



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

March 15, 2019

Eric J. Knox  
Bass, Berry & Sims PLC  
eknox@bassberry.com

Re: CoreCivic, Inc.  
Incoming letter dated January 4, 2019

Dear Mr. Knox:

This letter is in response to your correspondence dated January 4, 2019 concerning the shareholder proposal (the "Proposal") submitted to CoreCivic, Inc. (the "Company") by Service Employees International Union Pension Plans Master Trust (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. We also have received correspondence from the Proponent dated January 16, 2019 and February 12, 2019. Copies of all of the correspondence on which this response is based will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

M. Hughes Bates  
Special Counsel

Enclosure

cc: Maureen O'Brien  
Segal Marco Advisors  
mobrien@segalmarco.com

March 15, 2019

**Response of the Office of Chief Counsel**  
**Division of Corporation Finance**

Re: CoreCivic, Inc.  
Incoming letter dated January 4, 2019

The Proposal urges the compensation committee to incorporate respect for inmate and detainee human rights into incentive compensation arrangements for senior executives.

We are unable to concur in your view that the Company may exclude the Proposal under rule 14a-8(i)(10). Based on the information you have presented, it appears that the Company's policies, practices and procedures do not substantially implement the Proposal. Accordingly, we do not believe that the Company may omit the Proposal from its proxy materials in reliance on rule 14a-8(i)(10).

Sincerely,

Frank Pigott  
Attorney-Adviser

**DIVISION OF CORPORATION FINANCE**  
**INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS**

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.



February 12, 2019

Via e-mail at [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov)

Securities and Exchange Commission  
Office of the Chief Counsel  
Division of Corporation Finance  
100 F Street, NE  
Washington, DC 20549

Re: Request by CoreCivic, Inc. to omit proposal submitted by  
Service Employees International Union Pension Plans Master Trust

Ladies and Gentlemen,

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, Service Employees International Union Pension Plans Master Trust (the "Fund") submitted a shareholder proposal (the "Proposal") to CoreCivic Inc. ("CoreCivic" or the "Company"). The Proposal asks the Compensation Committee of CoreCivic's board to incorporate respect for inmate and detainee human rights into incentive compensation arrangements for senior executives.

In a letter to the Division dated January 4, 2019 (the "No-Action Request"), CoreCivic stated that it intends to omit the Proposal from its proxy materials to be distributed to shareholders in connection with the Company's 2019 annual meeting of shareholders. CoreCivic argues that it is entitled to exclude the Proposal in reliance on Rule 14a-8(i)(10), on the ground that CoreCivic has substantially implemented the Proposal. As discussed more fully below, CoreCivic has not met its burden of proving its entitlement to exclude the Proposal on that basis, and the Fund respectfully asks that CoreCivic's request for relief be denied.

#### **The Proposal**

The Proposal states:

RESOLVED, that shareholders of CoreCivic Inc. ("CoreCivic" or the "Company") urge the Compensation Committee (the "Committee") to incorporate respect for inmate and detainee human rights into incentive compensation arrangements for senior executives. This proposal should operate prospectively and be implemented in a way that will not violate any contractual obligation to which CoreCivic is a party or any compensation plan.

#### **Substantial Implementation**

Rule 14a-8(i)(10) allows a company to exclude a proposal if it has been substantially implemented. CoreCivic urges that it has substantially implemented the Proposal because:

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800-458-1010

- Individual evaluations used for incentive compensation purposes take into account “each senior executive’s contribution to furthering the Company’s strategic goals, including the Company’s commitment to the human rights and welfare of the persons placed in the Company’s care”<sup>1</sup>; and
- Financial performance metrics reflect performance under CoreCivic’s government contracts, which include requirements related to human rights.<sup>2</sup>

Neither argument is persuasive.

