

107TH CONGRESS  
1ST SESSION

# S. 1228

To amend title 18, United States Code, to authorize pilot projects under which private companies in the United States may use Federal inmate labor to produce items that would otherwise be produced by foreign labor, to revise the authorities and operations of Federal Prison Industries, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JULY 24, 2001

Mr. THURMOND (for himself and Mr. HATCH) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

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## A BILL

To amend title 18, United States Code, to authorize pilot projects under which private companies in the United States may use Federal inmate labor to produce items that would otherwise be produced by foreign labor, to revise the authorities and operations of Federal Prison Industries, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-  
2 tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Federal Inmate Work  
5 Act of 2001”.

1 **SEC. 2. AUTHORITY TO CARRY OUT PILOT PROJECTS USING**2 **FEDERAL INMATE LABOR TO REPLACE FOR-**3 **EIGN LABOR.**

4 (a) FOREIGN LABOR SUBSTITUTE PILOT PROJECTS

5 AUTHORIZED.—Chapter 85 of title 18, United States

6 Code, is amended in section 1761—

7 (1) in subsection (b), by striking “This chap-  
8 ter” and inserting “This section”;9 (2) in subsection (c), by striking “this chapter”  
10 and inserting “this section”;11 (3) by redesignating subsection (d) as sub-  
12 section (f); and13 (4) by adding after subsection (c) the following  
14 new subsections:15 “(d) This section shall not apply to goods, wares, or  
16 merchandise manufactured, produced, or mined by con-  
17 victs or prisoners who are participating in industrial oper-  
18 ations of Federal Prison Industries.19 “(e) This section shall not apply to goods, wares, or  
20 merchandise manufactured, produced, or mined by con-  
21 victs or prisoners who are participating in any pilot project  
22 approved as a foreign labor substitute by the Foreign  
23 Labor Substitute Panel established under section 1762.”.24 (b) FOREIGN LABOR SUBSTITUTE PANEL.—(1) Sec-  
25 tion 1762 of such chapter is amended to read as follows:

1     **“§ 1762. Foreign Labor Substitute Panel**

2         “(a) The Attorney General shall establish a panel to  
3         be known as the Foreign Labor Substitute Panel (in this  
4         section referred to as the ‘Panel’).

5         “(b) The Panel shall be composed of eight members,  
6         each of whom shall serve at the pleasure of the Attorney  
7         General, and who shall be appointed by the Attorney Gen-  
8         eral as follows:

9             “(1) One member who shall be an officer, em-  
10          ployee, or other representative of the Department of  
11          Commerce.

12             “(2) One member who shall be an officer, em-  
13          ployee, or other representative of the Department of  
14          Labor.

15             “(3) One member who shall be an officer, em-  
16          ployee, or other representative of the International  
17          Trade Commission.

18             “(4) One member who shall be an officer, em-  
19          ployee, or other representative of the Small Business  
20          Administration.

21             “(5) Two members, each of whom shall be an  
22          officer, employee, or other representative of the busi-  
23          ness community.

24             “(6) Two members, each of whom shall be an  
25          officer, employee, or other representative of orga-  
26          nized labor.

1       “(c)(1) Members of the Panel shall not receive pay,  
2 allowances, or benefits by reason of their service on the  
3 Panel.

4       “(2) Each member shall receive travel expenses, in-  
5 cluding per diem in lieu of subsistence, in accordance with  
6 applicable provisions under subchapter I of chapter 57 of  
7 title 5, United States Code.

8       “(d) The Panel shall review proposals for pilot  
9 projects submitted to the Panel. For each proposal re-  
10 viewed, the Panel shall approve the pilot project as a for-  
11 eign labor substitute if, and only if, the Panel determines  
12 that the pilot project specified in the proposal satisfies  
13 each of the following requirements:

14       “(1) The pilot project is to be carried out by  
15 one or more private United States companies.

