

BILL ANALYSIS

Senate Research Center
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H.B. 1617
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Criminal Justice
5/9/2001
Engrossed

DIGEST AND PURPOSE

The Texas Department of Criminal Justice (TDCJ) established a pilot program in Lockhart, Texas, that allows inmates to earn a prevailing wage from private sector corporations by working within the walls of the prison. Inmates in the program have earned a substantial amount of money, a portion of which has been used to help pay the costs of confinement as well as credited to the private sector prison industries oversight account and the compensation to victims of crime fund. H.B. 1617 modifies the use of contributions by private sector prison industries and forms a private sector prison industry expansion account within the general revenue fund.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 497.008, Government Code, to require a business that intends to lease prison land, to lease the land at a mutually agreed upon price, rather than at fair market value.

SECTION 2. Amends Section 497.056, Government Code, as follows:

Sec. 497.056. New heading: PRIVATE SECTOR PRISON INDUSTRIES EXPANSION ACCOUNT. Deletes text that requires a private sector prison industries program to make an annual payment to the Private Sector Industries Oversight Authority (authority) in a certain amount. Requires the Department of Criminal Justice (department), rather than the authority, to forward money collected under Section 497.0581, rather than this section, to the comptroller. Requires the comptroller to deposit the money in the general revenue fund. Provides that to construct more facilities and increase the number of participants, the private sector prison industry expansion account is created as an account in the general revenue fund. Authorizes money in the account to be appropriated only to construct work facilities, recruit corporations to participate as private sector industries programs, and pay costs of the authority and department in implementing this subchapter, including the cost to the department in reimbursing authority members and the employer liaison for expenses. Requires the comptroller, on each certification by the department that an amount has been deposited to the credit of the general revenue fund from deductions from participants' wages under Section 497.0581, to transfer an equivalent amount from the general revenue fund to the private sector prison industry expansion account, until the balance in the account is \$2 million. Requires the comptroller, on a certification occurring when the balance in the account is more than \$2 million, to transfer to the account an amount equal to one-half of the amount deposited to the credit of the general revenue fund from deductions from participants' wages. Requires the department during each calendar quarter to make a certification of the amount deposited during the previous calendar quarter to the credit of the general revenue fund from deductions from participants' wages under Section 497.0581. Deletes text authorizing the legislature to appropriate funds from the account only for certain purposes. Deletes text that required the

comptroller to transfer the excess funds in the account to the state treasury to the credit of the crime victims compensation fund. Deletes text that required the authority by rule to adopt a method for determining the amount of the fee owed by an industry and a schedule for the payment of fees.

SECTION 3. Amends Section 497.0581, Government Code, as follows:

Sec. 497.0581. New heading: PARTICIPANT CONTRIBUTIONS; ASSISTANCE ACCOUNT. Requires the authority by rule to determine the amount of deductions to be taken from, rather than require a participant to contribute a percentage of the, wages received by the participant under this subchapter. Requires the authority to ensure that the deductions do, rather than the percentage does, not place the private sector prison industries programs in the department in noncompliance with the federal prison enhancement certification program established under 18 U.S.C. Section 1761, in determining the amount of deductions under this section, rather than in establishing the percentage of the wages required to be contributed by participants. Provides that the private sector prison industry crime victims assistance account is created as an account in the general revenue fund. Authorizes money in the account to be appropriated only to the authority for the purpose of aiding victims of crime, under rules adopted by the authority.

SECTION 4. Amends Section 497.062, Government Code, as follows:

Sec. 497.062. New heading: LIMITATION ON NUMBER OF PARTICIPANTS; GOALS. Requires the authority to establish as a goal that the program have at least 1,800 participants by January 1, 2006.

SECTION 5. Provides that the amendment to Section 497.056, Government Code, made by this Act does not apply to a payment made by a private sector prison industries program before the effective date of this Act, and a program that makes a required payment before the effective date of this Act is not, on or after the effective date of this Act, eligible to receive a full or partial refund of the payment.

SECTION 6. Effective date: September 1, 2001.