

HB

473

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: "An Act amending the composition and membership."  
Sponsor: Rep Swackhammer  
Requestor: Gruenberg and Boyer

Agency Affected: Department of Corrections  
BRU: \_\_\_\_\_  
Components: Correctional Industries - Production Cost

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS : (Attach a separate page if necessary)

The travel and per diem costs associated with adding a member to the Correctional Industries Commission will be funded through the Correctional Industries Revolving Fund.

*Susan E. Knighton*

Prepared by: Susan E. Knighton, Director Phone: 465-3376  
Division: Administrative Services Date: 2-26-88

Approved by Commissioner: Susan Humphrey-Barnett Date: 2-26-88  
Agency: Department of Corrections

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

REPRESENTATIVE  
C.E. "SWACK" SWACKHAMMER

# Alaska State Legislature



## House of Representatives

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### MEMORANDUM

TO: All Interested Parties  
FROM: Rep. C.E. Swackhammer *Swackhammer*  
DATE: February 12, 1988  
TOPIC: House Bill 473

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Last session, the 15th Legislature passed a bill keeping Correctional Industries. House Bill 473 has been introduced by me to assure the industries program in corrections remains viable, productive and noncompetitive with private industry and labor in Alaska.

Alaska's economic downswing has made it necessary to address potential problems of the correctional industry negatively impacting free enterprise. To assist in this effort, HB473 changes the composition of the Corrections Industry Commission by adding another member from labor. Currently, the commission calls for one member of organized labor; at this time the member is from the building trades. It is felt that, although corrections industry may impact the construction trades, it is more likely to affect service oriented laborers. For this reason, HB 473 specifically designates that a member from the building trades be supplemented by a representative of the service trades in Alaska.

Corrections and I have had extensive interaction with labor representatives over the past few months. We have come to a consensus that the additional labor member will greatly enhance the industries program, while protecting the "free-world" enterprise.

It is for this reason, I respectfully solicit your support for this piece of legislation.

### CORRECTIONAL INDUSTRIES IN ALASKA

The Corrections Industry program started in the Palmer Correctional Center. It is composed of a potato farm which produces potatoes for state institutions. It employs 2 or 3 inmates during the winter and as many as 15 during the summer, through harvest time in October. Palmer also has a body and fender shop which does repairs to state vehicles only; it employs 4 to 6 offenders.

The Palmer area is also the locale of a slaughter house operated by offenders. The facility was reclaimed from private enterprise which had been funded through state loans. The initial reaction to the operation was negative, with the greatest amount of negative input coming from meat processors and cold storage operations in Anchorage. The intent of the slaughterhouse is to primarily provide a service for Alaskan ranchers and dairy cull stock in the Matanuska Valley. The operation has been struggling, the processor "hurdle" has been overcome; they are now purchasing wholesale meats from the corrections operated plants.

Lemon Creek Correctional Center, in Juneau, houses a laundry facility which provides laundry services to the Alaska Marine Transportation System. Prior to its opening, laundry services were provided through a facility in Prince Rupert, British Columbia. It is a state of the art facility which has been operating at a profit. It employs XX offenders.

Two years ago it was suggested that the laundry wholesale laundry in Southeast. Because of negative reaction on the part of organized labor, the idea was scrapped.

Lemon Creek was also the site of a bakery which provided bake goods to the Marine Transportation System. Previous to its opening, the bake goods were provided by a Seattle firm. The bakery no longer exists and has returned to Seattle. A report of the closing of the bakery follows.

Wildwood Correctional Center has a metal fabrication industry which employs as many as 60 offenders. Its primary products are furniture and bear-proof trash containers used by the park service.

Uniquely, the industry received the contract to provide the secure furniture for the new facility soon to open in Seward, Spring Creek Correctional Center.

Wildwood CC Industries also makes top of the line office furniture. At one time it manufactured more than 200 models. There had been no

complaints from the private sector until the major decline in Alaska's economy. Because of slowing sales, statewide retailers asked corrections to reconsider the scope and magnitude of their operations. Through cooperative agreement, corrections reduced its furniture line to less than twenty models.

The Department of Corrections is currently seeking industries for Fairbanks Correctional Center and Spring Creek.

The Department recently received negative press regarding the prospects of doing data processing in the Fairbanks facility. This is not to be an industry program, but the comments were directed at it. The data processing issue has been tabled, with assurances by corrections that nothing would be done without complete support of the Fairbanks delegation.

