

108TH CONGRESS
2D SESSION

H. R. 5386

To amend title 18, United States Code, to reform Federal Prison Industries,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 2004

Mr. CONYERS introduced the following bill; which was referred to the
Committee on the Judiciary

A BILL

To amend title 18, United States Code, to reform Federal
Prison Industries, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fair Access and Indi-
5 vidual Responsibilities Act of 2004”.

6 **SEC. 2. INDUSTRIAL OPERATIONS IN FEDERAL PRISONS.**

7 (a) BOARD OF DIRECTORS.—Section 4121 of title 18,
8 United States Code, is amended by striking all after the
9 section heading and inserting the following:

1 “(a) ESTABLISHMENT.—Federal Prison Industries is
2 a government corporation of the District of Columbia.

3 “(b) BOARD.—

4 “(1) IN GENERAL.—Federal Prison Industries
5 is administered by a board of directors, composed of
6 12 directors appointed by the Attorney General, of
7 which 4 shall be appointed as follows:

8 “(A) 1 director upon the recommendation
9 of the Speaker of the House of Representatives.

10 “(B) 1 director upon the recommendation
11 of the minority leader of the House of Rep-
12 resentatives.

13 “(C) 1 director upon the recommendation
14 of the majority leader of the Senate.

15 “(D) 1 director upon the recommendation
16 of the minority leader of the Senate.

17 “(2) TERM.—A director shall be appointed to a
18 term of 4 years and may be reappointed.

19 “(3) COMPENSATION.—A director shall serve
20 without compensation.

21 “(c) DUTY.—The duty of the board shall be to carry
22 on and facilitate such industrial operations in Federal cor-
23 rectional institutions as the Attorney General determines.

1 “(d) CHIEF EXECUTIVE OFFICER.—The Director of
2 the Bureau of Prisons shall serve as chief executive officer
3 of the corporation.

4 “(e) INDEPENDENT REVIEW PANEL.—

5 “(1) IN GENERAL.—The Attorney General shall
6 appoint an independent review panel to advise the
7 board of directors regarding the type and quantity
8 of products to be produced by Federal Prison Indus-
9 tries and conditions of hire and work consistent with
10 this chapter.

11 “(2) MEMBERS.—The panel shall be comprised
12 of—

13 “(A) 1 member representing the Depart-
14 ment of Commerce;

15 “(B) 1 member representing the Depart-
16 ment of Labor;

17 “(C) 1 member representing the Depart-
18 ment of the Treasury;

19 “(D) 1 member representing the Inter-
20 national Trade Commission;

21 “(E) 1 member representing the Small
22 Business Association;

23 “(F) 1 member representing the Economic
24 Development Administration;

1 “(G) 1 member representing the business
2 community;

3 “(H) 1 member representing organized
4 labor;

5 “(I) 1 member representing taxpayers;

6 “(J) 1 member representing crime victims;

7 “(K) 1 member representing the Depart-
8 ment of Health and Human Services Office of
9 Child Support Enforcement;

10 “(L) 1 member representing minorities
11 overrepresented in prison populations;

12 “(M) not less than 2 members rep-
13 resenting, and appointed from among, inmates
14 working in Federal Prison Industries; and

15 “(N) such other members as the Attorney
16 General considers appropriate.

17 “(3) COMPENSATION.—Members of the panel
18 shall serve without compensation.

19 “(4) INAPPLICABILITY OF FACA.—The Federal
20 Advisory Committee Act shall not apply with respect
21 to the panel.”.

22 (b) ADMINISTRATION.—Section 4122 of title 18,
23 United States Code, is amended by striking all after the
24 section heading and inserting the following:

1 “(a) IN GENERAL.—The Attorney General shall de-
2 termine in what manner and to what extent industrial op-
3 erations shall be carried on in Federal correctional institu-
4 tions.

5 “(b) OBJECTIVES.—The Attorney General shall con-
6 duct such operations so as to maximize—

7 “(1) the productivity, legal income, and finan-
8 cial responsibility of every Federal corrections in-
9 mate;

10 “(2) the unsubsidized competitive opportunities
11 of industrial operations in Federal correctional insti-
12 tutions; and

13 “(3) the profit opportunities of private and non-
14 profit firms employing inmates in Federal correc-
15 tional institutions, within the rules of the normal
16 competitive economy and subject to the requirements
17 of safe and secure correctional facilities.

