SOUTH DAKOTA DEPARTMENT OF CORRECTIONS POLICY AND PROCEDURE		POLICY NUMBER 800-03	PAGE NUMBER 1 OF 4
		DISTRIBUTION:	Public
		SUBJECT:	Prison Industry Enhancement Certification Program
RELATED STANDARDS:	None	EFFECTIVE DATE:	August 01, 2026
		SUPERSESSION:	08/01/2025
DESCRIPTION: Correctional Industries and Vocational Programs	REVIEW MONTH: July	sec.	**NICK LAMB** **SECRETARY OF CORRECTIONS**

I. POLICY

It is the policy of the Department of Corrections (DOC) to allow private industry to establish joint ventures with the DOC to produce goods using offender labor, in accordance with the Prison Industry Enhancement Certification Program (PIECP).

II. PURPOSE

The purpose of this policy is to outline criteria and guidelines for participation in the Prison Industry Enhancement Certification Program (PIECP).

III. DEFINITIONS

Prison Industry Enhancement Certification Program:

A program administered by the DOC that has been certified by the Department of Justice, Bureau of Justice to allow the interstate sale and distribution of offender-produced goods.

IV. PROCEDURES

1. Objectives and Program Benefits:

A. The two (2) primary objectives of PIECP are:
   1. To generate products and services that enable offenders to make a contribution to society, which shall include helping offset the cost of the offender's incarceration, providing some compensation to crime victims, and helping support the offender's family, and
   2. To reduce prison idleness by increasing offenders' job skills and improving the prospects for successful transition to the community upon release.

B. PIECP benefits:
   1. Provide offenders a means of repaying victims for harm sustained by the offender's crime (restitution).
   2. Offer offenders a chance to work to help address financial obligations, increase job skills (job training and skill development), and increase the likelihood of meaningful employment upon release from incarceration.
   3. Provide private sector employers with a stable and readily available workforce.

2. Overview:

A. The private sector shall be eligible to be involved in the production and sale of offender-made goods on the open market. The DOC may seek to establish new industries beyond the use and purpose of furnishing goods, products, and services, to the federal government, state governments, and their political subdivisions.

B. When a correctional agency or authority wishes to participate in the PIECP, an application must be prepared and submitted to the Bureau of Justice Assistance (BJA), U.S. Department of Justice. The applicant determines whether a Single or Umbrella Authority application is the most appropriate given the unique circumstances in that jurisdiction.

C. Applicants must then demonstrate that the necessary statutory and/or administrative authority to meet all mandatory program and administrative criteria is in place, as well as appropriate policies and procedures to implement program requirements, before BJA PIECP certification is issued.

D. A site visit will be performed by experienced federal and state practitioners to review and evaluate submitted materials, to ensure their accuracy and completeness.

E. If and when PIECP certification is granted, it may be suspended or terminated at the discretion of BJA if program standards are not maintained in keeping with the PIECP federal guidelines and statutory requirements or for prolonged inactivity of six (6) months or longer.

3. Voluntary Participation:

A. Offender participation in the Prison Industry Enhancement Certification Program (PIECP) shall be voluntary.

B. PIECP provides eligible offenders the opportunity to work in a realistic work environment, receive a prevailing local wage for work, and acquire marketable skills to increase potential for successful rehabilitation and meaningful employment upon release from DOC custody.

C. Prior to participating in PIECP, each offender must sign the *PIECP Agreement* (attachment #1) wherein the offender acknowledges voluntary participation in the PIECP.
   1. The offender's signature on the PIECP Agreement signifies an agreement by the offender to specific deductions from the offender's gross wages and specified financial obligations.
   2. A staff member must witness the offender's signature.

D. An offender's, custody level, classification, risk, aptitude, experience, and abilities (based on tests and/or personal interview(s) with the offender), shall be reviewed and considered by institutional staff and private sector employers when considering an offender for any job within the PIECP.
   1. Offenders designated "high risk" for institutional job assignment purposes, may not be assigned any job within PIECP. Questions regarding whether an offender is designated "high risk" shall be directed to the associate director of offender services.

4. Offender Eligibility:

A. Offenders employed in a PIECP industry must notify their supervisor in advance of any class, program, or appointment they intend to attend that will take them away from the workplace during their assigned work hours.

B. No offender under the jurisdiction of the DOC has any implied right or expectation to work in any particular job. Offenders are subject to transfer to another job or removal from any job assignment at the discretion of the secretary of corrections (SOC) or designee.

