

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0792.01 Jerry Barry x4341

SENATE BILL 16-099

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SENATE SPONSORSHIP

**Jahn**, Holbert, Neville T., Carroll, Guzman

HOUSE SPONSORSHIP

**Primavera**, Nordberg, Ryden

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Senate Committees

State, Veterans, & Military Affairs

House Committees

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A BILL FOR AN ACT

101 CONCERNING IMPLEMENTING RECOMMENDATIONS OF THE STATE  
102 AUDITOR'S OFFICE BY ESTABLISHING THE AUTHORITY OF THE  
103 CORRECTIONAL EDUCATION PROGRAM TO SELL  
104 INMATE-PRODUCED PRODUCTS TO SPECIFIED PERSONS.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

**Legislative Audit Committee.** The bill authorizes the correctional education program in the department of corrections to sell goods and services to specified persons and entities. The bill requires that the prices

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

and quality of goods and services be comparable to those in the private sector or the Colorado community college system.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly  
3 finds that:

4 (a) The department of corrections currently operates a number of  
5 programs within the correctional education program that provide  
6 meaningful educational opportunities to inmates while training them in  
7 job skills that increase their employment prospects upon release;

8 (b) Employment is a critical component to an offender's success  
9 in the community, resulting in reduced recidivism and enhanced public  
10 safety;

11 (c) The correctional education program operates in a manner that  
12 is similar to the Colorado community college system, which can sell  
13 goods and services on a limited basis; and

14 (d) The purpose of this act is to allow the correctional education  
15 program to operate in a manner similar to the Colorado community  
16 college system through the limited sale of goods and services and to allow  
17 inmates to benefit from the skills and certificates earned through such  
18 programs, while enhancing public safety, reducing recidivism, and  
19 providing a more highly trained workforce.

20 **SECTION 2.** In Colorado Revised Statutes, 17-32-106, **add** (1)  
21 (b.5) as follows:

22 **17-32-106. Powers and duties of the program.** (1) In  
23 connection with the development and implementation of the correctional  
24 education program, the program shall have the following powers and  
25 duties:

1 (b.5) TO SELL GOODS AND SERVICES PURSUANT TO THE PROVISIONS  
2 OF SECTION 17-32-108;

3 **SECTION 3.** In Colorado Revised Statutes, **add** 17-32-108 as  
4 follows:

5 **17-32-108. Sale of goods and services.** (1) (a) THE  
6 CORRECTIONAL EDUCATION PROGRAM IS AUTHORIZED TO SELL GOODS AND  
7 SERVICES TO INMATES, INVITED GUESTS, EMPLOYEES OF THE DEPARTMENT,  
8 GOVERNMENTAL AGENCIES, OR NONPROFIT ORGANIZATIONS ONLY IF THE  
9 PROVISION OF THE GOODS OR SERVICES OFFERS A VALUABLE EDUCATIONAL  
10 EXPERIENCE FOR INMATES AND FULFILLS THE GOALS AND OBJECTIVES OF  
11 THE PROGRAM.

12 (b) THE DEPARTMENT SHALL ADOPT PROCEDURES FOR HEARING  
13 COMPLAINTS OF UNFAIR COMPETITION BY PRIVATELY OWNED BUSINESSES.  
14 IF A PRIVATELY OWNED BUSINESS MAKES A COMPLAINT OF UNFAIR  
15 COMPETITION IN RELATION TO THE ACTIVITIES OF THE CORRECTIONAL  
16 EDUCATION PROGRAM, THE DEPARTMENT SHALL HOLD A HEARING ON THE  
17 COMPLAINT. THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL  
18 HEAR THE COMPLAINT, AND THE DECISION OF THE DIRECTOR OR DESIGNEE  
19 IS FINAL. AS PART OF THE REPORT REQUIRED BY SECTION 17-32-105 (8),  
20 THE DEPARTMENT SHALL REPORT THE NUMBER OF COMPLAINTS FILED  
21 PURSUANT TO THIS PARAGRAPH (b) AND THE OUTCOME OF THE  
22 COMPLAINTS.

23 (2) (a) THE PROGRAM SHALL FIX AND DETERMINE THE PRICES AT  
24 WHICH ALL LABOR IS PERFORMED AND AT WHICH ALL GOODS AND  
25 SERVICES PRODUCED ARE SOLD. SUCH PRICES MUST BE AS NEAR TO THE  
26 PREVAILING MARKET PRICES FOR GOODS AND SERVICES OF SIMILAR  
27 QUALITY AS IS PRACTICAL, OR GOODS AND SERVICES SOLD THROUGH THE

1 COLORADO COMMUNITY COLLEGE SYSTEM PURSUANT TO SECTION  
2 24-113-104, C.R.S.

3 (b) THE PROGRAM SHALL ENSURE THAT THE LEVEL OF QUALITY OF  
4 GOODS AND SERVICES PRODUCED IS COMPARABLE TO SIMILAR GOODS AND  
5 SERVICES AVAILABLE FROM THE PRIVATE SECTOR OR THE COLORADO  
6 COMMUNITY COLLEGE SYSTEM. THE SALE OF SUCH GOODS OR SERVICES  
7 SHALL NOT GIVE RISE TO ANY WARRANTIES. NO REFUND OR REPLACEMENT  
8 SHALL BE MADE AFTER NINETY DAYS FROM THE DATE OF THE SALE.

9 (c) THE CORRECTIONAL EDUCATION PROGRAM SHALL TRANSMIT  
10 ALL REVENUES COLLECTED BY THE PROGRAM FROM THE SALE OF GOODS  
11 OR SERVICES TO THE STATE TREASURER FOR DEPOSIT IN THE  
12 CORRECTIONAL EDUCATION PROGRAM FUND, CREATED PURSUANT TO  
13 SECTION 17-32-107.

14 **SECTION 4.** In Colorado Revised Statutes, **amend** 17-32-107 as  
15 follows:

16 **17-32-107. Correctional education program fund.** There is  
17 ~~hereby~~ created in the state treasury the correctional education program  
18 fund, which shall be administered by the program and that ~~shall consist~~  
19 CONSISTS of all moneys received by the program from the federal  
20 government, FROM THE SALE OF GOODS OR SERVICES BY THE PROGRAM,  
21 and from contributions, grants, gifts, bequests, and donations from  
22 individuals, private organizations, and foundations. The moneys in the  
23 fund ~~shall be~~ ARE subject to annual appropriation by the general assembly  
24 to the program for the purpose of developing and implementing a  
25 correctional education program. Any moneys not appropriated or not  
26 expended at the end of the fiscal year ~~shall~~ remain in the fund and shall  
27 not be transferred to or revert to the general fund of the state. Any interest

1 earned on the investment or deposit of moneys in the fund ~~shall remain~~  
2 REMAINS in the fund and shall not be credited to the general fund of the  
3 state.

4 **SECTION 5.** In Colorado Revised Statutes, 24-113-103, **add** (3)  
5 (b.5) as follows:

6 **24-113-103. State competition with private enterprise**  
7 **prohibited - exceptions.** (3) The restrictions on competition with private  
8 enterprise contained in this section do not apply to:

9 (b.5) THE CORRECTIONAL EDUCATION PROGRAM OPERATED BY THE  
10 DEPARTMENT OF CORRECTIONS PURSUANT TO ARTICLE 32 OF TITLE 17,  
11 C.R.S.;

12 **SECTION 6. Safety clause.** The general assembly hereby finds,  
13 determines, and declares that this act is necessary for the immediate  
14 preservation of the public peace, health, and safety.