18 “(c) RESPONSIBILITIES.—Within requirements of
19 safety and security, the Attorney General shall be respon-
20 sible for protecting and facilitating the participation rights
21 of each Federal corrections inmate as well as for facili-
22 tating the ability of each inmate to meet that inmate’s
23 financial responsibilities through successful competitive
24 participation in the economy of the United States.

1 “(d) AVAILABILITY OF OPPORTUNITIES.—The Attor-
2 ney General shall endeavor to make available to inmates
3 who have been committed to the custody of the Bureau
4 of Prisons opportunities, free from discrimination, to work
5 or be employed in a Federal Prison Industries shop.

6 “(e) STANDARDS.—The Attorney General may set
7 standards regarding education and conduct for those in-
8 mates who work in a Federal Prison Industries shop.

9 “(f) VOLUNTARY MOVEMENT.—Except where safety
10 and security of individual inmates requires exception, the
11 voluntary movement of inmates among classes of institu-
12 tional maintenance, work, or employment shall not be in-
13 hibited.”.

14 **SEC. 3. INDUSTRY CLASSES.**

15 (a) PURCHASE OF PRISON-MADE PRODUCTS BY
16 FEDERAL DEPARTMENTS.—Section 4124 of title 18,
17 United States Code, is amended by striking “products of
18 the industries authorized by this chapter” and inserting
19 “products of Class A industries authorized by this chap-
20 ter”.

21 (b) CLASSES A, B, C, AND D.—(1) Chapter 307 of
22 title 18, United States Code, is amended by adding after
23 section 4124 the following new sections:

1 **“§ 4124A. Class A industries**

2 “(a) DEFINITION.—In this chapter, a Class A indus-
3 try is an industry established under this chapter as of De-
4 cember 31, 2002.

5 “(b) LIMITATIONS ON NUMBER OF WORKERS.—The
6 number of inmates working in Class A industries may not
7 exceed—

8 “(1) the number of inmates working in Class A
9 industries as of December 31, 2002, during the pe-
10 riod beginning on the date of the enactment of this
11 section and ending on December 31, 2015;

12 “(2) 75 percent of the number referred to in
13 paragraph (1), during the period beginning on Janu-
14 ary 1, 2016, and ending on December 31, 2020; and

15 “(3) 50 percent of the number referred to in
16 paragraph (1), after December 31, 2020.

17 “(c) LIMITATIONS ON PERCENTAGE OF WORKERS.—
18 Of the total population of inmates, the percentage who
19 work in Class A industries may not exceed—

20 “(1) the percentage who worked in Class A in-
21 dustries as of December 31, 2002, during the period
22 beginning on the date of the enactment of this sec-
23 tion and ending on December 31, 2015;

24 “(2) 75 percent of the percentage referred to in
25 paragraph (1), during the period beginning on Janu-
26 ary 1, 2016, and ending on December 31, 2020; and

1 “(3) 50 percent of the percentage referred to in
2 paragraph (1), after December 31, 2020.

3 “(d) LIMITATION ON INDUSTRIES.—The types of in-
4 dustries in Class A industries may not expand beyond the
5 industries in existence as of December 31, 2002.

6 **“§ 4124B. Class B industries**

7 “(a) DEFINITION.—In this chapter, a Class B indus-
8 try is an industry established on or after January 1, 2005,
9 that meets the requirements of subsection (b).

10 “(b) REQUIREMENTS.—An industry meets the re-
11 quirements of this subsection if, and only if, it meets the
12 following requirements:

13 “(1) It is carried out by a competitive entity
14 unrelated to a Class A industry that produces goods
15 or services for sale in government or open markets,
16 including in interstate and international commerce.

17 “(2) The entity is an independent taxpaying
18 unit subject to all opportunities and obligations af-
19 fecting a similarly located private firm.

20 “(3) All civilian and inmate workers of the enti-
21 ty are identically covered under wage and benefit
22 plans and all Federal and applicable State and local
23 laws covering civilian employees, including but not
24 limited to all provisions of the Fair Labor Standards
25 Act, the National Labor Relations Act, the Ameri-

1 cans With Disabilities Act, and health and safety
2 standards affecting private firms.

