

## **500 KAR 10:050. Prison Industry Enhancement Certification Program.**

RELATES TO: KRS 196.700 – 196.705, 197.105

STATUTORY AUTHORITY: KRS 196.704(8)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 196.704(8) requires the Kentucky State Corrections Commission to promulgate administrative regulations for the Prison Industry Enhancement Certification Program and the businesses involved in the program, the operating procedures of the commission, and the procedures addressing the handling of injury to inmates participating in the program. This administrative regulation establishes requirements for compliance with the statutes for the Prison Industry Enhancement Certification Program and review of plans by the commission.

### **Section 1. Prison Industry Enhancement Certification Program Committee.**

(1) The commission may establish a Prison Industry Enhancement Certification Program (PIECP) Committee. The committee members shall be appointed by the commission or the chairperson.

(2) If the committee is established, it shall perform the functions required in KRS 196.704(3) and (4).

(3) The committee shall:

- (a) Consist of five (5) members and a quorum shall be a majority of its members;
- (b) Elect a chair of the committee;
- (c) Keep minutes of its meetings;
- (d) Make decisions by a majority vote; and
- (e) Report to the commission at each commission meeting concerning its activities since the previous commission meeting.

(4) For the provisions in KRS 196.704(4), the commission or committee shall review any materials listed in KRS 196.704(4) received by the commission, including:

- (a) Verification of wage requirements pursuant to KRS 197.105(4) and (5);
- (b) Verification of federal wage requirements as stated in 501 KAR 6:160, CPP 08-01-01 incorporated by reference;
- (c) Elements and strength of business plan submitted by a business requesting to participate in the program; and
- (d) The feasibility and merits of the proposed plan within a correctional setting.

(5) For the provisions in KRS 196.704(3), the commission or committee shall:

- (a) Consider the following in its assessment:
  - 1. Strength of the proposed plan;
  - 2. Financial strength of the business requesting to participate;
  - 3. Number of inmates able to participate under the plan and any expansions proposed;
  - 4. Marketability of the skills learned by the inmates participating in the program under the plan;
  - 5. Ready job availability for inmates participating in the program as they are released; and
  - 6. Other factors of similar importance in assessing the strength of a PIECP business application; and
- (b) Provide its assessment to the department.

(6) The commission may change a decision of the committee if it is not part of a signed contract.

### **Section 2. Department Responsibilities.**

(1) For each business plan submitted to the commission, the department shall prepare a preliminary assessment that includes the following information:

- (a) Private worker impact review information;

- (b) Wage review information; and
  - (c) Compliance with federal guidelines incorporated into 501 KAR 6:160, 08-05-01.
- (2) The department shall post information for interested businesses about participation in the PIECP on its website.
- (3) The department shall require a business that participates in the PIECP to provide for injuries to inmates participating in the program through workers' compensation insurance.

Section 3. PIECP Strategic Plan and Annual Report.

- (1) The department shall submit to the commission a proposed statewide strategic plan for the PIECP by March 1 each year.
- (2) The commission shall review the proposed plan and may adopt all or portions of it for the plan required by KRS 196.704(1).
- (3) The department shall submit to the commission a report summarizing the annual operations of the PIECP, the status of implementation of the strategic plan, and an accounting of the distribution of profits and losses.
- (4) The commission shall review the report and may adopt all or portions of it for the annual report required by KRS 196.704(6). The commission shall address any additional requirements in KRS 196.704(6) in the report.

Section 4. PIECP Review.

- (1) The department shall present to the commission each quarter an update of the PIECP operations within the department.
- (2) The department shall submit new and revised PIECP policies to the commission for review prior to implementation of the policies.
- (3) The commission shall review the PIECP policies and procedures submitted. The commission may:
- (a) Approve the policies;
  - (b) Recommend changes; or
  - (c) Request more information.
- (46 Ky.R. 2186; eff. 6-30-2020.)