

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
JUDICIARY COMMITTEE

SUBCOMMITTEE ON CRIME AND CORRECTIONS
REGARDING CORRECTIONAL INDUSTRY

STATE CORRECTIONAL INSTITUTION
AT GRATERFORD

THURSDAY, APRIL 6, 2000, 10:30 A.M.

BEFORE:

HON. JERRY BIRMELIN
HON. HAROLD JAMES
HON. DON WALKO
HON. BABETTE JOSEPHS

ALSO PRESENT:

BRIAN PRESKI, ESQUIRE

TERRY J. O'CONNOR
NOTARY PUBLIC



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2336 N. Second Street (717) 234-5922
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1 CHAIRMAN BIRMELIN: Good morning. We
2 would like to get started if we could. If you
3 would please take your seats.

4 Good morning, Ladies and Gentlemen.
5 Welcome to the Pennsylvania House of
6 Representatives Judiciary Committee. This is the
7 Subcommittee on Crime and Corrections.

8 The hearing we're having today on the
9 Department of Corrections Program is for
10 correctional opportunities for people that they
11 service in different prisons in Pennsylvania.

12 I'm Representative Jerry Birmelin
13 from Wayne County, Chairman of the Subcommittee,
14 and the counterpart for me is Representative
15 Harold James who is in the facility visiting with
16 some of the inmates.

17 I'm not sure if he's visiting.
18 It's not his permanent residence. We have some
19 other folks up here at the head table and I would
20 like them to introduce themselves.

21 REPRESENTATIVE JOSEPHS: Babette
22 Josephs, Philadelphia.

23 MR. WALKO: Don Walko, Allegheny
24 County.

25 MR. PRESKI: Brian Preskie.

1 Chief Counsel to the Judiciary Committee.

2 CHAIRMAN BIRMELIN: We had a tour of
3 the facility at least in part this morning,
4 looking at some of the Correctional Industries
5 shops, garment shop, weaving shop. In particular,
6 we had an opportunity to see some of the things
7 that are occurring here.

8 The first series of testifiers we
9 have are going to begin by telling us a lot more,
10 I suppose, about the type of work provided here at
11 Graterford. As the schedule continues through the
12 day, we will talk about other projects that are
13 occurring throughout the state in ways in which we
14 were able to employ many of the prisoners in the
15 state prison system.

16 Our first testifier is Donald Vaughn
17 who is the Superintendent here at Graterford.
18 He's accompanied by Mr. Terrance Swartz, Food
19 Service Manager and by Mr. Fletcher, Head of
20 Maintenance Trades and instructor.

21 MR. VAUGHN: Can you reverse that?

22 CHAIRMAN BIRMELIN: Can I reverse
23 that? I can't speak backwards. I'm sorry.

24 MR. VAUGHN: Terry Swartz is the
25 maintenance. Peter Fletcher is the culinary

1 manager.

2 CHAIRMAN BIRMELIN: I'm sorry.
3 You were telling me about all the food you were
4 growing. In any event, Mr. Peter Fletcher or --
5 excuse me. Mr. Terrance Swartz is at our far left
6 as you're viewing them. I assume you would be
7 Superintendent Vaughn. Do any of you gentlemen
8 have prepared written statements?

9 MR. VAUGHN: Yes.

10 CHAIRMAN BIRMELIN: In front of me.
11 Okay. My apology, Mr. Vaughn. Why don't you
12 begin and if you're finished, if the two
13 associates, you would like to speak, I'll give you
14 the opportunity.

15 MR. VAUGHN: Good morning to the
16 Committee Members. My name is Donald Vaughn.
17 I'm the Superintendent of the State Correctional
18 Institution here at Graterford.

19 I have been Superintendent since
20 September of 1989 and have been in the system
21 since 1966 at one capacity or another. I would
22 like to apologize for those who are behind me. My
23 presentation this morning is mainly to the persons
24 sitting before me.

25 Graterford is one of Pennsylvania's

1 largest prisons and, in turn, its physical size --
2 it's one of the largest maximum security
3 facilities in the Nation.

4 I'm responsible for 3,250 inmates and
5 1,200 staff members. I'm responsible also for the
6 total operations. As you can imagine, the
7 challenge of running an institution of this size
8 can be at times very concerned and crucial.

9 As of April 4, we received 1,544
10 inmates this year. This includes new receptions
11 coming from the counties and parole violators.

12 The projection this year is over
13 6,000 receptions per year. This projects over
14 6,000 per year, which is consistent with past
15 statistics. This is a transient population
16 and not available for work or program assignments.
17 That means if these persons are traveling
18 through -- after a short period, these inmates are
19 transferred to Camp Hill for classification or to
20 the institution that they're paroled from.

21 To give you a better explanation of
22 that, when persons are brought up by parole agents
23 from Philadelphia, they may come from any of the
24 other 24 institutions. They're brought to
25 Graterford and we designate them across the state.

1 Graterford has a large long-term
2 offender population, 693 lifers, which represents
3 22 percent of our population. The Department of
4 Corrections has a total of 3,601 lifers or 10
5 percent of the total population. We have 1,180
6 inmates who have 10 or more years on their minimum
7 sentence.

8 This is 37 percent of our population.
9 So our long-term offender population is close to
10 60 percent. Our African American population is
11 2,242 or 70 percent. The state is 56 percent.
12 Our white population is 19 percent compared to 34
13 percent of the State; 1,898 or 59 percent of our
14 inmates are from Philadelphia County.

15 We are located in Montgomery County,
16 35 miles from Philadelphia County. Forty percent
17 of the state population is from Philadelphia
18 County and are here at Graterford.

19 When you include Berks, Bucks,
20 Chester, Delaware and Montgomery Counties with
21 Philadelphia County, 73 percent of our population
22 is from this area. A number of factors impact on
23 idleness here at Graterford, new receptions and
24 parole violators that are not available for work
25 assignments. They're in transient.

1 Inmates are on waiting lists for
2 employment or programs; inmates in restricted
3 housing units, inmates with medical or mental
4 health limitations, inmates housed in transitional
5 units for prior problematic behavior.

6 Younger inmates who have no work
7 history and are unmotivated and who have no
8 motivation to work, they prefer recreation and
9 visitation over employment or programs. They rely
10 on family for financial support.

11 For example, if an employee can get
12 \$40 or \$50 a month from his family rather than
13 work for the same amount, he can spend his time in
14 the recreation yard or the field house playing
15 sports.

16 Developmentally and emotionally,
17 some are still in adolescence and it is our job to
18 motivate them to grow through programs and work
19 assignments. In addition to providing food,
20 clothing, shelter and medical care, we must
21 provide meaningful programs and jobs for inmates.

22 As of April 1 of this year, there
23 were 2,230 jobs available to inmates here at
24 Graterford. Of this number, 2,156 inmates
25 were employed. Additionally, there were 74
 jobs available.

1 Graterford has many positions which
2 require varying job skill levels. As examples,
3 339 inmates work in our Correctional Industries
4 Complex. Thirty-five inmates work in our laundry.
5 Two hundred fifty-six inmates work in our Culinary
6 Department and our Maintenance Program employs 202
7 inmates.

8 There are a total of 702 inmates
9 working in our sanitation, housekeeping and dining
10 room areas. Sanitation and housekeeping are very
11 important to the Administration. Graterford today
12 is 71-years old.

13 The Administration places a high
14 priority on sanitation, as it is essential for
15 morale, to both staff and inmates. It is
16 essential to security and also for health
17 purposes.

18 Our school has 242 students.
19 There are also over 200 inmates in full-time
20 residential and outpatient drug and alcohol
21 programs here at Graterford. Inmates obtain jobs
22 by contacting our vocational and education
23 coordinator and to change jobs through a meeting
24 with his counselor and unit management staff.

25 An inmate may not refuse to work.

1 Today, Graterford offers 187 programs to its
2 resident population. Virtually every inmate
3 regardless of classification, sentence or age, can
4 participate in programming designed to improve him
5 spiritually, educationally and physically.

6 And among these programs are drug and
7 alcohol therapy sessions, family services
8 programs, education from adult basic education to
9 vocational degrees from Montgomery County
10 Community College.

11 Also, vocational training in
12 construction skills and barbering. They receive
13 certificates and are certified and receive
14 licenses. Graterford has an art therapy and
15 victim/offender reconciliation program and a wide
16 range of activities from major sports to board
17 games.

18 We have a staff of four full-time
19 chaplains and three part-time chaplains who
20 administer to a very large and diversified
21 congregation. Virtually every recognized religion
22 is represented behind these walls. We are
23 considered a community within a community.

24 The job opportunities at Graterford
25 along with the programming all lend themselves to

1 helping the inmate improve himself. It is my
2 philosophy that an inmate who comes to Graterford
3 must contribute. I believe that an inmate who
4 contributes feels better about himself.

5 On behalf of the Administration and
6 my staff, I want to welcome you and thank you for
7 taking the time to come to Graterford today.

8 Along with me today I have my Food
9 Service Manager, Mr. Pete Fletcher, who will speak
10 next.

11 MR. FLETCHER: I don't have a written
12 testimony. My name is Peter Fletcher. I'm an
13 employee here. I've been employed since December
14 1998. I came from food service from the street.
15 I was appointed to the current position in
16 September of 1999.

17 I don't have any formal statement
18 made up but I can answer any questions you might
19 have.

20 CHAIRMAN BIRMELIN: There maybe some
21 in a moment. I want to give Mr. Swartz the
22 opportunity as well. Do you have any comments or
23 anything to add?

24 MR. SWARTZ: Yes, sir. Good morning.
25 My name is Terrance Swartz. I'm the facility

1 Maintenance Manager III here at Graterford. I've
2 been here at Graterford -- June will be four
3 years. I have in August, 19 years of service for
4 the Department of Corrections.

5 SCI Graterford is clearly the largest
6 institution in the State of Pennsylvania,
7 with its physical size. It is a challenge to
8 maintain with over 1,700 acres outside the 30-foot
9 high wall.

10 We currently have horse details which
11 will be invaluable to provide a work force of two
12 times the inmates involved in our garden program,
13 which we anticipate to grow various vegetables in
14 a 50-acre section of the land. Anticipated
15 produce yield this year is expected to be 10,000
16 pounds or 50 tons.

17 Furthermore other crops will be
18 planted as well as different species of the trees
19 which we hope to use 1,451 of the 1,700 acres
20 available.

21 The produce will be used in the
22 institution. Some food is targeted for the
23 correctional industry. Hay will be used for the
24 horses. We also have a community work detail.
25 The community work detail consists of two separate

1 details of up to ten inmates per detail equalling
2 up to 20 inmates.

3 Applications for program
4 consideration come from federal, state agencies,
5 cities, counties, boroughs, townships, school
6 districts and charitable organizations.

7 Presently approximately \$310,250
8 savings was reported from 1997 with details
9 working approximately 18,402 man hours for the
10 community work detail.

11 Inside the 30-foot wall there is
12 1,276,000 square feet physical plant sets on 67
13 acres maintained by 70 maintenance staff of
14 various tradesmen instructors, skilled and
15 unskilled labor. These staff provide jobs for 202
16 inmates of an allotted complement of 262 inmates.
17 Tradesmen, instructors train them and make most an
18 all trades.

19 Many inmates are involved in the
20 apprenticeship programs. Since 1995, maintenance
21 had a total of 105 inmates in the program.
22 Forty-eight completed the program. We currently
23 have 47 inmates active in the program and there
24 was ten inmates not active due to transfers.

25 If an inmate sucessfully completes

1 the program, they receive a journeyman's level
2 certificate from Labor and Industry. As an
3 example, to receive a certificate for plumbing
4 electrician, machinist or carpentry, you have to
5 have 8,000 hours of training. A certificate for
6 mason requires 6,535 hours of training.

7 Different trades vary in the
8 different amount of hours that are required.
9 Those that are involved in the trade positions are
10 expected to learn work ethics, good work
11 practices, safety and how to follow instructions.

12 Many inmates have never held jobs
13 prior to their incarceration and that's part of
14 our job to teach these inmates' skills. Staff
15 that are in the maintenance have care, custody and
16 control of inmates.

17 Each staff upon hire is given a code
18 ethic handbook, B-1, specific rules and
19 regulations of the Department of Corrections
20 handbook reads, Each employee in the correctional
21 system is expected to subscribe to the principle
22 that something positive can be done for each
23 inmate. This principle is to be applied
24 without exception.

25 In closing, I trust each of you had

1 enjoyed your visit. Those who visited, you saw
2 the good size of the institution and the many
3 hours of labor needed to maintain it.

4 I am of the opinion that the
5 successful accreditation at Graterford was a
6 direct result of inmates and staff working
7 together to raise the living standards to meet the
8 needs of the Commonwealth and Citizens of
9 Pennsylvania. Thank you.

10 CHAIRMAN BIRMELIN: Thank you,
11 Gentlemen, for your testimony. Just -- I may have
12 not heard this or I don't think you mentioned it.
13 Mr. Fletcher, the people that you have work in the
14 food service area, are there any specific programs
15 where they might get certificates or some sort of
16 verification of their skills that they can use on
17 the outside?

18 MR. FLETCHER: Currently, I just
19 initiated -- they get a certificate of achievement
20 for a food service sanitation course they have to
21 complete with us and that's really all right now.

22 I'm in the process of waiting to hear
23 if we're going to have an apprenticeship. We hire
24 instructors to instruct the inmates on how to
25 cook, what to cook, how much to cook, etc. We

1 have also just been granted a culinary -- which I
2 have in front of me, a restaurant food service
3 program here that we just hired one of the
4 instructors that worked with me, Mr. Steve Daily,
5 to be chairman of the program.

6 That's going to occur in the
7 education department and I'm working with him and
8 Bill Zinkle, the Principal, to order the equipment
9 for the test kitchen in that area and also to
10 develop the curriculum for the program.

11 A lot of it is coming from me based
12 upon my experience on the street. Prior to coming
13 here in December of 1998, I operated a restaurant
14 in Center City Philadelphia on Broad Street. I
15 hired inmates to work for me at the restaurant
16 that were incarcerated at Graterford.

17 I don't know if -- it just happened
18 this way. But I found that out after I was hired
19 here. They found out I was leaving the restaurant
20 business to come here. So does that answer your
21 question?

22 CHAIRMAN BIRMELIN: Yeah. It just
23 occurs to me every prison has prisoners who work
24 in food service. It's an area in which you
25 probably can broaden some training which will just

1 like those who work at barber shops, get a
2 certificate and get their barber's license.

3 They would be able to say having
4 worked so many hours or whatever, had so much
5 training in the food service, that that would be
6 an opportunity to get a job outside that would be
7 readily available.

8 I would assume the job market is
9 pretty good for the food service industry.

10 MR. FLETCHER: I'm an example that it
11 works.

12 CHAIRMAN BIRMELIN: You were a
13 prisoner first?

14 MR. FLETCHER: I was a chef at one
15 time. It works. I mean I opened my doors to
16 anybody who was willing to put forth the effort to
17 work and to do the job regardless of what their
18 past was about or where they came from.

19 I'm a firm believer it can be done.
20 The way I run my department is a set example for
21 myself, all the way down. Hopefully, by me
22 carrying myself the way I am and professionally
23 treating people and expect things from people,
24 hold people accountable, someone will fall in
25 line.

1 No matter if it's one person or 100,
2 they'll learn or take it along when they leave.

3 CHAIRMAN BIRMELIN: Thank you.
4 Representative James returned from his private
5 tour of the prison. And, Representative James,
6 did you have any questions?

7 REPRESENTATIVE JAMES: No.

8 CHAIRMAN BIRMELIN: Representative
9 Josephs?

10 REPRESENTATIVE JOSEPHS: Thank you.
11 I have a couple questions for the Superintendent,
12 sir. Without getting too much into these numbers,
13 you have something like 3,300 inmates and I think
14 your testimony says you have something like 200
15 job positions available?

16 MR. VAUGHN: Yes. I also indicated a
17 lot of the individuals within that 3,000 number
18 are not eligible for jobs because of the
19 transition.

20 REPRESENTATIVE JOSEPHS: And other
21 kinds of reasons. There's about 1,000 people for
22 one reason or another that don't have a job.

23 MR. VAUGHN: That could be possible.

24 REPRESENTATIVE JOSEPHS: Some of
25 these people are going to school or some other

1 program?

2 MR. VAUGHN: That is correct.

3 REPRESENTATIVE JOSEPHS: That is
4 possible. If you could have more jobs, would you
5 have them? I mean, would you have a -- among the
6 1,000 people or so who don't have jobs, are there
7 people who do qualify who would like to have jobs
8 and don't have the positions for them?