16       “(2) The goods, wares, or merchandise pro-  
17 posed to be manufactured, produced, or mined whol-  
18 ly or in part by Federal convicts or prisoners under  
19 the pilot project would otherwise be manufactured,  
20 produced, or mined by foreign labor.

21       “(e) Any determination of the Panel under subsection  
22 (d) shall be made available to the public upon request.”.

23       (2) In the table of sections at the beginning of such  
24 chapter, the item relating to section 1762 is amended to  
25 read as follows:

“1762. Foreign Labor Substitute Panel.”.

1   **SEC. 3. RESTATEMENT AND IMPROVEMENT OF FEDERAL**  
2                   **PRISON INDUSTRIES PROGRAM.**

3               (a) IN GENERAL.—Sections 4121, 4122, and 4123  
4 of title 18, United States Code, are amended to read as  
5 follows:

6   **“§ 4121. Federal Prison Industries: status, mission,**  
7                   **and management**

8               “(a) STATUS.—Federal Prison Industries is a Gov-  
9 ernment corporation. The headquarters of the corporation  
10 is in the District of Columbia.

11              “(b) MISSION.—The mission of Federal Prison In-  
12 dustries is to carry out industrial operations in accordance  
13 with this chapter using eligible inmate workers.

14              “(c) BOARD OF DIRECTORS.—

15               “(1) COMPOSITION.—Federal Prison Industries  
16 is administered by a board of directors composed of  
17 12 members appointed by the Attorney General as  
18 follows:

19               “(A) One member appointed from among  
20 individuals recommended by the Speaker of the  
21 House of Representatives.

22               “(B) One member appointed from among  
23 individuals recommended by the minority leader  
24 of the House of Representatives.

1               “(C) One member appointed from among  
2               individuals recommended by the majority leader  
3               of the Senate.

4               “(D) One member appointed from among  
5               individuals recommended by the minority leader  
6               of the Senate.

7               “(E) Two members who shall be represent-  
8               atives of the business community.

9               “(F) Two members who shall be represent-  
10               atives of organized labor.

11               “(G) One member who shall be representa-  
12               tive of victims of crime.

13               “(H) One member who shall be representa-  
14               tive of the prisoner rehabilitation community.

15               “(I) Two members whose background or  
16               expertise the Attorney General considers appro-  
17               priate.

18               “(2) TERMS.—

19               “(A) Except as provided in this paragraph,  
20               each member shall be appointed for a term of  
21               four years.

22               “(B) As designated by the Attorney Gen-  
23               eral at the time of appointment, of the members  
24               first appointed—

1                     “(i) 3 members shall be appointed for  
2                     terms of 1 year;

3                     “(ii) 3 members shall be appointed for  
4                     terms of 2 years;

5                     “(iii) 3 members shall be appointed  
6                     for terms of 3 years; and

7                     “(iv) 3 members shall be appointed  
8                     for terms of 4 years.

9                     “(C) Any member appointed to fill a va-  
10                     cancy occurring before the expiration of the  
11                     term for which the member's predecessor was  
12                     appointed shall be appointed only for the re-  
13                     mainder of that term. A member may serve  
14                     after the expiration of that member's term until  
15                     a successor has taken office. A vacancy in the  
16                     Board shall be filled in the manner in which the  
17                     original appointment was made.

18                     “(3) COMPENSATION.—A member of the Board  
19                     may not receive pay, allowances, or benefits by rea-  
20                     son of his or her service on the Board.

21                     “(4) QUORUM.—Seven members of the Board  
22                     constitutes a quorum but a lesser number may hold  
23                     hearings.

24                     “(5) CHAIR.—The Chair of the Board is elected  
25                     by the members.

3       “(a) OPERATING OBJECTIVES.—Federal Prison In-  
4 dustries shall carry out its industrial operations so as to  
5 achieve each of the following objectives:

6           “(1) To increase public safety by reducing the  
7       rate of recidivism by providing as many inmates as  
8       possible with an opportunity to gain meaningful em-  
9       ployment and vocational skills and improve their  
10      chances of becoming productive and law-abiding citi-  
11      zens after release from prison.

