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(FORM UPDATED: 08/11/2010)

**WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS**

1997-98

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on ... Corrections Facilities (AC-CoFa)

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Mike Barman (LRB) (May/2012)

Assembly

Record of Committee Proceedings

Committee on Corrections Facilities

Assembly Bill 803

Relating to: the authority of the prison industries board and regulations affecting contracts for the lease of space in correctional institutions to private businesses and granting rule-making authority.

By Representatives Riley, Bock, La Fave, Baumgart, Black, Plouff, J. Lehman, Murat, Notestein, L. Young, Springer, Hanson, Boyle, R. Potter, Travis and Baldwin; cosponsored by Senators Moen, Burke and Moore.

February 19, 1998 Referred to committee on Corrections Facilities.

March 18, 1998 **PUBLIC HEARING HELD**

Present: (4) Representatives Walker, Goetsch, Owens and Huber.

Absent: (1) Representative Staskunas.

Appearances for

- Rep. Antonio Riley, 18th Assembly District
- Phil Neuenfeldt, Wisconsin State AFL-CIO
- Mark Reihl, Wis. State Council of Carpenters

Appearances against

- None

Appearances for Information Only

- Robert Margolies, Dept. of Corrections

Registrations for

- None

Registrations against

- None

March 26, 1998 **Failed to pass pursuant to Senate Joint Resolution 1.**

Mark Grapentine
Committee Clerk





STATE REPRESENTATIVE
ANTONIO R. RILEY
18TH ASSEMBLY DISTRICT

March 4, 1998

Representative Scott Walker, Chairman
Assembly Committee on Corrections Facilities
State Capitol, Room 308-North
Madison, Wisconsin

Re: Request to schedule AB 803 for a public hearing

Dear Representative Walker:

Scott

(YES)
*- can we
And's
date?*

I am writing to ask if you would schedule Assembly Bill 803, which relates to the prison industries board and the private business/prison employment program, for a public hearing before the Assembly Committee on Corrections Facilities.

I fully understand that the 1997-1998 session will conclude soon. However, because I think this bill deals with an important issue that demands attention now, I would like to see a hearing held as soon as possible.

Thanks for your prompt consideration of this matter.

Sincerely,

[Signature]

Antonio R. Riley
State Representative
18th Assembly District

ARR/drl

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State Representative Antonio R. Riley
18th Assembly District

**Testimony
Assembly Bill 803**

Relating to the authority of the prison industries board and regulations affecting contracts for the lease of space in correctional institutions to private businesses

Assembly Committee on Corrections Facilities

State Capitol, Room 328 Northwest

Wednesday, March 18, 1998

Chairman Walker and members of the committee...

Once again, thanks for giving me the opportunity at this late date to testify in favor of Assembly Bill 803.

With this bill, I am asking Wisconsin's legislators to subject the private business/prison employment program to a tighter rein in order to ensure that law-abiding citizens don't have to compete with prison inmates for jobs.

You may recall that last September, when the legislature was still putting together the 1997-99 state budget, I announced that I would be introducing amendments to *end* the private business/prison employment program.

That program, as you know, allows DOC to contract with private business to employ inmates (who would be paid a prevailing wage for their work) to produce services or products for sale on the open market.

During the budget negotiations, a bipartisan group of Assembly lawmakers that included me reached a compromise on the program.

Republican legislators didn't want to kill the program—which is supported by Governor Tommy Thompson—but did agree to scale it back and impose better monitoring and controls. The Senate concurred with our compromise and forwarded it—as part of the budget bill—to the Governor's desk. Governor Thompson then proceeded to veto the bulk of the provisions of our bipartisan compromise.

Thompson vetoed legislative oversight provisions, protections of jobs for law-abiding citizens and requirements for public hearings on any proposed expansions of the program. My bill would reverse Thompson's vetoes and restore the provisions of the bipartisan compromise. More importantly, however, my bill would help make sure that law-abiding citizens wouldn't be competing for jobs with prisoners.

Specifically, Assembly Bill 803 would:

- Require the legislature's finance committee to approve any appropriations relating to the construction of buildings or the purchase of equipment under the program.
- Require private businesses who lease space from the Department of Corrections to pay back in full the cost of any equipment that DOC provides before end of the contract;
- Prohibit DOC from contracting for the lease of space to any private business if DOC determines that the contract will displace workers;

- Require DOC to promulgate rules defining worker displacement
- Require approval from the Prison Industries Board—a board composed of labor, industry and government officials which monitors all state prison industries—before any expansion of program could take place
- Require the Prison Industries Board to hold public hearings on any proposed expansions.
- Authorize the Prison Industries Board to suspend the manufacture or sale of any product by a private business under the program if the board determines that workers are being displaced.

