

Rec'd 3/15/82.  
After bill R10 HFC

POSITION PAPER

CS FOR HOUSE BILL NO. 194 (HESS)

"An Act relating to prisoner employment and correctional industries; and providing for an effective date."

The Division of Adult Corrections proposes establishment of a correctional industries program as one of the measures needed to overcome idleness in the Alaskan prisons. The lack of opportunities for meaningful work is one of the most destructive aspects of confinement. The public is not served well when prisoners are released to the community after many months, sometimes years, of having been able to do little or no useful work. Pervasive idleness in prisons has contributed to the personal deterioration of inmates and the volatile instability of many prisons. The elimination of idleness within a correctional institution is one subject of great concern to facility administrators.

A primary advantage of a good industries program is that it can eventually become partially, if not fully, self-supporting. Of greater significance, it can provide prisoners with valuable training; especially in terms of basic work habits; the ability to work well with others, to follow instructions, to adhere to schedules and to have an interest in the product or service being produced. While these factors may be taken for granted by mainstream citizens accustomed to the world of work, they are foreign to many of those who tend chronically to get into trouble with the law. The point to be made here is that a good correctional industries program can be a tremendously important aspect of an effective correctional system.

Today, forty-seven states and the District of Columbia now have correctional industry enabling statutes written into law. The three states remaining without legislation are Delaware, Nevada, and Alaska. Of these three states, Delaware and Nevada are involved in correctional industries without enabling legislation. The State of Alaska is the last state to become actively involved in correctional industries activities. (Attached is a comparison study of Correctional Industry Programs operating in other state systems.)

The Division of Adult Corrections anticipates initiating a correctional industries program on a modest scale with an emphasis during the first year on market research and the development of potential industries. While we would want to establish certain correctional industries activities based on those which have proven successful in other states, our long-range interest lies in identifying approaches which will best serve the unique needs of the Alaskan prison population and will become compatible with the best interest of the people of the State. The proposed bill would establish a Correctional Industries Commission which would address the problems of idleness and lack of training in the prisons and would also have close ties to business, agriculture, organized labor and to the public as a whole. With the guidance

of such a Commission, a carefully balanced correctional industries program can be developed.

The marketing of products and services of correctional industries programs to private industry has the potential for contributing to the economy of the State and actively developing Alaska's resources. State capital invested in correctional industries can maintain a dual purpose of providing meaningful work for prison inmates with some real linkage to post release employment and also improve the position of industry in the State with the net result of increasing the gross product of the State.

Possibilities of promising industries include the establishment of an agricultural processing plant to process crops not presently cultivated but have had success in previous years. A netmaking operation for the developing bottomfish industry may be economically feasible and provide valuable training for the inmates. A data input service could be established to satisfy increasing state needs while providing inmates with marketable skills. Another possibility could be the establishment of a highway sign shop with decal-making capabilities for state markings on vehicles and property. The production of hardwood office furniture is another industry which has had much success in other state programs. A laundry operation may be considered for the State Ferry system. The Marine Highway system has considered establishing its own laundry and might therefore welcome a correctional industry as a regular supplier. Tire recycling within our facilities could produce crumb rubber for use as an asphalt mix aggregate for roadbed construction and joint crack fillers. Correctional Industries could develop an upholstering shop, a welding metal shop, the production of janitorial supplies, small engine repairs and numerous other successful ventures currently in operation within other state's correctional industry programs.

Recently, Chief Justice Warren Burger urged a revised approach to the rehabilitation of prisoners to bring crime under control. In remarks prepared for delivery at the University of Nebraska on December 16, the Chief Justice said, "The current human warehouse system should be changed to factories with fences around them, with inmates paid to produce goods."

The Division of Corrections endorses CS for House Bill 194 (HESS) but requests one technical amendment that would align the proposed legislation more distinctly with existing administrative procedures. The suggestion is to amend page 3, lines 1,2,3 and 4 as follows:

- 1.) Subject to the Fiscal Procedures Act (AS 37.05), use, purchase, lease, equip, and maintain buildings, machinery, and other equipment, and may purchase materials and enter into contracts, which may be necessary for the correctional industries program;

**POSITION PAPER / Department of Health & Social Services**

Recommended by:

Walter B Jones  
Walter B. Jones  
Acting Director, Division of  
Corrections

Date:

2/26/82

Approved by:

Helen D. Beirne  
Helen D. Beirne  
Commissioner

Date:

2. 26. 82

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 194 (HESS)  
Title An Act Relating to prisoner employment and correctional industries  
Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Health & Social Services  
Program Category Affected Offender Confinement, Reformation & Supervision  
BRU, Program, Or Subprogram(s) Affected Adult Confinement, Prison Industries  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		39.8	127.3	334.8	364.9	397.7
200 TRAVEL		21.8	23.8	19.7	21.5	23.4
300 CONTRACTUAL		10.9	11.9	13.0	14.1	15.5
400 COMMODITIES		100.0	150.0	163.5	178.2	194.3
500 EQUIPMENT		150.0	200.0	100.0	25.0	25.0
600 LAND & STRUCTURES		-	-	-	-	-
700 GRANTS, CLAIMS, ETC.		33.0	67.5	97.5	105.0	114.4
TOTAL	-0-	355.5	580.5	728.5	708.7	770.3

FUNDING (Thousands of Dollars)

		*	*	*	*	*
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

\* See Analysis, Paragraph I

POSITIONS

		1	2	4	-0-	-0-
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Assumptions:

A. Staff

- It is anticipated that seven additional shop supervisors will be needed to fully implement the Prison Industries Program. The seven shop supervisors would be hired during the next three fiscal years, on the following schedule:

IV. DATE February 4, 1982

PREPARED BY Roger C. Lange  
AGENCY Division of Adult Corrections  
PHONE 465-3376

Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/81)

*Joanne C. Clark, Acting Director*  
Division of Management & Budget

<u>DATE</u>	<u>LOCATION</u>	<u># OF POSITIONS</u>
July, 1982	Palmer	1
July, 1983	Juneau	2
Oct., 1984	Eagle River	2
Oct., 1984	Fairbanks	2

A. The positions will all be Range 16 - Shop Supervisors; FY 1983 cost is computed as follows:

Monthly Salary \$2556

Annual Salary	\$30,672
Variable Benefits	5,101
Supplemental Benefits	1,880
Health Benefits	2,196
<b>Total</b>	<b>\$39,849</b>

B. Travel

1. Board travel consists of 4 board meetings to be held at institutions with industries programs. It is assumed an average of 6 board members will attend each meeting, with 4 requiring air travel. It is assumed each meeting will be of a three day duration. \$10,560
2. Public Hearings will be conducted at @ Board meeting whenever possible. However two meetings a year in addition may be needed in FY 83 and FY 84 for start up of industries. \$5,280
3. Staff travel of \$6,000 is included for supervision of the program.

C. Contractual funds are included for specialized services not available from state agencies plus long distance telephone and postage costs. It is assumed that the cost for additional heat and electricity will be absorbed by the institutions conducting the industries programs.

D. Commodities funds are to purchase raw materials needed in the manufacturing of products.

E. Funds to purchase equipment will be needed in significant amounts for the first three years for the new product/service lines, as they are developed.

F. Funds requested in Grants and Claims is for the payment to inmates of wages earned. The following table represents the estimates of persons in the program, average wages, etc.

<u>FISCAL YEAR</u>	<u>FULL TIME INMATES</u>	<u>DAYS PER YEAR WORKED</u>	<u>HOURS PER DAY WORKED</u>	<u>AVE. HOURLY WAGE</u>	<u>TOTAL WAGES</u>
1983	40	250	7.5	\$.44	\$33,000
1984	75	250	7.5	.48	67,500
1985	100	250	7.5	.52	97,500
1986	100	250	7.5	.56	105,000
1987	100	250	7.5	.61	114,375

G. Capital expenditures are addressed in the Governor's Capital budget, as follows:

FY 1983	Juneau Prison Industries Building	\$1,248,500
FY 1983	Eagle River Prison Industries	1,306,200
FY 1983	Fairbanks Prison Industries	1,542,000
FY 1985	Palmer Prison Industries Remodel	200,000

The above costs are, therefore, not included in the fiscal note.

H. Inflation

It is assumed that there will be a uniform 9% inflation rate through FY 1986.

- I. Funding identification has not been made as the proposed legislation is not specific as to the manner program receipts are to be handled. Funding could be identified as all general funds or a combination of general funds and program receipts.

Without knowing what specific industries are to be developed or the time frame in which goods or services are available to the specified consumers, no estimate of program receipts can be made at this time. It is assumed, however, that all program receipts will either be identified as part of the funding or deposited directly into the state treasury.

CORRECTIONAL INDUSTRY PROGRAMS

COMPARISON BY STATES

- I. INTRODUCTION
- II. CORRECTIONAL INDUSTRY PROGRAMS/STANDARD INDUSTRIAL CLASSIFICATIONS (SIC)
- III. CHART - COMPARISON BY STATES
- IV. CORRECTIONAL INDUSTRY PROGRAMS BY STATES



*John R. Wald Company*  
INCORPORATED

HUNTINGDON, PENNSYLVANIA 16652

814 643-3908

- INTRODUCTION -

In an effort to more completely list the variety of Correctional Industry Programs operating in corrections today and relate these to comparable industries prevalent in the private sector, we have prepared the attached Comparison by States using the Standard Industrial Classification (SIC) system, as outlined by the U. S. Department of Commerce.