The disclosure in CoreCivic’s proxy statement contradicts the Company’s first claim. CoreCivic asserts, “[T]he Compensation Committee of the Company’s Board of Directors (the “Compensation Committee”), as stated in the Company’s 2018 proxy statement, ‘performs an overall analysis of the executive’s performance for the year, projected role and responsibilities, impact on execution of [the Company’s] strategy, internal pay practices, emerging trends, total cash and total direct compensation positioning relative to [the Company’s] other executives, the recommendations of [the Company’s CEO] and such other factors [the] Compensation Committee deems appropriate.’”<sup>3</sup> This “holistic approach,” CoreCivic argues, “includes the Company’s commitment to the human rights and welfare of the persons placed in the Company’s care.”<sup>4</sup>

What CoreCivic omits, though, is the context in which the quoted language appears. That language is used in a general description of the Compensation Committee’s process for “making executive compensation determinations.”<sup>5</sup> An examination of the criteria for each compensation element shows that base salary is the only element for which the Committee takes into account individual performance:

- **Base salary:** “Our Compensation Committee approves any base salary adjustments for these executives based on factors such as the competitive compensation analysis, our CEO’s assessment of individual performance, the Company’s performance, the location of the executive’s current salary within the applicable salary range, general market conditions and internal pay equity considerations. The process is similar for determining any base salary adjustments for our CEO, except our CEO does not provide our Compensation Committee with a recommendation.”<sup>6</sup>
- **Annual bonus:** “Under the 4-Factor Bonus Formula, no cash incentive compensation is payable unless we generate positive Adjusted EPS for the year. Presuming we generate positive Adjusted EPS, the 4-Factor Bonus Formula provides for a minimum cash incentive of 17% of actual base salary . . . Whether the actual cash bonus will exceed the 17% minimum bonus principally depends on our objective performance against pre-established Normalized FFO and Adjusted EBITDA goals. An additional bonus amount not to exceed 25% of actual base salary may be awarded at the discretion of our Compensation Committee based on their assessment of our performance with respect to several pre-established, strategic business goals related to the successful execution of our long-term growth, investment and diversification strategy.”<sup>7</sup>
  - For 2017, the “strategic business goals” were: “Execute contract for CoreCivic Properties real estate-only solution,” “Complete financing transaction” meeting certain requirements and

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<sup>1</sup> No-Action Request, at 3-4.

<sup>2</sup> No-Action Request, at 4.

<sup>3</sup> No-Action Request, at 3.

<sup>4</sup> No-Action Request, at 3-4.

<sup>5</sup> 2018 Proxy Statement, at 34.

<sup>6</sup> 2018 Proxy Statement, at 36.

<sup>7</sup> 2018 Proxy Statement, at 38.

“Execute new contract(s) that offset(s) EBITDA erosion attributable to reduced California out-of-state populations.”<sup>8</sup>

- Performance-based RSUs: “Our Compensation Committee considered many factors in determining whether to grant performance-based RSUs to our NEOs (as well as the value of RSUs granted), including our financial performance, our progress in the successful execution of our growth and diversification strategy, competitive market practices, internal pay equity, executive recruitment and retention, and our focus on equity compensation in our pay mix to encourage long-term value creation. . . The performance-based RSUs we granted in 2017 vest based on our achievement of Normalized FFO goals in each year of a three-year vesting period.”<sup>9</sup>

The Proposal asks that respect for inmate and detainee human rights be incorporated into incentive compensation arrangements for senior executives, but base salary is not a form of incentive pay. Neither the amount of annual bonuses nor the amount or vesting of performance based RSU awards, the two types of incentive compensation used by CoreCivic, is affected by a senior executive’s individual performance. Accordingly, CoreCivic’s current senior executive compensation incentive pay arrangements do not substantially implement the Proposal.

CoreCivic’s second argument posits that respect for human rights affects contract compliance, which in turn influences performance on the financial performance metrics used for incentive pay programs. In that way, CoreCivic argues, respect for human rights is incorporated into incentive pay arrangements.

That argument falls short for three reasons:

1. The connection between respect for human rights and performance on financial metrics is too remote to support exclusion on substantial implementation grounds. CoreCivic’s logic would allow omission of a proposal asking a company to incorporate into compensation determinations any factor with a theoretical connection, however attenuated or uncertain, to financial performance. CoreCivic itself does not rely only on financial metrics. The Company recognizes the benefit of using non-financial metrics for incentive pay—the annual bonus formula takes into account “strategic business goals” such as completing a financing transaction and executing new contracts.<sup>10</sup> CoreCivic defends using those goals, even though their achievement presumably will be reflected in financial performance compensation metrics, because the goals are “related to the successful execution of our long-term growth, investment and diversification strategy.”<sup>11</sup> Shareholders should be able to communicate about whether they believe human rights performance should be similarly incorporated into senior executive incentive pay arrangements.

