



Territory of Guam
Territorio de Guam

OFFICE OF THE GOVERNOR
P.O. BOX 10000
AGANA, GUAM 96910

JAN 24 1992

The Honorable Joe T. San Agustin
Speaker, Twenty-First Guam Legislature
155 Hesler Street
Agana, Guam 96910

RECEIVED
LEGISLATIVE SECRETARIAT

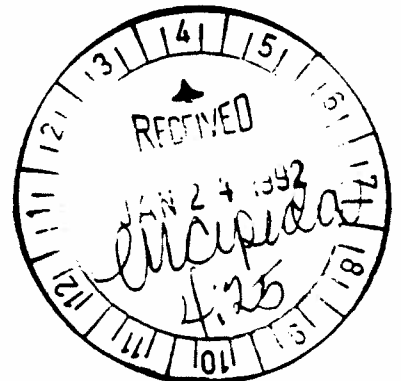
Dear Mr. Speaker:

Transmitted herewith is Bill No. 448, which I have signed into law this date as Public Law No. 21-75.

Sincerely,

JOSEPH F. ADA
Governor
210598

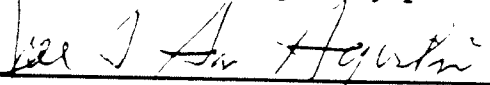
Attachment



TWENTY-FIRST GUAM LEGISLATURE
1992 (SECOND) Regular Session

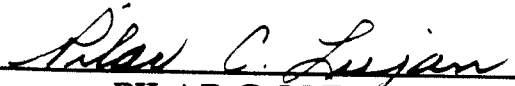
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 448 (COR), "AN ACT TO ADD A NEW CHAPTER 84 TO TITLE 9, GUAM CODE ANNOTATED, REQUIRING THE DEPARTMENT OF CORRECTIONS TO ESTABLISH REHABILITATIVE AND DEVELOPMENTAL PROGRAMS FOR INMATES," was on the 10th day of January, 1992, duly and regularly passed.



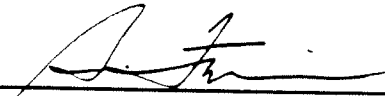
JOE T. SAN AGUSTIN
Speaker

Attested:



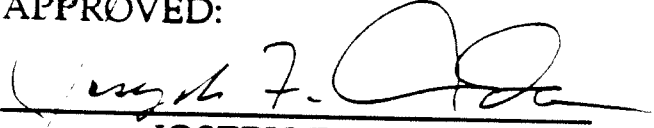
PILAR C. LUJAN
Senator and Legislative Secretary

This Act was received by the Governor this 15th day of January, 1992,
at 5:05 o'clock P.M.



Assistant Staff Officer
Governor's Office

APPROVED:



JOSEPH F. ADA
Governor of Guam

Date: JAN 24 1992

Public Law No. 21-75

TWENTY-FIRST GUAM LEGISLATURE
1991 (FIRST) Regular Session

Bill No. 448 (COR)

As substituted by the Committee on
Judiciary and Criminal Justice and as
further substituted by the Committee
on Rules

Introduced by:

P. C. Lujan
E. P. Arriola
F. R. Santos
J. P. Aguon
J. G. Bamba
A. C. Blaz
M. Z. Bordallo
D. F. Brooks
H. D. Dierking
E. R. Dueñas
E. M. Espaldon
C. T. C. Gutierrez
G. Mailloux
M. D. A. Manibusan
D. Parkinson
M. J. Reidy
M. C. Ruth
J. T. San Agustin
D. L. G. Shimizu
T. V. C. Tanaka
A. R. Unpingco

AN ACT TO ADD A NEW CHAPTER 84 TO TITLE 9, GUAM
CODE ANNOTATED, REQUIRING THE DEPARTMENT OF
CORRECTIONS TO ESTABLISH REHABILITATIVE AND
DEVELOPMENTAL PROGRAMS FOR INMATES.

1

BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

1 follows:

2 (1) Ten percent (10%) to be deposited in the inmate's
3 name for personal use;

4 (2) Forty five percent (45%) to be deposited in the
5 client's name to pay any legal obligations such inmate may
6 have incurred, such as but not limited to spouse and child
7 support.

8 (3) Forty-five percent (45%) to be used, first, to
9 restore to the victim(s) of the inmate's crime(s) any monies
10 that were lost as a result of such crime(s), with the balance,
11 if any, to be transferred to the Criminal Injuries
12 Compensation Fund (the "Fund") for compensation to the
13 victims of crime.

14 (c) Profits, if any, derived from the Program shall be
15 deposited in the Fund.

16 **§84.03. Authorization to charge for work products of the**
17 **Program.**

18 (a) Every effort shall be made by the Director to make the
19 Program self-supporting from the funds generated therefrom.
20 The Director shall submit to the Governor and to the Speaker of
21 the Legislature a full report on the status of the Program within
22 ninety (90) days after the enactment of this Chapter and annually
23 thereafter, when the Department's budget request is submitted to
24 the Governor.

25 (b) The Director is authorized and directed to establish

1 fees and charges for the work products or products generated by
2 the Program and to use such funds generated, after paying the
3 inmates as provided in §84.02, to support the Program by way of
4 supplies, equipment and administrative expenses.

5 (c) When services, produce, or products generated by the
6 Program are used by the Department for its own in-house
7 purposes, the Director is authorized to pay the inmates from
8 appropriations to the Department for their labor in creating such
9 services, produce or products.

10 **§84.04. Victims Compensation Account; payment.** The
11 Director shall establish a general account into which shall be
12 deposited that portion of the inmates' wages designated for
13 deposit in the Fund for payment of victim's compensation.

14 **§84.05. Applicability of Chapter to other programs.** The
15 allocation of wages earned by participants in the Program shall
16 also apply to the income of inmates receiving wages from outside
17 employment as permitted by other programs of the Department,
18 but, implementation of this provision shall be delayed until such
19 time as it would not violate any pre-existing agreements with
20 private parties or with any inmates.

21 **§84.06. Existing programs consolidated.** All existing inmate
22 industry programs of the general type established by this Chapter
23 shall become a part of the Program and administered in
24 accordance herewith.

25 **§84.07. Certain laws not superseded.** This Chapter shall

1 not supersede, nor affect, any programs undertaken pursuant to
2 Chapter 81 of this Title."

3 **Section 2. Federal and other aids.** The Director may on behalf of the
4 Program accept any and all donations, gifts and grants of money, equipment
5 and services from the Federal government or any agency thereof or from any
6 state government or agency and from any person, firm or corporation and
7 use the same subject to the terms, conditions and regulations governing such
8 donation, gifts or grants.