Under the Standard Industrial Classification (SIC) system, an industry is generally defined as a group of establishments producing a single product or a, more or less, closely related group of products. The product groupings from which industry classifications are derived are based on such considerations as whether they are typically produced by the same establishment, similarity of manufacturing processes, types of materials used, types of customers, and the like. The system operates in such a way that the definitions become progressively narrower with successive additions of specific classifications. There are 20 very broad 2-digit groups. The products of the manufacturing industries have been assigned codes based on the industry from which they originate. An establishment is classified in a particular industry if its production of the primary products of that industry exceeds its production of products of any other single industry. In a few instances, however, the industry classification of an establishment is determined not only by the products it makes, but also by the processes employed in making those products.

In earlier censuses, a number of small establishments may have been misclassified as to industry. The industry classifications for these establishments were assigned on the basis of brief descriptions of the general activity of the establishment. Where the description is incomplete or there are relatively fine lines of demarcation between industries or between manufacturing and nonmanufacturing activity, the code assigned to an establishment could differ from that which would have been assigned on the basis of more complete product information.

While some establishments produce only the primary products of the industry in which they are classified, it rarely happens that all the establishments in an industry specialize to this extent.

II

CORRECTIONAL INDUSTRY PROGRAMS/STANDARD INDUSTRIAL  
CLASSIFICATIONS (SIC)

In our effort to relate Correctional Industry Programs to Standard Industrial Classifications we prepared the attached outline, listing every known Correctional Industry Program under each of the Code 20 thru Code 40 Standard Industry Classification (SIC). Industrial Code efforts were made to (identify), first, the so-called traditional correctional industries and, secondly, the variety of new ventures and/or satellite type programs with the Standard Industrial Classifications.

CORRECTIONAL INDUSTRY PROGRAMS

STANDARD INDUSTRIAL CLASSIFICATION (SIC) INDUSTRIAL CODE

20 FOOD & KINDRED PRODUCTS

Abattoir/Meat Processing  
Cannery  
Coffee & Tea  
Dairy Products  
Farming  
Feed/Flour/Grain  
Orchard

21 TOBACCO PRODUCTS

22 TEXTILE MILL PRODUCTS

Cordage/Twine/Rope  
Knitting  
Spin/Weave

23 APPAREL, OTHER TEXTILE PRODUCTS

Canvas Specialty Products  
Drapery  
Flags  
Garment  
Glove  
Hosiery (see Knitting)  
Linens  
Rugs  
Tailor

24 LUMBER AND WOOD PRODUCTS

Carpentry  
Containers  
Forest Mgmt./Timber  
Furniture  
Park Equipment  
Pressure Creosote Treatment  
Saw Mill & Lumber Products  
Snow Fence Mfg.  
Misc. Wood Products

25 FURNITURE & FIXTURES

Furniture  
Wood (new)  
Metal (new)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Office Partitions  
Venetian Blinds

26 PAPER AND ALLIED PRODUCTS

Bags  
Boxes (cardboard)

27 PRINTING AND PUBLISHING

Bookbinding/Repair  
Decals  
Engraving (Name Plates,  
Plaques)  
Printing  
Rubber Stamps  
Silkscreening  
Validation Stickers

28 CHEMICALS AND ALLIED PRODUCTS

Janitorial Products  
Paint  
Soap Products

29 PETROLEUM & COAL PRODUCTS

Oil Recycling

30 RUBBER & PLASTICS PRODUCTS

Plastic Bags  
Plastic Products  
Tire Recapping

- CORRECTIONAL INDUSTRY PROGRAMS -  
(SIC)

31 LEATHER & LEATHER PRODUCTS

Belts  
Leather Bags  
Shoes (New & Repair)

32 STONE, CLAY, AND GLASS PRODUCTS

Masonry Products  
Concrete  
Brick

33 PRIMARY METAL INDUSTRIES

Foundry

34 FABRICATED METAL PRODUCTS

Auto Tags  
Machine Shop  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Misc. Metal Products

35 MACHINERY EXCEPT ELECTRICAL

Business & Office Machine Repair  
Farm Machinery

36 ELECTRICAL EQUIPMENT & SUPPLIES

Electronics  
Maintenance (Electric)

37 TRANSPORTATION EQUIPMENT

Auto Repair  
Bus Repair  
Truck Repair

38 INSTRUMENTS RELATED PRODUCTS

Dental (Prosthetics/Lab)  
Optical Lab

39 MISCELLANEOUS MANUFACTURING INDS.

Brooms/Brushes/Mops  
Educational Toys

40 SERVICE INDUSTRIES (MISCELLANEOUS)

Freight Service  
Laundry/Dry Cleaning  
Nursery  
Records Conversion  
Outside Labor Services

III

CHART

CORRECTIONAL INDUSTRY PROGRAMS

COMPARISON BY STATES

The attached chart was prepared indicating those Industrial Programs (indicated by dots "•") active in each state.

As with any survey it is difficult to assure 100% validity to the programs by state. The results of our research and survey, as indicated on the chart, were arrived at by consensus thru the following sources of information:

1. John R. Wald Company chart titled "State Use Correctional Industries Comparison by States" dated 1-1-74.
2. Correctional Industries Association's 1978-79 Directory.
3. Industry Survey by State of Michigan conducted March 1977.
4. John R. Wald Company publication "Correctional Industries - State Use Sales" 11-1-77.
5. State Correctional Industry Catalogues.
6. Spot calls to Industry Directors, picked at random.
7. Spot reviews in-person with Correctional Industry personnel.







## IV

CORRECTIONAL INDUSTRY PROGRAMSCOMPARISON BY STATESALABAMA

Cannery  
Knitting  
Garment  
Saw Mill & Lumber Products  
Printing  
Validation Stickers  
Auto Tags  
Records Conversion

ALASKA

NO INDUSTRIES

ARIZONA

Abattoir/Meat Processing  
Dairy Products  
Farming  
Carpentry  
Furniture  
Wood (New)  
Mattress/Pillow  
Decals  
Engraving (Name Plates, Plaques)  
Printing  
Validation Stickers  
Auto Tags  
Metal Working  
Signs (Metal)  
Dental (Prosthetics/Lab)  
Freight Service  
Records Conversion

ARKANSAS

Garment  
Mattress/Pillow  
Printing  
Plastic Products  
Records Conversion

CALIFORNIA

Dairy Products  
Farming  
Orchard  
Knitting  
Flags  
Garment  
Glove  
Linens  
Furniture  
Misc. Wood Products  
Wood (New)  
Metal (New)  
Mattress/Pillow  
Bookbinding/Repair  
Printing  
Validation Stickers  
Janitorial Products  
Shoes (New & Repair)  
Auto Tags  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Misc. Metal Products  
Optical Lab

CALIFORNIA (Cont'd)

Educational Toys  
Laundry/Dry Cleaning

COLORADO

Abattoir/Meat Processing  
Cannery  
Dairy Products  
Farming  
Flags  
Garment  
Linens  
Tailor  
Furniture  
Park Equipment  
Saw Mill & Lumber Products  
Wood (New)  
Upholstering  
Office Partition  
Printing  
Validation Stickers  
Auto Tags  
Metal Working  
Sheet Metal  
Signs (Metal)  
Electronics  
Auto Repair  
Freight Service  
Nursery

CONNECTICUT

Dairy Products  
Farming  
Garment  
Furniture  
Park Equipment  
Misc. Wood Products  
Wood (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Office Partition  
Engraving (Name Plates, Plaques)  
Printing  
Rubber Stamps  
Validation Stickers  
Tire Recapping  
Auto Tags  
Machine Shop  
Signs (Metal)  
Business & Office Machine Repair  
Auto Repair  
Dental (Prosthetics/Lab)  
Optical Lab  
Laundry/Dry Cleaning  
Records Conversion

DELAWARE

Repair/Refinishing

DISTRICT OF COLUMBIA

Garment  
Metal (New)  
Repair/Refinishing  
Upholstering  
Printing  
Silkscreening

DISTRICT OF COLUMBIA (Cont'd)

Validation Stickers  
Auto Tags  
Machine Shop  
Metal Working  
Tubular  
Signs (Metal)  
Laundry/Dry Cleaning

FLORIDA

Abattoir/Meat Processing  
Cannery  
Dairy Products  
Farming  
Garment  
Glove  
Hosiery  
Linens  
Forest Mgmt./Timber  
Furniture  
Park Equipment  
Pressure Creosote Treatment  
Saw Mill & Lumber Products  
Misc. Wood Products  
Wood (New)  
Metal (New)  
Repair/Refinishing  
Mattress/Pillow  
Boxes (Cardboard)  
Bookbinding/Repair  
Decals  
Printing  
Validation Stickers  
Janitorial Products  
Soap Products  
Tire Recapping  
Shoes (New & Repair)  
Concrete  
Brick

FLORIDA (Cont'd)

Auto Tags  
Metal Working  
Sheet Metal  
Misc. Metal Products  
Auto Repair  
Truck Repair  
Dental (Prosthetics/Lab)  
Optical Lab  
Nursery  
Records Conversion  
Outside Labor Services

GEORGIA

Garment  
Furniture  
Misc. Wood Products  
Wood (New)  
Metal (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Printing  
Silkscreening  
Validation Stickers  
Janitorial Products  
Concrete  
Auto Tags  
Metal Working  
Sheet Metal  
Signs (Metal)  
Misc. Metal Products

HAWAII

Printing

IDAHO

Carpentry  
Furniture  
Wood (New)  
Metal (New)  
Repair/Refinishing  
Upholstering  
Auto Tags  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Misc. Metal Products  
Auto Repair  
Records Conversion

ILLINOIS

Abattoir/Meat Processing  
Dairy Products  
Farming  
Tobacco Products  
Knitting  
Drapery  
Garment  
Linens  
Furniture  
Saw Mill & Lumber Products  
Wood (New)  
Metal (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Janitorial Products  
Soap Products  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Misc. Metal Products  
Dental (Prosthetics/Lab)  
Brooms/Brushes/Mops

