

**CS FOR SENATE BILL NO. 214(JUD)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY THE SENATE JUDICIARY COMMITTEE

**Offered:****Referred:****Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR****A BILL****FOR AN ACT ENTITLED**

1 "An Act authorizing the commissioner of corrections to establish a correctional  
2 industries program; establishing the Correctional Industries Board; authorizing the  
3 Department of Corrections to receive money from the employment of prisoners; and  
4 providing for an effective date."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 \* **Section 1.** AS 33.30.191(c) is amended to read:

7 (c) The commissioner may direct a prisoner to participate in a type of  
8 productive employment listed in (g)(1), (3), and (4) [AND (3) - (5)] of this section  
9 while the prisoner is confined in a correctional facility. A prisoner who refuses to  
10 participate in productive employment inside a correctional facility when directed  
11 under this section is subject to disciplinary sanctions imposed in accordance with  
12 regulations adopted by the commissioner.

13 \* **Sec. 2.** AS 33.30.191(e) is amended to read:

14 (e) The provisions of AS 23 do not apply to the employment of prison inmates

1                   under this section.

2                   \* **Sec. 3.** AS 33.30 is amended by adding new sections to read:

3                   **Sec. 33.30.195. Correctional industries program.** (a) The commissioner may  
4                   establish a correctional industries program for voluntary prisoner participation.

5                   (b) The commissioner may administer the correctional industries program and,  
6                   upon approval by the Correctional Industries Board established under AS 33.30.196,  
7                   enter into contracts or agreements with public agencies, private organizations, or  
8                   individuals for the employment of prisoners in the performance of services or the  
9                   production of articles, materials, or supplies.

10                   (c) A contract or agreement under this section with an individual or private  
11                   organization must require that the individual or private organization

12                   (1) pay compensation to prisoners under AS 33.30.201(g);

13                   (2) comply with the workers' compensation provisions of AS 23.30;

14                   and

15                   (3) comply with federal and state health and safety regulations.

16                   (d) The commissioner shall determine the prices of products and services  
17                   based on the approximate fair market value of products and services of comparable  
18                   quality available from commercial sources. The commissioner may sell a product or  
19                   service under this section to a public agency, private organization, or individual.

20                   (e) Prisoners employed under this section are not state employees and do not  
21                   have the rights, including the right to participate in collective bargaining, or privileges  
22                   of state employees.

23                   **Sec. 33.30.196. Correctional Industries Board.** (a) The Correctional  
24                   Industries Board is established in the department to provide general policy direction to  
25                   the commissioner when implementing the correctional industries program under  
26                   AS 33.30.195.

27                   (b) The board consists of four voting members as follows:

28                   (1) the commissioner of labor and workforce development or the  
29                   commissioner's designee;

30                   (2) the commissioner of commerce, community, and economic  
31                   development or the commissioner's designee;

(3) one representative of organized labor appointed by the governor from a list of nominees submitted by a labor organization; in this paragraph, "labor organization" means a nationally recognized labor organization, organized for the purpose, in whole or in part, of collective bargaining, dealing with employers concerning grievances and terms or conditions of employment, or other mutual aid or protection of employees; and

(4) one representative of business and industry actively engaged in workforce development.

(c) The commissioner of corrections or the commissioner's designee shall serve as an ex officio, nonvoting member of the board.

(d) Public members of the board serve staggered three-year terms. The governor may remove a public member appointed under (b)(3) or (4) of this section from office. If a vacancy occurs, the governor shall appoint a member for the unexpired portion of the term.

(e) The board shall elect a chair from among its voting members by a majority vote. The chair serves a one-year term.

(f) The board shall meet at least quarterly at the call of the chair, at the request of the majority of the members, or at a regularly scheduled time as determined by a majority of the members.

(g) A public member of the board appointed under (b)(3) or (4) of this section serves without compensation but is entitled to per diem and travel expenses authorized for boards and commissions under AS 39.20.180.

(h) The department shall provide staff and administrative support to the board.

**Sec. 33.30.197. Powers and duties of the Correctional Industries Board. (a)**

The Correctional Industries Board shall

(1) monitor the correctional industries program established under AS 33.30.195;

(2) approve contracts or agreements with public agencies, private organizations, or individuals under AS 33.30.195; and

(3) make recommendations as to the advisability of establishing, expanding, or discontinuing a contract or agreement to enable the correctional

1 industries program to operate as nearly as possible in a self-supporting manner and to  
2 provide diversified work activities for prisoners; when making a recommendation  
3 under this subsection, the board shall consider testimony provided under (b) of this  
4 section.