12               “(2) To minimize any adverse effects of the op-  
13               erations on domestic companies or workers.

14               “(3) To provide meaningful employment and  
15               vocational training for not less than 25 percent of el-  
16               igible inmate workers.

17               “(4) To provide inmate workers with a source  
18               of income with which they may facilitate their ability  
19               to contribute to the discharge of their financial obli-  
20               gations.

21               “(5) To generate sufficient revenue to fund  
22               those operations.

23               “(6) To provide products and services that are  
24               market quality and competitively priced.

25        "(b) PERFORMANCE STANDARDS.—Federal Prison  
26 Industries shall carry out its industrial operations in com-

1 pliance with the following standards, as applicable to cor-  
2 rectional industry programs:

3 “(1) United Nations standards.

4 “(2) International Labor Organization conven-  
5 tions to which the United States is a signatory  
6 party.

7 “(3) Federal standards.

8 “(4) American Correctional Association stand-  
9 ards.

10 “(c) VOLUNTARINESS.—Federal Prison Industries  
11 shall carry out its industrial operations only with inmate  
12 workers who participate in those operations voluntarily.

13 “(d) WAGE RATES.—Unless otherwise provided by  
14 law, each inmate worker participating in the industrial op-  
15 erations of Federal Prison Industries shall be paid at a  
16 wage rate prescribed by the Board of Directors of Federal  
17 Prison Industries.

18 “(e) PROTECTION OF CERTAIN INFORMATION.—Fed-  
19 eral Prison Industries shall carry out its industrial oper-  
20 ations so as to ensure that, in the production of a product  
21 or the performance of a service, inmate workers do not  
22 have access to—

23 “(1) personal or financial information about  
24 any citizen of the United States without prior notice  
25 of the access being provided to that citizen, includ-

1       ing information relating to the citizen's real prop-  
2       erty, however described, unless that information is  
3       publicly available; or

4           “(2) information that is classified in the na-  
5       tional security or foreign policy interests of the  
6       United States.

7       “(f) VOCATIONAL TRAINING.—At the end of each fis-  
8       cal year, Federal Prison Industries shall, if the Board of  
9       Directors determines that it is financially feasible to do  
10      so, contribute not less than 20 percent of its net profits  
11      for that fiscal year to provide for the vocational training  
12      of inmates without regard to their industrial or other as-  
13      signments.

14       “(g) EXEMPTION FROM PUBLIC CONTRACTING AND  
15      PROCUREMENT LAWS.—Federal Prison Industries is ex-  
16      empt from all laws and regulations governing public con-  
17      tracting and the procurement of property or services by  
18      an agency of the Federal Government.

19       “(h) LIABILITY.—The sole remedy for injury, death,  
20      or loss resulting from negligence in the design or produc-  
21      tion of a product, or in the performance of a service, by  
22      Federal Prison Industries shall be as follows:

23           “(1) In the case of a person suffering an injury,  
24      death, or loss in the performance of duties as an em-

1 employee of the United States, chapter 81 of title 5, re-  
2 lating to compensation for work-related injuries.

3       “(2) In all other cases, chapter 171 of title 28,  
4 relating to tort claims.

5       “(i) DEDUCTIONS FROM WAGES.—

6       “(1) IN GENERAL.—Subject to the other provi-  
7 sions of this subsection, the Board of Directors may  
8 deduct and withhold amounts from the wages paid  
9 to a Federal Prison Industries inmate worker and  
10 disburse those amounts for the following:

11       “(A) Payment of fines, special assess-  
12 ments, restitution to the victim, and any other  
13 restitution owed by the inmate worker pursuant  
14 to court order.

15       “(B) Allocations for support of the inmate  
16 worker’s family under law, court order, or  
17 agreement by the inmate worker.

18       “(C) Reasonable charges for costs of incar-  
19 ceration, as determined by the Board of Direc-  
20 tors.

