

Introduced: 4/16/80
Referred: Judiciary

1 IN THE HOUSE

BY THE FINANCE COMMITTEE
BY REQUEST

2 HOUSE BILL NO. 1008

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to prison industries and the property
7 rights of prisoners."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 33.30 is amended by adding new sections to read:

10 ARTICLE 4. PRISON INDUSTRIES.

11 Sec. 33.30.350. ALASKA PRODUCTIVE TIME INDUSTRIES. (a) Alaska
12 Productive Time Industries is a public corporation of the state in the
13 Department of Health and Social Services but has a legal existence
14 independent of and separate from the state.

15 (b) The purposes of the corporation are

16 (1) to use the voluntary labor of persons committed to the
17 custody of the commissioner under a judgment of conviction for a crimi-
18 nal offense in the production of goods and services for monetary gain;

19 (2) to give persons committed to the custody of the commis-
20 sioner under a judgment of conviction for a criminal offense an oppor-
21 tunity to acquire or improve vocational skills;

22 (3) to provide financial assistance for the support of fami-
23 lies of persons committed to the custody of the commissioner under a
24 judgment of conviction for a criminal offense;

25 (4) to provide restitution in appropriate cases;

26 (5) to provide maintenance money for a person upon his re-
27 lease from custody; and

28 (6) to provide for all or a part of the noncustodial costs of
29 room and board of a person committed to the custody of the commissioner

1 under a judgment of conviction for a criminal offense.

2 Sec. 33.30.360. POWERS OF CORPORATION. (a) The powers of the
3 corporation include all powers granted to a business corporation under
4 AS 10.05.

5 (b) The corporation may receive and expend legislative appropria-
6 tions.

7 Sec. 33.30.370. BOARD OF DIRECTORS. (a) The corporation shall be
8 administered by a board of directors of not more than 11 persons ap-
9 pointed by the commissioner for staggered terms of four years. The
10 members of the board serve at the pleasure of the commissioner.

11 (b) The board shall include representatives of industry, labor,
12 retail sales, consumers, persons formerly employed by the corporation or
13 by similar entities, an accountant, an attorney, and the commissioner
14 who shall serve as chairman ex officio.

15 (c) Members of the board serve without compensation but are en-
16 titled to per diem and travel expenses authorized under AS 39.20.180.

17 Sec. 33.30.380. DUTIES OF BOARD OF DIRECTORS. (a) The board
18 shall

19 (1) set the price of goods sold or services rendered to
20 public and private purchasers by the corporation, which prices, when
21 competitive sales are involved, may not reflect a subsidy by the govern-
22 ment which is not available to a private party;

23 (2) retain the services of a president to serve as the prin-
24 cipal executive officer of the corporation and contract for other ser-
25 vices the board considers necessary;

26 (3) fix the wages and categories of wages of employees of the
27 corporation which shall be comparable to wages for persons of similar
28 skill levels in the private sector;

29 (4) identify those productive activities to be undertaken by

1 the corporation;

2 (5) select productive activities of the corporation so as to
3 minimize the impact of competition on private industry in the state, to
4 maximize the use of existing skills and aptitudes of its employees, to
5 maximize the use of skills of its employees which will be relevant to
6 the Alaska private sector and to emphasize the use of skills of its
7 employees which will be of future use to those employees;

8 (6) provide employment for as many persons committed to the
9 custody of the commissioner as is possible;

10 (7) apply for and administer grants and contracts for the
11 vocational training of persons in the custody of the commissioner who
12 are employed by or who are to be employed by the corporation;

13 (8) adopt policies and procedures which will prevent dis-
14 crimination with respect to race, age, sex, religion, national origin,
15 or other form of discrimination; however, this paragraph does not pro-
16 hibit the corporation from discriminating in favor of persons in the
17 custody of the commissioner or persons who are handicapped in employment
18 by reason of recent custodial status;

19 (9) conduct an annual audit of the financial affairs of the
20 corporation and present a report annually to the legislature concerning
21 its finances and activities;

22 (10) adopt bylaws for the management of the corporation.

23 Sec. 33.30.390. DUTIES AND POWERS OF THE COMMISSIONER. (a) The
24 commissioner shall determine the manner, places and extent of the opera-
25 tions of the corporation in facilities controlled by the department.

26 (b) The commissioner may lease facilities and grounds under his
27 control to private persons or to the corporation for the employment of
28 persons in his custody.

29 Sec. 33.30.400. OPERATING CAPITAL. The corporation may borrow

1 without security up to \$1,000,000 from the state general fund to be
2 repaid over 20 years at an interest rate fixed by the commissioner of
3 revenue that is comparable to the interest received for the lowest class
4 of risk of state investment. A loan under this section is to provide
5 part or all of the initial operating capital of the corporation. The
6 loan shall be repaid to the general fund from the earnings of the cor-
7 poration.

8 Sec. 33.30.410. EMPLOYEE ACCOUNTS. (a) The corporation shall
9 keep an account containing the net earnings attributable to each em-
10 ployee of the corporation.

11 (b) Each employee of the corporation shall enter into an agreement
12 approved by the commissioner for the allocation and disbursement of
13 money from his account in amounts or proportions fixed by the commis-
14 sioner according to the following order of priority:

15 (1) not less than 10 percent to be disbursed to the employee
16 upon his release from the custody of the commissioner;

17 (2) money permitted to be disbursed to the employee by faci-
18 lity rules for current personal expenses;

19 (3) up to 90 percent for essential care or support of persons
20 for whom the employee has a legal responsibility of support;

21 (4) up to 90 percent for court-ordered or voluntary restitu-
22 tion or reimbursement to the state of disbursements made by the Violent
23 Crimes Compensation Board for the acts of the employee;

24 (5) up to 90 percent to meet the just debts of the employee
25 incurred before he was committed to the custody of the commissioner;

26 (6) reimbursement to the state for partial cost of room and
27 board at a rate fixed by the commissioner, not to exceed 80 percent of
28 the per diem rate for state employees for the community nearest which
29 the employee is situated.

1 Sec. 33.30.420. EMPLOYEE SAFETY AND BENEFITS. (a) The corpora-
2 tion shall provide workmen's compensation insurance for its employees
3 and shall comply with federal and state tax laws and health and safety
4 regulations.

5 (b) Unless required by federal law, employees of the corporation
6 are not subject to unemployment insurance or benefits.

7 Sec. 33.30.430. COOPERATION WITH STATE AGENCIES. (a) With the
8 approval of the commissioner, a state agency may, without exchange of
9 money, transfer to the corporation property or equipment suitable to the
10 purposes of the corporation.

11 (b) An agency or political subdivision of the state may purchase
12 goods or services from the corporation if the price paid for the goods
13 or services is not less than the price of the goods and services as
14 produced by the private sector.

15 * Sec. 2. AS 33.30.200 is amended by adding new paragraphs to read:

16 (8) "agency" means a department, office, institution, board,
17 commission, bureau, division or other administrative unit forming state
18 government, including the legislature, judiciary, and University of
19 Alaska;

20 (9) "board" means the board of directors of the Alaska Pro-
21 ductive Time Industries;

22 (10) "corporation" means the Alaska Productive Time Industries.

23 * Sec. 3. AS 33.30.225, 33.30.270, 33.30.280, and 33.30.290 are repealed.
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