Session of 2006

HOUSE BILL No. 2688

By Representatives Knox and Otto

1-23

10 AN ACT concerning correctional facilities; relating to construction by 11 private companies; amending K.S.A. 2005 Supp. 75-52,129 and re-12 pealing the existing section.

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42 43 Be it enacted by the Legislature of the State of Kansas:

New Section 1. This act may be referred to as the private contract prison act.

New Sec. 2. Definitions. As used in the private contract prison act:

- (a) "Private contract prison" means a correctional facility situated in this state that is not owned by the state of Kansas or any subdivision thereof or by the federal government or any subdivision thereof.
- (b) "Private owner" means any corporation, partnership, limited liability company, trust, person or other legal entity that engages in, or proposes to engage in, the construction or ownership or both of a private contract prison in this state.
- (c) "Private operator" means any corporation, partnership, limited liability company, person or other legal entity that engages in, or proposes to engage in, the operation of a private contract prison in this state.
- (d) "Private contractor" means a private owner or a private operator or both.
 - (e) "Secretary" means the secretary of corrections.
 - f) "Department" means the department of corrections.
- (g) "Applicant" means a private contractor making application to the department of corrections for a license as provided by this act.
- (h) "Licensee" means a private contractor to which a valid license has been issued by the department of corrections as provided by this act.
- (i) "Private correctional officer" means a correctional officer as defined by subsection (f) of K.S.A. 75-5202, and amendments thereto, except that such officer is not an employee of the state of Kansas or any subdivision thereof.
- (j) "Non-Kansas inmate" means any inmate in the custody of any jurisdiction other than the state of Kansas or any of its political subdivisions.
- (k) "Kansas inmate" means any inmate in the custody of the secretary

of corrections.

 New Sec. 3. Except as authorized by K.S.A. 75-52,127 or 75-52,133, and amendments thereto, no private contractor shall authorize, construct, own or operate any private contract prison in this state for the placement or confinement of inmates unless such private contractor possesses a valid license as provided by this act.

New Sec. 4. The secretary is hereby authorized to license, monitor and regulate one or more private contractors meeting the requirements of this act to construct, own or operate one or more private contract prisons in this state.

New Sec. 5. The secretary shall not approve any application for a license pursuant to this act unless the secretary has, after due diligence, made the following findings:

- (a) The applicant has the qualifications, experience and management personnel necessary to design, construct, own or operate a private contract prison in a manner that satisfies the requirements of this act;
- (b) the applicant has the ability, if circumstances warrant, to expedite the siting, design and construction of a private contract prison;
- (c) the applicant has the ability to comply with applicable laws, court orders and state and national correctional standards; and
- (d) if Kansas inmates are being housed in the private contract prison, the private operator has the ability to provide correctional services to the state of Kansas at a cost that is no more than 90% of the department's average per capita operating cost for the previous fiscal year for comparable state correctional facilities and services.
- New Sec. 6. Any license issued pursuant to this act shall require as conditions of such license all of the following:
- (a) All private correctional officers employed by the licensee must be certified, at the licensee's expense, as having met the minimum qualifications and training requirements established for correctional officers by the secretary and as are required of state correctional officers;
- (b) the design for any private contract prison constructed, owned or operated by the licensee shall meet or exceed all requirements of the association responsible for adopting national correctional standards consistent with the American correctional association standards as determined by the secretary;
- (c) the design for any private contract prison, including, but not limited to, siting, shall meet or exceed any standard established by the secretary;
- (d) the licensee shall at all times consult the secretary during the design and construction of the private contract prison;
- (e) the licensee shall indemnify the state and the secretary, including their subdivisions, officials and agents, against any and all liability includ-

ing, but not limited to, any civil rights claims. The secretary shall require proof of satisfactory insurance, the amount to be determined by the secretary;