5 (b) The board shall hold public hearings to provide an opportunity for persons  
6 or organizations to present written comments or oral testimony on the proposed  
7 recommendation of the board.

8 (c) The board shall keep a record of all meetings and hearings and make those  
9 records available for public inspection.

10 \* **Sec. 4.** AS 33.30.201(a) is amended to read:

11 (a) **Except as provided in (g) of this section, each** [EACH] prisoner who is  
12 productively employed, as defined in **AS 33.30.191(g)(1), (3), or (4)**  
13 [AS 33.30.191(g)(1) OR (3) - (5)], may receive for that work compensation at a rate  
14 determined by the commissioner under this section [IF THE MONEY IS  
15 AVAILABLE FROM LEGISLATIVE APPROPRIATIONS]. Compensation  
16 established by the commissioner under this section may not exceed 50 percent of the  
17 minimum wage established in AS 23.10.065; however, if required to comply with a  
18 federal statute or regulation, a higher compensation may be established by the  
19 commissioner.

20 \* **Sec. 5.** AS 33.30.201(c) is amended to read:

21 (c) The commissioner shall disburse compensation received under (a) **or (g)** of  
22 this section, after any deduction required by (b) **or (g)** of this section, in the following  
23 order of priority:

24 (1) for support of the prisoner's dependents, if any;

25 (2) **to pay a restitution or fine of the prisoner ordered by a**  
26 **sentencing court;**

27 (3) [(2)] to reimburse the state for compensation awarded under  
28 AS 18.67 resulting from the prisoner's criminal conduct;

29 (4) [(3)] to pay a civil judgment resulting from the prisoner's criminal  
30 conduct;

31 [(4) TO PAY A RESTITUTION OR FINE OF THE PRISONER

1 ORDERED BY A SENTENCING COURT;]

2 (5) for the payment of fees for the prisoner's utilities services under  
3 AS 33.30.017;

4 (6) for the purchase of clothing and commissary items for the  
5 prisoner's personal use.

6 \* **Sec. 6.** AS 33.30.201(d) is amended to read:

7 (d) A prisoner's compensation remaining after any deductions under (b) **or (g)**  
8 of this section and disbursements under (c) of this section is to be credited to the  
9 prisoner and, except as provided in (e) of this section, must be retained by the  
10 department for the primary purpose of being available to the prisoner at the time of  
11 release. The commissioner shall maintain individual prisoner accounts for those  
12 earnings. The commissioner may, however, permit the prisoner to draw on a portion of  
13 that money for other purposes that the commissioner considers appropriate.

14 \* **Sec. 7.** AS 33.30.201 is amended by adding a new subsection to read:

15 (g) A prisoner employed under AS 33.30.195 may receive compensation for  
16 work performed at a rate determined by the commissioner. Compensation for work  
17 performed under a contract or agreement with an individual or private organization  
18 under AS 33.30.195 may not be less than the minimum wage required by  
19 AS 23.10.065. The commissioner may deduct the cost of confinement of the prisoner  
20 up to the statewide average cost of confinement before disbursements are made under  
21 (c) of this section.

22 \* **Sec. 8.** AS 36.30.313 is amended to read:

23 **Sec. 36.30.313. Procurements provided through employment of prison**  
24 **inmates.** A procurement of products or services provided through the employment of  
25 prison inmates under AS 33.30.191 **or 33.30.195** may be made without competitive  
26 sealed bidding or competitive sealed proposals, in accordance with regulations  
27 adopted by the commissioner.

28 \* **Sec. 9.** AS 37.05.146(c) is amended by adding a new paragraph to read:

29 (90) receipts of the Department of Corrections from contracts or  
30 agreements under AS 33.30.195.

31 \* **Sec. 10.** AS 41.21.026(f) is amended to read:

(f) In addition to the activities, services, and products for which the department may charge or collect a fee under (a) of this section, the department may sell informational, educational, or promotional merchandise. The department shall price merchandise sold under this subsection in a manner that ensures a reasonable monetary return to the state. To the extent practicable, the department shall sell only merchandise produced or manufactured, including printing, screen printing, and embroidery, in the United States that, subject to AS 36.30, is procured from either an Alaska bidder or a person that employs prisoners under **AS 33.30.195** [AS 33.30.191(b)].

\* **Sec. 11.** AS 33.30.191(b) and 33.30.191(g)(5) are repealed.

\* **Sec. 12.** This Act takes effect July 1, 2018.