

HOUSE BILL NO. 572

INTRODUCED BY J. FITZPATRICK

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MONTANA CORRECTIONAL ENTERPRISES PRISON INDUSTRIES TRAINING PROGRAM; REQUIRING THE PRISON INDUSTRIES TRAINING PROGRAM TO INCLUDE EDUCATIONAL PROGRAMMING; INCREASING THE ALLOWABLE MAXIMUM SUM OF CONSTRUCTION PROJECTS PERFORMED BY INMATES; ALLOWING THE MONTANA CORRECTIONAL ENTERPRISES PROGRAM TO PROVIDE VOCATIONAL PROGRAMS THAT SUPPORT PRIVATE MARKET DEMAND; ELIMINATING THE REQUIREMENT FOR PRODUCTS AND SERVICES TO BE PROVIDED THROUGH CONTRACTS AND DEALER NETWORKS; AND AMENDING SECTIONS 53-30-131 AND 53-30-132, MCA."

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

**Section 1.** Section 53-30-131, MCA, is amended to read:

**"53-30-131. Montana correctional enterprises prison industries training program -- purpose and scope.** (1) There is a Montana correctional enterprises program within the department of corrections to operate a prison industries training program. The Montana correctional enterprises program shall:

(a) prepare inmates for release by providing vocational education training and work programs at facilities owned, operated, and contracted with by the department; and

(b) provide inmates the opportunity to earn money to pay restitution, fines, and fees, to pay for hygiene and commissary items, and to save for their eventual release from incarceration.

(2) The prison industries training program consists of educational programming, vocational education, on-the-job training, and production experience. The Montana correctional enterprises program may contract with public and private educational entities to provide this training.

(3) The Montana correctional enterprises program may:

(a) provide training and experience within the prison system in:

(i) cultivation, production, processing, manufacture, repair, construction, refurbishment, service,

- 1 and related processes involving personal property, including but not limited to such items as crops, milk and  
2 milk products, wood products, livestock, furniture, and office and electrical equipment;
- 3 (ii) animal training and boarding;
- 4 (iii) vehicle and equipment maintenance and repair;
- 5 (iv) wildland fire suppression; and
- 6 (v) approved community work programs for governmental entities and not-for-profit organizations;
- 7 (b) provide for the repair and maintenance of property and equipment of institutions or facilities by  
8 inmates;
- 9 (c) provide for construction projects, up to the aggregate sum of ~~\$200,000~~ \$1 million for each  
10 project, performed by inmates. The department of administration may:
- 11 (i) exempt projects authorized by this subsection (3)(c) from the provisions of Title 18, chapter 2,  
12 relating to construction, public bidding, bonding, or contracts; and
- 13 (ii) exempt inmates who provide labor for those projects from the labor and wage requirements of  
14 Title 18, chapter 2, part 4.
- 15 (d) provide for the manufacture by prison industries of highway, road, and general information  
16 signs for the use of the state or any of its political subdivisions, except when the manufacture of the signs is in  
17 violation of a collective bargaining contract; ~~and~~
- 18 (e) provide for the manufacture of motor vehicle license plates and other related articles; and
- 19 (f) provide vocational programs that support private market demand.
- 20 (4) The Montana correctional enterprises program may provide its products and services to  
21 government agencies, school districts, and nonprofit and for-profit organizations ~~through contracts and dealer~~  
22 ~~networks~~. Furniture, print, and sign shop products may be sold to the general public ~~only through dealer~~  
23 ~~networks~~.
- 24 (5) Except as provided in subsection (6), furniture made in the prison may be purchased by state  
25 agencies in accordance with the procurement provisions under Title 18, chapter 4.
- 26 (6) Any state institution, facility, or program operated by the department of corrections may  
27 purchase prison-made ~~furniture~~ goods without complying with the procurement provisions under Title 18,  
28 chapter 4.

1 (7) The Montana correctional enterprises program may donate surplus food grown or produced at  
2 the prison to local food banks, nonprofit organizations, and low-income persons.

3 (8) The Montana correctional enterprises program is authorized to sell livestock on the open  
4 market."  
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6 **Section 2.** Section 53-30-132, MCA, is amended to read:

7 **"53-30-132. (Temporary) Inmate participation and status in prison work programs -- Montana**  
8 **correctional enterprises prison industries training program -- wages and benefits.** (1) Able-bodied  
9 persons committed to a state prison as adult offenders may be required to perform work as provided for by the  
10 department of corrections, including work in the Montana correctional enterprises prison industries training  
11 program involving the manufacture of products or the rendering of services. In order to ensure the public safety,  
12 the department may secure inmates performing work.

13 (2) The Montana correctional enterprises prison industries training program may:

14 (a) obtain federal certification, as required by federal law, of specific prison industries programs in  
15 order to gain access to interstate markets for prison industries products;

16 (b) print catalogs describing goods manufactured or produced by prison industries and distribute  
17 the catalogs;

18 (c) fix the sale price for goods produced or manufactured by prison industries. Prices may be set  
19 according to market standards and prices for goods or services of comparable quality. The price of products  
20 must include the cost of all raw materials and labor used to manufacture or produce the product.

21 (d) require a correctional facility to purchase needed goods and services from the Montana  
22 correctional enterprises program.

