

Approved

Date

5/2/86

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS

The meeting was called to order by Senator Edward F. Reilly, Jr. at  
Chairperson

11:00 a.m./~~p.m.~~ on March 31, 1986 in room 254-E of the Capitol.

All members were present ~~except~~

Committee staff present:

J. Russell Mills, Jr., Legislative Research  
Emalene Correll, Legislative Research  
June Windscheffel, Secretary to the Committee

Conferees appearing before the committee:

Representative Harold Guldner  
Mr. John Blythe, Kansas Farm Bureau  
Mr. Andy Olson, Farmer and Rancher, Council Grove, Kansas  
Mr. Mike Beam, Kansas Livestock Association  
Mr. Chip Wheelen, Kansas Legislative Policy Group  
Representative Henry Helgerson  
Mr. Larry Cowger, Special Assistant to the Secretary of Corrections  
Mr. Paul Schwartz, Industries Coordinator for the Department of Corrections  
Mr. Lenny Ewell, Director of Correctional Industries, Department of Corrections  
Mr. George Arneson, Chairman, Correctional Industries Advisory Committee  
Mr. Ron Emmons, President, Wichita Brush & Chemical Co., Wichita, Kansas  
Mr. Frank S. Ridge, International Sanitary Supply Association, Chicago, Illinois  
Mr. Bud Grant, Kansas Chamber of Commerce and Industry

HB2316 - relating to land surveys; concerning the payment of the cost incurred in establishing corners and boundaries of property.

The Chairman introduced Representative Harold Guldner, author of the bill. Representative Guldner said he requested the proposed legislation to bring uniformity the way survey is paid in the state. He suggested just to make it simple so that anyone who requests a legal survey pays for it.

Mr. John Blythe, of the Kansas Farm Bureau, introduced a farmer and rancher from Morris County, and a member of the Kansas Farm Bureau, Mr. Andy Olson of Council Grove. Mr. Olson explained an experience he had encountered in which a neighbor asked for a legal survey. Mr. Olson has paid his share for the survey, which he did not request; the man who requested the survey has not paid for it yet. Mr. Olson said there is no reason that one party should pay to survey if it does not benefit him.

Mr. Mike Beam of the Kansas Livestock Association was the next conferee. He said they have a number of landowners with whom this problem could arise. The KLA took a look at the bill in February and agreed it would help to avoid future problems between the landowners.

Mr. Chip Wheelen, of the Kansas Legislative Policy Group, was the next conferee. A copy of his statement is Attachment #1. He appeared as a representative of the Group, which is an organization of county commissioners from primarily rural areas of the State. He appeared for them in support of HB2316.

The Chairman thanked all the conferees and said that concludes hearings on the bill.

HB2655 - expansion and enforcement of use of prison-made goods.

Representative Henry Helgerson said that he found himself both for and against the bill. He said some questions had come up on the House Floor. He stated that most individuals are in favor of providing jobs for prisoners, but this bill sets a little different policy, in which the state is starting to complete more with private enterprise.

14  
98

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS,  
room 254-E, Statehouse, at 11:00 a.m. ~~XXXX~~ on March 31, 1986

Representative Helgerson said on one hand this will provide the prison jobs a subsidy and a needed source of revenue and vocational training, and on the other hand it will provide the other entities to take the services at a lower price, but turning away the local services who have tried to give service through the years. He said this is a little more of a step than he is comfortable to take.

Mr. Larry Cower, Special Assistant to the Secretary of Corrections, was the next speaker. He presented the statement from Secretary Dick Mills, who was unable to attend. Attachment #2. The statement points out that the 1985 Interim Special Committee on Federal and State Affairs considered options for reducing inmate idleness at correctional institutions in Kansas, and House Bill 2655 constitutes the recommendations of the Committee, and also includes needed amendments to the Kansas Prison-Made Goods Act.

Mr. Paul Schwartz, Industries Coordinator for the Department of Corrections, said they do not make the same lines of products as those made by the visually and physically handicapped. He does not think there is any conflict of the product, and their idea is not to be in conflict.