9 **Section 3. Plans submitted to Committee.** The Director shall submit
10 his plans for the Program to the Committee on Judiciary and Criminal Justice
11 of the Legislature for review, and shall promulgate, pursuant to the
12 Administrative Adjudication Law, necessary rules and regulations to carry
13 out the provisions of this Act.

TWENTY-FIRST GUAM LEGISLATURE
1992 (SECOND) Regular Session

Bill No. 448

As substituted by the Committee on
Judiciary and Criminal Justice and as
further substituted by the Committee
on Rules

Introduced by:

P. C. Lujan
E. P. Arriola
F. R. Santos

AN ACT TO ADD A NEW CHAPTER 84 TO TITLE 9, GUAM
CODE ANNOTATED, REQUIRING THE DEPARTMENT OF
CORRECTIONS TO ESTABLISH REHABILITATIVE AND
DEVELOPMENTAL PROGRAMS FOR INMATES.

BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

Section 1. A new Chapter 84 is hereby added to Title 9, Guam Code
Annotated, to read:

"Chapter 84

Rehabilitative and Developmental Program.

§84.01. (a) There is hereby established within the
Department of Corrections (the "Department") a Rehabilitative
and Developmental Program for Inmates (the "Program"). The
purpose of the Program is to provide gainful employment to the
persons who, having been sentenced after convictions of a crime,
are in the custody of the Director of corrections (the "Director").
The Program shall encompass the manufacture of artifacts and
souvenirs, automotive repair work, farm labor, forestry and other

1 programs that the Director sees fit to implement.

2 (b) No sale of items, or provisions of services shall be
3 offered to the public in violation of Guam or Federal law.

4 (c) The Director shall consult the Director of Labor on all
5 established work programs to ensure that such programs have no
6 adverse effects on the local labor pool or private sector services.

7 **§84.02. Inmate compensation and distribution of income**
8 **received.**

9 (a) Inmates shall be paid the the Department at rates
10 determined by the Director by regulation. Such compensation
11 shall not exceed the Guam minimum wage law.

12 (b) The inmate's wages derived from the Program, before
13 being disbursed to the inmate, shall be divided and disbursed as
14 follows:

15 (1) Ten percent (10%) to be deposited in the inmate's
16 name for personal use;

17 (2) Forty five percent (45%) to be deposited in the
18 client's name to pay any legal obligations such inmate may
19 have incurred, such as but not limited to spouse and child
20 support.

21 (3) Forty-five percent (45%) to be used, first, to
22 restore to the victim(s) of the inmate's crime(s) any monies
23 that were lost as a result of such crime(s), with the balance,
24 if any, to be deposited into the Victims Compensation Fund
25 for compensation to the victims of crime.

1 **§84.03. Authorization to charge for work products of the**
2 **Program.**

3 (a) Every effort shall e made by the Director to make the
4 Program self-supporting from the funds generated therefrom.
5 The Director shall submit to the Governor and to the Speaker of
6 the Legislature a full report on the status of the Program within
7 ninety (90) days after the enactment of this Chapter and annually
8 thereafter, when the Department's budget request is submitted to
9 the Governor.

10 (b) The Director is authorized and directed to establish
11 fees and charges for the work products or products generated by
12 the Program and to use such funds generated, after paying the
13 inmates as provided in §84.02, to support the Program by way of
14 supplies, equipment and administrative expenses.

15 (c) When services, produce, or products generated by the
16 Program are used by the Department for its own in-house
17 purposes, the Director is authorized to pay the inmates from
18 appropriations to the Department for their labor in creating such
19 services, produce or products.

20 **§84.04. Victims Compensation Account; payment.** The
21 Director shall establish a general account into which shall be
22 deposited that portion of the inmates' wages designated for
23 payment of victim's compensation.

24 **§84.05. Applicability of Chapter to other programs.** The
25 allocation of wages earned by participants in the Program shall

1 also apply to the income of inmates receiving wages from outside
2 employment as permitted by other programs of the Department,
3 but, implementation of this provision shall be delayed until such
4 time as it would not violate any pre-existing agreements with
5 private parties or with any inmates.

6 **§84.06. Existing programs consolidated.** All existing inmate
7 industry programs of the general type established by the Chapter
8 shall be come a part of the Program and administered in
9 accordance herewith.

10 **§84.07. Certain laws not superseded.** This Chapter shall
11 not supersede, nor affect, any programs undertaken pursuant to
12 Chapter 81 of this Title."

13 **Section 2. Federal and other aids.** The Director may on behalf of the
14 Program accept any and all donations, gifts and grants of money, equipment
15 and services from the Federal government or any agency thereof or from any
16 state government or agency and from any person, firm or corporation and
17 use same subject to the terms, conditions and regulations governing such
18 donation, gifts or grants.

19 **Section 3. Plans submitted to Committee.** The Director shall submit
20 his plans for the Program to the Committee on Judiciary and Criminal Justice
21 for review.



**Senator Pilar Cruz Lujan
Twenty-First Guam Legislature**

Legislative Secretary

**Committee on Judiciary and Criminal Justice
Chairman**

January 6, 1992

The Honorable Joe T. San Agustin
Speaker, Twenty-First Guam Legislature
155 Hesler St.
Agana, Guam 96910

VIA: Chairperson, Committee on Rules

Dear Mr. Speaker:

The Committee on Judiciary and Criminal Justice, to which was referred Bill No. 448 wishes to report its findings and recommendations for passage of Substitute Bill No. 448.

The Committee voting record is as follows:

<u>11</u>	TO PASS
<u>0</u>	NOT TO PASS
<u>1</u>	ABSTAIN
<u>0</u>	TO PLACE IN INACTIVE FILE

A copy of the Committee report and all pertinent documents are attached for your information.

Sincerely,

Handwritten signature of Pilar C. Lujan in cursive script.