LEMON CREEK CORRECTIONS BAKERY REPORT: In the Summer of 1987, a steward on the Alaska Marine Transportation System informed the Dept. of Transportation and Public Facilities that he had received information from an undisclosed source that the bakery products were contaminated. This contamination was allegedly human excretions. A large staple was also allegedly been implanted at the facility.

DOT/PF immediately stopped receiving products from Lemon Creek and conducted an investigation. The Alaska State Troopers were called into the investigation. The supervisors and inmates in the bakery industry volunteered to take polygraph tests regarding their activities in the bakery.

There was absolutely no evidence of foul play by staff or inmates; they were exonerated of any charges. The steward never disclosed his source of information.

Because of the negative press and potential spin-off of the accusations, the Department of Corrections has cancelled the bakery industry. The Department is speculating on moving the equipment to Southcentral Alaska to provide bakery goods to correctional facilities in the Anchorage Bowl Area.

REPRESENTATIVE  
C.E. "SWACK" SWACKHAMMER

# Alaska State Legislature



## House of Representatives

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January 16, 1988

Anna Bell Stevens  
825 East 8th Avenue  
Anchorage, AK 99501

Dear Anna Bell;

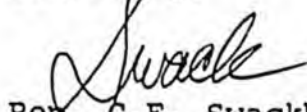
Thank you for your input regarding prison industries in general, and your position regarding the use of inmates to process fishing licenses. I share your concerns.

Currently, it is the policy of the Department of Corrections to only introduce industry programs that will not compete with state located industry, or some industry that has not had a response from the private sector within Alaska. I brought the data processing issue up recently and your concerns were shared by several of us. We were assured that this industry will not start without a guarantee that every safety precaution and/or policy is followed.

I believe prison industries should exist, just as long as they do not take away work from the "free-world" laborer. The spin-off of a good industry program is the development of working skills for offenders who will eventually become members of society. Granted, the cost of housing an offender is high. A major part of incarceration is to rehabilitate the offender. Having an individual housed in a facility will cost the same whether the person is learning a skill, or merely sitting idle.

Please feel confident, I will do everything in my power to protect the working Alaskan. If I can be of any further assistance, or if you wish to share additional ideas, please do not hesitate to contact this office.

Sincerely,

  
Rep. C.E. Swackham: r

CES/cn

JANUARY 21, 1988

JAN 25 1988

DEAR REPRESENTATIVE SWACKHAMMEER;

AS A PAST LAW ENFORCEMENT OFFICER YOU MUST SURELY BE ABLE TO IDENTIFY WITH THE PROBLEM THAT THE NEWEST PROJECT THE CORRECTION INDUSTRIES PROGRAM IS TRYING TO OFF GET THE GROUND WILL CREATE. HOW CAN THEY ALLOW CONVICTS THE ACCESS TO VITAL CONFIDENTIAL INFORMATION SUCH AS HOME ADDRESSES AND SOCIAL SECURITY NUMBERS IS QUIT BEYOND ME. THE SAFETY AND WELL BEING OF NOT ONLY LAW ENFORCEMENT OFFICERS BUT ANY CITIZEN WHO BUYS A LICENSE WILL BE JEOPARDIZED.


THE CORRECTION INDUSTRIES CANCER THAT IS SPREADING THROUGH OUT ALASKA MUST BE STOPPED BEFORE THERE ARE NO JOBS LEFT FOR HONEST ALASKANS.

CHEAP LABOR IS NOT WHAT THE INDUSTRIES PROGRAM IS ABOUT, NO LABOR WE HAVE CAN COST MORE. WE PAY SOME FORTY TO FORTY-SIX THOUSAND DOLLARS PER YEAR TO SECURE AND MAINTAIN EACH CONVICT THAT IS INCARCERATED AND THE MONEY THEY MIGHT EARN WILL NOT BE USED TO DEFRAY THE MAINTAINING OF THE CONVICT, BUT IT WILL GO BACK INTO THE INDUSTRIES PROGRAM SO IT CAN EXPAND AND TAKE MORE JOBS FROM HONEST ALASKANS.

WE NEED TO CURE THIS CANCER NOW!!!

ANY HELP YOU CAN AFFORD IN THIS AREA WILL BE GREATLY APPRECIATED.