2. CoreCivic has not offered any evidence that the contract provisions it touts relating to “safety, sufficiency of staffing, quality and access to medical or mental health care”<sup>12</sup> are coextensive or even have significant overlap with recognized human rights standards.<sup>13</sup> The No-Action Request does not include the contractual language necessary to enable the Fund or the Staff to evaluate the Company’s claim, and there is reason to believe that CoreCivic’s contracts do not capture the full range of human rights obligations.

For example, under the U.N. Guiding Principles on Business and Human Rights (“UNGP”), “the responsibility to respect human rights requires that business enterprises: (a) Avoid causing or contributing to

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<sup>8</sup> 2018 Proxy Statement, at 39.

<sup>9</sup> 2018 Proxy Statement, at 40.

<sup>10</sup> See 2018 Proxy Statement, at 38.

<sup>11</sup> See 2018 Proxy Statement, at 38.

<sup>12</sup> No-Action Request, at 4.

<sup>13</sup> Such standards could include the U.N. Declaration of Human Rights, the International Covenant on Civil and Political Rights and/or the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work.

adverse human rights impacts through their own activities, and address such impacts when they occur; [and] (b) Seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.”<sup>14</sup> A human rights violation committed by someone else in a CoreCivic facility, such as U.S. Immigration and Customs Enforcement, would not violate a CoreCivic contract provision, but under the UNGP CoreCivic would have an obligation to try to prevent or lessen the violation’s impact.

However, CoreCivic has expressly disclaimed responsibility for violations of inmates’ and detainees’ rights to medical treatment occurring in the Company’s facilities. For example, following the deaths of detainees at the Stewart and Otay Mesa Detention Centers, CoreCivic wrote to Human Rights Watch that the Company “does not provide medical or mental healthcare services or staffing at the Stewart Detention Center” and that the federal government is “solely responsible for providing, contracting, staffing and oversight of any medical and mental health services” at the facilities.<sup>15</sup> It is reasonable to assume, without evidence showing otherwise, that CoreCivic’s contractual obligations are not in close alignment with human rights standards.

3. CoreCivic has not pointed to any example of a contract penalty, termination or non-renewal occurring as a result of a human rights violation. Thus, even assuming *arguendo* that contract provisions capture the relevant universe of human rights standards, which the Fund does not concede, CoreCivic has not shown that a violation of one or more of those provisions has ever led to adverse financial consequences, much less an impact on senior executive compensation. Given the number of human rights violations alleged to have occurred at CoreCivic facilities,<sup>16</sup> this omission is noteworthy.

\* \* \*

For the reasons set forth above, CoreCivic has not satisfied its burden of showing that it is entitled to omit the Proposal in reliance on Rule 14a-8(i)(10). The Fund thus respectfully requests that CoreCivic’s request for relief be denied.

The Fund appreciates the opportunity to be of assistance in this matter. If you have any questions or need additional information, please contact Maureen O’Brien at 312-612-8446 or [mobrien@segalmarco.com](mailto:mobrien@segalmarco.com).

Sincerely,



Stephen B. Abrecht  
Chair, SEIU Pension Plans Master Trust

cc: Eric J. Knox, Esq.  
Bass Berry + Sims  
[eknox@bassberry.com](mailto:eknox@bassberry.com)

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<sup>14</sup> United Nations Human Rights, Office of the High Commissioner, “Guiding Principles on Business and Human Rights,” at 14 (2011) ([https://www.ohchr.org/documents/publications/GuidingprinciplesBusinesshr\\_eN.pdf](https://www.ohchr.org/documents/publications/GuidingprinciplesBusinesshr_eN.pdf)).

<sup>15</sup> Human Rights Watch et al., “Code Red: The Fatal Consequences of Dangerously Substandard Medical Care in Immigration Detention,” June 20, 2018, (<https://www.hrw.org/report/2018/06/20/code-red/fatal-consequences-dangerously-substandard-medical-care-immigration>)

<sup>16</sup> See, e.g., American Civil Liberties Union, “Warehoused and Forgotten: Immigrants Trapped in Our Shadow Private Prison System,” *passim*, June 2014 (<https://www.aclu.org/sites/default/files/assets/060614-aclu-car-reportonline.pdf>); <https://projectsouth.org/wp-content/uploads/2018/04/Complaint-Barrientos-v.-Core-Civic.pdf>; [https://docs.wixstatic.com/ugd/d2ea03\\_a96f1014604544899f7b1fe98e5f85e3.pdf](https://docs.wixstatic.com/ugd/d2ea03_a96f1014604544899f7b1fe98e5f85e3.pdf).