Mr. Lenny Ewell, Director of Correctional Industries, stated that he would object to a set markup for correctional industries. He said some have higher overhead than others.

Mr. George Arneson, Chairman of the Correctional Industries Advisory Committee, was the next conferee. He said the Committee does not feel that the products of the prison industries are subsidized. He pointed out where they are using inmate labor they are at a disadvantage. Low wages does not mean that the costs are lower. He said they have a difficult time competing in the industrial situation in the role of the Kansas Correctional Advisory Committee.

Mr. Arneson said they try to represent as broadly as they can a cross section of the community in this state to provide advice and counsel to the Secretary of Corrections. They have addressed the bigger problem of employment within the prison and looking at the problems of vocational training. Their intent is not to injure any business. It is to try to remedy a problem that is a serious problem for the state.

Mr. Ron Emmons said he is representing not only his own firm, but also the Members of the Kansas Sanitary Supply Association. He said that with the existing statutes that Kansas Correctional Industries does compete with private enterprise, that the four companies in attendance at this meeting lost an excess of \$250,000 in annual sales. He stated their biggest job is not selling the products. It is teaching the end users how to properly use the materials, how to reduce labor, property safety in the use and storage of chemicals, and product efficiencies. His statement is Attachment #3. One of their requests in the statement is that paragraph (d) be stricken if this bill is passed out of Committee.

Mr. Frank S. Ridge, of International Sanitary Supply Association, Inc., of Chicago, was the next conferee. His statement is Attachment #4. He said that in his travels he has come up against prison industries several times, and that the majority of the other states have found it not advantageous to the state. He pointed out liability insurance and EPA registration on any disinfectants being two factors to be considered seriously.

Mr. Bud Grant of the Kansas Chamber of Commerce and Industry spoke next. He said they had not appeared in the House Committee concerning this. Mr. Grant said he would hope the average markup could be found. He said to let the Correctional Industries market their products through the private sector, but not go into private competition.

The Chairman thanked all for appearing.

The meeting was adjourned at noon.



3/31/86  
#

## Kansas Legislative Policy Group

301 Capitol Tower, 400 West Eighth, Topeka, Kansas 66603, 913-233-2227

TIMOTHY N. HAGEMANN, Executive Director

March 31, 1986

TESTIMONY  
to  
SENATE FEDERAL and STATE AFFAIRS COMMITTEE  
House Bill 2316

Mr. Chairman and members of the Committee, I am Chip Wheelen of Pete McGill and Associates. We represent the Kansas Legislative Policy Group which is an organization of county commissioners from primarily rural areas of the State. We appear today in support of the provisions of HB 2316.

Some of you may recall that a similar bill passed the House in February 1984 by a vote of 122-0. That bill died in this Committee the same year.

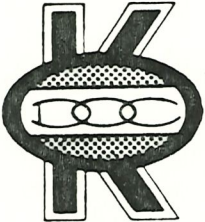
This year, HB 2316 passed the House by a vote of 119-0. If enacted, HB 2316 would require the county to pay for land surveys conducted solely for county purposes, but if a land owner requests a survey, then the property owner would pay for the costs. Such requests may become more frequent as a result of reappraisal of real estate.

We have encouraged our member commissioners to adopt resolutions reflecting the same policy as HB 2316. Our membership consists of one-fourth of all the counties in Kansas.

We believe that HB 2316 reflects good statewide policy. For this reason, we respectfully urge you to recommend the bill for passage.

Thank you for your time and consideration.

3/31/86  
Attachment #2



KANSAS DEPARTMENT OF CORRECTIONS  
INTERDEPARTMENTAL MEMORANDUM

TO: Senate Federal & State Affairs Committee      DATE: March 31, 1986  
FROM: Richard A. Mills, Secretary of Corrections  
SUBJECT: HB 2655 - Expansion and Enforcement of the Prison-Made Goods Act

During the 1985 Interim the Special Committee on Federal and State Affairs considered options for reducing inmate idleness at correctional institutions in Kansas. House Bill 2655 constitutes the recommendations of the Special Committee and includes needed amendments to the Kansas Prison-Made Goods Act.