9 MR. VAUGHN: I have more inmates than
10 I have jobs. We're also, in conjunction with the
11 Department of Corrections, setting up more
12 vocational training within our school department
13 such as the one that Mr. Fletcher mentioned and we
14 plan to have others that we're bringing aboard.
15 We'll have more vocational training to help
16 prepare a person returning to society.

17 REPRESENTATIVE JOSEPHS: So you're
18 gradually trying to expand this program to more
19 inmates?

20 MR. VAUGHN: Yes.

21 REPRESENTATIVE JOSEPHS: Okay.
22 Some of you indicated, I know this is the case
23 from my experience going around and being at
24 prisons, some other reasons or -- one of the
25 reasons at least why people are not qualified to

1 take jobs is because of some sort of anti-social
2 -- you said here, problematic behavior.

3 Do you ever as a superintendent look
4 at those kinds of individuals and see if their
5 problematic behavior, whatever form that takes,
6 might be caused by an untreated substance abuse
7 problem, mental illness problems, something that
8 may have happened in that person's past like being
9 a victim of some sort of violence or sexual abuse
10 that this individual might be treated, might be in
11 a therapeutic community, might if this individual
12 had a chance to get treatment or medication, might
13 then be a person who -- what do you do with people
14 who are problematic and don't qualify for work?

15 MR. VAUGHN: I mentioned a lot of
16 things. But just in the little time we have, I
17 couldn't talk about everything that we provide.

18 We have all type of therapy sessions
19 that a person will experience during the time of
20 classification that will identify his needs prior
21 to him being assigned to a given institution.

22 REPRESENTATIVE JOSEPHS: Are there
23 enough options and there, I mean, by kinds of
24 programs for the people who need them?

25 MR. VAUGHN: We probably could use

1 more but we do have sufficient staff in all the
2 institutions to help in treating the mental
3 illnesses or any particular need they may be
4 required to have.

5 REPRESENTATIVE JOSEPHS: Just a
6 little comment. I just want to ask one other
7 little question. My impression from being at one
8 after another of these kinds of things, people,
9 particularly men, who are aggressive and women who
10 exhibit other kinds of anti-social behavior end up
11 RHU.

12 No one looks at them to see if
13 there's an underlying reason for the behavior
14 they're having and having something helping them
15 being more social which would help us on the
16 outside because they would come out being better
17 acclimated for us and less likely to reoffend.

18 MR. VAUGHN: That occurs in the
19 beginning when inmates stay within a particular
20 institution I have seen inmates go through that
21 area and become very productive within the inmate
22 population.

23 After their inmate period, after they
24 are adjusted, they go through a certain period of
25 adjustment because of the fact it's not easy

1 coming from the community and coming into
2 confinement.

3 I spoke about the adolescence of the
4 younger inmates. You take an older person who has
5 to make an adjustment to a more controlled
6 confinement.

7 REPRESENTATIVE JOSEPHS: Do you have
8 enough beds, beds slots or whatever you call them
9 to help them make the adjustment if they seem
10 particularly difficult, in terms of integrating
11 themselves into the population?

12 MR. VAUGHN: Do you ever have enough?
13 No. There's always a need but I think Graterford,
14 and from my experience, we have a sufficient
15 amount to deal with the problems we do have. We
16 can always use more.

17 REPRESENTATIVE JOSEPHS: Okay. My
18 last question. Someplace you said in your
19 testimony that people are not allowed to refuse
20 work. And since you have the better part of 100
21 jobs available and 1,000 people who don't have
22 work I'm wondering --

23 MR. VAUGHN: There are other things.

24 REPRESENTATIVE JOSEPHS: I'm
25 wondering what that statement means.

1 MR. VAUGHN: I don't allow people to
2 refuse work. A large amount of the inmate
3 population may take that option and not do
4 anything. We have jobs.

5 We have educational programs and we
6 try to ensure that people don't just have idle
7 time because idle time within an institution
8 brings about serious problems.

9 REPRESENTATIVE JOSEPHS: That's
10 everywhere.

11 MR. VAUGHN: That is correct.
12 It's my philosophy you either have a job and you
13 work or you don't play.

14 REPRESENTATIVE JOSEPHS: Thank you.
15 Thank you, Mr. Chairman.

16 REPRESENTATIVE WALKO: Mr.
17 Superintendent, I believe Representative Josephs
18 was referring to the 74 jobs that are available.
19 Is that because they have no skills?

20 MR. VAUGHN: It's because of the
21 transition and the transfers. In the case of just
22 filling those jobs, the other inmates have certain
23 classifications that at times change and are
24 caused from transfers from one institution to
25 another. Inmates are released. We're always in

1 the process of hiring and replacing inmates.

2 REPRESENTATIVE WALKO: Regarding the
3 new receptions and parole violators who amount to
4 about 6,000 people coming in. Is that about --
5 is that --

6 MR. VAUGHN: I don't think the number
7 was 6,000. That was over a year.

8 REPRESENTATIVE WALKO: Over 6,000
9 receptions in a year. Is that higher than any
10 other state correctional institution or is that
11 typical?

12 MR. VAUGHN: It's probably higher. I
13 tried to explain earlier. The intake from
14 Philadelphia takes them. A lot of the persons
15 coming into the system are from this five county
16 area more so than any other county in
17 Pennsylvania.

18 REPRESENTATIVE WALKO: So it's
19 because of the geography?

20 MR. VAUGHN: We are the reception
21 unit and we forward the inmates to the reception
22 center at Camp Hill. We do receive the inmates
23 from the five county area here at Graterford for a
24 period of time for either a week, ten days or
25 whatever. According to needs, then they're

1 transferred from here to Camp Hill which is the
2 classification center for the State of
3 Pennsylvania.

4 REPRESENTATIVE WALKO: I had a
5 question for Mr. Swartz as well. The barber shop
6 graduates roughly 20 people a year -- not
7 graduates, but the inmates that are released who
8 qualify for the license, do you ever track them or
9 are they ending up in good jobs or in good
10 businesses?

11 MR. SWARTZ: Well, the barber shop
12 program is separate from the maintenance program.
13 That falls under centralized services.

14 MR. VAUGHN: I can probably answer
15 that for you. Yes. We do have a tracking system.
16 And speaking from experience, again, we have a lot
17 of inmates that go out of there with licenses.
18 I'm from the Philadelphia area. I keep up with a
19 lot of inmates who call me and I may see on the
20 street.

21 I know for a fact that a lot of the
22 inmates who come here to get licenses have the
23 barbering skills and some own their own shops.
24 There's one guy who is not from Philadelphia who
25 has a large shop in the Harrisburg area and he

1 calls me.

2 REPRESENTATIVE JAMES: On Sixth
3 Street. I know about him.

4 MR. VAUGHN: He hires barbers that
5 are coming out of Graterford and there's several.

6 REPRESENTATIVE WALKO: He does a good
7 job.

8 MR. VAUGHN: There's several barber
9 shops in the Philadelphia area that employ inmates
10 out of Graterford. I know of many.

11 REPRESENTATIVE WALKO: Then regarding
12 the -- I don't know if construction comes under
13 you, Mr. --

14 MR. SWARTZ: Yes, sir, it does.

15 REPRESENTATIVE WALKO: The
16 Commissioner or Secretary mentioned there's an
17 apprenticeship. Do you have any relationship with
18 building trade unions as far as getting some of
19 the graduate inmates placed?

20 MR. SWARTZ: No, sir. That is one of
21 the departments we're not involved in. We have
22 been working with the Department of Industry and
23 Department of Education.

24 I recently talked to a gentleman with
25 Labor and Industry and discussed that matter with

1 him and there's a union issue there and there's
2 certain complexities that we have to deal with.
3 We have used it and plan to pursue it to see where
4 it will take us.

5 REPRESENTATIVE WALKO: Thank you, Mr.
6 Chairman.

7 CHAIRMAN BIRMELIN: Representative
8 James.

9 REPRESENTATIVE JAMES: Thank you, Mr.
10 Chairman. The barber I go to when I get my hair
11 shaved is Marvin.

12 MR. VAUGHN: Marvelous Marvin.

13 REPRESENTATIVE JAMES: Thank you for
14 testifying. Thank you for your hospitality. I
15 always get good comments on your service and your
16 outreach and what you're doing in town. You've
17 always responded well. I just want to commend you
18 for that.

19 We were in a meeting about a month
20 ago and I'm trying to remember the situation. The
21 situation was a lot of complaints that we were
22 getting from constituents as it relates to, I
23 think, lifers and visitors and you indicated that
24 you don't have that problem here. Do you remember
25 that?

1 MR. VAUGHN: Yes, I do remember.
2 Those are my words.

3 REPRESENTATIVE JAMES: What was the
4 problem that they were having at the other places
5 where you don't have it here so that the other
6 members will know?

7 MR. VAUGHN: I think at that time the
8 other people in the meeting were indicating that
9 they were having problems at other institutions
10 and they mentioned some. It was in regards to the
11 visitors going up on buses and not being able to
12 visit their relatives or friends, that they were
13 running into some obstacles during that period of
14 time.

15 A lot of things were mentioned that
16 the Secretary said he was going to address or
17 resolve at the meeting. I had said I was
18 attending the meeting because of the fact that I
19 had capital cases because I think it started with
20 capital cases but I had not had the problems here
21 at Graterford, anyone complaining on how they got
22 down to see their relatives. The area I have may
23 be small but it's conducive.

24 REPRESENTATIVE JAMES: The other
25 thing is, I just -- let me bring this up.

1 Representative Washington who wanted to be with
2 us, told me she couldn't be here. She's in a
3 court case this morning in reference to police
4 officer shootings, the Squally case she told me to
5 make sure I let Chairman Birmelin know she wishes
6 to be here. She would be here if it wasn't for
7 that.

8 I just left a young man I was
9 visiting on behalf of the family in my district
10 who is doing life now. He was sentenced here when
11 he was 17 years of age. He's been in here 17
12 years.

13 And I asked him about -- he told me
14 about his situation, in the wrong place, the wrong
15 time and the wrong judgment. That kind of thing.
16 We have a lot of violence in our communities.

17 I was just wondering. I remember
18 there was a program called Scared Straight. I was
19 just wondering if, in fact, that the institution
20 could do something that relates to lifers talking
21 to young people, how that could be arranged to try
22 make sure they don't make those kinds of bad
23 judgments.

24 Is there any program you have like
25 that or can it be looked at or talked about?

1 MR. VAUGHN: When you say young
2 people, what age are you talking about?

3 REPRESENTATIVE JAMES: High school.

4 MR. VAUGHN: We have a program here
5 at this institution and I know what you're talking
6 about because prior to -- I would say about seven
7 years ago, we used to allow a group of inmates in
8 our outside services. That's when I had lifers
9 living outside.

10 Since the changes I don't have the
11 lifers and the inmates with the experience in the
12 outside services unit. I sort of curtailed most
13 of those programs. We also have a limitation of
14 age, what we allow within our general population.

15 We do have some classes coming in.
16 We have some connections with some of the schools
17 where they bring people up that are over 17 to
18 talk to the inmate population.

19 I know the Lifers Group still
20 provides a service because there's a group out of
21 Philadelphia and Montgomery County with the -- not
22 the Commissioner of Police, I think Johnson is the
23 Assistant Chief of Police of Philadelphia who
24 comes up with the group and they bring 17, 18,
25 19-year olds into the institution to talk to the

1 inmates.

2 And we do have a lot of experience.
3 This morning while we were in the shop visiting,
4 they didn't realize it but we passed an inmate who
5 was working in the shop who had been here for 47
6 years. And he has a lot he could share with you
7 to deter them from coming this direction.

8 REPRESENTATIVE JAMES: You would be
9 amenable? We could talk with the Secretary to try
10 to expand that kind of program?

11 MR. VAUGHN: I'm not in favor of
12 Scared Straight. There are approaches that we can
13 take --

14 REPRESENTATIVE JAMES: Okay.

15 MR. VAUGHN: -- to share information
16 with you, I feel, that talking to them, not with
17 the faced of hollering, screaming, profanity which
18 is not the approach. There are ways to
19 communicate to the youth today without using that
20 terminology.

21 REPRESENTATIVE JAMES: Okay.
22 We'll be back in touch with you. Thank you.

23 CHAIRMAN BIRMELIN: Thank you,
24 gentlemen, for your testimony. We appreciate it.
25 I'm going to change the order of the testimony

1 slightly. I'm going to have Secretary Oliver of
2 the Department of Conservation and Natural
3 Resources.

4 I know he was scheduled at 11:00.
5 It's 11:10. I don't want to keep him any longer.
6 Thank you for coming. We have a copy of your
7 testimony and when you are comfortable, you may
8 proceed.

9 MR. OLIVER: Thank you very much.
10 I'm delighted to have my colleagues with me who
11 are the ones who put together a very successful,
12 very significant Community Work Program for the
13 Department of Conservation and Natural Resources.

14 The reason I'm here to talk about
15 this program is because the work of these folks
16 with the Department of Corrections. May 31, 1998,
17 a powerful tornado ripped through the Promised
18 Land State Park in Pike County, levelling trees,
19 damaging cabins and snapping utility polls.

20 The funnel twisted its way through
21 remote sections of the park destroying old growth
22 forests and leased cabins. After the gusts died
23 down, a six-mile long, 200-yard swath of
24 destruction remained.

25 It left a crippled park whose

1 personnel had to quickly scramble to get back into
2 operation and fully serve its customers.

3 Enter an innovative partnership with
4 the Department of Conservation and the Department
5 of Corrections where prison inmates from SCI
6 Waymart stepped in to provide the needed hands to
7 clean up the area quickly.

8 It's just one of the many examples
9 across the state park and forest system under the
10 Department of Corrections' Community Work Program
11 CWP for short. Launched in 1995, as a PRIME
12 initiative, CWP has evolved into a highly
13 successful program of DCNR, which is now used by
14 other state agencies, local governments and
15 nonprofit institutions.

16 It's this simple. DCNR has a
17 significant backlog of projects in our state parks
18 and forests. The Department of Corrections wants
19 inmates at the end of their sentence to gain work
20 experience and transition to the outside world.
21 What we have is a perfect match where inmates help
22 us tackle projects that ordinarily would not be
23 completed.

24 The benefits are varied. It frees up
25 DCNR employees to complete other high-priority

1 projects. It saves taxpayers' money and provides
2 inmates with valuable experience. Use of the
3 Community Work Program has been a top priority and
4 without this pact, it would have made it
5 impossible to complete every task.

6 With budget constraints, what can we
7 do? The bottom line is that before the CWP these
8 things were not getting done. Over the four years
9 of partnership, we have completed hundreds, if not
10 thousands of tasks using the Community Work
11 Program.

12 To date 41 state parks and eight
13 forest districts have used crews from the 19 state
14 correctional institutions. For example, last year
15 at Pymatuning State Park in Crawford County,
16 inmates painted comfort stations and building
17 exteriors, trimmed brush, assembled picnic tables
18 and removed debris.

19 At Gifford Pinchot State Park in York
20 County, SCI Camp Hill picked up litter; seeded and
21 mulched and cut trees and provided trail
22 maintenance.

23 The crew here at SCI Graterford
24 helped our Nolde Forest Environmental Education
25 center at Ridley Creek State Park and Nockamixon

1 State Park to perform these same type of
2 maintenance and upkeep tasks. Not only do the
3 inmate crews perform maintenance-related duties,
4 they also helped us protect and enhance the
5 resources.

6 The inmates help to plant trees and
7 seedlings which allows for the freeing up of our
8 district forest personnel to focus on other duties
9 such as fire prevention and suppression.

10 In 1998 alone, inmates contributed
11 more than 57,000 hours to rehabilitate our parks
12 and forests. Since the cost to pay the inmates is
13 \$.51 per hour. This obviously translates into
14 taxpayer savings.

15 Over the life of this partnership
16 with Corrections' estimated cost savings to DCNR
17 has topped \$2.4 million. Since the inmate work
18 goes a long way to improve the appearance of our
19 parks and forests, we see another benefit,
20 increased tourism.

21 With parks in tip-top shape, visitors
22 come back and they tell their friends and benefits
23 surrounding communities with an increase of
24 visitors buying gas, groceries and other goods to
25 fully enjoy their stay at the Pennsylvania state

1 park.

2 We entered into this agreement with
3 Corrections enthusiastically but cautiously.
4 It was important the work performed by inmates was
5 not jeopardizing the work of our seasonal
6 employees. We would not and could not impact the
7 jobs or hours performed by our seasonal workers.
8 And we have not.

9 The inmates perform work that
10 otherwise would not be done or frees up our
11 seasonal workers to perform more skilled tasks, a
12 benefit to them and to DCNR.

