

HOUSE BILL NO. 101

INTRODUCED BY BERGSAGEL

BY REQUEST OF THE DEPARTMENT OF CORRECTIONS

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE AGGREGATE VALUE OF A CONSTRUCTION PROJECT THAT MAY BE PERFORMED BY INMATE LABOR FROM \$25,000 TO \$200,000 FOR EACH PROJECT; AMENDING SECTION 53-1-301, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY 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 departments, and incentive pay to inmates. (1) Except as provided in subsection (4), the department of corrections or the department of public health and human services may:

(a) establish industries in institutions that will result in the production or manufacture of products and the rendering of services as may be needed by any department or agency of the state or any political subdivision 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) obtain federal certification of specific prison industries programs in order to gain access to interstate markets for prison industries products;

(c) contract with private industry for the sale of goods or components manufactured or produced in shops under its jurisdiction and for the employment of inmates in federally certified prison industries programs;

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

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

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



- 1 (g) provide for the repair and maintenance of property and equipment of institutions by residents
2 of institutions;
- 3 (h) provide for construction projects, up to the aggregate sum of ~~\$25,000~~ \$200,000 per for each
4 project, performed by residents of institutions, ~~except when the construction work is covered by a~~
5 ~~collective bargaining agreement;~~
- 6 (i) provide for the repair and maintenance at an institution of furniture and equipment of any state
7 agency;
- 8 (j) provide for the manufacture at an institution of motor vehicle license plates and other related
9 articles;
- 10 (k) sell manufactured or agricultural products and livestock on the open market;
- 11 (l) provide for the manufacture at an institution of highway, road, and street marking signs for the
12 use of the state or any of its political subdivisions, except when the manufacture of the signs is in violation
13 of a collective bargaining contract;
- 14 (m) pay an inmate or resident of an institution from receipts from the sale of products produced
15 or manufactured or services rendered in a program in which the inmate or resident is working;
- 16 (n) collect 15% of the net wages paid to an inmate employed in a federally certified prison
17 industries program for deposit in the Montana crime victims compensation and assistance account
18 established under 53-9-109; and
- 19 (o) collect from an inmate employed in a federally certified prison industries program charges for
20 room and board consistent with charges established by the director for inmates assigned to prerelease
21 centers.
- 22 (2) (a) Except as provided for in subsection (2)(b), payment for the performance of work may be
23 based on the following criteria:
- 24 (i) knowledge and skill;
- 25 (ii) attitude toward authority;
- 26 (iii) physical effort;
- 27 (iv) responsibility for equipment and materials; and
- 28 (v) regard for safety of others.
- 29 (b) The maximum rate of pay must be determined by the appropriation established for each
30 program, except that an inmate employed in a federally certified prison industries program must be paid at

1 a rate not less than the rate paid for similar work in the locality where the inmate performs the work.

2 (3) Premiums for workers' compensation and occupational disease coverage must be paid by the
3 prison industries program or by the department of corrections. If the department of corrections pays the
4 premium, reimbursement for premium payments for workers' compensation and occupational disease
5 coverage must be made to the department of corrections by the private company contracting with the
6 federally certified prison industries program for services and products.

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

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

14

15 **NEW SECTION. Section 2. Effective date -- applicability.** [This act] is effective on passage and
16 approval and applies to contracts for construction projects entered into on or after [the effective date of
17 this act].

18

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0101, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act increasing the aggregate value of a construction project that may be performed by inmate labor from \$25,000 to \$200,000 for each project and providing an immediate effective date and applicability date.

ASSUMPTIONS:

1. The Department of Corrections (DOC) estimates it can save 40-50% of the cost of construction projects using inmate labor. The department assumes a savings of 45%.
2. DOC assumes it can perform up to two projects per year at a cost of \$200,000 each with inmate labor.
3. If these projects are not performed by inmate labor they are estimated to cost \$363,636. The savings would be \$327,272 per year (\$363,636 - 200,000 x 2).
4. There is no fiscal impact to Department of Public Health and Human Services (DPHHS).
5. If a complaint is submitted to the Department of Labor and Industry as a result of this legislation, it would be handled like any other complaint using current resources.
6. If the inmates are participating in a federally certified prison industries training program, they are covered under workers compensation. Otherwise, they are not considered employees.
7. If prisoners are covered under workers compensation, inmate pay and exposure to injury may change due to expanded projects, but fiscal impact on the State Fund is not predictable at this time.
8. Upon passage and approval of this bill, the DOC would complete priority 18, Montana Correctional Enterprises (MCE) Improvements/Expansion MSP, in the 1999 Long-Range Building Program (LRBP), with inmate labor. The project would be completed in two phases to stay within the \$200,000 limit. The savings shown below already are included in the LRBP request.
9. If DOC plans to complete priority 18 with inmate labor and this bill does not pass, a separate bill would be required to exempt the project from the provisions of any applicable Montana law relating to public bidding and construction contracts.

