

CCA had formally objected to the shareholder resolution, saying the company would voluntarily produce less detailed reports related to rape and sexual abuse, claiming that reports on prison rape were part of the company’s ordinary business operations, and questioning Friedmann’s motives behind his resolution to require the company to report on its efforts to reduce prison rape. The SEC rejected CCA’s objections, which led to the resolution being included in the company’s proxy materials – where CCA included a lengthy opposition statement.
Friedmann noted that the resolution provided CCA with an opportunity to demonstrate it was willing to be transparent and publicly accountable in regard to its efforts to reduce incidents of rape and sexual abuse at its facilities, but that the company had failed to do so. CCA’s Board of Directors, including Thurgood Marshall, Jr. and former U.S. Senator Dennis DeConcini, recommended that shareholders vote against the resolution.

As part of his presentation of the resolution at the company’s annual meeting, Friedmann termed the actions of CCA and its board as “shameful” and “an affront not only to the reputation of this company and its employees and board members, but also to prisoners who have been sexually assaulted at CCA facilities. CCA’s government contracting partners, and shareholders, and the inmates housed in CCA prisons, deserve better from this company and its board.”

A number of national groups had expressed support for the shareholder resolution, including Just Detention International, the nation’s leading organization working to stop prison rape and sexual assault. Other supporting organizations included the National Center on Domestic and Sexual Violence; National Organization for Women; Justice Policy Institute; National Council of Women’s Organizations; National Center for Transgender Equality; Citizens United for the Rehabilitation of Errants (CURE); Justice Fellowship; National Lawyers Guild; Detention Watch Network; Partnership for Safety and Justice; and Enlace – an alliance of worker centers, unions and community organizations that works against corporate abuses.

The Human Rights Defense Center, founded in 1990 with offices in Brattleboro, Vermont, is a non-profit organization dedicated to protecting human rights in U.S. detention facilities. HRDC publishes Prison Legal News, a monthly magazine that includes reports, reviews and analysis of court rulings and news related to prisoners’ rights and criminal justice issues. PLN has approximately 7,000 subscribers nationwide and operates a website (www.prisonlegalnews.org) that includes a comprehensive database of prison and jail-related articles, news reports, court rulings, verdicts, settlements and related documents.

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