

By the Committee on Corrections and Representatives  
Peadar, Bainter, Healey, Fischer, Morroni, Clemons, Culp and  
Crow

1                                   A bill to be entitled  
2           An act relating to correctional work programs;  
3           amending s. 212.08, F.S., relating to specified  
4           exemptions from retail sale, rental, use,  
5           consumption, distribution, and storage taxes;  
6           providing an exemption for products sold by the  
7           corporation authorized to operate correctional  
8           work programs; providing for applicability of  
9           the exemption retroactive to July 1, 1983;  
10          amending s. 283.31, F.S., relating to records  
11          of executive agency publications; removing  
12          requirement for financial and performance  
13          audits of the corporation by the Auditor  
14          General of the corporation; amending s.  
15          946.503, F.S.; redefining "facilities" with  
16          respect to correctional work programs; amending  
17          s. 946.504, F.S., relating to lease of  
18          facilities by the Department of Corrections to  
19          corporation authorized to operate correctional  
20          work programs, to conform; amending s. 946.505,  
21          F.S., relating to reversion of property to the  
22          department upon dissolution of corporation or  
23          termination of lease, and reenacting s.  
24          946.509(1), F.S., relating to insurance of  
25          property leased or acquired by the corporation,  
26          to incorporate said amendment in a reference;  
27          providing for reversion of certain facilities  
28          subsequently constructed or otherwise acquired  
29          after the original lease; amending s. 946.511,  
30          F.S.; revising objectives and priorities for  
31          assignment of inmates to programs to specify

1 priority with respect to essential operational  
2 functions and "revenue-generating contracts,"  
3 as defined; amending s. 946.512, F.S., relating  
4 to inmate compensation plan, and reenacting s.  
5 946.513(1), F.S., relating to disposition of  
6 compensation received for private employment of  
7 inmates, to incorporate said amendment in a  
8 reference; providing for certain payments to  
9 the Correctional Work Program Trust Fund in  
10 lieu of the Grants and Donations Trust Fund;  
11 removing provision for annual appropriation;  
12 amending s. 946.515, F.S., and reenacting s.  
13 946.518, F.S., relating to prohibitions on sale  
14 of goods by prisoners, to incorporate said  
15 amendment in a reference; permitting the  
16 furnishing or sale of services or items  
17 produced by the corporation when not otherwise  
18 prohibited by law; amending s. 946.516, F.S.;  
19 requiring a performance audit by December 31,  
20 1999, and thereafter at the request of the  
21 Joint Legislative Auditing Committee, of the  
22 corporation by the Office of Program Policy  
23 Analysis and Government Accountability;  
24 authorizing the Auditor General to conduct a  
25 financial audit by December 31, 2001, and once  
26 every 5 years thereafter, or upon request of  
27 the Joint Legislative Auditing Committee;  
28 repealing s. 945.04(4), F.S., relating to  
29 certain requirements for assignments of inmates  
30 within a specified period of their release  
31 dates, and report by the department thereon;

1           repealing s. 946.009, F.S., relating to  
2           operational guidelines for correctional work  
3           programs; providing an effective date.  
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5 Be It Enacted by the Legislature of the State of Florida:  
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7           Section 1. Paragraph (nn) is added to subsection (7)  
8 of section 212.08, Florida Statutes, to read:

9           212.08 Sales, rental, use, consumption, distribution,  
10 and storage tax; specified exemptions.--The sale at retail,  
11 the rental, the use, the consumption, the distribution, and  
12 the storage to be used or consumed in this state of the  
13 following are hereby specifically exempt from the tax imposed  
14 by this part.

15           (7) MISCELLANEOUS EXEMPTIONS.--

16           (nn) Nonprofit corporation conducting the correctional  
17 work programs.--Products sold pursuant to s. 946.515 by the  
18 corporation organized pursuant to part II of chapter 946 are  
19 exempt from the tax imposed by this chapter. This exemption  
20 applies retroactively to July 1, 1983.

21           Section 2. Section 283.31, Florida Statutes, is  
22 amended to read:

23           283.31 Records of executive agency publications.--Each  
24 agency shall maintain a record of any publication the printing  
25 of which costs in excess of the threshold amount provided in  
26 s. 287.017 for CATEGORY THREE, at least part of which is paid  
27 for by state funds appropriated by the Legislature. Such  
28 record shall also contain the following: written  
29 justification of the need for such publication, purpose of  
30 such publication, legislative or administrative authority,  
31 sources of funding, frequency and number of issues, and