January 16, 2019

VIA EMAIL

U.S. Securities and Exchange Commission  
Office of the Chief Counsel  
Division of Corporation Finance  
100 F Street, NE  
Washington, DC 20549

Re: Shareholder proposal submitted to CoreCivic, Inc.  
by the Service Employees International Union Pension Plans Master  
Trust

Ladies and Gentlemen,

By letter dated January 4, 2019, CoreCivic, Inc. (the "Company") asked that the Office of the Chief Counsel of the Division of Corporation Finance (the "Staff") confirm that it will not recommend enforcement action if it omits a **shareholder proposal (the "Proposal") submitted pursuant to the Commission's Rule 14a-8** by the Service Employees International Union Pension Plans Master Trust (the "Proponent").

In accordance with Securities and Exchange Commission ("SEC") Staff Legal Bulletin No. 14D (Nov. 7, 2008), the proponent will respond to the Company's request.

Should you have any questions in the meantime, please feel free to contact the undersigned at 312-612-8446 or [mobrien@segalmarco.com](mailto:mobrien@segalmarco.com).

Sincerely,

A handwritten signature in blue ink, appearing to read "Stephen B. Abrecht".

Stephen B. Abrecht  
Chair, SEIU Pension Plans Master Trust

cc: Renaye Manley  
**Maureen O'Brien**

1800 Massachusetts Ave NW  
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Washington DC 20036-1202  
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**BASS BERRY + SIMS**

Eric J. Knox  
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(615) 742-7807

January 4, 2019

**VIA E-MAIL**

U.S. Securities and Exchange Commission  
Division of Corporation Finance  
Office of Chief Counsel  
100 F Street, NE  
Washington, DC 20549

**Re:** *CoreCivic, Inc. Shareholder Proposal of Service Employees International Union Pension Plans Master Trust Submitted under Securities Exchange Act of 1934—Rule 14a-8*

Dear Ladies and Gentlemen:

This letter is to inform you that our client, CoreCivic, Inc. (the “**Company**”), intends to omit from its proxy statement and form of proxy for its 2019 Annual Meeting of Stockholders (collectively, the “**2019 Proxy Materials**”) a shareholder proposal (the “**Proposal**”) and statements in support thereof received from Service Employees International Union Pension Plans Master Trust (the “**Proponent**”). Pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), we are writing on behalf of the Company to request that the Staff of the Division of Corporation Finance (the “**Staff**”) of the Securities and Exchange Commission (the “**Commission**”) concur with the Company’s view that, for the reasons stated below, it may exclude the Proposal from the 2019 Proxy Materials to be distributed by the Company in connection with its 2019 Annual Meeting of Stockholders.

The Company intends to file the 2019 Proxy Materials on or about March 28, 2019. In accordance with Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“**SLB 14D**”), we are emailing this letter and its attachments to the Staff at [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov).

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Commission no later than eighty (80) calendar days before the Company intends to file its definitive 2019 Proxy Materials with the Commission; and
- concurrently sent a copy of this correspondence to the Proponent.

Rule 14a-8(k) and SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to this Proposal,

a copy of that correspondence should be furnished concurrently to the Company pursuant to Rule 14a-8(k) and SLB 14D.

## THE PROPOSAL

The Proposal states:

**RESOLVED**, that shareholders of CoreCivic, Inc. (“CoreCivic” or the “Company”) urge the Compensation Committee (the “Committee”) to incorporate respect for inmate and detainee human rights into incentive compensation arrangements for senior executives. This proposal should operate prospectively and be implemented in a way that will not violate any contractual obligation to which CoreCivic is a party or any compensation plan.

A copy of the Proposal and the supporting statement is attached to this letter as Exhibit A.