- I. One of the most serious problems facing the Kansas Correctional System today is the high level of idleness among inmates.
  - A. Since 1979, when Kansas prisons held approximately 2,300 inmates, the number of persons committed to the custody of the Secretary of Corrections has grown to over 4,600. As shown in the table below, this rapid rise in the inmate population resulted in an oversupply of inmates for a limited number of inmate jobs.

JOBS & INMATE POPULATION AT KSP

<u>Fiscal Year</u>	<u>Number of Jobs Allocated</u>	<u>Number of Inmates</u>	<u>Number of Jobs Per Inmate</u>
1979	1,010	959	1.05
1980	840	930	.90
1981	840	992	.85
1982	1,000	1,235	.81
1983	1,000	1,443	.69
1984	1,000	1,860	.54
1985	1,015	1,964	.52
12-31-85	1,125	2,262	.50

- B. There are basically three types of inmate jobs:
  - 1. Service/operational support jobs, i.e. - institutional maintenance, food service, etc.

2. Kansas Correctional Industries - soap, paint, sign factories, etc.
3. Private sector initiatives. Jensen Engineering, Heatron, Zephyr Industries.

The opportunity for expansion of institutional service jobs within our facilities is limited. This is due mainly to the simple fact that an increase in population does not necessarily require an increase in institutional support details. It has been possible, however, to increase the number of inmates employed in both skilled and unskilled labor in the Department's cellhouse renovations. DOC recently provided the State Building Committee with a detailed analysis of the savings which can be realized to the state by utilizing partial inmate labor in the construction of the proposed correctional facility at Ellsworth, Kansas.

Mr. Lenny Ewell, Director of Kansas Correctional Industries is present today to provide an overview of Kansas Correctional Industries (KCI). KCI employs some 36 civilian employees and over 300 inmates. While KCI is not required to make a profit KCI has set for itself a goal of being self-supporting and provide sufficient revenues for program expansion. The success of the correctional industries program depends, in large part, on demand within its statutorily-limited market. In this regard, the provisions of House Bill 2655 which expand that market and provide for vigorous enforcement of required bid procedures for all state agencies are needed to ensure the growth of KCI and the reduction of inmate idleness.

Kansas is a national leader in the area of private prison industries programs with three employment programs: Zephyr Products, Heatron Products, and Jensen Engineering. Although these programs employ a limited number of inmates, they serve as examples of the possibilities which can result from more cooperation between private sector business and prison industries. Also present to testify today is Mr. George S. Arneson, the Chairman of the Kansas Correctional Industries Advisory Committee. This committee represents a broad cross section of Kansans including representatives of business, labor, academicians, clergy, and the general public. Each year the Advisory Committee issues a report the Governor and the legislature. A copy of that report has been distributed to you today.

II. What changes are proposed by HB 2655?

- A. Broadens the definition of organizations eligible to purchase goods under the Prison-Made Goods Act to include any "not for profit organization".
- B. Allows contractors on state or local projects to purchase goods from KCI to help fulfill the contract.
- C. Broadens the Prison-Made Goods Act to include "goods or services". This will allow for the use of inmate labor for such tasks as data entry or record microfilming.
- D. Requires "local agencies" to notify Secretary of Corrections when competitive bids are being accepted for good or services of a type provided by inmates. Further requires the Secretary of Administration to adopt rules and regulations to enforce the Prison-Made Goods Act. Puts teeth into the bill by calling for non-payment for goods and services where there is a violation of bid requirements.
- E. Eliminates KCI equipment replacement fund. This will provide KCI with more financial flexibility in starting new programs.

