

underscored material = new  
~~[bracketed material] = delete~~

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

SENATE BILL 298

**53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

INTRODUCED BY

Bill B. O'Neill

AN ACT

RELATING TO THE CORRECTIONS INDUSTRIES DIVISION OF THE  
CORRECTIONS DEPARTMENT; REMOVING THE PRICE LIMIT FOR SELLING  
PRODUCTS; REMOVING THE LIMIT OF TWICE-YEARLY SALES.

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. Except as otherwise provided in this section, 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 (1) a state agency;
- 2 (2) local public bodies;
- 3 (3) the state agencies of other states and
- 4 their local public bodies;
- 5 (4) agencies of the federal government;
- 6 (5) tribal and pueblo governments;
- 7 (6) nonprofit organizations properly
- 8 registered under state law and supported wholly or in part by
- 9 funds derived from public taxation;
- 10 (7) persons, partnerships, corporations or
- 11 associations that provide public school transportation services
- 12 to a state agency or local public body pursuant to contract;
- 13 (8) any business engaged primarily in the
- 14 manufacture or resale of the same type of product;
- 15 (9) a person, partnership, corporation or
- 16 association that provides correctional services to the
- 17 department pursuant to a contract; and
- 18 (10) a person, partnership, corporation or
- 19 association that houses inmates on behalf of the department.

20 B. Every product manufactured pursuant to the

21 provisions of the Corrections Industries Act shall be

22 distinctively identified as inmate-made by brand, label or mark

23 consistent with the type and character of the product. Every

24 product manufactured pursuant to the provisions of the

25 Corrections Industries Act may be certified pursuant to the

underscoring material = new  
[bracketed material] = delete

1 federal private sector prison industry enhancement  
2 certification program.

3 C. A person who violates the provisions of  
4 Subsection A of this section is guilty of a misdemeanor and  
5 upon conviction shall be sentenced to imprisonment in the  
6 county jail for a definite term not to exceed six months or to  
7 the payment of a fine of not more than one thousand dollars  
8 (\$1,000) or to both imprisonment and fine in the discretion of  
9 the judge.

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

12 E. Notwithstanding the provisions of Subsection A  
13 of this section, to assure the most effective use of state-  
14 owned land, produce from agricultural and animal husbandry  
15 enterprises may be sold to commercial sources upon review and  
16 recommendation of the commission and pursuant to procedures,  
17 including audit, established by the secretary of finance and  
18 administration.

19 F. The corrections industries division of the  
20 department may sell products manufactured pursuant to the  
21 provisions of the Corrections Industries Act [~~valued at a~~  
22 ~~prevailing market price of three hundred dollars (\$300) or~~  
23 ~~less~~] to the general public [~~twice a year~~]. Proceeds from the  
24 sales shall be placed into the corrections industries revolving  
25 fund; a portion of the proceeds placed into the corrections

.204405.2SA

underscoring material = new  
~~[bracketed material] = delete~~

1 industries revolving fund pursuant to this subsection shall be  
2 placed into the crime victims reparation fund."

3 SECTION 2. EFFECTIVE DATE.--The effective date of the  
4 provisions of this act is July 1, 2017.