

SENATE BILL REPORT

SB 6687

As Reported By Senate Committee On:
Ways & Means, January 25, 1996

Title: An act relating to study of class II tax reduction industries.

Brief Description: Ordering the legislative budget committee to perform a study of class II tax reduction industries.

Sponsors: Senators Schow, Hargrove, Long, Zarelli and Strannigan.

Brief History:

Committee Activity: Ways & Means: 1/25/96 [w/oRec-HSC].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That it be referred to Committee on Human Services & Corrections without recommendation.

Signed by Senators Rinehart, Chair; Loveland, Vice Chair; Bauer, Cantu, Drew, Finkbeiner, Fraser, Hargrove, Hochstatter, Johnson, Kohl, Long, McDonald, Pelz, Roach, Sheldon, Snyder, Spanel, Strannigan, Sutherland, West, Winsley and Wojahn.

Staff: Steve Jones (786-7440)

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Staff: Andrea McNamara (786-7483)

Background: The Department of Corrections operates a number of correctional industries throughout its several institutions, all of which are divided into five different classes (class I through class V).

Class II industries are tax-reduction industries that are state-owned and operated and designed to reduce the costs for goods and services for tax-supported agencies and for nonprofit organizations. Inmates who participate in class II industries are paid for their work on a gratuity scale which may not exceed the wage paid for work of a similar nature in the locality in which the industry is located.

Examples of class II industries include the furniture factory at McNeil Island; the bindery and food factory at Airway Heights; and data services industries at Washington Corrections Center for Women and Clallam Bay.

In 1993, the Legislature mandated the department to achieve substantial increases in the number of offenders participating in class I and class II industries over a six-year period.

The department is required to report annually on its marketing plan and its progress in meeting the required increases.

Summary of Bill: The Legislative Budget Committee (LBC) is directed to conduct a study of class II industries operated by the Department of Corrections and to report its findings to the Legislature by January 1, 1997.

The requirements of the study are specified: they include an evaluation of the extent to which class II industries manage costs and are self-supporting; the adequacy of marketing efforts; and the extent of utilization and training of inmates. The LBC is asked to make recommendations for improving the profitability of class II industries and for utilization of more inmates in class II jobs.

Appropriation: None.

Fiscal Note: Requested on January 29, 1996.

Effective Date: Ninety days after adjournment of session in which bill is passed.