

Providing Incarcerated Workers Fair Wages and Skill Development is Equitable Policy

Position Statement in Support of House Bill 1245 with Amendment

Given before the House Judiciary Committee

Work, in theory, can be a comparatively positive part of prison. It offers job training and wages for incarcerated workers. Though historically, incarcerated worker labor has been compensated at severely low rates and the same is the true today. The need for fair wages and increased skill development for incarcerated workers has grown considerably since the COVID-19 pandemic. The value produced by this labor, which at one point was providing protective equipment, compared to wages earned by incarcerated workers is starkly lopsided. Wages at Maryland Correctional Enterprises (MCE) jobs in FY19 ranged from \$0.17 to \$1.16 per hour.ⁱ **The Maryland Center on Economic Policy supports House Bill 1245 with amendment to include all incarcerated workers, not only those in MCE jobs.**

Requiring Maryland prisons to adjust the compensation rate for incarcerated worker labor to no less than the federal minimum wage is a step toward ending these exploitive practices. Additionally, requiring the Division of Corrections to provide job trainings and educational courses to all incarcerated workers can increase their likelihood of employment after incarceration.

The total number of incarcerated workers under MCE has declined in recent years. In FY19, there were 1,516 incarcerated workers under MCE compared to 2,042 in FY17. Meanwhile, these workers produced \$52 million worth of goods for the state. Increasing job training and educational courses can offer more incarcerated workers these opportunities at better wages, as well as giving them skills for employment upon returning to their communities. Wage increases can ease the burden of the costs associated with prison, like high rates for telecommunication and commissary.ⁱⁱ Lastly, evaluation by the Maryland Department of Labor can lead to independent review on the effectiveness of the Division's workforce development programs.

House Bill 1245 should be amended to include all incarcerated workers, not only those in MCE jobs. In FY 2019, 11,700 incarcerated workers had non-MCE jobs performing duties essential to the operation of the very institutions that confined them. Ordinary work assignments pay considerably less than MCE positions, ranging from \$0.90 to \$2.75 *per day*, equivalent to about \$0.15 to \$0.46 per hour. These work assignments also typically offer fewer skill-building opportunities than MCE jobs. We should ensure that all incarcerated workers are paid a wage commensurate with the value of their work.

For these reasons, the Maryland Center on Economic Policy respectfully requests that the Judiciary Committee make a favorable report on House Bill 1245, with amendment to extend the bill's protections to all incarcerated workers.

Equity Impact Analysis: House Bill 1245

Bill Summary

Requires the compensation rate for incarcerated workers in Maryland Correctional Enterprises to be not less than the federal minimum wage. Requires the Division of Correction to offer job training and educational courses to incarcerated workers as well as requiring the Maryland Department of Labor to evaluate the job training and educational courses offered by the Division on an ongoing basis.

Background

At the end of 2020, 15,600 people were incarcerated in Maryland state prisons.ⁱⁱⁱ This is down from 18,600 at the end of 2019 and 20,800 at the end of 2015.

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In FY 2019, 11,700 incarcerated workers had non-MCE jobs performing duties essential to prison operations. Pay rates for ordinary work assignments range from \$0.90 to \$2.75 per day. If incarcerated workers perform an average of six hours of work per day, these wages are equivalent to about \$0.15 to \$0.46 per hour.

Equity Implications

The prison labor system's substandard wages use economic deprivation as a punishment for people whose incarceration is often the result of economic insecurity, which is in turn linked to discriminatory and racist policies. The work incarcerated Marylanders do is real work that generates real value. If incarcerated workers did not do these jobs, the state would have to employ additional workers to do them. Yet the state pays incarcerated workers deeply inadequate wages for the value they produce.

Because of harmful policy choices in our criminal legal system, our economy, and our broader society, mass incarceration in Maryland has deeply lopsided impacts:^{iv}

- At the end of 2020, 71% of people incarcerated in Maryland state prisons were Black and 77% were Marylanders of color.
- While Maryland has made laudable progress in rolling back mass incarceration in recent years, we have not made similar progress in *whom* we incarcerate. While the total number of people in Maryland state prisons declined by 25% from 2015 to 2020, the number of imprisoned Black Marylanders has fallen by only 21%, while the imprisoned white population has fallen by 34%.
- While Maryland-specific data are not available, nationwide research shows that LGBTQ people, people with serious psychiatric conditions, and people with disabilities are more likely to be incarcerated or face longer prison sentences.

Impact

House Bill 1245 will likely **improve racial and economic equity** in the state by providing adequate wages and increased workforce development opportunities, especially if amended to include all incarcerated workers.

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- ⁱ Christopher Meyer, “Budgeting for Opportunity: Our Shared Investments Can Build Safe, Just, Thriving Communities,” Maryland Center on Economic Policy, 2020, <http://www.mdeconomy.org/budgeting-for-opportunity-justice/>
- ⁱⁱ Stephen Rahe, “The Company Store: A Deeper Look at Prison Commissaries,” Prison Policy Initiative, 2018, <https://www.prisonpolicy.org/reports/commissary.html>
- ⁱⁱⁱ Bureau of Justice Statistics *Prisoners* series.
- ^{iv} Meyer, 2020.