

By: Representatives Horan, Hudson, Mickens

To: Corrections;
Appropriations

HOUSE BILL NO. 466

1 AN ACT TO AMEND SECTION 47-5-158, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT A CERTAIN AMOUNT OF ANY UNEXPENDED AMOUNTS
3 REMAINING IN THE INMATE WELFARE FUND AT THE END OF EACH FISCAL
4 YEAR SHALL BE UTILIZED BY THE DEPARTMENT OF CORRECTIONS FOR
5 TRANSITIONAL HOUSING CENTERS AND FOR OTHER REENTRY PURPOSES; TO
6 BRING FORWARD SECTIONS 47-5-109 AND 47-5-109.1, MISSISSIPPI CODE
7 OF 1972, WHICH PERTAIN TO INMATE CANTEEN FACILITIES, FOR PURPOSES
8 OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 **SECTION 1.** Section 47-5-158, Mississippi Code of 1972, is
11 amended as follows:

12 47-5-158. (1) The department is authorized to maintain a
13 bank account which shall be designated as the Inmate Welfare Fund.
14 All monies now held in a similar fund or in a bank account or
15 accounts for the benefit and welfare of inmates shall be deposited
16 into the Inmate Welfare Fund. This fund shall be used for the
17 benefit and welfare of inmates in the custody of the department
18 and shall be expended in accordance with any provisions or
19 restrictions in the regulations promulgated under subsection (7)
20 of this section.



21 (2) There shall be deposited into the Inmate Welfare Fund
22 interest previously earned on inmate deposits, all net profits
23 from the operation of inmate canteens, performances of the
24 Penitentiary band, interest earned on the Inmate Welfare Fund and
25 other revenues designated by the commissioner. All * * * monies
26 shall be deposited into the Inmate Welfare Fund as provided in
27 Section 7-9-21.

28 (3) All inmate telephone call commissions shall be paid to
29 the department. Monies in the fund may be expended by the
30 department, upon requisition by the commissioner or his designee,
31 only for the purposes established in this subsection.

32 (a) Twenty-five percent (25%) of the inmate telephone
33 call commissions shall be used to purchase and maintain
34 telecommunication equipment to be used by the department.

35 (b) Until July 1, 2008, twenty-five percent (25%) of
36 the inmate telephone call commissions shall be deposited into the
37 Prison Agricultural Enterprise Fund. Beginning on July 1, 2008,
38 thirty-five percent (35%) of the inmate telephone call commissions
39 shall be deposited into the Prison Agricultural Enterprise Fund.
40 The department may use these funds to supplement the Prison
41 Agricultural Enterprise Fund created in Section 47-5-66.

42 (c) Forty percent (40%) of the inmate telephone call
43 commissions shall be deposited into the Inmate Welfare Fund.

44 (4) The commissioner may invest in the manner authorized by
45 law any money in the Inmate Welfare Fund that is not necessary for



46 immediate use, and the interest earned shall be deposited in the
47 Inmate Welfare Fund.

48 (5) The Deputy Commissioner for Administration and Finance
49 shall establish and implement internal accounting controls for the
50 Inmate Welfare Fund that comply with generally accepted accounting
51 principles and regulations of the Department of Finance and
52 Administration. The Deputy Commissioner for Administration and
53 Finance shall prepare and issue quarterly consolidated and
54 individual facility financial statements to the prison auditor of
55 the Joint Legislative Committee on Performance Evaluation and
56 Expenditure Review. The deputy commissioner shall prepare an
57 annual report which shall include a summary of expenditures from
58 the fund by major categories and by individual facility. This
59 annual report shall be sent to the prison auditor, the Legislative
60 Budget Office, the Chairman of the Corrections Committee of the
61 Senate, and the Chairman of the Corrections Committee of the House
62 of Representatives.