## BASES FOR EXCLUSION

As discussed more fully below, we respectfully request that the Staff concur with the Company’s view that the Proposal may be excluded from the 2019 Proxy Materials pursuant to Rule 14a-8(i)(10) because the Proposal already has been substantially implemented through the Company’s policies, practices, procedures and public disclosures relating to the Company’s evaluation of executive compensation.

## ANALYSIS

### **The Proposal May Be Excluded Under Rule 14a-8(i)(10) Because It Already Has Been Substantially Implemented.**

#### *A. Background of the Substantial Implementation Standard under Rule 14a-8(i)(10)*

Rule 14a-8(i)(10) permits the exclusion of a shareholder proposal if “the company has already substantially implemented the proposal.” This exclusion is “designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management.” Exchange Act Release No. 34-12598 (July 7, 1976) (regarding the predecessor to Rule 14a-8(i)(10)) and Exchange Act Release No. 34-20091 (Aug. 16, 1983). Accordingly, the actions requested by a proposal need not be “fully effected” provided that they have been “substantially implemented” by the company. The Staff has stated that a proposal is considered substantially implemented if the company’s “policies, practices and procedures compare favorably with the guidelines of the proposal.” *Texaco, Inc.* (Mar. 28, 1991). The Staff has consistently interpreted this to mean that a company has substantially implemented a proposal when it has put in place policies and procedures addressing the underlying concern of the proposal or implementing its essential objective. *See, e.g., Walgreen Co.* (Sept. 26, 2013) (permitting exclusion of a proposal requesting elimination of certain supermajority vote requirements where the company’s elimination from its governing documents of all but one such requirement “compare[d] favorably with the guidelines of the proposal”); *General Dynamics Corp.* (Feb. 6, 2009) (permitting exclusion of a proposal requesting a 10% ownership threshold for special meetings where the company planned to adopt a special meeting bylaw with an ownership threshold of 10% for special meetings called by one shareholder and 25% for special meetings

called by a group of shareholders). Further, the company need not take the exact action requested by the proponent shareholder, and the company may exercise discretion in implementation without losing the right to exclude the proposal. (*See McKesson Corp.* (Apr. 8, 2011)). Therefore, implementation of every detail of a proposal is not required to conclude that the company has substantially implemented it.

*B. The Company's Human Rights Policy Satisfies the Proposal's Essential Objective*

The Company interprets the Proposal to have a singular “essential objective” of requiring the Company to include respect for inmate and detainee human rights into the incentive compensation arrangements for its senior executives. As discussed below, the Company’s individual review process for its senior executives utilizes a holistic approach and takes into account the Company’s cultural values, which includes respect for inmate and detainee human rights, and the subject employee’s contribution to such values.

It is important to note that the Company has sought and received accreditation for approximately 90% of the Company’s eligible facilities by the American Correctional Association (the “ACA”) as of December 31, 2017, excluding the Company’s residential reentry facilities. The Company’s overall average ACA accreditation score for such facilities is 99.5%. The ACA is an independent organization comprised of corrections professionals that establishes accreditation standards for correctional and detention institutions. Beyond the standards provided by the ACA, the Company’s facilities are operated in accordance with a variety of Company and facility-specific policies and procedures, as well as various contractual requirements. Many of these policies and procedures reflect the high standards generated by a number of sources, including the ACA, the National Commission on Correctional Healthcare, the Occupational Safety and Health Administration, as well as federal, state, and local government codes and regulations and longstanding correctional procedures.

It is the Company’s position that the human rights and welfare of detainees, residents and offenders housed in any of its detention, residential reentry and correctional facilities, respectively, are critical responsibilities of the Company in (i) its service to such persons in the Company’s care, (ii) its service to the community at-large, and (iii) in the Company’s role as a government partner. The Company believes compliance with the Company’s Human Rights Policy Statement, as well as the Company’s other social responsibility and ethics policies, are essential components of the Company’s business strategy. The Company is committed to being a valued corporate citizen and conducting its business with “PRIDE: Professionalism, Respect, Integrity, Duty and Excellence.” Additional information regarding the Company’s commitment to the human rights and welfare of detainees, residents and offenders can be found on the Company’s website (<http://www.corecivic.com/about/corporate-ethics>).

