

SENATE BILL 174

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1999 Regular Session  
9lr0747

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By: ~~Senator Munson~~ **Senators Munson, Mooney, and Colburn**

Introduced and read first time: January 29, 1999

Assigned to: Judicial Proceedings

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 23, 1999

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Prisoners - Job Training - State Use Industries Management Council and**  
3 **Customer Council**

4 FOR the purpose of changing the name of the "State Use Industries Advisory  
5 Committee" to the "State Use Industries Management Council"; modifying the  
6 Management Council's membership; establishing quorum requirements;  
7 expanding the duties of the Management Council; granting certain immunity to  
8 members and employees of the Management Council; requiring the Department  
9 of Public Safety and Correctional Services to provide staff to support the  
10 Management Council; requiring the Management Council to annually submit a  
11 budget to the Secretary of the Department of Public Safety and Correctional  
12 Services; requiring the Secretary to request an appropriation for the  
13 Management Council in the annual State budget; establishing a Customer  
14 Council to advise the General Manager of State Use Industries; providing for  
15 the composition of the Customer Council; specifying the duties of the Customer  
16 Council; requiring the General Manager to present certain activities and  
17 recommendations of the Customer Council to the State Use Industries  
18 Management Council; and generally relating to the duties and powers of the  
19 Management Council and the Customer Council.

20 BY repealing and reenacting, with amendments,  
21 Article - Correctional Services  
22 Section 3-501, 3-505, 3-512, 3-514, and 3-517 through 3-522, inclusive  
23 Annotated Code of Maryland  
24 (As enacted by Chapter \_\_\_\_\_ (H.B. 11) of the Acts of the General Assembly of  
25 1999)

26 BY adding to

1 Article - Correctional Services  
2 Section 3-523 through 3-528, inclusive  
3 Annotated Code of Maryland  
4 (As enacted by Chapter \_\_\_\_\_ (H.B. 11) of the Acts of the General Assembly of  
5 1999)

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
7 MARYLAND, That the Laws of Maryland read as follows:

8 **Article - Correctional Services**

9 3-501.

10 (a) In this subtitle the following words have the meanings indicated.

11 (b) "[Advisory Committee] MANAGEMENT COUNCIL" means the State Use  
12 Industries [Advisory Committee] MANAGEMENT COUNCIL.

13 (c) "Contracting unit" means a unit of State government that is:

14 (1) authorized to contract for goods and services; or

15 (2) responsible for procurement of goods and services.

16 (d) "General Manager" means the General Manager of State Use Industries.

17 (e) "Political subdivision" means a county, municipal corporation, or special  
18 taxing district.

19 3-505.

20 The Secretary shall appoint a General Manager with the approval of the  
21 [Advisory Committee] MANAGEMENT COUNCIL.

22 3-512.

23 (a) In accordance with subsection (b) of this section and after consulting with  
24 the Department of General Services, other contracting units, and political  
25 subdivisions, the Division and State Use Industries shall establish uniform standards  
26 for quality, quantity, style, design, delivery, scheduling, and pricing.

27 (b) (1) The uniform standards developed under subsection (a) of this section  
28 shall be designed to reflect planned and forecasted product lines and production  
29 operations of State Use Industries, commensurate with State Use Industries'  
30 production ability.

31 (2) After review by the [Advisory Committee] MANAGEMENT COUNCIL,  
32 State Use Industries shall send the standards to the appropriate contracting units for  
33 inclusion in annual goods and service procurement contracts.

1 3-514.

2 (a) The Commissioner and General Manager shall establish the compensation  
3 rate for inmate labor in State Use Industries, taking into consideration other wage  
4 payments and incentives in other programs.

5 (b) After review by the [Advisory Committee] MANAGEMENT COUNCIL, the  
6 Commissioner and General Manager shall adopt regulations that govern the method  
7 and time of compensation payments.

8 3-517.

9 There is a State Use Industries [Advisory Committee] MANAGEMENT COUNCIL  
10 in the Division.

11 3-518.