1 reasons for deciding to have the publication printed in-house,  
2 by another agency or the Legislature, or purchased on bid. In  
3 addition, such record shall contain the comparative costs of  
4 alternative printing methods when such costs were a factor in  
5 deciding upon a method. Compliance with the provisions of this  
6 section shall be included within the scope of audits performed  
7 by the Auditor General on each agency, and such audits shall  
8 be performed not less than once every 3 years. ~~The Auditor  
9 General shall also conduct a financial-related and performance  
10 audit of the corporation operating the correctional industry  
11 program. Such audit shall be conducted once every 3 years,  
12 and the first audit shall be for the period July 1, 1988,  
13 through June 30, 1990, to be completed prior to the 1991  
14 regular legislative session. Such audit shall include a  
15 review of the printing that the corporation has done for state  
16 agencies. This review shall include the cost of materials  
17 used, the cost of labor, the cost of overhead, the amount of  
18 profit made by the corporation for such printing, and whether  
19 the state agencies that contract with the corporation for  
20 printing are prudently determining the price paid for such  
21 printing. Such audits shall be completed no later than the  
22 first day of the regular legislative session.~~

23 Section 3. Subsection (4) of section 946.503, Florida  
24 Statutes, 1996 Supplement, is amended to read:

25 946.503 Definitions to be used with respect to  
26 correctional work programs.--As used in ss. 946.502-946.518,  
27 the term:

28 (4) "Facilities" means the buildings and ~~land~~  
29 ~~equipment, and other chattels~~ used in the operation of an  
30 industry program on state property.

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1           Section 4. Subsection (1) of section 946.504, Florida  
2 Statutes, 1996 Supplement, is amended to read:

3           946.504 Organization of corporation to operate  
4 correctional work programs; lease of facilities.--

5           (1) The department shall lease ~~the buildings and,~~  
6 ~~land, furnishings, equipment, and other chattels used in the~~  
7 ~~operation of each correctional work program operated by the~~  
8 ~~department~~ to the a nonprofit corporation authorized to  
9 operate the correctional work programs, the members of which  
10 are appointed by the Governor and confirmed by the Senate.  
11 The same appointment process shall be followed to fill any  
12 vacancy. The corporation shall be organized pursuant to  
13 chapter 617 and shall possess all the powers granted by that  
14 chapter.

15           Section 5. Subsection (1) of section 946.505, Florida  
16 Statutes, is amended to read:

17           946.505 Reversion upon dissolution of corporation or  
18 termination of lease.--

19           (1) In the event the corporation is dissolved or its  
20 lease of any correctional work program expires or is otherwise  
21 terminated, all property relating to such correctional work  
22 program which ceases to function because of such termination  
23 or dissolution, including all ~~funds,~~ buildings, land,  
24 furnishings, equipment, and other chattels originally leased  
25 from the department, as well as any subsequently constructed  
26 purchased or otherwise acquired facilities ~~by the corporation~~  
27 in connection with its continued operation of that program,  
28 automatically reverts to full ownership by the department  
29 unless the corporation intends to utilize such property in  
30 another correctional work program. Such a reversionary  
31 ownership interest of the state in any and all such

1 after-acquired facilities ~~property~~ by the corporation is in  
2 furtherance of the goals established in s. 946.502(4), and  
3 such a present ownership interest by the state is a continuing  
4 and insurable state interest.

5 (2) Notwithstanding any provision of subsection (1),  
6 the ownership of any permanent enhancements made to facilities  
7 or work programs is vested in the department.

8 Section 6. For the purpose of incorporating the  
9 amendment to section 946.505(1), Florida Statutes, in a  
10 reference thereto, subsection (1) of section 946.509, Florida  
11 Statutes, is reenacted to read:

12 946.509 Insurance of property leased or acquired by  
13 the corporation.--

14 (1) The State Property Insurance Trust Fund created  
15 under s. 284.01 shall insure all property eligible for  
16 coverage under part I of chapter 284 which is leased by the  
17 department to the corporation or which is subsequently  
18 acquired and owned by the corporation and subject to the  
19 reversionary ownership interest of the state established in s.  
20 946.505.

21 Section 7. Subsection (1) of section 946.511, Florida  
22 Statutes, is amended to read:

23 946.511 Provision of inmate labor to operate  
24 correctional work programs; policies and procedures.--

25 (1) Inmates shall be evaluated and identified during  
26 the reception process to determine basic literacy, employment  
27 skills, academic skills, vocational skills, and remedial and  
28 rehabilitative needs. The evaluation shall prescribe  
29 education, work, and work-training for each inmate. Assignment  
30 to programs shall be based on the evaluation and the length of  
31 time the inmate will be in the custody of the department.

1 Assignment to programs shall be reviewed every 6 months to  
2 ensure proper placement based on bed space availability.

3 ~~Assignment of inmates to correctional work programs,~~  
4 ~~institutional labor, and public agency work programs~~ shall be  
5 governed by the following objectives and priorities:

6 (a) Inmates shall be assigned to meet the needs of the  
7 work requirements of the Department of Corrections, including  
8 essential operational functions and revenue-generating  
9 ~~existing Department of Transportation~~ contracts.