13 We also entered cautiously to ensure
14 the safety of our visitors and employees.
15 Corrections ensured us that the Community Work
16 Program employs carefully screened, low-risk
17 inmates who near the end of their sentence.

18 Each crew is supervised by a
19 correction foreman. Over the four years of the
20 program, we have had nothing but pleasant
21 experiences with the crews. These are men and
22 women who are grateful to be working and we are
23 grateful to have them. Thank you very much for
24 your time.

25 CHAIRMAN BIRMELIN: Thank you,

1 Secretary Oliver. It's not by accident that your
2 opening paragraph deals with Pike County which I
3 represent.

4 MR. OLIVER: Purely by coincidence.

5 CHAIRMAN BIRMELIN: I can for the
6 Committee's benefit and for those of you gathered
7 here this morning, add a very resounding Amen and
8 much of this devastation in this state park was
9 really quite a swath of destruction. Trees
10 knocked all over the place. Roads knocked all
11 over the place.

12 If you're familiar with state parks,
13 many of them are cabin rental sites. People were
14 not able to get to their cabins for weeks on end.
15 They would not have gotten to them much longer if
16 it wasn't for DOC's Community Work Program.

17 They did a real bang up job and spent
18 three straight weeks. Every day, two crews were
19 out just with chain saws and pulling out trees and
20 making land available and the roads available
21 again.

22 And if you notice the date, it was
23 May 31. That's the very beginning of a very
24 extremely busy season in our state parks. This
25 couldn't have happened at a worse time. And I was

1 very proud of the DOC people from Waymart SCI.

2 They did an excellent job. I was on
3 the site and was actually watching them in
4 operation for awhile. As I toured the park with
5 the superintendent of work there, she commented on
6 what essentially was a life-saving job that they
7 did.

8 And I think they were to be commended
9 for that. Also, I know that, again, back to my
10 district, my personal experience that I'm working
11 with Secretary Oliver in trying to rehabilitate
12 another state park there.

13 We have the commitment of the DOC,
14 Waymart that they can provide labor for us when
15 that becomes necessary to do some things. There
16 again it's not taking jobs away from anybody.
17 They're doing things that would have never gotten
18 done.

19 Otherwise, we wouldn't have the
20 opportunity to open up a new state park which is
21 really an old state park and do something really
22 important for our area.

23 So there are opportunities like this.
24 I can speak from personal experience. From what
25 the Secretary has told us, his Community Work

1 Programs do a great job. I wish we could have
2 more of them.

3 They could be more involved in the
4 communities because there's so much more they
5 could be doing to improve the life of everyone in
6 Pennsylvania without creating any problems for
7 those people who already have jobs in those areas.

8 So thank you, Secretary Oliver, for
9 your testimony and your willingness to work with
10 DOC. At this point, I'll ask the members if they
11 have any questions?

12 REPRESENTATIVE WALKO: Thank you, Mr.
13 Chairman. Mr. Oliver, I had a follow-up to your
14 comment about the work performed by inmates that
15 it does not jeopardize the work of your seasonal
16 employees. And I just wondered if you have any
17 statistical report on that or have done -- what
18 kind of analysis did you do to determine that?

19 One thing comes to mind for me. For
20 example, I know there's a million ways to spend
21 budget surpluses. We've probably proposed ways to
22 spend it ten times over. Why when we do have huge
23 budget surpluses in Pennsylvania, why hasn't the
24 work needed in state parks been addressed through
25 our regular budget process?

1 MR. OLIVER: They have. Mr. Walko,
2 as you know, it was passed last November. It
3 provided \$154 million over the next five years to
4 take care of the needed repairs and backlog of
5 projects in our state parks and state forest.

6 So part of that is being paid for by
7 general revenue. But in terms of the statistical
8 work, I'll defer to Jay Dunne. They've been able
9 to work with our union folks in the field so there
10 wasn't a conflict.

11 REPRESENTATIVE WALKO: That's what I
12 would like to understand a little bit.

13 MR. DUNNE: I guess one key point for
14 us during this period of time, our budget has
15 either stayed the same or increased. The amount
16 of hours that we've employed our seasonal people
17 has stayed the same or increased. We've had no
18 cutbacks during that period of time.

19 And the other part is that the work,
20 as the Secretary mentioned, the work done is work
21 that either would never have been done or would be
22 quite often delayed for years.

23 And it is now being picked up by the
24 CWP crews. So again, there's no way in either
25 hours or in people. By using these people, we've

1 never had that intention.

2 In fact, there's basically an
3 agreement between the Commonwealth and the Council
4 13 AFSCME that that would not occur.

5 REPRESENTATIVE WALKO: Thank you.
6 That's all.

7 CHAIRMAN BIRMELIN: Thank you. We
8 appreciate you coming and giving your testimony.
9 I would encourage you to put the pressure on DOC
10 to provide more crews. I know they really need
11 the work.

12 MR. OLIVER: I appreciate that.
13 The Commissioner is aware of that. We're going to
14 work together to increase the program.

15 CHAIRMAN BIRMELIN: Thank you for
16 coming. I appreciate that. We'll go back to our
17 regularly scheduled testifier, William Reznor and
18 Linda Morrison, Director of Bureau Industries, if
19 you would come forward.

20 I failed to mention earlier. I
21 probably should have, but as I did yesterday, if
22 you have prepared testimony that is written, you
23 may want to highlight it instead of reading the
24 entire presentation, and then spend a little more
25 time answering questions as opposed to reading the

1 testimony that you have.

2 That will make it easier for us to at
3 least find out what is most important on your mind
4 and ask questions about that.

5 Mr. Reznor, go ahead.

6 MR. REZNOR: Good morning, Chairman
7 Birmelin and Members of the Subcommittee and to
8 your staff. My name is Bill Reznor. I'm Duty
9 Secretary for Inter Governmental Relations for the
10 Pennsylvania Department of Corrections.

11 With me today is Linda Morrison.
12 Linda is the Director of the Bureau of
13 Correctional Industries. We're both very pleased
14 to share with you the Correctional Industries role
15 in providing inmate employment within the DOC.

16 Our primary mission in industries is
17 teaching inmates to work and creating employment
18 opportunities for them by making products and
19 providing services for governmental agencies and
20 other non-profit organizations.

21 We have over 1,850 inmates employed
22 at 20 state correctional facilities. We have 46
23 shops which makes products such as correctional
24 officer uniforms, license plates, soap, inmate
25 clothing, underwear, shoes and eye glasses.

1 We provide services such as vehicle
2 and snow plow repair; laundry services and
3 printing for state and local government agencies.
4 Ms. Morrison was very kind today to bring with us
5 in the back of the room a sampling of the various
6 products that we make at the CI so that you can
7 see what it is we do.

8 CI is a self-sufficient operation.
9 Our profits we do make go back into our industries
10 to either replace the worn out equipment that we
11 have and to expand the successful industries.
12 Obviously we don't want to expand unsuccessful
13 industries and create new industries thereby
14 creating new jobs for inmates.

15 All of our costs associated with
16 Correctional Industry operation are paid for with
17 money generated by the sales of our products and
18 services.

19 When we consider a new industry, we
20 work with the Department of General Services to
21 determine the products the Commonwealth purchases
22 but are not manufactured in Pennsylvania so we can
23 try to avoid being in competition with
24 Pennsylvania companies.

25 Each industry has skills that an

1 inmate can learn. Those skills include
2 bookkeeping, inventory control, computer-aided
3 design and production control. Many CI inmates,
4 however, never work before coming into our prison.
5 For the first time in their lives they're expected
6 to be at work at a certain time and to be
7 reliable.

8 They're expected to follow directions
9 from their supervisor and to be held accountable
10 for their actions. They are to know the feeling
11 that comes from accomplishments and the rewards
12 that come from the end of the day knowing you have
13 done a good job.

14 We have been successful in spite of
15 all the obstacles of operating a business within
16 corrections. We fully understand that security is
17 and must be our top priority and with a heightened
18 awareness by the Department as to who is permitted
19 to work in industries outside the fences.

20 These public safety concerns coupled
21 with the creation of Community Work Programs and
22 institution grounds and maintenance crews have
23 reduced the amount of available inmates for
24 Correctional Industries located outside the fence.

25 These industries included farming and

1 dairy operations. Cows that need milking don't,
2 care about institutional lockdowns or when fields
3 need to be harvested. The workday cannot depend
4 on work shift changes and work around time clocks
5 and overtime. As a result, all new or expanded
6 industries are being located inside of our fences.

7 Although the farms will still be used
8 to grow produce, which has been testified earlier
9 to by Terry Swartz, we will grow such things as
10 carrots and tomatoes for our institution's
11 kitchen.

12 They will not be part of Correctional
13 Industries. In this way, the farms still remain
14 an inmate work program while providing fresh
15 produce for our kitchens.

16 With the new industries that we
17 opened over the past year, such as the print shop
18 at SCI Frackville; the optical laboratory at SCI
19 Cambridge Springs, and the new industries we are
20 planning such as a bakery at SCI Houtzdale and
21 computer refurbishing at SCI Cresson, we hope to
22 put more and more inmates to work.

23 And now with more details on how our
24 industries are moving in Pennsylvania, allow me to
25 introduce to you Linda Morrison, the Director of

1 Correctional Industries.

2 MS. MORRISON: Thank you. Would you
3 prefer that I don't read the testimony for the
4 sake of time? Okay. I did not highlight it.

5 CHAIRMAN BIRMELIN: Tell us what you
6 think is most important about Correctional
7 Industry and that will give us the opportunity if
8 there's going to be questions.

9 MS. MORRISON: I would like you to
10 take notice to the photographs on the walls.
11 That's a representation of the industries that we
12 -- some of the industries across the state.

13 We have 16 different types of
14 industries: Garments, furniture; printing, food
15 processing, metal fabrication and things like
16 that. At the back of the room is a display of our
17 products -- some of the products.

18 We manufacturer over 2,000 products
19 and it's going to be a little difficult to bring
20 them in here today. You went through the tour
21 this morning.

22 As you could see a lot of our
23 equipment is old and outdated. We are trying very
24 desperately to develop the program to increase
25 inmate employment.

1 We restructured and under Secretary
2 Horn's expertise, we're under new management.
3 We recognize we do need to operate as a business
4 in order to increase our sales. The sales, of
5 course, support the inmate employment and allows
6 us the funds to develop more programs to create
7 the jobs.

8 Sorry. I'm caught off guard.
9 Can I take some questions?

10 CHAIRMAN BIRMELIN: Sure. If you
11 want to expand when you're asked a question or
12 something you may want to mention, feel free. Let
13 me ask you a few questions. Do you do these
14 booklets?

15 MS. MORRISON: That's an education
16 program.

17 CHAIRMAN BIRMELIN: Just for the
18 members' benefit on your -- the textbooks that --
19 I don't know if it's textbooks. It's a book of
20 some sort that is converted into Braille and
21 Secretary Horn indicated these were done at
22 Cambridge Springs.

23 That's one of the things that inmates
24 do. Also, I'll remind the Members if you've been
25 in the Legislature -- I know all of us have been

1 in for more than one term, we have been given
2 these from the Department of Corrections.

3 REPRESENTATIVE JOSEPHS: I recognize
4 them.

5 CHAIRMAN BIRMELIN: We saw where you
6 made them here earlier today and if you come to
7 see me, I'll be able to get you a few more. I
8 have an inside source with the corrections office
9 or correctional institution that makes the
10 products like that.

11 And also because you didn't mention
12 it, Secretary Horn did mention to me on your table
13 as well is a bar of soap and there's also --

14 REPRESENTATIVE JOSEPHS: I know
15 you're real dirty.

16 CHAIRMAN BIRMELIN: I didn't think
17 you were dirty. Apparently somebody did. They
18 put it there for you. When I was younger, I once
19 had one of them in my mouth. That tells you a
20 little bit about me.

21 Also Secretary Horn had indicated to
22 me that here at Graterford, since they have a shoe
23 manufacturing shop, they also sometimes take
24 leftover bits of leather that are no longer usable
25 for shoes and turn them into eyeglass holders.

1 Another thing I wanted to ask you to
2 explain is the paper clips on your collar. Would
3 you tell us --

4 MS. MORRISON: If you take notice
5 they're made in China. I had some information to
6 lead up to this. Since we're going to move a
7 little faster, Correctional Industries is -- we're
8 permitted by law to sell to state agencies, local
9 governments, tax-based entities and non-profit
10 organizations that we receive aid from State
11 funding and we do not sell to the public.

12 And there are -- we're very cautious
13 not to expand our market in any way that it
14 becomes a threat to the private businesses in
15 Pennsylvania.

16 So when we are looking to expand,
17 they're very cautious on who we might infringe on
18 and one of the things that we noticed is there are
19 a lot of products that we could be manufacturing
20 and this becomes an issue a while back because
21 these are the types of things we're very capable
22 of making but because of the way the laws are
23 written we're not permitted to sell to the public
24 and we could distribute them to small businesses
25 in Pennsylvania.

1 There are a lot of different ways we
2 can partner with small businesses in Pennsylvania
3 without infringing on economic development and
4 labor unions displacing employment.

5 CHAIRMAN BIRMELIN: These paper clips
6 you have are made in China. There's no one in
7 Pennsylvania that makes them?

8 MS. MORRISON: No, sir. There's only
9 a few distributors in the northeast. We found
10 with the manufacturers, there's no one in the
11 country that I know of that manufacturers them.
12 But there's the distributors in Pennsylvania who
13 are office supply houses and so on.

14 CHAIRMAN BIRMELIN: That being the
15 case, aren't you able to make them?

16 MS. MORRISON: We're not permitted to
17 sell to the public. We have to sell -- it would
18 be a competition then.

19 CHAIRMAN BIRMELIN: You're not
20 allowed to sell them within government agencies?

21 MS. MORRISON: We can sell to
22 government agencies but the problem is we would be
23 taking a lot of business directly away from those
24 Pennsylvania businesses. We prefer to be a
25 supplier to those businesses.

1 CHAIRMAN BIRMELIN: From the
2 distributor?

3 MS. MORRISON: Yes.

4 CHAIRMAN BIRMELIN: So you're saying
5 that you would like to have the opportunity to --

6 MS. MORRISON: Bring business back to
7 this country. We could manufacturer raw materials
8 made right here in Pennsylvania.

9 CHAIRMAN BIRMELIN: There are a
10 portion of Pennsylvania businesses you're going to
11 cross paths, with the distributors, because
12 they're manufacturing somewhere else.

13 MS. MORRISON: If we became a
14 supplier to them we would be assisting them to
15 help their businesses, therefore, we could label
16 them, Made In Pennsylvania instead.

17 CHAIRMAN BIRMELIN: You're not able
18 by law to provide those to distributors. Is that
19 what you're saying?

20 MS. MORRISON: Right.

21 CHAIRMAN BIRMELIN: You need a change
22 in the law to enable -- even though they're not
23 manufactured in Pennsylvania, you still need a
24 change in the law so you could manufacturer them
25 and provide them to the distributors?

1 MS. MORRISON: Yes.

2 CHAIRMAN BIRMELIN: Would you be
3 competitive?

4 MS. MORRISON: We're not sure if
5 they're manufactured by prisoners or who.

6 CHAIRMAN BIRMELIN: Representative
7 James, any questions?

8 REPRESENTATIVE JAMES: I was just
9 talking to the chief counsel. I said if we were
10 competitive and they aren't making much more than
11 the prisoners.

12 Thank you both for testifying and it
13 seem like Chairman Birmelin is stuck on the
14 revenue source for DOC for enhancing some business
15 in the Commonwealth.

16 So I'm sure he'll look it up and make
17 sure he could find someone to cosign on it.
18 Some of those signs I see in the back, I guess,
19 they're some of the signs that you have done. I
20 also heard you say that you can't sell to
21 non-profits and government. Does that include
22 furniture? Is furniture different?

23 MS. MORRISON: No. We have 16
24 industries. Metal furniture, wood furniture is
25 part of the whole industry.

1 REPRESENTATIVE JAMES: I visited it
2 one time and I thought it was a great operation.
3 It's a great opportunity for all parties. How are
4 people in the community groups able to get, like,
5 the Neighborhood Watch Signs, Drug Free signs?

6 MS. MORRISON: We can do community
7 groups. There's an 800 number on there. You can
8 contact me. Anything you can do to support our
9 operation, I would appreciate it. Make the word
10 known to your local government in your own
11 district.