INDIANA

Flags  
Garment  
Tailor  
Furniture  
Misc. Wood Products  
Wood (New)  
Metal (New)  
Mattress/Pillow  
Engraving (Name Plates, Plaques)  
Printing  
Validation Stickers  
Janitorial Products  
Soap Products  
Auto Tags  
Machine Shop  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Misc. Metal Products  
Brooms/Brushes/Mops

IOWA

Garment  
Furniture  
Wood (New)  
Metal (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Office Partitions  
Printing  
Validation Stickers  
Janitorial Products  
Soap Products  
Tire Recapping  
Auto Tags  
Metal Working  
Sheet Metal  
Tubular

IOWA (Cont'd)

Signs (Metal)  
Auto Repair  
Laundry/Dry Cleaning  
Records Conversion  
Outside Labor Service

KANSAS

Garment  
Furniture  
Wood (New)  
Metal (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Silkscreening  
Janitorial Products  
Paint  
Soap Products  
Metal Working  
Tubular  
Signs (Metal)

KENTUCKY

Garment  
Linens  
Furniture  
Wood (New)  
Metal (New)  
Validation Stickers  
Janitorial Products  
Soap Products  
Tire Recapping  
Auto Tags  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)

LOUISIANA

Abattoir/Meat Processing  
Cannery  
Garment  
Linens  
Mattress/Pillow  
Decals  
Janitorial Products  
Soap Products  
Auto Tags  
Signs (Metal)  
Dental (Prosthetics/Lab)  
Brooms/Brushes/Mops

MAINE

Furniture  
Wood (New)  
Repair/Refinishing  
Upholstering  
Printing  
Concrete  
Auto Tags  
Signs (Metal)

MARYLAND

Cannery  
Garment  
Furniture  
Wood (New)  
Metal (New)  
Mattress/Pillow  
Boxes (Cardboard)  
Printing  
Paint  
Auto Tags  
Metal Working  
Sheet Metal

MARYLAND (Cont'd)

Tubular  
Signs (Metal)  
Misc. Metal Products  
Brooms/Brushes/Mops

MASSACHUSETTS

Canvas Specialty Products  
Flags  
Garments  
Furniture  
Wood (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Boxes (Cardboard)  
Silkscreening  
Shoes (New & Repair)  
Foundry  
Auto Tags  
Metal Working  
Signs (Metal)  
Misc. Metal Products  
Auto Repair  
Brooms/Brushes/Mops

MICHIGAN

Spin/Weave  
Canvas Specialty Products  
Flags  
Garments  
Hosiery  
Linens  
Furniture  
Misc. Wood Products  
Wood (New)  
Metal (New)

MICHIGAN (Cont'd)

Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Office Partition  
Boxes (Cardboard)  
Decals  
Engraving (Name Plates, Plaques)  
Printing  
Silkscreening  
Validation Stickers  
Belts  
Shoes (New & Repair)  
Auto Tags  
Machine Shop  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal & Wood)  
Maintenance (Electric)  
Brooms/Brushes/Mops  
Laundry/Dry Cleaning

MINNESOTA

Cordage/Twine/Rope  
Furniture  
Misc. Wood Products  
Wood (New)  
Metal (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Printing  
Validation Stickers  
Plastic Products  
Foundry  
Auto Tags  
Machine Shop  
Metal Working

MINNESOTA (Cont'd)

Sheet Metal  
Tubular  
Farm Machinery  
Bus Repair  
Records Conversion  
Outside Labor Services

MONTANA

Abattoir/Meat Processing  
Dairy Products  
Farming  
Mattress/Pillow  
Printing  
Auto Tags  
Signs (Metal)

NEW HAMPSHIRE

Dairy Products  
Farming  
Furniture  
Wood (New)  
Repair/Refinishing  
Printing  
Auto Tags  
Auto Repair

MISSISSIPPI

Bookbinding/Repair  
Janitorial Products

NEBRASKA

Flags  
Garment  
Furniture  
Park Equipment  
Wood (New)  
Metal (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Engraving (Name plates, Plaques)  
Printing  
Validation Stickers  
Janitorial Products  
Soap Products  
Auto Tags  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Misc. Metal Products

NEW JERSEY

Knitting  
Garment  
Metal (New)  
Mattress/Pillow  
Printing  
Validation Sticker  
Janitorial Products  
Soap Products  
Auto Tags  
Machine Shop  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Brooms/Brushes/Mops

MISSOURI

Garment  
Glove  
Furniture  
Park Equipment  
Wood (New)  
Metal (New)  
Upholstering  
Boxes (Cardboard)  
Bookbinding/Repair  
Printing  
Validation Stickers  
Janitorial Products  
Soap Products  
Shoes (New & Repair)  
Auto Tags  
Metal Working  
Sheet Metal  
Signs (Metal)  
Freight Service  
Laundry/Dry Cleaning  
Records Conversion

NEVADA

Bookbinding/Repair  
Auto Tags

NEW MEXICO

Furniture  
Misc. Wood Products  
Wood (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Decals  
Engraving (Name Plates, Plaques)  
Printing  
Silkscreening  
Validation Stickers  
Auto Tags  
Signs (Metal)  
Auto Repair

NEW YORK

Canvas Specialty Products  
Flags  
Garment  
Linens  
Tailor  
Furniture  
Saw Mill & Lumber Products  
Snow Fence Mfg.  
Misc. Wood Products  
Wood (New)  
Metal (New)  
Upholstering  
Mattress/Pillow  
Boxes (Cardboard)  
Engraving (Name Plates, Plaques)  
Printing  
Silkscreening  
Janitorial Products  
Soap Products  
Plastic Bags  
Foundry

NEW YORK (Cont'd)

Auto Tags  
Machine Shop  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Misc. Metal Products  
Electronics  
Auto Repair  
Bus Repair  
Truck Repair  
Optical Lab  
Brooms/Brushes/Mops

NORTH CAROLINA

Meat Processing  
Cannery  
Farming  
Garment  
Tailor  
Forest Mgmt./Timber  
Furniture  
Wood (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Printing  
Janitorial Products  
Paint  
Soap Products  
Oil Recycling  
Auto Tags  
Metal Working  
Sheet Metal  
Signs (Metal)  
Misc. Metal Products  
Laundry  
Outside Labor Services

NORTH DAKOTA

Furniture  
Wood (New)  
Repair/Refinishing  
Upholstering  
Janitorial Products  
Metal Working  
Tubular  
Signs (Metal)

OHIO

Tobacco Products  
Garment  
Linens  
Furniture  
Wood (New)  
Metal (New)  
Mattress/Pillow  
Printing  
Validation Stickers  
Janitorial Products  
Soap Products  
Shoes (New & Repair)  
Auto Tags  
Machine Shop  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Bus Repair  
Truck Repair  
Dental (Prosthetics/Lab)  
Brooms/Brushes/Mops  
Records Conversion

OKLAHOMA

Abattoir/Meat Processing  
Cannery  
Garment  
Mattress/Pillow  
Boxes (Cardboard)  
Printing  
Auto Tags  
Signs (Metal)  
Records Conversion

OREGON

Furniture  
Wood (New)  
Metal (New)  
Repair/Refinishing  
Upholstering  
Shoes (New & Repair)  
Metal Working  
Sheet Metal  
Tubular  
Auto Repair  
Laundry/Dry Cleaning

PENNSYLVANIA

Abattoir/Meat Processing  
Cannery  
Coffee & Tea  
Dairy Products  
Farming  
Knitting  
Spin/Weave  
Drapery  
Garment  
Linens  
Furniture  
Saw Mill & Lumber Products

PENNSYLVANIA (Cont'd)

Wood (New)  
Metal (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Boxes (Cardboard)  
Printing  
Validation Stickers  
Janitorial Products  
Soap Products  
Shoes (New & Repair)  
Auto Tags  
Metal Working  
Sheet Metal  
Tubular  
Auto Repair  
Dental (Prosthetics/Lab)  
Educational Toys  
Freight Service  
Nursery  
Records Conversion

RHODE ISLAND

Flags  
Printing  
Auto Tags  
Signs (Metal)

SOUTH CAROLINA

Abattoir/Meat Processing  
Dairy Products  
Farming  
Garment  
Furniture  
Wood (New)  
Metal (New)

SOUTH CAROLINA (Cont'd)

Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Venetian Blinds  
Bookbinding/Repair  
Decals  
Silkscreening  
Auto Tags  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Misc. Metal Products  
Laundry/Dry Cleaning  
Janitorial Products

SOUTH DAKOTA

Farming  
Furniture  
Wood (New)  
Repair/Refinishing  
Upholstering  
Bookbinding/Repair  
Printing  
Auto Tags  
Signs (Metal)

TENNESSEE

Garment  
Linens  
Furniture  
Misc. Wood Products  
Wood (New)  
Upholstering  
Printing  
Janitorial Products  
Paint

TENNESSEE (Cont'd)

Soap Products  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)

TEXAS

Abattoir/Meat Processing  
Coffee  
Spin/Weave  
Canvas Specialty Products  
Drapery  
Flags  
Garment  
Linens  
Furniture  
Saw Mill & Lumber Products  
Misc. Wood Products  
Wood (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Boxes (Cardboard)  
Engraving (Name Plates, Plaques)  
Validation Stickers  
Janitorial Products  
Soap Products  
Plastic Products  
Tire Recapping  
Belts  
Shoes (New & Repair)  
Auto Tags  
Sheet Metal  
Signs (Metal)  
Misc. Metal Products  
Bus Repair  
Truck Repair

TEXAS (Cont'd)

Dental (Prosthetics/Lab)  
Brooms/Brushes/Mops  
Educational Toys  
Freight Service  
Records Conversion

UTAH

Abattoir/Meat Processing  
Dairy Products  
Metal (New)  
Printing  
Auto Tags  
Machine Shop  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)