63 (6) A portion of the Inmate Welfare Fund shall be deposited
64 in the Discharged Offenders Revolving Fund, as created under
65 Section 47-5-155, in amounts necessary to provide a balance not to
66 exceed One Hundred Thousand Dollars (\$100,000.00) in the
67 Discharged Offenders Revolving Fund, and shall be used to
68 supplement those amounts paid to discharged, paroled or pardoned
69 offenders from the department. The superintendent of the Parchman
70 facility shall establish equitable criteria for the making of



71 supplemental payments which shall not exceed Two Hundred Dollars
72 (\$200.00) for any offender. The supplemental payments shall be
73 subject to the approval of the commissioner. The State Treasurer
74 shall not be required to replenish the Discharged Offenders
75 Revolving Fund for the supplemental payments made to discharged,
76 paroled or pardoned offenders.

77 (7) (a) The Inmate Welfare Fund Committee is hereby created
78 and shall be composed of nine (9) members: The Deputy
79 Commissioner for Community Corrections, the Deputy Commissioner of
80 Institutions, the Superintendent of the Parchman facility, the
81 Superintendent of the Rankin County facility, the Superintendent
82 of the Greene County facility, the State Treasurer, the State
83 Auditor, and two (2) members to be appointed by the Commissioner
84 of Corrections, one (1) of whom must have a relative incarcerated
85 by the department at the time of appointment and shall be a
86 representative of inmate families. The commissioner shall appoint
87 the chairman of the committee. The committee shall administer and
88 supervise the operations and expenditures from the Inmate Welfare
89 Fund and shall maintain an official minute book upon which shall
90 be spread its authorization and approval for all such
91 expenditures. The committee shall promulgate regulations
92 governing the use and expenditures of the fund.

93 (b) Regulations adopted shall set out what types of
94 items shall be allowable purchases, and in all cases, the minutes
95 of the committee shall explain which regulation permits any



96 purchase it approves. Additionally, regulations of the committee
97 shall prescribe the number of members necessary to constitute a
98 quorum, minimum attendance requirements for a member to retain a
99 seat on the committee, and a mission statement for the committee.

100 (c) The committee shall conduct an annual needs
101 assessment to determine what types of items should be purchased
102 for the benefit of inmates. The needs assessments shall be
103 conducted with the assistance of the department personnel, inmates
104 and the families of inmates.

105 (d) The committee shall evaluate the proposals of
106 interested third parties for the administration of inmate canteen
107 services as provided in Section 47-5-109.1.

108 (8) The Department of Audit shall conduct an annual
109 comprehensive special audit of the committee's use of the Inmate
110 Welfare Fund. The department shall incorporate in its special
111 audit report any recommendations it has concerning the financial
112 and management control practices of the committee. The department
113 shall report its findings and recommendations to the Chairmen of
114 the Senate and House Corrections Committees.

115 (9) No less than Two Million Five Hundred Thousand Dollars
116 (\$2,500,000.00) of any unexpended amounts remaining in the Inmate
117 Welfare Fund at the end of each fiscal year shall be utilized by
118 the department for transitional housing centers and for other
119 reentry purposes identified in the pre-release assessments and
120 written discharge plans of offenders as provided under Section



47-7-33.1. This subsection (9) shall be repealed from and after
July 1, 2023.

SECTION 2. Section 47-5-109, Mississippi Code of 1972, is
brought forward as follows:

47-5-109. (1) The State Department of Corrections is hereby
authorized to operate a facility or facilities to be known as an
inmate canteen facility or facilities, the purpose of which is to
make available certain goods and other items of value for purchase
by offenders confined at the State Penitentiary at Parchman,
offenders confined at any other facility of the department,
certain employees of the department and certain persons visiting
offenders or employees. The commissioner shall promulgate rules
and regulations for the operation of such a facility.

(2) Any funds which may be derived from the operation of an
inmate canteen facility or facilities shall be deposited into an
account to be known as the Canteen Fund. For accounting purposes,
certain allocated costs attributable to the operation of such a
facility, and as prescribed by the rules and regulations of the
board, shall be chargeable as operating costs against profits
earned. These costs of operation which are chargeable shall
include, but shall not be limited to, rent allocation, utility
allocation and employee wages. Any net profits which may accrue
from the operation of such a facility and any interest earned
thereon shall be deposited into the Inmate Welfare Fund.