In furtherance of these values, the Compensation Committee of the Company’s Board of Directors (the “*Compensation Committee*”), as stated in the Company’s 2018 proxy statement, “performs an overall analysis of the *executive’s performance for the year*, projected role and responsibilities, *impact on execution of [the Company’s] strategy*, external pay practices, emerging trends, total cash and total direct compensation positioning relative to [the Company’s] other executives, the recommendations of [the Company’s] CEO and *such other factors [the] Compensation Committee deems appropriate.*” (emphasis added). The holistic approach used in evaluating the performance

of the Company's senior executives and determining the compensation for such individuals includes consideration of each senior executive's contribution to furthering the Company's strategic goals, including the Company's commitment to the human rights and welfare of the persons placed in the Company's care.

The Compensation Committee also evaluates executive compensation in light of the Company's financial performance under each of the Company's contracts. The financial performance under each government contract is inextricably tied to compliance with the terms of each such contract. Human rights concerns, including safety, sufficiency of staffing, quality and access to medical and mental health care, availability of recreation and educational advancement opportunities and access to courts and legal assistance, are embedded in the terms of the Company's government contracts. Noncompliance or failure to provide services in accordance with the terms of the Company's government contracts could result in loss of the contract, increased costs and expenses, or, in many cases, penalties (including liquidated damages). As a result, the occurrence of any of the foregoing will negatively impact the financial results that the Compensation Committee considers in its evaluation of senior executive compensation.

The supporting statement of the Proponent references the Company's utilization of the performance metrics adjusted earnings per share, which serves as a threshold for any bonus payout; normalized funds from operations per share; and adjusted income before interest, taxes, depreciation and amortization. The foundation for each of these metrics is the Company's net income, which, in the event of noncompliance with the Company's government contracts, would be negatively impacted by any loss of contract, increased costs or expenses, or penalty, including the imposition of liquidated damages, resulting from such breach of contract. Therefore, successful implementation of the Company's social responsibility initiatives is directly connected to compliance under the Company's government contracts, and any noncompliance resulting in a loss of contract, increased costs or expenses, or penalty, including the imposition of liquidated damages, will negatively affect the financial metrics that are considered by the Compensation Committee in its assessment of senior executive compensation.

The Proponent's supporting statement notes that the Proposal seeks to cause the Company to "focus on the steps necessary to ensure respect, including training, adequate staffing and medical resources." As noted above, the Staff has concurred with the exclusion of proposals pursuant to Rule 14a-8(i)(10) where a specific aspect of the proposal is not implemented, but the proposal has otherwise been substantially achieved. *See, e.g., Duke Energy* (Feb. 21, 2012). The Company demonstrates this focus and its commitment to providing services with integrity by administration of a grievance process for residents and employees, toll-free hotlines for employees, friends and relatives of residents and other interested parties to report any concerns, incident reporting and after action review procedures for significant incidents that occur at the Company's facilities, a robust and continuous training and compliance program, reviewing periodic assessments to identify areas of improvement and disseminating a company-wide monthly circular called *Ethics Matters!*, all of which is publicly set forth on the "Social Responsibility" page of the Company's website (<http://www.corecivic.com/about/social-responsibility>).

Recently, the Staff permitted exclusion of a shareholder proposal that sought to require the compensation committee of eBay Inc. to disclose publicly a report regarding the feasibility of integrating sustainability and diversity metrics into its CEO's compensation performance

measures. *See eBay Inc.* (Mar. 29, 2018). The Staff concurred that, because eBay Inc. already determined that integration of sustainability and diversity metrics was feasible and had been part of its holistic evaluation of executive compensation, eBay Inc. demonstrated that its actions and policies met the essential purpose of the proposal and compared favorably with the guidelines thereof. Similarly, the Company's existing holistic review process used in evaluating the performance of the Company's senior executives and determining the compensation for such individuals demonstrates that the practices, policies and procedures of the Company compare favorably with the guidelines of the Proposal and therefore satisfies the essential objective of the Proposal. As such, it would not be meaningful for the 2019 Proxy Materials to include a proposal asking the Company's shareholders to vote on whether the Company should incorporate respect for inmate and detainee human rights into incentive compensation arrangements for the Company's senior executives.

### CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its 2019 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to [eknox@bassberry.com](mailto:eknox@bassberry.com). If we can be of any further assistance in this matter, please do not hesitate to call me at 615-742-7807.