VERMONT

Coffee & Tea  
Farming  
Saw Mill & Lumber Products  
Misc. Wood Products  
Printing  
Validation Stickers  
Auto Tags  
Signs (Metal)

VIRGINIA

Garment  
Linens  
Furniture  
Misc. Wood Products  
Wood (New)  
Metal (New)  
Upholstering  
Office Partitions  
Boxes (Cardboard)  
Bookbinding/Repair  
Engraving (Name Plates, Plaques)  
Printing  
Tire Recapping  
Shoes (New & Repair)  
Concrete  
Auto Tags  
Machine Shop  
Metal Working  
Sheet Metal  
Signs (Metal)  
Dental (Prosthetics/Lab)  
Laundry/Dry Cleaning  
Records Conversion

WASHINGTON

Dairy Products  
Farming  
Metal (New)  
Upholstering  
Printing  
Validation Stickers  
Auto Tags  
Metal Working  
Sheet Metal  
Signs (Metal)  
Business & Office Machine  
Repair  
Auto Repair  
Records Conversion

WEST VIRGINIA

Garment  
Linens  
Printing  
Auto Tags  
Signs (Metal)

WISCONSIN

Farming  
Furniture  
Wood (New)  
Metal (New)  
Upholstering  
Decals  
Engraving (Name Plates, Plaques)  
Printing  
Silkscreening  
Validation Stickers  
Auto Tags  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Business & Office Machine Repair  
Records Conversion

WYOMING

Garment  
Upholstering  
Mattress/Pillow  
Printing  
Shoes (New & Repair)  
Auto Tags  
Signs (Metal)

FEDERAL

Spin/Weave  
Canvas Specialty Products  
Drapery  
Garment  
Glove  
Linens  
Rugs  
Furniture  
Misc. Wood Products  
wood (New)  
Metal (New)  
Repair/Refinishing  
Upholstering  
Mattress/Pillow  
Printing  
Plastic Products  
Tire Recapping  
Shoes (New & Repair)  
Machine Shop  
Metal Working  
Sheet Metal  
Tubular  
Signs (Metal)  
Misc. Metal Products  
Electronics  
Auto Repair  
Brooms/Brushes/Mops  
Records Conversion

POSITION PAPER

CS FOR HOUSE BILL NO. 194 (HESS) am

"An Act relating to prisoner employment and correctional industries; and providing for an effective date."

The Division of Adult Corrections proposes establishment of a correctional industries program as one of the measures needed to overcome idleness in the Alaskan prisons. The lack of opportunities for meaningful work is one of the most destructive aspects of confinement. The public is not served well when prisoners are released to the community after many months, sometimes years, of having been able to do little or no useful work. Pervasive idleness in prisons has contributed to the personal deterioration of inmates and the volatile instability of many prisons. The elimination of idleness within a correctional institution is one subject of great concern to facility administrators.

A primary advantage of a good industries program is that it can eventually become partially, if not fully, self-supporting. Of greater significance, it can provide prisoners with valuable training; especially in terms of basic work habits; the ability to work well with others, to follow instructions, to adhere to schedules and to have an interest in the product or service being produced. While these factors may be taken for granted by mainstream citizens accustomed to the world of work, they are foreign to many of those who tend chronically to get into trouble with the law. The point to be made here is that a good correctional industries program can be a tremendously important aspect of an effective correctional system.

Today, forty-seven states and the District of Columbia now have correctional industry enabling statutes written into law. The three states remaining without legislation are Delaware, Nevada, and Alaska. Of these three states, Delaware and Nevada are involved in correctional industries without enabling legislation. The State of Alaska is the last state to become actively involved in correctional industries activities. (Attached is a comparison study of Correctional Industry Programs operating in other state systems.)

The Division of Adult Corrections anticipates initiating a correctional industries program on a modest scale with an emphasis during the first year on market research and the development of potential industries. While we would want to establish certain correctional industries activities based on those which have proven successful in other states, our long-range interest lies in identifying approaches which will best serve the unique needs of the Alaskan prison population and will become compatible with the best interest of the people of the State. The proposed bill would establish a Correctional Industries Commission which would address the problems of idleness and lack of training in the prisons and would also have close ties to business, agriculture, organized labor and to the public as a whole. With the guidance

of such a Commission, a carefully balanced correctional industries program can be developed.

The marketing of products and services of correctional industries programs to private industry has the potential for contributing to the economy of the State and actively developing Alaska's resources. State capital invested in correctional industries can maintain a dual purpose of providing meaningful work for prison inmates with some real linkage to post release employment and also improve the position of industry in the State with the net result of increasing the gross product of the State.

Possibilities of promising industries include the establishment of an agricultural processing plant to process crops not presently cultivated but have had success in previous years. A netting operation for the developing bottomfish industry may be economically feasible and provide valuable training for the inmates. A data input service could be established to satisfy increasing state needs while providing inmates with marketable skills. Another possibility could be the establishment of a highway sign shop with decal-making capabilities for state markings on vehicles and property. The production of hardwood office furniture is another industry which has had much success in other state programs. A laundry operation may be considered for the State Ferry system. The Marine Highway system has considered establishing its own laundry and might therefore welcome a correctional industry as a regular supplier. Tire recycling within our facilities could produce crumb rubber for use as an asphalt mix aggregate for roadbed construction and joint crack fillers. Correctional Industries could develop an upholstering shop, a welding metal shop, the production of janitorial supplies, small engine repairs and numerous other successful ventures currently in operation within other states' correctional industry programs.

Recently, Chief Justice Warren Burger urged a revised approach to the rehabilitation of prisoners to bring crime under control. In remarks prepared for delivery at the University of Nebraska on December 16, the Chief Justice said, "The current human warehouse system should be changed to factories with fences around them, with inmates paid to produce goods."

The Division of Corrections endorses CS for House Bill 194 (HESS) am but requests one technical amendment that would align the proposed legislation more distinctly with administrative procedures. The amendment and the narrative supporting this revision are as follows:

AMENDMENT TO CSHB 194 (HESS) am  
"An Act relating to Prisoner Employment"

\* See 2. AS. 33.30.250(c) is amended to read:

(c) Whenever the prisoner is not employed and between the hours or periods of employment, he shall be confined in the prison facility (JAIL) unless the court directs otherwise.

EXPLANATION

The Department of Law has advised us that an ambiguity in the statutes regarding work furloughs needs to be clarified. Currently the statutes require the prisoners when not employed to be confined in the jail unless

the court directs otherwise. The term "jail" limits the possible work placement opportunities for our prisoners.

The Division of Adult Corrections has had furlough programs since 1969 and, since 1971, has been utilizing halfway houses under contract as furlough centers. By operating the program from furlough centers rather than from the prison setting, the problem of work furlough participants being placed under pressure to bring in contraband is avoided. There are other advantages as well. Furlough in Alaska has functioned successfully with regards to work and other rehabilitative measures.

The emphasis on development of community-based alternatives to imprisonment for appropriate offenders began during the mid-1960's and has become an important component of progressive corrections programs throughout the country. The rationale for furloughs is based on the belief that, after a term of conventional imprisonment, the offender is in need of a period of structured reintegration into the community. Work furlough and utilization of furloughs for other appropriate purposes serve the best interest of the public by enabling the Division of Adult Corrections to avoid releasing prisoners directly to the community without adequate preparation.

Aside from the rehabilitative value, work release benefits the state by reducing the need for construction. The Alaska corrections system is presently experiencing an upsurge in prisoner population. All institutions are filled to capacity and there are presently 188 prisoners housed in the Federal Bureau of Prisons system outside of Alaska.

Work release programs serve to help alleviate our critical bed space need. Presently, we have 85 prisoners in halfway house programs. If these 85 persons were to be required to return to a prison at the end of the workday, rather than a halfway house, as is the current practice, the State would be required to build a new prison to accommodate the increase in prison population. Currently, construction costs per prison bed range from \$69,000 - \$136,200 in Alaska.

These ambiguities should be corrected if our continued use of contract halfway houses is to be on firm legal ground. The above language would clarify this ambiguity.

Recommended by: Robert S. Hatrak  
for Robert S. Hatrak  
Director, Division of Adult  
Corrections

Date: April 6, 1982

Approved by: Helen D. Beirne  
Helen D. Beirne  
Commissioner

Date: 4-6-82

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 194 (HESS) am  
Title An Act Relating to prisoner employment and correctional industries  
Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Health & Social Services  
Program Category Affected Offender Confinement, Reformation & Supervision  
BRU, Program, Or Subprogram(s) Affected Adult Confinement, Prison Industries  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		39.8	127.3	334.8	364.9	397.7
200 TRAVEL		21.8	23.8	19.7	21.5	23.4
300 CONTRACTUAL		10.9	11.9	13.0	14.1	15.5
400 COMMODITIES		100.0	150.0	163.5	178.2	194.3
500 EQUIPMENT		150.0	200.0	100.0	25.0	25.0
600 LAND & STRUCTURES		-	-	-	-	-
700 GRANTS, CLAIMS, ETC.		33.0	67.5	97.5	105.0	114.4
TOTAL	-0-	355.5	580.5	728.5	708.7	770.3

FUNDING (Thousands of Dollars)

		*	*	*	*	*
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

\* See Analysis, Paragraph I

POSITIONS

		1	2	4	-0-	-0-
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Assumptions:

A. Staff

1. It is anticipated that seven additional shop supervisors will be needed to fully implement the Prison Industries Program. The seven shop supervisors would be hired during the next three fiscal years, on the following schedule:

IV. DATE April 7, 1982

PREPARED BY Roger C. Lange

AGENCY Division of Adult Corrections

PHONE 465-3376

Original: Legislative Finance  
cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

*Joanne C. Clark, Acting Director*  
*Division of Management & Budget*

<u>DATE</u>	<u>LOCATION</u>	<u># OF POSITIONS</u>
July, 1982	Palmer	1
July, 1983	Juneau	2
Oct., 1984	Eagle River	2
Oct., 1984	Fairbanks	2

A. The positions will all be Range 16 - Shop Supervisors; FY 1983 cost is computed as follows:

Monthly Salary \$2556

Annual Salary	\$30,672
Variable Benefits	5,101
Supplemental Benefits	1,880
Health Benefits	2,196
<b>Total</b>	<b>\$39,849</b>

B. Travel

- Board travel consists of 4 board meetings to be held at institutions with industries programs. It is assumed an average of 6 board members will attend each meeting, with 4 requiring air travel. It is assumed each meeting will be of a three day duration. \$10,560
- Public Hearings will be conducted at @ Board meeting whenever possible. However two meetings a year in addition may be needed in FY 83 and FY 84 for start up of industries. \$5,280
- Staff travel of \$6,000 is included for supervision of the program.