21       “(D) Contributions to any fund established  
22 by law to compensate the victims of crime.

23       “(E) Amounts to be held on account and  
24 paid to the inmate worker upon release from  
25 the custody of the Bureau of Prisons.

1               “(2) LIMITATION.—The total of all amounts de-  
2               ducted and withheld from the pay of an inmate  
3               worker for a pay period may not exceed—

4               “(A) 80 percent of gross pay, in the case  
5               of an inmate worker specified in section  
6               4123(d)(2); or

7               “(B) 50 percent of gross pay, in the case  
8               of any other inmate worker.

9               “(3) EXCEPTION.—The total specified in para-  
10               graph (2) may, with the consent of an inmate work-  
11               er, exceed the limitation in paragraph (2)(A) or  
12               (2)(B), as applicable, if the amounts in excess of  
13               such limitation are for the purposes described in  
14               subparagraphs (B) or (E) of paragraph (1).

15               “(4) AGREEMENT OF INMATE WORKER RE-  
16               QUIRED.—Amounts may not be deducted, withheld,  
17               or disbursed under this subsection unless the inmate  
18               worker concerned has agreed in advance to the de-  
19               duction, withholding, or disbursement of those  
20               amounts.

21               **“§ 4123. Federal Prison Industries: transactions au-**  
22               **thorized**

23               “(a) SALES TO AGENCIES AND NOT-FOR-PROFITS.—  
24               Federal Prison Industries may sell products and services  
25               to government agencies and not-for-profit organizations.

1       “(b) SALES OF CERTAIN COMMODITIES.—Federal  
2 Prison Industries may carry out a program to manufac-  
3 ture commodities specified in section 1761(b).

4       “(c) PARTICIPATION IN FOREIGN LABOR SUB-  
5 STITUTE PILOT PROJECTS.—Subject to the requirements  
6 in subsection (e), Federal Prison Industries may make  
7 available inmate workers for participation in a pilot  
8 project approved as a foreign labor substitute by the For-  
9 eign Labor Substitute Panel, as referred to in section  
10 1761(e).

11       “(d) PARTICIPATION IN BJA PILOT PROJECTS.—

12           “(1) IN GENERAL.—Subject to the require-  
13       ments in subsection (e), Federal Prison Industries  
14       may make available inmate workers for participation  
15       in a pilot project designated by the Director of the  
16       Bureau of Justice Assistance, as referred to in sec-  
17       tion 1761(c).

18           “(2) WAGE RATE.—Each inmate worker par-  
19       ticipating in a pilot project specified in paragraph  
20       (1) shall be paid at a wage rate that complies with  
21       section 1761(c).

22           “(e) REQUIREMENTS FOR CONTRACTS WITH PRI-  
23       VATE COMPANIES.—In making available inmate workers  
24       for participation in a pilot project under subsection (c) or

1 (d), Federal Prison Industries shall comply with the fol-  
2 lowing requirements:

3           “(1) The inmate workers shall be made avail-  
4       able through a contract between Federal Prison In-  
5       dustries and a private United States company.

6           “(2) The contract shall—

7               “(A) require that the labor performed by  
8       the inmate workers shall be carried out at a  
9       Federal Prison Industries facility;

10              “(B) include a clause that prohibits the  
11       company from displacing any of that company’s  
12       existing domestic workers as a direct result of  
13       the contract with Federal Prison Industries;  
14       and

15              “(C) provide that any workforce reductions  
16       carried out by the company affecting employees  
17       performing work comparable to the work per-  
18       formed pursuant to the contract shall first  
19       apply to inmate workers employed pursuant to  
20       the contract.

21           “(f) GOALS FOR CERTAIN BUSINESSES.—Federal  
22       Prison Industries shall, in consultation with the Small  
23       Business Administration, establish and strive to meet or  
24       exceed realistic goals for entering into contracts with one  
25       or more of the following:

1           “(1) A business concern that meets the applica-  
2       ble size standards prescribed pursuant to section  
3       3(a) of the Small Business Act (15 U.S.C. 632(a)).

