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H.B. No. 1372

A BILL TO BE ENTITLED

AN ACT

relating to the operation of certain Texas Department of Criminal Justice industries and private sector prison industries programs.

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

SECTION 1. Section 497.024, Government Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) This section applies to the department in the same manner as it applies to other agencies of the state.

(e) The office at least once each year shall determine whether there are articles or products needed by the department that are not produced by but could be produced by the office at a reduced cost or savings to the department.

SECTION 2. Section 497.058, Government Code, is amended to read as follows:

Sec. 497.058. PIECP [~~PREVAILING~~] WAGE. (a) The authority by rule shall require that participants at each private sector prison industries program be paid not less than the prison industry enhancement certification program (PIECP) [~~prevailing~~] wage as computed by the Texas Workforce Commission [~~authority~~], except that:

(1) the authority may permit employers to pay a participant the federal minimum wage for the two-month period beginning on the date participation begins; and

(2) the minimum wage for participants under the

1 supervision of the Texas Youth Commission, because of the age of the
2 participants and the extensive training component of their
3 employment, is the federal minimum wage.

4 (b) For the purposes of computations required by this
5 section:

6 (1) the PIECP [~~prevailing~~] wage is the wage paid by the
7 employer for work of a similar nature in the location in which the
8 work is performed;

9 (2) in the event that the employer has no employees
10 other than those employed under this subchapter performing work of
11 a similar nature within the location, the prevailing wage for work
12 of a similar nature is determined by reference to openings and wages
13 by occupation data collected by the labor market information
14 department of the Texas Workforce Commission; and

15 (3) the location in which work is performed is the
16 local workforce development area in which the work is performed.

17 SECTION 3. Section 497.0581(a), Government Code, is amended
18 to read as follows:

19 (a) The authority by rule shall determine the amount of
20 deductions to be taken from wages received by the participant under
21 this subchapter. The authority may establish deductions for
22 participants under the supervision of the Texas Youth Commission
23 that are different than deductions established for other
24 participants in the program. In determining the amount of
25 deductions under this section, the authority shall ensure that the
26 deductions do not place the private sector prison industries
27 programs in the department in noncompliance with the federal prison

1 enhancement certification program established under 18 U.S.C.
2 Section 1761.

3 SECTION 4. Section 497.059, Government Code, is amended by
4 amending Subsection (b) and adding Subsection (c) to read as
5 follows:

6 (b) The authority shall adopt rules to determine whether a
7 program would cause the loss of existing jobs of a specific type
8 provided by the employer in this state.

9 (c) For the purposes of this section, a program does not
10 result in the loss of existing jobs if, at the time of initial
11 certification, the jobs are performed by workers in a foreign
12 country.

13 SECTION 5. Section 497.062(a), Government Code, is amended
14 to read as follows:

15 (a) The authority may certify any number of private sector
16 prison industries programs that meet or exceed the requirements of
17 federal law and the rules of the authority, but in no event may the
18 authority permit more than 5,000 [~~2,000~~] participants in the
19 program at any one time.

20 SECTION 6. Section 501.013, Government Code, is amended by
21 adding Subsection (d) to read as follows:

22 (d) The manufacturing and logistics division and the
23 institutional division shall work cooperatively in supervising the
24 production and sale of arts and crafts under this section.

25 SECTION 7. Section 502.053, Transportation Code, is amended
26 to read as follows:

27 Sec. 502.053. COST OF MANUFACTURING LICENSE PLATES OR

1 REGISTRATION INSIGNIA. (a) The Texas Department of Transportation
2 shall reimburse the [~~institutional division of the~~] Texas
3 Department of Criminal Justice for the cost of manufacturing
4 license plates or registration insignia as the license plates or
5 insignia and the invoice for the license plates or insignia are
6 delivered to the Texas Department of Transportation.

7 (b) When manufacturing is started, the Texas Department of
8 Criminal Justice, the Texas Department of Transportation, and the
9 Texas Building and Procurement Commission, after negotiation,
10 [~~General Services Commission~~] shall set the price to be paid for
11 each license plate or insignia. The price must be determined from:

12 (1) the cost of metal, paint, and other materials
13 purchased;

14 (2) the inmate maintenance cost per day;

15 (3) overhead expenses;

16 (4) miscellaneous charges; and

17 (5) a previously approved amount of profit for the
18 work.

19 (c) The annual profit received by the [~~institutional~~
20 ~~division of the~~] Texas Department of Criminal Justice from all
21 contracts for the manufacturing of license plates or related
22 manufacturing may not be less than the profit received by the Texas
23 Department of Corrections for manufacturing license plates for use
24 in 1974.

25 SECTION 8. This Act takes effect September 1, 2003.