SINCERELY:

  
ANNA BELL STEVENS

825 EAST 8th AVENUE

ANCHORAGE, ALASKA 99501

(907) 279-1124

REPRESENTATIVE  
C.E. "SWACK" SWACKHAMMER

# Alaska State Legislature



House of Representatives

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January 28, 1988

Anna Bell Stevens  
825 East 8th Avenue  
Anchorage, AK 99501

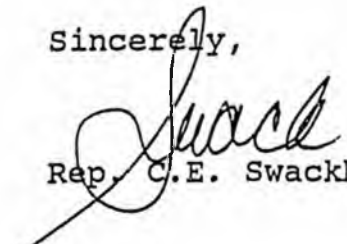
Dear Anna Bell;

Thank you for sharing your insights and ideas during the recent teleconference with Corrections. Also, thanks for allowing me to monitor it. I was, unfortunately, unable to attend. Carl Nickel of my staff was in attendance and briefed me afterwards.

I want to see the Prison Industries program succeed and I believe involving organized labor in the process is critical to its success. Industries develop skills for offenders, as I stated in a recent letter to you. It is, however, important that these skills are not developed at the expense of the laborer, on the street and out of work.

Please feel confident that I will work for a meaningful industries program that meets needs without stealing jobs.. Again, thanks for your input and time.

Sincerely,

  
Rep. C.E. Swackhammer

CES/cn

FEBRUARY 3, 1988

REPRESENTATIVE SWACKHAMMER  
BOX V  
JUNEAU, ALASKA 99811

DEAR SWACK:

ENCLOSED IS A COPY OF THE CORRECTIONS COMMISSION BOARD.


I WOULD LIKE TO THANK YOU FOR ALLOWING <sup>ME</sup> TO APPEAR BEFORE YOUR COMMITTEE ON  
TUESDAY. I FEEL THAT WE HAVE MADE A MOVE IN THE RIGHT DIRECTION. GRANTED  
MORE NEEDS TO BE DONE, BUT A START HAS BEEN MADE.

I FEEL THAT LABOR NEEDS TO BE BETTER REPRESENTED ON THE INDUSTRIES COMMISSION.

I WILL FOLLOW THIS WITH A LETTER OF SOME OF THE IDEAS THAT HAVE BEEN PRESENTED  
BY PEOPLE FROM THE PRIVATE SECTOR TO ME OVER THE PAST YEAR AS TO AREAS THAT THE  
INDUSTRIES MIGHT LOOK INTO.

HOPING TO SEE YOU AGAIN SOON IN JUNEAU.

SINCERELY;

  
ANNA BELL STEVENS

825 EAST 8th AVE.

ANCHORAGE, ALASKA 99501

REPRESENTATIVE  
C.E. "SWACK" SWACKHAMMER

Alaska State Legislature



House of Representatives

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February 8, 1988

Anna Bell Stevens  
825 East 8th Avenue  
Anchorage, AK 99501

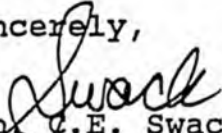
Dear Anna Bell;

Thanks for the information on the Corrections Industry Commission. This information will be added to our records.

Carl tells me you are sending a list of prospective industry programs that you and your co-workers have developed. I look forward to seeing the list.

Again, thank you for the input. I feel confident that these mutual concerns can be resolved. If I can be of additional services, please do not hesitate to contact this office.

Sincerely,

  
Rep. C.E. Swackhammer

CES/cn

REPRESENTATIVE  
C.E. "SWACK" SWACKHAMMER

# Alaska State Legislature



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March 26, 1988

Anna Bell Stevens  
825 E 8th Street  
Anchorage, AK 99501

Dear Anna Bell;

Thank you for the information regarding the private operation of prisons. Carl, on my staff, has been watching this issue for me.

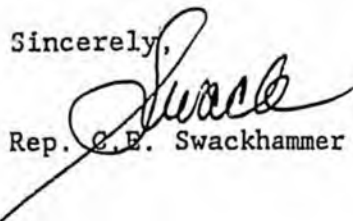
Alaska uses private providers for "soft beds" in corrections. This translates to those beds necessary to handle work release needs, furloughs and "other" beds which do not require a cell type secure setting.

Nationally, there have been some private operations of "hard bed" facilities with mixed results. There are some inherent problems. Private providers tend to pay less, have lower requirements for hiring and cannot necessarily provide adequate training. This all lends itself toward less than satisfactory institutions.

There is also the question of responsibility. Who is responsible for the custody, care and control of a state's offenders (or federal)? Laws are developed, enforced and adjudicated. If government is willing to do this, why shouldn't it also be responsible for the supervision and/or rehabilitation of the offender?