3 “(4) The entity is subject to all license, permit,
4 and tax obligations of a similarly located private
5 firm.

6 “(5) Any land, buildings, capital equipment,
7 utilities, services, or staff assistance (except secu-
8 rity) owned or provided to the entity by Federal
9 Prison Industries are obtained in an arms-length,
10 open, competitive bidding process maximizing re-
11 turns to taxpayers.

12 “(6) The entity does not receive from Federal
13 Prison Industries any implicit or explicit subsidy not
14 equivalently offered to other firms.

15 “(7) The entity, before engaging in a business,
16 offers for competitive bid all resources, including op-
17 portunities to recruit inmate employees, to firms in
18 the locale engaged in the proposed line of business.

19 “(8) Mandatory preference does not apply to
20 the entity.

21 **“§ 4124C. Class C industries**

22 “(a) DEFINITION.—In this chapter, a Class C indus-
23 try is an industry established on or after January 1, 2005,
24 that meets the requirements of subsection (b).

1 “(b) REQUIREMENTS.—An industry meets the re-
2 quirements of this subsection if, and only if, it meets the
3 following requirements:

4 “(1) It is carried out by a private entity located
5 in a Federal correctional institution that produces
6 goods or services for sale in government or open
7 markets, including in interstate and international
8 commerce.

9 “(2) The entity employs convicts or prisoners
10 who meet the requirements of each paragraph of
11 section 1761(c) of this title.

12 “(3) The entity meets the same requirements
13 that an entity must meet for participation in the
14 State Prison Industry Enhancement Certification
15 program of the Department of Justice.

16 “(4) The entity meets any other requirements
17 that the Federal Bureau of Prisons may prescribe
18 under subsection (c).

19 “(c) BOP REQUIREMENTS.—

20 “(1) IN GENERAL.—The Federal Bureau of
21 Prisons shall prescribe the other requirements re-
22 ferred to in subsection (b)(4). The first such require-
23 ments shall be published not later than 180 days
24 after the date of the enactment of this section.

1 “(2) LIMITATIONS.—The requirements shall be
2 designed to maximize opportunities for private and
3 nonprofit firms to compete for efficient operations in
4 Federal correctional facilities while maintaining nec-
5 essary security. The requirements shall ensure that
6 a Class C industry may be established, invested in,
7 or participated in, by inmates, so long as—

8 “(A) normal conditions of law are met;

9 “(B) the business or investment poses no
10 significant threat to the safety or security of
11 the institution; and

12 “(C) inmate entrepreneurs and managers
13 exercise no notable control or influence over em-
14 ployed inmates outside the workplace.

15 **“§ 4124D. Class D industries**

16 “(a) DEFINITION.—In this chapter, a Class D indus-
17 try is a pilot industry that is created for purposes of test-
18 ing reform of inmate employment and prison industries
19 and that meets the requirements of subsection (b).

20 “(b) REQUIREMENTS.—An industry meets the re-
21 quirements of this subsection if, and only if, it meets the
22 following requirements:

23 “(1) Inmate participation is voluntary.

24 “(2) The entity carrying out the industry meets
25 all health and safety regulations.

1 “(3) The Attorney General determines that the
2 industry is safe, fair, and devised to increase inmate
3 economic well-being.

4 “(4) It is a legitimate test industry meant to be
5 preliminary to wider application or for purposes of
6 determining whether there should be a proposed
7 change in law.

8 “(5) The entity carrying out the industry has
9 adequate public oversight and independent evalua-
10 tion.

11 “(c) BOP REQUIREMENTS.—The Federal Bureau of
12 Prisons may establish up to 20 separate Class D indus-
13 tries, employing no more than a cumulative total of 2000
14 inmates over the life of the Class D industry program.

15 “(d) RELATIONSHIP TO CLASS A, B, AND C INDUS-
16 TRIES.—Class D industries do not have to comply with
17 the requirements of class A, B, and C industries, as set
18 forth in sections 4124A, 4124B, and 4124C.

