

HOUSE CS FOR SENATE BILL NO. 115(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/28/03
Referred: Rules

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the correctional industries program; and providing for an effective**
2 **date."**

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

4 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
5 to read:

6 SHORT TITLE. This Act may be known as the Correctional Industries Program Act
7 of 2003.

8 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
9 read:

10 LEGISLATIVE INTENT. It is the intent of the legislation by this Act to allow the
11 commissioner of corrections to permit the Correctional Industries Commission to expand the
12 existing correctional industries program and provide that the fund created in this Act be used
13 to pay for salaries and contracts for Correctional Industries Commission employees; if, in the
14 future, the fund is not sufficient to pay those salaries and contracts, the legislature will make

1 every attempt to fund those salaries and contracts from other fund sources.

2 * **Sec. 3.** AS 33.32.015(b) is amended to read:

3 (b) The commissioner of corrections may

4 (1) subject to AS 36.30 (State Procurement Code), use, purchase,
5 lease, equip, and maintain buildings, machinery, and other equipment, and may
6 purchase materials and enter into contracts that may be necessary for the correctional
7 industries program;

8 (2) provide for prisoners to be employed in rendering services and
9 producing articles, materials, and supplies needed by a state agency, a political
10 subdivision of the state, an agency of the federal government, other states or their
11 political subdivisions, or for use by nonprofit organizations **or other companies as**
12 **approved by the Correctional Industries Commission;**

13 (3) if the Correctional Industries Commission established in
14 AS 33.32.070 approves, employ prisoners to provide services or products as needed by
15 private industry if the services or products have potential for contributing to the
16 economy of the state and will **be of benefit to** [HAVE MINIMAL NEGATIVE
17 IMPACT ON] an existing private industry or labor force in the state;

18 (4) authorize a prisoner to engage in vocational training or in
19 productive employment within or outside a correctional facility, or enter into a
20 contract under AS 33.30.191 for the employment of a prisoner if the Correctional
21 Industries Commission determines that the employment will **be of benefit to** [HAVE
22 MINIMAL NEGATIVE IMPACT ON] an existing private industry or labor force in
23 the state; and

24 (5) subject to the provisions of AS 36.30 (State Procurement Code),
25 enter into joint cooperative ventures with private industry for the establishment and
26 operation of "Free Venture" industries under AS 33.32.017 if the Correctional
27 Industries Commission determines at the time of inception that the "Free Venture"
28 industry will not compete with an existing private industry or labor force in the state.

29 * **Sec. 4.** AS 33.32.020(a) is amended to read:

30 (a) There is established in the Department of Corrections an intragovernmental
31 service fund known as the correctional industries fund. All expenses of the

1 correctional industries program [, EXCEPT SALARIES AND BENEFITS OF STATE
 2 EMPLOYEES,] may be financed from the correctional industries fund in accordance
 3 with AS 37.07 (the Executive Budget Act). The commissioner of corrections shall
 4 prepare a report annually on all activities and balances of the fund and notify the
 5 legislature that the report is available.

6 * **Sec. 5.** AS 33.32.030(b) is amended to read:

7 (b) The commissioner of corrections may sell a product or service of a
 8 correctional industries program to a private industry, subject to the approval of the
 9 Correctional Industries Commission established in AS 33.32.070. Before giving its
 10 approval, the Correctional Industries Commission must determine that the product or
 11 service has potential for contributing to the economy of the state and will **be of benefit**
 12 **to** [HAVE MINIMAL NEGATIVE IMPACT ON] an existing private industry or
 13 labor force in the state.

14 * **Sec. 6.** AS 33.32.080(c) is amended to read:

15 (c) The Correctional Industries Commission shall recommend to the
 16 commissioner of corrections the advisability of establishing, expanding, diminishing,
 17 or discontinuing industrial, agricultural, or service activities to enable the program to
 18 operate as nearly as possible in a self-supporting manner, to provide as much
 19 employment for prisoners as is feasible, to provide diversified work activities **that will**
 20 **be of benefit to** [WITH MINIMAL NEGATIVE IMPACT ON] an existing private
 21 industry or labor force in the state, and contribute to the economy of the state. In
 22 making recommendations, the Correctional Industries Commission shall consider
 23 testimony received at public hearings.

24 * **Sec. 7.** This Act takes effect July 1, 2003.