12 REPRESENTATIVE JAMES: Thank you very
13 much.

14 CHAIRMAN BIRMELIN: I would like to
15 get 85 on the speed limit sign. Do you change the
16 numbers?

17 MS. MORRISON: Yeah?

18 CHAIRMAN BIRMELIN: Representative.

19 REPRESENTATIVE WALKO: Thank you.
20 Mr. Chairman, we were also wondering why can't you
21 sell these to or give these now to the
22 Commonwealth? I was just curious.

23 You had noted -- to me, I was
24 surprised because all the Commonwealth offices use
25 these things, the State System of Higher

1 Education.

2 MS. MORRISON: We would be taking
3 business away from local businesses. We prefer to
4 be a supplier to them instead of marketing and
5 competing against them.

6 REPRESENTATIVE WALKO: Which this
7 may sound naive and uninformed. So the furniture
8 we get, there are no wholesalers?

9 MS. MORRISON: We have such a small
10 corner of the market. It hasn't been a big issue
11 in Pennsylvania. It has been nationally. We try
12 to remain diversified enough and small enough but,
13 of course, we have to support the program.

14 We need a steady flow of work. We
15 don't want to go out and pursue new products and
16 say, well, we researched it thoroughly and this is
17 an example and bring some business back here.

18 REPRESENTATIVE WALKO: If the DOC
19 would sell these to wholesalers, obviously there
20 may not be any company that does this in the
21 United States. Correct?

22 MS. MORRISON: Probably not.

23 REPRESENTATIVE WALKO: That would
24 still be your litmus test. If there was
25 legislation prepared authorizing such a sale --

1 MS. MORRISON: Yes.

2 CHAIRMAN BIRMELIN: Representative
3 Josephs.

4 REPRESENTATIVE JOSEPHS: I have to
5 ask about the unmet need of a number of inmates
6 that could be employed and they are not employed
7 because there just is not a slot for them. Not
8 the ones who are disqualified for one reason or
9 another, but the people who really could work.

10 MS. MORRISON: Well, if they qualify
11 through the employment office, that's how they get
12 the jobs. The inmate employment office -- they're
13 qualified for a limited amount of jobs. We've
14 recently developed a growth plan for the jobs.
15 I've been with the Correctional Industries for
16 almost four years.

17 We've opened a new sign shop at
18 Mercer -- the signs you saw back there. The
19 building was constructed by Operation Outward
20 Reach through inmates.

21 The construction was done by inmates.
22 We opened a print shop at Frackville and the
23 optical lab at Cambridge Springs, which is a
24 female institution. We are expanding slowly. We
25 have not had the funding in the past.

1 We're still in the restructuring
2 mode. We've developed a very aggressive
3 growth plan. We plan to put in a new industry
4 at Houtzdale, which does not have an industry.
5 It's been difficult to keep up with the growth of
6 the inmate population.

7 We're going to put in a new industry
8 at Retreat. We're going to expand Coal Township,
9 Graterford and there are a couple other locations
10 that we're looking at that are still in the
11 planning stages. But there's a lot of research
12 that has to be done. We have an aggressive growth
13 plan.

14 REPRESENTATIVE JOSEPHS: I'm glad to
15 hear that. I, for one, would be someone who
16 would, when you're ready for resources, support
17 budget increases in that department.

18 MS. MORRISON: We are a
19 self-sustained fund. We have to generate sales.
20 As a matter of fact, we don't see anything from
21 the taxpayers.

22 MR. REZNOR: The best support would
23 be an advocate for our industry by making your
24 constituents know about what we do. We have a
25 very small marketing force. We're going through

1 growth spurts as you can probably imagine.

2 So that as we have products available
3 and as we can make them available, one of the
4 advantages is that local government has been
5 purchasing them from us. Most of our products are
6 on state contract.

7 There's no need for bidding the
8 product out. No advertisements would be required
9 by the local government. So that is a nice
10 advantage for the local governments to have.

11 REPRESENTATIVE JOSEPHS: When we
12 built and furnished the whole new east wing in
13 Harrisburg, did we -- do you know -- I don't know
14 whether we bought our furniture there. I see the
15 Secretary shaking his head. Then in the opposite
16 direction, that's too bad really.

17 MR. REZNOR: We have on the other
18 side of the fence, the River Front Office
19 Building. We supplied several of the offices
20 furniture there. Probation and Parole bought
21 almost all of their furniture from us.

22 MS. MORRISON: One thing I would like
23 to mention is Pennsylvania does not have a State
24 Use Law, which would tremendously help us.
25 That allows for constant flow of work from state

1 agencies.

2 Many states have a State Use Law
3 where the Federal Government also has in place
4 that the agencies are mandated to buy from
5 industries if you manufacturer the product.
6 Pennsylvania industries for the blind and handicap
7 is under a State Use Law in Pennsylvania.

8 So we try very carefully not to
9 compete with them because, as a matter of fact, we
10 buy from them. We've gone to shows together and
11 helped each other out.

12 But that is a big help, too.
13 That's where state agencies don't -- not very many
14 of them know about the products that we have.
15 Our marketing initiatives have to be developed and
16 be a little more aggressive. We're always
17 concerned about that.

18 REPRESENTATIVE JOSEPHS: Maybe your
19 marketing is the place where you could use more
20 research directly. In the other direction, it
21 seems to me every -- well, let me ask this first.
22 I'm not a person who thinks that putting kids or
23 adults in front of computers is going to save the
24 world.

25 I do think that for people going out

1 and looking for almost any job nowadays has to
2 have some familiarity which is really important.
3 Do your inmates have any opportunity to deal with
4 computers? And, if so, how many and what do they
5 do?.

6 MS. MORRISON: The corrections
7 education, which is another bureau, has computer
8 labs that are through the education programs. But
9 in Correctional Industries, one of the locations
10 -- I forgot to mention that we have a new industry
11 coming up this summer hopefully. That is computer
12 refurbishing and they will learn more modern
13 technology such as the optical lab.

14 They're learning off new equipment,
15 new technology, new skills. They do learn data
16 entry. If you noticed in the correctional shop,
17 we have bookkeeper/accountant inmates that work
18 with the computer programs within the limitations.

19 There are administrative skills for
20 them. We have equipment operators. There are a
21 lot of skills that they learn that they can use
22 outside in addition to the traditional work
23 environment letting them be responsible and so on.

24 There are quite a few skills.
25 We're in compliance with the Department's Trade

1 Manual. That's how we assign the trade
2 classifications.

3 REPRESENTATIVE JOSEPHS: Another
4 question then I'll be finished. It seems to me
5 almost after some short period of time we in state
6 government get our computers replaced.

7 MS. MORRISON: We have them. As a
8 matter of fact, last year was the year of the Y2K
9 crunch and we worked with the Department of
10 General Services and collected at this point about
11 13,000 computers and we're working with a
12 consultant along with the Hyatt Foundation to
13 develop this program at present.

14 We were a little ahead of the game
15 and have been storing up the computers. We had to
16 put a stop because we had too many of them. We
17 ran out of space. We know there's a constant
18 flow. As soon as we can get the program up and
19 running, we'll have plenty of work to do.

20 REPRESENTATIVE JOSEPHS: Thank you,
21 Mr. Chairman.

22 CHAIRMAN BIRMELIN: Chief Counsel.

23 MR. PRESKI: Which industry do you
24 have the best -- which single industry or which
25 particular one is the most profitable?

1 MS. MORRISON: The garment industry.

2 MR. PRESKI: I know you don't make a
3 lot of profit. Do you have one that makes the
4 most profit?

5 MS. MORRISON: Garments, printing,
6 modular furniture.

7 MR. PRESKI: Any running at a loss
8 where it's costing?

9 MS. MORRISON: Not at this time.
10 We had a couple situations where as a matter of
11 fact, under our restructuring last year, most of
12 our industries were loosing the money. This year
13 most of the industries are making money.

14 With the closing of the dairy, we
15 hope to have the money to fund more industries
16 that will allow us to make more money and be more
17 profitable.

18 MR. PRESKI: You looked to industries
19 that are not located currently in Pennsylvania.
20 You're not competing with them when you create
21 something. I mean, what happens in the situation
22 when you start the paper clip factory and you do
23 that.

24 You get it on-line and Representative
25 James and I see now that paper clips were never

1 manufactured in Pennsylvania before. You're
2 turning over a nice profit and we decide we're
3 going to open one up.

4 Are there any provisions for that,
5 for you guys or anything else for when a new
6 industry comes into Pennsylvania and it previously
7 had not been there before and the Department of
8 Corrections was doing it because they saw
9 somewhere there was a need. Has that ever
10 happened before?

11 MS. MORRISON: Not during my -- I've
12 only been here a little over three years. I
13 haven't experienced that yet. We're still trying
14 to get out of the past.

15 MR. REZNOR: There was some talk a
16 couple of years ago. We worked with then Commerce
17 and made sure as we develop industries, if a
18 company from outside of Pennsylvania decides that
19 was something they would want to do, there would
20 be at least discussions between the Department of
21 Corrections and the economic development people
22 and the industry to see if there could be some
23 kind of collaboration established.

24 One of the nice objectives is we
25 agree to come up with a percentage of the

1 employment of that industry to employ so many
2 ex-offenders as they're being released. It would
3 be a nice connection for both the prisons and for
4 the new industry.

5 So it's been talked about. We're not
6 that far down the road. We developed business
7 plans for all of our new industries so that before
8 we enter into it, we've already established a
9 market.

10 We've already established what our
11 costs are going to be and what we're going to be
12 doing. What we're trying to do now in many ways
13 is to fix those things that were started a number
14 of years ago in which there was very little
15 thought given to what it was going to do five
16 years after it was operating.

17 MR. PRESKI: Thank you.

18 MR. CHAIRMAN: Thank you very much.
19 We appreciate you being here. Thank you. The
20 next folks that are testifying this morning are
21 Mr. Robert Frantz and Mr. Dave Lauder. Mr. Lauder
22 is President of the Pennsylvania Prison
23 Society. If you would begin first, I would
24 appreciate that.

25 MR. LAUDER: Thank you for having me.

1 I happen to be the President of the Pennsylvania
2 Prison Society. I'm not here in this capacity,
3 however.

4 I really have been asked to be here
5 because I'm a businessman in Pennsylvania and have
6 been most of my life.

7 I'm also a person who is working in
8 corrections as a volunteer for 30 years. So it is
9 kind of a different combination. I just want to
10 give you a quick thumbnail of my background that
11 will qualify me for speaking to this subject.

12 I have been vice president of a large
13 international drug company and have been a
14 consultant to the industry for over 20 years. At
15 one time, I owned a small retail business and
16 hired only ex-offenders if we could find them.

17 And currently I'm a founding partner
18 and active member of a new drug company which we
19 formed three years ago. So I'm spending most of
20 my time doing that. I've been a member of the
21 Pennsylvania Prison Society, Board of Directors
22 for 28 years.

23 I'm currently the President. I
24 served on the Advisory Board and, at which time, I
25 gained some additional experience in prison

1 industries on the Federal level and have been a
2 volunteer for eight years and was a volunteer for
3 the Department of Corrections representing inmates
4 before the Pardons Board. I have led weekly life
5 skills programs at Graterford for 17 years.

6 I mention this because it gives me a
7 little bit of a perspective. I've heard a lot of
8 things this morning that I support. I support
9 Correctional Industries.

10 I support the jobs. I support things
11 that Superintendent Vaughn said this morning. I
12 have a little different perspective of it and some
13 comments.

14 You may have received or seen some
15 information that's been distributed by the
16 Department of Corrections regarding the number of
17 work assignments now within the Department of
18 Corrections within the institution. I have a
19 little problem with those numbers.

20 I want to point them out because I
21 don't think we should be too optimistic of what's
22 going on although we should be supporting it and I
23 am.

24 The chart which I have included in
25 the addendum to my notes indicates that additional

1 jobs are listed and that is true. The problem
2 that I have is that many of these are low-skilled
3 positions.

4 They're not the Correctional
5 Industries which are more highly-skilled jobs,
6 although, there are good jobs that are outside of
7 the correctional industry.

8 While the number of jobs and work
9 assignments appeared to have increased by 24
10 percent according to the graph, the inmate
11 population from the figures I have grew by 34.8
12 percent during the same period.

13 So I think that gap is growing of
14 people that do not have work assignments. The
15 last caution I give you in using that graph is
16 that these figures are in work assignments, not
17 number of hours.

18 We all know in many cases work has
19 been distributed to many inmates because not
20 enough work has been available to work a full
21 shift.

22 I understand the need for doing that.
23 I subscribe to it in many cases. But I think this
24 graph would be more accurate if it were in number
25 of hours worked as opposed to job assignments.

1 This very subject of work in
2 Correctional Industries is so broad. I have been
3 associated with it for so many years. I really --
4 I'm going to try to answer questions as opposed to
5 give an awful lot of testimony.

6 I want to offer one suggestion. As a
7 consultant, I was hired by the Federal Bureau of
8 Prisons to do a study of what the industry needed
9 for the Federal Bureau of Prisons, prison
10 industries to produce what kind of skills they did
11 need; what could they do in their program and for
12 those of you that might not be familiar with the
13 Federal program, it is, I believe, at least it was
14 when I worked with it, it was called UNICORP.

15 It was a separate corporation. It
16 was a profit-making entity that they set up. It
17 was run separately from the security end of the
18 prisons.

19 The inmates were housed together in
20 the institution and it was kind of like the old
21 company town. It did provide a team-building
22 experience for the inmates.

23 There were production quotas
24 established in the industry and uniquely enough,
25 they rewarded people for making the quotas. How

1 do you do that? You can't pay them more. They
2 said, no. We give them days off with pay.

3 There were rewards forthcoming that
4 maybe done in the Commonwealth Correctional
5 industry. I don't know. But the product mix was
6 also designed for the customer. It was not
7 designed for the institution.

8 In many instances, Correctional
9 Industries put that together to meet the needs of
10 the institution, not the needs of the customer.
11 They say, who is the customer? The customer is
12 the Government. That's a pretty good customer and
13 also non-profit.

14 They need to seek them out more. I'm
15 also a board member of a community corrections
16 group in the State of Pennsylvania and we use a
17 lot of supplies and furniture and things like
18 that.

19 I don't think we've been approached
20 to purchase through Correctional Industries.
21 Perhaps we need a little bit of marketing help
22 there.

23 When I did this survey for UNICORP,
24 it was very interesting. It came out completely
25 different than I thought. It was not a broad

1 survey. There were 12 to 15 companies involved,
2 fairly large-sized companies. The results of the
3 survey were pretty simple.

4 They said, don't worry about the
5 skills. If a person has certain skills, that's
6 fine. If they have computer skills, that's fine,
7 but, we're not worried about the specific skills.
8 What we're worried about is you providing us with
9 somebody with the work ethic.

10 Somebody who has worked against a
11 given number of hours, a given set of shifts.
12 Someone can work against production quotas and
13 knows that a company is a team effort and not an
14 individual effort and one that recognizes this is
15 very important that your job is not to beat the
16 company, to see what you can get away with, but to
17 join the company.

18 When I was teaching life skills, I
19 taught a three-week section on employment and how
20 to get a job and keep it. I had absenteeism.
21 Invariably, the question is, what difference does
22 it make? I'm the person suffering. I don't get
23 paid. So what's the big deal?

24 I had to explain to people that the
25 teams cannot work properly without all of the

1 members and that is kind of an enlightenment to
2 the inmates.

3 This sounds really simple. All I
4 have to do is provide someone coming through the
5 system with a work ethic because very often we
6 don't have regular hours of employment.

7 My experience has been there's very
8 little team building. There's very little feeling
9 that this is a company, that this is a team
10 producing things.

11 Goals and objectives are not clearly
12 defined in many of the industries. Now, let me,
13 in fairness, say I have not worked with the
14 Correctional Industries in the State and
15 Commonwealth of Pennsylvania in several years.

16 It has changed probably since I was
17 familiar with it. I had toured many of the
18 institutions in Pennsylvania, both state and
19 federal. In my surveying of the industries at
20 that time, the goals and objectives were not clear
21 and rewards and advancement in the workplace were
22 not readily available.

23 So I think that if correctional
24 industry perhaps could take a page from the
25 Federal book; take a look at the way UNICORP has

1 put together their program, I'm sure they have
2 seen it. I'm sure they're familiar with it. I do
3 think they're kind of advanced in the thinking.

4 And I think we're going to produce
5 that person with the work ethic the industry is
6 looking for. I, indeed, have hired several
7 people out of prisons personally into my own
8 businesses. I've had to do that because I
9 can't talk about it until I've had that personal
10 experience with it. I have had some successes.
11 I've had some failures. I've learned kind of
12 by doing.