C. No offender seeking employment with a PIECP industry or currently employed by a PIECP industry may be discriminated against on the basis of race, gender, sexual orientation, national origin, disability, religion, or other protected status. Employers shall make reasonable accommodations for offenders requesting accommodation on the basis of a disability, consistent with safety and security.
   1. Offenders must be capable of performing the essential functions of the job, with or without a reasonable accommodation. The employer retains the right to hire the best qualified offender applicant for the job (DOC policy 1500-01 – *Americans with Disabilities Act (ADA)*).

5. Offender Identification:

A. The private sector employer shall verify each offender has a valid Social Security number prior to assigning the offender a job. Offenders without a valid Social Security number may not work for a wage within the PIECP.

6. Offender Wages:

A. Offenders participating in PIECP will have an opportunity to earn wages, learn job skills, and develop good work habits. Wages paid to offenders will not be less than those paid for work of similar nature in the locality where the work is performed. In the absence of similar work, offender wages may not be less than state or federal minimum wage, whichever is greater.

B. Offender wages are subject to the processes, procedures, and requirements described within DOC policy 600-02 – *Offender Accounts and Financial Responsibility*.

C. Wage deductions (a.- d. are allowed by PIECP certification):
   1. All offenders participating PIECP will have deductions made from their gross wages. The total deductions from the offender's wages shall not exceed eighty percent (80%) of gross wages as required for PIECP certification.
      a. Federal, state, and local taxes.
   2. Room & board.
      a. South Dakota Victim's Compensation Fund.
      1) This amount will be equal to at least five percent (5%), but not greater than twenty percent (20%) of the offender's gross wages.
   3. Support of the offender's family, pursuant to state statute, court order, or agreement by the offender.
   4. Offenders cannot request extra money withheld from their paychecks if their net paycheck, after required deductions or obligations are withheld, is insufficient to cover the deduction. Offenders cannot have extra money withheld from their wages to avoid paying required deductions or obligations.

D. The DOC shall require Workers' Compensation be provided by the employer for offender workers employed in a PIECP industry. Offenders may receive Workers' Compensation benefits comparable to those made available by the state or federal government to similarly situated private-sector employees.

E. Offenders removed from employment with PIECP have no right to continued employment, due process, or pay for work completed. Offenders employed by a PIECP industry are not "employees" covered by the federal Fair Labor Standards Act.

7. Consultation Requirements:

A. The DOC and PIECP industry employers shall consult with representatives of local labor organizations and local businesses/private industry prior to the use of offender workers in the production of goods for sale in interstate commerce or to the federal government.

B. The DOC and PIECP industry employers shall document the use of offender workers in the production of goods for sale in interstate commerce or to the federal government through PIECP. Documentation must support that employment of offenders will not result in the displacement of employed workers within the locality. Offender workers shall not be used in skills, crafts, or trades in which there is a surplus of available gainful labor in the locality or significantly impair existing contracts.

V. RESPONSIBILITY

The director of Finance and Administration is responsible for the annual review and revision of this policy.

VI. AUTHORITY

A. SDCL Chapter **23A-28B Crime Victims' Compensation Program.**

B. SDCL § **24-2-27 Facilities, programs, or services outside correctional facilities--Contracts with other agencies for care of inmates--No right or court order for housing in particular facility or participation in specific program or services--Escape.**

C. SDCL § **24-7-3 Furnishing prison labor to private enterprise authorized--Rules.**

D. The PIE Certification Program originally was authorized under the Justice System Improvement Act of 1979 (P.L. 96–157, Sec. 827) and later expanded under the Justice Assistance Act of 1984 (P.L. 98–473, Sec. 819). The Crime Control Act of 1990 (P.L. 101–647) authorizes continuation of the program indefinitely.

VII. HISTORY

August 2026
August 2025
August 2024
July 2023
May 2022
December 2019

ATTACHMENTS

1. PIECP Agreement (v1)

PIECP AGREEMENT

Completed upon placement in PIECP.

Private Sector Prison Industries: ☐ **Yes** ☐ **No**

Private Sector Prison Industries Agreement:

I hereby certify I have voluntarily applied for a position in a private sector prison industries (PSPI) project.

- 20% of gross earnings to be paid to the Department of Corrections to defray costs of incarceration.
- 6% of gross earnings to be contributed toward family support. In lieu of family support, this percentage will be retained in the Family Support Account until the offender's account is closed at release or may be transferred to the offender's disbursement account or to the Crime Victims Compensation Program.
- 6% of gross earnings to be paid to the Crime Victims Compensation Program.
- Appropriate deductions for federal taxes and social security (estimated at 13.6% of gross wages). The total of all deductions from each offender's gross wages may not exceed 80% of his/her gross wages.

I understand funds may be placed in a costs incurred account while in the DOC account if, after my release from incarceration, funds remain in my offender account and the DOC does not have my forwarding address.

Offender Signature:		Date:	
Staff Signature:		Date:	
Date Encoded:		Date Encoded:	