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By: **Delegate Menes**

Introduced and read first time: February 10, 2006

Assigned to: Judiciary

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A BILL ENTITLED

1 AN ACT concerning

2                           **Public Safety - Correctional Institutions - Inmate Telephone Contracts and**  
3                           **Welfare Funds**

4 FOR the purpose of prohibiting certain contracts that provide telephone service for  
5 inmates from providing for the State or local government to receive certain  
6 commissions or revenue in an amount greater than a certain percentage of the  
7 cost of the contract under certain circumstances; prohibiting the State or local  
8 government from receiving certain commissions or revenue in an amount  
9 greater than a certain percentage of the cost of certain contracts; requiring a  
10 certain reduction in charges for inmate telephone calls under certain  
11 circumstances; including investment earnings from an inmate welfare fund as  
12 part of the fund; requiring the investment earnings from an inmate welfare fund  
13 to be paid into the fund; providing that the money spent from a fund for goods  
14 and services to benefit the general inmate population of a correctional facility is  
15 supplemental to and not intended to take the place of money that would be  
16 otherwise appropriated for certain goods and services for the inmate population;  
17 providing for the application of this Act; and generally relating to inmate  
18 telephone service and welfare funds.

19 BY adding to

20 Article - Correctional Services  
21 Section 8-901 to be under the new subtitle "Subtitle 9. Inmate Telephone  
22 Contracts"  
23 Annotated Code of Maryland  
24 (1999 Volume and 2005 Supplement)

25 BY repealing and reenacting, without amendments,

26 Article - Correctional Services  
27 Section 10-502  
28 Annotated Code of Maryland  
29 (1999 Volume and 2005 Supplement)

30 BY repealing and reenacting, with amendments,

31 Article - Correctional Services

1 Section 10-503  
2 Annotated Code of Maryland  
3 (1999 Volume and 2005 Supplement)

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

6 **Article - Correctional Services**

7 **SUBTITLE 9. INMATE TELEPHONE CONTRACTS.**

8 8-901.

9 (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, FOR ANY CONTRACT  
10 ENTERED INTO BY THE STATE OR LOCAL GOVERNMENT WITH A  
11 TELECOMMUNICATION SERVICE PROVIDER TO PROVIDE TELEPHONE SERVICE FOR  
12 INMATES:

13 (1) THE CONTRACT MAY NOT PROVIDE FOR THE STATE OR LOCAL  
14 GOVERNMENT TO RECEIVE ANY COMMISSION OR OTHER FORM OF REVENUE  
15 GREATER THAN 5% OF THE COST OF THE CONTRACT; AND

16 (2) THE STATE OR LOCAL GOVERNMENT MAY NOT RECEIVE ANY  
17 COMMISSION OR OTHER FORM OF REVENUE GREATER THAN 5% OF THE COST OF THE  
18 CONTRACT.

19 (B) FOR ANY REDUCTION IN THE COST OF A CONTRACT DESCRIBED IN  
20 SUBSECTION (A) OF THIS SECTION, THE STATE OR LOCAL GOVERNMENT SHALL  
21 ENSURE THAT THE REDUCTION IS REASONABLY REFLECTED IN THE CHARGES FOR  
22 INMATE TELEPHONE CALLS.

23 10-502.

24 (a) There is an inmate welfare fund in each State correctional facility.

25 (b) A fund may be used only for goods and services that benefit the general  
26 inmate population as defined by regulations that the Department adopts.

27 10-503.

28 (a) (1) Each fund is a special continuing, nonlapsing fund that is not subject  
29 to § 7-302 of the State Finance and Procurement Article.

30 (2) (i) Each fund consists of:

31 1. profits derived from the sale of goods through the  
32 commissary operation and telephone and vending machine commissions; [and]

33 2. INVESTMENT EARNINGS FROM THE FUND; AND