13 And there is no simple answer. I
14 know that. We all know that. We just have to
15 keep at it. I would suggest that we continue to
16 place emphasis on Correctional Industries within
17 all of our institutions and if, at any time, I and
18 some people I do know can be of any help in this
19 effort, I would be more than glad to work with the
20 Department or with the Committee or with anyone
21 just based a little bit on my correctional
22 experience.

23 I have to warn you. I'm trying to
24 retire from my present company. I haven't been
25 very successful. We cancelled my retirement

1 dinner last Friday because they haven't let me go
2 yet.

3 But, shortly, I expect to have a
4 little bit more time and I'll be glad to be of
5 help if I could. I would be glad to answer any
6 questions.

7 CHAIRMAN BIRMELIN: Thank you, Mr.
8 Lauder. Before we do ask you any questions, I
9 would like Mr. Frantz to give his testimony.

10 MR. FRANTZ: First of all, if I may
11 say to Chairman Birmelin, Representative Josephs
12 and Representative James, I'm the person who last
13 Thursday faxed you the letter asking you to let me
14 speak at some point on parole or set up a future
15 hearing on parole.

16 I'm seriously hoping you would
17 consider that sometime in the future as it is a
18 big part of not only what we're speaking of but a
19 big part of what you spoke of yesterday and some
20 of the items you're speaking on next.

21 CHAIRMAN BIRMELIN: Did you get my
22 email?

23 MR. FRANTZ: I thank you for that.
24 I will go from there. My name is Robert F.
25 Frantz. I'm the founder and the head of the Above

1 Organization on Parole Relief. I'm also a member
2 of the Pennsylvania Prison Society.

3 I thank all of you for the
4 opportunity to speak for you today. I want to
5 tell you a few cases concerning employment in the
6 SCI's which is not isolated just to a select few.

7 I was incarcerated and spent four
8 years and four months of my incarceration at SCI
9 Coal Township. During that time they needed
10 somebody with blueprint reading knowledge.

11 Having went to college for drafting
12 and engineering and having spent 22 years with the
13 Commonwealth of Pennsylvania, I put in for the
14 job. I was passed over and the job was given to
15 an inmate that had no idea how to do the job.

16 In fact, during lunch and in the
17 evenings, he would come to me to get help on how
18 and what to do. I also spent several years in the
19 U.S. Army and was able to teach GED. I was placed
20 in a class with a teacher, who is teaching the
21 first to third grade level.

22 Another inmate and myself started to
23 work for her. She promptly turned the teaching
24 over to us and earned her pay as a teacher by
25 mostly watching us do the work.

1 After being warned by a staff member
2 to be careful around her and doing the work, I
3 asked to be transferred out of the position.
4 With some trouble, I was able to get back out of
5 the job and placed back on the block as a worker
6 where I spent the balance of my time cleaning
7 floors and bathrooms.

8 In another case, there was an inmate
9 that worked all his life as a woodworker. At Coal
10 Township, there is a woodshop to build furniture.
11 Instead of placing this man in there using his
12 experience, his job was to paint ceramic little
13 bunnies and such.

14 In addition, he would have been able
15 to keep up with some of the newer equipment in use
16 even though the equipment at the SCI is not even
17 near compatible to equipment used on the outside.

18 At SCI Waymart, an inmate was trained
19 in the military in electronics and he was placed
20 into the electronics crew where his boss was very
21 happy with his work. He got good work reports.

22 He was then put out of his program by
23 staff which is another problem. And because of
24 that, he was taken out of the job in the
25 electronic crew.

1 This inmate is now cleaning floors
2 around the prison where again he's doing a good
3 job and liked by his crew boss and getting good
4 reports.

5 The fourth case is an inmate that was
6 trained as an apprentice in building maintenance.
7 Upon being sent to another prison after many years
8 is told he can't work in that field even though
9 there was an opening in the maintenance.

10 The foreman had requested him on
11 several occasions. This inmate was put to work in
12 the kitchen. The policy is that they must be
13 working. If they refuse, they get a write up.

14 Mr. Fletcher stated earlier the
15 number of hours needed for a man to receive his
16 apprenticeship, which the man has to get. The
17 institution fails to use this man to his fullest
18 extent. This man is also a lifer so he has
19 another reinstruction if there's already a lifer
20 on that crew.

21 Since there are so many lifers and
22 few jobs, often times a lifer maybe idle. Some
23 jobs/programs are denied to lifers not because
24 they want to be idle.

25 I won't take time to give you

1 any more cases as I'm sure you get the picture
2 from the above cases. DOC talks a good talk about
3 rehabilitation.

4 Employment is part of that
5 rehabilitation. Rehabilitation also starts with
6 the staff. That only happens with a few good
7 staff members.

8 While this is happening, the DOC and
9 the Pennsylvania Board of Probation and Parole is
10 costing taxpayers over \$180 million by not
11 releasing over 6,000 inmates that are over their
12 minimum and most of them have good incarceration
13 records and are first time offenders who should be
14 caring for their families and earning a living and
15 paying tax.

16 Ladies and gentlemen, I thank you for
17 your time on this matter and the last paragraph,
18 you may think refers to parole and in a sense it
19 does.

20 If these men are out then there's
21 openings for other people that are incarcerated to
22 have jobs and these men are out earning a living,
23 supplying their family. Thank you very much for
24 your time.

25 CHAIRMAN BIRMELIN: Thank you, Mr.

1 Frantz. Representative Josephs.

2 REPRESENTATIVE JOSEPHS: Thank you.
3 A comment to the latter. The schools we hear from
4 say the same thing. They can't keep up with the
5 skills. The schools, colleges, if they graduate
6 people with a work ethic --

7 MR. LAUDER: I think that's right.
8 A specific example is I used to be with the Vicks
9 Company, the drug manufacturers. We hired some
10 ex-offenders.

11 If we hired a person who was an
12 ex-offender to be a lift truck driver, for
13 instance, it didn't make any difference whether
14 that person happened to have that experience built
15 up here or they went through our school and was
16 certified by us in an industry very jealous of
17 that, but, what they want is somebody who can
18 understand and somebody who can grasp things who
19 has been there and worked. That type of
20 experience.

21 REPRESENTATIVE JOSEPHS: Mr. Frantz,
22 how long did these happen at least your personal
23 --

24 MR. FRANTZ: September of '92 to '96.
25 He's still in incarcerated. The gentleman at

1 Waymart with the electrical knowledge and
2 training, he is still incarcerated. The fourth
3 case, the gentleman, as I stated is a lifer. He's
4 still incarcerated.

5 REPRESENTATIVE JOSEPHS: All of these
6 incidents that you talked about happened within
7 the last ten years?

8 MR. FRANTZ: Three of them are going
9 on. Mine happened within the last eight, nine
10 years.

11 REPRESENTATIVE JOSEPHS: Thank you.

12 CHAIRMAN BIRMELIN: Thank you,
13 gentlemen. If there are no further questions from
14 the panel, I thank you from coming. While our
15 next testifiers, Betty Serian and Robert Peda,
16 come up here, let me just for the sake of the
17 record, inform you that those committee members
18 that are not here today will receive copies of all
19 the testimony that's being presented.

20 CHAIRMAN BIRMELIN: Good afternoon,
21 Ms. Serian. I have met you in the past on
22 occasion but you probably don't remember me, but I
23 remember you.

24 You made an excellent presentation on
25 the beginnings on the driver's license services

1 and the different parts of the state where people
2 can go for car registration.

3 You made a presentation to Members
4 the of the General Assembly. I was very
5 impressed.

6 MS. SERIAN: I'll try to live true to
7 that. Members of the Committee, it is our
8 pleasure on the behalf of the Department of
9 Transportation to be here today and to testify
10 before your committee.

11 There are two other members from
12 PennDOT who are with me today. To my right is,
13 as you mentioned, Bob Peda, Director of the Bureau
14 of Maintenance and Operations and to my left is
15 Kurt Myers, who is the Director of the Bureau of
16 Motor Vehicles.

17 Both of these gentlemen will be
18 presenting more specifics about our partnership
19 with Correctional Industries after I give some
20 brief opening remarks.

21 PennDOT is probably the biggest
22 customer of the Correctional Industries from the
23 state perspective and we really do welcome the
24 opportunity, especially on behalf of Secretary
25 Mallory, to talk about that partnership we have

1 with Correctional Industries because they are a
2 major contributor to our core business at PennDOT
3 in a lot of areas, certainly in the license plate
4 and driver and vehicle area as well as in the
5 maintenance area.

6 And this partnership that we have
7 with Correctional Industries and the Department of
8 Corrections is truly a successful partnership and
9 it is one that continues to grow.

10 As Mr. Myers will talk about, we roll
11 new products out with correctional inmates.
12 They're there to help us meet the challenges and
13 are better serving our customers with products.
14 A couple of other things, too, I believe that
15 Correctional Industries certainly does and I have
16 seen this firsthand. I'll refer to it in a little
17 bit. But they provide training to develop new and
18 useful skills.

19 They offer the inmates, the
20 employees, the opportunities to really participate
21 in
22 meaningful and productive operations that provide
23 real products for real customers in Pennsylvania.

24 And they have done this significantly
25 and these products impact a tremendous amount of

1 Pennsylvanians who use the license plate products
2 as well as others. I think the Commonwealth can
3 take great satisfaction that the fact that the
4 Correctional Industry Programs provide taxpayers
5 with many low cost, high-quality products while
6 helping develop skills for the inmates.

7 As I said, Correctional Industries is
8 a vital partner. I'm using the word partner.
9 They do work with us very closely. We depend on
10 each other, PennDOT and Correctional Industries,
11 from start to finish on major initiatives. One
12 initiative is the license plate reissuance
13 program.

14 We're right now in the midst of going
15 through a major initiative for the Commonwealth
16 and Correctional Industries. Especially the
17 Correctional Industries in Pittsburgh, which is a
18 major supplier in terms of the reissuance program.

19 Kurt Myers will focus on the
20 productive partnership that PennDOT has with the
21 Department of Corrections. The impacts and the
22 importance of Correctional Industries is very
23 visible as I said.

24 Let me take the license plate program
25 for a moment. Overall just in that one area of

1 the business, Correctional Industries provides 1.9
2 million plates to PennDOT every single year on an
3 ongoing basis. That's just to keep us in
4 business. But that does not include the
5 reissuance.

6 I will tell you also that is no small
7 scale backroom operation with poor and outdated
8 equipment that takes place at the State
9 Correctional Industry Institute in Pittsburgh.

10 It is a very sophisticated
11 manufacturing operation that requires quality
12 first and foremost. The plates that go to our
13 customers must be a quality product. It requires
14 timeliness because they must meet our deadlines as
15 a customer and certainly requires production and
16 flexibility in production as well. They're
17 meeting that challenge very well in our current
18 license plate program.

19 And it is not a small scale backroom
20 operation. It is a very sophisticated
21 manufacturing operation. Also, at the State
22 Correctional Institute in Pittsburgh about 150
23 other plates are made along with the standard
24 Pennsylvania plate that is made.

25 And these plates range from the

1 standard plates and the more sophisticated plates,
2 etc., such as special fund plates. I'm sure many
3 of you are familiar with them.

4 During a recent visit I had to
5 Pittsburgh and their license plate factory, I had
6 the opportunity to see firsthand and observe an
7 efficient and productive operation. I was able to
8 speak with and observe the inmates who are part of
9 that very important job in that institution.

10 I was truly surprised, I must admit,
11 and I'm glad to be surprised at the tremendous
12 sense of pride that existed among the inmates who
13 truly took pride in producing quality license
14 plates for PennDOT.

15 They knew the goal. They knew the
16 standard. They knew the expectations and they did
17 take great pride in delivering these quality
18 products.

19 I will tell you they knew their jobs
20 and they knew their job very well. As a result of
21 this operation, I think the Commonwealth is
22 getting a very cost effective and quality product.

23 While the inmates are developing
24 useful skills, they, too, are developing, I
25 believe, from what I have been able to see and the

1 products that we've seen, a sense of satisfaction
2 that really comes from a job well done.

3 Fostering the sense of accomplishment
4 and work ethic is no doubt central to the success
5 of the inmates as well as of the Department of
6 Corrections. Let me now go on to the reissuance
7 aspect.

8 Not only does the Correctional
9 Industries at Pittsburgh as well as some of the
10 other facilities which I'll talk about in a moment
11 here as well as Mr. Myers will, meeting our day to
12 day requirements for products at PennDOT
13 especially in the license plate area as well as
14 some of the other areas of our business.

15 They have been a critical, core
16 partner in meeting the unique challenges of the
17 ongoing reissuance program. It's the first of its
18 kind in 23 years which means there are nine
19 million plates being produced to be distributed
20 throughout the state over the next three years.

21 So the logistics involved in such an
22 undertaking are no small logistics. As you
23 probably know, they're daunting to say the least.
24 I think that is an understatement in a lot of
25 ways, the numbers.

1 Not only are they addressing
2 reissuance, they're also keeping up with the
3 current production that we have to have for new
4 registrations as well.

5 We knew at PennDOT when we decided
6 and worked with the Legislature to have a
7 reissuance program that we had to rely on
8 Correctional Industries. We had to depend on the
9 them to meet the manufacturing challenge in an
10 aggressive schedule.

11 We worked with Commissioner Horn,
12 Deputy Commissioner Reznor and Director Linda
13 Morrison and her staff to develop an approach that
14 would allow current production to continue and
15 also to meet the aggressive schedule of
16 reissuance.

17 I will tell you we're very pleased
18 customers at PennDOT. So far Correctional
19 Industries has met the customer's expectations on
20 this very important project. I have no doubt
21 they'll continue to do that.

22 Right now we are in Phase II of a
23 three-year issuance project. There are four
24 phases to it. Phase I called for approximately
25 one million plates to be completed by prison

1 industries.

2 We replaced all the old yellow
3 plates. That was to be done in a six-month
4 period. It ended in February.

5 I'm pleased with the tremendous
6 diligence and the strong work ethic and
7 determination of the inmates at the State
8 Correctional Institution in Pittsburgh, we were
9 able to meet it one month ahead of time. We're
10 very pleased.

11 That certainly impacts the customer.
12 Phase II is the replacement of vanity plates --
13 about 250,000 of those. We're right now in the
14 midst of that and on target and on schedule.

15 I believe that it is truly the mark
16 of a good supplier to integrate new customer
17 initiatives in their business to keep the routine
18 requirements in check while not compromising
19 either for the sake of the other.

20 The license plate reissuance is
21 certainly one of these initiatives that PennDOT
22 presented to Correctional Industries. I will tell
23 you they certainly did a great job in meeting that
24 challenge.

25 They're a very important partner for

1 us in a lot of areas in the Department of
2 Transportation. We rely on them, depend on them
3 and depend on the quality of products they
4 provide. Let me turn now to Mr. Myers who is
5 going to talk about some of the other major
6 initiatives that we have with Correctional
7 Industries.

8 MR. MYERS: Thank you. Good
9 afternoon. Shortly, PennDOT will be introducing a
10 new product that we've requested Correctional
11 Industries to begin production of. They started
12 in late September and as of April 17, we'll roll
13 this product out.

14 As you maybe aware in the past the
15 T-sticker that you were used to seeing, the
16 T-sticker used for temporary registration, after a
17 great deal of research, PennDOT made the
18 determination it was going to create a new product
19 using security features that could be applied to
20 the product and also, specifically, to support law
21 enforcement.

22 This is the new product which I have
23 an example of here and I'll be more than happy to
24 pass this around.

25 CHAIRMAN BIRMELIN: Would you do

1 that?

2 MR. MYERS: It will go on the back of
3 the window for a 90-day period of time while the
4 customer waits for their new and current
5 registration. This product -- we worked very
6 closely with Correctional Industries on. They
7 presently produce the document at the Pittsburgh
8 location.

9 After it's printed, it's sent to
10 Huntington and there, the security halogram is
11 applied along with the clear cover. We're very
12 excited about this product. But I think the most
13 important story about this is we gave Correctional
14 Industries a deadline -- from the standpoint of
15 production, they met that deadline. They exceeded
16 our expectations.

17 From the standpoint of meeting our
18 requirements, as far as materials were concerned
19 and the quality of that product, it has been
20 extremely high.

21 Just one note on the standpoint of
22 reissuance. We track on a weekly basis the
23 quality of the products we receive from the
24 Correctional Industries.

25 After receiving over 1.1 million

1 plates that we actually shipped out to our
2 customers, our defect ratio is less than 1
3 percent, which I think is phenomenal certainly
4 from the standpoint from private industry.

5 It is certainly a phenomenal
6 standpoint that it is so low. We're very proud of
7 that. Correctional Industries is very proud of
8 that and we're very, very pleased with them as a
9 supplier.