C. Contractual funds are included for specialized services not available from state agencies plus long distance telephone and postage costs. It is assumed that the cost for additional heat and electricity will be absorbed by the institutions conducting the industries programs.

D. Commodities funds are to purchase raw materials needed in the manufacturing of products.

E. Funds to purchase equipment will be needed in significant amounts for the first three years for the new product/service lines, as they are developed.

F. Funds requested in Grants and Claims is for the payment to inmates of wages earned. The following table represents the estimates of persons in the program, average wages, etc.

<u>FISCAL YEAR</u>	<u>FULL TIME INMATES</u>	<u>DAYS PER YEAR WORKED</u>	<u>HOURS PER DAY WORKED</u>	<u>AVE. HOURLY WAGE</u>	<u>TOTAL WAGES</u>
1983	40	250	7.5	\$.44	\$33,000
1984	75	250	7.5	.48	67,500
1985	100	250	7.5	.52	97,500
1986	100	250	7.5	.56	105,000
1987	100	250	7.5	.61	114,375

G. Capital expenditures are addressed in the Governor's Capital budget, as follows:

FY 1983	Juneau Prison Industries Building	\$1,248,500
FY 1983	Eagle River Prison Industries	1,306,200
FY 1983	Fairbanks Prison Industries	1,542,000
FY 1985	Palmer Prison Industries Remodel	200,000

The above costs are, therefore, not included in the fiscal note.

H. Inflation

It is assumed that there will be a uniform 9% inflation rate through FY 1986.

- I. Funding identification has not been made as the proposed legislation is not specific as to the manner program receipts are to be handled. Funding could be identified as all general funds or a combination of general funds and program receipts.

Without knowing what specific industries are to be developed or the time frame in which goods or services are available to the specified consumers, no estimate of program receipts can be made at this time. It is assumed, however, that all program receipts will either be identified as part of the funding or deposited directly into the state treasury.

COMMITTEE REPORT

HOUSE

(11)

FURTHER:

2/3/82

Date: Mar 11 1982

Mr. Speaker:

The Committee on FINANCE has had HB 194

"An Act relating to prisoner employment and correctional industries; and providing for an effective date."

under consideration and reports it back as follows:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 194 (1982)  same title  
 new title
- and recommends do pass with attached amendment
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

[Signature]

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[Signature]  
CHAIRMAN

A M E N D M E N T

Offered in the HOUSE

By Finance Committee

To: CS HOUSE BILL NO. 194 (HSS)

                     SENATE BILL NO.                     

AMENDMENT: Page 3 Line 1

Before "use?" insert "subject to the Fiscal Procedures Act  
(AS 37.05)."

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 194 (HESS)

Title An Act Relating to prisoner employment and correctional industries

Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Health & Social Services

Program Category Affected Offender Confinement, Reformation & Supervision

BRU, Program, Or Subprogram(s) Affected Adult Confinement, Prison Industries

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		39.8	127.3	334.8	364.9	397.7
200 TRAVEL		21.8	23.8	19.7	21.5	23.4
300 CONTRACTUAL		10.9	11.9	13.0	14.1	15.5
400 COMMODITIES		100.0	150.0	163.5	178.2	194.3
500 EQUIPMENT		150.0	200.0	100.0	25.0	25.0
600 LAND & STRUCTURES		-	-	-	-	-
700 GRANTS, CLAIMS, ETC.		33.0	67.5	97.5	105.0	114.4
TOTAL	-0-	355.5	580.5	728.5	708.7	770.3

FUNDING (Thousands of Dollars)

		*	*	*	*	*
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

\* See Analysis, Paragraph I

POSITIONS

		1	2	4	-0-	-0-
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Assumptions:

A. Staff

- It is anticipated that seven additional shop supervisors will be needed to fully implement the Prison Industries Program. The seven shop supervisors would be hired during the next three fiscal years, on the following schedule:

*Roger C. Lange*

IV. DATE February 4, 1982

PREPARED BY Roger C. Lange

AGENCY Division of Adult Corrections

Original: Legislative Finance

PHONE 465-3376

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

*Joanne C. Clark, Acting Director*  
*Division of Management & Budget*

<u>DATE</u>	<u>LOCATION</u>	<u># OF POSITIONS</u>
July, 1982	Palmer	1
July, 1983	Juneau	2
Oct., 1984	Eagle River	2
Oct., 1984	Fairbanks	2

A. The positions will all be Range 16. - Shop Supervisors; FY 1983 cost is computed as follows:

Monthly Salary \$2556

Annual Salary	\$30,672
Variable Benefits	5,101
Supplemental Benefits	1,880
Health Benefits	2,196
<b>Total</b>	<b>\$39,849</b>

B. Travel

1. Board travel consists of 4 board meetings to be held at institutions with industries programs. It is assumed an average of 6 board members will attend each meeting, with 4 requiring air travel. It is assumed each meeting will be of a three day duration. \$10,560
2. Public Hearings will be conducted at @ Board meeting whenever possible. However two meetings a year in addition may be needed in FY 83 and FY 84 for start up of industries. \$5,280
3. Staff travel of \$6,000 is included for supervision of the program.

C. Contractual funds are included for specialized services not available from state agencies plus long distance telephone and postage costs. It is assumed that the cost for additional heat and electricity will be absorbed by the institutions conducting the industries programs.

D. Commodities funds are to purchase raw materials needed in the manufacturing of products.

E. Funds to purchase equipment will be needed in significant amounts for the first three years for the new product/service lines, as they are developed.

F. Funds requested in Grants and Claims is for the payment to inmates of wages earned. The following table represents the estimates of persons in the program, average wages, etc.

<u>FISCAL YEAR</u>	<u>FULL TIME INMATES</u>	<u>DAYS PER YEAR WORKED</u>	<u>HOURS PER DAY WORKED</u>	<u>AVE. HOURLY WAGE</u>	<u>TOTAL WAGES</u>
1983	40	250	7.5	\$.44	\$33,000
1984	75	250	7.5	.48	67,500
1985	100	250	7.5	.52	97,500
1986	100	250	7.5	.56	105,000
1987	100	250	7.5	.61	114,375

G. Capital expenditures are addressed in the Governor's Capital budget, as follows:

FY 1983	Juneau Prison Industries Building	\$1,248,500
FY 1983	Eagle River Prison Industries	1,306,200
FY 1983	Fairbanks Prison Industries	1,542,000
FY 1985	Palmer Prison Industries Remodel	200,000

The above costs are, therefore, not included in the fiscal note.

H. Inflation

It is assumed that there will be a uniform 9% inflation rate through FY 1986.

I. Funding identification has not been made as the proposed legislation is not specific as to the manner program receipts are to be handled. Funding could be identified as all general funds or a combination of general funds and program receipts.

Without knowing what specific industries are to be developed or the time frame in which goods or services are available to the specified consumers, no estimate of program receipts can be made at this time. It is assumed, however, that all program receipts will either be identified as part of the funding or deposited directly into the state treasury.

dm P. 3

Original sponsor: Rules/Governor

Offered: 2/3/82  
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2

CS FOR HOUSE BILL NO. 194 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to prisoner employment and correc-  
7 tional industries; and providing for an effective  
8 date."

9

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

10

\* Section 1. AS 33.30.225 is repealed and reenacted to read:

11

Sec. 33.30.225. INSTITUTIONAL EMPLOYMENT. (a) It is the policy  
12 of the state that prisoners be productively employed for as many hours  
13 each day as feasible, not to exceed 40 hours per week unless overtime  
14 has been specifically approved by the commissioner. The term "pro-  
15 ductively employed" includes the following kinds of employment:

16

(1) routine maintenance and support services essential to the  
17 operation of the prison;

18

(2) education including both academic and vocational;

19

(3) industrial, agricultural, and service activities con-  
20 ducted in accordance with AS 33.30.400 - 33.30.490; and

21

(4) public conservation projects including but not limited to  
22 forest fire prevention and control, forest and watershed management,  
23 recreational area development, fish and game management, soil conserva-  
24 tion, and forest watershed revegetation.

25

(b) The commissioner may enter into contracts or cooperative  
26 agreements with any public agency for the performance of conservation  
27 projects.

28

\* Sec. 2. AS 33.30 is amended by adding a new section to read:

29

Sec. 33.30.227. INMATE PAY. (a) Each prisoner who is productively

1 employed, as defined in AS 33.30.225(a)(1), (3) or (4), may receive for  
2 that work compensation at a rate determined by the commissioner under  
3 AS 33.30.450 and which is available from legislative appropriations.  
4 The provisions of AS 33.30.450 apply to prisoners productively employed  
5 in activities other than in the correctional industries program as well  
6 as in those activities that are a part of that program.

7 (b) Nothing in this chapter prohibits the commissioner from estab-  
8 lishing a wage comparable to the prevailing wage rate.

