



Department of Public Safety and Correctional Services

Maryland Correctional Enterprises

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MARYLAND CORRECTIONAL
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BILLS: House Bill 1245 (Cross file Senate Bill 0964) – Correctional Services –
Inmates – Labor, Job Training and Education Courses

DATE: March 2, 2022

POSITION: **OPPOSE**

The passage of House Bill 1245 will detrimentally affect the self-sustaining mission of Maryland Correctional Enterprises.

Maryland Correctional Enterprises is the prison industry arm of the Department of Public Safety and Correctional Services (DPSCS). The mission of MCE focuses on providing structured employment and training activities to enhance offender rehabilitation. In conjunction with our mission, MCE is responsible for maintaining compliance with the following mandates:

- Is financially self-supporting, generates revenue for its operations and capital investments
- Provides meaningful training for incarcerated individuals that is intended to allow participants to improve cognitive habits, attitudes, and skills for the purpose of improving the employability of the inmates upon release
- Seeks to develop industries that provide occupational and rehabilitation programs for all eligible participants, and
- Operates correctional industries in an environment that resembles as closely as possible the environment of private sector business operations

In FY 21 MCE was able to offer over one million hours of occupational training to participants throughout Maryland. The current MCE organization consists of 26 business units located at 10 state correctional facilities. MCE business units are located in Cumberland, Hagerstown, Sykesville, Jessup, and Westover. MCE offers opportunities to maximum, medium, minimum, pre-release and work-release individuals. Our program is 100% voluntary and frequently, we have waitlists of individuals seeking MCE programming.

The passage of House Bill 1245 will completely diminish our mandated self-supporting status as MCE's participant stipends would increase from approximately \$1.4 million to \$12.6 million dollars (based on FY 21 figures). It is likely that that number would increase significantly in following years after MCE resumes normal operations (participation levels were reduced during the pandemic). Considering MCE's FY21 profit was \$327,463, this would undoubtedly cause the bankruptcy of MCE with expenditures increasing by a minimum of \$11 million. This estimate would continue to increase as participation levels returned to normal capacity. The Correctional Services §3-507 (c) does indicate that "General Fund money may be appropriated to Maryland Correctional Enterprises to be used for the direct expenses

of training inmates;” however, MCE’s existence would then rely on utilizing General Funds to subsidize participant stipends.

If these increased expenditures resulted in a reduction in our operations, this would directly result in decreased programming placing a further strain on the supervision duties of state facilities. It can be assumed that a reduction in the MCE workforce would cause an increased need for correctional officer staff in the institutions resulting in increased inmate idleness and additional incarceration costs for the Department of Public Safety and Correctional Services (DPSCS).

Studies across the nation continue to show that involvement in a correctional industry program has a positive effect on reducing states’ recidivism rates. MCE has the ability to teach hard and soft skills to the incarcerated population in order to increase their chances of success upon release. Our programming could suffer damaging reductions with the passage of House Bill 1245, decreasing our positive impact on the state. As a result of diminished production and self-funding capabilities, MCE will be forced to dramatically decrease its participation level which will have a negative impact on the recidivism rate in Maryland. Higher recidivism rates result in increased public safety and incarceration costs on both state and local levels.

We respectfully request that you give House Bill 1245 an unfavorable vote. If you have any questions or need additional information please do not hesitate to contact Jennifer Beskid at jennifer.beskid@maryland.gov or 443-240-8696.