4           “(2) A small business concern owned and con-  
5       trolled by socially and economically disadvantaged  
6       individuals, as that term is defined in section  
7       8(d)(3)(C) of the Small Business Act (15 U.S.C.  
8       637(d)(3)(C)).

9           “(g) JOB OPPORTUNITIES FOR BLIND AND SE-  
10       VERELY DISABLED INDIVIDUALS.—Federal Prison Indus-  
11       tries shall establish business partnerships with organiza-  
12       tions representing domestic workers who are blind or se-  
13       verely disabled, for the purpose of entering into contracts  
14       with private United States companies that would create  
15       job opportunities both for blind and severely disabled indi-  
16       viduals and for Federal inmates.

17           “(h) DONATION OF PRODUCTS AND SERVICES.—The  
18       Board of Directors may authorize—

19           “(1) the donation of a product or service of  
20       Federal Prison Industries that is available for sale;  
21       or

22           “(2) the production of a new product, or the  
23       performance of a new service, for donation.

24           “(i) CATALOG.—Federal Prison Industries shall pub-  
25       lish and maintain a catalog of all products and services

1 that it offers for sale to government agencies and not-for-  
2 profit organizations. The catalog shall be periodically re-  
3 vised as products and services are added or deleted.”.

4 (b) CONFORMING AMENDMENT.—Section 1761(c)(1) of such title is amended by striking “non-Federal”.

6 (c) CLERICAL AMENDMENT.—The table of sections  
7 at the beginning of chapter 307 of such title is amended  
8 by striking the items relating to sections 4121, 4122, and  
9 4123 and inserting the following:

“4121. Federal Prison Industries: status, mission, and management.

“4122. Federal Prison Industries: operating objectives, standards, and requirements.

“4123. Federal Prison Industries: transactions authorized.”.

10 **SEC. 4. ELIMINATION OF MANDATORY SOURCE PURCHASE  
11 REQUIREMENT.**

12 (a) IN GENERAL.—Section 4124 of title 18, United  
13 States Code, is amended—

14 (1) in subsection (a), by adding at the end the  
15 following: “This subsection does not apply to serv-  
16 ices.”;

17 (2) by amending subsection (c) to read as fol-  
18 lows:

19 “(c) Each Federal department or agency shall report  
20 purchases from Federal Prison Industries to the Federal  
21 Procurement Data System (referred to in section 6(d)(4)  
22 of the Office of Federal Procurement Policy Act (41  
23 U.S.C. 405(d)(4))) in the same manner as it reports to

1 such System any acquisition in an amount in excess of  
2 the simplified acquisition threshold (as defined in section  
3 4(11) of that Act (41 U.S.C. 403(11)))."; and

4 (3) by amending subsection (d) to read as fol-  
5 lows:

6       “(d)(1) The head of a Federal department or agency  
7 may purchase directly from Federal Prison Industries any  
8 of the following:

9               “(A) Any products with respect to which the re-  
10              quirement in subsection (a) has, under any author-  
11              ity, been suspended, waived, or not invoked.

12                   “(B) Any services.

13       “(2) A purchase under this subsection may be made  
14 in any quantity and by any method that is determined ap-  
15 propriate by the head of the agency making the purchase  
16 without regard to any provision of law or regulation.”.

17 (b) PLAN FOR PHASED ELIMINATION OF MANDA-  
18 TORY SOURCE.—Not later than 180 days after the date  
19 of the enactment of this Act, the Board of Directors shall  
20 submit to Congress a plan for the elimination of the re-  
21 quirement of section 4124(a) of title 18, United States  
22 Code. The plan shall provide for the following:

10 (c) PUBLIC AVAILABILITY OF PLAN.—Not later than  
11 30 days after the date on which the plan is submitted to  
12 Congress under this section, Federal Prison Industries  
13 shall publish the plan in a commercial business publication  
14 with a national circulation. Federal Prison Industries shall  
15 make copies of the plan available to the public upon re-  
16 quest.