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

10 ARTICLE 4. CORRECTIONAL INDUSTRIES.

11 Sec. 33.30.400. PURPOSE. It is the purpose of AS 33.30.400 -  
12 33.30.490 to:

13 (1) develop and operate agricultural, industrial, and service  
14 enterprises employing prisoners under the jurisdiction of the commis-  
15 sioner;

16 (2) provide realistic work experience for prisoners under  
17 conditions as much like those that prevail in private industry as  
18 possible, consistent with proper penal administration, and to direct  
19 their efforts toward financial responsibility, acquiring or improving  
20 effective work habits and occupational skills, and increasing the  
21 probability of opportunities for employment after release; and

22 (3) operate a work program for prisoners that will be as  
23 nearly self-supporting as possible by generating a sufficient amount of  
24 money from the sale of products and services to pay all or most of the  
25 expenses of the program.

26 Sec. 33.30.410. POWERS AND DUTIES OF THE COMMISSIONER. (a) The  
27 commissioner may establish and administer a correctional industries  
28 program that is based on voluntary prisoner participation.

29 (b) The commissioner may

1           (1) use, purchase, lease, equip, and maintain buildings,  
2 machinery, and other equipment, and may purchase materials and enter  
3 into contracts, which may be necessary for the correctional industries  
4 program;

5           (2) provide for prisoners to be employed in rendering ser-  
6 vices and producing articles, materials, and supplies needed by a state  
7 agency, a political subdivision of the state, an agency of the federal  
8 government, other states or their political subdivisions, or for use by  
9 nonprofit organizations;

10           (3) if the commission established in AS 33.30.470 approves,  
11 the commissioner may employ prisoners to provide services or products as  
12 needed by private industry if the services or products have potential  
13 for contributing to the economy of the state and will have minimal  
14 negative impact on existing private industry in the state.

15           Sec. 33.30.420. CORRECTIONAL INDUSTRIES FUND. (a) There is  
16 established in the department a fund to be known as the correctional  
17 industries fund. All expenses of the correctional industries program,  
18 except salaries and benefits of state employees, are to be financed from  
19 the correctional industries fund and budgeted in accordance with the  
20 Executive Budget Act (AS 37.07). The commissioner shall report annually  
21 to the legislature all activities and balances of the fund.

22           (b) The legislature may appropriate to the correctional industries  
23 fund any amounts necessary to implement AS 33.30.400 - 33.30.490, which  
24 may equal or exceed the amounts received by the state for services  
25 rendered or products sold by the correctional industries program.

26           (c) Unless otherwise expressly provided, money appropriated to the  
27 correctional industries fund is not a one-year appropriation under  
28 AS 37.25.010. Any amount that is appropriated but that is not required  
29 for the purposes of the fund in that fiscal year remains available for

1 spending in succeeding fiscal years.

2 Sec. 33.30.430. MARKETING OF CORRECTIONAL INDUSTRIES PRODUCTS.

3 (a) The commissioner shall market correctional industries products to  
4 appropriate entities as provided for in AS 33.30.410(b)(2). Because of  
5 the potential for contributing to the economy of the state, agricultural  
6 produce may be sold to commercial processors, wholesalers, or distri-  
7 butors, in addition to the entities provided for in AS 33.30.410(b)(2).

8 (b) The commissioner may sell a product or service of a correc-  
9 tional industries program to a private industry, subject to the approval  
10 of the commission established in AS 33.30.470. Before giving its ap-  
11 proval, the commission must determine that the product or service has  
12 potential for contributing to the economy of the state and will have  
13 minimal negative impact on existing private industry in the state.

14 (c) A product or service provided by correctional industries that  
15 meets marketable standards of quality and that meets the needs of state  
16 agencies at reasonable cost, as determined by the commissioner of  
17 administration, shall be purchased by state agencies through procedures  
18 established by the Department of Administration in such a manner as to  
19 facilitate the purchase. A product or service of the type and quality  
20 of that supplied by the correctional industries may not be obtained from  
21 a source outside correctional industries unless the commissioner certi-  
22 fies to the Department of Administration that correctional industries is  
23 not able to provide the product or service. State agencies shall make  
24 maximum use of the resources of the correctional industries program both  
25 in the purchase of existing products and by assisting in the development  
26 of new products or adaptation of existing products to meet future needs.

27 (d) The commissioner shall periodically determine the prices at  
28 which products and services will be sold. Prices must approximate the  
29 fair market value of products and services of comparable quality offered

1 by commercial sources.

2 (e) The commissioner of administration shall establish suitable  
3 methods of accounting and purchasing to facilitate the production and  
4 marketing of correctional industries products and to assure accurate  
5 cost data.

6 Sec. 33.30.440. LEGAL RIGHTS OF PRISONER WORKERS. (a) In ad-  
7 ministering the correctional industries program, the department shall  
8 comply with federal and state health and safety regulations, except for  
9 the provision of workers' compensation under AS 23.30.

10 (b) The provisions of AS 23 do not apply to correctional indus-  
11 tries nor to prisoners who work in correctional industries.

12 (c) Prisoners working in correctional industries are not state  
13 employees nor do they have the rights or privileges accorded to state  
14 employees, including the right to participate in collective bargaining.

15 Sec. 33.30.450. PRISONER PAYMENT; FORFEITURE. (a) The commis-  
16 sioner shall establish a pay plan for prisoners working in correctional  
17 industries based on the quantity and quality of work performed and skill  
18 required. Wage incentive plans to increase productivity may be included  
19 in the pay plan. The commissioner shall determine the amount to be  
20 credited to the prisoner after disbursements made under (b) of this  
21 section.

22 (b) The commissioner shall disburse prisoners' payments in amounts  
23 determined to be appropriate under procedures adopted by the commis-  
24 sioner based on the following order of priority:

- 25 (1) for support of the prisoner's dependents, if any;  
26 (2) to reimburse the state for compensation awarded under  
27 AS 18.67 resulting from the prisoner's criminal conduct;  
28 (3) to pay a civil judgment resulting from the prisoner's  
29 criminal conduct;

1 (4) for the purchase of clothing and commissary items for the  
2 prisoner's personal use;

3 (5) to pay a restitution or fine of the prisoner ordered by a  
4 sentencing court.

5 (c) Money credited to a prisoner must be retained by the com-  
6 missioner for the primary purpose of being available to the prisoner at  
7 the time of his release. The commissioner may, however, permit the  
8 prisoner to draw upon a portion of the money for other purposes that the  
9 commissioner considers appropriate.

10 (d) If a prisoner escapes, a portion of his earnings, as deter-  
11 mined by the commissioner, is to be forfeited. The commissioner shall  
12 deposit any forfeited earnings in the general fund.

13 Sec. 33.30.460. ATTACHMENT OF PRISONER PAYMENTS. Only the prisoner  
14 payments retained by the commissioner under AS 33.30.450(c) are subject  
15 to lien, attachment, garnishment, execution, or similar procedures to  
16 encumber funds or property.

17 Sec. 33.30.470. CORRECTIONAL INDUSTRIES COMMISSION. (a) The  
18 Correctional Industries Commission is established to provide general  
19 policy direction to the correctional industries program through the  
20 commissioner of health and social services. The commission consists of  
21 seven members, five of whom are to be appointed by the governor to serve  
22 staggered terms of four years. The appointed members must include a  
23 representative of private industry, organized labor, agriculture, and  
24 the general public, and one ex-offender. The commissioner of admini-  
25 stration is also a member, as is the commissioner of health and social  
26 services who is to serve as chairperson.

27 (b) The commission shall meet at least four times during each  
28 fiscal year and may hold additional meetings at the call of the chair-  
29 person. Four members of the commission constitute a quorum and a vote

1 of a majority of the quorum is necessary for the transaction of the  
2 business of the commission.

3 (c) Members of the commission serve without compensation, but are  
4 entitled to receive the per diem and travel allowance provided in  
5 AS 39.20.180 for attending meetings of the commission and making investi-  
6 gations either as a commission or individually as members of the commis-  
7 sion at the request of the chairperson.

8 Sec. 33.30.480. POWERS AND DUTIES OF THE COMMISSION. (a) The  
9 Correctional Industries Commission shall monitor the correctional  
10 industries program, annually review the proposed budget of the program,  
11 and make appropriate recommendations to the commissioner. This budget  
12 must be transmitted in the normal budgetary process to the legislature  
13 as part of the governor's budget.

14 (b) The commission shall hold public hearings to provide an op-  
15 portunity for persons or organizations who may be affected by the plans  
16 of the correctional industries program to appear and present testimony  
17 concerning those plans. The commission shall adopt rules governing the  
18 conduct of those hearings, including provisions to assure that adequate  
19 public notice of the hearing is given before the hearing. The commis-  
20 sion may also hold public hearings under these rules on any matter  
21 within its jurisdiction. Rules adopted under this subsection are not  
22 subject to the Administrative Procedure Act (AS 44.62).

23 (c) The commission shall recommend to the commissioner the ad-  
24 visability of establishing, expanding, diminishing, or discontinuing  
25 industrial, agricultural, or service activities to enable the program to  
26 operate as nearly as possible in a self-supporting manner, to provide as  
27 much employment for prisoners as is feasible, to provide diversified  
28 work activities with minimal negative impact on existing private  
29 industry in the state, and contribute to the economy of the state. In

1 making recommendations, the commission shall consider testimony received  
2 at public hearings.

3 Sec. 33.30.490. COOPERATION WITH STATE AGENCIES. With the ap-  
4 proval of the commissioner, a state agency may, without charge, transfer  
5 to the department for the correctional industries program any property  
6 or equipment suitable for the purposes of that program.

