

1999 DRAFTING REQUEST

Assembly Amendment (AA-AB133)

Received: **05/27/99**

Received By: **mdsida**

Wanted: **Soon**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Bauer (DS)**

This file may be shown to any legislator: **NO**

Drafter: **olsenje**

May Contact:

Alt. Drafters: **mdsida**

Subject: **Correctional System - prisons**

Extra Copies:

Pre Topic:

LFB:.....Bauer (DS) -

Topic:

Private business prison employment program

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	olsenje 05/31/99 mdsida 06/2/99	chanaman 06/2/99	martykr 06/3/99	_____	lrb_docadmin 06/3/99		
/2	mdsida 06/15/99	ygeller 06/15/99	haugeca 06/15/99	_____			
/3	mdsida 06/15/99	chanaman 06/15/99	martykr 06/15/99	_____	lrb_docadmin 06/15/99		
/4	mdsida	wjackson	kfollet	_____	ismith		

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typist</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	06/15/99	06/15/99	06/15/99	_____	06/15/99		

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<END>

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/3	mdsida 06/15/99	chanaman 06/15/99	martykr 06/15/99	_____	lrb_docadmin 06/15/99		
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Page 2

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Handwritten notes in the Drafting History table:

- Under Reviewed: 1/2 5/15 jlg
- Under Typed: CK 6-14
- Under Proofed: ~~CK~~ 5/6
- Below the table: 1/3 6/15 cmw
- Below the table: kmz
- Below the table: <END>

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FE Sent For:

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Senator Shibilski
Representative K

CORRECTIONS -- ADULT CORRECTIONAL FACILITIES

Private Business/Prison Employment Program
[Paper #338]

14-2

MO#		
Burke	<input checked="" type="radio"/>	N
Decker	<input checked="" type="radio"/>	N
Jauch	<input checked="" type="radio"/>	N
Moore	<input checked="" type="radio"/>	N
Shibilski	<input checked="" type="radio"/>	N
Plache	<input checked="" type="radio"/>	N
Cowles	<input checked="" type="radio"/>	N
Panzer	<input checked="" type="radio"/>	N
Gard	<input checked="" type="radio"/>	N
Porter	<input checked="" type="radio"/>	N
Kaufert	<input checked="" type="radio"/>	N
Albers	<input checked="" type="radio"/>	N
Duff	<input checked="" type="radio"/>	N
Ward	<input checked="" type="radio"/>	N
Huber	<input checked="" type="radio"/>	N
Riley	<input checked="" type="radio"/>	N

Motion:

Move to modify the private business/prison employment program as follows:

a. Require that in three out of four quarters, beginning on January 1, 2000, and ending on December 31, 2000, each company participating in the program must be profitable, defined by Badger State Industries' cash accounting quarterly report. If, by January 1, 2001, two-thirds of the participating companies are not profitable, provide that the program would sunset.

b. Require that any contract or any amendment to an existing contract must specify the location of the private industry/prison employment project. Provide that any modification of a site location would require approval of the Joint Committee on Finance.

c. Prohibit worker displacement as a result of a private business/prison employment project. Define displacement as follows:

- Displacement has occurred when an employer or employees in a business operation in the State of Wisconsin are laid off as a direct result of work being performed in a prison as part of the Department of Corrections' private business/prison employment program.

- Displacement has also occurred when, through no fault of their own, an employee or employees in a business operation in the State of Wisconsin are permanently transferred to another job which reduces their base pay (excluding overtime, differentials, bonuses) by more than 25% as a direct result of work performed in a prison as part of the private business/prison employment program.

d. Further, require that the contractor agree that the employment of inmates will not be applied in skills in which there is a surplus of available labor in the locality of the contractor, nor will it jeopardize contracts held by the contractor, nor will it replace contractor's employees involved in a labor dispute.

e. Specify that the contractor agree to post a notice provided by Corrections in all of its work places describing the nature of this contract, the definition of "displacement" and a Department of Corrections contact for employees who believe they may have been displaced by a contract.

Motion #868

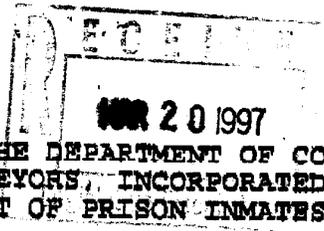
Plc to Jerry Bauer

~~Plc to Jerry Bauer~~

Ok to ~~use~~ use 30-day report prep. period in 303.019
for determining last quarter's profitability, so 1/1/01
~~date~~ may not be the date of the determination
(although ~~it~~ it may already be evident from
1st 3 quarter what will happen to program)

A d - "Leasehold contracts" - apply to all k's (supply,
labor, customer...)

Both Jorgensen + Fabry already obligated to post notice
under their k's

**FILE COPY**

**CONTRACT BETWEEN THE DEPARTMENT OF CORRECTIONS
AND JORGENSEN CONVEYORS, INCORPORATED, FOR THE
EMPLOYMENT OF PRISON INMATES**

This contract is entered into between the Department of Corrections, State of Wisconsin, hereinafter referred to as the "Department", and Jorgensen Conveyors, Incorporated, hereinafter referred to as the "Contractor", for the purpose of employing inmates at the Waupun Correctional Institution (Waupun), pursuant to Sec. 303.01(2)(em), Wis. Stats., to produce Contractor's products.

I. GENERAL

A. Operations: The Department shall perform part of Contractor's industry operation, relating to the fabrication of conveyors, at Waupun.

B. Location: The Department shall provide a location within the perimeter of Waupun which is suitable to the industry operation. The Department shall hire, evaluate, pay and supervise the inmates at Waupun who will conduct the industry operation. The Department shall transport raw materials from Mequon, Wisconsin to Waupun and finished products from Waupun to Mequon, unless otherwise agreed to by the parties.

II. CONDITIONS OF OCCUPANCY

A. General: Nothing herein shall be construed as creating either a rental agreement or a lease and the Contractor shall not have the right to sublet, sublease, assign, transfer or enter into any other agreement regarding the industry operation to be performed at Waupun.

B. Utilities: The Department shall provide water, gas, trash removal and electricity which are necessary for the production of Contractor's products.

C. Materials and Storage: The Contractor shall provide the raw materials necessary to produce the products contemplated by this agreement. The Department shall provide welding wire or rods necessary to produce Contractor's products. The Warden of Waupun shall determine the types and amounts of raw materials and finished products that the Contractor will be permitted to store within the secure perimeter at Waupun. The Warden will also identify storage locations outside the secure perimeter.

D. Machinery: Machinery and equipment necessary to fabricate the conveyors shall be provided by the Department.

E. Damage or loss: All raw materials, personal property, inventory, machinery, equipment, improvements or fixtures or other property of any kind or description whatsoever, installed or brought into the industry area by the Contractor or the Contractor's employees or agents, shall be at the Contractor's sole risk and neither the State of Wisconsin nor the Department or its employees or agents thereof, shall be liable for any damage or loss suffered by the business or occupation of the Contractor arising from any acts or occurrence whatsoever, including, but not limited to, fire, malicious mischief, theft and water damage.

F. Security: The Department shall provide an orientation session, including written documentation, to the Contractor and the Contractor's employees regarding the security procedures at Waupun. Upon completion of the security orientation session, Contractor shall acknowledge receipt of documentation of such procedures and agree in writing to comply with all such procedures.

Failure to comply with the security procedures at Waupun is grounds for termination of this agreement.

The Contractor understands that its deliveries and employees are subject to search before entering or leaving Waupun. The Department shall maintain security during the course of the Contractor's workday in the industry area as determined by the Warden at Waupun.

The Contractor and its employees shall comply with all policies and procedures including tool control at Waupun and all applicable federal, state and local laws, ordinances and regulations.

G. Deliveries and Pick-Ups: All deliveries of goods and materials and pick-up of finished goods and products by the Contractor shall be conducted in accordance with procedures approved by the Department.

III. CONDITIONS OF EMPLOYMENT OF INMATES

A. General: The Department shall hire, evaluate, pay and supervise inmates who have the skills which Contractor has identified for its industry operation. Contractor's supervisory staff shall assist the Department to train inmate employees and shall provide technical assistance as needed. Contractor shall assist the Department to identify production standards for the inmate employees.

B. Inmate Work Force: The industry operation contemplated by this agreement shall require the employment by the Department of a minimum of 10 inmate employees.

C. Wage Schedule: Inmate employee compensation shall be no less than the prevailing wage rate for the work performed as determined by the Department of Industry, Labor and Human Relations.

D. Work Schedule: The industry operation shall be conducted during regular hours as determined by the Department.

E. Interstate Commerce: The Contractor shall abide by all local, state and federal laws and regulations governing the sale of goods in interstate commerce that are produced by inmate employees.

IV. PAYMENT

The Department shall bill Contractor monthly at the following rate for items manufactured during the preceding month:

\$340.00 for each welded conveyor casing
that meets Contractor's quality standards.

Contractor shall mail payment to the Department within 30 days of receipt of the bill.

The rates referred to above shall be evaluated on a calendar quarter basis by both parties and adjusted by mutual agreement to produce a rate which will produce a "break-even" level of reimbursement (neither profit nor loss) for the Department at the end of each year of this agreement.

V. WORK STOPPAGE; FORCE MAJEURE:

Neither the State of Wisconsin nor the Department nor their employees or agents shall be liable for any damages to Contractor or any third party growing out of or related to any work stoppage regardless of the reason therefor.

In the event of a work stoppage the Department will promptly notify the Contractor of the stoppage and the projected duration of the stoppage.

Neither party shall be liable for any delay in the performance of any obligation under this agreement for any cause beyond its reasonable control, including, without limitation, acts of God, labor disputes, fire, natural phenomena or governmental restrictions.

VI. TERMINATION: This agreement shall terminate three years after the last date of signature of the parties hereto. Notwithstanding the foregoing, either party may terminate this agreement for any reason after giving the other party ninety days written notice. The notice period shall begin to run upon receipt of the notice.

It is the intention of the parties to negotiate two consecutive five year extensions to this contract for an additional total of 10 years.