PILAR C. LUJAN
Chairman

TWENTY-FIRST GUAM LEGISLATURE,
1991 (FIRST) Regular Session

Substitute Bill No. 448

Introduced by:

P. C. Lujan
E. P. Arriola
F. R. Santos

As Substituted by the Committee on Judiciary and Criminal Justice

AN ACT TO ADD A NEW CHAPTER 84 TO
TITLE 9, GUAM CODE ANNOTATED,
REQUIRING THE DEPARTMENT OF
CORRECTIONS TO ESTABLISH APPRO-
PRIATE REHABILITATIVE AND DEVELOP-
MENTAL PROGRAMS FOR INMATES.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

2 Section 1. A new Chapter 84 is hereby added to Title 9, Guam Code
3 Annotated to read:

4 "CHAPTER 84

5 §84.01. (a) Notwithstanding any other provision of law, rule or
6 regulation, there is hereby established within the Department of
7 Corrections a Rehabilitative and Developmental Program for Inmates (the
8 "PROGRAM"). The purpose of this program shall be to provide gainful
9 employment to the persons who, having been sentenced after convictions of
10 a crime, are in the custody of the Director of Corrections. The Program
11 shall encompass the manufacture of artifacts and souvenirs, automotive
12 repair work, farm labor, forestry and other programs that the Director
13 sees fit to implement.

14 (b) No sale of items, or provisions of services, shall be offered to
15 the public in violations of any other Guam laws, nor in violation of any
16 federal law.

17 (c) The Director of Corrections shall consult the Director of the
18 Department of Labor on all established work programs to ensure that such
19 programs have no adverse effects on the local labor pool or private sector
20 services.

21 §84.02. Inmate Compensation and Distribution of Income Received.

22 (a) Inmates shall be paid by the Department of Corrections at rates
23 determined by the Director by regulation. Such compensation shall not
24 exceed the locally established minimum wage law.

1 (b) The client's wages derived from the program, before being
2 disbursed to the inmate, shall be divided and disbursed as follows:

3 (1) Fifty percent (50%) to be deposited in the client's name for
4 his/her own personal use and to pay any legal obligations he/she may
5 have incurred, such as spouse and child support.

6 (2) Fifty percent (50%) to be deposited into the Victims
7 Compensation Fund for compensation to the victims of crime.

8 **§84.03. Authorization to Charge for Work Product of the Program.**

9 (a) Every effort shall be made by the Director to make the program
10 self-supporting from the funds generated. The Director shall submit to
11 the Governor and the Speaker of the Legislature a full report on the
12 status of the Program within ninety (90) days of the enactment of this
13 Chapter and annually thereafter, as the budget request is submitted to the
14 Governor by the Director.

15 (b) The Director is authorized and directed to establish fees and
16 charges for the work products or products generated by the program and
17 to use such funds generated, after paying the inmates as provided in
18 §84.02, to support the program in the nature of supplies, equipment and
19 administrative expenses and to provide reimbursement to the General Fund
20 for funds appropriated in Section 2 of this act.

21 (c) When services or produce, or products generated by the
22 program are used by the Department of Corrections for its own in-house
23 purposes, the Director is authorized to pay the inmates for their labor in
24 creating such services, produce or products from appropriations of the
25 Department.

26 **§84.04. Victims Compensation Account; Payment.** The Director shall
27 establish a general account into which funds shall be deposited that
28 portion of the inmates' wages designated for payment of victim's
29 compensation.

30 **§84.05. Applicability of Chapter to other programs.** The allocation
31 of wages earned by participants in the program established by this chapter
32 shall apply to the income of inmates receiving wages from outside
33 employment as permitted by other programs of the Department; but,
34 implementation shall be delayed until such time as it would not violate any
35 agreements with private parties or inmates existing upon enactment.

1 **§84.06.** Existing Programs Consolidated. All existing inmate industry
2 programs of the general type established by this Chapter shall become a
3 part of this Chapter and administration in accordance with it.

4 **§84.07.** Certain Laws not superseded. This Chapter shall not
5 supersede, nor affect, any programs undertaken pursuant to chapter 81 of
6 Title 9, GCA."

7 **Section 2.** Three Hundred Thousand Dollars (\$300,000) is authorized to be
8 appropriated from the General Fund to the Department of Corrections for
9 purposes of developing the Program.

10 **Section 3.** Federal and other aids. The Director of Corrections may on
11 behalf of the Program accept any and all donations, gifts and grants of money,
12 equipment and services from the federal, state or local government or agency
13 thereof and from any person, firm or corporation and receive and utilize the
14 same subject to the terms, conditions and regulations governing such donation,
15 gifts and grants.

16 **Section 4.** The Director of Corrections shall submit program plans to the
17 legislative Committee on Judiciary and Criminal Justice for review and approval.

COMMITTEE ON JUDICIARY & CRIMINAL JUSTICE

Report On Bill 448

Bill 448—An act to add a new Chapter 84 to Title 9, Guam Code Annotated, to assist the Department of Corrections in fulfilling its mission as a correctional facility tasked with rehabilitating inmates.

Preface

The Committee on Judiciary and Criminal Justice convened for a public hearing on **September 20, 1991 at 9:50 a.m. in the Legislative Public Hearing Room** to receive testimony on **Bill 448**.

Present alongside Committee Chairwoman Pilar C. Lujan was Vice-Chairman Francisco R. Santos and members Thomas V. C. Tanaka and Anthony C. Blaz.

Bill 448 was introduced by Committee Chairwoman Pilar C. Lujan and Vice-Chairman Francisco R. Santos.

Overview

As the tail end of the island's criminal justice system, the Department of Corrections houses all inmates and convicts remanded to serve imposed sentences.

In recent years, the Department of Corrections (DOC) has not had any real rehabilitative programs within the confines of the walls for its clients. Moreover, many of these DOC clients are now precluded from participating in work or educational release programs because of a Public Law 19-6 which prohibits certain types of inmates from being eligible.

Bill 448 aims at providing inmates with occupational and educational skills for effective rehabilitation and ultimate societal reintegration.

Bill 448 was drafted by DOC officials and forwarded to the Committee for introduction.

Testimony

DOC Public Information Officer Max Slavitt testified in support of the measure and noted that most inmates "desire to be industrious." Mr. Slavitt noted that inmates currently participate in the Prisoners Public Works Program (where one day of sentence is scratched off for every 40 hours of work) or the Vocational Rehabilitation Services program (where skilled blue collar inmates, depending on their convictions, are able to utilize their skills of carpentry, plumbing, etc. in the community).

Mr. Slavitt further noted that the inmates have an extremely small engine repair shop and farm which are limited because of the lack of support.

Mr. Slavitt added that the establishment of a prison industry program at DOC would enable the inmates to be "more positive contributors to the community" upon release.

DOC Acting Director Angel Sablan also testified in support of the measure and noted that many skilled inmates want to show they are repentive but "all they could do is sit in their cell after they eat their breakfast, lunch, and dinner because there is nothing I can do for them."