7 \* Sec. 4. AS 37.05.230 is amended by adding a new paragraph to read:

8 (9) the provisions of this section relative to competitive  
9 bids do not apply to the purchase of products or services provided by  
10 the correctional industries program established under AS 33.30.400 -  
11 33.30.490.

12 \* Sec. 5. AS 33.30.270, 33.30.280, and AS 36.10.060 are repealed.

13 \* Sec. 6. AS 33.30.400 - 33.30.490 are repealed July 1, 1987.

14 \* Sec. 7. This Act takes effect July 1, 1982.

Introduced: 2/19/81  
Referred: Health, Education &  
Social Services and Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 194

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to prisoner employment and correc-  
7 tional industries; and providing for an effective  
8 date."

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

10 \* Section 1. AS 33.30.225 is repealed and reenacted to read:

11 Sec. 33.30.225. INSTITUTIONAL EMPLOYMENT. (a) It is the policy  
12 of the state that prisoners be productively employed for as many hours  
13 each day as feasible, not to exceed 40 hours per week. The term "pro-  
14 ductively employed" includes the following kinds of employment:

15 (1) routine maintenance and support services essential to  
16 the operation of the prison;

17 (2) education including both academic and vocational;

18 (3) industrial, agricultural, and service activities con-  
19 ducted in accordance with AS 33.30.400 -- 33.30.490; and

20 (4) public conservation projects including but not limited  
21 to forest fire prevention and control, forest and watershed management,  
22 recreational area development, fish and game management, soil conserva-  
23 tion and forest watershed revegetation.

24 (b) The commissioner may enter into contracts or cooperative  
25 agreements with any public agency for the performance of conservation  
26 projects.

27 \* Sec. 2. AS 33.30 is amended by adding a new section to read:

28 Sec. 33.30.227. INMATE PAY. Each prisoner who is productively  
29 employed, as defined in AS 33.30.225(a), is entitled to receive for his

1 or her work compensation at a rate determined by the commissioner under  
2 AS 33.30.440 and which is available from legislative appropriations.  
3 The provisions of AS 33.30.440 apply to prisoners productively employed  
4 in activities other than in the correctional industries program as well  
5 as in those activities which are a part of that program.

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

7 ARTICLE 4. CORRECTIONAL INDUSTRIES.

8 Sec. 33.30.400. PURPOSE. It is the purpose of AS 33.30.400 --  
9 33.30.490 to:

10 (1) develop and operate agricultural, industrial, and ser-  
11 vice enterprises employing prisoners under the jurisdiction of the  
12 commissioner;

13 (2) provide realistic work experience for prisoners under  
14 conditions as much like those which prevail in private industry as  
15 possible, consistent with proper penal administration, and to direct  
16 their efforts toward financial responsibility, acquiring or improving  
17 effective work habits and occupational skills, and increasing the  
18 probability of opportunities for employment after release; and

19 (3) operate a work program for prisoners which will be as  
20 nearly self-supporting as possible by generating a sufficient amount of  
21 funds from the sale of products and services to pay all or most of the  
22 expenses of the program.

23 Sec. 33.30.410. POWERS AND DUTIES OF THE COMMISSIONER. (a) The  
24 commissioner may establish and administer a correctional industries  
25 program which is based on voluntary prisoner participation.

26 (b) The commissioner may:

27 (1) use, purchase, lease, equip, and maintain buildings,  
28 machinery, and other equipment, and may purchase materials and enter  
29 into contracts, which may be necessary for the correctional industries

1 program;

2 (2) provide for prisoners to be employed in rendering ser-  
3 vices and producing articles, materials, and supplies needed by any  
4 agency of the state, any political subdivision of the state, any agency  
5 of the federal government, other states or their political subdivi-  
6 sions, or for use by nonprofit corporations.

7 Sec. 33.30.420. MARKETING OF CORRECTIONAL INDUSTRIES PRODUCTS.

8 (a) The commissioner shall market correctional industries products to  
9 appropriate entities as provided for in AS 33.30.410(b)(2).

10 (b) Products and services provided by correctional industries  
11 which meet marketable standards of quality and which meet the needs of  
12 state agencies at reasonable cost, as determined by the commissioner of  
13 administration, shall be purchased by state agencies through procedures  
14 established by the Department of Administration in such a manner as to  
15 facilitate such purchases. Products and services of the type and  
16 quality of those supplied by the correctional industries may not be  
17 obtained from sources outside correctional industries unless the com-  
18 missioner certifies to the Department of Administration that correc-  
19 tional industries is not able to provide the products or services.  
20 State agencies shall make maximum use of the resources of the correc-  
21 tional industries program both in the purchase of existing products and  
22 by assisting in the development of new products or adaptation of  
23 existing products to meet future needs.

24 (c) The commissioner shall periodically determine the prices at  
25 which products and services will be sold. Prices must approximate the  
26 fair market value of products and services of comparable quality of-  
27 fered by commercial sources.

28 (d) Because of the potential for contributing to the economy of  
29 the state, agricultural produce may be sold to commercial processors,

1 wholesalers, or distributors, in addition to the entities provided for  
2 in AS 33.30.410(b)(2).

3 (e) The commissioner of administration shall establish suitable  
4 methods of accounting and purchasing to facilitate the production and  
5 marketing of correctional industries products and to assure accurate  
6 cost data.

7 Sec. 33.30.430. LEGAL RIGHTS OF PRISONER WORKERS. (a) In ad-  
8 ministering the correctional industries program, the department shall  
9 comply with federal and state health and safety regulations, except for  
10 the provision of workers' compensation under AS 23.30.

11 (b) The provisions of AS 23 do not apply to correctional indus-  
12 tries nor to prisoners who work in correctional industries.

13 (c) Prisoners working in correctional industries are not state  
14 employees nor do they have the rights or privileges accorded to state  
15 employees, including the right to participate in collective bargaining.

16 Sec. 33.30.440. PRISONER PAYMENT; FORFEITURE. (a) The commis-  
17 sioner shall establish a pay plan for prisoners working in correctional  
18 industries based on the quantity and quality of work performed and  
19 skill required. Wage incentive plans to increase productivity may be  
20 included in the pay plan. The commissioner shall determine the amount  
21 to be credited to the prisoner after disbursements made under (b) of  
22 this section.

23 (b) The commissioner shall disburse prisoner payments in amounts  
24 determined to be appropriate under procedures adopted by the commis-  
25 sioner, for the following purposes:

26 (1) to pay any restitution or fine ordered by the sentencing  
27 court;

28 (2) to reimburse the state for an award made for violent  
29 crimes compensation under AS 18.67 arising out of the prisoner's crim-

1 inal conduct;

2 (3) to pay a civil judgment arising out of the prisoner's  
3 criminal conduct;

4 (4) for support of the prisoner's dependents, if any; and

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

7 (c) Funds credited to a prisoner must be retained by the com-  
8 missioner for the primary purpose of being available to the prisoner at  
9 the time of his release. The commissioner may, however, permit the  
10 prisoner to draw upon a portion of these funds for other purposes which  
11 the commissioner considers appropriate.

12 (d) If a prisoner escapes, a portion of his or her earnings, as  
13 determined by the commissioner, is to be forfeited. The commissioner  
14 shall deposit any forfeited earnings in the general fund.

15 Sec. 33.30.450. ATTACHMENT OF PRISONER PAYMENTS. Only the pris-  
16 ner payments retained by the commissioner under AS 33.30.440(c) are  
17 subject to lien, attachment, garnishment, execution, or similar pro-  
18 cedures to encumber funds or property.

19 Sec. 33.30.460. CORRECTIONAL INDUSTRIES COMMISSION. (a) The  
20 Correctional Industries Commission is established to provide general  
21 policy direction to the correctional industries program through the  
22 commissioner of health and social services. The commission consists of  
23 seven members, five of whom are to be appointed by the governor to  
24 serve staggered terms of four years. The appointed members must in-  
25 clude a representative of private industry, organized labor, agricul-  
26 ture, and the general public, and one ex-offender. The commissioner of  
27 administration is also a member, as is the commissioner of health and  
28 social services who is to serve as chairperson.

29 (b) The commission shall meet at least four times during each

1 fiscal year and may hold additional meetings at the call of the chair-  
2 person. Four members of the commission constitute a quorum and a vote  
3 of a majority of the quorum is necessary for the transaction of the  
4 business of the commission.

5 (c) Members of the commission serve without compensation, but are  
6 entitled to receive the per diem and travel allowance provided in  
7 AS 39.20.180 for attending meetings of the commission and making  
8 investigations either as a commission or individually as members of the  
9 commission at the request of the chairperson.

10 Sec. 33.30.470. POWERS AND DUTIES OF THE COMMISSION. (a) The  
11 commission shall monitor the correctional industries program, annually  
12 review the proposed budget of the program, and make appropriate recom-  
13 mendations to the commissioner. This budget must be transmitted in the  
14 normal budgetary process to the legislature as part of the governor's  
15 budget.

16 (b) The commission shall hold public hearings to provide an op-  
17 portunity for persons or organizations who may be affected by the plans  
18 of the correctional industries program to appear and present testimony  
19 concerning those plans. The commission shall adopt rules governing the  
20 conduct of those hearings, including provisions to assure that adequate  
21 public notice of the hearing is given before the hearing. The commis-  
22 sion may also hold public hearings under these rules on any matter  
23 within its jurisdiction. Rules adopted under this subsection are not  
24 subject to the Administrative Procedure Act (AS 44.62).

25 (c) The commission shall recommend to the commissioner the ad-  
26 visability of establishing, expanding, diminishing, or discontinuing  
27 industrial, agricultural, or service activities to enable the program  
28 to operate as nearly as possible in a self-supporting manner, to pro-  
29 vide as much employment for prisoners as is feasible, to provide di-

1           verified work activities to minimize the impact on existing private  
2           industry in the state, and to provide a service for the state. In  
3           making recommendations, the commission shall consider testimony re-  
4           ceived at public hearings.