It is a complex question which I'm sure does not have a simple answer. Thanks again for the material, I will include it in our growing collection of pertinent information. I knew you hadn't forgotten us.

Sincerely,

  
Rep. C.E. Swackhammer

CES/cn

C-31

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# Prisoners process paper for overworked agency

By Larry Persily  
Associated Press

JUNEAU — A state agency that could not keep up with its paperwork is turning to Fairbanks inmates for help in processing 500,000 annual hunting and fishing licenses.

State prisoners are expected to begin work next month at new computer terminals and type in data from hunting, trapping, sport and commercial fishing licenses, all recorded by the Department of Revenue.

For two years the department has not been able to keep up with license processing because of severe staff cutbacks, said Sally Smith, public services division director. As of last fall, she said, only 40 percent of the 1986 licenses had been entered into the computer and none from 1987 had been processed.

Without any computer record of license information, state officials often had to search through boxes of receipts when they needed to verify a license, such as in law enforcement cases.

The Department of Fish and Game paid the bill for Revenue to hire five temporary workers this past fall, and the backlog was cleaned up by late December, Smith said.

Although the temporary workers were able to get enough of the information into the computer to allow the state to qualify for federal sport fishing shared

revenues, much of the information went unrecorded, Smith said.

Revenue, Fish and Game and Public Safety officials would like all of the license information recorded, she said, and they have turned to the Department of Corrections for help.

Fairbanks Correctional Center was selected because it has no prison industries program, said Susan Knighton, director of administrative services for Corrections. "They were excited to have a nice clean project to start with," she said.

Palmer inmates work at a meat packing plant, a farm and an auto body shop, Juneau inmates operate a laundry, and the Kenai jail offers work at a metal fabrication and furniture plant, she said.

Inmates are paid a maximum of \$1.75 an hour for prison industries work, which employs more than 100 inmates statewide, Knighton said.

If a prison industries employee owes court fines or child support, money is deducted from their paycheck to pay the debt, she said.

The \$26,000 first-year cost of the license recording program will be shared by Revenue, Fish and Game and Public Safety, said Ervin Jones, administrative services director for Revenue. The state collects almost \$2 million a year from the licenses, Jones said.

# State will reevaluate work plan for inmates

By LARRY PERSILY  
The Associated Press

JUNEAU — In response to criticism from some hunters and law enforcement personnel, state officials are reviewing plans to have Fairbanks inmates help process state hunting and fishing licenses.

Opponents of the program fear that inmates could gain access to home addresses of law enforcement personnel and could threaten their safety.

Fairbanks legislators also have entered the debate.

Rep. Mike Davis, D-Fairbanks, has asked the Department of Corrections to take another look at the plan. Rep. Mark Boyer, D-Fairbanks, has asked the Department of Revenue to answer several questions about the proposal.

"It just does not appear

appropriate to have criminals have access to that sort of information," said Dale Florian, president of the Fairbanks chapter of the Alaska Peace Officers Association.

Florian said he expects the association will take formal action to oppose the plan.

"I've got a real negative feeling," said Larry Poland, a vice president with the Tanana Valley Sportsmen's Association.

Inmates will know who has a hunting license and who has guns at home, Poland said. "I don't want every convict in the country knowing where I live."

Poland said he is discussing the issue with the group's board of trustees.

Officials from the Departments of Revenue and Corrections met Monday to discuss

the plan, which would send hunting and fishing license applications to the Fairbanks state prison for processing.

About 500,000 licenses are issued a year and staff cuts have prevented Revenue from keeping up with the work load in the past two years.

Under the prison work program now under consideration, Revenue employees would handle initial processing of the applications, and inmates then would type in the rest of the data using new computers purchased for the project.

Inmates would be paid up to \$1.75 an hour for their work and would be screened for the job assignment, said Corrections officials.

Regardless of the screening, law enforcement personnel are concerned that in-

mates would gain access to their home addresses and might distribute the information. Boyer and Davis share those concerns.

"These people go to great lengths in their normal everyday lives to keep this information confidential," said Ed Flanagan, an aide to Boyer.

Davis said he, too, shares the concern for safety of police, attorneys, bail bondsmen, probation officers and other professionals who have dealings with inmates.

Flanagan said Boyer wants answers from Revenue and Corrections officials on how they plan to ensure the security of the information. If adequate safeguards are not possible, Flanagan said, Boyer plans to look at the cost of keeping all the work at the Department of Revenue.