

# SENATE BILL No. 1485

(As amended December 2, 2010)

September 8, 2010, Introduced by Senator CROPSEY and referred to the Committee on Appropriations.

A bill to amend 1968 PA 15, entitled  
"Correctional industries act,"  
by amending section 6 (MCL 800.326), as amended by 2007 PA 102.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 6. (1) Correctional industries products may be sold,  
2       exchanged, or purchased by any of the following:

3       (a) An institution of this or any other state or political  
4       subdivision of this or any other state, the federal government or  
5       agencies of the federal government, a foreign government or  
6       agencies of a foreign government, or[, **EXCEPT AS PROVIDED IN SUBSECTION**  
7       **(5),**] a private vendor that operates  
8       a correctional facility in this state.

9       (b) [~~Any~~ **EXCEPT AS PROVIDED IN SUBSECTION (5), ANY**] organization  
10       that is a tax exempt organization under  
11       section 501(c)(3) of the internal revenue code, **OR ANY ORGANIZATION**  
12       **OR INDIVIDUAL THAT ACTS AS A FIDUCIARY FOR A TAX EXEMPT**

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1 ORGANIZATION UNDER SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE  
 2 AND CERTIFIES THAT THE PRODUCT SOLD OR EXCHANGED UNDER THIS ACT IS  
 3 INTENDED FOR USE BY A TAX EXEMPT ORGANIZATION UNDER SECTION  
 4 501(C) (3) OF THE INTERNAL REVENUE CODE.

5 (c) ~~[Any EXCEPT AS PROVIDED IN SUBSECTION (5), ANY]~~ private  
 6 business or individual, if the products are  
 7 cut and sewn textiles, but only if the same or a comparable in  
 8 style product is not manufactured by a private business in this  
 9 state. **[HOWEVER, THIS SUBDIVISION NO LONGER APPLIES BEGINNING ON THE  
 10 LATER OF THE FOLLOWING DATES:**

**(i) THE DATE CUT AND SEWN TEXTILES ARE BEING MANUFACTURED UNDER THE  
 PRISONER INDUSTRY ENHANCEMENT CERTIFICATION PROGRAM UNDER SECTION 4 (H)  
 AND SOLD, EXCHANGED, OR PURCHASED UNDER SUBDIVISION (D).**

**(ii) JUNE 1, 2015.]**

9 (D) ~~[EXCEPT AS PROVIDED IN SUBSECTION (5),]~~ ANY PRIVATE INDIVIDUAL,  
 10 CORPORATION, PARTNERSHIP, OR  
 11 ASSOCIATION IN THIS STATE AND IN INTERSTATE COMMERCE IF THE  
 12 PRODUCTS ARE MANUFACTURED UNDER SECTION 4 (H) .

12 (2) An agricultural product that is produced on a correctional  
 13 farm may be utilized within the correctional institutions or within  
 14 a correctional facility in this state notwithstanding its operation  
 15 by a private vendor or sold to an institution, governmental agency,  
 16 or organization described in subsection (1) or sold for utilization  
 17 in the food production facilities of the department of corrections  
 18 notwithstanding the operation of those facilities by a private  
 19 vendor. An agricultural product that is not utilized or sold as  
 20 provided in this subsection shall be made available without charge  
 21 to nonprofit charitable organizations or to the family independence  
 22 agency for use in food banks, bulk food distributions, or similar  
 23 charitable food distribution programs. This subsection does not  
 24 apply to an agricultural product that is not in a form suitable for  
 25 use in the manner prescribed in this section, such as bulk grain,  
 26 live cattle, and hogs, which may be sold on the open market.

27 (3) Except as provided in ~~[subsections (4) and (5)]~~ **SUBSECTION  
 (4)]**, the labor

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1 of inmates shall not be sold, hired, leased, loaned, contracted  
2 for, or otherwise used for private or corporate profit or for any  
3 purpose other than the construction, maintenance, or operation of  
4 public works, ways, or property as directed by the governor. This  
5 act does not prohibit the sale at retail of articles made by  
6 inmates for the personal benefit of themselves or their dependents  
7 or the payment to inmates for personal services rendered in the  
8 correctional institutions, subject to regulations approved by the  
9 department of corrections, or the use of inmate labor upon  
10 agricultural land that has been rented or leased by the department  
11 of corrections upon a sharecropping or other basis.

12 (4) If more than 80% of a particular product sold in the  
13 United States is manufactured outside the United States and none of  
14 that product is manufactured in this state, or if a particular  
15 service is not performed in this state, as determined by the  
16 department of corrections in conjunction with the advisory council  
17 for correctional industries, inmate labor may be used in the  
18 manufacture of that product or the rendering of that service in a  
19 private manufacturing or service enterprise established under  
20 section 7a. A determination by the department of corrections under  
21 this subsection shall be made at the time the individual or  
22 business entity applies to the department for approval to produce  
23 that product or render that service pursuant to section 7a.

**[(5) AN INDIVIDUAL WHO IS A MEMBER OF THE STATE SENATE OR HOUSE OF REPRESENTATIVES SHALL NOT BE PERMITTED TO PARTICIPATE, DIRECTLY OR INDIRECTLY, EITHER PERSONALLY OR THROUGH AN AFFILIATE, IN ANY PROGRAM INVOLVING THE SALE, EXCHANGE, PURCHASE, OR MANUFACTURE OF CORRECTIONAL INDUSTRIES PRODUCTS UNTIL 2 YEARS AFTER THE DATE ON WHICH THE INDIVIDUAL'S TERM OF SERVICE IN THE SENATE OR HOUSE OF REPRESENTATIVES ENDS.]**

24 Enacting section 1. This amendatory act does not take effect  
25 unless Senate Bill No. 1484

26 of the 95th Legislature is enacted into law.