- (f) the licensee shall seek, obtain and maintain accreditation by the American correctional association and the national commission on correctional health care. In addition, the licensee shall comply with those associations' amendments to the accreditation standards upon approval of such amendments by the secretary. The secretary shall not unreasonably withhold approval so as to facilitate compliance with required standards by the licensee;
- (g) the licensee shall agree to abide by operations standards for correctional facilities as adopted by the secretary;
- (h) if Kansas inmates are being housed in the private contract prison, the licensee shall be responsible for the range of dental, medical and psychological services and diet, education and work programs at least equal to those services and programs provided by the secretary at comparable state correctional facilities. The work and education programs shall be designed to reduce recidivism;
- (i) the secretary shall monitor all private contract prisons and the secretary and the department shall have unrestricted access to all private contract prisons for that purpose. The licensee shall bear the costs of monitoring the facility;
- (j) if the department contracts to house Kansas inmates at the licensee's private contract prison, the licensee shall incarcerate all inmates assigned to the private contract prison by the department and as specified by the contract and may not reject inmates assigned to it by the department. The department shall have the right of first refusal to any space in the licensee's private contract prison, whether or not such space is occupied by non-Kansas inmates. The department may not exceed the maximum occupancy designated in the contract for the private contract prison;
- (k) the licensee may not benefit financially from the labor of inmates except that inmates housed in any private contract prison operated by the licensee in this state may be given job assignments that assist in the operation and maintenance of the facility, including but not limited to janitorial or food service, or constitute work crews for the state or nearby communities if the inmates have the appropriate custody designation;
- (l) if the licensee enters into a contract to house non-Kansas inmates, the licensee must require as a condition of that contract that each such inmate to be released from custody must be released in the sending state;
- (m) whenever any non-Kansas inmate is proposed to be brought into this state for the purpose of being incarcerated at a private contract prison, all records regarding each such inmate, including, but not limited

to, custody records, facility history records, disciplinary records and medical and mental health records, shall be reviewed by the department prior to such inmate being transported into this state. The cost of such review shall be borne by the licensee through the administration of the licensing fee pursuant to section 21, and amendments thereto. The secretary shall have authority to refuse to allow any non-Kansas inmate to be transported to or incarcerated in any private contract prison;

- (n) the licensee shall be subject to review by the legislative division of post audit; and
- (o) any other provision the secretary considers necessary and appropriate for carrying out the purpose of this act.

New Sec. 7. No license issued pursuant to this act shall be construed as authorizing, allowing or delegating authority to the licensee to:

- (a) With regard to Kansas inmates being housed at a private contract prison, reject any inmate appropriately classified by the Kansas custody classification system for the custody level or levels of the private facility;
- (b) with regard to Kansas inmates who are being housed at a private contract prison, develop or adopt disciplinary rules or penalties that differ from the disciplinary rules and penalties that apply to inmates housed in correctional facilities operated by the secretary. With regard to non-Kansas inmates, the licensee may develop or adopt disciplinary rules or penalties consistent with the requirements of the sending entity provided that the secretary shall retain authority to review and approve or reject any such rules or penalties;
- (c) make a final determination on a disciplinary action that affects the liberty of an inmate. The licensee may remove an inmate from the general prison population during an emergency, before final resolution of a disciplinary hearing in response to an inmate's request for assigned housing in protective custody or when otherwise necessary to maintain order and security of the private contract prison;
- (d) make a decision that affects the sentence imposed upon or the time served by an inmate, including a decision to award, deny or forfeit earned time;
- (e) make recommendations to the Kansas parole board with respect to the denial or granting of parole or release except the licensee may submit written reports to the Kansas parole board and shall respond to any written request for information by the Kansas parole board;
- (f) develop and implement requirements that inmates engage in any type of work not previously authorized in this act, except to the extent that those requirements are accepted by the department; and
- (g) determine inmate eligibility for any form of release from a correctional facility including any private contract prison.
- New Sec. 8. (a) No private contract prison shall house inmates until:

- (1) The private operator has submitted to the secretary, and the secretary has approved, a plan for the secretary to assume temporary control and operation of the private contract prison in the event the private operator becomes unable to meet the requirements of this act;
- (2) each private contractor, whether a private owner or a private operator, or both, involved in the private contract prison has submitted to the secretary, and the secretary has approved, a plan for the temporary assumption of operations and purchase of the private contract prison by the secretary in the event of bankruptcy or the financial insolvency of any such private contractor; and
- (3) the private operator has submitted to the secretary, and the secretary has approved, a plan to address emergencies including, but not limited to, inmate disturbances, employee work stoppages, employee strikes, escapes, natural disaster threats, bomb threats, riots, hunger strikes, taking of hostages, fires, explosions, evacuations, hazardous material spills or other serious events. The plan shall comply with applicable national correctional standards. The plan shall identify how the state shall recover its costs for such assumptions of operation or other interventions. The private operator shall be liable for all expenses incurred by the state and its subdivisions in responding to any emergency or serious event. Such expenses shall be consistent with the department's policies and procedures concerning such emergency or serious event.; and
- (4) the private owner shall reimburse Kansas state agencies or political subdivisions of the state for all costs incurred by such entities with respect to the investigation, prosecution, detention, criminal defense or appellate litigation, without regard to whether conviction is obtained, of a Kansas or non-Kansas inmate charged with a crime resulting from criminal conduct allegedly committed within the private contract prison, or a non-Kansas inmate who escapes and allegedly commits criminal conduct.
- (b) The secretary may from time to time require the private contractor to review, revise or update any plan required by this section. The private contractor shall comply promptly with any request by the secretary pursuant to this subsection, and failure by any private contractor to do so within a reasonable period of time shall constitute cause for suspension of such private contractor's license.
- (c) Nothing in this section shall be construed to require the state to purchase or lease any private contract prison or to assume responsibility for the operation of any private contract prison or to assume costs associated with events described in this section.
- New Sec. 9. The secretary may suspend or revoke a license for cause, including, but not limited to, failure to obtain or maintain facility accreditation or failure to comply with any requirement of this act, after written

notice of material deficiencies and after 60 workdays have been provided
to the contractor to submit a plan of action to correct the material
deficiencies.

New Sec. 10. If, as determined by the secretary, an emergency occurs involving the noncompliance with or violation of the requirements of this act and presents a serious threat to the safety, health or security of the inmates, employees or the public, the secretary may require immediate or timely corrective action or may, without prior notice, temporarily assume operation and control of the private contract prison. Nothing in this section shall be construed to require the state to assume responsibility for the operation of private contract prisons or for costs associated with events described in this section. If the state chooses, it may assume responsibility upon approval by the legislature through the enactment of legislation.

New Sec. 11. If a private owner intends to sell, convey, transfer, donate, trade, barter or otherwise alienate title to a private contract prison, the private owner shall first give notice of such intent to the secretary. The state shall have the right of first refusal to lease or purchase such private contract prison at fair market value, although the state shall not be required to do so. Except as provided in this section, a private contract prison may be transferred only to an entity that is licensed as required by this act.

New Sec. 12. Each private operator shall require applicants for employment at a private contract prison to submit a set of fingerprints to the Kansas bureau of investigation for a criminal background check. The Kansas bureau of investigation may accept fingerprints of individuals who apply for employment at a private contract prison and who shall be subject to background checks. For the purpose of conducting background checks, to the extent provided for by federal law, the Kansas bureau of investigation may exchange with the secretary criminal history records, whether state, multi-state or federal, of individuals who apply for employment at a private contract prison.

New Sec. 13. This act shall not apply to the contracts between cities and counties and the secretary under which the city or county agrees to house the backlog of inmates as provided by K.S.A. 75-52,128 and 75-52,129, and amendments thereto, which contracts shall be governed by such.

New Sec. 14. Any private operator licensed under this act shall collect and maintain data with respect to all Kansas and non-Kansas inmates housed by the private contractor, in a fashion compatible with Kansas department of corrections practices and procedures for inmate data collection and maintenance, as specified by the secretary.

New Sec. 15. (a) Any county that meets the requirements of this

 section may contract with a private contractor to develop and construct, own or operate a private contract prison in such county.