19 “(e) TERMINATION.—The Class D industries pro-
20 gram shall terminate on December 31, 2020.

21 “**§ 4124E. Other industries prohibited**

22 “An industry may not be established under this chap-
23 ter unless it is a Class A industry under section 4124A,
24 a Class B industry under section 4124B, a Class C indus-

1 try under section 4124C, or a Class D industry under sec-
 2 tion 4124D.”.

3 (2) The table of sections at the beginning of such
 4 chapter is amended by adding at the end the following
 5 new items:

“4124A. Class A industries.

“4124B. Class B industries.

“4124C. Class C industries.

“4124D. Class D industries.

“4124E. Other industries prohibited.”.

6 **SEC. 4. REPEAL OF MANDATORY SOURCE PROVISIONS.**

7 Section 4124 of title 18, United States Code, is
 8 amended by adding at the end the following new sub-
 9 section:

10 “(e)(1) Except as provided in paragraph (2), this sec-
 11 tion shall not apply after December 31, 2010.

12 “(2) This section shall apply with respect to Federal
 13 Prison Industries at a specific correctional facility for a
 14 period not exceeding 2 years after December 31, 2010,
 15 if the Attorney General—

16 “(A) certifies that national security or security
 17 of the facility would be endangered if the section
 18 ceased to apply with respect to the facility; and

19 “(B) publishes a plan for the elimination, by
 20 the end of the period for which the applicability is
 21 extended under this paragraph, of the conditions
 22 causing the endangerment of national security or se-
 23 curity of the facility.”.

1 **SEC. 5. INMATE WAGE RATES.**

2 (a) IN GENERAL.—Chapter 307 of title 18, United
3 States Code, is amended by adding after section 4124E
4 (as added by section 3) the following new section:

5 **“§ 4124F. Wage rates**

6 “(a) IN GENERAL.—Within the requirements of safe
7 and secure confinement, the Attorney General shall modify
8 correctional practices to improve the attractiveness and
9 business efficiency of Federal correctional facilities to en-
10 sure maximum employment of inmates at prevailing
11 wages.

12 “(b) PREVAILING WAGE.—A Federal inmate em-
13 ployed in a Class B industry or a Class C industry, and
14 a State or local inmate employed in connection with the
15 Prison Industry Enhancement Certification program of
16 the Department of Justice, shall be paid at a wage not
17 less than the prevailing wage in the locality, except—

18 “(1) to the degree the productivity of individual
19 inmates or subgroups of inmates can be reasonably
20 demonstrated to lag that of civilian workers in the
21 locality, and then only for the period during which
22 their productivity lags, as demonstrated on an an-
23 nual basis and certified by the Department of Em-
24 ployment Services in the host State; or

25 “(2) to the degree unavoidable inefficiencies or
26 risks of operating in a correctional setting deter a

1 facility's hiring inmates at prevailing wages, as evi-
2 denced by its inability to attract enough firms to
3 employ 50 inmates at prevailing wages, provided
4 that—

5 “(A) the reduction in any inmate's wage is
6 no more than 50 percent of the difference be-
7 tween the Federal minimum wage and the de-
8 termined prevailing wage;

9 “(B) the full value of the reduction, to the
10 limit of the prescribed deduction, is credited to
11 the inmate in lieu of deductions for board and
12 room;

13 “(C) the inefficiencies, efforts to mitigate
14 them, and justifications for their persistence are
15 documented and published; and

16 “(D) the inefficiency is certified annually
17 by the Attorney General or a State attorney
18 general; or

19 “(3) during the first 24 months of a new firm
20 or new Class B industry's operation in a correctional
21 facility.

22 “(c) REASONABLE MEASURES.—In all instances jus-
23 tifying sub-prevailing wages because of reduced produc-
24 tivity, the host correctional facility will have in place rea-
25 sonable measures including, but not limited to, access to

1 education and appropriate training, to increase the pro-
2 ductivity of the affected inmates.

3 “(d) NOTICE.—No facility may contract with or es-
4 tablish a firm employing inmates at less than prevailing
5 wages unless it has first by public notice in the Federal
6 Register and by other effective means offered opportuni-
7 ties to all firms to compete for employment of inmates
8 at the facility.”.