CONCLUSION

The prison disturbances recently experienced in several states should serve as a grim reminder to all of us of the potential for inmate violence that chronic inmate idleness creates. The Department has undertaken serious efforts to reduce inmate idleness by expanding correctional industries programs, community work programs, and utilizing inmate labor in facility maintenance and renovation. While the Department strives to increase inmate employment within its facilities, the efforts of the legislature to expand the Prison-Made Goods Act will not only make our task easier, it will increase the probability that we can return inmates to the community with improved work habits and the attitude necessary to become and remain useful and self-reliant citizens.

RAM:dja

3/31/86  
Attachment #3

**WICH-CRAFT**

WICHITA BRUSH & CHEMICAL CO. / 1040 SOUTH SANTA FE / WICHITA, KANSAS 67211 / (316) 267-2286



Senate Federal and State Affairs Committee  
March 31, 1986

In opposition to "House Bill No. 2655"

Mr. Chairman:

Ladies and Gentlemen of the Committee:

I am Ron Emmons, President of Wichita Brush & Chemical Co., representing the Kansas Sanitary Supply Association. We are the private businesses that provide cleaning chemicals, and supplies throughout our State.

The Kansas Correctional Industries, by existing statutes, does directly compete with private enterprise. During 1985 the four companies in attendance lost in excess of \$250,000.00 of sales to State Institutions that we enjoyed in 1984. This loss represents lost jobs, capital spending, and taxes. Further expansion of the prison-made goods act would create further hardships on private business.

The manufacture of chemicals and paint is not labor intensive. A properly designed plant could produce all of the cleaning chemicals used in Kansas with seven people or less. This does not fit the mold of utilizing prisoner time.

In our industry the use and application of chemicals is labor intensive.

The sanitation chemical industry is highly regulated and it is costly to remain in compliance with the regulations. We are regulated by the Environmental Protection Agency, O.S.H.A., D.O.T., F.I.F.R.A., U.S.D.A., Consumer Product Safety Commission, Clean Air Act, and Clean Water Act, as well as the recently implemented Hazardous Communication Standard. Is the K.C.I. in compliance with all of the regulations? Have they developed, validated, and distributed Material Safety Data Sheets? It can easily cost in excess of \$10,000.00 to register a product and label with E.P.A. Is this cost effective for the State?

Our biggest job is not selling the products. It is teaching the end users how to properly use the materials, how to reduce labor, proper safety in the use and storage of chemicals, and product efficiencies. This is a service that is demanded by the user agencies. Can K.C.I. perform this

service with only one man covering the entire State of Kansas?

Lines 0092 through 0113 allows for exceptions to the mandatory purchase requirements. Reported experiences of user agencies seems to indicate that exceptions are rarely granted. And then only after extended periods of time.

Lines 0114 through 0119 preclude the writing of specifications that would exclude K.C.I. products. This prevents the user agency from taking advantage of the most current technological advances in chemistry that K.C.I. may not be aware of or capable of producing. Is this justifiable?

I call your attention to paragraph (d) commencing on line 0086. We believe this is an infringement on local agency autonomy and their right to select suppliers on the basis of service, product quality, availability, and price. It, also, could serve as an information gathering source for K.C.I. to again attempt to expand itself by asking that legislation be adopted that would make "local agency" and "organization" purchases mandatory rather than permissive.

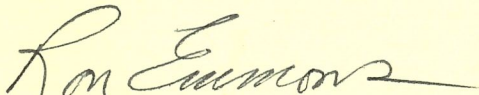
It is our hope that:

1. the value of the manufacture and distribution of cleaning chemicals be evaluated and hopefully discontinued.
2. if K.C.I. continues to produce and distribute chemicals they should be required to compete on the basis of service, product quality, availability, and price.
- e. paragraph (d) be stricken if this bill is to be passed out of committee.

Further expansion of the prison-made goods act could put us out of business. Thus effecting over 1,000 Kansas families in our industry alone.

Thank you,

WICHITA BRUSH & CHEMICAL CO., INC.



