

# Legislative Analysis



## **SALE OF PRISON TEXTILES TO PUBLIC: EXTEND SUNSET**

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**House Bill 4680 (reported from committee w/o amendment)**

**Sponsor: Rep. Dave Pagel**

**Committee: Judiciary**

**Complete to 10-28-15**

Analysis available at  
<http://www.legislature.mi.gov>

*(Enacted as Public Act 249 of 2015)*

### **SUMMARY:**

The Correctional Industries Act allows prisoner-made cut-and-sewn textiles (such as flags) to be sold by the Michigan State Industries (MSI) to any public business or individual, but only if a comparable product is not manufactured by a private business in the state. The provision expires on the later of the following dates:

- The date cut-and-sewn textiles are being manufactured under a federal program (the Prisoner Industry Enhancement Certification Program) and sold, exchanged, or purchased under Section 4(h) of the act.
- June 1, 2015.

House Bill 4680 would amend the act to extend the June sunset date by five years to June 1, 2020. The bill takes effect 90 days after enactment.

(To date, the Department of Corrections has not yet entered into an agreement under the federal program.)

MCL 800.326

### **BACKGROUND INFORMATION:**

The Michigan State Industries (MSI) is a Department of Corrections program that employs prisoners to manufacture certain products. According to information available on the DOC website, employment provides work and soft skills opportunities (such as showing up on time, working well under instruction, etc.) that increases employability after release and reduces future crimes. The wages, albeit low, enable prisoners to fulfill court-ordered obligations such as restitution and child support, as well as providing for the personal needs of a prisoner such as hygiene items. Employment also relieves the problem of idleness and is used in the corrections system to encourage good conduct and better decision-making on the part of prisoners.

The sale of the items produced is limited primarily to governmental agencies and nonprofits and a number of products are produced solely for use within the state's prisons. For example, prisoners make dental implants needed by prisoners and make mattresses, uniforms, and prisoner clothing. One item that is allowed to be sold directly to the public are U.S. flags, and only because no comparable product is manufactured in the state by a

private business. Some of the prisoners making these flags are veterans who are currently incarcerated.

A number of years ago, discussions were underway to participate in a federal program known as the Prisoner Industry Enhancement Certification Program (PIECP). The program exempts certified state and local departments of corrections from the normal restrictions on the sale of prisoner-made goods in interstate commerce, according to the Bureau of Justice Assistance within the U.S. Department of Justice. The program was created by Congress to encourage establishment of employment opportunities for prisoners by states and local units of government. However, the program is limited to 50 jurisdictions.

Reportedly, the sunset placed in the Correctional Industries Act was done at a time when it was expected that Michigan would be one of the jurisdictions accepted into PIECP and the flags would be manufactured under provisions of the federal program instead of MSI. However, Michigan's application was not approved.

There appears to be some difference in interpretation whether the June 1, 2015 sunset would only be triggered *if* the state entered into the PIECP (and thus hasn't been triggered yet but needs to be extended in case it does happen to give time to transition from the state-run program to the federal one) **or** if MSI no longer has statutory authority to continue to operate the prisoner flag-making operation. Either way, in light of the benefit to prisoners, their families, DOC, and to taxpayers, it makes sense to extend—if not eliminate entirely—the sunset.

#### **FISCAL IMPACT:**

The bill would not have a fiscal impact on the Department of Corrections.

#### **POSITION:**

A representative of the Michigan Department of Corrections testified in support of the bill. (10-20-15)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.