Acting Director Sablan submitted written testimony (ATTACHMENT I) pointing out that our Department of Corrections "is lacking in programming that is commonplace in many stateside institutions and facilities."

Acting Director Sablan further noted that the \$50,000 appropriation for start-up is insufficient and should be increased to \$300,000. Additionally, he suggested that an assessment be made to determine the type of industry to be established and that personnel and facilities be provided. It was also suggested that Public Law 19-6 be either repealed or amended because it affects the majority of inmates from participating in programs.

Mr. Howard Schaefer, an instructor at the Guam Community College, testified in support of the measure (ATTACHMENT II) and recommended that a non-profit corporation be formed to work with DOC to establish prison industry programs. Specifically, he suggested that a one-day auto body paint shop be set up and inmates be laborers receiving minimum wage.

Civil Service Commission Executive Director Felix Camacho also submitted written testimony (ATTACHMENT III) in favor of the measure.

Director Camacho recommended that inmates "be paid no higher than the minimum wage to avoid any perception that the Prison Industry Program pays comparable to private sector employment."

Additionally, he suggested that inmate workers be paid and participate in the program on a voluntary basis, local unions and labor organizations be consulted about the impact of inmate workers on their members, and that such inmate employment does not result in displacement of private sector employees or affect their services.

Committee Findings

Although the Acting Director of Corrections suggested that Public Law 19-6 be repealed or amended in order for effective rehabilitation, the Committee finds that the establishment of programs or industries within the confines of DOC would satisfy the public concerns with inmates outside the walls while providing rehabilitative programs to the inmates.

Committee member Thomas Tanaka expressed support for the auto paint body shop and noted the possibility of servicing government vehicles.

Acting Director Sablan pointed out that DOC has looked at the possibility of doing laundry services for the hospital and Government House.

Committee Chairwoman Pilar C. Lujan queried if there was support for setting aside a portion of the inmate's earnings for victims compensation and Acting Director registered support.

The Committee also found that restitution ordered to be paid by inmates is difficult since they are prohibited from participating in programs outside the confines of the facility.

Committee Recommendations

Noting that the old axiom that "idle hands are the devil's work," the Committee recommends that Bill 448 be passed with modifications to ensure viability and fairness.

The Committee recommends that Section 84.01 be amended to include the following:

(c) The Director of Corrections shall consult the Director of the Department of Labor on all established work programs to ensure that such programs have no adverse effects on the local labor pool or private sector services.

The Committee recommends that Section 84.02(a) be modified to limit the wage limit ceiling as follows:

(a) Inmates shall be paid by the Department of Corrections at rates determined by the Director by regulation. Such compensation shall not exceed the locally established minimum wage law.

The Committee further recommends that the amount to be allocated be increased to \$300,000.00 with the condition that reimbursement is made to the General Fund.

ATTACHMENT I

TESTIMONY ON BILLS 25 AND 448 TO ESTABLISH A PRISON INDUSTRY AT DOC

MADAME CHAIRWOMAN AND COMMITTEE MEMBERS...

THE DEPARTMENT OF CORRECTIONS FOR THE TERRITORY OF GUAM IS LACKING IN PROGRAMMING THAT IS COMMONPLACE IN MANY STATESIDE INSTITUTIONS AND FACILITIES.

IN NEW YORK STATE ALONE, THE DOC DIVISION OF INDUSTRIES - "CORCRAFT" - UTILIZES 3,000 INMATES TO PRODUCE AN ANNUAL PROFIT OF \$8.3 MILLION THAT GOES TO PAY 245 EMPLOYEES.

CORCRAFT PRODUCES FURNITURE THAT IS MARKETED BY COMMERCIAL FURNITURE COMPANIES AROUND THE U.S.

THESE COMPANIES IN TURN ASSIST CORCRAFT WITH PRODUCT DESIGNS AND TECHNICAL EXPERTISE TO KEEP THE PROGRAM COMPETITIVE AND PROFITABLE.

CORCRAFT EVEN HIRED IBM CORPORATION TO SEND A TEAM TO STUDY PRODUCTION, INVENTORIES, MANAGEMENT AND DISTRIBUTION.

INMATES ALSO LEARN MEANINGFUL SKILLS THAT CAN LATER BE USED UPON RELEASE.

THE FEDERAL PRISON SYSTEM HAS A SIMILAR OPERATION CALLED "UNICOR" THAT OFFERS INDUSTRIAL JOBS AND TRAINING WITHIN THE PRISON COMPOUND TO QUALIFYING INMATES.

BILLS 25 AND 448 ARE LONG-NEEDED PIECES OF LEGISLATION ON GUAM. BUT THEY ARE INCOMPLETE IN SCOPE AND LOGISTICS.

THE GREATEST ADDITION NEEDED BEFORE PASSAGE INTO LAW IS THE INITIAL FUNDING FOR SUCH AN OPERATION. SMALL BUSINESS ADMINISTRATION PERSONNEL RECOMMEND THAT A NEW BUSINESS HAVE ENOUGH FUNDS FOR ALL INITIAL OVERHEAD INVESTMENTS, PLUS WORKING CAPITAL FOR THE FIRST FOUR MONTHS.

DOC REQUESTED A REASONABLE BASE FUNDING OF \$300,000; BUT THE BILLS ONLY ALLOW ONE-SIXTH OF THAT AMOUNT.

BOTH BILLS ASSUME THAT DOC HAS ADEQUATE EXISTING MANPOWER TO STAFF, MANAGE, ADMINISTER, AUDIT AND HOUSE SUCH INDUSTRY.

DOC IS ALREADY LACKING IN MANPOWER FOR EXISTING PROGRAMS. IN ORDER FOR A PRISON INDUSTRY PROGRAM TO SUCCEED WE NEED:

- * AN ADMINISTRATOR / MANAGER
- * A BUILDING TO LOCATE THE INDUSTRY IN
- * STAFF TO MAN THE INDUSTRY, TRAIN LABORERS AND OVERSEE INMATES

THE BILLS LEAVE WIDE PARAMETERS ON WHICH INMATES MAY PARTICIPATE IN THE INDUSTRY PROGRAM. WHO SHOULD BE ELIGIBLE?

WHAT INDUSTRY ARE WE TO SELECT? NO ADEQUATE STUDIES HAVE BEEN DONE TO DETERMINE THIS. WE NEED TO ASSESS WHAT KIND OF INDUSTRY WOULD BEST SERVE GUAM'S MARKET AND OFFER TRAINING TO DOC CLIENTS.

