



1995 SENATE BILL 204

May 16, 1995 - Introduced by Senators LEEAN, ELLIS and RUDE, by request of Governor Tommy G. Thompson. Referred to Committee on State Government Operations and Corrections.

1 **AN ACT to amend** 16.528 (3) (c) and 303.06 (1); and **to create** 303.06 (4) of the
2 statutes; **relating to:** by-products from prison industries recycling operations
3 and prison industry interest payments.

Analysis by the Legislative Reference Bureau

Current law prohibits the sale on the open market of most goods made by state, city or county prisoners. Current exceptions apply for items such as farm machinery, implements and tools. This bill authorizes the sale, in the open market, of by-products of mattresses and by-products of paint from prison industries recycling operations. These sales are also subject to some federal law restrictions regarding interstate commerce. The bill also permits the department of corrections (DOC) to enter into or renew a contract with a manufacturer or distributor for prison industries to provide by-products of mattresses or by-products of paint from prison industries recycling operations. Before DOC either establishes a prison industry or enters into the contract relating to this activity, DOC must notify interested trade organizations and labor organizations. In accordance with current law, before DOC establishes any new industry, it must notify the cochairpersons of the joint committee on finance and must obtain the approval of the prison industries board.

Under current law, state agencies generally must pay interest when they receive property or services and have a balance due after 31 days. One exception to this requirement involves situations in which an order or contract is between 2 or more state agencies. This bill removes the exception if the order or contract involves prison industries. Thus, in that situation, interest would have to be paid.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 16.528 (3) (c) of the statutes is amended to read:

2 16.528 (3) (c) An order or contract between 2 or more agencies except if the order
3 or contract involves prison industries.

4 **SECTION 2.** 303.06 (1) of the statutes is amended to read:

5 303.06 (1) Except as authorized in ~~sub. (2) this section~~, no goods, except farm
6 machinery, farm implements and tools, cordage rope and ply goods, manufactured
7 wholly or partly by inmates in any state, city or county penal institution may be
8 offered for sale in the open market.

9 **SECTION 3.** 303.06 (4) of the statutes is created to read:

10 303.06 (4) (a) The department may sell, in the open market, by-products of
11 mattresses or by-products of paint from prison industries recycling operations.
12 By-products of mattresses and by-products of paint from recycling operations of
13 prisons in another state may be sold in the open market.

14 (b) The department may enter into or renew a contract with a manufacturer
15 or distributor to have prison industries provide by-products of mattresses or
16 by-products of paint from prison industries recycling operations.

17 (c) Prior to the establishment of a prison industry under s. 303.01 (1) (b)
18 relating to providing by-products of mattresses or by-products of paint from prison
19 industries recycling operations, providing related notice under s. 303.01 (1) and
20 receiving related approval under s. 303.015 (1) (b) and prior to entering into a
21 contract under par. (b), the department shall provide written notification of the
22 intent to provide those by-products or to enter into a contract to provide those
23 by-products. The department shall provide the notification to those trade
24 organizations and labor unions that the department determines would be interested
25 in receiving the information. The notification shall include specific information on

1 the proposal, the proposal's impact on private business, industry and labor and, if
2 applicable, the method for the trade organization or labor union to communicate with
3 the joint committee on finance before its hearing under s. 303.01 (1) (c) and with the
4 board before it acts under s. 303.015 (1) (b).

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(END)