H.B. No. 1599

A BILL TO BE ENTITLED 1 AN ACT relating to the sale of prison-made products to nonprofit 2 3 organizations. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 5 SECTION 1. Section 497.021, Government Code, is amended to read as follows: 6 7 Sec. 497.021. AUTHORITY. This subchapter governs the sale of prison-made products [to governmental agencies]. 8 SECTION 2. Section 497.022, Government Code, is amended to 9 read as follows: 10 11 Sec. 497.022. CONTRACTS. The department may contract with: 12 (1) another state, the federal government, a foreign government, or an agency of any of those governments to manufacture 13 14 for or sell to those governments prison-made articles or products; (2) a private or independent institution of higher 15 16 education to manufacture for or sell to that school or institution 17 prison-made articles or products; [or] 18 (3) <u>a nonprofit organization exempt from federal</u> taxation under Section 501(c)(3), Internal Revenue Code of 1986; or 19 20 (4) a private school or a visually handicapped person 21 this state to manufacture Braille textbooks or in other instructional aids for the education of visually handicapped 22 23 persons. SECTION 3. Section 497.025(b), Government Code, is amended 24

By: Rodriguez

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1 to read as follows:

(b) A political subdivision or a nonprofit organization
<u>exempt from federal taxation under Section 501(c)(3)</u>, Internal
<u>Revenue Code of 1986</u>, may purchase articles and products under this
subchapter directly from the office.

6 SECTION 4. Section 497.028, Government Code, is amended to 7 read as follows:

8 Sec. 497.028. CATALOGS. The office shall prepare catalogs 9 that accurately and completely describe articles and products 10 produced under this subchapter. The office shall send copies of the 11 catalogs to all state agencies and make the catalogs available to 12 political subdivisions <u>and to nonprofit organizations exempt from</u> 13 <u>taxation under Section 501(c)(3)</u>, <u>Internal Revenue Code of 1986</u>.

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SECTION 5. This Act takes effect September 1, 2011.

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