PROPOSED INDUSTRIES HAVE INCLUDED: LAUNDRIES; AUTO REPAIR; LANDSCAPING; PLANT NURSERIES; FARMS; FISHING NET REPAIRS; HANDICRAFT PRODUCTION. YET THERE HAS BEEN NO INDUSTRY IDENTIFIED FOR INMATES.

TO SUM UP:

- * DOC IS IN FAVOR OF A PRISON INDUSTRY PROGRAM.
- * PROPOSED FUNDING IS INADEQUATE
- * WE NEED TO ASSESS & SPECIFY THE KIND OF PRISON INDUSTRY TO INITIATE.
- * WE MUST HIRE INDUSTRY STAFF TO OVERSEE, MANAGE & HANDLE FINANCES.
- * WE NEED TO BUILD FACILITIES FOR THE INDUSTRY.
- * THERE IS NO ROOM INSIDE THE DOC PERIMETER FOR INDUSTRY.
WE NEED TO CONSTRUCT A NEW AREA WITH ITS OWN SECURITY SYSTEM.

THANK YOU FOR YOUR ATTENTION AND ASSISTANCE. WE ARE READY TO ANSWER ANY QUESTIONS ABOUT A PRISON INDUSTRY AT DOC.



ANGEL A.R. SABLAN

ATTACHMENT I

A Concept of Prison Industry by: Howard Schaefer

Prison Industry Programs Inc. would be a non-profit corporation that would work with the Dept. of Corrections to enhance the rehabilitation of clients through vocational education that is learned on the job in a prison shop.

The primary shop would be a production-style auto body paint shop ran on the same order as a "One Day Paint" or a "Miracle Paint" franchise on the mainland. The shop would be set up on a production line. Vehicles would enter the line and move from station to station where client technicians would perform their tasks on the vehicles. Station #1 would be for welding and rust patching. Station #2 would be for small dent repair and metal straightening. Station #3 would be for body filling. Station #4 would be for sanding and masking. Station #5 would be for paint spraying. Station #6 would be for preparation for delivery. This production-style body and paint shop would cater to cash customers and government agency vehicles. It would not compete with private industry by doing insurance work.

The clients employed by the shop would be share holders in the corporation. Therefore, they would have a stake in the company. Each client would draw a minimum wage salary and as a stock holder, he would participate in a profit-sharing program. As a profit-sharing worker, he would have an incentive toward production and cost saving.

Other stockholders could be family members of clients, other clients, DOC employees and private individuals, etc.

The clients directly employed by and participating in the program would have a personal improvement plan. The purpose of the personal improvement plan would be to enable the client to gain a college degree or become NIASE certified. Any excess monies gained by the corporation would be used to set up scholarships to GCC or UOG for the inmates not in the program, who wish to have careers in other fields, such as computers or construction. It would be the company's desire to have a symbiotic relationship with the postsecondary institution on Guam.

The program's goals would be to:

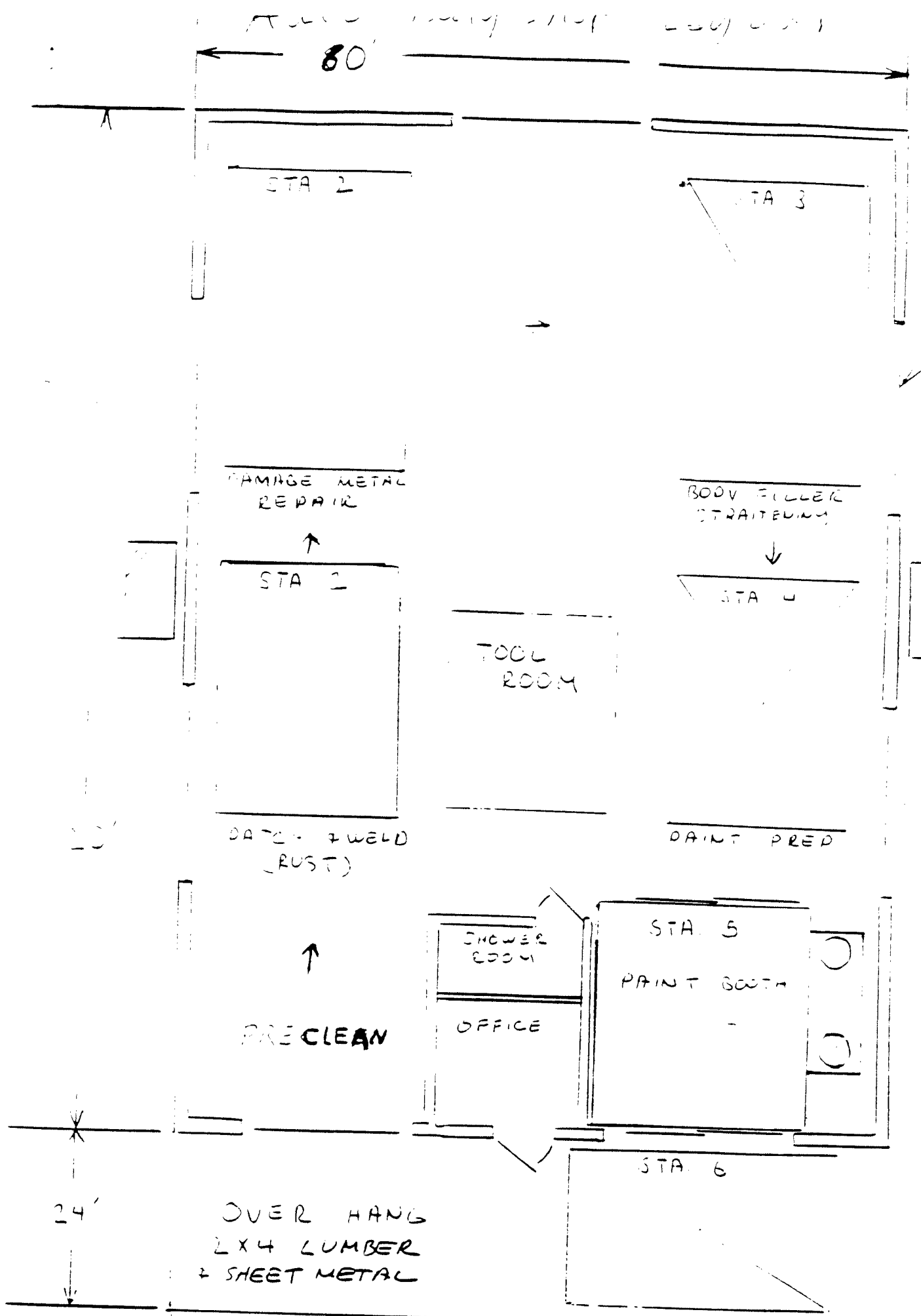
- 1. To instill in the client a good work ethic.*
- 2. To let the client earn while he learns.*
- 3. To have a plan to improve the client's academic achievement by earning a high school diploma, national certificate, or college degree.*
- 4. To introduce the client to entrepreneurship.*
- 5. To make donations to DOC for improvements that are not covered in the budget.*

The facility would be owned by GovGuam and be on DOC property. The corporation would provide the materials and equipment thereby controlling the assets and assuming responsibility for the liabilities. DOC, of course, would provide the inmate manpower for employment.

