

HOUSE BILL 339

Introduced by Thoft, et al.

1/22	Introduced
1/22	Referred to Labor & Employment Relations
1/22	Fiscal Note Requested
1/22	First Reading
1/25	Fiscal Note Received
1/28	Fiscal Note Printed
2/21	Hearing
2/21	Tabled in Committee

HOUSE BILL NO. 339

INTRODUCED BY *Staff T. Buck, Jeff Anderson, Hardin, Brubaker, Gonsfeld, Pea, William, Dick*  
BY REQUEST OF THE DEPARTMENT OF INSTITUTIONS

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE MAXIMUM DOLLAR AMOUNT LIMIT FOR THE CONSTRUCTION OF A PROJECT USING INMATE LABOR; LIMITING PROJECTS USING INMATE LABOR TO THOSE FUNDED OR APPROVED BY THE LEGISLATURE; AMENDING SECTION 53-1-301, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 53-1-301, MCA, is amended to read:

"53-1-301. Permitted institutional industries, powers of department, and incentive pay to inmates. (1) Except as provided in subsection (3), the department may:

(a) establish industries in institutions which that will result in the production or manufacture of such products and the rendering of such services as may be needed by any department or agency of the state or any political subdivision thereof of the state, by any agency of the federal government, by any other states or their political subdivisions, or by nonprofit organizations and that will assist in the rehabilitation of residents in institutions;

(b) contract with private industry for the sale of goods or components manufactured or produced in shops under

its jurisdiction;

(c) print catalogs describing goods manufactured or produced by institutions and distribute the catalogs;

(d) fix the sale price for goods produced or manufactured at institutions. Prices shall may not exceed prices existing in the open market for goods of comparable quality.

(e) require institutions to purchase needed goods from other institutions;

(f) provide for the repair and maintenance of property and equipment of institutions by residents of institutions;

(g) provide for construction or renovation projects up to--the--aggregate--sum--of--\$25,000--per-project, funded or approved by the legislature, by residents of institutions; provided,--however,--said-construction-work-is-not-covered-by a-collective-bargaining-agreement;

(h) provide for the repair and maintenance at an institution of furniture and equipment of any state agency;

(i) provide for the manufacture at an institution of motor vehicle license plates and other related articles;

(j) with the approval of the department, sell manufactured or agricultural products and livestock on the open market;

(k) provide for the manufacture at an institution of highway, road, and street marking signs for the use of the



1 state or any of its political subdivisions, except when the  
2 manufacture of the signs is in violation of a collective  
3 bargaining contract;

4 (1) pay an inmate or resident of an institution from  
5 receipts from the sale of products produced or manufactured  
6 or services rendered in a program in which he is working.

7 (2) (a) Payment for the performance of work may be  
8 based on the following criteria:

9 (i) knowledge and skill;

10 (ii) attitude toward authority;

11 (iii) physical effort;

12 (iv) responsibility for equipment and materials;

13 (v) regard for safety of others.

14 (b) The maximum rate of pay ~~shall~~ must be determined by  
15 the appropriation established for each program.

16 (3) Except as provided in subsection (4), furniture  
17 made in the prison may be purchased by state agencies in  
18 accordance with the procurement provisions under Title 18,  
19 chapter 4. All other prison-made furniture may be sold only  
20 through licensed wholesale or retail furniture outlets or  
21 through export firms for sale to international markets.

22 (4) Any state institution, facility, or program  
23 operated by the department may purchase prison-made  
24 furniture without complying with the procurement provisions  
25 under Title 18, chapter 4.

1 (5) The department may provide for construction of the  
2 project authorized in section 2, Chapter 1, Special Laws of  
3 May 1990, by inmates at the Montana state prison.  
4 (Subsection (5) terminates July 1, 1991--sec. 6, Ch. 1, Sp.  
5 L. May 1990.)"

6 NEW SECTION. **Section 2.** Effective date. [This act] is  
7 effective July 1, 1991.

-End-

STATE OF MONTANA - FISCAL NOTE  
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0339, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

A bill for an act entitled: "An act eliminating the maximum dollar amount limit for the construction of a project using inmate labor; limiting projects using inmate labor to those funded or approved by the legislature; amending section 53-1-301, MCA; and providing an effective date."

ASSUMPTIONS:

1. The maximum dollar amount for a construction or renovation project using inmate labor is eliminated.
2. This bill enables the legislature to fund or approve construction or renovation projects which include residents of institutions in all or part of the work.
3. The executive budget recommends 1991 Legislative Session approval of four capital projects at the Montana State Prison to include work by residents. The fiscal impact, as shown in the table below, is \$1,945,504 in the 1993 biennium for these four projects.


FISCAL IMPACT:

Montana State Prison Capital Projects:

	<u>FY 92-93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Expenditures:</u>			
Replace Roofs (#9)	66,915	30,000	(36,915)
Seal Buildings (#15)	61,540	25,000	(36,540)
Expand Industries Facil(#54)	537,560	335,976	(201,584)
Major Expansion (#57)	<u>21,031,210</u>	<u>19,360,745</u>	<u>(1,670,465)</u>
Total	21,697,225	19,751,721	(1,945,504)

FUNDING

Capitol Projects 21,697,225 19,751,721 (1,945,504)

  
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ROD SUNDSTED, BUDGET DIRECTOR      1-25-91      DATE  
Office of Budget and Program Planning

  
\_\_\_\_\_  
BOB THOFT, PRIMARY SPONSOR      1-28-91      DATE

Fiscal Note for HB0339, as introduced

**HB 339**