FISCAL IMPACT:

[As already included in the Executive Budget]

	<u>FY98</u>	<u>FY99</u>
<u>Expenditures:</u>	<u>Difference</u>	<u>Difference</u>
Construction cost savings	(327,272)	(327,272)
 <u>Funding:</u>		
Capitol Projects (06)	(327,272)	(327,272)

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Passage of this bill would allow MCE and MSP the ability to assign bigger work projects to inmates which will enhance vocational training, motor vehicle repairs, industries operations, and save the state construction costs.

Dave Lewis 1-12-97
 DAVE LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

Ernest Bergsagel
 ERNEST BERGSAGEL, PRIMARY SPONSOR DATE
 Fiscal Note for HB0101, as introduced

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8 CONTRACTS, WORKERS' COMPENSATION COVERAGE, OR LABOR AND WAGE REQUIREMENTS;
9 ALLOWING THE USE OF INMATE LABOR FOR CONSTRUCTION PROJECTS APPROVED BY THE
10 LEGISLATURE AT THE MONTANA STATE PRISON; AMENDING SECTION 53-1-301, MCA; AND
11 PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."
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13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

14
15 **Section 1.** Section 53-1-301, MCA, is amended to read:16 **"53-1-301. Permitted institutional industries, powers of departments, and incentive pay to**
17 **inmates.** (1) Except as provided in subsection (4), the department of corrections or the department of public
18 health and human services may:19 (a) establish industries in institutions that will result in the production or manufacture of products
20 and the rendering of services as may be needed by any department or agency of the state or any political
21 subdivision of the state, by any agency of the federal government, by any other states or their political
22 subdivisions, or by nonprofit organizations and that will assist in the rehabilitation of residents in
23 institutions;24 (b) obtain federal certification of specific prison industries programs in order to gain access to
25 interstate markets for prison industries products;26 (c) contract with private industry for the sale of goods or components manufactured or produced
27 in shops under its jurisdiction and for the employment of inmates in federally certified prison industries
28 programs;29 (d) print catalogs describing goods manufactured or produced by institutions and distribute the
30 catalogs;

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

3 (f) require institutions to purchase needed goods from other institutions;

4 (g) provide for the repair and maintenance of property and equipment of institutions by residents
5 of institutions;

6 (h) provide for construction projects, up to the aggregate sum of ~~25,000~~ 200,000 per for each
7 project, performed by residents of institutions, ~~except when the construction work is covered by a~~
8 ~~collective bargaining agreement;~~ THE DEPARTMENT OF ADMINISTRATION MAY EXEMPT PROJECTS
9 AUTHORIZED BY THIS SECTION FROM THE PROVISIONS OF ANY APPLICABLE MONTANA LAW
10 RELATING TO CONSTRUCTION, PUBLIC BIDDING, BONDING, CONTRACTS, WORKERS' COMPENSATION
11 COVERAGE, OR LABOR AND WAGE REQUIREMENTS.

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

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

16 (k) sell manufactured or agricultural products and livestock on the open market;

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

20 (m) pay an inmate or resident of an institution from receipts from the sale of products produced
21 or manufactured or services rendered in a program in which the inmate or resident is working;

22 (n) collect 15% of the net wages paid to an inmate employed in a federally certified prison
23 industries program for deposit in the Montana crime victims compensation and assistance account
24 established under 53-9-109; and

25 (o) collect from an inmate employed in a federally certified prison industries program charges for
26 room and board consistent with charges established by the director for inmates assigned to prerelease
27 centers.

28 (2) (a) Except as provided for in subsection (2)(b), payment for the performance of work may be
29 based on the following criteria:

30 (i) knowledge and skill;

- 1 (ii) attitude toward authority;
 2 (iii) physical effort;
 3 (iv) responsibility for equipment and materials; and
 4 (v) regard for safety of others.

5 (b) The maximum rate of pay must be determined by the appropriation established for each
 6 program, except that an inmate employed in a federally certified prison industries program must be paid at
 7 a rate not less than the rate paid for similar work in the locality where the inmate performs the work.

8 (3) Premiums for workers' compensation and occupational disease coverage must be paid by the
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 10 premium, reimbursement for premium payments for workers' compensation and occupational disease
 11 coverage must be made to the department of corrections by the private company contracting with the
 12 federally certified prison industries program for services and products.

