

1-1 By: Allen, et al. (Senate Sponsor - Whitmire) H.B. No. 1372
1-2 (In the Senate - Received from the House April 14, 2003;
1-3 April 22, 2003, read first time and referred to Committee on
1-4 Criminal Justice; May 23, 2003, reported favorably by the
1-5 following vote: Yeas 4, Nays 0; May 23, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the operation of certain Texas Department of Criminal
1-9 Justice industries and private sector prison industries programs.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 497.024, Government Code, is amended by
1-12 adding Subsections (d) and (e) to read as follows:

1-13 (d) This section applies to the department in the same
1-14 manner as it applies to other agencies of the state.

1-15 (e) The office at least once each year shall determine
1-16 whether there are articles or products needed by the department
1-17 that are not produced by but could be produced by the office at a
1-18 reduced cost or savings to the department.

1-19 SECTION 2. Section 497.058, Government Code, is amended to
1-20 read as follows:

1-21 Sec. 497.058. PIECP [~~PREVAILING~~] WAGE. (a) The authority
1-22 by rule shall require that participants at each private sector
1-23 prison industries program be paid not less than the prison industry
1-24 enhancement certification program (PIECP) [~~prevailing~~] wage as
1-25 computed by the Texas Workforce Commission [~~authority~~], except
1-26 that:

1-27 (1) the authority may permit employers to pay a
1-28 participant the federal minimum wage for the two-month period
1-29 beginning on the date participation begins; and

1-30 (2) the minimum wage for participants under the
1-31 supervision of the Texas Youth Commission, because of the age of the
1-32 participants and the extensive training component of their
1-33 employment, is the federal minimum wage.

1-34 (b) For the purposes of computations required by this
1-35 section:

1-36 (1) the PIECP [~~prevailing~~] wage is the wage paid by the
1-37 employer for work of a similar nature in the location in which the
1-38 work is performed;

1-39 (2) in the event that the employer has no employees
1-40 other than those employed under this subchapter performing work of
1-41 a similar nature within the location, the prevailing wage for work
1-42 of a similar nature is determined by reference to openings and wages
1-43 by occupation data collected by the labor market information
1-44 department of the Texas Workforce Commission; and

1-45 (3) the location in which work is performed is the
1-46 local workforce development area in which the work is performed.

1-47 SECTION 3. Section 497.0581(a), Government Code, is amended
1-48 to read as follows:

1-49 (a) The authority by rule shall determine the amount of
1-50 deductions to be taken from wages received by the participant under
1-51 this subchapter. The authority may establish deductions for
1-52 participants under the supervision of the Texas Youth Commission
1-53 that are different than deductions established for other
1-54 participants in the program. In determining the amount of
1-55 deductions under this section, the authority shall ensure that the
1-56 deductions do not place the private sector prison industries
1-57 programs in the department in noncompliance with the federal prison
1-58 enhancement certification program established under 18 U.S.C.
1-59 Section 1761.

1-60 SECTION 4. Section 497.059, Government Code, is amended by
1-61 amending Subsection (b) and adding Subsection (c) to read as
1-62 follows:

1-63 (b) The authority shall adopt rules to determine whether a
1-64 program would cause the loss of existing jobs of a specific type

2-1 provided by the employer in this state.

2-2 (c) For the purposes of this section, a program does not
2-3 result in the loss of existing jobs if, at the time of initial
2-4 certification, the jobs are performed by workers in a foreign
2-5 country.

2-6 SECTION 5. Section 497.062(a), Government Code, is amended
2-7 to read as follows:

2-8 (a) The authority may certify any number of private sector
2-9 prison industries programs that meet or exceed the requirements of
2-10 federal law and the rules of the authority, but in no event may the
2-11 authority permit more than 5,000 [~~2,000~~] participants in the
2-12 program at any one time.

2-13 SECTION 6. Section 501.013, Government Code, is amended by
2-14 adding Subsection (d) to read as follows:

2-15 (d) The manufacturing and logistics division and the
2-16 institutional division shall work cooperatively in supervising the
2-17 production and sale of arts and crafts under this section.

2-18 SECTION 7. Section 502.053, Transportation Code, is amended
2-19 to read as follows:

2-20 Sec. 502.053. COST OF MANUFACTURING LICENSE PLATES OR
2-21 REGISTRATION INSIGNIA. (a) The Texas Department of Transportation
2-22 shall reimburse the [~~institutional division of the~~] Texas
2-23 Department of Criminal Justice for the cost of manufacturing
2-24 license plates or registration insignia as the license plates or
2-25 insignia and the invoice for the license plates or insignia are
2-26 delivered to the Texas Department of Transportation.

2-27 (b) When manufacturing is started, the Texas Department of
2-28 Criminal Justice, the Texas Department of Transportation, and the
2-29 Texas Building and Procurement Commission, after negotiation,
2-30 [~~General Services Commission~~] shall set the price to be paid for
2-31 each license plate or insignia. The price must be determined from:

- 2-32 (1) the cost of metal, paint, and other materials
2-33 purchased;
2-34 (2) the inmate maintenance cost per day;
2-35 (3) overhead expenses;
2-36 (4) miscellaneous charges; and
2-37 (5) a previously approved amount of profit for the
2-38 work.

2-39 (c) The annual profit received by the [~~institutional~~
2-40 ~~division of the~~] Texas Department of Criminal Justice from all
2-41 contracts for the manufacturing of license plates or related
2-42 manufacturing may not be less than the profit received by the Texas
2-43 Department of Corrections for manufacturing license plates for use
2-44 in 1974.

2-45 SECTION 8. This Act takes effect September 1, 2003.

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