

## HB 102

- **Prison** The objective of this bill is to ensure that employed inmates of the Department of Corrections and Maryland Correctional Enterprises earn a fair wage recognizing the sizable economic contribution of their labor to Maryland's economy, and the significant impact that such a change can have on improving the chances of inmates successfully re-entering society upon completion of their sentences.

### HIGHLIGHTS FROM THE MCE 2020 ANNUAL REPORT

- *Maryland Correctional Enterprises (MCE) is the prison industry arm of the Division of Correction within the Department of Public Safety and Correctional Services. The Mission of MCE is to provide structured employment and training activities for offenders in order to improve employability upon release, to enhance safety and security, to reduce prison idleness, to produce quality goods and services, and to be a financially self-supporting State agency.*
- *Throughout the year, MCE operated 26 business units located at 10 state correctional facilities across the state. MCE utilizes maximum, medium, minimum, pre-release and work-release status inmates and offers a wide array of products and services including furniture restoration, printing/signage, textiles, meat products, laundry services and license plates. As a result of MCE's quick ability to adapt to an ever changing environment, FY20, sales exceeded \$55 million, enabling MCE to touch the lives of over 2,000 offenders throughout the year. In total, MCE provided over 2.1 million work hours. Based on the 2020. National Correctional Industries Association (NCIA) Directory, MCE ranked among the top ten correctional industries in the nation, ranking 9th in the U.S. in sales and 8th in the U.S. for traditional correctional industry inmate employment.*
- *\*Prison Industry Enhancement allows Maryland Correctional Enterprises to enter into partnerships and be a sub-contractor to private industry by producing goods and/or services using inmate labor. Inmates under the PIE program must be paid the industry prevailing wage and no less than the federal minimum wage. Deductions are allowed from the inmates' wages for taxes, room and board, family support, and contributions to a victims' compensation program, (the DPSCS Criminal Injuries Compensation Board). Benefits to the private sector include a stable and motivated workforce, reduced overhead, production availability, an alternative to "off-shore" operations, and a label affixed to the product which can state "Made in the USA" Effective August 28, 1992, Maryland Correctional Enterprises was granted "provisional" certification from the Bureau of Justice Assistance for the Prison Industry Enhancement (P.I.E.C.P.) Program. Upon successful completion of the final piece of necessary legislation (HB 583 was signed into law on May 1, 1994), Maryland Correctional Enterprises was granted full certification on March 2, 1995, by the Bureau of Justice Assistance. MCE entered into our current P.I.E.C.P. partnership on July 25, 2018. Eight inmates are currently employed at Metal I at a rate of \$11.79 per hour. Throughout FY 2020, the P.I.E.C.P. Program accounted for 2,529.5 inmate working hours which allowed for \$8,727.92 to be distributed to room and board and \$5,818.63 to be paid into the state's Victims Compensation Fund.*

\*P.I.E.C.P. "generate(s) products and services that enable inmates to make a contribution to society, help offset the cost of their incarceration, compensate crime victims, and support their families"; "reduce(s) prison idleness, increase(s) inmate job skills, and improve(s) the prospects for successful inmate transition to the community upon release"

- According to MCE Fiscal year 2017 report, MCE's economic contribution to Maryland totaled **over \$54 million**, whereas only **\$2 million was spent on Inmate payroll** state-wide. MCE is one of the largest contributors to Maryland's economy, yet MCE receives the lowest wages recorded state-wide.
- Past MCE Fiscal reports show that Maryland prisoners who are categorized as
- "unskilled workers" earn between \$1.25 to \$2.50 **per 8 hr. day**.
- "skilled workers" earn between \$2.25 to \$3.13 **per 8 hr. day**.
- Maryland's current minimum wage is \$11.75 **per hour**.
- **MCE's employed prisoners record sizably lower recidivism rates than those non-working prisoners**. Lower recidivism rates save operation costs for Maryland correctional, broaden the tax base, and support the goals of economic, social, and criminal justice facilities and
- **Customer Satisfaction ratings** consistently show satisfaction ratings in the high 90<sup>th</sup> % for the overall quality of products and services provided by prisoner employees.

#### **Allocations:**

**: Restitution, Child Support,  
Fees spent on means for employment, etc.**

**SUMMARY:** True rehabilitation for Maryland prisoners must include increasing prisoner wages in order if we are serious about decreasing recidivism and giving inmates a real opportunity to turn from criminal behavior and become contributing members of Maryland's society and economy upon re-entry.

*Continuing Allocation of Reentry Services (C.A.R.E.S): Our C.A.R.E.S. classes were reinstated in 2019. The classes include a comprehensive exploration of employment readiness including financial literacy. We also include the complete cognitive behavioral therapy, evidence-based program, entitled, Thinking 4 a Change which was developed by The National Institute of Corrections (NIC). Thanks to a collaboration with Gatekeepers, Inc., Goodwill Industries, Wells Fargo, and a Correctional Case Manager, we were able to expand our classes to Western Maryland with a pilot program to begin at Maryland Correctional Institute at Hagerstown (MCI-H). Men with no more than three years left on their sentence, who were currently employed by us and in good standing with MCE, were eligible to apply to participate in these classes. On March 18th, **eighteen** men were scheduled to participate in the next C.A.R.E.S. cohort. Unfortunately, this class has been unable to move forward as planned due to COVID-19 safety precautions. We look forward to resuming the classes as soon as it is safe to do so. **2.1 million inmate hours worked/ 2.4 million inmate wages worked***