

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE

Senate Bill 136 (Chairman, Judicial Proceedings Committee)

(By Request – Departmental – Public Safety and Correctional Services)

Judicial Proceedings

Health and Government Operations

Correctional Services - State Use Industries - Renaming

This departmental bill renames “State Use Industries” (SUI), an entity within the Department of Public Safety and Correctional Services, as “Maryland Correctional Enterprises.” In addition, the bill changes the title of the top management official at this entity from “General Manager” to “Chief Executive Officer.”

Fiscal Summary

State Effect: Minimal. The costs associated with this name change are estimated to be \$5,125 and could be handled with existing funds in SUI’s revolving fund.

Local Effect: None.

Small Business Effect: The Department of Public Safety and Correctional Services has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: SUI is an organization in the Division of Correction (DOC) that:

- is financially self-supporting, generates revenue for its operations and capital investments, and reimburses DOC at a reasonable rate for services exchanged between DOC and SUI;
- provides meaningful work experiences for inmates;

- seeks to develop industries that provide full-time work experience or rehabilitation programs for all eligible inmates;
- operates correctional industries in an environment that resembles as closely as possible the environment of private sector business operations; and
- makes DOC responsible for and accountable to the Secretary of Public Safety and Correctional Services and the Governor for the SUI program.

In addition, DOC must annually submit a complete financial and operational report of SUI and its revolving fund to the Governor, the Secretary of Public Safety and Correctional Services, and the Secretary of Budget and Management.

Background: SUI provides work and job training for inmates incarcerated in DOC funded by the sales revenue from the goods it produces and the services it supplies to local, State, and federal agencies. These goods and services are also available for purchase by charitable, civic, educational, fraternal, or religious organizations. SUI's cost is at or below the prevailing average market price.

As of January 25, 2005, SUI's revolving fund had a balance of \$9,040,038.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Public Safety and Correctional Services (State Use Industries), Department of Legislative Services

Fiscal Note History: First Reader - January 27, 2005
n/jr

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