SECTION 3. Section 47-5-109.1, Mississippi Code of 1972, is brought forward as follows:

47-5-109.1. (1) The Department of Corrections shall contract for the administration of inmate canteen services to a third party. Such contract shall comply with the procedures set forth in this section:

(a) The Department of Corrections shall cause to be prepared a request for proposals. This request for proposals shall be prepared for distribution to any interested third party. Notice of the department's intention to seek proposals shall be published in a newspaper of general circulation at least one time per week for three (3) weeks before closing the period for interested parties to respond. Additional forms of notice may also be used. The newspaper notice shall inform the interested parties of the service to be contracted, existence of a request for proposals, how it can be obtained, when a proposal must be submitted, and to whom the proposal must be submitted. All requests for proposals shall describe clearly what service is to be contracted, and shall fully explain the criteria upon which an evaluation of proposals shall be based. The criteria to be used for evaluations shall, at a minimum, include:

(i) Require interested third parties to describe their qualifications to provide inmate canteen services to correctional facilities in widely dispersed geographical regions; and



(ii) Describe the department's expectations with regard to commissions, pricing and quality assurance for inmate canteen services.

(b) All proposals submitted by interested parties shall be evaluated by the Inmate Welfare Fund Committee, as established in Section 47-5-158, which shall apply the same criteria to all proposals when conducting an evaluation. The results and recommendations of the evaluation shall be presented to the Department of Corrections for review. All evaluations presented to the department shall be retained by the department for at least three (3) years. The department may accept or reject any recommendation of the committee, or it may conduct further inquiry into the proposals. Any further inquiry shall be clearly documented and all methods and recommendations shall be retained by the department and shall spread upon its minutes its choice of the administrator for inmate canteen services and its reasons for making the choice.

(c) (i) The department shall be responsible for preparing a contract that shall be in accordance with all provisions of this section and all other provisions of law. The contract shall also include a requirement that the contractor shall consent to an evaluation of its performance. Such evaluation shall occur after the first six (6) months of the contract, and shall be reviewed at times the department determines



to be necessary. The contract shall clearly describe the standards upon which the contractor shall be evaluated.

(ii) The PEER Committee, at the request of the House or Senate Corrections Committee and with funds specifically appropriated by the Legislature for such purpose, shall contract with an accounting firm or with other professionals to conduct a compliance audit of the services provided by the contractor. Such audit shall review the compliance with the performance standards required for inclusion in the administrator's contract. Such audit shall be delivered to the Legislature no later than January 1.

(2) Contracts for the administration of inmate canteen services shall commence at the beginning of the calendar year and shall end on the last day of a calendar year. This shall not apply to contracts provided for in subsection (3) of this section.

(3) If the Department of Corrections determines that it is necessary to not renew the contract of an administrator, or finds it necessary to terminate a contract with or without cause as provided for in the contract of the administrator of inmate canteen services, the department is authorized to select an administrator for inmate canteen services without complying with the bid requirements in subsections (1) and (2) of this section. Such contracts shall be for the balance of the calendar year in which the nonrenewal or termination occurred, and may be for an additional calendar year if the department determines that the



219 best interests of the inmates are served by such. Any contract
220 negotiated on an interim basis shall include a detailed transition
221 plan which shall ensure the orderly transfer of responsibilities
222 between contractors.

223 (4) Except for contracts executed under the authority of
224 subsection (3) of this section, the department shall select
225 administrators of inmate canteen services at least six (6) months
226 before the expiration of the current administrator's contract.
227 The period between the selection of the new administrator of
228 inmate canteen services and the effective date of the new contract
229 shall be known as the transition period. The Department of
230 Corrections shall furnish the Legislature and Governor with copies
231 of all transition plans and keep them informed of progression on
232 such plans.

233 **SECTION 4.** This act shall take effect and be in force from
234 and after July 1, 2021.

