

SENATE BILL No. 1485

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 a private vendor that operates
7 a correctional facility in this state.

8 (b) Any organization that is a tax exempt organization under
9 section 501(c)(3) of the internal revenue code, **OR ANY ORGANIZATION**
10 **OR INDIVIDUAL THAT ACTS AS A FIDUCIARY FOR A TAX EXEMPT**

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 private business or individual, if the products are
6 cut and sewn textiles, but only if the same or a comparable in
7 style product is not manufactured by a private business in this
8 state.

9 (D) ANY PRIVATE INDIVIDUAL, CORPORATION, PARTNERSHIP, OR
10 ASSOCIATION IN THIS STATE AND IN INTERSTATE COMMERCE IF THE
11 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), the labor

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.

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.