23 (3) The Montana correctional enterprises program may:

24 (a) pay an inmate from receipts from the sale of products produced or manufactured or services  
25 rendered in a program in which the inmate is working;

26 (b) collect 15% of the gross wages paid to an inmate employed in a federally certified prison  
27 industries program to satisfy any unpaid court-ordered obligations, including restitution on previously  
28 discharged sentences for which restitution remains owing. If the inmate's court-ordered obligations have been

1 fully paid or no restitution was ordered, the Montana correctional enterprises program shall collect 15% of the  
2 gross wages paid to an inmate for transfer quarterly to the crime victims compensation and assistance program  
3 in the department of justice for deposit in the account provided for in 53-9-113.

4 (c) collect charges for room and board from an inmate employed in a federally certified prison  
5 industries program. The Montana correctional enterprises program shall deposit inmates' room and board  
6 charges into its enterprise fund to help defray the cost of prison industries training programs.

7 (4) While engaged in on-the-job training and production, inmates not ~~employed~~working in a  
8 federally certified prison industries program may be paid a wage in accordance with subsection (5). Inmates  
9 employed in a federally certified prison industries program must be paid as provided in subsection (5)(b).

10 (5) (a) Except as provided in subsection (5)(b), the maximum rate of pay must be determined by  
11 the appropriation established for the program, and payment for the performance of work may be based on the  
12 following criteria:

- 13 (i) knowledge and skill;
- 14 (ii) attitude toward authority;
- 15 (iii) physical effort;
- 16 (iv) responsibility for equipment and materials; and
- 17 (v) regard for safety of others.

18 (b) Inmates employed in a federally certified prison industries program must be paid the federal  
19 minimum wage or be paid at a rate not less than the rate paid for similar work in the locality where the inmate  
20 performs the work as determined by the federal bureau of justice.

21 (6) Premiums for workers' compensation and occupational disease coverage for federally certified  
22 prison industries programs must be paid by the Montana correctional enterprises prison industries training  
23 program or by the department of corrections. If the department of corrections pays the premium, reimbursement  
24 for premium payments for workers' compensation and occupational disease coverage must be made to the  
25 department of corrections by the private company contracting with the federally certified prison industries  
26 program for services and products.

27 (7) Inmates not working in a federally certified prison industries program are not employees, either  
28 public or private, and employment rights accorded other classes of workers do not apply to the inmates.

1 Inmates working in a federally certified prison industries program are entitled to coverage and benefits as  
2 provided in 39-71-744. (Terminates June 30, 2027--secs. 1, 2, 3, Ch. 139, L. 2021.)

3 **53-30-132. (Effective July 1, 2027) Inmate participation and status in prison work programs --**  
4 **Montana correctional enterprises prison industries training program -- wages and benefits.** (1) Able-  
5 bodied persons committed to a state prison as adult offenders may be required to perform work as provided for  
6 by the department of corrections, including work in the Montana correctional enterprises prison industries  
7 training program involving the manufacture of products or the rendering of services. In order to ensure the  
8 public safety, the department may secure inmates performing work.

9 (2) The Montana correctional enterprises prison industries training program may:

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11 order to gain access to interstate markets for prison industries products;

12 (b) print catalogs describing goods manufactured or produced by prison industries and distribute  
13 the catalogs;

14 (c) fix the sale price for goods produced or manufactured by prison industries. Prices may be set  
15 according to market standards and prices for goods or services of comparable quality. The price of products  
16 must include the cost of all raw materials and labor used to manufacture or produce the product.

17 (d) require a correctional facility to purchase needed goods and services from the Montana  
18 correctional enterprises program.

19 (3) The Montana correctional enterprises program may:

20 (a) pay an inmate from receipts from the sale of products produced or manufactured or services  
21 rendered in a program in which the inmate is working;

22 (b) collect 15% of the gross wages paid to an inmate employed in a federally certified prison  
23 industries program to satisfy any unpaid court-ordered obligations, including restitution on previously  
24 discharged sentences for which restitution remains owing. If the inmate's court-ordered obligations have been  
25 fully paid or no restitution was ordered, the Montana correctional enterprises program shall collect 15% of the  
26 gross wages paid to an inmate for transfer quarterly to the crime victims compensation and assistance program  
27 in the department of justice for deposit in the state general fund as provided in Title 53, chapter 9, part 1.

28 (c) collect charges for room and board from an inmate employed in a federally certified prison

1 industries program. The Montana correctional enterprises program shall deposit inmates' room and board  
2 charges into its enterprise fund to help defray the cost of prison industries training programs.

3 (4) While engaged in on-the-job training and production, inmates not ~~employed~~ working in a  
4 federally certified prison industries program may be paid a wage in accordance with subsection (5). Inmates  
5 employed in a federally certified prison industries program must be paid as provided in subsection (5)(b).

6 (5) (a) Except as provided in subsection (5)(b), the maximum rate of pay must be determined by  
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21 department of corrections by the private company contracting with the federally certified prison industries  
22 program for services and products.

23 (7) Inmates not working in a federally certified prison industries program are not employees, either  
24 public or private, and employment rights accorded other classes of workers do not apply to the inmates.  
25 Inmates working in a federally certified prison industries program are entitled to coverage and benefits as  
26 provided in 39-71-744."

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