5           Sec. 33.30.480. COOPERATION WITH STATE AGENCIES. With the ap-  
6           proval of the commissioner, any state agency may, without charge,  
7           transfer to the department for the correctional industries program any  
8           property or equipment suitable for the purposes of that program.

9           Sec. 33.30.490. CONTINUATION OF PROGRAM. After five years of  
10          operation of the correctional industries program, the legislature will  
11          review the program's current status and future plans to determine  
12          whether it is to continue in operation. Among the factors to be con-  
13          sidered by the legislature will be the number of inmates employed, the  
14          financial status of the program, and the contribution which the program  
15          is making both to the effectiveness of the prison system and to the  
16          economy of the state. If the legislature does not act, the program  
17          continues.

18          \* Sec. 4. AS 37.05.230 is amended by adding a new paragraph to read:

19                 (9) the provisions of this section relative to competitive  
20          bids do not apply to the purchase of products or services provided by  
21          the correctional industries program established under AS 33.30.400 --  
22          33.30.490.

23          \* Sec. 5. AS 33.30.270, 33.30.280, and AS 36.10.060 are repealed.

24          \* Sec. 6. This Act takes effect immediately in accordance with AS 01.10.-  
25          070(c).

February 18, 1981

The Honorable Jim Duncan  
Speaker of the House  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which would provide for the creation of certain industries within our present correctional system. The purpose of the bill is to provide appropriate employment for prisoners, consistent with proper penal administration, and to direct prisoner effort toward self-betterment, financial responsibility, and the creation or improvement of job skills that can be used upon release.

The commissioner of health and social services would be empowered to establish the necessary mechanisms for correctional industries and would be responsible for marketing the products and services. Sales would be made to governmental agencies and to private non-profit organizations. Prices to be charged for the products and services provided would be determined by the commissioner, and the program would be exempt from collective bargaining and the provisions of AS 23.

Wages for work done by prisoners would be determined by the commissioner and would be credited to the individual prisoners. Disbursement of a portion of these wages would be made so as to allow the state to recover any related violent crime compensation award made and to pay any restitution order or court award against the prisoner for damages arising out of the criminal conduct. The prisoner could also be made to pay for care of his dependents. The prisoner may then opt to buy personal items, retain the balance of earnings until his release, or for another proper purpose.

A correctional industries commission would be established to hold public hearings to provide an opportunity for persons or organizations who may be affected by the

program to contribute ideas. The commission would then make recommendations to the commissioner regarding the industries program. The commission would have representatives from private industry, labor, agriculture, the public, the state government, and one ex-offender.

This bill also includes provisions dealing with institutional employment of prisoners in general. They declare a policy of the state that prisoners be productively employed while imprisoned; list the types of employment, one of which is the correctional industries program; provide for earnings as determined appropriate by the commissioner; and provide for the forfeiture of all or a portion of earnings of prisoners who escape as determined appropriate by the commissioner. Section 4 of the bill would repeal three provisions which would be inconsistent with and superseded by the statutes in this bill. (However, existing AS 41.20.110(b), on trail and campsite work by prisoners, is left intact.)

It is suggested that, if this bill passes, the revisor of statutes should relocate the "general provisions" article of AS 33.30 to the end of the chapter.

Sincerely,

S/SSH

Jay S. Hammond  
Governor

POSITION PAPER

HOUSE BILL NO. 194

"An Act relating to prisoner employment and correctional industries; and providing for an effective date."

The Division of Adult Corrections supports establishment of a prison industries program as one of the measures needed to overcome idleness in the Alaskan prisons. The lack of opportunities for meaningful work is one of the most destructive aspects of confinement. The public is not served well when prisoners are released to the community after many months, sometimes years, of having been able to do little or no useful work.

A primary advantage of a good industries program is that it can eventually become partially, if not fully, self-supporting. Of greater significance, it can provide prisoners with valuable training; not always with respect to specific skills, but certainly in terms of basic work habits; the ability to work well with others, to follow instructions, to adhere to schedules and to have an interest in the product or service being produced. While these factors may be taken for granted by mainstream citizens accustomed to the world of work, they are foreign to many of those who tend chronically to get into trouble with the law. The point to be made here is that a good prison industries program can be a tremendously important aspect of an effective correctional system.

The Division of Adult Corrections anticipates initiating a prison industries on a modest scale with an emphasis during the first year on planning. While we would want to establish certain prison industries activities based on those which have proven successful in other states, our long range interest lies in identifying approaches which will best serve the unique needs of the Alaskan prison population and will become compatible with the best interest of the people of the state. The proposed bill would establish a prison Correctional Industries Commission which would address the problems of idleness and lack of training in the prisons and would also have close ties to business, agriculture, organized labor and to the public as a whole. With the guidance of such a commission, a carefully balanced prison industries program can be developed.

Recommended by:

*C. F. Campbell*

Charles F. Campbell, Director  
Division of Adult Corrections

Date:

3-19-81

Approved by:

*Helen D. Beirne*

Helen D. Beirne, Commissioner  
Dept. of Health & Social Services

Date:

3-19-81

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 194  
 Title An Act Relating to prisoner employment and correctional industries  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected \_\_\_\_\_  
 Program Category Affected Offender Confinement, Reformation, & Supervision  
 BRU, Program, or Subprogram(s) Affected Adult Confinement, Prison Industries  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES			110.2	324.2	366.5	399.5
200 TRAVEL			3.3	8.3	9.0	9.8
300 CONTRACTUAL						
400 COMMODITIES			.6	1.5	1.6	1.7
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
800 MISC. - REVOLVING FUND		500.0				
TOTAL		500.0	114.1	334.0	377.1	411.0

FUNDING (Thousands of Dollars)

GENERAL FUND		500.0	114.1	334.0	377.1	411.0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		0	3	7	7	7
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assumptions:

A. Staff

1. It is anticipated that seven additional shop supervisors will be needed to fully implement the Prison Industries Program. The seven shop supervisors would be hired during the next three fiscal years, on the following schedule:

IV. DATE March 5, 1981 PREPARED BY Roger C. Lange  
 AGENCY Division of Adult Corrections  
 PHONE 465-3376  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named) Walter Board 3/6/81

<u>DATE</u>	<u>LOCATION</u>	<u># of POSITIONS</u>
July, 1982	Eagle River, Palmer	2
January, 1983	Juneau	1
July, 1983	Juneau, Palmer, Fairbanks	3
October, 1983	Juneau	1

2. The positions will all be Range 16 - Shop Supervisors; FY 1982 cost is computed, as follows:

Monthly Salary \$2640

Annual Salary	\$31,680
Variable Benefits	5,243
Supplemental Benefits	1,942
Health Benefits	1,560
Total	<u>\$40,425</u>

B. Revolving Fund

The bill would authorize a revolving fund, for which \$500,000 is requested. This fund would be used to purchase industries equipment and the raw materials necessary for the manufacture of products. Inmate labor costs will be paid from this fund. Receipts from the sale of products would be deposited into the revolving account so that the program could gradually expand without additional appropriations. The fund will also be used to replace worn-out and obsolete equipment.

It is a long range goal to have the entire cost of the Prison Industry Program to be paid from the revolving fund, including the salary and related costs of the staff. It is not possible to project at this time when or if the self-sustaining level might be achieved.

C. Inflation

It is assumed that there will be a uniform 9% inflation rate through FY 1986.

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

HB 194

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 194  
Title An Act Relating to Prison Industries  
Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services - Division of Adult Corrections  
Program Category Affected Offender Confinement, Reformation & Supervision  
BRU, Program, or Subprogram(s) Affected Adult Confinement, Prison Industries  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES			40.4	110.2	324.2	366.5
200 TRAVEL			1.0	3.3	8.3	9.0
300 CONTRACTUAL						
400 COMMODITIES			.2	.6	1.5	1.6
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
800 Misc. - Revolving Fund			500.0			
<b>TOTAL</b>			<b>541.6</b>	<b>114.1</b>	<b>334.0</b>	<b>377.1</b>

FUNDING (Thousands of Dollars)

GENERAL FUND			541.6	114.1	334.0	377.1
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME			1	3	7	7
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assumptions:

A. Staff

1. It is anticipated that seven additional shop supervisors will be needed to fully implement the Prison Industries Program. The seven shop supervisors would be hired during the next three fiscal years, on the following schedule:

*Roger C. Lange*

Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

Prepared by: Roger C. Lange Date: December 30, 1979  
Division/Office: Adult Corrections PH: 465-3376  
Department of Health & Social Services

<u>Date</u>	<u>Location</u>	<u># of Positions</u>
July, 1981	Palmer	1
July, 1982	Eagle River	1
January, 1983	Juneau	1
July, 1983	Juneau, Palmer, Fairbanks	3
October, 1983	Juneau	1

2. The positions will all be Range 16 - Shop Supervisors; FY 1982 cost is computed, as follows:

Monthly Salary \$2640

Annual Salary	\$31,680
Variable Benefits	5,243
Supplemental Benefits	1,942
Health Benefits	1,560
Total	<u>40,425</u>

B. Revolving Fund

The bill would authorize a revolving fund, for which \$500,000 is requested. This fund would be used to purchase industries equipment and the raw materials necessary for the manufacture of products. Inmate labor costs will be paid from this fund. Receipts from the sale of products would be deposited into the revolving account so that the program could gradually expand without additional appropriations. The fund will also be used to replace worn-out and obsolete equipment.

It is a long range goal to have the entire cost of the Prison Industry Program to be paid from the revolving fund, including the salary and related costs of the staff. It is not possible to project at this time when the self-sustaining level might be achieved.

C. Inflation

It is assumed that there will be a uniform 9% inflation rate through FY 1985.