10 MS. SERIAN: I want to mention just
11 one other initiative before I turn it over to Mr.
12 Peda that's a little bit different from license
13 plates or stickers or temporary placards or
14 temporary registration credentials and all those
15 fine products they produce for us that is a very
16 unique measure.

17 Five years ago, and you referred to
18 this, Representative, we talked about moving the
19 driver vehicle services forward and bringing
20 better access to our customers.

21 The thought or the concept of a
22 mobile driver vehicle services unit or
23 over-the-counter roving driver and vehicle service
24 center may not have been firmed up.

25 At that time, as we moved forward and

1 worked to pursue Governor Ridge's goal of making
2 it more accessible, we worked with Correctional
3 Industries and some other partners to form a truly
4 unique partnership to put driver and vehicle
5 services on the road with our on-the-spot delivery
6 of services in some of our rural areas as well as
7 that partnership built what is called the Penn
8 Mobile.

9 I'm not sure if you're familiar with
10 that. I'll pass this around. It is our roving
11 driver and vehicle services unit that travels from
12 town to town to provide on-the-spot driver and
13 vehicle service products to customers.

14 It is used in emergency situations
15 like in floods, tornados to help customers who
16 have unique needs. This bus was an old transit
17 bus when we bought it.

18 It was transformed literally along
19 with some people at Coal Township, inmates, into a
20 driver and vehicle services unit. We're very
21 proud of it. I believe Correctional Industries
22 is very proud of it.

23 This is an example, I believe, of a
24 product or a service that Correctional Industries
25 provides to the Commonwealth and certainly gives

1 inmates the opportunity to participate in the
2 project that certainly has an awful lot of impact
3 on people, impact on the customers and opportunity
4 to put very unique skills in one place at a time
5 to bring this about.

6 And the inmate employees of the
7 Correctional Industries completely refurbished the
8 interior and exterior of this bus and constructed
9 and installed all the counters and did a lot of
10 intricate work at a -- might I add, a very good
11 price for the taxpayers at a cost of about
12 \$107,000.

13 For a new vehicle alone just without
14 the interior modifications that were made with the
15 Correctional Industries it would have cost over
16 \$200,000. Since this vehicle hit the road in
17 1997, it traveled to 100 sites and 40,000
18 Pennsylvanians were serviced by it.

19 It is a productive partnership.
20 This is an example of the kinds of things that the
21 Commonwealth as we work in concert with our sister
22 agencies are able to do as we work with
23 Correctional Industries and the skills that
24 Correctional Industries brings to the Commonwealth
25 and thereby to its taxpayers.

1 We do have a good relationship. We
2 work very well in partnership between PennDOT and
3 Correctional Industries. It's a partnership
4 that's benefited both agencies. We've received
5 high quality, low cost products and we've been
6 able to implement a lot of your initiatives
7 because of being able to provide gainful and
8 rewarding inmates from the Department of
9 Corrections. It has been able to meet many of its
10 goals.

11 I would like to turn the testimony
12 over to Bob Peda, Director of Bureau Maintenance,
13 who has a different perspective on some of the
14 aspects supplied by Correctional Industries.

15 MR. PEDA: My topic is on PennDOT's
16 participation in the Community Work Program. And
17 just to give you background, we began
18 participating in this program in 1997 after
19 completing about four or five prison pilots in
20 1996.

21 This program is part of the
22 Governor's Prison Reform Issue which is in our
23 best interest to support as well as other uses of
24 prison inmate population. Most of the 23 state
25 correctional institutions can participate through

1 these roadside activities.

2 From the man-hour utilization
3 standpoint our first fiscal year 97-98, we
4 received 10,436 man hours and in 98-99, 20,429.
5 The following year through January, we have over
6 13,000 man hours received.

7 We're coming to a point of receiving
8 about 20,000 to 22,000 man hours per year. In
9 that regard growth appears to have been levelling
10 off and stabilized while our interest in the
11 program still continues.

12 Certainly that is desirable for us.
13 Some of the activities that are performed in the
14 area of vegetation is sign clearing, mowing,
15 highway beautification. They do litter debris
16 pickups as well as landscaping. They cleaned
17 offices, training rooms, vehicle bays, painting.
18 They've done walls, sheds and picnic tables.

19 Even in one county, they repainted
20 all of our salt stock pile facilities; snow
21 removal on the sidewalk and intersection sweeping,
22 building up the wash bay, pouring concrete, laying
23 block. Another skills activity they have done for
24 us is preparing picnic tables for various systems
25 and stock piles as they become available.

1 AFSCME Council 13 has been a partner.
2 They received their cooperation from the beginning
3 of this program. Some of these are a higher
4 leveled-skill such as painting, carpentry, masonry
5 work.

6 It must be agreed upon at the AFSCME
7 local level. It is not part of the overall
8 agreement. From a financial impact, our cost
9 savings for 97-98 are around \$146,000; and in
10 98-99, \$310,070.

11 In this current year through January,
12 \$218,000. You can see we benefited about \$675,000
13 so far in this program. These are costs that are
14 calculated on the value to us which runs about \$15
15 an hour.

16 When you look at what it would cost
17 on the outside field labor overhead and some of
18 the issues in this, PennDOT is doing a lot of
19 planning to better respond to our cost needs and
20 one of the quality of life strategic areas is one
21 of the eight major strategic focus areas in
22 responding to increased public demand for debris
23 removal, roadside aesthetics of the gateway planning
24 that we're trying to accomplish.

25 We're trying to beautify the Capital

1 Beltway around the City of Harrisburg. We like to
2 -- we need to show our counties the drawbacks of
3 this program. It appears to be the inability to
4 have regularity, regular reporting that every
5 Monday the crew comes out.

6 We don't have that continuity which
7 appears to be hurting the program for our use.
8 Cost savings, of course, result in our ability to
9 maintain more miles of highway as well as cleaning
10 the highway and making it more beautiful for the
11 public and, of course, the cleaner the roadside, I
12 think, I find in my own Adopt-a-Highway situation,
13 you keep it clean.

14 The net litter built up is less over
15 all. The successes of this program I am really
16 happy to report, it's gone over into the county
17 and juvenile prisons as well as we have actually
18 benefited from the spin-off for this program being
19 the first.

20 My only concern is PennDOT is only
21 receiving about 3 percent of the total available
22 man hours in the program compared to the much more
23 abundant program of DCNR noted by Secretary
24 Oliver. I want to thank you for this opportunity
25 to inform you of this situation.

1 CHAIRMAN BIRMELIN: Thank you, Mr.
2 Peda. And I have one question for you. And I
3 wish I would have remembered to ask that of
4 Secretary Oliver. I think your answer will
5 suffice. Do you pay DOC for any of these labor
6 services?

7 MR. PEDA: We don't pay the labor
8 services. They're basically free. We have a
9 program called Agility with municipal government
10 and other state agencies. In many cases we have
11 swapped services with some of the correctional
12 institutions.

13 I know we did some line painting in
14 exchange for painting our salt storage -- line
15 painting of a parking lot.

16 CHAIRMAN BIRMELIN: Normally you
17 would not pay them. It does happen, I'm assuming
18 the same, they do not pay for those services.

19 MR. PEDA: Probably not.

20 CHAIRMAN BIRMELIN: There are no
21 questions from the panel here, so I want to thank
22 all of you for coming and sharing your testimony.
23 It's very interesting to see how we're using some
24 benefits of our prisons and helping everyone
25 involved.

1 Don't forget to let us see the
2 picture of the Penn Mobile. By the way, I don't
3 think it's been in all the counties, at least not
4 in my county.

5 MS. Serian: I'm sure it will come
6 there.

7 CHAIRMAN BIRMELIN: I want to drive
8 it. I don't think we've had any disasters that
9 needed it. Thank you very much for coming here.
10 The next testifier is Ray Thompson of Operation
11 Outward Reach.

12 MR. THOMPSON: I'm going to read all
13 the numbers to you line by line. Just kidding.
14 My agency is called Outward Reach and we've been
15 associated with the Department of Corrections for
16 the last 28 years.

17 We do two things. We take inmates
18 into the community who are about to be released
19 and have them learn the sales, carpentry and
20 masonry while working on actual projects for
21 senior citizens and other economically
22 disadvantaged and other non-profits.

23 About four years ago, we started and
24 we made the same promise. We provided the same
25 services treatment in Westmoreland County. We at

1 that time, changed our name a little bit. The
2 agency is still called Operation Outreach.

3 We decided we wanted a fitting
4 program for our adult programs. It's called CREW,
5 small E W. It stands for Community Restoration
6 Works. Also we have named our juvenile
7 delinquent program, Junior CREW.

8 What I would like to do is give you a
9 flavor and show you a brief video that could
10 answer many of your questions. I'll proceed from
11 there.

12 CHAIRMAN BIRMELIN: Can all of you
13 see?

14 (Video shown.)

15 MR. THOMPSON: That gives you a brief
16 picture of what kind of program we are. We've
17 been a quiet little program in Western
18 Pennsylvania in the last 28 years doing exactly
19 that, training inmates, providing community
20 service for communities all the way to Huntington
21 County and institutions there as well as Cresson
22 and Somerset and Greensburg. We were founded in
23 1972.

24 And up through to 1977, we expanded
25 in SCI Huntington. In 1998, we expanded at

1 Mercer. In 1996, Cresson and Somerset. We also
2 took our motto and looked at the bars principals
3 and realized that with some pinkering, we could be
4 an applicable to juvenile delinquents 16 through
5 18 and take them out and teach them a skill,
6 especially for out of school kids.

7 In 1998 we changed our name. It was
8 an important year for me. It was an important
9 year for the agency. The American Corrections
10 Association started looking for the best practice,
11 one of the categories under education, Operation
12 Outward Reach Juvenile Adult Programs were named
13 one of the best programs in the country.

14 It was a proud day for me and a proud
15 day for Pennsylvania. In the film for those in
16 the audience, there are packets back there that
17 you can read. Most of the information is there.
18 We started off talking about recidivism.

19 I'm not going to read the numbers.
20 I'm going to hold it up. Back in 1992, with the
21 help of the U.S. Department of Education we did a
22 recidivism one year and a half on inmates. At the
23 conclusion, we saw enough of an indication there
24 that our program was a success.

25 You always wonder that after 20 or so

1 years if you're going to be really successful, if
2 you never really did good. There were enough
3 indicators that we were doing what we were
4 supposed to do in terms of getting them jobs,
5 getting them a positive attitude.

6 And to take into the committee, we
7 commissioned an independent evaluator to proceed
8 to do a five-year study, a longitudinal study, on
9 the inmates that we had graduated from the
10 program.

11 In doing that, the inmates that would
12 be selected for a controlled group with the help
13 of computers of the State Parole Board, we ended
14 up with a population from 1990 to 1994 of 642.
15 Half of those were a controlled group. Half of
16 those were from the experimental group.

17 Let me point out that this was done
18 strictly -- this was a blind study. It was a
19 blind study done solely with their computers.
20 Once we sent off the names, there was no tinkering
21 done at all which makes me happy.

22 I wanted them as close to blind as we
23 could get. What we discovered between the -- one
24 of the other things on that chart you'll see at
25 the bottom there's a tri-square of X^2 equals

1 0.000. They tell me if it's 0.000, then both the
2 experimental and control group were matched.

3 What we discovered was that there was
4 for those years approximately a 16 percent
5 difference between those graduating and benefiting
6 from the program and those not graduating from the
7 program but just leaving the institution.

8 So that on the average, we did about
9 16 percent better. It went on good attitude, good
10 work ethic and they got a job. One of the next
11 problems was, how do you figure out if there are
12 any cost savings to that?

13 We took our audited finances. I'm
14 not going to read those. We put our audited
15 financials together with the cost of people being
16 incarcerated and that's where Allen came up with
17 his three to one things.

18 For every dollar of trade training
19 for the program we saved \$3 for the program.
20 That's the hidden \$3 you never know. According to
21 what we discovered, it does exist.

22 That's one good savings. Our initial
23 mission years ago was to -- back in the end of
24 60's, early 70's to take inmates out, teach them
25 the skills, help the community.

1 For those of you who remember the end
2 of the 60's, the great social need to go out, that
3 entered the prison system in the early 70's, we
4 started at Greensburg. For us, we feel that we
5 provide some benefit other than this dollar
6 benefit in the Department of Corrections.

7 In that, we improve public relations
8 for the local institution. We get calls there.
9 They establish themselves and we provide the
10 community with a surrounding which we serve as a
11 sense of restitutions. We build buildings. We
12 repair bridges.

13 We put siding on homes for senior
14 citizens and economically disadvantaged.
15 Consequently, there's some benefit that goes to
16 restitution. That goes, I think, more importantly
17 for me is that we've increased the economy in the
18 local community just by construction things or
19 having employees.

20 But also we helped maintain the
21 housing stock in the community in which we work.
22 And we've done quite a bit of work in the
23 Mercer -- Crofton library. Those are the
24 important things to me that benefits the inmates
25 and in turn benefits the clients in the community.

1 One other thing I brought which to
2 me, kind of symbolizes this restitution in the
3 community. This is a before picture and an after
4 picture. This is all done by inmate labor under
5 the guidance of our instructors. I'll be happy to
6 take any questions.

7 CHAIRMAN BIRMELIN: Thank you, Mr.
8 Thompson. I have a couple for you. Where do you
9 get the money that you need to continue to operate
10 or are you self-sufficient?

11 MR. THOMPSON: We receive most of our
12 funding from the Department of Corrections. It's
13 been our partner for 28 years. We also receive
14 some moneys from the private industry counsel
15 which has changed to the WIA.

16 CHAIRMAN BIRMELIN: Any percentage of
17 the work you do, do you get paid back by the
18 people who perform the services?

19 MR. THOMPSON: No.

20 CHAIRMAN BIRMELIN: Cost of the
21 material?

22 MR. THOMPSON: Cost of the job might
23 include a dumpster or things associated with the
24 job. Whatever the job costs.

25 CHAIRMAN BIRMELIN: What about your

1 instructors? Are they paid?

2 MR. THOMPSON: They're paid out of
3 money secured from funding from the Department of
4 Corrections contract.

5 CHAIRMAN BIRMELIN: You are currently
6 in how many prisons?

7 MR. THOMPSON: Five state prisons,
8 Mercer, Greensburg, Cresson, Somerset and
9 Huntington.

10 CHAIRMAN BIRMELIN: Five if my memory
11 is good. It sounded like there were a couple of
12 those you have just taken on in the recent years,
13 Tom.

14 MR. THOMPSON: Two of them, Somerset
15 and Cresson this decade. The decade before was
16 Mercer in 1988.

17 CHAIRMAN BIRMELIN: Do you have any
18 plans to do any more than that?

19 MR. THOMPSON: We would certainly
20 like to. I would like to. We've talked to the
21 superintendent at Cambridge Springs who would like
22 to get involved with that non-traditional
23 training. I think that would be a good thing. I
24 would like to come out east and go past the
25 whatever line divides the --

1 CHAIRMAN BIRMELIN: Susquehanna
2 River.

3 MR. THOMPSON: Yes, that could be it.

4 CHAIRMAN BIRMELIN: One of the stats
5 said that 60 percent of the men run through your
6 program find employment. Does that seem low or
7 does that seem high?

8 MR. THOMPSON: I think when you
9 aggregate in the good years, then the bad economic
10 years, that's pretty good.

11 CHAIRMAN BIRMELIN: Then I can assume
12 from your answer that these guys probably or at
13 least most of them, have been looking for work and
14 haven't been able to find it?

15 MR. THOMPSON: Yes, sir.

16 CHAIRMAN BIRMELIN: You talk about
17 having a work ethic, for instance, the gentleman
18 from the Prison Society said businesses are
19 looking for people with a work ethic. They
20 develop that work ethic and that will see them in
21 the right path when a job becomes available.

22 MR. THOMPSON: I did some work with
23 the Builders Association out in Pittsburgh with a
24 couple labor unions. There's a Residential
25 Carpenters Union, labor union and builders union

1 that if I tried to sell this 10 or 12 years ago, I
2 wouldn't have made it through the front office.

3 Now, I know a couple unions that will
4 take my guys. Their requirements are you show up
5 enthusiastic and have a good work ethic. There
6 are no guards around the work site.

7 Builders down in the western
8 association are crying. They're in dire
9 straights. You talk to Al Moore. Well, you talk
10 to any number of them down there. They're in bad
11 shape.

12 CHAIRMAN BIRMELIN: Can I assume then
13 that you are also connected with employers so when
14 your guys are ready to get released from the
15 prison you can at least point them --

16 MR. THOMPSON: Especially with those
17 we've had experience with. They're going to a
18 halfway house. We have experience with some
19 employers in the area, then he'll get referred
20 there.

