

By: Allen

H.B. No. 1372

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the sale of prison articles and products and to the
3 operation of private sector prison industries programs.

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

5 SECTION 1. Section 497.022, Government Code, is amended to
6 read as follows:

7 Sec. 497.022. CONTRACTS. The department may contract with:

8 (1) another state, the federal government, a foreign
9 government, or an agency of any of those governments to manufacture
10 for or sell to those governments prison-made articles or products;
11 [~~or~~]

12 (2) a nonprofit organization that provides services to
13 the general public and enhances social welfare and the general
14 well-being of the community to manufacture for or sell to that
15 organization prison-made articles or products; or

16 (3) a private school or a visually handicapped person
17 in this state to manufacture Braille textbooks or other
18 instructional aids for the education of visually handicapped
19 persons.

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

22 Sec. 497.058. PIECP [~~PREVAILING~~] WAGE. (a) The authority
23 by rule shall require that participants at each private sector
24 prison industries program be paid not less than the prison industry

1 enhancement certification program (PIECP) [~~prevailing~~] wage as
2 computed by the Texas Workforce Commission [~~authority~~], except
3 that:

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

7 (2) the minimum wage for participants under the
8 supervision of the Texas Youth Commission, because of the age of the
9 participants and the extensive training component of their
10 employment, is the federal minimum wage.

11 (b) For the purposes of computations required by this
12 section:

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

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

22 (3) the location in which work is performed is the
23 local workforce development area in which the work is performed.

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

26 (a) The authority by rule shall determine the amount of
27 deductions to be taken from wages received by the participant under

1 this subchapter. The authority may establish deductions for
2 participants under the supervision of the Texas Youth Commission
3 that are different than deductions established for other
4 participants in the program. In determining the amount of
5 deductions under this section, the authority shall ensure that the
6 deductions do not place the private sector prison industries
7 programs in the department in noncompliance with the federal prison
8 enhancement certification program established under 18 U.S.C.
9 Section 1761.

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

13 (b) The authority shall adopt rules to determine whether a
14 program would cause the loss of existing jobs of a specific type
15 provided by the employer in the location in which the program is to
16 be established [~~this state~~].

17 (c) For the purposes of this section, a program does not
18 result in the loss of existing jobs if, were it not for the program,
19 the jobs would be performed by workers in a foreign country.

20 SECTION 5. Section 502.053, Transportation Code, is amended
21 to read as follows:

22 Sec. 502.053. COST OF MANUFACTURING LICENSE PLATES OR
23 REGISTRATION INSIGNIA. (a) The Texas Department of
24 Transportation shall reimburse the [~~institutional division of the~~]
25 Texas Department of Criminal Justice for the cost of manufacturing
26 license plates or registration insignia as the license plates or
27 insignia and the invoice for the license plates or insignia are

1 delivered to the Texas Department of Transportation.

2 (b) When manufacturing is started, the Texas Department of
3 Criminal Justice and the Texas Department of Transportation, after
4 negotiation, [~~General Services Commission~~] shall set the price to
5 be paid for each license plate or insignia. The price must be
6 determined from:

7 (1) the cost of metal, paint, and other materials
8 purchased;

9 (2) the inmate maintenance cost per day;

10 (3) overhead expenses;

11 (4) miscellaneous charges; and

12 (5) a previously approved amount of profit for the
13 work.

14 (c) The annual profit received by the [~~institutional~~
15 ~~division of the~~] Texas Department of Criminal Justice from all
16 contracts for the manufacturing of license plates or related
17 manufacturing may not be less than the profit received by the Texas
18 Department of Corrections for manufacturing license plates for use
19 in 1974.

20 SECTION 6. This Act takes effect September 1, 2003.