Ron Emmons  
President



3/31/86  
Attachment  
#4

Executive Vice President  
JACK D. RAMALEY

**BOARD OF DIRECTORS**

**President**  
JOHN H. PLANT  
Maintenance Equipment Company  
2110 Tucker Industrial Road  
Box 385  
Tucker, GA 30085  
404/939-1970

**Vice President/President Elect**  
JOHN W. MARCUS  
Hysan Corporation  
919 W. 38th St.  
Chicago, IL 60609  
312/376-8900

**Treasurer**  
ALLAN B. GREENE  
Buckingham Wax Co., Inc.  
51-03 Van Dam St.  
Long Island City, NY 11101  
718/784-0800

**Secretary of the Board**  
SAM HALPERN  
Halbro Control Industries, Inc.  
2090 Route 110  
Farmingdale, NY 11735  
516/293-8100

**International Director/  
Immediate Past President**  
RICHARDS H. JARDEN  
Bullen Chemical Company  
1640 Delmar Dr., Box 37  
Folcroft, PA 19032  
215/724-8100

**District 1 Director**  
ISRAEL LENZNER  
Industrial Chemical  
Div. of Leo Silfen, Inc.  
525 S. Fourth Ave., Box 347  
Mt. Vernon, NY 10551  
914/699-4800

**District 2 Director**  
LOUIS G. GOORLAND  
Goorland & Mann, Inc.  
825 N. Union St.  
Wilmington, DE 19805  
302/655-1514

**District 3 Director**  
DANIEL E. RITTER  
Amrep, Inc.  
990 Industrial Park Dr.  
Marietta, GA 30062  
404/422-2071

**District 4 Director**  
MATTHEW J. BETLEY, JR.  
The F.H. Lawson Company  
801 Evans St.  
Cincinnati, OH 45204  
513/251-2400

**District 5 Director**  
LESLIE M. MOORE  
Specialty Broom & Mop Co.  
301 Gonyo Road  
Richmond, TX 77469  
713/342-8888

**District 6 Director**  
FRANK S. RIDGE  
Gateway Chemical Co., Inc.  
118 Southwest Blvd.  
Kansas City, MO 64108  
816/421-1844

**District 7 Director**  
MORRIS WAX  
Waxie's Enterprises, Inc.  
Box 23506  
San Diego, CA 92123  
619/292-8111

**District 8 Director**  
SAM A. ROBIN  
Pacific Floor Machine Mfg. Co.  
350 Victory Ave.  
S. San Francisco, CA 94080  
415/873-8787

**District 9 Director**  
JAMES R. FERRIS  
Wheels Maintenance Products Ltd.  
4478 Chesswood Dr., Unit 16  
Toronto, ON, Canada M3J 2B9  
416/636-5921

**Director-at-Large**  
SPEAR LANCASTER  
Spear Lancaster Associates  
1188 Bacon Ridge Road  
Crownsville, MD 21032  
301/923-3330

April 4, 1986

Good Morning:

My name is Frank Ridge from Kansas City and I am District 6 Director of the International Sanitary Supply Association. I am also a past president of the International Sanitary Supply Association and during my tenure of this 3000 member association I had 2 or 3 states try to manufacture cleaning chemicals in the prisons. None have been too successful.

We do not object to the theory of keeping the prisoners busy. However the state should compete evenly with the taxpayers that are in industry.

I'm sure all of you are aware of the liability insurance problem. Not only is it costly but at times impossible to get. Can the state of Kansas be sued by an end user if said person is injured by a product the prisoner manufactured?

The state must have EPA registration on any of their disinfectants. The ones you sell now do not have this registration. Thus you are violating the law we must live by.

These are just two problems with which you must concern yourselves.

I am hoping that after this hearing and your investigations that this bill will die in committee.

Thank you,



FRANK S. RIDGE

cc: Jack Ramaley  
Jim Freund - Purozone  
Ron Emmons - Wichita Brush  
Jim Hilts - Hilts, Inc.

FSR/klg

Senate Fed. & State Affairs Comm.  
3/31/86 Attachment 4