9 (b) CLERICAL AMENDMENT.—The table of sections
10 at the beginning of such chapter is amended by inserting
11 after the item relating to section 4124E (as added by sec-
12 tion 3) the following new item:

“4124F. Wage rates.”.

13 **SEC. 6. INCENTIVES TO TRADE ORGANIZATIONS AND NON-**
14 **PROFITS.**

15 (a) IN GENERAL.—From amounts made available to
16 carry out this section, the Attorney General may make
17 matching grants to business trade organizations, labor or-
18 ganizations, and human rights and non-profit organiza-
19 tions to attract firms and create business entities in Fed-
20 eral and State correctional settings.

21 (b) PURPOSE.—The purpose of a matching grant
22 under subsection (a) shall be to encourage investment and
23 innovation in bringing inmates into successful open mar-
24 ket employment.

1 (c) GRANT AMOUNTS AND TERMS.—A matching
2 grant under subsection (a) may be made for not more than
3 five years, in an amount not to exceed \$200,000 per year.

4 (d) SET-ASIDE.—Not less than 20 percent of
5 amounts made available to carry out this section shall be
6 used for research and evaluation.

7 **SEC. 7. INMATE FINANCIAL RESPONSIBILITIES.**

8 (a) IN GENERAL.—Chapter 307 of title 18, United
9 States Code, is amended by adding after section 4124F
10 (as added by section 5) the following new section:

11 **“§ 4124G. Inmate financial responsibilities**

12 “(a) IN GENERAL.—The Attorney General shall fa-
13 cilitate the success of each inmate in meeting reasonably
14 proportioned financial obligations to the victims of that
15 inmate, the children and family of that inmate, to tax-
16 payers, and the inmate individually. In particular, the Di-
17 rector of the Bureau of Prisons shall coordinate with
18 working inmates and courts, family services, and offices
19 of child support enforcement to ensure victim compensa-
20 tion, restitution, family support, establishment of pater-
21 nity and reasonable child support orders, payment toward
22 any other court-ordered obligations, to contribute toward
23 the costs of incarceration, as well as for reasonable actions
24 to encourage prudent purchasing, saving, and investment
25 by inmates.

1 “(b) CLASS B DEDUCTIONS.—Deductions may be
2 made from the earnings of an inmate in a Class B indus-
3 try only for taxes and normal payroll deductions, court-
4 ordered deductions for any purpose, victim compensation,
5 restitution, family support, child and family support, and
6 contributions to costs of incarceration. Deductions may
7 not, in total, exceed 80 percent of gross pay. No deduction
8 from any inmate’s earnings for costs of incarceration, vic-
9 tim compensation, or restitution can exceed the aggregate
10 average rate of deductions for family or child support. The
11 Attorney General may require and monitor savings, and
12 Federal Prison Industries shall encourage prudent inter-
13 est-earning savings. Inmates shall have full access to Fed-
14 eral Prisons credit union savings or investment accounts
15 on terms identical to those offered civilian employees for
16 all required savings. Although savings may be required
17 from the 20 percent of gross income remaining for the
18 inmate, at least half of the remainder shall be held exempt
19 from any deduction ordered by Federal Prison Industries
20 or any court and will accrue solely to the discretion of the
21 inmate wage earner. Records of all deductions will be
22 maintained by category and compiled annually for public
23 release.

24 “(c) CLASS C DEDUCTIONS.—Deductions may be
25 made from the earnings of an inmate in a Class C industry

1 in the same manner as deductions may be made from the
2 earnings of an inmate in a Prison Industry Enhancement
3 Certification program of the Department of Justice.”.

4 (b) CLERICAL AMENDMENT.—The table of sections
5 at the beginning of such chapter is amended by adding
6 after the item relating to section 4124F (as added by sec-
7 tion 5) the following new item:

“4124G. Inmate financial responsibilities.”.

8 **SEC. 8. SUPPORT BY OTHER FEDERAL AGENCIES.**

9 (a) IN GENERAL.—From amounts made available to
10 carry out this section, the Attorney General shall facilitate
11 other Federal, State, and other agencies increasing the
12 education, skills, and economic productivity of the Federal
13 inmate population and in assisting inmates in meeting fi-
14 nancial obligations.