Sincerely,



Eric J. Knox

Enclosures

cc: Cole Carter, CoreCivic, Inc., General Counsel  
Maureen O'Brien, Vice President and Corporate Governance Director at Segal Marco  
Advisors

**Exhibit A**

(See attached)



Received  
NOV 27 2018  
Legal Dept.

November 26, 2018

By overnight delivery

Mr. Scott D. Irwin  
Executive Vice President,  
General Counsel and Corporate Secretary  
CoreCivic, Inc.  
10 Burton Hills Boulevard  
Nashville, TN 37215

RE: Service Employees International Union Pension Plans Master Trust  
Shareholder Proposal

Dear Mr. Irwin:

In my capacity as Chair of the Service Employees International Union Pension Plans Master Trust (the "Fund"), I write to give notice that pursuant to the 2018 proxy statement of CoreCivic, Inc. (the "Company"), the Fund intends to present the attached proposal (the "Proposal") at the 2019 annual meeting of shareholders (the "Annual Meeting"). The Fund requests that the Company include the Proposal in the Company's proxy statement for the Annual Meeting.

A letter from the Fund's custodian documenting the Fund's continuous ownership of the requisite amount of the Company's stock for at least one year prior to the date of this letter is being sent separately. The Fund also intends to continue its ownership of at least the minimum number of shares required by the SEC regulations through the date of the Annual Meeting. I represent that the Fund or its agent intends to appear in person or by proxy at the Annual Meeting to present the attached Proposal. I declare the Fund has no "material interest" other than that believed to be shared by stockholders of the Company generally.

We welcome the opportunity to discuss this proposal with you in more detail. Please reach out to Maureen O'Brien, Vice President and Corporate Governance Director at Segal Marco Advisors. Ms. O'Brien can be reached at 312-612-8446 or via email at: [mobrien@segalmarco.com](mailto:mobrien@segalmarco.com).

Sincerely,

A handwritten signature in blue ink, appearing to read "Stephen B. Abrecht".

Stephen B. Abrecht  
Chair, SEIU Pension Plans Master Trust

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Suite 301  
Washington DC 20036-1202  
202-730-7542  
800-458-1010

cc: Renaye Manley  
Edgar Hernández  
Maureen O'Brien

RESOLVED, that shareholders of CoreCivic, Inc. (“CoreCivic” or the “Company”) urge the Compensation Committee (the “Committee”) to incorporate respect for inmate and detainee human rights into incentive compensation arrangements for senior executives. This proposal should operate prospectively and be implemented in a way that will not violate any contractual obligation to which CoreCivic is a party or any compensation plan.

### SUPPORTING STATEMENT

For 2017, CoreCivic used adjusted earnings per share, which serves as a threshold for any bonus payout; normalized funds from operations (“FFO”) per share; adjusted income before interest, taxes, depreciation and amortization; and “strategic business goals,” in determining the amount of named executive officers’ (“NEOs”) annual bonuses. The strategic business goals for 2017 were executing certain contracts and completing a refinancing transaction that satisfied various criteria. Long-term incentives consisted of restricted stock units whose vesting depends on meeting FFO goals.

CoreCivic recognizes the importance of performance-based pay, touting the fact that 74% of executive officer compensation in 2017 was tied to performance. CoreCivic explained that strategic business goals were added to the NEOs’ annual bonus metrics because the growth and diversification the goals promote are important, but their impact “may not be immediately reflected in our financial results.”<sup>1</sup>

We agree that companies should reward behavior that creates long-term value even if it does not translate into short-term financial gain. Respecting the human rights of inmates and detainees, in our view, is such a behavior. CoreCivic’s Human Rights Policy Statement (the “Statement”) asserts that “[a] strong commitment to inmate and detainee rights and proper treatment is essential to our work” and describes policies CoreCivic maintains on inmate and detainee human rights, including freedom of expression, excessive force and access to health care.<sup>2</sup>

CoreCivic has faced and now faces many lawsuits alleging that it has violated the human rights of inmates and detainees. For example, one group of current cases alleges the use of forced labor at CoreCivic immigration detention facilities<sup>3</sup>; another group claims that CoreCivic failed to provide inmates with needed medical

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<sup>1</sup> 2018 Proxy Statement, at 37