VII. NOTICE: All notices required to be given by the terms of this agreement, shall be sent to the Department as follows:

Secretary, Department of Corrections
P.O. Box 7925
Madison, WI 53707-7925

To the Contractor as follows:

Jorgensen Conveyors, Incorporated
Mr. Marc Jorgensen, President
10303 N. Baehr Road
Maquon, WI 53092

VIII. LIABILITY: Each party agrees to hold the other harmless, including its officers, agents and employees, from any and all liability, including claims, demands, losses, costs, damages, attorney fees and expenses of every kind and description, or damages to persons or property arising out of, or in connection with, or occurring during the term of this agreement where such liability is founded upon or grows out of the acts or omissions of any of its officers, employees or agents and where financial responsibility or the acts or omissions of state officers, employees or agents is produced by sections 893.82 and 895.46, Stats.

IX. NONDISCRIMINATION: In connection with the performance of work under this agreement, Contractor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in Sec. 51.01(5), Wis. Stats., sexual orientation or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, Contractor further agrees to take affirmative action to ensure equal employment opportunities.

X. CANCELLATION: The State of Wisconsin reserves the right to cancel, on any written notice, any contract in whole or in part without penalty due to nonappropriation of funds or for failure of Contractor to comply with the terms, conditions and specifications of this agreement.

This agreement is contingent upon authorization of Wisconsin and United States law and any material amendment or repeal of the same shall serve to revise or terminate this agreement, except as further agreed to by the parties hereto.

XI. ALL WRITINGS CONTAINED HEREIN: This agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this agreement shall be deemed to exist or to bind the parties hereto.

XII. ASSIGNMENT: Contractor shall not assign or transfer this agreement without the prior written consent of the Department.

XIII. PATENT OR COPYRIGHT INFRINGEMENT: Contractor guarantees that the manufacture, sale or use of the articles to be manufactured pursuant to this agreement will not infringe any United States patent or copyright. Contractor covenants that it will at its own expense defend every suit which shall be brought against the State of Wisconsin or the Department or its employees or agents (provided that Contractor is promptly notified of such suit and all papers therein are delivered to it) for any alleged infringement of any patent or copyright by reason of the manufacture, sale or use of such articles and Contractor agrees that it will pay all costs, attorney fees, damages and profits recoverable in any such suit.

XIV. GOVERNING LAW: This agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin and the rules, policies and procedures of the Department of Corrections.

XV. RESOLUTION OF DISPUTES: Contractor may file an appeal of a decision of the Department with the Administrator of the Division of Adult Institutions, P.O. Box 7925, Madison, WI 53707-7925. The Administrator's decision shall be the final decision of the Department.

XVI. LAWFUL POWERS OF PARTIES: The parties agree that no clause, term or condition of this agreement shall be construed to supersede the lawful powers or duties of either party.

IN WITNESS WHEREOF, the parties have executed this agreement.

Jorgensen Conveyors, Inc.

By: Marc Jorgensen

Date: 4-26-96

By: Frank A. Williams

Date: 4-26-96

Department of Corrections

Michael J. Sullivan

Date: 4/23/96

COPY

**AMENDMENT TO THE CONTRACT
BETWEEN THE DEPARTMENT
OF CORRECTIONS AND THE
FABRY GLOVE AND MITTEN
COMPANY FOR THE EMPLOYMENT
OF PRISON INMATES**

The contract entered into by the Department of Corrections, State of Wisconsin and the Fabry Glove and Mitten Company and effective May 10, 1996 is amended as follows:

VI. TERMINATION:

AMENDED TO READ:

This agreement shall terminate ~~three~~ on August 10, 1999.

XVI NONDISPLACEMENT

THIS SECTION IS CREATED TO READ:

The Contractor agrees that during the period of this contract the employment of inmates under this contract will not result in the "displacement" of private sector workers.

"Displacement" is defined by the following:

"Displacement" has occurred when an employee or employees in a business operation in the State of Wisconsin are laid off as a direct result of work being performed in a prison as part of the Wisconsin Department of Corrections' Private Sector Industries Program.

"Displacement" has also occurred when through no fault of their own, an employee or employees in a business operation in the State of Wisconsin are permanently transferred to another job which reduces their base pay (excluding overtime, differentials, bonuses) by more than 25% as a direct result of work performed in a prison as part of the Wisconsin Department of Corrections' Private Sector Industries Program.

Further the Contractor agrees that the employment of inmates under this agreement will not be applied in skills in which there is a surplus of available labor in the locality of the Contractor, nor will it jeopardize contracts held by the Contractor, nor will it replace Contractor's employees involved in a labor dispute.

The Contractor agrees to post a notice provided by the Department in all of its work places describing the nature of this contract, the definition of "displacement" and a Department contact for employees who believe they may have been displaced by this contract.

IN WITNESS WHEREOF, the parties have executed this agreement amendment:

FABRY GLOVE & MITTEN COMPANY

DEPARTMENT OF CORRECTIONS

By: John J. Fabry
Date: 5/3/99

By: John E. Litchner
Date: 5/6/99

By: Paul [Signature]
Date: 5/3/99

FACSIMILE



COVER MESSAGE

State of Wisconsin
Department of Corrections

TO:		DATE:
NAME	Jere Bauer	5/12/99
LOCATION	LFB	
	ROOM NUMBER	FACSIMILE TELEPHONE NUMBER
		267-6873
		TELEPHONE NUMBER

FROM:		NUMBER PAGES	FACSIMILE TELEPHONE NUMBER
NAME	Colleen Godfriaux	(Include Cover Sheet)	
LOCATION	DOC-Budget	3	TELEPHONE NUMBER
			266-0300

MESSAGE:

OPERATOR

- Destroy Originals
- Return Originals to Sender

Division of Management Services
DOC-1043 (Rev. 04/98)

Confidentiality Statement: The information in this facsimile is intended for the named recipient only. It may contain information which is privileged and confidential. If the information is confidential, the recipient is prohibited from re-disclosing the information to other parties under Wisconsin Statutes 146.81 - 146.83 and 51.30.

If you have received this communication in error, please notify the sender immediately by telephone at the number listed.

ORIGINAL

**CONTRACT BETWEEN THE DEPARTMENT OF CORRECTIONS
AND THE FABRY GLOVE AND MITTEN COMPANY FOR THE
EMPLOYMENT OF PRISON INMATES**

This contract is entered into between the Department of Corrections, State of Wisconsin (the "Department"), and Fabry Glove and Mitten Company (the "Contractor"), for the purpose of employing inmates at the Green Bay Correctional Institution (Green Bay), pursuant to Sec. 301.01(2)(em), Wis. Stats., to produce Contractor's products.

I. GENERAL

A. Operations: The Department shall perform, at Contractor's discretion, part of Contractor's industry operation, which may consist of cutting, pressing, trimming, hemming, tagging, sewing, finishing and packaging gloves, mittens, insoles, clogs, slippers and other apparel as presented by Contractor that is not already being manufactured by the Department (the "Industry Operation").

B. Location: The Department shall provide a suitable location for the Industry Operation, which shall be initially located in Green Bay, Wisconsin. The Department shall hire, evaluate, pay and supervise prison inmates who will conduct the Industry Operation. The Department shall transport raw materials from Contractor's place of business to the location of the Industry Operation and return finished products to the Contractor's place of business. The Department agrees to consult with the Contractor prior to any movement of the location at which the Industry Operation is being conducted. Any such move done to accommodate the Department shall be done solely at the Department's expense.

C. Supervision: The Department understands and agrees that the prison inmates who perform the Industry Operation are not employees of the Contractor and that the Contractor will not exercise or have the right to exercise supervision or control over the manner in which the prison inmates perform the Industry Operation.

II. CONDITIONS OF OCCUPANCY

A. General: Nothing herein shall be construed as creating either a rental agreement or a lease.

B. Utilities: The Department shall provide water, trash removal and electricity which are necessary for the production of Contractor's products.

C. Materials and Storage: The Department shall buy all raw materials as agreed which are necessary to produce the products contemplated by this agreement. The Warden of Green Bay shall

determine the types and amounts of raw materials and finished products that can be manufactured and stored at Green Bay. The Warden will also identify storage locations.

D. Machinery. The Department agrees to purchase a new "Gerber" cutting machine and fifteen sewing machines (the "Machinery") meeting the specifications required by Contractor. Contractor agrees to purchase the Machinery from the Department by making semi-annual purchase payments to the Department which are based on a fourteen-year amortization of the Department's cost of purchase of the Machinery. "Cost of purchase" includes purchase price and the cost of financing the purchase. Each purchase payment shall equal one twenty-eighth ($1/28$) of the cost of the Machinery plus interest (at a rate equivalent to that paid by the Department under the master lease on the Machinery) applied to the Contractor's declining balance for the semi-annual period for which a purchase payment is due.

It is the parties' intent that the contractor's semi-annual purchase payments coincide with the Department's semi-annual master lease payments. The contractor's purchase payments will be due thirty days after receiving proof of payment by the Department on the master lease. The Department agrees that it will not use the Machinery for anything other than Contractor's work.

The purchase payment period shall end seven years after the Department's receipt of the Machinery. Nonetheless, the parties agree to discuss extending the purchase payment period beyond the seven-year period. At the end of the purchase payment period, the Contractor agrees to purchase the Machinery from the Department at a cost equal to the Cost of Purchase, reduced by the total amount of the semi-annual purchase payments paid by the Contractor. Contractor agrees to pay any sales tax required by State law.

Contractor shall become the owner of the Machinery upon payment of the full Cost of Purchase to the Department, except that if this agreement terminates prior to the end of the seven-year purchase payment period, the Contractor shall take possession and ownership of the Machinery and the Department will retain a security interest. Such security interest will terminate once the Cost of Purchase is paid in full by Contractor.

Contractor may complete the purchase of the Machinery at any time, without prepayment penalty, by paying the Department the full Cost of Purchase. While this agreement remains in effect, the Department shall remain the sole owner of the Machinery until the Cost of Purchase is paid in full.

E. Damage or Loss. The risk of damage to or loss of all raw materials, personal property, inventory, Machinery,

equipment, improvements or fixtures or other property of any kind or description whatsoever used in the Industry Operation, or installed or brought into the industry area by the Contractor or the Contractor's employees or agents, shall be solely the Department's, except that Contractor shall bear the cost of damage or loss of Contractor's property which is damaged or lost by Contractor's employees.

F. Maintenance of Machinery: The Department shall be solely responsible for the cost and expense of the daily, monthly and yearly routine maintenance of the Machinery, including, but not limited to, furnishing supply items, replacing necessary parts for daily operations, supplying fuel and lubrication and performing necessary work associated therewith. Contractor shall be responsible to perform any major overhaul of the Machinery and for the cost and expense associated therewith.

