



State of California and Corrections Corporation of America **“A Strong Start with a Great Future”**

Corrections Corporation of America (CCA) has a 25-year record of consistent, high-quality services to federal, state and local governments. CCA recently entered into an agreement with California to house over 8,000 California inmates. CCA is extremely proud of its relationship with the State of California and welcomes the opportunity to provide some immediate relief to California’s prison system.

The State of California-CCA partnership officially began at the end of 2006. By June 30, 2008, CCA expects to be housing nearly 5,000 California inmates. CCA is also well into the construction of a new \$205 million facility in the Arizona desert which will be used exclusively to house 3,060 California inmates. The first of these additional inmates are scheduled to arrive in July 2008.

In addition to helping California deal with its prison overcrowding problem, CCA is also delivering significant cost savings for the state. The current contracted rate per day for a California inmate at a CCA facility is \$63, compared to an overall cost of \$126 per day at a California Department of Corrections and Rehabilitation facility. As a result, CCA saves California roughly 50% of the average daily cost to house an inmate.

In its first year (2007), the CCA partnership saved the State of California over \$18.4 million. Even with moderate rate adjustments and a slightly higher rate for the newly constructed Arizona facility, the level of cost savings to California will only increase over the next few years – \$57 million savings in 2008; \$159 million savings in 2009; and \$194 million savings in 2010.

As the national leader in the area of correctional services, CCA is pleased to be part of California’s inmate management solution. In light of California’s growing budget deficit, we are also pleased to help reduce state costs in this area.

Please contact John Latimer at Capitol Advocacy (916-444-0400) or Brad Regens at CCA (602-319-8377) for additional information in this regard.

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