

Senate Judiciary and Rules Committee

Vice Chairman Senator Hagedorn

Mister Chairman, and members of the committee, good afternoon and thank you for the opportunity to testify before you today.

My name is Andrea Sprengel and I'm the Services Manager for Idaho Correctional Industries. I come before you today to testify to the first rulemaking ever done by Correctional Industries, docket 06-0102-1401, which went into effect on July 4th, 2014. The purpose of this rulemaking was to comply with Idaho Code Section 20-413A which became effective on July 1st, 2014 and gave Correctional Industries the ability to enter into contracts with private agricultural employers for the use of inmate labor. After the program had been in place for several months, we wanted to make some changes to the rules, and so we created the new rulemaking that is docket 06-0102-1501 to make those changes. The new docket will go into effect on February 6th, 2015 and will reflect changes made only to section 013.

Now I'd like to speak to you about the two major sections of our rules....

Beginning on page 6 of the docket, you will see that the Board added section 012, Contracts with Private Agricultural Employers.

- In this section of our rulemaking, we outline the contract provisions that are necessary in meeting the requirements of Idaho Code Section 20-413A, specifically related to preventing non-inmate worker displacement, and meeting inmate safety and security needs.
- To ensure that inmate safety and security needs are met, Correctional Industries and the Department of Correction will conduct a work site evaluation before entering into a contract. Provisions will be included in the contract to address the safety and security responsibilities of each party.
- Because we depend on the private agricultural employer to do their part to prevent non-inmate worker displacement, the contract will also include a statement certifying that they were unable to employ a sufficient amount of non-inmate employees.
- Also, in an effort to prevent non-inmate worker displacement, Correctional Industries will annually ask the Department of Labor to provide the prevailing wage for work that is similar in nature to the work that the inmate laborers will be performing.
- When entering into contracts with private agricultural employers, Correctional Industries will set a billing rate that includes the prevailing wage plus any other costs the employer avoids by using inmate labor, such as worker's compensation.

Now I'm going to talk about the amended version of our rulemaking in section 013 of docket 06-0102-1501 which is on page 8.

- This section addresses inmate compensation and the disbursement of funds received by the private agricultural employer.
- Money received from the private agricultural employer for the use of inmate labor will be deposited into the Correctional Industries Betterment Account. Funds will then be dispersed between Correctional Industries and the Department of Correction to cover the costs of the program, and contribute to the Idaho Victim's Compensation Fund.
- Funds dispersed to Correctional Industries will also be used in accordance with Idaho Code Section 20-416. Correctional Industries is self-funded and section 20-416 describes how funds in the Betterment Account can be used to defray costs such as salaries and the costs of operating Correctional Industries' programs.
- Funds dispersed to the Department of Correction shall be used to offset the costs of incarceration, to supplement education opportunities, and provide resources for re-entry into the community.
- Inmates will be compensated for their work in accordance with Idaho Code Section 20-412. Inmate earnings will be deposited into their trust account where deductions for court ordered financial obligations, such as child support and restitution, will be made by the Department of Correction.

Mister Chairman, this concludes my presentation. On behalf of the Board of Correction and Correctional Industries, I would like to ask that the committee pass a motion to leave this rulemaking in full force and effect. At this time, I am happy to stand for any questions that the committee may have.

Wait for questions and respond accordingly.

Mister Chairman and members of the committee, I'd like to thank you for the opportunity to present our rulemaking. On behalf of the Board of Correction and Correctional Industries, we wish you a wonderful legislative session.