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By: **Chair, Health and Government Operations (By Request - Departmental  
- Public Safety and Correctional Services)**

Introduced and read first time: February 1, 2006

Assigned to: Health and Government Operations

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A BILL ENTITLED

1 AN ACT concerning

2 **Correctional Services - Maryland Correctional Enterprises - Open Market**  
3 **Sales - Food Service**

4 FOR the purpose of authorizing the Maryland Correctional Enterprises to sell on the  
5 open market goods and services related to the preparation or distribution of food  
6 or services related to agriculture or seafood processing under certain  
7 circumstances; requiring the adoption of certain regulations; requiring the  
8 payment of wages at a certain minimum level; and generally relating to food and  
9 agricultural services and seafood processing.

10 BY repealing and reenacting, with amendments,

11 Article - Correctional Services

12 Section 3-516

13 Annotated Code of Maryland

14 (1999 Volume and 2005 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Correctional Services**

18 3-516.

19 (a) Except as authorized under subsection (b) of this section, goods and  
20 services of Maryland Correctional Enterprises may not be sold on the open market.

21 (b) Goods and services of Maryland Correctional Enterprises may be sold on  
22 the open market:

23 (1) if they are produced or provided by an individual on parole or in a  
24 work release program;

25 (2) if the sale is made to a charitable, civic, educational, fraternal, or  
26 religious agency, association, or institution for its own use and not for resale within 1  
27 year of the purchase;

1 (3) to a person for national defense purposes if not prohibited by an act of  
2 Congress;

3 (4) if they are surplus goods remaining after meeting the forecasted  
4 requirements of units of State government and political subdivisions and the goods  
5 remain unsold 1 year after being produced;

6 (5) for use by a contractor or subcontractor in performance of a contract  
7 with a unit of State government or any other governmental unit in the State; [or]

8 (6) as allowed under the Private Sector/Prison Industry Enhancement  
9 Certification Program of the United States Department of Justice, Bureau of Justice  
10 Assistance; OR

11 (7) IF THEY ARE RELATED TO THE PREPARATION OR DISTRIBUTION OF  
12 FOOD OR SERVICES RELATED TO AGRICULTURE OR SEAFOOD PROCESSING, WHEN  
13 THE FOLLOWING CONDITIONS ARE MET:

14 (I) THE STATE LABOR POOLS ARE DIMINISHED; AND

15 (II) IT HAS BEEN DETERMINED THAT INMATE LABOR IS THE  
16 AVAILABLE SOURCE.

17 (C) (1) THE SECRETARY AND THE SECRETARY OF LABOR, LICENSING, AND  
18 REGULATION SHALL ADOPT REGULATIONS THAT SPECIFY HOW TO DETERMINE THE  
19 NEED FOR INMATE LABOR UNDER SUBSECTION (B)(7) OF THIS SECTION.

20 (2) WAGES PAID TO INMATES UNDER SUBSECTION (B)(7) OF THIS  
21 SECTION MAY NOT BE LESS THAN WAGES PAID FOR SIMILAR WORK IN THE PRIVATE  
22 SECTOR OF THE SAME LOCALITY AS DETERMINED BY THE SECRETARY OF LABOR,  
23 LICENSING, AND REGULATION.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
25 effect October 1, 2006.