

HOUSE BILL 1005

Introduced by Connelly, et al.

3/20	Introduced
3/20	Referred to Labor & Employment Relations
3/20	First Reading
3/20	Fiscal Note Requested
3/22	Hearing
3/25	Fiscal Note Received
3/27	Committee Report--Bill Passed as Amended
4/02	Fiscal Note Printed
4/09	2nd Reading Passed as Amended
4/11	3rd Reading Passed
	Transmitted to Senate
4/15	Motion Failed to Allow for Late Introduction (Motion Requires 2/3 Vote to Pass)
4/20	Motion Failed to Allow for Late Introduction (Motion Requires 2/3 Vote to Pass)

1 *HOUSE* BILL NO. *1005*
 2 INTRODUCED BY *Conrad Boulanger Jeff Hardesty*
 3 *H. S. P. H.* BY REQUEST OF THE LONG-RANGE
 4 BUILDING SUBCOMMITTEE

5
 6 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING RENOVATION
 7 PROJECTS OF UP TO \$25,000 BY RESIDENTS OF FACILITIES UNDER
 8 THE DEPARTMENT OF INSTITUTIONS; AUTHORIZING CERTAIN
 9 CONSTRUCTION AND RENOVATION PROJECTS IN EXCESS OF \$25,000;
 10 LIMITING PROJECTS USING INMATE LABOR TO THOSE FUNDED OR
 11 APPROVED BY THE LEGISLATURE AND USED FOR ADULT CRIMINAL
 12 OFFENDERS; EXEMPTING PROJECTS USING INMATE LABOR FROM THE
 13 LAWS RELATING TO PUBLIC BIDDING, BONDING, WORKERS'
 14 COMPENSATION, AND WAGE LAWS; AMENDING SECTION 53-1-301, MCA;
 15 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

16
 17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 18 **Section 1.** Section 53-1-301, MCA, is amended to read:
 19 "53-1-301. Permitted institutional industries, powers
 20 of department, and incentive pay to inmates. (1) Except as
 21 provided in subsection (3), the department may:
 22 (a) establish industries in institutions which that
 23 will result in the production or manufacture of such
 24 products and the rendering of such services as that may be
 25 needed by any department or agency of the state or any

1 political subdivision thereof of the state, by any agency of
 2 the federal government, by any other states or their
 3 political subdivisions, or by nonprofit organizations and
 4 that will assist in the rehabilitation of residents in
 5 institutions;

6 (b) contract with private industry for the sale of
 7 goods or components manufactured or produced in shops under
 8 its jurisdiction;

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

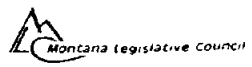
11 (d) fix the sale price for goods produced or
 12 manufactured at institutions. Prices ~~shall~~ may not exceed
 13 prices existing in the open market for goods of comparable
 14 quality.

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

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

19 (g) provide for construction or renovation projects up
 20 to the aggregate sum of \$25,000 per project, by residents of
 21 institutions, ~~provided, however, said~~ if the construction or
 22 renovation work is not covered by a collective bargaining
 23 agreement;

24 (h) provide for construction or renovation projects in
 25 excess of \$25,000 by inmates of correctional institutions if



INTRODUCED BILL
 HB 1005

1 the projects are:

2 (i) authorized and funded by the legislature; and

3 (ii) limited to facilities or areas used for the
4 custody, treatment, training, or rehabilitation of adult
5 criminal offenders;

6 ~~(i)~~ provide for the repair and maintenance at an
7 institution of furniture and equipment of any state agency;

8 ~~(j)~~ provide for the manufacture at an institution of
9 motor vehicle license plates and other related articles;

10 ~~(k)~~ with the approval of the department, sell
11 manufactured or agricultural products and livestock on the
12 open market;

13 ~~(l)~~ provide for the manufacture at an institution of
14 highway, road, and street marking signs for the use of the
15 state or any of its political subdivisions, except when the
16 manufacture of the signs is in violation of a collective
17 bargaining contract;

18 ~~(m)~~ pay an inmate or resident of an institution from
19 receipts from the sale of products produced or manufactured
20 or services rendered in a program in which he is working.

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

23 (i) knowledge and skill;

24 (ii) attitude toward authority;

25 (iii) physical effort;

1 (iv) responsibility for equipment and materials;

2 (v) regard for safety of others.

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

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

11 (4) Any state institution, facility, or program
12 operated by the department may purchase prison-made
13 furniture without complying with the procurement provisions
14 under Title 18, chapter 4.

15 (5) The department may provide for construction of the
16 project authorized in section 2, Chapter 1, Special Laws of
17 May 1990, by inmates at the Montana state prison.

18 (6) A project authorized or funded under subsection
19 (1)(h) is exempt from public bidding, bonding, workers'
20 compensation, and wage laws. (Subsection (5) terminates July
21 1, 1991--sec. 6, Ch. 1, Sp. L. May 1990.)"

22 NEW SECTION. Section 2. Effective date. [This act] is
23 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB1005, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act authorizing renovation projects of up to \$25,000 by residents of facilities under the Department of Institutions; authorizing certain construction and renovation projects in excess of \$25,000; limiting projects using inmate labor to those funded or approved by the legislature and used for adult criminal offenders; exempting projects using inmate labor from the laws relating to public bidding, bonding, workers' compensation, and wage laws.

