AN ACT

RELATING TO CORRECTIONS; PROVIDING THAT THE CORRECTIONS INDUSTRIES DIVISION MAY SELL SERVICES AND PRODUCTS TO ENTITIES THAT PROVIDE CORRECTIONAL SERVICES TO THE CORRECTIONS DEPARTMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 33-8-12 NMSA 1978 (being Laws 1981, Chapter 127, Section 12, as amended) is amended to read:

"33-8-12. PRODUCTS--SALE--LABELING REQUIREMENT--PENALTY--EXCEPTIONS.--

A. No product or service manufactured or provided in whole or in part by inmate labor shall be sold or furnished except to a qualified purchaser; provided that such products may be resold by the user for purposes of salvage. As used in this subsection, "qualified purchaser" means:

(1) a state agency;

(2) local public bodies;

(3) the state agencies of other states and their local public bodies;

(4) agencies of the federal government;

(5) tribal and pueblo governments;

(6) nonprofit organizations properlyregistered under state law and supported wholly or in part byfunds derived from public taxation;HB 654

HB 654 Page 1 (7) persons, partnerships, corporations or associations that provide public school transportation services to a state agency or local public body pursuant to contract;

(8) any business engaged primarily in the manufacture or resale of the same type of product;

(9) a person, partnership, corporation or association that provides correctional services to the corrections department pursuant to a contract; and

(10) a person, partnership, corporation or association that houses inmates on behalf of the corrections department.

B. Every product manufactured pursuant to the provisions of the Corrections Industries Act shall be distinctively identified as inmate-made by brand, label or mark consistent with the type and character of the product. Every product manufactured pursuant to the provisions of the Corrections Industries Act may be certified pursuant to the federal private sector prison industry enhancement certification program.

C. Any person who violates the provisions of Subsection A of this section is guilty of a misdemeanor and upon conviction shall be sentenced to imprisonment in the county jail for a definite term not to exceed six months or to the payment of a fine of not more than one thousand

HB 654 Page 2 dollars (\$1,000) or to both imprisonment and fine in the discretion of the judge.

D. The provisions of this section shall not apply to products produced pursuant to Section 33-8-13 NMSA 1978.

E. Notwithstanding the provisions of Subsection A of this section, to assure the most effective use of stateowned land, produce from agricultural and animal husbandry enterprises may be sold to commercial sources upon review and recommendation of the commission and pursuant to procedures, including audit, established by the secretary of finance and administration."

Section 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 1999.

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