21 CHAIRMAN BIRMELIN: Thank you.
22 Representative Josephs.

23 REPRESENTATIVE JOSEPHS: I just
24 wanted to ask if you have any opportunities now
25 for girls or women?

1 MR. THOMPSON: We had attempted to do
2 some things last year. As I said we have a
3 juvenile day treatment program. The basic
4 premises of the treatment program is outlined in a
5 six-day week. Five days a week are spent on the
6 construction site.

7 The sixth day is for GED. There's an
8 afternoon spent for DNA and we had taken girls
9 from the private industry council for a little bit
10 there as well.

11 I think it's a good opportunity. We
12 need to learn how to train the non-traditional
13 work force. It makes it a non-traditional work
14 force. We need to do the best we can.

15 I think we need to let the pendulum
16 swing back to the center so more people can take
17 advantage of furloughs, work release, school
18 release and getting them back into the community.

19 There are those people who can make a
20 go of it. We have to be instruments to do that.
21 I started in corrections in Trent State Prison in
22 1972. I knew all the guys in Scare Them Straight.
23 There was a big push for rehabilitation back then.

24 There was no opportunity. Now, we
25 have the economy. We have the economy which is

1 going to be strong and stable for quite a long
2 time. I think we need --

3 REPRESENTATIVE JOSEPHS: We hope.

4 MR. THOMPSON: I think it will be.
5 We have the opportunity. We need to get the
6 training done for these non-traditional folks.
7 Inmates certainly are most of them. I'm an
8 advocate for them.

9 REPRESENTATIVE JOSEPHS: Thank you.

10 CHAIRMAN BIRMELIN: One other
11 question that came to mind. Again, I apologize
12 if this was in your presentation and I didn't pick
13 up on it. With the prisons that you're currently
14 in, how many on an average from each prison -- how
15 much do you take out each day?

16 MR. THOMPSON: We take out two crews
17 of ten each. When they're filled, we take out two
18 crews of ten inmates each. We have two crews at
19 each institution.

20 CHAIRMAN BIRMELIN: You are
21 responsible for their supervision and making sure
22 they don't go off the jobs?

23 MR. THOMPSON: I have flaws.

24 CHAIRMAN BIRMELIN: No one from
25 corrections goes with them?

1 MR. THOMPSON: These are people
2 seated for the community. We need to loosen that
3 up. These are people suitable for community
4 halfway houses, furloughs, educational release,
5 which I'm considered --

6 CHAIRMAN BIRMELIN: You mirror the
7 Community Work Program or they mirror you?

8 MR. THOMPSON: We compliment each
9 other. You have the community works program which
10 does chore services in the state parks, the
11 Department of Transportation and we do the
12 technical skills.

13 CHAIRMAN BIRMELIN: You're learning
14 trades or skills?

15 MR. THOMPSON: Beyond what the
16 capabilities are of the Community Works Program.

17 CHAIRMAN BIRMELIN: Mr. Thompson, I
18 applaud you for your efforts. I want to thank you
19 for coming here today and sharing your
20 information. We wish you well with your
21 endeavors.

22 Next we have an inmate from
23 Graterford. His name is Charles Diggs. He'll be
24 coming in a moment, if you wish to come forward.
25 Mr. Diggs is here to speak on the issue at hand,

1 that is, private industry, the prisons, the
2 opportunity to work and inmates to prove
3 themselves with job skills while they're here.

4 He's not had the opportunity to hear
5 what all the other people who testified before you
6 have said. So with all that having been said,
7 introduce yourself and begin your testimony.

8 MR. DIGGS: My name is Charles Diggs.
9 And I'm an inmate here at Graterford Institution.
10 I work in the Professional Law Clinic. And I
11 appreciate being here. Thank you for inviting me
12 here.

13 What I've done is I spoke to about 25
14 residents that work in the Correctional Industries
15 here at Graterford. The main concerns were they
16 want more money. They would like their pay to be
17 increased. They would welcome private industry.

18 One of the reasons why they would
19 welcome private industry is not because it would
20 just require more skills, mainly, the money
21 aspect, the economic aspect.

22 Many of the men at Graterford working
23 in the industry are serving long terms, not just
24 lifers, but other types of sentences.

25 And we sat down and discussed this

1 situation and many guys are doing 10 years, 15
2 years, 20 years. So we're saying we could make
3 minimum wage, pay room and board, pay court costs,
4 take care of our children, some non-support
5 payments that you owe your children.

6 A man can leave out of here with
7 \$10,000 within 10, 15 years. That's the type of
8 help that a prison needs, some type of economic
9 business, some of the recidivism rate is based on
10 economics. Most of the guys go back to selling
11 drugs and robbery and that leads to other things.

12 Many of your homicides are based on
13 robbery and stick-ups of petty cash. As I've been
14 in prison for 24 years, I talked to a lot of the
15 men that come back. One of the main shocks is
16 they leave here, and they have no money when they
17 leave or the little money they do have, it's
18 insignificant.

19 So I think that is a concern that
20 everyone has because everyone benefits when we can
21 change that situation. Another concern the men in
22 the shops were, even if it wasn't going to be a
23 possibility of minimum wages, perhaps they could
24 double the wages they have now.

25 I think the highest pay is \$.42.

1 With a bonus, they can make \$141, \$142 a month.
2 The pay scale is on the way up to \$.42. Perhaps
3 there could be a consideration in making the base
4 pay \$.42 and doubling the hire pay to \$.84.

5 That would be a great help also
6 because even with the little bit of money that is
7 being made, the gentlemen do try to save and try
8 to take care of court costs, child support and,
9 also, you do have basic needs. Even in prison,
10 you have basic human needs you have to meet.

11 I was listening to the gentleman that
12 spoke before me. I can agree with everything that
13 he has done in the correctional institution. I
14 think that it should be -- if there's any changes
15 to be made, it could be expanded because a lot of
16 men are idle.

17 The institution tries to create jobs.
18 But we're talking about jobs you can take back to
19 society. And there's not a great deal of that
20 existing.

21 It's existing, but it's on a small
22 level. I think that when more private industry
23 comes in, I mean, it would just be a fantastic
24 contribution to the development of a man's
25 character or work ethic with respect to law

1 because men work and make a decent salary, save
2 some money, they can see the benefits of working
3 and saving because the average gentleman in prison
4 doesn't have too much of a work record on the
5 outside or nothing steady.

6 Specifically, when you go to the
7 economically depressed communities you don't have
8 shoe shops, tailor shops, weaving shops. There's
9 nothing but the guy on the corner selling drugs.

10 So this whole experience can be
11 turned into a positive experience even though
12 prison is not a good place to be. But, however,
13 with that economic stimulation in the prison, a
14 particular class of people we're dealing with can
15 see another part of the American system, how it
16 really works because you may -- you would be
17 amazed with the gentlemen who do work every day.

18 They get up. They have a routine,
19 pay stubs. Some of them have bank accounts. You
20 can see the change in that particular individual.
21 And I think that with the private industry that
22 would change our pay because that's the great
23 complaint that we're not being paid enough.

24 So there's a negative out of that
25 when you're not getting enough, you don't like

1 work. But if that type of the American dream
2 could come inside this prison, that would be a
3 wonderful thing. I guess, really that's about the
4 bottom line. We want more money. I can answer
5 any of your questions. I hope I can.

6 CHAIRMAN BIRMELIN: Thank you, Mr.
7 Diggs. We only were able to have two copies of
8 his testimony. I have some of these before me.
9 I'm just referring back to the written testimony
10 that you had which you have referred to but not in
11 complete.

12 And one of the discussions we had
13 with the people from Corrections Industries before
14 you testified was what their restrictions are and
15 what they can provide. And bringing private
16 industry is one area in which they're very
17 severely restrained by doing it by law.

18 We talked today about the use of
19 paper clips which they're indicating on there that
20 were made in China. We don't know if anybody in
21 the United States makes them.

22 The Correctional Industries is
23 attempting to find out if we can have them made in
24 Pennsylvania. Because they don't make them in
25 Pennsylvania, they're only distributed here.

1 You can tell, unfortunately, some of
2 the state law that they operate under is the
3 reason why they can't bring private industry in.
4 That's not personally a conviction I have, but
5 apparently one the General Assembly has in the
6 past has made attempts to bring in private
7 industry and the prison is very difficult.

8 Do you know, for instance, there are
9 prisons in the western United States where if you
10 call a hotel chain for reservations you call into
11 a prison. They make a reservation. That couldn't
12 happen in Pennsylvania.

13 Our law prohibits that. There are
14 some opportunities, I think, we can do some things
15 like that. It would require a change in law,
16 which I don't know if you're aware. It's
17 difficult to do in Pennsylvania.

18 The higher hourly wage issue is one
19 that I wonder if you have talked with the people
20 in Corrections Industries and presented it to them
21 and asked them if that's a possibility, what their
22 answer may have been to you.

23 MR. DIGGS: From my understanding of
24 the pay system, it comes from -- I believe it
25 comes out of Harrisburg, the particular pay scale

1 they have. Then they have the bonus system where
2 they make a certain 25,000 units or whatever.
3 Then the guys could make more money.

4 That's where they could come up with
5 the \$130, \$140 a month. I think it was last year
6 they raised our pay a penny from \$.41 to \$.42.
7 It's like you were making \$.19 you could make
8 \$.20. It's not keeping up with the economic
9 advancement.

10 The prices of items that you buy in
11 this society, that is going to have to be -- if
12 it's the law that's preventing the private
13 industry people who make the decision to pay us
14 such a small wage for a day's work. You have to
15 fill in the gap and maybe it could be presented to
16 the people in industry.

17 CHAIRMAN BIRMELIN: I'm wondering
18 what their response to you was. I'm thinking
19 immediately their first response was, we don't
20 make any more money, we can't pay you any more.
21 That may be their response. I don't know what
22 they told you.

23 I'm just asking you if you got a
24 response from the Correctional Industries or maybe
25 you've never asked them.

1 MR. DIGGS: Me, myself, I have just
2 communicated with the people who work in the
3 industries, those who have been here for many,
4 many years. There's been no change in the
5 particular pay scale.

6 CHAIRMAN BIRMELIN: A couple of the
7 other items you have in your written testimony
8 include employable skills, modern equipment, areas
9 of technology. We took a short tour before the
10 public hearing started today. We saw the weave
11 shop, the tailor shop or I've seen the shoe shop
12 as well on past occasions.

13 I know it's a concern that they're
14 dealing with the equipment that is outdated, it's
15 difficult to find parts for, and consequently,
16 it's not as effective as it could be, the
17 double-edge sword, however, they put more modern
18 equipment, there's less jobs available because
19 they're more modernized.

20 I understand that you need -- if
21 you're going to have a job in the prison you need
22 to have a job that you can transfer when you get
23 out of here, hopefully, and the prison needs to
24 keep up with the technological changes in society,
25 which is becoming more and more computerized as

1 you know.

2 We need to do that. That's not a
3 question. That's a comment. I'm just speaking
4 out loud here. The last section you had in your
5 testimony was effective training and safety
6 concerns.

7 You mentioned the need for better
8 ventilation, protective gear, etc., health
9 hazards, certain types of jobs. It's obvious
10 going through the weaving part of the plant here
11 that it's a high noise factor as well as I assume
12 it's not
13 air-conditioned.

14 I didn't see any air conditioning
15 vents. It probably gets stuffy in the warmer
16 weather. These are things they're aware of. The
17 DOC is limited on what their ability is to do with
18 these things. It's not strange to me that you
19 said the major response was that people thought
20 they should be paid more.

21 But what you didn't say, what I
22 thought you were going to say, is more guys are
23 not working that would like to work. Do you think
24 that's also a problem in the prison?

25 MR. DIGGS: Yes. It's a serious

1 problem. Like I said earlier, the institution has
2 created a lot of jobs just to give a guy something
3 to do, dusting the bars off, the steps, 20 minutes
4 of work, twice a day.

5 That's good because that gives that
6 guy a few dollars every month that he can buy some
7 of the things he needs to buy in the commissary
8 and so forth.

9 So definitely we need a great deal of
10 credible employment. In the shops -- perhaps, I
11 think it's 450 people working in the industries.
12 Then you have your little small shops, your
13 brick-laying shop, carpenters shop who only have a
14 small number of guys, maybe 12, 15, 20.

15 So you have a population of 3,500.
16 You have a lot of men who are idle who are doing
17 jobs that they couldn't take back to the street in
18 any capacity.

19 So there is a need for, I think,
20 that's where private industry will fill that, in or
21 expand that and put more people to work.

22 CHAIRMAN BIRMELIN: One last
23 question. One of the gentleman who testified
24 earlier was making the point that even though
25 there are more inmate jobs available, inmates

1 themselves are working less hours.

2 In other words, there's only a small
3 of amount work that more people are doing that you
4 would think the prisoners in the institution or
5 any other institution given a choice would rather
6 that if there were 40 hours of work available that
7 five guys did eight hours a day or eight guys did
8 five hours a day?

9 MR. DIGGS: We'd rather work the
10 eight hours. When it comes to your own dollar,
11 talking about pay, that would give you more money.
12 That's the gripe, more money. So they cut the
13 hours down, give you six hours now when at one
14 time, we were getting paid for eight hours. You
15 could feel that little deduction when you get your
16 pay stub.

17 CHAIRMAN BIRMELIN: You just answered
18 my question from your perspective. Now, let me
19 make you the superintendent of this institution.
20 You'd probably like to do that. You would like to
21 do that, wouldn't you?

22 MR. DIGGS: Yes. Definitely.

23 CHAIRMAN BIRMELIN: If you had 40
24 hours of work available and you had to decide to
25 give it to eight men for five hours or eight men

1 for --

2 MR. DIGGS: Give it to eight men for
3 five hours.

4 CHAIRMAN BIRMELIN: Thank you. I
5 appreciate your honesty.

6 REPRESENTATIVE WALKO: Thank you, Mr.
7 Chairperson. I guess this is a little personal.
8 What is your job here at the prison?

9 MR. DIGGS: Paralegal.

10 REPRESENTATIVE WALKO: How did you
11 get your training?

12 MR. DIGGS: As soon as I was
13 incarcerated, I started studying the law.

14 REPRESENTATIVE WALKO: How many
15 people do you serve there? Did you say how many
16 clients you have?

17 MR. DIGGS: Hundreds of clients.

18 REPRESENTATIVE WALKO: You bill per
19 hours rendered? I had to ask. I didn't mean that
20 lightly.

21 MR. DIGGS: It would be nice.

22 REPRESENTATIVE WALKO: Was Ernie
23 Preate one of your clients?

24 CHAIRMAN BIRMELIN: Is he giving you
25 legal advice? Let me know if he does.

1 REPRESENTATIVE WALKO: You've been
2 here for 24 years?

3 MR. DIGGS: I've been incarcerated
4 that long.

5 REPRESENTATIVE WALKO: Do a lot of
6 your constituents relay to you ideas about or do
7 they say, they're under-utilized or that's where
8 you're getting your information concerning what
9 they would prefer, some would prefer sports and
10 that sort of thing during the day. Is that what
11 you picked up?

12 MR. DIGGS: No. I would say all of
13 the gentlemen want to work and make some money
14 someplace or to do things because jobs -- you can
15 only scrub the floor so many times a day. But the
16 young men -- also the older gentlemen across the
17 board, they would like to work eight hours and be
18 paid something they could smile about.

19 REPRESENTATIVE WALKO: I believe you
20 sited a couple of states that have higher pays. I
21 don't know if they have minimum wage.

22 MR. DIGGS: Yes. Washington State,
23 California, Arizona, and I'll -- I have that
24 information. I'll get that to you.

25 REPRESENTATIVE WALKO: I was

1 wondering if they fund that by their General Fund
2 Budget
3 or --

4 MR. DIGGS: Private industry and
5 paying the minimum wages, paying room and board,
6 taking care of the court costs and the institution
7 makes them put a certain amount aside so when they
8 go home, they receive -- they take all that money
9 with them. That's totally successful.

10 REPRESENTATIVE WALKO: The private
11 industry would -- would you give me an example of
12 one of those industries --

13 MR. DIGGS: Yes. For example,
14 perhaps you could make a lamp and pay minimum
15 wages, the prison would pay room and board say
16 \$2.50 and the institution would take out \$.50 out
17 for room and board; court costs, crime victim's
18 compensation and, say, \$2 is put away for his
19 savings for his release. The rest he could spend
20 for his own immediate use.

21 But in those particular states what
22 they do, the institution does take a certain
23 percentage of the pay which is \$2.00, \$2.50.
24 They keep it for room and board. I think it's
25 Washington State.