Prison Industry would have a positive effect on DOC. It would benefit the clients, the Department, the Government and the community. The customers would get a decent paint job on an older car for a reasonable price. GovGuam could get longer use out of its vehicles. DOC would get credit for that fact while raising the morale within the institution and the inmates would have the opportunity to improve their situations and return to the community as a valuable asset to society.

ATLANTA ...

80'



STA 2

STA 3

DAMAGE METAL REPAIR

BODY FILLER STRAIGHTENING

STA 2

STA 4

TOOL ROOM

DATCH & WELD (RUST)

PAINT PREP

SHOWER ROOM

STA 5

PAINT BOOTH

OFFICE

PRE CLEAN

STA 6

OVER HANG 2x4 LUMBER & SHEET METAL

PREPARE FOR DELIVERY

20'

24'

VEHICLE FLOW SYSTEM

1. *Estimating and service writing would take place on concrete pad in front of office.*
2. *Vehicles would enter staging area for cleaning and stripping of accessories, license plates, mud flaps, moldings, etc.*
3. *Vehicles would move to station one and split into double file and move from station to station in that order.*
4. *There would be a drop out area on the other side of the central tool room for vehicles with more damage or more welding needed than average - letting fast jobs move forward quicker. They would reenter when ready.*
5. *Wire welding would be used in welding area replacing old fashion oxy-acetylene outfits. Benders and cutters would be available also. Power tools would be used whenever possible to speed production.*
6. *Air tools would be used in small-dent repair section and body filling station for the purpose of speed and safety.*
7. *In the paint prep station, dual action orbital sander using 3M sticky back system would be used. The vehicles would still be in double file and would enter the drive thru paint booth alternating from the head of each line.*
3. *Paint would be applied by two technicians in the paint booth with low pressure Binks guns. The acrylic enamel finish with gloss hardener would then be baked for 45 minutes.*
9. *After leaving the paint booth, the accessories that were stored inside the vehicle would be reassembled and detailed for delivery by technician on the front concrete pad.*
10. *There would be a place between the office and central tool room for collision repair.*
11. *Above the office and bathroom, there would be a classroom also used for lunch room and meeting room.*
12. *Water fountains and floor fans would be at all stations.*

13. *Roll up door would be initially used for ventilation - the main purpose would be for expansion into canopy covered areas either for more body work area or more likely for related work areas for activities such as small engine repair, auto mechanics, auto air-conditioning, lubrication and periodical maintenance service, etc.*
14. *The production auto paint shop would be the heart of the prison industry programs. Earned capital from this endeavor would be used to finance other shops in other career fields. Every effort should be made to ensure its success.*

PERSONNEL NEEDS

Non client employees

CEO/Shop Manager 1

Client employees

Estimator/Service Writer/Asst. Mgr. 1

Office Worker 1

Runner/Expeditor 1

Pre-Cleaner/Detailer 2

Welder/Small Dent 3

Body Fillers 3

Paint Prepper 4

Painters 2

Average 18

Min. 15

Max. 20

Note: More employees would be needed if activities were extended to include the following:.

1. Auto mechanic repair
2. Small engine repair
3. Heavy equipment repair
4. Powder coating
5. Auto service and maintenance
6. Welding shop
7. Auto air cond. repair
8. Buying, repairing and selling totalled vehicles
9. Sell extra parts from totalled vehicles used for repairs
10. Mobile graffiti erasing crew. Operating on donation out of a service truck with water blaster and paint supplies.

3 YEAR PRODUCTION GOALS

1. *When this style production shop is in full operation, it should average finishing five vehicles a day, 25/week, 100/month, 1200/year.*
2. *Average fee for paint job would be \$600.00 - \$200/materials, \$200/labor & overload, \$200/profit.*
3. *At this rate gross would be \$780,000.00, \$240,000/materials, \$240,000/labor & overhead, \$240,000/net profit.*
4. *First year goal with training would be to gross \$250,000.*
5. *Second year to gross \$500,000.*
6. *Third year to gross \$750,000 by averaging 5 jobs a day.*
7. *Yearly goal from then on out would be to gross 1 million, even if we fall short of our goals, the program will still be a tremendous success as the margin of profit would remain the same at 1/3 the gross. This is typical for this kind of operation.*

START-UP COSTS

1.	6000 sq. ft. Butler Bldg at \$17.50/sq. ft.	=	\$105,000.00
2.	6000 sq. ft. concrete floor, 6" thick at \$5.00/cy	=	55,552.50
3.	State of the art paint booth and oven installed	=	100,000.00
4.	Interior spaces, office, toolroom, shower room, classroom	=	60,000.00
5.	Electrical, plumbing, etc.	=	30,000.00
6.	Miscellaneous expenses	=	<u>25,447.50</u>
	TOTAL		\$375,000.00

\$375,000 = GovGuam's share for building and assets to remain Government property.

Prison Industry Programs, Inc. would have to come up with \$125,000 for tools, equipment and supplies, operating capital.

\$125,000 = Prison Industry Programs, Inc.'s share which would cover tools, equipment, supplies, and operating capital.



Inmate Richard Ferruggia gets pointers on sanding from Mt. McGregor vocational instructor Peter Jorgensen.

Vocational Education Matches Talents, Job Skills

Whether they hope to make their living by combining new technology and historical materials (to erect an English bond brick wall), or perhaps use sophisticated computers (to graphically illustrate mechanical parts that may one day help send men to Mars), inmates in New York State prisons have the opportunity to learn a host of vocational skills.

The Department of Correctional Services offers more than 40 trade areas that can help train individuals for a variety of jobs, ranging from masonry to computer-assisted drafting, from carpentry to computer programming.