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

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

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21 **NEW SECTION. SECTION 2. AUTHORIZATION OF INMATE LABOR FOR DESIGNATED**
 22 **CONSTRUCTION PROJECTS -- EXEMPTIONS. (1) THE DEPARTMENT OF CORRECTIONS IS AUTHORIZED**
 23 **TO USE INMATE LABOR FOR THE PURPOSE OF CONSTRUCTION PROJECTS AT THE MONTANA STATE**
 24 **PRISON THAT ARE AUTHORIZED BY THE LEGISLATURE.**

25 **(2) THE DEPARTMENT OF ADMINISTRATION SHALL PROVIDE FOR CONSTRUCTION OF THE**
 26 **PROJECTS AUTHORIZED BY THIS SECTION, WHICH ARE TO BE BUILT BY THE LOWEST RESPONSIBLE**
 27 **BIDDER, WITH CONTRACT SPECIFICATIONS TO ALLOW THE USE OF INMATE LABOR. THE PERCENTAGE**
 28 **OF INMATE LABOR MUST BE DETERMINED PRIOR TO THE ADVERTISING FOR BID OF THE PROJECTS**
 29 **THROUGH NEGOTIATIONS AMONG THE DEPARTMENT OF CORRECTIONS, THE DEPARTMENT OF**
 30 **ADMINISTRATION, REPRESENTATIVES OF CONSTRUCTION INDUSTRY EMPLOYERS, AND**

1 REPRESENTATIVES OF THE BUILDING TRADES.

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3 NEW SECTION. SECTION 3. SEVERABILITY. IF A PART OF [THIS ACT] IS INVALID, ALL VALID
4 PARTS THAT ARE SEVERABLE FROM THE INVALID PART REMAIN IN EFFECT. IF A PART OF [THIS ACT]
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8 NEW SECTION. SECTION 4. CODIFICATION INSTRUCTION. [SECTION 2] IS INTENDED TO BE
9 CODIFIED AS AN INTEGRAL PART OF TITLE 53, CHAPTER 1, PART 2, AND THE PROVISIONS OF TITLE
10 53, CHAPTER 1, PART 2, APPLY TO [SECTION 2].

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12 NEW SECTION. Section 5. Effective date -- applicability. [This act] is effective on passage and
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14 this act].

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THIRD READING

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- 11 (I) EXEMPT PROJECTS AUTHORIZED BY THIS SECTION SUBSECTION FROM THE PROVISIONS
12 OF ANY APPLICABLE MONTANA LAW TITLE 18, CHAPTER 2, RELATING TO CONSTRUCTION, PUBLIC
13 BIDDING, BONDING, OR CONTRACTS, WORKERS' COMPENSATION COVERAGE, OR; AND
- 14 (II) EXEMPT INMATES WHO PROVIDE LABOR FOR THOSE PROJECTS FROM THE LABOR AND
15 WAGE REQUIREMENTS OF TITLE 18, CHAPTER 2, PART 4. INMATES PROVIDING LABOR FOR PROJECTS
16 UNDER THIS SUBSECTION MUST BE PAID A RATE OF PAY AS PROVIDED IN SUBSECTION (2).
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- 19 (j) provide for the manufacture at an institution of motor vehicle license plates and other related
20 articles;
- 21 (k) sell manufactured or agricultural products and livestock on the open market;
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 14 CODIFIED AS AN INTEGRAL PART OF TITLE 53, CHAPTER 1, PART 2, AND THE PROVISIONS OF TITLE
 15 53, CHAPTER 1, PART 2, APPLY TO [SECTION 2].

16
 17 NEW SECTION. SECTION 5. COORDINATION INSTRUCTION. IF SENATE BILL NO. 2 IS PASSED
 18 AND APPROVED AND IF IT INCLUDES SECTIONS THAT AMEND 53-1-301 AND 53-30-132, THEN
 19 [SECTION 1 OF THIS ACT], AMENDING 53-1-301, IS VOID AND SECTION 53-30-132(1)(I) MUST READ
 20 AS FOLLOWS:

21 "(I) PROVIDE FOR CONSTRUCTION PROJECTS, UP TO THE AGGREGATE SUM OF \$200,000 FOR
 22 EACH PROJECT, PERFORMED BY INMATES. THE DEPARTMENT OF ADMINISTRATION MAY:

23 (I) EXEMPT PROJECTS AUTHORIZED BY THIS SUBSECTION FROM THE PROVISIONS OF TITLE
 24 18, CHAPTER 2, RELATING TO CONSTRUCTION, PUBLIC BIDDING, BONDING, OR CONTRACTS; AND

25 (II) EXEMPT INMATES WHO PROVIDE LABOR FOR THOSE PROJECTS FROM THE LABOR AND
 26 WAGE REQUIREMENTS OF TITLE 18, CHAPTER 2, PART 4. INMATES PROVIDING LABOR FOR PROJECTS
 27 UNDER THIS SUBSECTION MUST BE PAID A RATE OF PAY AS PROVIDED IN SUBSECTION (5)."