ASSUMPTIONS:

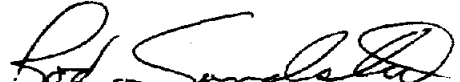
1. Current law limits construction projects using inmate labor to the aggregate sum of \$25,000 per project.
2. HBO005 contains four capital projects at Montana State Prison which involve inmate labor: replace roofs, sealing buildings, expand industries facilities, and portions of the major, bonded expansion.
3. The roof replacement project consists of the roof at the Board of Pardons in Deerlodge for \$20,000 and roofs at satellite warehouses at the prison for \$10,000. Sealing various buildings is \$25,000. Since these projects do not exceed \$25,000, they will not be affected by this legislation.
4. The proposed legislation would allow construction projects to exceed the \$25,000 provided the projects are (a) authorized and funded by the legislature, and (b) at an adult correctional facility.
5. Capital projects are biennial appropriations.

FISCAL IMPACT:Montana State Prison Capital Projects:

<u>Expenditures:</u>	<u>FY92-93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Replace Roofs	30,000	30,000	0
Seal Buildings	25,000	25,000	0
Expand Industries Facilities	537,560	335,976	(201,584)
Major Expansion	<u>21,031,210</u>	<u>19,360,745</u>	<u>(1,670,465)</u>
Total	21,623,770	19,751,721	(1,872,049)
<u>Funding:</u>			
Capital Projects	21,086,210	19,415,745	(1,670,465)
Ranch Proprietary	523,560	321,976	(201,584)
Federal Special Revenue	<u>14,000</u>	<u>14,000</u>	<u>0</u>
Total	21,623,770	19,751,721	(1,872,049)

TECHNICAL NOTES:

Failure of this bill will require an additional \$1,872,049 be appropriated to the proposed projects.

 4-2-91
 ROD SUNDSTED, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

 4-2-91
 MARY ELLEN CONNELLY, PRIMARY SPONSOR DATE

Fiscal Note for HB1005, as introduced

HB 1005-1

APPROVED BY COMMITTEE
ON LABOR & EMPLOYMENT
RELATIONS

HOUSE BILL NO. 1005

INTRODUCED BY CONNELLY, BARDANOUVE, THOFT,

HARDING, HOCKETT

BY REQUEST OF THE LONG-RANGE

BUILDING SUBCOMMITTEE

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CONSTRUCTION AND RENOVATION PROJECTS IN EXCESS OF \$25,000;
LIMITING PROJECTS USING INMATE LABOR TO THOSE FUNDED OR
APPROVED BY THE LEGISLATURE AND USED FOR ADULT CRIMINAL
OFFENDERS; EXEMPTING PROJECTS USING INMATE LABOR FROM THE
LAWS RELATING TO PUBLIC BIDDING, BONDING, WORKERS'
COMPENSATION, AND WAGE LAWS; AMENDING SECTION 53-1-301, MCA;
AND PROVIDING AN IMMEDIATE 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 that 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, by residents of
institutions; ~~provided, however, said~~ if the construction or
renovation work is not covered by a collective bargaining
agreement;

(h) provide for construction or renovation projects in



1 excess of \$25,000 by inmates of correctional institutions if
 2 the projects are:

3 (i) ARE authorized and funded by the legislature; and

4 (ii) ~~limited--to--facilities--or--areas--used--for--the~~
 5 ~~custody,--treatment,--training,--or--rehabilitation-of-adult~~
 6 ~~criminal-offenders; INCLUDE A TRAINING PROGRAM FOR INMATES~~
 7 ~~ON A RATIO OF ONE JOURNEYMAN EMPLOYEE TO EVERY TWO INMATES.~~
 8 THE DEPARTMENT SHALL NEGOTIATE A PROJECT AGREEMENT THAT
 9 INCLUDES A TRAINING PROGRAM WITH THE CRAFT UNIONS HAVING
 10 JURISDICTION WITHIN THE GEOGRAPHIC AREA OF THE MONTANA STATE
 11 PRISON.

12 {h}(i) provide for the repair and maintenance at an
 13 institution of furniture and equipment of any state agency;

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

16 {j}(k) with the approval of the department, sell
 17 manufactured or agricultural products and livestock on the
 18 open market;

19 {k}(l) provide for the manufacture at an institution of
 20 highway, road, and street marking signs for the use of the
 21 state or any of its political subdivisions, except when the
 22 manufacture of the signs is in violation of a collective
 23 bargaining contract;

24 {l}(m) pay an inmate or resident of an institution from
 25 receipts from the sale of products produced or manufactured

1 or services rendered in a program in which he is working.

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

4 (i) knowledge and skill;

5 (ii) attitude toward authority;

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7 (iv) responsibility for equipment and materials;

8 (v) regard for safety of others.

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

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

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

21 (5) The department may provide for construction of the
 22 project authorized in section 2, Chapter 1, Special Laws of
 23 May 1990, by inmates at the Montana state prison.

24 {6} A EXCEPT FOR PROJECTS EMPLOYING JOURNEYMEN
 25 EMPLOYEES, THE project authorized or funded under subsection

1 (l)(h) is exempt from public bidding, bonding, workers'
2 compensation, and wage laws. (Subsection (5) terminates July
3 1, 1991--sec. 6, Ch. 1, Sp. L. May 1990.)"

4 NEW SECTION. SECTION 2. INMATE-LABOR PROJECTS
5 APPROVED. THE PROJECTS THAT USE INMATE LABOR APPROVED BY
6 THE LEGISLATURE PURSUANT TO 53-1-301 ARE LIMITED TO THE
7 GYMNASIUM, YARD STORAGE, TOILET, AND LANDSCAPING AND THE
8 EXPANSIONS OF THE LOW-SECURITY FOOD SERVICE, BUSINESS
9 ADMINISTRATION BUILDING, INDUSTRIES FACILITIES, AND THE
10 WAREHOUSE AT THE STATE PRISON IN DEER LODGE.

11 NEW SECTION. Section 3. Effective date. [This act] is
12 effective on passage and approval.

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