15 (b) INMATE AND INDUSTRY RIGHTS.—No Federal in-
16 mate and no Class A, Class B, or Class C industry of Fed-
17 eral Prison Industries may be prohibited from obtaining
18 the services of a Federal agency for which that inmate
19 or industry is otherwise qualified, so long as institutional
20 safety and security are preserved.

21 (c) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated \$50,000 for each of fis-
23 cal years 2005 through 2015 for each of the Departments
24 of Commerce, Education, Justice, Health and Human
25 Services, Labor, and Treasury, to identify and begin to

1 effect linkages between Departmental programs and serv-
2 ices serving Federal, State, and local inmates and correc-
3 tional industries.

4 **SEC. 9. RIGHTS OF INMATE WORKERS.**

5 (a) ESTABLISHMENT OF PROCEDURES.—Not later
6 than 1 year after the date of the enactment of this Act,
7 the Director of the Bureau of Prisons shall establish pro-
8 cedures to ensure that inmate workers have the right to
9 form and join a labor organization of their own choice and
10 to engage in collective bargaining.

11 (b) RIGHTS.—Such procedures shall—

12 (1) ensure employer and prison authority neu-
13 trality with regard to the exercise of collective bar-
14 gaining rights by inmate workers;

15 (2) provide for a right of inmate workers to
16 withhold services in the event of a dispute over
17 terms and conditions of employment;

18 (3) enable inmate workers to initiate collective
19 bargaining upon a showing by petition that a major-
20 ity of workers of a unit appropriate for collective
21 bargaining wish to be represented by an individual
22 or labor organization (except that bargaining unit
23 determinations will be made in accordance with the
24 requirements of section 9(b)(3) of the National
25 Labor Relations Act (29 U.S.C. 159(b)(3)));

1 (4) provide for binding arbitration if the inmate
2 workers and the employer are unable to negotiate an
3 initial collective bargaining agreement in a timely
4 manner; and

5 (5) otherwise afford inmate workers with simi-
6 lar rights to those afforded to employees under the
7 National Labor Relations Act (29 U.S.C. 151 et
8 seq).

9 **SEC. 10. INMATE WORKER COUNCILS.**

10 (a) IN GENERAL.—The Attorney General shall estab-
11 lish inmate worker councils in each Federal correctional
12 institution, including all inmates working in Class A, B,
13 or C industries of Federal Prison Industries. The councils
14 shall be for the purposes of—

15 (1) increasing productivity, quality, and income
16 opportunity, including recruiting new firms;

17 (2) representing common workplace interests of
18 inmate employees, including in negotiation with Fed-
19 eral Prison Industries and firm management; and

20 (3) intersite and public communication rep-
21 resenting inmate workers.

22 (b) COMMUNICATION AND PARTICIPATION.—Councils
23 will be designed to encourage open communication about
24 workplace issues within the bounds of safe and secure con-
25 finement. Each employed inmate shall have the right to

1 participate in inmate councils, and local and national lead-
2 ership of such councils shall be chosen by inmates in a
3 free and democratic manner.

4 (c) NON-WORKPLACE ISSUES EXCLUDED.—Correc-
5 tions issues whose primary impact is other than the work-
6 place shall not be considered in inmate worker councils.

7 (d) APPROVAL OF CLASS C AGREEMENTS.—No
8 agreement for a Class C industry may be approved without
9 review and comment by the facility's inmate worker coun-
10 cil. A council shall have full access to all terms and condi-
11 tions of the proposed agreement affecting their employ-
12 ment, work content, duties, hours, pay, benefits, and other
13 working conditions. Before such an agreement is signed,
14 inmate worker council comments and recommendations
15 must receive serious consideration by facility management
16 and facility management must submit a formal reply to
17 the council on each recommendation. The council, at its
18 discretion, may publish the recommendations and response
19 in their entirety.

20 (e) PROTECTION.—The Attorney General shall en-
21 sure that workplace issues raised by any inmate through
22 worker councils, whose reasonable consequences are legal,
23 are exempt from correctional disciplinary action, work-
24 place retaliation, or loss of any right or privilege.