Although all programs are not offered at each facility, many facilities offer a wide range of programs designed to meet the needs of individuals who seek skills that will enable them to find and keep employment in the trade they find enjoyable.

New York State has always recognized the need for inmates to learn skills that will help them gain access to the job market. With grant money from the Federal government in the late 1970's, the department was able to upgrade the equipment used to teach the most modern techniques in its vocational education shops.

This tradition continues, allowing inmates to learn the skills that will ensure that they are competitive in the current jobs markets.

Learning and knowing job skills, however, is only part of the picture. Keeping track of the skills learned in vocational education shops along with other experiences in the facilities, and making that information available to prospective employers, allows inmates better access to the job market upon release.

As inmates demonstrate the ability to perform specific skills, the instructor records their progress on an *Employability Profile*.

Information from this profile is then entered into the department's computer, providing a central record of all an inmate's accomplishments from various facilities.

As an inmate becomes proficient in a chosen trade, the instructor may record competency in a job title. This job title, recorded on the computer, is an indication of the jobs for which an inmate is qualified.

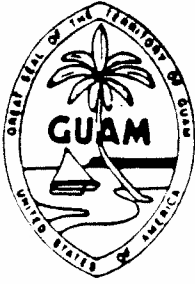
The job title is directly from the *Dictionary of Occupational Titles* (DOT) published by the Federal government, and is numbered to match the *Job Search* information administered by the Department of Labor.

This information from vocational training is combined with a history of inmate facility job assignments, academic achievements, and Industry work experiences to generate a profile of an inmate's skills and abilities.

As an individual prepares for release, a profile is printed and sent on to the institutional parole officer. Once parole is granted, the profile is forwarded to the field parole office, where employment counselors use the information to assist in finding an appropriate job placement.

That's what vocational education is all about — helping inmates develop individual talents into job skills that will enable inmates to find satisfying employment.

ATTACHMENT II



GOVERNMENT OF GUAM

CIVIL SERVICE COMMISSION
KUMISION I SETBISION SIBIT

Century Plaza, 2nd Floor, Upper Tamuning
P.O. Box 3156, Agana, Guam 96910

Tel: (671) 649-4272, 649-7955/57 • Fax: (671) 649-1272



SEP 20 1991

CSC NO. 91-0443

Senator Pilar C. Lujan
Chairperson, Committee on Judiciary
and Criminal Justice
Twenty-First Guam Legislature
155 Hesler St.
Agana, Guam 96910

RE: Comments on Bill No. 448. "AN ACT TO ADD A NEW CHAPTER 84, TO TITLE 9, GUAM CODE ANNOTATED, TO ESTABLISH AN INDUSTRY PROGRAM WITHIN THE DEPARTMENT OF CORRECTIONS, TO APPROPRIATE FUNDS THERETO, AND TO CITE THE ACT AS THE PRISON INDUSTRY PROGRAM ACT OF 1991."

Dear Senator Lujan:

The Civil Service Commission concurs with the purpose of Bill No. 448 to establish gainful employment to persons in the custody of the Department of Corrections, but would include the purpose of rehabilitation of prison inmates by helping them to develop vocational skills. The Commission further recommends that inmates be paid no higher than the minimum wage to avoid any perception that the Prison Industry Program pays comparable to private sector employment.

The Commission also recommends that certain provisions included in Bill No. 25, "An Act to Add Article 4 to Chapter 9 of Title 9 of the Guam Code Annotated to Establish a Prison Industry Program at the Department of Corrections" be incorporated into Bill No. 448. The recommended provisions are contained in §90.91, Program Requirements, of Bill No. 25, and are as follows:

"a. The inmate worker is a paid participant in an approved work training or work release program on a voluntary basis;

b. Representatives of local unions or similar labor organizations have been consulted about the impact of inmate workers on their members;



Commonwealth Now!

c. Employment of such inmate workers will not result in the displacement of privately employed workers, or be applied in skills, crafts or trades in which there is a surplus of available gainful labor in the locality or impair existing contracts for services;"

The Civil Service Commission also recommends that proceeds from prison industries go to a victims compensation fund. The Commission is particularly pleased with the Bill's provisions providing compensation to victims of crime out of the prison inmates' earnings.

The Civil Service Commission appreciates being given the opportunity to provide this testimony.

Sincerely,


FELIX F. CAMACHO
Executive Director





Senator **HERMINIA D. DIERKING**

21st GUAM LEGISLATURE

Committees:

CHAIRPERSON:

Rules

**General
Governmental
Operations**

June 24, 1991

MEMORANDUM

VICE CHAIRPERSON:

Ways & Means

**Energy
Utilities and
Consumer
Protection**

TO: Chairperson, Committee on Judiciary and Criminal Justice

FROM: Chairperson, Committee on Rules

SUBJECT: Referral - Bill No. 448

MEMBER:

**Economic and
Agricultural
Development
Education**

The above Bill is referred to your Committee. Please note that the referral is subject to ratification by the Committee on Rules at its next meeting. It is recommended you schedule a public hearing at your earliest convenience.

**Health,
Ecology and
Welfare**

Based on Subsection 6.04.06.02, Rule VI, of the Standing Rules, upon completion of your Committee findings, if favorable action is recommended, please refer this Bill to the Committee on Ways and Means for their review of the appropriation requested.

**Housing
Community
Development,
Federal and
Foreign Affairs**

HERMINIA D. DIERKING

**Judiciary
and**

Criminal Justice

Enclosure

**Tourism and
Transportation**

cc: Committee on Ways & Means
(For Information Only)

**Youth, Senior
Citizens, and
Cultural Affairs**

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By	<u>JD</u>
Time	<u>10:25 A.M.</u>
Date	<u>6/25/91 000859</u>

TWENTY-FIRST GUAM LEGISLATURE
1991 (FIRST) REGULAR SESSION

Bill No.

Introduced by:

P. C. Lujan *PL*
F. R. Santos *FS*

2/27
2/27
2/27

AN ACT TO ADD A NEW CHAPTER 84, TO TITLE 9, GUAM CODE ANNOTATED, TO ESTABLISH AN INDUSTRY PROGRAM WITHIN THE DEPARTMENT OF CORRECTIONS, TO APPROPRIATE FUNDS THERETO, AND TO CITE THE ACT AS THE PRISON INDUSTRY PROGRAM ACT OF 1991.

BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

Section 1. A new Chapter 84 is hereby added to Title 9, Guam Code Annotated to read:

"CHAPTER 84

PRISON INDUSTRY PROGRAM

§84.01. Prison Industry Program Established.