G. Security. The Department shall provide an orientation session, including written documentation, to the Contractor and the Contractor's employees regarding the security procedures at Green Bay. Upon completion of the security orientation session, Contractor shall acknowledge receipt of documentation of such procedures and agree in writing to comply with all such procedures.

Failure to comply with the security procedures at Green Bay is grounds for termination of this agreement.

The Contractor understands that its deliveries and employees are subject to search before entering or leaving Green Bay. The Department shall maintain security during the course of the Contractor's workday in the industry area as determined by the Warden at Green Bay.

The Contractor and its employees shall comply with all policies and procedures including tool control at Green Bay and all applicable federal, state and local laws, ordinances and regulations.

H. Deliveries and Pick-Ups: All deliveries of goods and materials to and pick-up of goods and products by the Contractor shall be conducted in accordance with procedures approved by the institution.

III. CONDITIONS OF EMPLOYMENT OF INMATES

A. General: The Department shall hire, evaluate, pay and supervise inmates who have the skills which Contractor has identified for its Industry Operation. Contractor's supervisory staff shall assist the Department in the initial training of inmate employees and shall provide technical assistance as

needed. Contractor shall assist the Department to identify production standards for the inmate employees.

B. Inmate Work Force: The Industry Operation contemplated by this agreement shall require the Contractor to make its best efforts to maintain the employment by the Department of a minimum of 10 inmate employees.

C. Wage Schedule: The Department shall compensate the inmate employees engaged in the Industry Operation at no less than the prevailing entry wage rate for the work performed as determined by the Department of Industry, Labor and Human Relations.

D. Work Schedule: The Industry Operation shall be conducted during hours as determined by the Department. The Department agrees to make its best efforts to provide multi-shift operations to facilitate the Contractor's production demands.

E. Interstate Commerce: The Contractor shall abide by all local, state and federal laws and regulations governing the sale of goods in interstate commerce that are produced by inmate employees.

IV. PAYMENT

The Department shall bill Contractor monthly at the following labor rates plus cost of raw materials (at the Department's cost) for items shipped during the preceding month:

<u>Product - Sewing</u>	<u>Rate</u>	<u>Persons</u>
Skeleton Liners	.176 per pair	One
Full Liner - Glove	.310 per pair	Two
Full Liner - Mittens	.232 per pair	One
<u>Product - Cutting</u>	<u>Rate</u>	
Scarf	.035 each	
Glove	.069 per pair	
Mitten	.068 per pair	
Mitten Liner	.068 per pair	
Hat	.018 each	
Skeleton Glove Liner	.068 per pair	
Full Glove Liner	.068 per pair	
Earband	.027 per pair	
Gaitor	.021 each	

In the event that the Department of Industry, Labor and Human Relations changes its determination of the prevailing entry wage rate for the work to be performed by the prison inmates as

described in this agreement, the parties agree to renegotiate the above rates.

Contractor shall mail payment to the Department within 45 days of receipt of the bill.

The performance by the Department of the Industry Operation shall be evaluated on a calendar quarter basis by both parties and adjusted by mutual agreement.

V. WORK STOPPAGE; FORCE MAJEURE:

Neither the State of Wisconsin nor the Department nor their employees or agents shall be liable for any damages to Contractor or any third party growing out of or related to any work stoppage regardless of the reason therefor.

In the event of a work stoppage the Department will promptly notify the Contractor of the stoppage and the projected duration of the stoppage.

Neither party shall be liable for any delay in the performance of any obligation under this agreement for any cause beyond its reasonable control, including, without limitation, acts of God, labor disputes, fire, natural phenomena or governmental restrictions.

VI. TERMINATION: This agreement shall terminate three years after the last date of signature of the parties hereto. Either party may terminate this agreement for any reason after giving the other party 180 days' written notice. The notice period shall begin to run upon receipt of the notice. The Department agrees to give Contractor 180 days' written notice prior to terminating this agreement for failure of Contractor to comply with the terms, conditions and specifications of this agreement.

It is the intention of the parties to negotiate two consecutive five year extensions to this contract for an additional total of 10 years.

VII. NOTICE: All notices required to be given by the terms of this agreement, shall be sent to the Department as follows:

Secretary, Department of Corrections
P.O. Box 7925
Madison, WI 53707-7925

To the Contractor as follows:

Fabry Glove and Mitten Co.
P.O. Box 1477
1201 Main Street
Green Bay, WI 54305-1477

VIII. **NONDISCRIMINATION:** In connection with the performance of work under this agreement, Contractor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in Sec. 51.01(5), Wis. Stats., sexual orientation or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, Contractor further agrees to take affirmative action to ensure equal employment opportunities.

IX. **EXCLUSIVITY:** The Department agrees that during the term of this agreement or any extension thereto, the Department will not enter into any agreement with any other party under which the Department and/or any of its prison inmates would perform cutting, pressing, trimming, hemming, tagging, sewing, finishing and packaging gloves, mittens, insoles, clogs, slippers and other apparel as presented by Contractor that is not already being manufactured by the Department. The Department acknowledges that this restriction is reasonable and is not expected to create harsh or onerous burdens on the Department and that it is freely accepting this restriction because in its business judgment it is in the best interest of the Department to enter into an exclusive arrangement with the Contractor.

X. **NONAPPROPRIATION:** This agreement's continuance beyond the limits of funds already available is contingent upon appropriation of the necessary funds.

XI. **ALL WRITINGS CONTAINED HEREIN:** This agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this agreement shall be deemed to exist or to bind the parties hereto.

XII. **ASSIGNMENT:** Contractor shall not assign or transfer this agreement without the prior written consent of the Department. The Department agrees not to unreasonably withhold its consent.

XIII. **PATENT OR COPYRIGHT INFRINGEMENT:** Contractor guarantees that the manufacture, sale or use of the articles to be manufactured pursuant to this agreement will not infringe any

United States patent or copyright. Contractor covenants that it will at its own expense defend every suit which shall be brought against the State of Wisconsin or the Department or its employees or agents (provided that Contractor is promptly notified of such suit and all papers therein are delivered to it) for any alleged infringement of any patent or copyright by reason of the manufacture, sale or use of such articles and Contractor agrees that it will pay all costs, attorney fees, damages and profits recoverable in any such suit.

XIV. GOVERNING LAW: This agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin and the rules, policies and procedures of the Department of Corrections.

XV. IMPORT PRODUCTS: Consistent with paragraph IIC of this agreement, production made available to the Department and representing import products of the Contractor will be produced by the Department in accordance with section 303.06(2) of the Wisconsin Statutes.

XVI. RESOLUTION OF DISPUTES: Contractor may file an appeal of a decision of the Department with the Administrator of the Division of Adult Institutions, P.O. Box 7925, Madison, WI, 53707-7925. The Administrator's decision shall be the final decision of the Department.

XVII. LAWFUL POWERS OF PARTIES: The parties agree that no clause, term or condition of this agreement shall be construed to supersede the lawful powers or duties of either party.

IN WITNESS WHEREOF, the parties have executed this agreement.

FABRI GLOVE & MITTEN COMPANY

By: John J. Sabu
Date: 5/10/96

By: Kenneth M. Glawack
Date: 5/10/96

DEPARTMENT OF CORRECTIONS

By: Michael J. Sullivan Secretary
Date: 5/6/96

BUREAU OF CORRECTIONAL ENTERPRISES

FAX SHEET

TO: Gere Bauer

COMPANY/AGENCY NAME: leg. fir

FAX NO.: 7-6873 NO. OF PAGES: 8

FROM: Mary Rondon 246-7555

FAX NO.: (608) 246-7976

COMMENTS:



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0469/1

JEO:.....

cmr7

soon

LFB:.....Bauer (DS) – Private business prison employment program

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1 At the locations indicated, amend the bill as follows:

2 1. Page 1215, line 11: after that line insert:

3 "SECTION 2718m. 303.01 (2) (em) of the statutes is amended to read:

4 303.01 (2) (em) Lease Subject to sub. (12) (c), lease space, with or without
5 equipment, within the precincts of state prisons, as specified in s. 302.02, or within
6 the confines of correctional institutions operated by the department for holding in
7 secure custody persons adjudged delinquent, to not more than 6 private businesses
8 to employ prison inmates and institution residents to manufacture products or
9 components or to provide services for sale on the open market. The department shall
10 comply with s. 16.75 in selecting businesses under this paragraph. The department
11 may enter into a contract under this paragraph only with the approval of the joint
12 committee on finance. The department may not enter into or amend a contract under

1 this paragraph unless the contract or amendment specifies each state prison or
 2 juvenile correctional institution at which the private business will employ inmates
 3 or institution residents. The private business may not employ inmates or institution
 4 residents at a state prison or juvenile correctional institution not specified in the
 5 contract without the approval of the joint committee on finance. The department
 6 shall consult with appropriate trade organizations and labor unions prior to issuing
 7 requests for proposals and prior to selecting proposals under this paragraph. Each
 8 such private business may conduct its operations as a private business, subject to the
 9 wage standards under sub. (4), the disposition of earnings under sub. (8), the
 10 provisions regarding displacement in sub. (11), the requirements for notification and
 11 hearing under sub. (1) (c), the requirement for prison industries board approval
 12 under s. 303.015 (1) (b) and the authority of the department to maintain security and
 13 control in its institutions. The private business and its operations are not a prison
 14 industry. Inmates employed by the private business are not subject to the
 15 requirements of inmates participating in prison industries, except as provided in this
 16 paragraph;

NOTE: NOTE: Par. (em) is shown as affected by two acts of the 1997 legislature and as merged by the revisor under s. 13.93 (2) (c).NOTE:

History: 1975 c. 41 s. 52; 1975 c. 224, 396; 1977 c. 26 ss. 42, 75; 1983 a. 27; 1983 a. 189 s. 329 (28); 1983 a. 524; 1987 a. 27; 1989 a. 31 s. 1673c; Stats. 1989 s. 303.01; 1989 a. 283; 1991 a. 269; 1993 a. 16; 1995 a. 27; 1997 a. 27, 36; s. 13.93 (2) (c).

