

BILL ANALYSIS

Senate Research Center

H.B. 1372
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Criminal Justice
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Engrossed

DIGEST AND PURPOSE

Currently, Texas Correctional Industries (TCI) is the Texas Department of Criminal Justice (TDCJ) office charged with implementing and administering Texas prison industry programs. In Fiscal Year 2002, TCI generated over \$80 million in sales. Furthermore, one of TCI's purposes as defined in Section 497.002 (Purpose; Implementation), Government Code, is to reduce TDCJ costs by providing products and articles for TDCJ. H.B. 1372 clarifies the intent of current law by stating that TDCJ is required, as are other state agencies, to purchase needed goods from TCI.

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 497.024, Government Code, is amended by adding Subsections (d) and (e), as follows:

- (d) Provides that this section applies to the Texas Department of Criminal Justice (TDCJ) in the same manner as it applies to other agencies of the state.
- (e) Requires the Texas Correctional Industries Office (TCI) at least once each year to determine whether there are articles or products needed by TDCJ that are not produced by but could be produced by TCI at a reduced cost or savings to TDCJ.

SECTION 2. Amends Section 497.058, Government Code, as follows:

- Sec. 497.058. New heading: PIECP WAGE. (a) Requires the authority by rule to require that participants at each private sector prison industries program be paid not less than the prison industry enhancement certification program (PIECP) wage, rather than the prevailing wage, as computed by the Texas Workforce Commission, rather than the authority, except that the authority may permit employers to pay a participant the federal minimum wage for the two-month period beginning on the date participation begins; and the minimum wage for participants under the supervision of the Texas Youth Commission (TYC), because of the age of the participants and the extensive training component of their employment, is the federal minimum wage.
- (b) Provides that for the purposes of computations required by this section the PIECP wage, rather than the prevailing wage, is the wage paid by the employer for work of a similar nature in the location in which the work is performed.

SECTION 3. Amends Section 497.0581(a), Government Code, to authorize the authority to establish deductions for participants under the supervision of TYC that are different than deductions established for other participants in the program.

SECTION 4. Amends Section 497.059, Government Code, by amending Subsection (b) and adding Subsection (c), as follows:

(b) Requires the authority to adopt rules to determine whether a program would cause the loss of existing jobs of a specific type provided by the employer in this state.

(c) Provides that for the purposes of this section, a program does not result in the loss of existing jobs if, at the time of initial certification, the jobs are performed by workers in a foreign country.

SECTION 5. Amends Section 497.062(a), Government Code, to authorize the authority to certify any number of private sector prison industries programs that meet or exceed the requirements of federal law and the rules of the authority, but in no event may the authority permit more than 5,000, rather than 2,000 participants in the program at any one time.

SECTION 6. Amends Section 501.013, Government Code, is amended by adding Subsection (d) to require that the manufacturing and logistics division and the institutional division to work cooperatively in supervising the production and sale of arts and crafts under this section.

SECTION 7. Amends Section 502.053, Transportation Code,

(a) Deletes text requiring the Texas Department of Transportation (TxDOT) to reimburse the institutional division of TDCJ.

(b) Requires TDCJ, TxDOT, and the Texas Building and Procurement Commission, after negotiation, to set the price to be paid for each license plate or insignia, rather than the General Services Commission.

(c) Makes a conforming change.

SECTION 8. Effective date: September 1, 2003.