As you can see, increased oversight of the program is a big part of my bill.

At the Green Bay Correctional Institution, where Fabry Glove & Mitten Company of Green Bay uses about 140 inmates earning \$5.25 an hour to make gloves and mittens, the program has posted a \$1.3 million deficit. Why is that happening?

More importantly, we need to know if companies that contract for prison labor are displacing real workers. A federal investigation into whether non-criminal employees were displaced by felons at Fabry is continuing.

The way I see it is that the private business/prison employment program *necessarily* takes away job opportunities from law-abiding citizens—job

opportunities that many of my constituents in the central city would prefer not to have to go to prison to get.

Now, it's not my objective to make prisoners idle. On the contrary, I want prisoners to be kept busy and I think they ought to be required to participate in intensive skilled labor training. But what I don't want to see is law-abiding citizens idled because a business gave a decent job to a prisoner first.

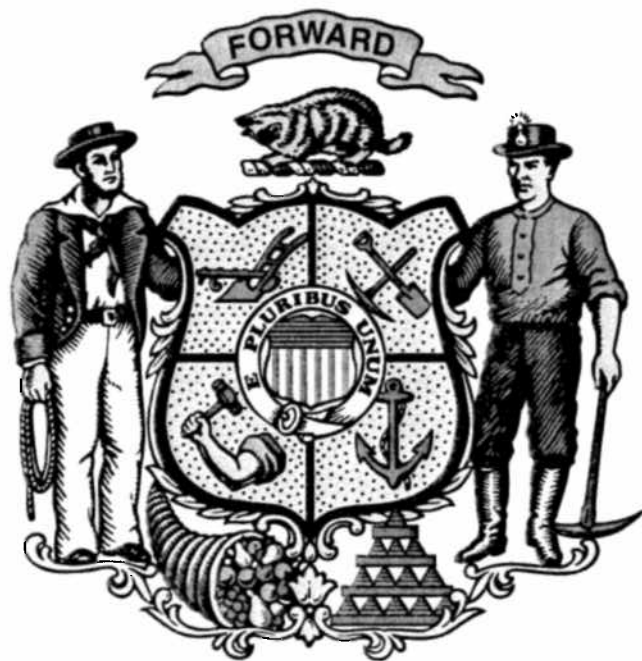
The legislature reached a bipartisan compromise on the program, and I am prepared to stand by it.

That compromise will at least buy Wisconsin's workers some protection from having their jobs displaced by inmates—and that's an important improvement...it's an improvement that, I think, represents the values we as a state—as a society—should put first.

For the sake of all the parents who are trying—within the bounds of the law—to make ends meet for their families, I hope the members of this committee will see the wisdom of recommending this bill.

Thanks.

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From
BS
MAR 6 02 1998

Comments on Assembly Bill 803

Assembly Bill 803 has some of the same elements of Assembly Bill 895 in that it requires Joint Finance approval prior to the expenditure of funds for equipment or buildings for Private Sector Ventures. Joint Finance already has approval authority over new private sector proposals which would include any purchase of equipment and/or buildings. Additionally, Joint Finance already has approval of biennial budget request and 16.515 spending authority request which would include requests for capital expenditures. This language is redundant.

The requirement that private sector companies pay for equipment used in the project is already reality in our current contract including the payment of interest and buy-out at the end of the project.

The requirement to define displacement by rule under the Private Sector program was vetoed by the Governor in the budget bill since it was premature until a clearer definition is received by the federal government. Although this bill defers submission until after the decision of the audit is received, the need for a separate rule is questionable.

The expanded authority of the Prison Industries Board in any "expansion of the scope of products or prison industry location" is not appropriate because it does not define what expansion of the scope of products means. Does that mean we need to get this approval if we start manufacturing a particular chair with arms if we didn't before? Approval required for moving work is not workable. At times we need to move work quickly between facilities on an emergency basis. We can't wait for a Board public hearing and vote. A good example was the recent lock down at Green Bay when we had to move laundry from Green Bay to Oshkosh in a few hours.

The bills requirement that the Board hold public hearings with class 2 notices is unnecessary. The Board already has that authority and to require that in every case is time consuming.

Current Facts

<u>Project</u>	<u>Facility</u>	<u># of Inmates As of 3/13/98</u>	<u>Wage Range</u>
Jorgensen	Waupun CI	8	\$8.00 per hour
Fabry	Green Bay CI	43*	\$5.55 - \$6.75 per hour
Fabry	Jackson CI	33**	\$5.50 - \$8.60 per hour

* Capacity is 50

** Capacity is 100