SECTION 2718o. 303.01 (11) of the statutes is created to read:

DISPLACEMENT
 303.01 (11) ~~ADDITIONAL REQUIREMENTS FOR PRIVATE EMPLOYERS OF INMATES AND~~

~~INSTITUTION RESIDENTS~~ (a) In this subsection and sub. (12):

1. "Displace^{an employe}" means to lay off an employe in this state as a direct result of work
 being performed in a state prison or juvenile correctional institution under a prison
 contract or to permanently transfer an employe in this state to another job ^{that} which
 reduces the employe's base pay, excluding overtime, differentials and bonuses, by

1 more than 25% as a direct result of work being performed in a state prison or juvenile
2 correctional institution under a prison contract.

3 2. "Prison contract" means a contract entered into by the department under
4 sub. (2) (em).

5 3. "Private employer" means a private business ^{that} which is a party to a prison
6 contract.

7 (b) A private [✓]employer may not displace an employe or cause another private
8 business to displace an employe.

9 (c) A private [✓]employer may not employ inmates or institution residents under
10 a prison contract if any of the following applies:

11 1. The inmates or institution residents are to be employed in a skill, craft or
12 trade in which there is a surplus of available labor in the locality of the private
13 employer.

14 2. The employment of the inmates or institution residents will impair the
15 performance of other contracts to which the private employer is a party.

16 3. The inmates or institution residents will replace employes who are on strike
17 against the private employer or locked out of work.

18 (d) A private employer shall post in all of its workplaces a notice provided by
19 the department containing a description of the nature of the prison contract ^{and} an
20 explanation of what it means for an employe of a private employer to be ^{displaced} "displaced"
21 under this subsection [✓] and ^{identifying} a person at the department whom an employe of a private
22 employer may contact if the employe believes that he or she may have been displaced
23 by a prison contract.

9) SECTION 2718p. 303.01(2) of the statutes is created to read:

1 303.01 (12) PROFITABILITY REQUIREMENT. (a) In this subsection, "profitable" means
2 earning a profit, as determined by the report described in par. (b), during at least
3 three quarters of calendar year 2000.

4 (b) The department of corrections and the department of administration shall
5 submit a report to the joint committee on finance for each quarter of calendar year
6 2000 providing the department of corrections' cash balance summary under each
7 prison contract. Each report shall be prepared within 30 days after the end of the
8 quarter. The report for the fourth quarter shall state whether the department's
9 operations under at least two-thirds of its prison contracts were profitable during
10 calendar year 2000 and shall address the termination of its program for contracting
11 with private employers under sub. (2) (em) if par. (c) applies.

12 (c) The department may not enter into contracts under sub. (2) (em) after the
13 submission of the fourth quarter report described in par. (b) to the joint committee
14 on finance, and all prison contracts shall expire on the date that ~~that~~ ^{the} report is
15 submitted, unless the department's operations under at least two-thirds of its prison
16 contracts are profitable."

17

(END)



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0469/1

JEO:cmh:km

+MGD

RMR

LFB:.....Bauer (DS) - Private business prison employment program

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

Insert 1-2 ✓

- 1 At the locations indicated, amend the bill as follows:
- 2 1. Page 1215, line 11: after that line insert:
- 3 "SECTION 2718. 303.01 (2) (em) of the statutes is amended to read:
- 4 303.01 (2) (em) Lease Subject to sub. (12) (c), lease space, with or without
- 5 equipment, within the precincts of state prisons, as specified in s. 302.02, or within
- 6 the confines of correctional institutions operated by the department for holding in
- 7 secure custody persons adjudged delinquent, to not more than 6 private businesses
- 8 to employ prison inmates and institution residents to manufacture products or
- 9 components or to provide services for sale on the open market. The department shall
- 10 comply with s. 16.75 in selecting businesses under this paragraph. The department
- 11 may enter into a contract under this paragraph only with the approval of the joint
- 12 committee on finance. The department may not enter into or amend a contract under

1 this paragraph unless the contract or amendment specifies each state prison or
 2 juvenile correctional institution at which the private business will employ inmates
 3 or institution residents. The private business may not employ inmates or institution
 4 residents at a state prison or juvenile correctional institution not specified in the
 5 contract without the approval of the joint committee on finance. The department
 6 shall consult with appropriate trade organizations and labor unions prior to issuing
 7 requests for proposals and prior to selecting proposals under this paragraph. Each
 8 such private business may conduct its operations as a private business, subject to the
 9 wage standards under sub. (4), the disposition of earnings under sub. (8), the
 10 provisions regarding displacement in sub. (11), the requirements for notification and
 11 hearing under sub. (1) (c), the requirement for prison industries board approval
 12 under s. 303.015 (1) (b) and the authority of the department to maintain security and
 13 control in its institutions. The private business and its operations are not a prison
 14 industry. Inmates employed by the private business are not subject to the
 15 requirements of inmates participating in prison industries, except as provided in this
 16 paragraph;

Insert
2-17

2 letter

17 **SECTION 2718.** 303.01 (11) of the statutes is created to read:

18 303.01 (11) DISPLACEMENT. (a) In this subsection and sub. (12):

19 1. "Displace an employe" means to lay off an employe in this state as a direct
 20 result of work being performed in a state prison or juvenile correctional institution
 21 under a prison contract or to permanently transfer an employe in this state to
 22 another job that reduces the employe's base pay, excluding overtime, differentials
 23 and bonuses, by more than 25% as a direct result of work being performed in a state
 24 prison or juvenile correctional institution under a prison contract.

1 2. "Prison contract" means a contract entered into by the department under
2 sub. (2) (em).

3 3. "Private employer" means a private business that is a party to a prison
4 contract.

5 (b) A private employer may not displace an employe or cause another private
6 business to displace an employe.

7 (c) A private employer may not employ inmates or institution residents under
8 a prison contract if any of the following applies:

9 1. The inmates or institution residents are to be employed in a skill, craft or
10 trade in which there is a surplus of available labor in the locality of the private
11 employer.

12 2. The employment of the inmates or institution residents will impair the
13 performance of other contracts to which the private employer is a party.

14 3. The inmates or institution residents will replace employes who are on strike
15 against the private employer or locked out of work.

16 (d) A private employer shall post in all of its workplaces a notice provided by
17 the department containing a description of the nature of the prison contract and an
18 explanation of what it means for an employe of a private employer to be displaced
19 under this subsection and identifying a person at the department whom an employe
20 of a private employer may contact if the employe believes that he or she may have
21 been displaced by a prison contract.

~~SECTION 2718p. 803.01 (12) of the statutes is created to read:~~

"(5) ^d 803.01 (12) PROFITABILITY REQUIREMENT. (a) In this subsection, "profitable"
means earning a profit, as determined by the report described in ~~the~~ ^{paragraph} (b), during at
least three quarters of calendar year 2000.

Handwritten notes and markings:
- A checkmark at the top left.
- A box containing "NSWA 3-22" with an arrow pointing to line 22.
- A box containing "nonstat" with "23" below it.
- "fix components" written below the "nonstat" box.
- A circled "24" with an arrow pointing to line 24.
- A circled "25" at the bottom left.
- A circled "4" near the word "profitable" in the statute text.

1 (b) The department of corrections and the department of administration shall
 2 submit a report to the joint committee on finance for each quarter of calendar year
 3 2000 providing the department of corrections' cash balance summary under each
 4 prison contract. Each report shall be prepared within 30 days after the end of the
 5 quarter. The report for the ^{4th} ~~fourth~~ quarter shall state whether the department's
 6 operations under at least two-thirds of its prison contracts were profitable during
 7 calendar year 2000 and shall address the termination of its program for contracting
 8 with private employers under section 303.01 (2) (em) if ~~the~~ (c) applies.

Insert 4-9

9 (c) The department may not enter into contracts under sub. (2) (em) after the
 10 submission of the fourth quarter report described in par. (b) to the joint committee
 11 on finance, and all prison contracts shall expire on the date that the report is
 12 submitted, unless the department's operations under at least two-thirds of its prison
 13 contracts are profitable.

(END)

of the statutes

Insert 4-14

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0469/2ins
MGD:.....

1 **INSERT 1-2**

2 ^{414 15}
3 1. Page 7, line 7: after that line insert:

4 (B) → 359g
5 " SECTION 27. 20.410 (1) (gi) ^X of the statutes is amended to read:

6 20.410 (1) (gi) *General operations*. The amounts in the schedule to operate
7 institutions and provide field services and administrative services. All moneys
8 received under s. 303.01 (8) that are attributable to moneys collected from earnings
9 of inmates and residents under s. 303.01 (2) (em) and all moneys received under ss.
10 302.386 (2m) and (3) (d) and 303.065 (6) shall be credited to this appropriation
11 account. ^o

12 History: 1989 a. 31 ss. 340, 361 to 380, 382 to 392; 1989 a. 107, 122, 359; 1991 a. 39; 1993 a. 16, 98, 377, 437, 490; 1995 a. 27, 77, 416, 440; 1997 a. 4, 27, 35, 237, 252, 275, 283, 284.

13 **2g Page 7, line 7: after that line insert:**

14 (B) → 359r
15 SECTION 27. 20.410 (1) (hm) ^X of the statutes is repealed. "

16 3. Page 7, line 7: after that line insert:

17 (B) → 361m
18 " SECTION 27. 20.410 (1) (km) ^X of the statutes is amended to read:

19 20.410 (1) (km) *Prison industries*. The amounts in the schedule for the
20 establishment and operation of prison industries, [✓] but not including the program
21 under s. 303.01 (2) (em). All moneys received from prison industries sales shall be
22 credited to this appropriation. All moneys credited to this appropriation shall be
23 expended first for the purpose under par. (ko). No expenditure may be made from this
24 appropriation for the construction of buildings or purchase of equipment for new
25 prison industries, except upon approval of the joint committee on finance after a
26 determination that the moneys are needed and that no other appropriation is
27 available for that purpose. "

28 History: 1989 a. 31 ss. 340, 361 to 380, 382 to 392; 1989 a. 107, 122, 359; 1991 a. 39; 1993 a. 16, 98, 377, 437, 490; 1995 a. 27, 77, 416, 440; 1997 a. 4, 27, 35, 237, 252, 275, 283, 284.