28
 29 NEW SECTION. Section 6. Effective date -- applicability. [This act] is effective on passage and
 30 approval and applies to contracts for construction projects entered into on or after [the effective date of

1 this act].

2

-END-

HOUSE BILL NO. 101

INTRODUCED BY BERGSAGEL

BY REQUEST OF THE DEPARTMENT OF CORRECTIONS

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE AGGREGATE VALUE OF A CONSTRUCTION PROJECT THAT MAY BE PERFORMED BY INMATE LABOR FROM \$25,000 TO \$200,000 FOR EACH PROJECT; EXEMPTING THE PROJECTS FROM THE PROVISIONS OF TITLE 18, CHAPTER 2, FOR CONSTRUCTION, PUBLIC BIDDING, BONDING, AND CONTRACTS, WORKERS' COMPENSATION COVERAGE, OR AND EXEMPTING INMATES WHO PROVIDE LABOR ON THE PROJECTS FROM THE LABOR AND WAGE REQUIREMENTS OF TITLE 18, CHAPTER 2, PART 4; ALLOWING THE USE OF INMATE LABOR FOR CONSTRUCTION PROJECTS APPROVED BY THE LEGISLATURE AT THE MONTANA STATE PRISON; AMENDING SECTION 53-1-301, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY 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 departments, and incentive pay to inmates. (1) Except as provided in subsection (4), the department of corrections or the department of public health and human services may:

(a) establish industries in institutions that will result in the production or manufacture of products and the rendering of services as may be needed by any department or agency of the state or any political subdivision 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) obtain federal certification of specific prison industries programs in order to gain access to interstate markets for prison industries products;

(c) contract with private industry for the sale of goods or components manufactured or produced in shops under its jurisdiction and for the employment of inmates in federally certified prison industries programs;

1 (d) print catalogs describing goods manufactured or produced by institutions and distribute the
2 catalogs;

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

5 (f) require institutions to purchase needed goods from other institutions;

6 (g) provide for the repair and maintenance of property and equipment of institutions by residents
7 of institutions;

8 (h) provide for construction projects, up to the aggregate sum of ~~\$25,000~~ \$200,000 per for each
9 project, performed by residents of institutions, ~~except when the construction work is covered by a~~
10 ~~collective bargaining agreement~~; THE DEPARTMENT OF ADMINISTRATION MAY:

11 (I) EXEMPT PROJECTS AUTHORIZED BY THIS SECTION SUBSECTION FROM THE PROVISIONS
12 OF ANY APPLICABLE MONTANA LAW TITLE 18, CHAPTER 2, RELATING TO CONSTRUCTION, PUBLIC
13 BIDDING, BONDING, OR CONTRACTS, WORKERS' COMPENSATION COVERAGE, OR; AND

14 (II) EXEMPT INMATES WHO PROVIDE LABOR FOR THOSE PROJECTS FROM THE LABOR AND
15 WAGE REQUIREMENTS OF TITLE 18, CHAPTER 2, PART 4. INMATES PROVIDING LABOR FOR PROJECTS
16 UNDER THIS SUBSECTION MUST BE PAID A RATE OF PAY AS PROVIDED IN SUBSECTION (2).

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

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

21 (k) sell manufactured or agricultural products and livestock on the open market;

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

25 (m) pay an inmate or resident of an institution from receipts from the sale of products produced
26 or manufactured or services rendered in a program in which the inmate or resident is working;

27 (n) collect 15% of the net wages paid to an inmate employed in a federally certified prison
28 industries program for deposit in the Montana crime victims compensation and assistance account
29 established under 53-9-109; and

30 (o) collect from an inmate employed in a federally certified prison industries program charges for

1 room and board consistent with charges established by the director for inmates assigned to prerelease
2 centers.

3 (2) (a) Except as provided for in subsection (2)(b), payment for the performance of work may be
4 based on the following criteria:

- 5 (i) knowledge and skill;
- 6 (ii) attitude toward authority;
- 7 (iii) physical effort;
- 8 (iv) responsibility for equipment and materials; and
- 9 (v) regard for safety of others.