17 (d) REPEAL OF MANDATORY SOURCE REQUIRE-  
18 MENT.—Effective on the date that is 5 years after the  
19 date on which the plan is submitted to Congress under  
20 this section, section 4124 of title 18, United States Code,  
21 is amended—

22 (1) by striking subsections (a) and (b); and  
23 (2) by amending subsection (d)(1)(A) to read  
24 as follows:  
25 “(A) Any products.”.

1 **SEC. 5. PERIODIC EVALUATION AND REPORTS.**

2 (a) IN GENERAL.—Section 4127 of title 18, United  
3 States Code, is amended to read as follows:

4 **“§ 4127. Periodic evaluation and reports**

5 “(a) EVALUATION BY GAO.—

6 “(1) MATTERS EVALUATED.—The Comptroller  
7 General shall provide for an independent evaluation  
8 of the operations of Federal Prison Industries to be  
9 carried out each year. The matters evaluated shall  
10 include the following:

11 “(A) The overall success of the operations.

12 “(B) The effects that any reduction in the  
13 purchases made under section 4124(a) has on  
14 the viability of Federal Prison Industries.

15 “(C) The extent to which Federal Prison  
16 Industries can successfully contract with private  
17 companies without adversely affecting domestic  
18 companies or workers.

19 “(2) VIEWS INCLUDED.—The Comptroller Gen-  
20 eral shall ensure that, in the development of appro-  
21 priate methodologies for the evaluation under para-  
22 graph (1), the views of the Foreign Labor Substitute  
23 Panel, private industry, organized labor, the Board  
24 of Directors of Federal Prison Industries, and the  
25 public are solicited.

1                 “(3) REPORT.—Not later than March 31 of  
2                 each fiscal year, the Comptroller General shall sub-  
3                 mit to Congress a report on the evaluation of the op-  
4                 erations of Federal Prison Industries that was car-  
5                 ried out under paragraph (1) for the preceding fiscal  
6                 year. The report for a fiscal year shall, at a min-  
7                 imum, include the following:

8                     “(A) The evaluation.

9                     “(B) Any concerns raised about any ad-  
10                 verse effects on domestic companies or workers,  
11                 together with any actions taken in regard to the  
12                 concerns.

13                 “(C) The extent to which Federal Prison  
14                 Industries maintained at least a 25 percent em-  
15                 ployment rate for eligible inmate workers.

16                 “(D) The extent to which Federal Prison  
17                 Industries conducted its operations on a finan-  
18                 cially self-sustaining basis.

19                 “(E) Any recommended legislation to im-  
20                 prove the administration of this chapter or the  
21                 effects of the administration of this chapter, in-  
22                 cluding any recommended legislation necessary  
23                 to authorize remedial actions regarding—

24                     “(i) any conduct of the operations of  
25                 Federal Prison Industries in a manner

1                   that adversely affects domestic companies  
2                   or workers (excluding the effects of normal  
3                   competitive business practices);

4                   “(ii) any failure of Federal Prison In-  
5                   dustries to maintain at least a 25 percent  
6                   employment rate for eligible inmate work-  
7                   ers; or

8                   “(iii) any failure of Federal Prison In-  
9                   dustries to conduct its operations on a fi-  
10                   nancially self-sustaining basis.

11                 “(b) ANNUAL REPORT BY BOARD OF DIRECTORS.—

12                 “(1) IN GENERAL.—The Board of Directors of  
13                   Federal Prison Industries shall, each year, report  
14                   under section 9106 of title 31 on the conduct of the  
15                   business of Federal Prison Industries and the condi-  
16                   tion of its funds during the preceding fiscal year.