12 (a) The [Advisory Committee] MANAGEMENT COUNCIL consists of the  
13 following [16] 15 members ~~or their respective designees~~:

14 (1) the Commissioner;

15 (2) ~~the Comptroller~~ A REPRESENTATIVE OF THE COMPTROLLER OF THE  
16 TREASURY, APPOINTED BY THE STATE COMPTROLLER;

17 (3) the [Secretary of General Services] GENERAL MANAGER;

18 (4) a member of the House of Delegates, appointed by the Speaker of the  
19 House OF DELEGATES;

20 (5) a member of the Senate, appointed by the President of the Senate;

21 [(6) the Secretary of Higher Education;

22 (7)] (6) ~~the Chancellor of the University System of Maryland~~ A  
23 REPRESENTATIVE OF THE UNIVERSITY OF MARYLAND SYSTEM, APPOINTED BY THE  
24 CHANCELLOR;

25 [(8)] (7) [the State Superintendent of Schools] A REPRESENTATIVE OF  
26 THE STATE DEPARTMENT OF EDUCATION, APPOINTED BY THE GOVERNOR;

27 [(9) the Secretary of Business and Economic Development;

28 (10) the Secretary of Budget and Management;

29 (11) the Secretary of Agriculture;

30 (12) the Director of the Patuxent Institution; and]

31 (8) A REPRESENTATIVE OF THE DEPARTMENT OF LABOR, LICENSING,  
32 AND REGULATION, APPOINTED BY THE GOVERNOR;

1 (9) A REPRESENTATIVE OF THE GOVERNOR'S OFFICE OF CRIME  
 2 CONTROL AND PREVENTION, APPOINTED BY THE GOVERNOR;

3 [(13)] ~~(8)~~ (10) [four] TWO representatives of [private industry]  
 4 ORGANIZED LABOR, ONE FROM THE PUBLIC SECTOR AND ONE FROM THE PRIVATE  
 5 SECTOR, appointed by the Governor in accordance with [subsections (b) and (c)]  
 6 SUBSECTION (B) of this section;

7 ~~(9)~~ (11) A JUDGE, APPOINTED BY THE CHIEF JUDGE OF THE MARYLAND  
 8 COURT OF APPEALS;

9 ~~(10)~~ (12) ~~FOUR~~ TWO REPRESENTATIVES OF THE BUSINESS COMMUNITY  
 10 ~~IN SELECTED FROM~~ THE FIELDS OF MANUFACTURING, SERVICES, FINANCE, AND  
 11 INFORMATION TECHNOLOGY, APPOINTED BY THE GOVERNOR IN ACCORDANCE WITH  
 12 SUBSECTION (B) OF THIS SECTION; AND

13 ~~(11)~~ (13) ONE REPRESENTATIVE OF A NONPROFIT ORGANIZATION,  
 14 APPOINTED BY THE GOVERNOR IN ACCORDANCE WITH SUBSECTION (B) OF THIS  
 15 SECTION.

16 [(b) Of the four private industry members appointed under subsection (a)(13)]  
 17 of this section:

18 (1) two shall be representatives of management; and

19 (2) two shall be representatives of organized labor.]

20 [(c) (B) (1) The term of a member appointed under [subsection (a)(13)]  
 21 ~~SUBSECTION (A)(7) THROUGH (11)~~ (A)(10), (12), AND (13) of this section is 3 years.

22 (2) At the end of a term the member continues to serve until a successor  
 23 is appointed and qualifies.

24 (3) A member appointed after a term has begun serves only for the rest  
 25 of the term and until a successor is appointed and qualifies.

26 3-519.

27 (a) ~~(1)~~ The [Advisory Committee] MANAGEMENT COUNCIL annually shall  
 28 elect a Chairperson.

29 ~~(2)~~ (B) The manner of election shall be as the [Advisory Committee]  
 30 MANAGEMENT COUNCIL determines.

31 ~~(b) The General Manager is the Executive Secretary to the [Advisory~~  
 32 ~~Committee] MANAGEMENT COUNCIL.~~

33 3-520.

34 (a) The [Advisory Committee] MANAGEMENT COUNCIL shall determine the  
 35 times and places of its meetings.

1 (B) EIGHT MEMBERS OF THE MANAGEMENT COUNCIL CONSTITUTE A  
2 QUORUM.

3 [(b)] (C) A member of the [Advisory Committee] MANAGEMENT COUNCIL:

4 (1) may not receive compensation for membership on the [Advisory  
5 Committee] MANAGEMENT COUNCIL; but

6 (2) is entitled to reimbursement for expenses under the Standard State  
7 Travel Regulations, as provided in the State budget.

8 (D) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, THE STATE,  
9 THE MANAGEMENT COUNCIL, AND THE MEMBERS AND EMPLOYEES OF THE  
10 MANAGEMENT COUNCIL MAY NOT BE HELD LIABLE FOR ANY ACT OR OMISSION OF  
11 THE MANAGEMENT COUNCIL OR ANY MEMBER OR EMPLOYEE OF THE MANAGEMENT  
12 COUNCIL IN CONNECTION WITH THE PERFORMANCE OF THEIR DUTIES.