10 (b) The maximum rate of pay must be determined by the appropriation established for each
11 program, except that an inmate employed in a federally certified prison industries program must be paid at
12 a rate not less than the rate paid for similar work in the locality where the inmate performs the work.

13 (3) Premiums for workers' compensation and occupational disease coverage must be paid by the
14 prison industries program or by the department of corrections. If the department of corrections pays the
15 premium, reimbursement for premium payments for workers' compensation and occupational disease
16 coverage must be made to the department of corrections by the private company contracting with the
17 federally certified prison industries program for services and products.

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

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

25
26 **NEW SECTION. SECTION 2. AUTHORIZATION OF INMATE LABOR FOR DESIGNATED**
27 **CONSTRUCTION PROJECTS -- EXEMPTIONS. (1) THE DEPARTMENT OF CORRECTIONS IS AUTHORIZED**
28 **TO USE INMATE LABOR FOR THE PURPOSE OF CONSTRUCTION PROJECTS AT THE MONTANA STATE**
29 **PRISON THAT ARE AUTHORIZED BY THE LEGISLATURE.**

30 **(2) THE DEPARTMENT OF ADMINISTRATION SHALL PROVIDE FOR CONSTRUCTION OF THE**

1 PROJECTS AUTHORIZED BY THIS SECTION, WHICH ARE TO BE BUILT BY THE LOWEST RESPONSIBLE
 2 BIDDER, WITH CONTRACT SPECIFICATIONS TO ALLOW THE USE OF INMATE LABOR. THE PERCENTAGE
 3 OF INMATE LABOR MUST BE DETERMINED PRIOR TO THE ADVERTISING FOR BID OF THE PROJECTS
 4 THROUGH NEGOTIATIONS AMONG THE DEPARTMENT OF CORRECTIONS, THE DEPARTMENT OF
 5 ADMINISTRATION, REPRESENTATIVES OF CONSTRUCTION INDUSTRY EMPLOYERS, AND
 6 REPRESENTATIVES OF THE BUILDING TRADES.

7
 8 NEW SECTION. SECTION 3. SEVERABILITY. IF A PART OF [THIS ACT] IS INVALID, ALL VALID
 9 PARTS THAT ARE SEVERABLE FROM THE INVALID PART REMAIN IN EFFECT. IF A PART OF [THIS ACT]
 10 IS INVALID IN ONE OR MORE OF ITS APPLICATIONS, THE PART REMAINS IN EFFECT IN ALL VALID
 11 APPLICATIONS THAT ARE SEVERABLE FROM THE INVALID APPLICATIONS.

12
 13 NEW SECTION. SECTION 4. CODIFICATION INSTRUCTION. [SECTION 2] IS INTENDED TO BE
 14 CODIFIED AS AN INTEGRAL PART OF TITLE 53, CHAPTER 1, PART 2, AND THE PROVISIONS OF TITLE
 15 53, CHAPTER 1, PART 2, APPLY TO [SECTION 2].

16
 17 NEW SECTION. SECTION 5. COORDINATION INSTRUCTION. IF SENATE BILL NO. 2 IS PASSED
 18 AND APPROVED AND IF IT INCLUDES SECTIONS THAT AMEND 53-1-301 AND 53-30-132, THEN
 19 [SECTION 1 OF THIS ACT], AMENDING 53-1-301, IS VOID AND SECTION 53-30-132(1)(I) MUST READ
 20 AS FOLLOWS:

21 "(I) PROVIDE FOR CONSTRUCTION PROJECTS, UP TO THE AGGREGATE SUM OF \$200,000 FOR
 22 EACH PROJECT, PERFORMED BY INMATES. THE DEPARTMENT OF ADMINISTRATION MAY:

23 (II) EXEMPT PROJECTS AUTHORIZED BY THIS SUBSECTION FROM THE PROVISIONS OF TITLE
 24 18, CHAPTER 2, RELATING TO CONSTRUCTION, PUBLIC BIDDING, BONDING, OR CONTRACTS; AND

25 (III) EXEMPT INMATES WHO PROVIDE LABOR FOR THOSE PROJECTS FROM THE LABOR AND
 26 WAGE REQUIREMENTS OF TITLE 18, CHAPTER 2, PART 4. INMATES PROVIDING LABOR FOR PROJECTS
 27 UNDER THIS SUBSECTION MUST BE PAID A RATE OF PAY AS PROVIDED IN SUBSECTION (5)."

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 29 NEW SECTION. Section 6. Effective date -- applicability. [This act] is effective on passage and
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