Amend **CSHB 1** as follows:

(1) Amend Article V, Rider 56 (Inmate Phone System) following the appropriations to the Department of Criminal Justice (page V-22) and substitute the following appropriately numbered rider:

_____. INMATE TELEPHONE SYSTEM. The Texas Department of Criminal Justice shall request proposals from private vendors for contracts to provide telephone service to inmates and defendants confined in facilities operated by the department. The department may not consider a proposal or award a contract to provide the service unless under the contract the vendor provides for the installation, operation, and maintenance of the service without any cost to the state. The system shall have the capacity to verify numbers to be called, verify entry of personal identification numbers and/or the use of biometric identifiers, generate reports to department personnel on inmate or defendant calls, limit the duration and frequency of calls to prevent the likelihood of a significant financial burden, provide for the use of published tariffs, and use digital recording systems.

The vendor shall pay the department not less than 40% of gross revenue received for such calls placed by inmates and defendants, and the cost of such calls shall not be excessive. The department shall transfer all commissions paid to the department by a vendor under this section to the comptroller for deposit in the state treasury to the credit of the undedicated portion of the general revenue fund.

The Texas Board of Criminal Justice shall adopt rules authorizing the use of the telephone service by an inmate or defendant confined in the institutional division or in a state jail felony facility. The rules shall authorize the use of the service only by an inmate or defendant who is determined to be entitled to the privilege on the basis of disciplinary and work records, and for periods that add up to a maximum total of between 100 to 300 minutes per 90-day period.

The department shall award an initial contract no later than

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September 1, 2004.