-2-

INS 1-2 cont

978 ✓

11 ✓

1 4. Page 7, line 9: after that line insert:

2

" SECTION ^{2029m} 108.07 (8) (b) of the statutes is amended to read:

3 108.07 (8) (b) If a claimant is a prisoner of a state prison, as defined in s. 302.01,

4 and has employment with an employer other than the department of corrections [✓] or

5 ~~a private business leasing space within a state prison under s. 303.01 (2) (em), and~~

6 the claimant's employment terminates because conditions of incarceration or

7 supervision make it impossible to continue the employment, the department shall

8 charge to the fund's balancing account any benefits based on the terminated

9 employment that are otherwise chargeable to the account of an employer that is

10 subject to the contribution requirements under ss. 108.17 and 108.18. "

History: 1971 c. 53; 1975 c. 343; 1979 c. 110 s. 60 (11); 1983 a. 17; 1987 a. 38, 255; 1989 a. 77; 1991 a. 89; 1993 a. 373; 1995 a. 118; 1997 a. 39.

11

INSERT ~~2-17~~

12

13 ~~5. Page 7, line 2: after that line insert:~~

14 SECTION 2718^{em} 303.01 (2) (em) [✓] of the statutes, as affected by [✓] 1999 Wisconsin

15 Act ~~109 Wis Act~~ (this act), is repealed.

16 SECTION 2718₃. 303.01 (8) (b) of the statutes is amended to read:

17 303.01 (8) (b) The department shall distribute earnings of an inmate or

18 resident [✓], ~~other than an inmate or resident employed under sub. (2) (em),~~ for the crime

19 victim and witness assistance surcharge under s. 973.045 (4), for the delinquency

20 victim and witness assistance surcharge under s. 938.34 (8d) (c), for the

21 deoxyribonucleic acid analysis surcharge under s. 973.046 (4) and for compliance

22 with s. 303.06 (2) and may distribute earnings for the support of the inmate's or

23 resident's dependents and for other obligations either acknowledged by the inmate

1 or resident in writing or which have been reduced to judgment that may be satisfied
2 according to law.

History: 1975 c. 41 s. 52; 1975 c. 224, 396; 1977 c. 26 ss. 42, 75; 1983 a. 27; 1983 a. 189 s. 329 (28); 1983 a. 524; 1987 a. 27; 1989 a. 31 s. 1673c; Stats. 1989 s. 303.01; 1989 a. 283; 1991 a. 269; 1993 a. 16; 1995 a. 27; 1997 a. 27, 36; s. 13.93 (2) (c)

3

SECTION 2718 303.01 (8) (c) of the statutes is repealed.

4

SECTION 2718 303.01 (8) (d) of the statutes is repealed.

5

SECTION 2718 303.01 (8) (e) of the statutes is repealed.

6

INSERT 3-22

8

SECTION 2718 303.01 (11) of the statutes, as created by 1999 Wisconsin Act

9

1999 Wisconsin Act ... (this act), is repealed.

10

SECTION 2718 303.06 (3) of the statutes is repealed.

11

SECTION 2718 303.21 (1) (b) of the statutes is amended to read:

12

303.21 (1) (b) Inmates are included under par. (a) if they are participating in

13

a structured work program away from the institution grounds under s. 302.15 or a

14

secure work program under s. 303.063. Inmates are not included under par. (a) if

15

they are employed in a prison industry under s. 303.06 (2), participating in a work

16

release program under s. 303.065 (2), participating in employment with a private

17

business under s. 303.01 (2) (em) or participating in the transitional employment

18

program, but they are eligible for worker's compensation benefits under ch. 102.

19

Residents subject to s. 303.01 (1) (b) are not included under par. (a) but they are

20

eligible for worker's compensation benefits under ch. 102. " ✓

History: 1975 c. 147 s. 54; 1975 c. 199; 1977 c. 29, 195; 1981 c. 20; 1985 a. 29; 1989 a. 31 s. 1696; Stats. 1989 s. 303.21; 1993 a. 81; 1995 a. 27 ss. 6400, 6401, 9130 (4); 1995 a. 416; 1997 a. 3, 283.

21

6. Page 7, line 7: after that line insert:

INSERT 4-9

23

INS 4-9

1 nonstats
 2 (c) 1. If the report under ~~para~~ paragraph (b) does not state that at least two-thirds of prison
 3 contracts, as defined in section 303.01 (11) (a) 2, ^{of the statutes} were profitable during calendar
 4 year 2000, the joint committee on finance shall certify the report to the revisor of
 5 statutes no later than March 1, 2001. Upon the certification, the revisor of statutes
 6 shall publish notice in the Wisconsin administrative register of the report and that,
 as of March 1, 2001, ^{the treatment of} sections ^{have taken effect} ~~of the statutes have been repealed.~~

7 2. Section 13.10 (3) and (4) of the statutes do not apply to the certification of
 8 the report by the joint committee on finance under this paragraph. " ✓

9
 10 INSERT 4-14 1471 11 ✓

11 6. Page 9, line 9: after that line insert:
 12 eff date " (5) SUNSET OF PRIVATE BUSINESS PRISON EMPLOYMENT PROGRAM. The treatment of
 13 sections
 14 of the statutes takes effect on March 1, 2001, if the certification described in
 15 SECTION of this act occurs. " ✓
 16

~~20.410 (1) (g), (h), (i), (j), (k), (l), (m), (n), (o), (p), (q), (r), (s), (t), (u), (v), (w), (x), (y), (z), (aa), (ab), (ac), (ad), (ae), (af), (ag), (ah), (ai), (aj), (ak), (al), (am), (an), (ao), (ap), (aq), (ar), (as), (at), (au), (av), (aw), (ax), (ay), (az), (ba), (bb), (bc), (bd), (be), (bf), (bg), (bh), (bi), (bj), (bk), (bl), (bm), (bn), (bo), (bp), (bq), (br), (bs), (bt), (bu), (bv), (bw), (bx), (by), (bz), (ca), (cb), (cc), (cd), (ce), (cf), (cg), (ch), (ci), (cj), (ck), (cl), (cm), (cn), (co), (cp), (cq), (cr), (cs), (ct), (cu), (cv), (cw), (cx), (cy), (cz), (da), (db), (dc), (dd), (de), (df), (dg), (dh), (di), (dj), (dk), (dl), (dm), (dn), (do), (dp), (dq), (dr), (ds), (dt), (du), (dv), (dw), (dx), (dy), (dz), (ea), (eb), (ec), (ed), (ee), (ef), (eg), (eh), (ei), (ej), (ek), (el), (em), (en), (eo), (ep), (eq), (er), (es), (et), (eu), (ev), (ew), (ex), (ey), (ez), (fa), (fb), (fc), (fd), (fe), (ff), (fg), (fh), (fi), (fj), (fk), (fl), (fm), (fn), (fo), (fp), (fq), (fr), (fs), (ft), (fu), (fv), (fw), (fx), (fy), (fz), (ga), (gb), (gc), (gd), (ge), (gf), (gg), (gh), (gi), (gj), (gk), (gl), (gm), (gn), (go), (gp), (gq), (gr), (gs), (gt), (gu), (gv), (gw), (gx), (gy), (gz), (ha), (hb), (hc), (hd), (he), (hf), (hg), (hh), (hi), (hj), (hk), (hl), (hm), (hn), (ho), (hp), (hq), (hr), (hs), (ht), (hu), (hv), (hw), (hx), (hy), (hz), (ia), (ib), (ic), (id), (ie), (if), (ig), (ih), (ii), (ij), (ik), (il), (im), (in), (io), (ip), (iq), (ir), (is), (it), (iu), (iv), (iw), (ix), (iy), (iz), (ja), (jb), (jc), (jd), (je), (jf), (jg), (jh), (ji), (jj), (jk), (jl), (jm), (jn), (jo), (jp), (jq), (jr), (js), (jt), (ju), (jv), (jw), (jx), (jy), (jz), (ka), (kb), (kc), (kd), (ke), (kf), (kg), (kh), (ki), (kj), (kk), (kl), (km), (kn), (ko), (kp), (kq), (kr), (ks), (kt), (ku), (kv), (kw), (kx), (ky), (kz), (la), (lb), (lc), (ld), (le), (lf), (lg), (lh), (li), (lj), (lk), (ll), (lm), (ln), (lo), (lp), (lq), (lr), (ls), (lt), (lu), (lv), (lw), (lx), (ly), (lz), (ma), (mb), (mc), (md), (me), (mf), (mg), (mh), (mi), (mj), (mk), (ml), (mm), (mn), (mo), (mp), (mq), (mr), (ms), (mt), (mu), (mv), (mw), (mx), (my), (mz), (na), (nb), (nc), (nd), (ne), (nf), (ng), (nh), (ni), (nj), (nk), (nl), (nm), (nn), (no), (np), (nq), (nr), (ns), (nt), (nu), (nv), (nw), (nx), (ny), (nz), (oa), (ob), (oc), (od), (oe), (of), (og), (oh), (oi), (oj), (ok), (ol), (om), (on), (oo), (op), (oq), (or), (os), (ot), (ou), (ov), (ow), (ox), (oy), (oz), (pa), (pb), (pc), (pd), (pe), (pf), (pg), (ph), (pi), (pj), (pk), (pl), (pm), (pn), (po), (pp), (pq), (pr), (ps), (pt), (pu), (pv), (pw), (px), (py), (pz), (qa), (qb), (qc), (qd), (qe), (qf), (qg), (qh), (qi), (qj), (qk), (ql), (qm), (qn), (qo), (qp), (qq), (qr), (qs), (qt), (qu), (qv), (qw), (qx), (qy), (qz), (ra), (rb), (rc), (rd), (re), (rf), (rg), (rh), (ri), (rj), (rk), (rl), (rm), (rn), (ro), (rp), (rq), (rr), (rs), (rt), (ru), (rv), (rw), (rx), (ry), (rz), (sa), (sb), (sc), (sd), (se), (sf), (sg), (sh), (si), (sj), (sk), (sl), (sm), (sn), (so), (sp), (sq), (sr), (ss), (st), (su), (sv), (sw), (sx), (sy), (sz), (ta), (tb), (tc), (td), (te), (tf), (tg), (th), (ti), (tj), (tk), (tl), (tm), (tn), (to), (tp), (tq), (tr), (ts), (tt), (tu), (tv), (tw), (tx), (ty), (tz), (ua), (ub), (uc), (ud), (ue), (uf), (ug), (uh), (ui), (uj), (uk), (ul), (um), (un), (uo), (up), (uq), (ur), (us), (ut), (uu), (uv), (uw), (ux), (uy), (uz), (va), (vb), (vc), (vd), (ve), (vf), (vg), (vh), (vi), (vj), (vk), (vl), (vm), (vn), (vo), (vp), (vq), (vr), (vs), (vt), (vu), (vv), (vw), (vx), (vy), (vz), (wa), (wb), (wc), (wd), (we), (wf), (wg), (wh), (wi), (wj), (wk), (wl), (wm), (wn), (wo), (wp), (wq), (wr), (ws), (wt), (wu), (wv), (ww), (wx), (wy), (wz), (xa), (xb), (xc), (xd), (xe), (xf), (xg), (xh), (xi), (xj), (xk), (xl), (xm), (xn), (xo), (xp), (xq), (xr), (xs), (xt), (xu), (xv), (xw), (xx), (xy), (xz), (ya), (yb), (yc), (yd), (ye), (yf), (yg), (yh), (yi), (yj), (yk), (yl), (ym), (yn), (yo), (yp), (yq), (yr), (ys), (yt), (yu), (yv), (yw), (yx), (yz), (za), (zb), (zc), (zd), (ze), (zf), (zg), (zh), (zi), (zj), (zk), (zl), (zm), (zn), (zo), (zp), (zq), (zr), (zs), (zt), (zu), (zv), (zw), (zx), (zy), (zz)~~