1 (f) EXPENSES.—Reasonable council expenses shall be
2 funded from that portion of deductions from inmate gross
3 wages for board and room.

4 **SEC. 11. BUSINESS COUNCILS.**

5 (a) IN GENERAL.—The Attorney General shall facili-
6 tate creation of councils of entities operating Class B or
7 C industries in Federal correctional institutions. The
8 councils shall be for the purposes of improving efficiency,
9 competitiveness, employment, and profitability of such en-
10 tities, improving working relationships with Federal insti-
11 tutions and the Federal Bureau of Prisons, as well as for
12 improving safety, security, and public understanding of
13 Federal prison industry programs.

14 (b) ISSUES.—Such councils shall exclusively address
15 issues affecting workplace efficiency and success. Correc-
16 tions issues whose primary impact is other than the work-
17 place or business efficiency shall not be considered in busi-
18 ness councils.

19 **SEC. 12. WORKPLACE DISCIPLINE AND WORKPLACE**
20 **ISSUES.**

21 (a) IN GENERAL.—This Act and the amendments
22 made by this Act apply solely to workplace operations in
23 correctional facilities regarding the production of goods
24 and services for agencies or open markets other than the
25 operation of the specific correctional facility. They do not

1 apply to work in institutional maintenance or to correc-
2 tional matters of any sort beyond the workplace.

3 (b) PROTECTION.—Except where a specific workplace
4 action can be shown to directly threaten or harm correc-
5 tional safety or security, workplace issues involving in-
6 mates in Class A, B, or C industries must be addressed
7 solely in the workplace with no correctional consequence.
8 Correctional disciplinary procedures and transfers shall
9 not be used to address inmate workplace issues, including
10 issues raised in an otherwise legal collective bargaining
11 process.

12 **SEC. 13. CORRECTIONAL INSTITUTION LOCATIONS.**

13 In locating new correctional institutions, the Attorney
14 General will favorably consider locations that increase or
15 maximize Federal inmates' opportunities for successful
16 open-market employment and competitive participation in
17 the United States economy, along with opportunities for
18 education and training.

19 **SEC. 14. RESEARCH AND PILOT PROGRAM SUPPORT.**

20 There are authorized to be appropriated to the Fed-
21 eral Bureau of Prisons, to assist the Federal Bureau of
22 Prisons in transitioning to successful open-market partici-
23 pation for inmates and industries, \$2,000,000 for each of
24 fiscal years 2006 through 2015, to be available for—

- 1 (1) external expertise in designing and effecting
- 2 programs for Class B and C industries;
- 3 (2) research and followup support;
- 4 (3) staffing support to initiate such programs;
- 5 and
- 6 (4) outreach support.

7 **SEC. 15. ANNUAL PUBLIC REPORTS.**

8 (a) ACCOUNTING REPORT.—Not later than June 30
9 of each year, the Attorney General shall publish a report,
10 broken down by Class A, B, and C industries, on Federal
11 Prison Industries. The report shall include—

- 12 (1) numbers of working inmates by industry
- 13 and occupation;
- 14 (2) distributions of hours worked and hourly
- 15 and annual incomes;
- 16 (3) deductions by class of deduction;
- 17 (4) annual value of product;
- 18 (5) injuries and workers compensation claims;
- 19 and
- 20 (6) any other statistics necessary for a public
- 21 accounting of inmate work.

22 (b) PUBLICATIONS BY PRIVATE FIRMS.—With the
23 exception of inmate wage disclosure, the Attorney General
24 shall not require private firms employing inmates to pub-
25 lish information which would both—

1 (1) not otherwise be required; and

2 (2) could reasonably be construed to harm the
3 firm's competitive position.

4 (c) MAJOR EVENTS REPORT.—Concurrently with the
5 report required by subsection (a), the Attorney General
6 shall publish annually a report summarizing major events
7 and progress in each of Class A, B, and C industries of
8 Federal Prison Industries. The report shall—

9 (1) identify all significant events and decisions
10 affecting inmate work opportunity, conditions of
11 work, pay and benefits, and events affecting inmate
12 participation in the workplace; and

13 (2) include an annual national report prepared
14 by inmate worker and business councils including
15 whatever information those councils considers appro-
16 priate.

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