<sup>2</sup>

[https://www.corecivic.com/hubfs/\\_files/CoreCivic%20Human%20Rights%20policy%20statement.pdf](https://www.corecivic.com/hubfs/_files/CoreCivic%20Human%20Rights%20policy%20statement.pdf)

<sup>3</sup> <http://www.htlegalcenter.org/wp-content/uploads/Human-Trafficking-Forced-Labor-in-For-Profit-Detention-Facilities.pdf>



care.<sup>4</sup> The California State Teachers' Retirement System and New York City Pension Funds cited human rights concerns in connection with their decisions to divest from CoreCivic and GEO Group's stock.<sup>5</sup>

We believe that incorporating respect for human rights into incentive compensation arrangements for senior executives would encourage focus on the steps necessary to ensure respect, including training, adequate staffing and medical resources. The Committee would have discretion to determine the best way to consider and measure such respect and to set appropriate incentive compensation targets.

We urge shareholders to vote for this proposal.

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<sup>4</sup> <https://www.tennessean.com/story/news/2018/08/07/corecivic-diabetic-inmates-denied-insulin-trousdale-turner/925297002/>; <https://www.indystar.com/story/news/2018/06/18/prison-medical-care-marion-county-jail-correct-care-solutions/637068002/>

<sup>5</sup> <https://www.pionline.com/article/20181108/ONLINE/181109890/calstrs-to-divest-from-private-prison-companies-corecivic-geo-group>; <https://www.ai-cio.com/news/new-york-city-pension-funds-divest-private-prisons/>



November 27, 2018

By overnight delivery

Mr. Scott D. Irwin  
Executive Vice President,  
General Counsel and Corporate Secretary  
Corecivic, Inc.  
10 Burton Hills Blvd.  
Nashville, Tennessee 37215

RE: Service Employees International Union Pension Plans Master Trust

Dear Mr. Irwin:

As of November 26, 2018, Service Employees International Union Pension Plans Master Trust (the "Trust") held shares of Corecivic, Inc. ("Corecivic"). As of Nov. 26, 2018, Amalgamated Bank is the record owner of 4018 shares of common stock (the "Shares") of Corecivic, beneficially owned by the Trust. The shares are held by Amalgamated Bank at the Depository Trust Company in our participant account #2352. The Trust has held in excess of \$2,000 worth of shares in your Company continuously since November 26, 2017.

Sincerely,

A handwritten signature in black ink that reads "Chuck Hutton".

Chuck Hutton  
1st Vice President

**Segal Shipping: View/Print Label**

**Print the label(s):** Select the Print button on the print dialog box that appears. Note: If your browser does not support this function select Print from the File menu to print the label.

**Fold the printed label at the dotted line.** Place the label in a UPS Shipping Pouch. If you do not have a pouch, affix the folded label using clear plastic shipping tape over the entire label.

**GETTING YOUR SHIPMENT TO UPS**

**Customers without a Daily Pickup**

Schedule a same day or future day Pickup to have a UPS driver pickup all your Segal Shipping packages.


Hand the package to any UPS driver in your area.

Take your package to any location of The UPS Store®, UPS Drop Box, UPS Customer Center, UPS Alliances (Office Depot® or Staples®) or Authorized Shipping Outlet near you. Items sent via UPS Return Services<sup>SM</sup> (including via Ground) are accepted at Drop Boxes.

**Customers with a Daily Pickup**

Your driver will pickup your shipment(s) as usual.

FOLD HERE

<p>CHANELLE FOWLER 312-612-8451 SEGAL MARCO ADVISORS 550 WEST WASHINGTON BLVD CHICAGO IL 60661</p> <p><b>SHIP TO:</b> SCOTT D. IRWIN CORECIVIC 10 BURTON HILLS BLVD NASHVILLE TN 37215</p>	<p>***</p> <p><b>UPS NEXT DAY AIR</b></p> <p>TRACKING #: <b>1</b></p> <p>***</p>	<p style="text-align: right;">1 OF 1</p> <p style="text-align: right;">0.0 LBS LTR</p> <p style="text-align: right;">XOL 16.11.08    NV45 06.0A 10/2018</p> <p style="text-align: right;">BILLING: P/P</p> <p style="text-align: right;">Dept No.: 300</p> 
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