10 (b) Inmates shall be assigned to correctional  
11 education ~~and the corporation operating the correctional~~  
12 ~~industry program.~~

13 (c) Inmates shall be assigned to meet all other work  
14 requirements of the department, including remaining  
15 operational functions and nonrevenue-generating contracts  
16 ~~public works.~~

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18 As used in this subsection, the term "revenue-generating  
19 contracts" includes contracts with the Department of  
20 Transportation, the corporation authorized to conduct the  
21 correctional work programs under part II, private sector  
22 businesses operating programs authorized under s. 946.006(3),  
23 and federal, state, or local governmental entities or  
24 subdivisions authorized under s. 944.10(7).

25 Section 8. Section 946.512, Florida Statutes, is  
26 amended to read:

27 946.512 Inmate compensation plan.--The corporation  
28 shall establish a compensation plan which provides for a  
29 specific amount to be paid to the department to be credited to  
30 an account for an inmate performing labor and a portion shall  
31 be used to make any court-ordered payments, including

1 restitution to the victim, and a specific amount to be paid to  
2 the department's Correctional Work Program Trust Fund to be  
3 used as provided in s. 946.32 ~~Grants and Donations Trust Fund.~~  
4 Such funds, excluding victim restitution payments,  
5 court-ordered payments, and the amount credited to the account  
6 of the inmate, shall be deposited in the department's  
7 Correctional Work Program Trust Fund to be used as provided in  
8 s. 946.32 ~~Grants and Donations Trust Fund. The funds shall be~~  
9 ~~appropriated annually.~~

10 Section 9. For the purpose of incorporating the  
11 amendment to section 946.512, Florida Statutes, in a reference  
12 thereto, subsection (1) of section 946.513, Florida Statutes,  
13 is reenacted to read:

14 946.513 Private employment of inmates; disposition of  
15 compensation received.--

16 (1) Notwithstanding the provisions of any other law,  
17 an inmate may be employed by the corporation or by any other  
18 private entity operating on the grounds of a correctional  
19 institution prior to the last 24 months of his confinement.  
20 Compensation received for such employment shall be credited by  
21 the department to an account for the inmate and shall be used  
22 to make any court-ordered payments, including restitution to  
23 the victim. The department rules shall provide that a portion  
24 of such compensation be credited by the department in the  
25 manner provided in s. 946.512.

26 Section 10. Subsection (1) of section 946.515, Florida  
27 Statutes, 1996 Supplement, is amended to read:

28 946.515 Use of goods and services produced in  
29 correctional work programs.--

30 (1) Any service or item manufactured, processed,  
31 grown, or produced by the corporation in a correctional work



1 program may be furnished or sold to any legislative,  
2 executive, or judicial agency of the state, any political  
3 subdivision, any other state, any foreign entity or agent  
4 thereof, any agency of the Federal Government, to any contract  
5 vendor for such agencies or any subcontractor of the contract  
6 vendor, or to any person, firm, or business entity if not  
7 prohibited ~~authorized~~ by federal law.

8 Section 11. For the purpose of incorporating the  
9 amendment to section 946.515(1), Florida Statutes, 1996  
10 Supplement, in a reference thereto, section 946.518, Florida  
11 Statutes, 1996 Supplement, is reenacted to read:

12 946.518 Sale of goods made by prisoners; when  
13 prohibited, when permitted.--Goods, wares, or merchandise  
14 manufactured or mined in whole or in part by prisoners (except  
15 prisoners on parole or probation) may not be sold or offered  
16 for sale in this state by any person or by any federal  
17 authority or state or political subdivision thereof; however,  
18 this section and s. 946.21 do not forbid the sale, exchange,  
19 or disposition of such goods within the limitations set forth  
20 in s. 946.006(3), s. 946.515, or s. 946.519.

21 Section 12. Subsection (3) of section 946.516, Florida  
22 Statutes, 1996 Supplement, is amended to read:

23 946.516 Report to Governor and Legislature by the  
24 corporation; Department of Corrections report; report to  
25 Governor and Legislature by Office of Program Policy Analysis  
26 and Government Accountability and Auditor General.--

27 (3) The Office of Program Policy Analysis and  
28 Government Accountability Auditor General shall ~~biennially~~  
29 conduct a ~~financial and~~ performance audit of the corporation  
30 by December 31, 1999, and thereafter at the request of the  
31 Joint Legislative Auditing Committee, which shall be conducted

1 ~~in conjunction with an independent audit conducted by the~~  
2 ~~auditors of the corporation. The Auditor General shall conduct~~  
3 ~~a financial audit of the corporation by December 31, 2001, and~~  
4 ~~once every 5 years thereafter, or at the request of the Joint~~  
5 ~~Legislative Auditing Committee.~~ The Auditor General shall  
6 ~~conduct additional audits upon the request of the Joint~~  
7 ~~Legislative Auditing Committee.~~

8           Section 13. Subsection (4) of section 945.04, Florida  
9 Statutes, as created by chapter 95-283, Laws of Florida, is  
10 hereby repealed.

11           Section 14. Section 946.009, Florida Statutes, 1996  
12 Supplement, as amended by chapters 95-325 and 96-278, Laws of  
13 Florida, is hereby repealed.

14           Section 15. This act shall take effect upon becoming a  
15 law.

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