20.410 (1) (gi) ✓, (hm) and (km) ✓, 108.07 (8)(b) ✓,
 303.01 (8)(b) ✓, (c), (d) and (e), 303.06 (3) and
 303.21 (1)(b) ✓ of the statutes ^{and} the ^{repeal} treatment of
 section 303.01 (2) (cm) ^{and} the statutes by section 20.410
 of this act and the treatment of 303.01 (11) of the statutes



State of Wisconsin
1999 - 2000 LEGISLATURE

TODAY

LRBb0469/2
JEO&MGD:cmh&jlg:ch

3

RMR

LFB:.....Bauer (DS) – Private business prison employment program

FOR 1999-01 BUDGET – NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 414, line 15: after that line insert:

3 **“SECTION 359g.** 20.410 (1) (gi) of the statutes is amended to read:

4 20.410 (1) (gi) *General operations.* The amounts in the schedule to operate
5 institutions and provide field services and administrative services. All moneys
6 received under s. 303.01 (8) ~~that are attributable to moneys collected from earnings~~
7 ~~of inmates and residents under s. 303.01 (2) (em) and all moneys received under ss.~~
8 302.386 (2m) and (3) (d) and 303.065 (6) shall be credited to this appropriation
9 account.

10 **SECTION 359r.** 20.410 (1) (hm) of the statutes is repealed.”.

11 **2.** Page 415, line 3: after that line insert:

1 **“SECTION 361m.** 20.410 (1) (km) of the statutes is amended to read:

2 20.410 (1) (km) *Prison industries.* The amounts in the schedule for the
3 establishment and operation of prison industries, ~~but not including the program~~
4 ~~under s. 303.01 (2) (em).~~ All moneys received from prison industries sales shall be
5 credited to this appropriation. All moneys credited to this appropriation shall be
6 expended first for the purpose under par. (ko). No expenditure may be made from this
7 appropriation for the construction of buildings or purchase of equipment for new
8 prison industries, except upon approval of the joint committee on finance after a
9 determination that the moneys are needed and that no other appropriation is
10 available for that purpose.”.

11 **3.** Page 978, line 11: after that line insert:

12 **“SECTION 2029m.** 108.07 (8) (b) of the statutes is amended to read:

13 108.07 (8) (b) If a claimant is a prisoner of a state prison, as defined in s. 302.01,
14 and has employment with an employer other than the department of corrections or
15 ~~a private business leasing space within a state prison under s. 303.01 (2) (em), and~~
16 the claimant’s employment terminates because conditions of incarceration or
17 supervision make it impossible to continue the employment, the department shall
18 charge to the fund’s balancing account any benefits based on the terminated
19 employment that are otherwise chargeable to the account of an employer that is
20 subject to the contribution requirements under ss. 108.17 and 108.18.”.

21 **4.** Page 1215, line 11: after that line insert:

22 **“SECTION 2718e.** 303.01 (2) (em) of the statutes is amended to read:

23 303.01 (2) (em) ^{Lease} ~~Lease~~ Subject to sub. (12) (c), lease space, with or without
24 equipment, within the precincts of state prisons, as specified in s. 302.02, or within

1 the confines of correctional institutions operated by the department for holding in
2 secure custody persons adjudged delinquent, to not more than 6 private businesses
3 to employ prison inmates and institution residents to manufacture products or
4 components or to provide services for sale on the open market. The department shall
5 comply with s. 16.75 in selecting businesses under this paragraph. The department
6 may enter into a contract under this paragraph only with the approval of the joint
7 committee on finance. The department may not enter into or amend a contract under
8 this paragraph unless the contract or amendment specifies each state prison or
9 juvenile correctional institution at which the private business will employ inmates
10 or institution residents. The private business may not employ inmates or institution
11 residents at a state prison or juvenile correctional institution not specified in the
12 contract without the approval of the joint committee on finance. The department
13 shall consult with appropriate trade organizations and labor unions prior to issuing
14 requests for proposals and prior to selecting proposals under this paragraph. Each
15 such private business may conduct its operations as a private business, subject to the
16 wage standards under sub. (4), the disposition of earnings under sub. (8), the
17 provisions regarding displacement in sub. (11), the requirements for notification and
18 hearing under sub. (1) (c), the requirement for prison industries board approval
19 under s. 303.015 (1) (b) and the authority of the department to maintain security and
20 control in its institutions. The private business and its operations are not a prison
21 industry. Inmates employed by the private business are not subject to the
22 requirements of inmates participating in prison industries, except as provided in this
23 paragraph;

24 **SECTION 2718em.** 303.01 (2) (em) of the statutes, as affected by 1999 Wisconsin
25 Act (this act), is repealed.

1 **SECTION 2718g.** 303.01 (8) (b) of the statutes is amended to read:

2 303.01 (8) (b) The department shall distribute earnings of an inmate or
3 resident, ~~other than an inmate or resident employed under sub. (2) (em),~~ for the crime
4 victim and witness assistance surcharge under s. 973.045 (4), for the delinquency
5 victim and witness assistance surcharge under s. 938.34 (8d) (c), for the
6 deoxyribonucleic acid analysis surcharge under s. 973.046 (4) and for compliance
7 with s. 303.06 (2) and may distribute earnings for the support of the inmate's or
8 resident's dependents and for other obligations either acknowledged by the inmate
9 or resident in writing or which have been reduced to judgment that may be satisfied
10 according to law.

11 **SECTION 2718h.** 303.01 (8) (c) of the statutes is repealed.

12 **SECTION 2718L.** 303.01 (8) (d) of the statutes is repealed.

13 **SECTION 2718p.** 303.01 (8) (e) of the statutes is repealed.

14 **SECTION 2718q.** 303.01 (11) of the statutes is created to read:

15 303.01 (11) **DISPLACEMENT.** (a) In this subsection ~~and sub. (12):~~

16 1. "Displace an employe" means to lay off an employe in this state as a direct
17 result of work being performed in a state prison or juvenile correctional institution
18 under a prison contract or to permanently transfer an employe in this state to
19 another job that reduces the employe's base pay, excluding overtime, differentials
20 and bonuses, by more than 25% as a direct result of work being performed in a state
21 prison or juvenile correctional institution under a prison contract.

22 2. "Prison contract" means a contract entered into by the department under
23 sub. (2) (em).

24 3. "Private employer" means a private business that is a party to a prison
25 contract.

1 (b) A private employer may not displace an employe or cause another private
2 business to displace an employe.

3 (c) A private employer may not employ inmates or institution residents under
4 a prison contract if any of the following applies:

5 1. The inmates or institution residents are to be employed in a skill, craft or
6 trade in which there is a surplus of available labor in the locality of the private
7 employer.

8 2. The employment of the inmates or institution residents will impair the
9 performance of other contracts to which the private employer is a party.

10 3. The inmates or institution residents will replace employes who are on strike
11 against the private employer or locked out of work.

12 (d) A private employer shall post in all of its workplaces a notice provided by
13 the department containing a description of the nature of the prison contract and an
14 explanation of what it means for an employe of a private employer to be displaced
15 under this subsection and identifying a person at the department whom an employe
16 of a private employer may contact if the employe believes that he or she may have
17 been displaced by a prison contract.

18 **SECTION 2718qm.** 303.01 (11) of the statutes, as created by 1999 Wisconsin Act
19 (this act), is repealed.

20 **SECTION 2718v.** 303.06 (3) of the statutes is repealed.

21 **SECTION 2718y.** 303.21 (1) (b) of the statutes is amended to read:

22 303.21 (1) (b) Inmates are included under par. (a) if they are participating in
23 a structured work program away from the institution grounds under s. 302.15 or a
24 secure work program under s. 303.063. Inmates are not included under par. (a) if
25 they are employed in a prison industry under s. 303.06 (2), participating in a work

1 release program under s. 303.065 (2), ~~participating in employment with a private~~
2 ~~business under s. 303.01 (2) (em)~~ or participating in the transitional employment
3 program, but they are eligible for worker's compensation benefits under ch. 102.
4 Residents subject to s. 303.01 (1) (b) are not included under par. (a) but they are
5 eligible for worker's compensation benefits under ch. 102."

6 5. Page 1404, line 21: after that line insert:

7 "(5d) PROFITABILITY REQUIREMENT.

8 (a) In this subsection, "profitable" means earning a profit, as determined by the
9 report described in paragraph (b), during at least three quarters of calendar year
10 2000.

11 (b) The department of corrections and the department of administration shall
12 submit a report to the joint committee on finance for each quarter of calendar year
13 2000 providing the department of corrections' cash balance summary under each
14 prison contract. Each report shall be prepared within 30 days after the end of the
15 quarter. The report for the 4th quarter shall state whether the department's
16 operations under at least two-thirds of its prison contracts were profitable during
17 calendar year 2000 and shall address the termination of its program for contracting
18 with private employers under section 303.01 (2) (em) of the statutes if paragraph 2. applies.

19 applies.
20 (c) If the report under paragraph (b) ~~does not~~ state that at least two-thirds
21 of prison contracts, as defined in section 303.01 (11) (a) 2. of the statutes, were
22 profitable during calendar year 2000, the joint committee on finance shall certify ~~the~~ that fact
23 report to the revisor of statutes no later than March 1, 2001. Upon the certification,
24 the revisor of statutes shall publish notice in the Wisconsin Administrative Register

1. "Prison contract" has the meaning given in section 303.01 (11) (a) 2. of the statutes.