- (b) No private contract prison shall be constructed, owned or operated pursuant to this act in any county unless the county commission has received written notice of approval from the sheriff of such county and the secretary of corrections. Upon receipt of such notice, the board shall adopt a resolution placing on the ballot the question in subsection (c). No private prison shall be constructed pursuant to this section until the question has been submitted to and approved by a majority of the qualified voters of the county voting at an election thereon. Such election shall be called and held in the manner provided by the general bond law.
- (c) The form of the question described in subsection (b) shall be: "Shall construction and operation of a private contract prison, pursuant to the Private Contract Prison Act, be allowed in ______ County?"
- (d) Except for land donation, no direct incentives, such as property tax abatement, industrial revenue bonds, tax increment financing or utility cost reductions, shall be offered by the county to the private contractor wishing to construct, own or operate a private contract prison in such county.
- (e) At the discretion of the parties, the contract may allow for the leasing of the private contract prison by the private owner to the county or to the state.

New Sec. 16. No contract for site construction between the county and the private contractor authorized by this act shall enter into force until reviewed and approved by the attorney general, as to form and legal sufficiency, and the secretary, as to the determination of the best interests of the state of Kansas.

New Sec. 17. A contract entered into under this act does not accord third-party beneficiary status to any inmate or to any member of the general public.

New Sec. 18. In the event any provision of any contract authorized by this act conflicts with any provision of any license issued pursuant to this act, the provision of the license shall supersede the provision of the contract. In the event any provision of any contract authorized by this act conflicts with any provision of this act, the provision of this act shall supersede the provision of the contract.

New Sec. 19. Nothing in this act shall be construed as requiring the department of corrections to place Kansas inmates in any private facility constructed, owned or operated pursuant to this act. Placement of Kansas inmates in such private facility shall be at the discretion of the secretary based on department needs and the best interest of the state and shall only be pursuant to contract between the secretary and the private operator.

New Sec. 20. Not later than December 1 of each year, beginning with the 2006 fiscal year, the secretary shall submit a report to the speaker of the house of representatives and the president of the senate concerning the status of contracts in effect and licenses issued, and with respect to completed prisons, the effectiveness of each private contract prison operated pursuant to this act.

New Sec. 21. There is hereby created in the state treasury the corrections licensing fee fund. All moneys collected by the secretary from licensing application fees, monitoring fees, and any other fees authorized by this act shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the corrections licensing fee fund. All the moneys collected and deposited pursuant to this subsection shall be used solely for payment of the costs associated with the implementation and enforcement of this act. The secretary shall establish rules and regulations prescribing the fees necessary for the implementation and enforcement of this act.

Sec. 22. K.S.A. 2005 Supp. 75-52,129 is hereby amended to read as follows: 75-52,129. (a) The secretary of corrections is hereby authorized to negotiate and enter into contracts with Kansas cities and counties for the placement of inmates, who are classified as medium custody or any higher custody or security classification, in facilities owned and operated by the cities and counties. If the secretary of corrections proposes to place any inmates classified as medium custody or any higher custody classification for confinement in facilities other than correctional or other institutions or facilities owned and operated by the department of corrections or any other state agency, the secretary of corrections shall give first consideration to entering into contracts with Kansas cities and counties under this section before attempting to place any such inmate for confinement at any private contract prison, as defined in section 2, and amendments thereto, or any location outside the state of Kansas if the facilities to be provided under such contracts are substantially equal to private contract prisons or facilities at locations outside the state of Kansas and if arrangements can be made in a timely manner. Except as provided in subsection (b), the provisions of this section and any contract or preliminary letter of commitment entered into pursuant to this section shall not apply to any minimum custody or community custody status inmates, or any other custody or security classification lower than medium custody, or to any inmate who may be placed in a work release or prerelease program, center or facility by the secretary of corrections, who is eligible for parole or who is placed pursuant to the interstate corrections compact. Contracts entered into pursuant to this section shall not be subject to competitive

1 bid requirements under K.S.A. 75-3739 and amendments thereto.

- 2 (b) The secretary shall not enter into any contract as provided in 3 subsection (a) with any city or county of this state for the placement of 4 inmates that does not provide that such city or county shall provide and 5 maintain appropriate and recognized standards of safety, health and 6 security.
- 7 Sec. 23. K.S.A. 2005 Supp. 75-52,129 is hereby repealed.
- 8 Sec. 24. This act shall take effect and be in force from and after its publication in the statute book.