13 (E) SUBSECTION (D) OF THIS SECTION DOES NOT APPLY IN THE CASE OF  
14 WILLFUL MALFEASANCE OR BREACH OF TRUST BY THE STATE, THE MANAGEMENT  
15 COUNCIL, OR ANY MEMBER OR EMPLOYEE OF THE MANAGEMENT COUNCIL.

16 (F) THE SECRETARY SHALL EMPLOY STAFF FOR THE MANAGEMENT COUNCIL  
17 TO BE PAID OUT OF FUNDS FROM STATE USE INDUSTRIES, IN ACCORDANCE WITH  
18 THE STATE BUDGET.

19 (G) (1) FOR FISCAL YEAR 2000 AND EACH FISCAL YEAR THEREAFTER, THE  
20 MANAGEMENT COUNCIL SHALL PREPARE A BUDGET FOR SUBMISSION TO THE  
21 SECRETARY.

22 (2) THE SECRETARY SHALL REQUEST AN APPROPRIATION FOR THE  
23 MANAGEMENT COUNCIL IN THE ANNUAL STATE BUDGET SUFFICIENT FOR THE  
24 OPERATION OF THE COUNCIL.

25 3-521.

26 (a) (1) The [Advisory Committee] MANAGEMENT COUNCIL shall:

27 (i) advise State Use Industries on its specific proposals to establish  
28 new industries and improve the quality and quantity of job training programs; and

29 (ii) recommend the establishment and maintenance of industrial  
30 plants and service centers to be used for implementing the programs developed by the  
31 Commissioner and General Manager under § 3-511 of this subtitle.

32 (2) State Use Industries shall operate industrial plants and service  
33 centers recommended under paragraph (1)(ii) of this subsection primarily with  
34 inmates in a manner that benefits the State and the training of inmates by producing  
35 goods or providing services that are practical and adaptable for a prison industry.

36 (b) The [Advisory Committee] MANAGEMENT COUNCIL shall:

1 (1) review the operation of State Use Industries' programs to determine  
2 whether;

3 (I) there is undue competition with private enterprise and  
4 recommend necessary adjustments to prevent undue competition; AND

5 (II) THERE IS ANY NEGATIVE IMPACT ON WORKERS IN THE STATE,  
6 INCLUDING WAGE DEPRESSION OR JOB DISPLACEMENT;

7 (2) review the standards for goods and services and the pricing schedules  
8 as recommended by the General Manager; and

9 (3) review the occupational health and safety record of State Use  
10 Industries' programs AND OTHER WORKING CONDITIONS OF INMATES IN THE  
11 PROGRAMS.

12 (c) The [Advisory Committee] MANAGEMENT COUNCIL shall:

13 (1) review the success of State Use Industries in:

14 (i) meeting the employability development needs of inmates; and

15 (ii) coordinating work programs with other rehabilitative  
16 programs; [and]

17 (2) solicit and review information pertaining to concerns of participating  
18 inmates; AND

19 (3) RECOMMEND CHANGES AS NECESSARY TO MEET THE GOALS AND  
20 OBJECTIVES OF STATE USE INDUSTRIES.

21 (D) THE MANAGEMENT COUNCIL SHALL:

22 (1) SOLICIT IDEAS, PROPOSALS, AND SUGGESTIONS FROM BUSINESS  
23 REPRESENTATIVES, NONPROFIT ORGANIZATIONS, GOVERNMENT ENTITIES, AND  
24 MEMBERS OF THE PUBLIC AS TO HOW STATE USE INDUSTRIES COULD ENHANCE THE  
25 WORK EXPERIENCE OF INMATES AND INCREASE THE ABILITY OF INMATES TO  
26 OBTAIN GAINFUL EMPLOYMENT AFTER RELEASE;

27 (2) REVIEW AND RECOMMEND OPPORTUNITIES WITH PRIVATE SECTOR  
28 EMPLOYERS TO EXPAND THE PRISON INDUSTRIES ENHANCEMENT PROGRAM;

29 (3) REVIEW AND IDENTIFY WAYS TO IMPROVE THE BUSINESS  
30 PRACTICES OF STATE USE INDUSTRIES IN ITS SALES, MARKETING, INVENTORY,  
31 WAREHOUSING, AND PRODUCT LINE OPERATIONS;

32 (4) MONITOR CUSTOMER SATISFACTION WITH PRICE, QUALITY,  
33 DELIVERY, AND AFTER DELIVERY SERVICE; AND

34 (5) REVIEW AND COMMENT ON THE OPERATING AND CAPITAL BUDGETS  
35 OF STATE USE INDUSTRIES, INCLUDING CASH FORECASTS.