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If less than two-thirds of its prison contracts were profitable, the department of corrections shall terminate the contract described in paragraph 2. above.

less than

shall terminate

that fact

1 of the report and that, as of March 1, 2001, the treatment of sections 20.410 (1) (gi),
2 (hm) and (km), 108.07 (8) (b), 303.01 (8) (b), (c), (d) and (e), 303.06 (3) and 303.21 (1)
3 (b) of the statutes and the repeal of section 303.01 (2) (em) and (11) of the statutes
4 have taken effect.

5 ~~Section 13.10 (3) and (4)~~ of the statutes do not apply to the certification of
6 the report by the joint committee on finance under this paragraph.”

7 **6.** Page 1471, line 11: after that line insert:

8 “(5d) SUNSET OF PRIVATE BUSINESS PRISON EMPLOYMENT PROGRAM. The treatment
9 of sections 20.410 (1) (gi), (hm) and (km), 108.07 (8) (b), 303.01 (8) (b), (c), (d) and (e),
10 303.06 (3) and 303.21 (1) (b) of the statutes and the repeal of section 303.01 (2) (em)
11 and (11) of the statutes takes effect on March 1, 2001, if the certification described
12 in SECTION 9111 (5d) of this act occurs.”

13 (END)

(c) ~~11~~



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0469/3
JEO&MGD:cmh&jlg:km
EWJ
RMR

LFB:.....Bauer (DS) – Private business prison employment program

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1 At the locations indicated, amend the bill as follows:

2 1. Page 414, line 15: after that line insert:

3 “SECTION 359g. 20.410 (1) (gi) of the statutes is amended to read:

4 20.410 (1) (gi) *General operations.* The amounts in the schedule to operate
5 institutions and provide field services and administrative services. All moneys
6 received under s. 303.01 (8) ~~that are attributable to moneys collected from earnings~~
7 ~~of inmates and residents under s. 303.01 (2) (em) and all moneys received under ss.~~
8 302.386 (2m) and (3) (d) and 303.065 (6) shall be credited to this appropriation
9 account.

10 SECTION 359r. 20.410 (1) (hm) of the statutes is repealed.”.

11 2. Page 415, line 3: after that line insert:

1 **SECTION 361m.** 20.410 (1) (km) of the statutes is amended to read:

2 20.410 (1) (km) *Prison industries.* The amounts in the schedule for the
3 establishment and operation of prison industries, ~~but not including the program~~
4 ~~under s. 303.01 (2) (em).~~ All moneys received from prison industries sales shall be
5 credited to this appropriation. All moneys credited to this appropriation shall be
6 expended first for the purpose under par. (ko). No expenditure may be made from this
7 appropriation for the construction of buildings or purchase of equipment for new
8 prison industries, except upon approval of the joint committee on finance after a
9 determination that the moneys are needed and that no other appropriation is
10 available for that purpose.”.

11 **3.** Page 978, line 11: after that line insert:

12 **SECTION 2029m.** 108.07 (8) (b) of the statutes is amended to read:

13 108.07 (8) (b) If a claimant is a prisoner of a state prison, as defined in s. 302.01,
14 and has employment with an employer other than the department of corrections ~~or~~
15 ~~a private business leasing space within a state prison under s. 303.01 (2) (em), and~~
16 the claimant’s employment terminates because conditions of incarceration or
17 supervision make it impossible to continue the employment, the department shall
18 charge to the fund’s balancing account any benefits based on the terminated
19 employment that are otherwise chargeable to the account of an employer that is
20 subject to the contribution requirements under ss. 108.17 and 108.18.”.

21 **4.** Page 1215, line 11: after that line insert:

22 **SECTION 2718e.** 303.01 (2) (em) of the statutes is amended to read:

23 303.01 (2) (em) Lease space, with or without equipment, within the precincts
24 of state prisons, as specified in s. 302.02, or within the confines of correctional

1 institutions operated by the department for holding in secure custody persons
2 adjudged delinquent, to not more than 6 private businesses to employ prison inmates
3 and institution residents to manufacture products or components or to provide
4 services for sale on the open market. The department shall comply with s. 16.75 in
5 selecting businesses under this paragraph. The department may enter into a
6 contract under this paragraph only with the approval of the joint committee on
7 finance. The department may not enter into or amend a contract under this
8 paragraph unless the contract or amendment specifies each state prison or juvenile
9 correctional institution at which the private business will employ inmates or
10 institution residents. The private business may not employ inmates or institution
11 residents at a state prison or juvenile correctional institution not specified in the
12 contract without the approval of the joint committee on finance. The department
13 shall consult with appropriate trade organizations and labor unions prior to issuing
14 requests for proposals and prior to selecting proposals under this paragraph. Each
15 such private business may conduct its operations as a private business, subject to the
16 wage standards under sub. (4), the disposition of earnings under sub. (8), the
17 provisions regarding displacement in sub. (11), the requirements for notification and
18 hearing under sub. (1) (c), the requirement for prison industries board approval
19 under s. 303.015 (1) (b) and the authority of the department to maintain security and
20 control in its institutions. The private business and its operations are not a prison
21 industry. Inmates employed by the private business are not subject to the
22 requirements of inmates participating in prison industries, except as provided in this
23 paragraph;

24 **SECTION 2718em.** 303.01 (2) (em) of the statutes, as affected by 1999 Wisconsin
25 Act (this act), is repealed.

1 **SECTION 2718g.** 303.01 (8) (b) of the statutes is amended to read:

2 303.01 (8) (b) The department shall distribute earnings of an inmate or
3 resident, ~~other than an inmate or resident employed under sub. (2) (em),~~ for the crime
4 victim and witness assistance surcharge under s. 973.045 (4), for the delinquency
5 victim and witness assistance surcharge under s. 938.34 (8d) (c), for the
6 deoxyribonucleic acid analysis surcharge under s. 973.046 (4) and for compliance
7 with s. 303.06 (2) and may distribute earnings for the support of the inmate's or
8 resident's dependents and for other obligations either acknowledged by the inmate
9 or resident in writing or which have been reduced to judgment that may be satisfied
10 according to law.

11 **SECTION 2718h.** 303.01 (8) (c) of the statutes is repealed.

12 **SECTION 2718L.** 303.01 (8) (d) of the statutes is repealed.

13 **SECTION 2718p.** 303.01 (8) (e) of the statutes is repealed.

14 **SECTION 2718q.** 303.01 (11) of the statutes is created to read:

15 303.01 (11) DISPLACEMENT. (a) In this subsection:

16 1. "Displace an employe" means to lay off an employe in this state as a direct
17 result of work being performed in a state prison or juvenile correctional institution
18 under a prison contract or to permanently transfer an employe in this state to
19 another job that reduces the employe's base pay, excluding overtime, differentials
20 and bonuses, by more than 25% as a direct result of work being performed in a state
21 prison or juvenile correctional institution under a prison contract.

22 2. "Prison contract" means a contract entered into by the department under
23 sub. (2) (em).

24 3. "Private employer" means a private business that is a party to a prison
25 contract.

1 (b) A private employer may not displace an employe or cause another private
2 business to displace an employe.

3 (c) A private employer may not employ inmates or institution residents under
4 a prison contract if any of the following applies:

5 1. The inmates or institution residents are to be employed in a skill, craft or
6 trade in which there is a surplus of available labor in the locality of the private
7 employer.

8 2. The employment of the inmates or institution residents will impair the
9 performance of other contracts to which the private employer is a party.

10 3. The inmates or institution residents will replace employes who are on strike
11 against the private employer or locked out of work.

12 (d) A private employer shall post in all of its workplaces a notice provided by
13 the department containing a description of the nature of the prison contract and an
14 explanation of what it means for an employe of a private employer to be displaced
15 under this subsection and identifying a person at the department whom an employe
16 of a private employer may contact if the employe believes that he or she may have
17 been displaced by a prison contract.

18 **SECTION 2718qm.** 303.01 (11) of the statutes, as created by 1999 Wisconsin Act
19 (this act), is repealed.

20 **SECTION 2718v.** 303.06 (3) of the statutes is repealed.

21 **SECTION 2718y.** 303.21 (1) (b) of the statutes is amended to read:

22 303.21 (1) (b) Inmates are included under par. (a) if they are participating in
23 a structured work program away from the institution grounds under s. 302.15 or a
24 secure work program under s. 303.063. Inmates are not included under par. (a) if
25 they are employed in a prison industry under s. 303.06 (2), participating in a work

1 release program under s. 303.065 (2), ~~participating in employment with a private~~
2 ~~business under s. 303.01 (2) (em)~~ or participating in the transitional employment
3 program, but they are eligible for worker's compensation benefits under ch. 102.
4 Residents subject to s. 303.01 (1) (b) are not included under par. (a) but they are
5 eligible for worker's compensation benefits under ch. 102.”.

6 **5.** Page 1404, line 21: after that line insert:

7 “(5d) PROFITABILITY REQUIREMENT.

8 (a) In this subsection:

9 1. “Prison contract” has the meaning given in section 303.01 (11) (a) 2. of the
10 statutes.

11 2. “Profitable” means earning a profit, as determined by the report described
12 in paragraph (b), during at least three quarters of calendar year 2000.

13 (b) The department of corrections and the department of administration shall
14 submit a report to the joint committee on finance for each quarter of calendar year
15 2000 providing the department of corrections' cash balance summary under each
16 prison contract. Each report shall be prepared within 30 days after the end of the
17 quarter. The report for the 4th quarter shall state whether the department's
18 operations under at least two-thirds of its prison contracts were profitable during
19 calendar year 2000. If less than two-thirds of its prison contracts were profitable,
20 the department of corrections shall terminate its program for contracting with
21 private employers under section 303.01 (2) (em) of the statutes.

