

# HOUSE BILL NO. 4621

April 13, 2021, Introduced by Rep. Lightner and referred to the Committee on Judiciary.

A bill to amend 1968 PA 15, entitled  
"Correctional industries act,"  
by amending sections 2 and 6 (MCL 800.322 and 800.326), section 2  
as amended by 2012 PA 261 and section 6 as amended by 2015 PA 249.

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

- 1       Sec. 2. As used in this act:
- 2       (a) "Correctional industries products" means all services
- 3 provided, goods, wares, and merchandise manufactured or produced,
- 4 wholly or in part, by inmates in any state correctional

1 institution, but does not include ~~either~~**any** of the following:

2 (i) Products manufactured with inmate labor or services  
3 rendered with inmate labor in a private manufacturing or service  
4 enterprise established under section 7a.

5 (ii) Goods or services provided by inmate labor assigned to a  
6 private contractor to be used solely within a correctional  
7 institution, jail, or reentry facility.

8 **(iii) Items created by inmates through a vocational training**  
9 **program at a training site under section 65c of the corrections**  
10 **code of 1953, 1953 PA 232, MCL 791.265c.**

11 (b) "Correctional institution" means a state prison, prison  
12 facility, or other prison institution, correctional camp, community  
13 corrections center, correctional farm, state reformatory, or  
14 probation recovery camp, owned, operated, leased, supervised, or  
15 contracted for by this state.

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

18 (a) An institution of this or any other state or political  
19 subdivision of this or any other state, the federal government or  
20 agencies of the federal government, a foreign government or  
21 agencies of a foreign government, or, except as provided in  
22 subsection (6), a private vendor that operates a correctional  
23 facility in this state.

24 (b) Except as provided in subsection (6), any organization  
25 that is a tax exempt organization under section 501(c)(3) of the  
26 internal revenue code **of 1986**, 26 USC 501, or any organization or  
27 individual that acts as a fiduciary for a tax exempt organization  
28 under section 501(c)(3) of the internal revenue code **of 1986**, 26  
29 USC 501, and certifies that the product sold or exchanged under

1 this act is intended for use by a tax exempt organization under  
 2 section 501(c)(3) of the internal revenue code **of 1986**, 26 USC 501.

3 (c) Except as provided in subsection (6), any private business  
 4 or individual, if the products are cut and sewn textiles, but only  
 5 if the same or a comparable in style product is not manufactured by  
 6 a private business in this state. However, this subdivision does  
 7 not apply beginning on the later of the following dates:

8 (i) The date cut and sewn textiles are being manufactured under  
 9 the prisoner industry enhancement certification program under  
 10 section ~~4(h)~~**4(1)(h)** and sold, exchanged, or purchased under  
 11 subdivision (d).

12 (ii) June 1, 2020.

13 (d) Except as provided in subsection (6), any private  
 14 individual, corporation, partnership, or association in this state  
 15 and in interstate commerce if the products are manufactured under  
 16 section ~~4(h)~~**4(1)(h)**.

17 (2) An agricultural product that is produced on a correctional  
 18 farm may be utilized within the correctional institutions or within  
 19 a correctional facility in this state notwithstanding its operation  
 20 by a private vendor or sold to an institution, governmental agency,  
 21 or organization described in subsection (1) or sold for utilization  
 22 in the food production facilities of the department of corrections  
 23 notwithstanding the operation of those facilities by a private  
 24 vendor. An agricultural product that is not utilized or sold as  
 25 provided in this subsection ~~shall~~**must** be made available without  
 26 charge to nonprofit charitable organizations or to the ~~family~~  
 27 ~~independence agency~~**department of health and human services** for use  
 28 in food banks, bulk food distributions, or similar charitable food  
 29 distribution programs. This subsection does not apply to an

1 agricultural product that is not in a form suitable for use in the  
 2 manner prescribed in this section, such as bulk grain, live cattle,  
 3 and hogs, which may be sold on the open market.

4 (3) Except as provided in subsections (2), (4), and (5), the  
 5 labor of inmates ~~shall~~**must** not be sold, hired, leased, loaned,  
 6 contracted for, or otherwise used for private or corporate profit  
 7 or for any purpose other than the construction, maintenance, or  
 8 operation of public works, ways, or property as directed by the  
 9 governor. This act does not prohibit ~~the~~**either of the following:**

10 **(a) Subject to regulations approved by the department of**  
 11 **corrections, any of the following:**

12 **(i) The** sale at retail of articles made by inmates for the  
 13 personal benefit of themselves or their dependents. ~~or the~~

14 **(ii) The** payment to inmates for personal services rendered in  
 15 the correctional institutions. ~~, subject to regulations approved by~~  
 16 ~~the department of corrections, or the~~

17 **(iii) Subject to subsection (7), the sale of items created**  
 18 **through a vocational training program at a training site under**  
 19 **section 65c of the corrections code of 1953, 1953 PA 232, MCL**  
 20 **791.265c.**

21 **(b) The** use of inmate labor upon agricultural land that has  
 22 been rented or leased by the department of corrections upon a  
 23 sharecropping or other basis.

24 (4) This act does not prohibit the assignment of prison labor  
 25 to a private contractor for the production of goods or services to  
 26 be used solely within a correctional institution, jail, or reentry  
 27 facility that houses a prisoner population under the jurisdiction  
 28 of the department of corrections. Inmates assigned by the  
 29 department of corrections for the production of goods or services

1 that are solely used within a correctional facility or institution  
2 that houses a prisoner population under the jurisdiction of the  
3 department of corrections are not subject to the prevailing or  
4 minimum wage.

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

18 (6) An individual who is a member of the state senate or house  
19 of representatives is not permitted to participate, directly or  
20 indirectly, either personally or through an affiliate, in any  
21 program involving the sale, exchange, purchase, or manufacture of  
22 correctional industries products until 2 years after the date on  
23 which the individual's term of service in the senate or house of  
24 representatives ends.

25 **(7) The sale of items created through a vocational training**  
26 **program under subsection (3) (a) (iii) must be conducted through the**  
27 **website of the department of corrections.**

28 Enacting section 1. This amendatory act does not take effect  
29 unless Senate Bill No. \_\_\_\_ or House Bill No. 4622 (request no.

**1** 02415'21 a) of the 101st Legislature is enacted into law.