(a) Notwithstanding any other provision of Law, rule regulation, there is hereby established within the Department Corrections a Prison Industry Program (the "PROGRAM"). The purpose of this program shall be to provide gainful employment to the persons who, having been sentenced after convictions of a crime, are in the custody of the Director of Corrections. The Program shall encompass the manufacture of artifacts and souvenirs, automotive repair work, farm labor, forestry and other programs that the Director sees fit to implement.

(b) No sale of items, or provisions of services, shall be offered to the public in violation of any other Guam laws, nor shall there be a violation of any Federal law.

§84.02. Inmate Compensation and Distribution of Income Received

(a) Inmates shall be paid by the Department of Corrections at rates determined by the Director by regulation.

(b) The inmate's wages derived from the program, before being disbursed to the inmate, shall be divided and disbursed as follows:

(1) Fifty percent (50%) to be deposited in the inmate's

name for his/her own personal use and to pay any obligations he/she may have incurred, such as spouse and child support.

(2) Fifty percent (50%) to be deposited into the Victims Compensation Fund for compensation to the victims of crime. **§84.03.** Authorization to Charge for work Product of the

(a) Every effort shall be made by the Director to make the program self-supporting from the funds generated. The Director shall submit to the Governor and the Speaker of the Legislature a report on the status of the Program within ninety (90) days of enactment of this Chapter and annually thereafter, at the budget request is submitted to the Governor by the Director.

(b) The Director is authorized and directed to establish fees and charges for the work products or products generated by the program and to use such funds generated, after paying the inmates provided in **§84.02**, to support the program in the nature of supplying equipment and administrative expenses.

(c) When services or produce, or products generated by the program are used by the Department of Corrections for its own in-house purposes, the Director is authorized to pay the inmates for the labor in creating such services, produce or products from appropriations of the Department.

§84.04. Victims Compensation Account; Payment.

(a) The Director shall establish a general account in which funds shall be deposited that portion of the inmates' wages designated for payment of victim's compensation.

§84.05. Applicability of Chapter other programs. The allocation of wages earned by participants in the program established by this chapter shall apply to the income of inmates receiving wages from outside employment as permitted by other programs of the Department; but, implementation shall be delayed until such time as it would not violate any agreements with private parties or inmates existing upon enactment.

§84.06. Existing Programs Consolidated. All existing inmate industry programs of the general type established by this Chapter shall become a part of this Chapter and administration in accordance

with it.

§84.07 Certain Laws not superseded. This Chapter shall supersede, nor affect, and programs undertaken pursuant to chapters of this Title."

Section 2. Fifty Thousands Dollars (\$50,000) are hereby appropriated from the General Fund to the Department of Corrections for purposes of developing a prison industries.

Section 3. Federal and other aids. The Prison Industry Program may accept any and all donations, gifts and grants of money, equipment and services from the Federal, State or Local government or Agencies thereof and from any person, firm or corporation and receive and utilize the same subject to the terms, Conditions and Regulations governing such donation, gifts and grants.

Section 4. This Act may be cited as the Prison Industry Program Act of 1991.

Section 5. The Director of Corrections shall submit program plans to the legislative Committee of Judiciary and Criminal Justice for review and approval.



Twenty-first Guam Legislature

155 Hesler St.
Agaña, Guam 96910

Tel. (671) 472-3461

Fax: (671) 477-1715

COMMITTEE ON JUDICIARY AND CRIMINAL JUSTICE

VOTE SHEET ON: SUBSTITUTE
BILL NO. 448

COMMITTEE MEMBER	TO PASS	NOT TO PASS	ABSTAIN	TO PLACE IN INACTIVE FILE
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<u>Pilar C. Lujan</u> Senator Pilar C. Lujan Chairman	✓	—	—	—
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<u>F.R. Santos</u> Senator Francisco R. Santos Vice Chairman	✓	—	—	—
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<u>Elizabeth P. Arriola</u> Senator Elizabeth P. Arriola	—	—	✓	—
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<u>J. George Bamba</u> Senator J. George Bamba	✓	—	—	—
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<u>Anthony C. Blaz</u> Senator Anthony C. Blaz	—	—	—	—
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<u>Merminia D. Dierking</u> Senator Merminia D. Dierking	✓	—	—	—
---	---	---	---	---

<u>Gordon Mailloux</u> Senator Gordon Mailloux	✓	—	—	—
---	---	---	---	---

<u>Don Parkinson</u> Senator Don Parkinson	✓	—	—	—
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<u>Martha C. Ruth</u> Senator Martha C. Ruth	✓ 1/3/92	—	—	—
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<u>Joe T. San Agustin</u> Speaker Joe T. San Agustin	✓	—	—	—
---	---	---	---	---

<u>Thomas V.C. Tanaka</u> Senator Thomas V.C. Tanaka	✓	—	—	—
---	---	---	---	---

<u>Antonio R. Unpingco</u> Senator Antonio R. Unpingco	✓	—	—	—
---	---	---	---	---

Introduced

AUG 27 '91

TWENTY-FIRST GUAM LEGISLATURE
1991(FIRST) REGULAR SESSION

Bill No. 448 (COR)

Introduced by:

P. C. Lujan *PL*
F. R. Santos *RS*

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GUAM CODE ANNOTATED, TO ESTABLISH AN INDUSTRY
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(a) Every effort shall be made by the Director to make program self-supporting from the funds generated. The Director shall submit to the Governor and the Speaker of the Legislature a full report on the status of the Program within ninety (90) days on enactment of this Chapter and annually thereafter, at the budget request is submitted to the Governor by the Director.

(b) The Director is authorized and directed to establish fees and charges for the work products or products generated by the program and to use such funds generated, after paying the inmates as provided in **§84.02**, to support the program in the nature of supplies, equipment and administrative expenses.

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§84.06. Existing Programs Consolidated. All existing inmate industry programs of the general type established by this Chapter shall become a part of this Chapter and administration in accordance

with it.

§84.07 Certain Laws not superseded. This Chapter shall not supersede, nor affect, and programs undertaken pursuant to chapter 81 of this Title."

Section 2. Fifty Thousands Dollars (\$50,000) are hereby appropriated from the General Fund to the Department of Corrections for purposes of developing a prison industries.

Section 3. Federal and other aids. The Prison Industry Program may accept any and all donations, gifts and grants of money, equipment and services from the Federal, State or Local government or Agency thereof and from any person, firm or corporation and receive and utilize the same subject to the terms, Conditions and Regulations governing such donation, gifts and grants.

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