17                 “(2) MATTERS INCLUDED.—In addition to the  
18                   matters required by section 9106 of title 31, and  
19                   such other matters as the Board considers appro-  
20                   priate, each report for a fiscal year under paragraph  
21                   (1) shall include the following:

22                 “(A) A statement of the amount of obliga-  
23                   tions issued under section 4129(a)(1) of this  
24                   title during that fiscal year.

1                   “(B) An estimate of the amount of obliga-  
2                   tions that will be issued under that section dur-  
3                   ing the following fiscal year.

4                   “(C) An analysis of—

5                   “(i) the total sales by Federal Prison  
6                   Industries for each product and service  
7                   sold to Federal agencies and to private  
8                   United States companies;

9                   “(ii) the total purchases by each Fed-  
10                   eral agency of each product and service;  
11                   and

12                   “(iii) The Federal Prison Industries  
13                   share of the total Federal Government pur-  
14                   chases by product and service.

15                   “(D) An analysis of the inmate workforce,  
16                   including—

17                   “(i) the number of inmates employed;  
18                   “(ii) the number of inmates used to  
19                   produce products or perform services sold  
20                   to private United States companies;

21                   “(iii) the number and percentage of  
22                   employed inmates, categorized by term of  
23                   incarceration; and

24                   “(iv) the various hourly wages paid to  
25                   inmates engaged in the production of the

1                   various products and the performance of  
2                   services authorized for production and sale  
3                   to Federal agencies and to private United  
4                   States companies.

5                   “(E) Information concerning any employ-  
6                   ment obtained by former inmates upon release  
7                   that is useful in determining whether the em-  
8                   ployment provided by Federal Prison Industries  
9                   during incarceration provided those former in-  
10                   mates with knowledge and skill in a trade or oc-  
11                   cupation that enabled them to earn a livelihood  
12                   upon release.

13                   “(3) AVAILABILITY TO PUBLIC.—The Board of  
14                   Directors shall make available to the public each re-  
15                   port under this subsection.”.

16                   (b) CLERICAL AMENDMENT.—In the table of sections  
17                   at the beginning of chapter 307 of such title, the item  
18                   relating to section 4127 is amended to read as follows:

“4127. Periodic evaluation and reports.”.

19 **SEC. 6. RULES OF CONSTRUCTION AND DEFINITIONS.**

20                   (a) IN GENERAL.—Chapter 307 of title 18, United  
21                   States Code, is amended by adding at the end the fol-  
22                   lowing:

23 **“§ 4130. Construction of provisions**

24                   “Nothing in this chapter shall be construed—

1           “(1) to establish an entitlement of any inmate  
2           to—  
3               “(A) employment in a Federal Prison In-  
4           dustries facility; or  
5               “(B) any particular wage, compensation,  
6           or benefit on demand;  
7           “(2) to establish that inmates are employees for  
8           the purposes of any law or program; or  
9           “(3) to establish any cause of action by or on  
10           behalf of any person against the United States or  
11           any officer, employee, or contractor thereof.

12 **“§ 4131. Definitions**

13           “In this chapter:

14           “(1) The term ‘eligible inmate worker’ means a  
15           person who—  
16               “(A) is committed to the custody of the  
17           Bureau of Prisons pursuant to section 3621 of  
18           this title;  
19               “(B) is designated to a low, medium, or  
20           high security facility operated by the Bureau of  
21           Prisons; and  
22               “(C) is physically and mentally able to  
23           work.

24           “(2) The term ‘private United States company’  
25           means a corporation, partnership, joint venture, or

1 sole proprietorship with a principal place of business  
2 in the United States.”.

3 (b) CLERICAL AMENDMENT.—The table of sections  
4 at the beginning of chapter 307 of such title is amended  
5 by adding at the end the following new items:

“4130. Construction of provisions.

“4131. Definitions.”.

6 **SEC. 7. CONFORMING AMENDMENT.**

7 Section 436 of title 18, United States Code, is  
8 amended by striking “Whoever,” and inserting “Except  
9 as otherwise provided in this title, whoever.”.

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