1     ~~[(d)]~~    ~~(E)~~     The ~~[Advisory Committee]~~ MANAGEMENT COUNCIL may change the  
2 name of State Use Industries to a name more appropriate for a job training  
3 organization.

4 3-522.

5     [Within 90 days after the close of the fiscal year] ON OR BEFORE OCTOBER 1 OF  
6 EACH YEAR, the ~~[Advisory Committee]~~ MANAGEMENT COUNCIL shall submit to the  
7 Governor and, subject to § 2-1246 of the State Government Article, to the General  
8 Assembly an annual report summarizing [the status of State Use Industries in  
9 relation to the items set forth under § 3-521 of this subtitle] THE MANAGEMENT  
10 COUNCIL'S ACTIVITIES AND RECOMMENDATIONS.

11 3-523.

12     ALL STATE AND LOCAL GOVERNMENTAL UNITS SHALL COOPERATE WITH THE  
13 MANAGEMENT COUNCIL IN THE DISCHARGE OF ITS POWERS AND DUTIES,  
14 INCLUDING REQUESTS FOR INFORMATION ASSOCIATED WITH ITS PURPOSE UNDER  
15 THIS SUBTITLE.

16 3-524.

17     THERE IS A CUSTOMER COUNCIL CREATED TO ADVISE THE GENERAL  
18 MANAGER.

19 3-525.

20     THE CUSTOMER COUNCIL SHALL CONSIST OF THE FOLLOWING 11 MEMBERS:

21             (1)     THE GENERAL MANAGER;

22             (2)     ONE REPRESENTATIVE FROM EACH OF THE FOLLOWING STATE  
23 AGENCIES, APPOINTED BY THE SECRETARY OF THE RESPECTIVE AGENCY:

24                     (I)     THE DEPARTMENT OF BUDGET AND MANAGEMENT;

25                     (II)    THE DEPARTMENT OF BUSINESS AND ECONOMIC  
26 DEVELOPMENT;

27                     (III)   THE DEPARTMENT OF GENERAL SERVICES;

28                     (IV)   THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE;

29                     (V)     THE DEPARTMENT OF HUMAN RESOURCES;

30                     (VI)    THE DEPARTMENT OF TRANSPORTATION; AND

31                     (VII)   THE MARYLAND HIGHER EDUCATION COMMISSION; AND

32                     (3)     THREE CUSTOMERS RECOMMENDED BY THE GENERAL MANAGER  
33 AND APPOINTED BY THE GOVERNOR.

1 3-526.

2 THE GENERAL MANAGER SHALL SERVE AS CHAIRPERSON OF THE CUSTOMER  
3 COUNCIL.

4 3-527.

5 (A) THE CUSTOMER COUNCIL SHALL MEET QUARTERLY.

6 (B) A MEMBER OF THE CUSTOMER COUNCIL:

7 (1) MAY NOT RECEIVE COMPENSATION FOR MEMBERSHIP ON THE  
8 CUSTOMER COUNCIL; BUT

9 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE  
10 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

11 3-528.

12 (A) THE CUSTOMER COUNCIL SHALL:

13 (1) REVIEW THE PRODUCTS AND SERVICES OF THE STATE USE  
14 INDUSTRIES;

15 (2) ADVISE THE GENERAL MANAGER ON QUALITY, AVAILABILITY, STYLE,  
16 DESIGN, DELIVERY, SCHEDULING, AND PRICING;

17 (3) RECOMMEND NEW PRODUCTS AND SERVICES;

18 (4) ANNUALLY REVIEW THE CATALOG OF STATE USE INDUSTRIES  
19 PRODUCTS AND RECOMMEND CHANGES TO IMPROVE THE CATALOG;

20 (5) RECOMMEND SALES, MARKETING, AND CUSTOMER SATISFACTION  
21 INITIATIVES;

22 (6) ANNUALLY REVIEW THE STATE USE INDUSTRIES BUSINESS PLAN;  
23 AND

24 (7) SERVE AS A FORUM FOR RAISING AND DISCUSSING ISSUES RELATED  
25 TO ANY PRODUCT OR SERVICE OFFERED BY STATE USE INDUSTRIES.

26 (B) THE GENERAL MANAGER SHALL PRESENT A SUMMARY OF CUSTOMER  
27 COUNCIL ACTIVITIES AND RECOMMENDATIONS TO THE MANAGEMENT COUNCIL, AS  
28 PROVIDED IN § 3-521(B) OF THIS SUBTITLE FOLLOWING EACH MEETING.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
30 October 1, 1999.



