

Geo Group: The Border Solution No One Can Ignore – The Stock Story Has Completely Changed

For the past six months, Citron has been closely following Geo Group as the company became a default play on the Trump presidency and immigration enforcement. The stock shot up this summer following the belief that Trump's reelection was inevitable. But as Trump's poll numbers dropped, so did Geo's.

ALL OF THAT HAS JUST CHANGED.

Let's get to the facts that the market is missing. Last week, ICE Deputy Director Patrick Lechleitner sent a letter revealing that, as of July 21, there were **662,566 noncitizens with criminal histories** on ICE's non-detained docket (NDD). Of those, **435,719 are convicted criminals**, and **226,847 have pending criminal charges**. These numbers don't care about your political views—they are shocking, and they represent a massive problem.

<https://homeland.house.gov/wp-content/uploads/2024/09/24-01143-ICEs-Signed-Response-to-Representative-Tony-Gonzales.pdf>

Here's where the narrative shifts and Geo Group becomes a **win-win**, regardless of politics. If these noncitizens with criminal histories were funneled into the **Alternatives to Detention (ATD)** program, which uses Geo's proprietary technology to track individuals, we're looking at **almost a threefold increase** in business. You can't sugarcoat these numbers, and frankly, you can't ignore them either.

Kamala Harris Does a 180 – Immigration Policy Now Points to Geo's ATD as the Solution

Now here's where it gets even better. Vice President Harris, after months of dodging the border issue, finally comes out with her **most policy-heavy speech** yet, and it's clear: Geo is about to benefit. The border bill passed in May allocates **\$1.3 billion** directly to ICE, with **\$1.2 billion** specifically designated for increased enrollment in the ATD program.

ATD is the perfect political tool—it's humane, which pleases Harris's base, but more importantly, it allows any politician to take credit for ramping up immigration enforcement. It's a simple win: "When I took office, we were tracking 180k illegals, and now we're tracking 400k." Easy to sell, easy to execute—and Geo is the only player ready to handle that surge.

Geo Group is in a No-Lose Scenario

Under a Trump presidency, it's no question: more detention beds, more revenue for Geo. But the kicker? **Even under a Harris presidency, Geo wins.** ATD fits her agenda perfectly, providing her the optics of being tough on immigration while keeping things "humane." Geo has already shown it can scale to meet the needs of ICE, and they are **ready to go as high as necessary** with their 100+ offices across the U.S.

Let's not forget the other factors propping up this stock. The **replacement value** of Geo's facilities is estimated at over **\$27 a share**. Combine that with the inevitable **stock buybacks** coming over the next year, and you've got a stock that's supported from every angle.

But the key takeaway here: these shocking ICE statistics paint a bleak picture of the border crisis, and Geo Group is positioned as the only viable solution. As both parties lean into the ATD program to score political points, Geo is guaranteed more contracts, more enrollments, and more growth.

Citron has been saying it for months: this isn't just about Trump anymore.

Geo is in a win-win situation, no matter who's in the White House.

Cautious Investing to All

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