1 They even allow the prisoners to pay
2 some specific taxes, not all taxes, but specific
3 taxes. And that's been working very successfully
4 for several years.

5 REPRESENTATIVE WALKO: Thank you very
6 much.

7 CHAIRMAN BIRMELIN: Counsel Preskie.

8 MR. PRESKI: Mr. Diggs, just one
9 concern I would like to relate this to you. That
10 Private Sector Prison Industry Legislation was
11 before the House in 1995. And it did pass the
12 House.

13 It passed by a meager margin and went
14 to the Senate and what we heard from the Senate
15 was that we've never heard a blessed word from
16 anybody inside the walls that they want this.

17 In the years since, inside the
18 Judiciary Committee, we haven't heard much from
19 inmates either that they would want this. The
20 letters that we get is always the CO didn't
21 respect me, now, I have grievance and so on and so
22 forth. We get a 100 of those letters a day.

23 We don't get any letters that say,
24 Boy, it would be something good if you put in a
25 private sector prison industry because it would

1 give us something more to do, help us with X, Y,
2 and everything.

3 You had here one comment, I guess,
4 for you is if you talk to your fellow prisoners
5 and everyone else, let people know it. Because
6 right now, there's a Representative from Lancaster
7 who put the bill in again and basically everyone
8 looks at it and says, there's never been a call
9 for it.

10 There was a call in 1995 for it.
11 The Governor made one of the special sections he
12 had on crime. And when the Senate said they
13 haven't heard a word of it, it never came back.
14 So as you talk to your compatriots, talk to Mr.
15 Preate and let him know.

16 But until that happens, if you're not
17 making the cry for it, their concern will go
18 elsewhere.

19 MR. DIGGS: You can count you'll be
20 hearing something shortly. Thank you.

21 CHAIRMAN BIRMELIN: Thank you, Mr.
22 Diggs. Thank you. I appreciate you taking the
23 opportunity to talk with us.

24 CHAIRMAN BIRMELIN: The last
25 testifier is Secretary Marty Horn , Department of

1 Corrections. Mr. Horn as with yesterday we
2 encourage you to respond to any of the testimony
3 that's already been given or added to or subtract
4 from it.

5 Feel free to tell us what you have on
6 your mind about this.

7 SECRETARY HORN: Thank you.

8 Welcome. It's a pleasure to see the two of you.
9 I commend you for sticking to it. Today I guess
10 you have been fortunate we're on schedule.

11 CHAIRMAN BIRMELIN: Well, that's not
12 a misfortune.

13 SECRETARY HORN: I think you've heard
14 a great deal today. I think you've heard a great
15 deal about the variety of opportunities for
16 inmates engaging in useful activities in prison.

17 We assume under the word work, I
18 believe that man is noble by work. I believe that
19 work is redemptive. I think there's a redemptive
20 quality by work. We as citizens, in a free
21 society have an obligation to make the
22 contribution.

23 We've heard a lot today about menial
24 work, a lot of work that doesn't teach skills, but
25 we equally -- I have heard how important it is

1 that people learn the skills of working itself.

2 You can take pride in everything you
3 do; whether it is in manufacturing, bending metal,
4 to manufacturing paper clips or repairing
5 computers, whether it is meat processing, vehicle
6 refurbishing, eye glasses, or translating printed
7 material into Braille.

8 I want to again point out what you
9 have is SCI Cambridge Springs where in our
10 education program, we have a class where the women
11 take any written material that is sent to them by
12 a school for the blind or an organization for the
13 blind that is needed by any blind individual, we
14 translate it into Braille.

15 In addition, they translate the two
16 into Braille for use by our own inmates. Those of
17 you who needed them into Braille, we've translated
18 our entire handbook into Braille. In Utopia there
19 would be enough jobs for everyone. In Utopia, the
20 jobs will end in private sector employment upon
21 release.

22 We don't live in Utopia. Utopia
23 would have lots of money. But there isn't -- we
24 have 36,000 inmates in prison. This prison holds
25 3,200 inmates. It's designed to hold 2,400. The

1 superintendent and I have spoken about it.

2 In fact, if we ran this prison with
3 only 2,400 inmates, there would be a meaningful
4 job for every inmate. There would be jobs for
5 every inmate.

6 The prison is built and designed when
7 you analyze the data, what you see here at
8 Graterford, is the extent to which there is
9 idleness or unemployment.

10 It is exactly to the extent that
11 we're overcrowded. Pay inmates more money, your
12 legislators you have to vote on a budget. You
13 have to race to lower taxes. You have choices.
14 You're already spending \$1.2 million a year on
15 prisons. Do you want to spend more?

16 Will that give you a payoff? If you
17 want to reduce the cost of the incarceration, the
18 only way in the end that it happens is if there
19 are fewer prisoners. I can't do anything about
20 that. I don't control the front door. I don't
21 control the back door.

22 As you heard yesterday, this
23 department endeavors professionally through the
24 work. I think you saw very committed, very
25 knowledgeable, very experienced, very decent men

1 and women to provide inmates opportunities to work
2 opportunities to learn; opportunities to redeem
3 themselves.

4 We're not perfect. We can't solve
5 every problem. We are working at it. We're
6 getting better. I think with drug and alcohol
7 treatment, you'll find over the last five years,
8 we've made substantial enhancements to our inmate
9 work programs.

10 We're finding ways to make
11 Correctional Industries more modern, more
12 productive, more profitable. We are opening up
13 new shops, employing additional inmates, using
14 modern equipment.

15 The prisons still have to be run.
16 The toilets have to be cleaned. The maintenance
17 has to be performed. The snow has to be shoveled.
18 The floors have to be mopped. The food has to be
19 cooked.

20 Those are important tasks and we
21 should not minimize them. Argument can be made
22 that we should operate more like a federal prison
23 industry.

24 The federal prison industries law
25 requires that units of the Federal Government must

1 buy the products that are made. The military is
2 the largest consumer of products made by UNICORP.
3 Give me that law, I'll give you full employment.

4 Give me a law that says every school
5 desk sold to every school district in the State of
6 Pennsylvania must be from Correctional Industries,
7 I'll build them. I'll build them well. I'll
8 build them inexpensively. I'll put lots of
9 inmates to work.

10 They'll learn carpentry skills and
11 they'll learn bookkeeping skills. They'll learn
12 metal skills. Create a law that says that every
13 municipality must buy its police uniforms from
14 Correctional Industries.

15 I'll meet that need with quality
16 products and at a fair price. I'll put inmates to
17 work. You know, and I know that law will never
18 pass.

19 So as yesterday, it is very easy to
20 criticize running prisons in a state as large,
21 with the industrial collective bargaining history
22 that Pennsylvania has and it is a challenge. We
23 try to meet that challenge. I think we try to
24 meet it in good faith.

25 It's easy to say, have more programs

1 like OOR, increase the number of inmates working
2 in the Community Work Program. Don't forget the
3 public safety is our first responsibility. As
4 long as my job depends on the decisions people
5 under me make, who we put out in the community, we
6 make cautious decisions.

7 That's what you require of us.
8 Because you're colleagues, I know both of you are
9 genuinely understanding of the challenges we face
10 with your colleagues who want a finer bread than
11 is made. I can't provide that.

12 I can't provide a system that doesn't
13 make mistakes. No one can. I can't provide a
14 system that could put every inmate in his release
15 in the community working in OOR and promise you
16 one of them won't walk away and do something
17 terrible.

18 You can create a system that does
19 that. You can change the way we sentence
20 individuals. You can make that a part of the
21 sentence. You could say, that's the way we want
22 it to work. We're prepared to except the risk.
23 The way you have it set up, the risk is mine.

24 The risk is Superintendent Vaughn's.
25 The risk is shared by 24 other superintendent's

1 around the state. We take our public safety
2 responsibility seriously.

3 We listen to the message that we've
4 been given by the Legislature when it responds
5 whether it's to an escape through a break of the
6 prison wall or an inmate who walks away from the
7 farm.

8 So I appreciate your interest. I
9 hope you've learned something today. I'll be
10 happy to answer any questions you have.

11 CHAIRMAN BIRMELIN: Just one area that
12 I was concerned about, that is the CREW Operation
13 Outward Reach Program. I take it you're fairly
14 satisfied with the job they've been doing?

15 SECRETARY HORN: Immensely satisfied.
16 We would like to grow that program.

17 CHAIRMAN BIRMELIN: Is there anyone
18 else in the state that --

19 SECRETARY Horn: Deb Beck spoke to
20 something when she was talking about increasing
21 the drug program. I don't agree too much when it
22 means you want equal programs. So often like
23 Operation Outward Reach it is the result of the
24 vision and the charisma and the dedication of an
25 individual and it's very hard to recreate it.

1 This has been this man's work, his
2 passion. He does it well. We would happily
3 contract with other vendors if there were such.
4 Let me tell you a story.

5 Yesterday, I think Tom McClausky
6 talked to your training and employment program.
7 We signed a contract to provide vocational
8 training and job placement and transitional
9 employment opportunities for inmates being
10 released from our boot camp in the Philadelphia
11 area.

12 There were only two bidders. One of
13 them was holey unqualified and never done work in
14 the employment area. There was only one bidder
15 that had done this kind of work.

16 In addition, for example, in that
17 sector, we're competing with all the people bidding
18 on contracts to do the welfare work, transition of
19 people who are on welfare.

20 The reality is that there is not a
21 large number of qualified vendors who are capable
22 of performing these.

23 CHAIRMAN BIRMELIN: One other
24 question. It goes back to Mr. Digg's desire to
25 see private industry here. Let's assume that you

1 can't get a law passed and it says that you have
2 to buy Pennsylvania correctional industry uniforms
3 or whatever.

4 Amazingly enough, we do pass some
5 prison private prison industry things, do you have
6 the space, the physical space within most of your
7 prisons to do that?

8 SECRETARY Horn: No. We don't have
9 the space because we're overcrowded. We have some
10 prisons as Ms. Morrison and I we're looking at
11 instituting them in the north region and there's
12 no reason why we can't replace an industry.

13 As we pointed out, when we were down
14 in the weave shop, as we replaced old equipment
15 with newer equipment, we free up space because the
16 newer equipment is much more efficient.

17 I think those states that he
18 mentioned that have private prisons are operating
19 under the Prison Industry Enhancement Act.

20 It's a Federal law which says that if
21 you comply with certain requirements and you
22 structure your prison industry in a particular
23 way, get signed off by the labor unions.

24 Basically, what it does is it authorizes you to
25 employ inmates to pay them a minimum wage, to sell

1 your prison-made goods to the Interstate Commerce
2 Commission against Federal law, though.

3 I visited states. And think about
4 the states they mentioned, they're not big union
5 states, number one.

6 Number two, the private sector
7 businesses that come in are looking to run
8 efficient businesses, paying minimum wage, not a
9 prevailing wage, not a union wage.

10 They're not going to make money by
11 creating a business that is labor intensive. They
12 will seek to employ the least number of inmates
13 they can. They're about making a profit. They're
14 not employing more numbers of inmates.

15 You visit those states while they
16 have those programs. In a state like Washington
17 State, it has 20,000 inmates. There are maybe 200
18 employed in the prison industry. It may employ
19 100 employees.

20 It's not going to employ 10,000
21 inmates. When you finish deducting the cost of
22 room and board, cost of medical care, the actual
23 take home of inmates in those programs is not much
24 greater than our inmates at \$2 a day. Remember
25 our average costs is \$25,000 a year.

1 CHAIRMAN BIRMELIN: Representative
2 Walko.

3 REPRESENTATIVE WALKO: Thank you.
4 Mr. Chairman, Secretary Horn. You know that the
5 direct correlation between overcrowding and the
6 unemployment, if you will, within the prison and I
7 know we're building a new facility in Fayette
8 County at the same time there are plans to shut
9 down another.

10 Are there plans to open other prisons
11 because I believe we're at about 142 percent of
12 capacity.

13 SECRETARY HORN: That is correct. As
14 you know, we're also going to be opening SCI Pine
15 Grove in Indiana County. That's going to open in
16 the summer, probably by September. And the
17 Legislature has authorized funds for instruction
18 of a prison in Forest County.

19 REPRESENTATIVE WALKO: I'm trying to
20 understand the interest groups who would oppose,
21 for example, could you go through it, briefly, the
22 production of these.

23 SECRETARY HORN: Ms. Morrison's issue
24 is not of manufacturing the issue. This is an
25 item that is bought by the millions in state

1 government, local government, universities, public
2 schools. Every school district that buys them has
3 a contract with the local office supply house.

4 My own prisons, when they want to buy
5 these, they don't buy them from some state
6 warehouse. They buy them from some local company.
7 When your township buys them, the City of
8 Pittsburgh buys them, they buy them from some
9 office supply house.

10 Now, if I made them and sold them
11 directly to the Government, as I sell furniture
12 directly to Government, that small business man
13 who runs your local office Staples, the Office
14 Depot are the ones that are going to be hurt.
15 Their lobbyists would be all over you.

16 REPRESENTATIVE WALKO: Who would
17 object then to the manufacturing of these in the
18 institutions than the selling or wholesaling of
19 them out to the stores?

20 SECRETARY Horn: No one provided that
21 the law permitted us to sell to the stores.

22 REPRESENTATIVE WALKO: What interest
23 group would oppose a change in that law?

24 CHAIRMAN BIRMELIN: The Chinese.

25 SECRETARY Horn: There's a wholesaler

1 who is selling to Office Depot and there's a
2 wholesaler who is selling to Office Depot --

3 REPRESENTATIVE WALKO: What about us?

4 SECRETARY HORN: And they have
5 lobbyists.

6 REPRESENTATIVE WALKO: What about us
7 selling to the wholesaler?

8 SECRETARY HORN: That's the idea.
9 But again, I can't sell to him. What is more, if
10 the wholesaler is out of state, I'm in violation
11 of Federal law.

12 I can only sell in -- I can only sell
13 it in Pennsylvania. That's why selling directly
14 to the government makes sense.

15 New York State has a very simple law.
16 It says this, it says, Prison industries cannot
17 sell in the private sector, fair, in exchange for
18 that limitation, where the State of New York's
19 prison industry program manufacturers an item, a
20 unit of government must purchase from prison
21 industries unless they can demonstrate they can
22 get the exact same item, equivalent quality for
23 less money or if the prison industry cannot meet
24 their timeframe for delivery or reasonable
25 timeframe for delivery that is a fair balance.

1 REPRESENTATIVE WALKO: Well --

2 SECRETARY Horn: As a result, in New
3 York State all school furniture, for example, you
4 know how many kids break the backs of chairs. You
5 were a school teacher, Mr. Birmelin. What we need
6 in prison industry, specialty products, don't cut
7 it.

8 Mr. Birmelin was asking me why we
9 can't make money for the storage sheds. We make
10 100, 200 of them a year. Jerry was telling you
11 earlier that the reason we can't beat the towels
12 is because they buy their fabric by the millions
13 of pounds.

14 We buy it by the hundreds of
15 thousands of pounds. We need a product line that
16 we sell in large volume and for which there is a
17 steady business. It's very nice. I'm very proud
18 that we were able to renovate the Penn Mobile.

19 It gave inmates skills. We do a lot
20 of vehicle restoration. We renovate dump trucks.
21 We renovate hundreds and hundreds of snow plows
22 for Ben Tate. And soon we're going to be doing it
23 for the Turnpike.

24 It doesn't give us the high tech
25 skills that the Penn Mobile is. I have to have

1 steady production to make money. If I get one
2 Penn Mobile geared up and up shut down, I'm not
3 going to be able to break even.

4 REPRESENTATIVE WALKO: When did New
5 York pass their bill?

6 SECRETARY HORN: 1930 something.

7 REPRESENTATIVE WALKO: Okay. Thank
8 you.

9 CHAIRMAN BIRMELIN: I thank you
10 Secretary Horn. Just for the benefit of those of
11 you, we're having two hearings on the 23rd and
12 24th of May.

13 It will be held in Camp Hill in
14 Harrisburg given the topics of administration and
15 classification and prisons and the educational
16 issue as well.

17 So if you have any interest in those
18 hearings or would like to have more details,
19 please contact our Committee. We'll be glad to do
20 that. I thank all of you who are here today as
21 our guests. This meeting is adjourned.

22 (The hearing was concluded at 1:37
23 p.m.)

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I hereby certify that the proceedings
and evidence are contained fully and accurately in
the notes taken by me on the within proceedings
and that this is a correct transcript of the same.

NOTARIAL SEAL
TERRY J. O'CONNOR, Notary Public
Harrisburg, Dauphin County
My Commission Expires March 15, 2004

Terry J. O'Connor

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