

**HOUSE INDUSTRY, BUSINESS, AND LABOR COMMITTEE**

**REPRESENTATIVE MIKE LEFOR, CHAIR**

**JANUARY 26, 2021**

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**RICK GARDNER, DIRECTOR, ROUGH RIDER INDUSTRIES  
NORTH DAKOTA DEPARTMENT OF CORRECTIONS AND REHABILITATION  
PRESENTING TESTIMONY IN OPPOSITION OF HOUSE BILL 1169**

Good morning, Chairman Lefor and members of the Industry, Business, and Labor Committee. My name is Rick Gardner, and I am the Director of Rough Rider Industries (RRI). I am here on behalf of the North Dakota Department of Corrections and Rehabilitation (DOCR) to provide testimony in opposition to House Bill 1169.

North Dakota Century Code Section 12-48-03.1 authorizes the DOCR correctional industries to make goods to be purchased directly by governmental agencies, including federal, state, and tribal agencies and political subdivisions for use in official business, and by nonprofit organizations, and through wholesale or retail outlets possessing a valid sales tax permit, and for products manufactured under the Prison Industries Certification Program (PIECP), in interstate commerce. RRI may also sell commissary items and RRI-made clothing to residents.

RRI's mission is to provide adults in custody job skills training necessary for successful reentry while providing quality goods and services in a self-sustaining manner. Correctional Industries is a proven program that works. The median recidivism rate submitted by state and federal correctional industries programs across the United States is 20.5% recidivism rate for incarcerated residents who worked in an industries

program; this is approximately half of the overall state rate of recidivism, which is 40.5%.<sup>1</sup> This illustrates that residents who worked in correctional industries are significantly less likely to return to prison than the average resident.

Employment is one of the main barriers an incarcerated individual will face upon reentry and is a determining factor in their rehabilitative success. RRI has between 150-200 residents working in our correctional industries program at any given time, which represents approximately 13% of the incarcerated men's population. Revenues generated from the sale of RRI products and services sustain all correctional industry programs. RRI provides training and learning opportunities in a variety of skill sets and trades, while utilizing the latest in manufacturing technologies and production equipment. Manufacturing industries and trades offered inside RRI include furniture and metal fabrication, seating, upholstery, CAD and graphic design, signs, license plates, laser cutting and engraving, sandblasting, wet or powder paint, sewing and garment, plastic bags, welding, sandbag filling for state construction projects, livestock care through a partnership with the North Dakota State University Hettinger Research Extension Center, and correctional commissary.

So who benefits from RRI?

1. The Taxpayers- Teaching and instilling valuable job skills to this population has been proven to lessen the cost of incarceration. As stated above, correctional industry programs report significant reductions in recidivism rates for participants. A 2015 study conducted by the

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<sup>1</sup> National Correctional Industries Association (NCIA) 2021 Directory, median recidivism rate calculated from self-reported statistics submitted by state and federal Correctional Industries agencies.

Washington State Institute for Public Policy found for every \$1 spent on correctional industries, \$4.77 is saved in future criminal justice costs attributable to the reduction in recidivism<sup>2</sup>.

2. Residents of the DOCR- While learning critical job skills as well as invaluable soft skills, residents gain the experience, expertise, and self-confidence that will help them find meaningful employment upon release.
3. Private Sector Business- RRI program helps support North Dakota business and the state economy. During the last biennium, RRI purchased \$8.6 million on raw materials, supplies, component parts, equipment and services to support our operations and mission. From this expenditure, all lumber, stain and finish, hardware, miscellaneous accessories, and equipment service was obtained directly from North Dakota providers. RRI is not designed to compete with private enterprise but rather complement their business offerings and should not be considered as a direct competitor. RRI is able to make available our personnel to help private enterprise in today's tight labor market. RRI has also invested in equipment and technologies to better prepare our workers for the private sector and offers these technologies to private enterprise, lessening their need to invest in expensive technologies.

Fewer work opportunities cause a less safe prison environment. In 1978, there was a major prison riot in Pontiac, Illinois, which was attributable to many factors,

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<sup>2</sup> Washington State Institute for Public Policy- Return on Investment: Evidence-Based Options to Improve Statewide Outcomes, February 2015.

including not only overcrowding and old and obsolete facilities, but also the lack of employment and training for residents. RRI's training programs offset the need to spend additional taxpayer dollars for offender supervision and alternative programming costs.

The monies earned by RRI program participants allow them the opportunity to send a portion of their earnings home to support their families, offsetting the need for additional taxpayer public assistance programs. It also increases the participant's ability to contribute to their financial obligations.

During the pandemic, RRI was able to supply North Dakota with hard-to-find PPE-type products. RRI provided a North Dakota-manufactured product to schools and universities, hospitals, long-term care facilities, National Guard and United States military, governmental agencies and other entities throughout the state to help in their COVID-19 response. RRI manufactured and supplied over 103,000 masks, 15,000 Bammiies, 200 utility gowns, 1,300 acrylic barriers, biohazard bags, social distancing floor graphics and signs, hand sanitizer, and foam vaccine vial holders.

Currently, all fifty states have a correctional industries program. Twenty-nine states, to include North Dakota, restrict sales to state/local government. Thirty-two state correctional industry programs receive preference in the state procurement process. Sixteen states allow direct sales to the private sector.

The establishment of correctional industries is solid public policy; it positively impacts public safety and supports the reduction of state government costs. House Bill 1169 would reduce opportunity for residents of the North Dakota Department of Corrections to gain work experience and receive job skills training. Recidivism rates in

North Dakota would be on the rise, our prisons would be less safe and, fewer dollars would be collected for financial obligations and Family Support Payments.

Mr. Chairman and committee members, I ask that you oppose House Bill 1169.

Mr. Chairman, I would be happy to answer any questions at this time. Thank you.