

Congress of the United States
Washington, DC 20515

7/9/2015

Lee J. Lofthus
Assistant Attorney General for Administration
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

Dear Mr. Loftus:

We are writing to express our concerns about Federal Prison Industries, Inc. (FPI) intended expansion of its services into packaging, warehousing, and distribution services for private-label products that are sold to inmates in commissaries operated by the Federal Bureau of Prisons (BOP). Such services are currently being performed by hundreds of U.S. vendors and suppliers, including small businesses. While we support FPI's mission, we believe the expansion into the correctional commissary market raises questions that warrant appropriate policy and legal reviews.

Specifically, this potential expansion raises four core issues that we would like FPI to address. First, FPI's expansion into the correctional commissary market appears to be contrary to FPI's enabling statute, which requires FPI to "reduce to a minimum competition with private industry and labor" and ensure that "no single private industry shall be forced to bear an undue burden of competition." Second, it appears that FPI violated its enabling statute by failing to analyze the impact of its expansion into the correctional commissary market before undertaking expansion activities. Third, we are concerned that FPI has not been transparent regarding its expansion plans. Finally, we question whether expansion into the correctional commissary market materially advances FPI's core mission of creating inmate jobs. Although this targeted work may benefit FPI financially, we are concerned that it will create only a small number of jobs, while harming companies throughout the United States.

We request a meeting to discussing these four points further with you and the FPI at your earliest convenience. However, until these questions are resolved, we urge FPI to suspend all activities related to the expansion into the correctional commissary market. Further, we urge the FPI Board of Directors to undertake a thorough review of the proposed expansion from both a policy and legal perspective, consistent with existing law.

Sincerely,



Mark Amodei
Member of Congress



Ander Crenshaw
Member of Congress



David Joyce
Member of Congress



Ann Wagner
Member of Congress

cc: David D. Spears
Chairman, FPI Board of Directors
Federal Prison Industries, Inc.
2627 KFB Plaza
Manhattan, KS 66503