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December 29, 2017

Director James Dzurenda
Nevada Department of Corrections
3955 West Russell Road
Las Vegas, NV 89701

Dear Director Dzurenda:

As you are aware, a meeting of the Committee on Industrial Programs was held on September 25, 2017, and December 11, 2017, to discuss three potential new Prison Industry programs and the effect these programs would have on private sector jobs. Pursuant to NRS 209.4818(1)(f), the Committee on Industrial Programs is submitting its recommendations to implement the three new proposed programs. The proposed new industries include Terra Firma Organics, Inc, Erickson Framing NV, LLC, and Sewing Collection, Inc.

The Nevada Department of Corrections fulfilled its reporting requirements pursuant to NRS 209.459 and NRS 209.461, to provide the Committee on Industrial Programs with a report, which contained the potential impact of each of the programs listed above on private employers and labor in Nevada. Based on this report and the testimony provided to the Committee during its September 25, 2017, and December 11, 2017, meetings, the Committee recommends that you continue pursuit of contract negotiations to implement the three proposed industries following the presentation of the final recommendations for approval by the Board of Prison Commissioners and contract approval by the Board of Examiners.

While the Committee on Industrial Programs supports the three proposed industries, it expressed concerns relating to the new industries during the Committee's December 11, 2017, meeting and requests that the Department of Corrections:

- 1) Accurately track contraband incidents at its facilities where the new industries will operate, to determine if the new programs have an adverse impact on contraband incidents;

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- 2) Include language in the new industry contracts, which would create opportunities for offenders to gain employment with the company upon release from prison; and,
- 3) Include language in the Erickson Framing NV, LLC contract, confirming that it will not sell products outside of the State of Nevada that are produced by inmates, and if such products are in fact sold outside the State of Nevada that Erickson Framing NV, LLC will incur the financial costs associated under federal law with selling products produced by inmates out of state.

The Committee on Industrial Programs will be requesting updates and information regarding the contract negotiations and implementation of the new programs at future meetings.

Sincerely,



Senator David Parks
Chairman, Interim Finance Committee's
Committee on Industrial Programs

cc: Members of the Committee on Industrial Programs
Brian Sandoval, Nevada State Governor
Mike Willden, Chief of Staff to the Governor
David Tristan, Deputy Director, Nevada Department of Corrections
Mark Krmpotic, Senate Fiscal Analyst
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