22 (c) If the report under paragraph (b) states that less than two-thirds of prison
23 contracts were profitable during calendar year 2000, the ^{cochairpersons of the} joint committee on finance
24 shall certify that fact to the revisor of statutes no later than March 1, 2001. Upon

1 the certification, the revisor of statutes shall publish notice in the Wisconsin
2 Administrative Register of the report and that, as of March 1, 2001, the treatment
3 of sections 20.410 (1) (gi), (hm) and (km), 108.07 (8) (b), 303.01 (8) (b), (c), (d) and (e),
4 303.06 (3) and 303.21 (1) (b) of the statutes and the repeal of section 303.01 (2) (em)
5 and (11) of the statutes have taken effect. ~~Section 13.10 (4) of the statutes does not~~
6 ~~apply to the certification by the joint committee on finance under this paragraph.~~

7 **6.** Page 1471, line 11: after that line insert:

8 “(5d) SUNSET OF PRIVATE BUSINESS PRISON EMPLOYMENT PROGRAM. The treatment
9 of sections 20.410 (1) (gi), (hm) and (km), 108.07 (8) (b), 303.01 (8) (b), (c), (d) and (e),
10 303.06 (3) and 303.21 (1) (b) of the statutes and the repeal of section 303.01 (2) (em)
11 and (11) of the statutes take effect on March 1, 2001, if the certification described in
12 SECTION 9111 (5d) (c) of this act occurs.”

13 (END)



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0469/4
JEO&MGD:cmh/jlg/wlj:kjf

LFB:.....Bauer (DS) – Private business prison employment program

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 414, line 15: after that line insert:

3 “SECTION 359g. 20.410 (1) (gi) of the statutes is amended to read:

4 20.410 (1) (gi) *General operations.* The amounts in the schedule to operate
5 institutions and provide field services and administrative services. All moneys
6 received under s. 303.01 (8) that are attributable to moneys collected from earnings
7 of inmates and residents under s. 303.01 (2) (em) and all moneys received under ss.
8 302.386 (2m) and (3) (d) and 303.065 (6) shall be credited to this appropriation
9 account.

10 SECTION 359r. 20.410 (1) (hm) of the statutes is repealed.”.

11 **2.** Page 415, line 3: after that line insert:

1 **“SECTION 361m.** 20.410 (1) (km) of the statutes is amended to read:

2 20.410 (1) (km) *Prison industries.* The amounts in the schedule for the
3 establishment and operation of prison industries, ~~but not including the program~~
4 ~~under s. 303.01 (2) (em).~~ All moneys received from prison industries sales shall be
5 credited to this appropriation. All moneys credited to this appropriation shall be
6 expended first for the purpose under par. (ko). No expenditure may be made from this
7 appropriation for the construction of buildings or purchase of equipment for new
8 prison industries, except upon approval of the joint committee on finance after a
9 determination that the moneys are needed and that no other appropriation is
10 available for that purpose.”.

11 **3.** Page 978, line 11: after that line insert:

12 **“SECTION 2029m.** 108.07 (8) (b) of the statutes is amended to read:

13 108.07 (8) (b) If a claimant is a prisoner of a state prison, as defined in s. 302.01,
14 and has employment with an employer other than the department of corrections ~~or~~
15 ~~a private business leasing space within a state prison under s. 303.01 (2) (em), and~~
16 the claimant’s employment terminates because conditions of incarceration or
17 supervision make it impossible to continue the employment, the department shall
18 charge to the fund’s balancing account any benefits based on the terminated
19 employment that are otherwise chargeable to the account of an employer that is
20 subject to the contribution requirements under ss. 108.17 and 108.18.”.

21 **4.** Page 1215, line 11: after that line insert:

22 **“SECTION 2718e.** 303.01 (2) (em) of the statutes is amended to read:

23 303.01 (2) (em) Lease space, with or without equipment, within the precincts
24 of state prisons, as specified in s. 302.02, or within the confines of correctional

1 institutions operated by the department for holding in secure custody persons
2 adjudged delinquent, to not more than 6 private businesses to employ prison inmates
3 and institution residents to manufacture products or components or to provide
4 services for sale on the open market. The department shall comply with s. 16.75 in
5 selecting businesses under this paragraph. The department may enter into a
6 contract under this paragraph only with the approval of the joint committee on
7 finance. The department may not enter into or amend a contract under this
8 paragraph unless the contract or amendment specifies each state prison or juvenile
9 correctional institution at which the private business will employ inmates or
10 institution residents. The private business may not employ inmates or institution
11 residents at a state prison or juvenile correctional institution not specified in the
12 contract without the approval of the joint committee on finance. The department
13 shall consult with appropriate trade organizations and labor unions prior to issuing
14 requests for proposals and prior to selecting proposals under this paragraph. Each
15 such private business may conduct its operations as a private business, subject to the
16 wage standards under sub. (4), the disposition of earnings under sub. (8), the
17 provisions regarding displacement in sub. (11), the requirements for notification and
18 hearing under sub. (1) (c), the requirement for prison industries board approval
19 under s. 303.015 (1) (b) and the authority of the department to maintain security and
20 control in its institutions. The private business and its operations are not a prison
21 industry. Inmates employed by the private business are not subject to the
22 requirements of inmates participating in prison industries, except as provided in this
23 paragraph;

24 **SECTION 2718em.** 303.01 (2) (em) of the statutes, as affected by 1999 Wisconsin
25 Act (this act), is repealed.

1 **SECTION 2718g.** 303.01 (8) (b) of the statutes is amended to read:

2 303.01 (8) (b) The department shall distribute earnings of an inmate or
3 resident, ~~other than an inmate or resident employed under sub. (2) (em)~~, for the crime
4 victim and witness assistance surcharge under s. 973.045 (4), for the delinquency
5 victim and witness assistance surcharge under s. 938.34 (8d) (c), for the
6 deoxyribonucleic acid analysis surcharge under s. 973.046 (4) and for compliance
7 with s. 303.06 (2) and may distribute earnings for the support of the inmate's or
8 resident's dependents and for other obligations either acknowledged by the inmate
9 or resident in writing or which have been reduced to judgment that may be satisfied
10 according to law.

11 **SECTION 2718h.** 303.01 (8) (c) of the statutes is repealed.

12 **SECTION 2718L.** 303.01 (8) (d) of the statutes is repealed.

13 **SECTION 2718p.** 303.01 (8) (e) of the statutes is repealed.

14 **SECTION 2718q.** 303.01 (11) of the statutes is created to read:

15 303.01 (11) **DISPLACEMENT.** (a) In this subsection:

16 1. "Displace an employe" means to lay off an employe in this state as a direct
17 result of work being performed in a state prison or juvenile correctional institution
18 under a prison contract or to permanently transfer an employe in this state to
19 another job that reduces the employe's base pay, excluding overtime, differentials
20 and bonuses, by more than 25% as a direct result of work being performed in a state
21 prison or juvenile correctional institution under a prison contract.

22 2. "Prison contract" means a contract entered into by the department under
23 sub. (2) (em).

24 3. "Private employer" means a private business that is a party to a prison
25 contract.

1 (b) A private employer may not displace an employe or cause another private
2 business to displace an employe.

3 (c) A private employer may not employ inmates or institution residents under
4 a prison contract if any of the following applies:

5 1. The inmates or institution residents are to be employed in a skill, craft or
6 trade in which there is a surplus of available labor in the locality of the private
7 employer.

8 2. The employment of the inmates or institution residents will impair the
9 performance of other contracts to which the private employer is a party.

10 3. The inmates or institution residents will replace employes who are on strike
11 against the private employer or locked out of work.

12 (d) A private employer shall post in all of its workplaces a notice provided by
13 the department containing a description of the nature of the prison contract and an
14 explanation of what it means for an employe of a private employer to be displaced
15 under this subsection and identifying a person at the department whom an employe
16 of a private employer may contact if the employe believes that he or she may have
17 been displaced by a prison contract.

18 **SECTION 2718qm.** 303.01 (11) of the statutes, as created by 1999 Wisconsin Act
19 (this act), is repealed.

20 **SECTION 2718v.** 303.06 (3) of the statutes is repealed.

21 **SECTION 2718y.** 303.21 (1) (b) of the statutes is amended to read:

22 303.21 (1) (b) Inmates are included under par. (a) if they are participating in
23 a structured work program away from the institution grounds under s. 302.15 or a
24 secure work program under s. 303.063. Inmates are not included under par. (a) if
25 they are employed in a prison industry under s. 303.06 (2), participating in a work

1 release program under s. 303.065 (2), ~~participating in employment with a private~~
2 ~~business under s. 303.01 (2) (em)~~ or participating in the transitional employment
3 program, but they are eligible for worker's compensation benefits under ch. 102.
4 Residents subject to s. 303.01 (1) (b) are not included under par. (a) but they are
5 eligible for worker's compensation benefits under ch. 102.”.

6 **5.** Page 1404, line 21: after that line insert:

7 “(5d) PROFITABILITY REQUIREMENT.

8 (a) In this subsection:

9 1. “Prison contract” has the meaning given in section 303.01 (11) (a) 2. of the
10 statutes.

11 2. “Profitable” means earning a profit, as determined by the report described
12 in paragraph (b), during at least three quarters of calendar year 2000.

13 (b) The department of corrections and the department of administration shall
14 submit a report to the joint committee on finance for each quarter of calendar year
15 2000 providing the department of corrections' cash balance summary under each
16 prison contract. Each report shall be prepared within 30 days after the end of the
17 quarter. The report for the 4th quarter shall state whether the department's
18 operations under at least two-thirds of its prison contracts were profitable during
19 calendar year 2000. If less than two-thirds of its prison contracts were profitable,
20 the department of corrections shall terminate its program for contracting with
21 private employers under section 303.01 (2) (em) of the statutes.

22 (c) If the report under paragraph (b) states that less than two-thirds of prison
23 contracts were profitable during calendar year 2000, the cochairpersons of the joint
24 committee on finance shall certify that fact to the revisor of statutes no later than

1 March 1, 2001. Upon the certification, the revisor of statutes shall publish notice in
2 the Wisconsin Administrative Register of the report and that, as of March 1, 2001,
3 the treatment of sections 20.410 (1) (gi), (hm) and (km), 108.07 (8) (b), 303.01 (8) (b),
4 (c), (d) and (e), 303.06 (3) and 303.21 (1) (b) of the statutes and the repeal of section
5 303.01 (2) (em) and (11) of the statutes have taken effect.”.

6 **6.** Page 1471, line 11: after that line insert:

7 “(5d) SUNSET OF PRIVATE BUSINESS PRISON EMPLOYMENT PROGRAM. The treatment
8 of sections 20.410 (1) (gi), (hm) and (km), 108.07 (8) (b), 303.01 (8) (b), (c), (d) and (e),
9 303.06 (3) and 303.21 (1) (b) of the statutes and the repeal of section 303.01 (2) (em)
10 and (11) of the statutes take effect on March 1, 2001, if the certification described in
11 SECTION 9111 (5d) (c) of this act occurs.”.

12

(END)