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**SUBSTITUTE HOUSE BILL 1929**

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**State of Washington                      54th Legislature                      1995 Regular Session**

**By** House Committee on Corrections (originally sponsored by Representatives Brumsickle and Morris)

Read first time 03/01/95.

1            AN ACT Relating to jail industries; amending RCW 36.110.020,  
2 36.110.120, and 36.110.130; adding new sections to chapter 36.110 RCW;  
3 and repealing RCW 36.110.040.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5            **Sec. 1.** RCW 36.110.020 and 1993 c 285 s 2 are each amended to read  
6 as follows:

7            Unless the context clearly requires otherwise, the definitions in  
8 this section apply throughout this chapter.

9            (1) "Board" means the state-wide jail industries board of  
10 directors.

11            (2) "City" means any city, town, or code city.

12            (3) "Cost accounting center" means a specific industry program  
13 operated under the private sector prison industry enhancement  
14 certification program as specified in 18 U.S.C. Sec. 1761.

15            (4) "Court-ordered legal financial obligation" means a sum of money  
16 that is ordered by a superior, district, or municipal court of the  
17 state of Washington for payment of restitution to a victim, a  
18 statutorily imposed crime victims compensation fee, court costs, a  
19 county or interlocal drug fund, court appointed attorneys' fees and

1 costs of defense, fines, and other legal financial obligations that are  
2 assessed as a result of a felony or misdemeanor conviction.

3 (5) "Free venture employer model industries" means (~~((types of~~  
4 ~~industries which produce products, goods, or services through two~~  
5 ~~modalities:—(a) Employer model:))~~) an agreement between a city or  
6 county and a private sector business or industry or nonprofit  
7 organization to produce goods or services to both public and private  
8 sectors(~~(;—(b))~~) utilizing jail inmates whose compensation and  
9 supervision are provided by the private sector business or entity.

10 "Free venture customer model(~~(;—An industry operated and managed))~~)  
11 industries" means an agreement between a city or county and a private  
12 sector business or industry, or nonprofit organization to provide  
13 Washington state manufacturers or businesses with products or services  
14 currently produced, provided, (~~(and))~~ or assembled by out-of-state or  
15 foreign suppliers utilizing jail inmates whose compensation and  
16 supervision are provided by the incarcerating facility or local  
17 jurisdiction.

18 (6) "Jail inmate" means a preconviction or postconviction resident  
19 of a city or county jail who is determined to be eligible to  
20 participate in jail inmate work programs according to the eligibility  
21 criteria of the work program.

22 (7) "Private sector prison industry enhancement certification  
23 program" means that program authorized by the United States justice  
24 assistance act of 1984, 18 U.S.C. Sec. 1761.

25 (8) "Tax reduction industries" means those industries as designated  
26 by a city or county owning and operating such an industry to provide  
27 work training and employment opportunities for jail inmates, in total  
28 confinement, which reduce public support costs. The goods and services  
29 of these industries may be sold to public agencies, nonprofit  
30 organizations, and private contractors when the goods purchased will be  
31 ultimately used by a public agency or nonprofit organization. Surplus  
32 goods from these operations may be donated to government and nonprofit  
33 organizations.

34 **Sec. 2.** RCW 36.110.120 and 1993 c 285 s 12 are each amended to  
35 read as follows:

36 (1) A jail inmate who works in a free venture industry or a tax  
37 reduction industry shall be considered an employee of that industry  
38 only for the purpose of the Washington industrial safety and health

1 act, chapter 49.17 RCW, as long as the public safety is not  
2 compromised, and for eligibility for industrial insurance benefits  
3 under Title 51 RCW, as provided in this section. (~~However,~~)

4 (2) For jail inmates participating in free venture employer model  
5 industries, the private sector business or industry or the nonprofit  
6 organization that is party to the agreement, shall provide industrial  
7 insurance coverage under Title 51 RCW. Local jurisdictions shall not  
8 be responsible for obligations under Title 51 RCW in a free venture  
9 employer model industry except as provided in RCW 36.110.130.

10 (3) For jail inmates participating in free venture customer model  
11 industries, the incarcerating entity or jurisdiction, the private  
12 sector business or industry, or the nonprofit organization that is  
13 party to the agreement, shall provide industrial insurance coverage  
14 under Title 51 RCW dependent upon how the parties to the agreement  
15 choose to finalize the agreement.

16 (4) For jail inmates incarcerated and participating in tax  
17 reduction industries:

18 (a) Local jurisdictions that are self-insured may elect to provide  
19 medical aid benefits coverage only under chapter 51.36 RCW through the  
20 state fund.

21 (b) Local jurisdictions, to include self-insured jurisdictions, may  
22 elect to provide industrial insurance coverage under Title 51 RCW  
23 through the state fund.

24 (5) If industrial insurance coverage under Title 51 RCW is provided  
25 for inmates under this section, eligibility for benefits for either the  
26 inmate or the inmate's dependents or beneficiaries for temporary total  
27 disability or permanent total disability under RCW 51.32.090 or  
28 51.32.060, respectively, shall not take effect until the inmate is  
29 discharged from custody by order of a court of appropriate  
30 jurisdiction. Nothing in this section shall be construed to confer  
31 eligibility for any industrial insurance benefits to any jail inmate  
32 who is not employed in a (~~(nonfree)) free venture industry or a tax~~  
33 reduction industry.

34 **Sec. 3.** RCW 36.110.130 and 1993 c 285 s 13 are each amended to  
35 read as follows:

36 In the event of a failure (~~(or discontinuance)) such as a~~  
37 bankruptcy or dissolution, of a private sector business, industry, or  
38 nonprofit organization engaged in a free venture industry agreement,

1 responsibility for obligations under Title 51 RCW shall be borne by the  
2 city or county responsible for establishment of ~~((such))~~ the free  
3 venture industry agreement, as if the city or county had been the  
4 employing agency. To ensure that this obligation can be clearly  
5 identified and accomplished, and to provide accountability for purposes  
6 of the department of labor and industries, a free venture jail industry  
7 agreement entered into by a city or county and private sector business,  
8 industry, or nonprofit organization should be filed under a separate  
9 master business application, establishing a new and separate account  
10 with the department of labor and industries, and not be reported under  
11 an existing account for parties to the agreement.

12 NEW SECTION. Sec. 4. A new section is added to chapter 36.110 RCW  
13 to read as follows:

14 Technical training assistance shall be provided to local  
15 jurisdictions by the board at the jurisdiction's request. To  
16 facilitate and promote the development of local jail industries  
17 programs, this training and technical assistance may include the  
18 following: (1) Delivery of state-wide jail industry implementation  
19 workshops for administrators of jail industries programs; (2)  
20 development of recruitment and education programs for local business  
21 and labor to gain their participation; (3) ongoing staff assistance  
22 regarding local jail industries issues, such as sound business  
23 management skills, development of a professional business plan,  
24 responding to questions regarding risk management, industrial  
25 insurance, and similar matters; and (4) provision of guidelines and  
26 assistance for the coordination of basic educational programs and jail  
27 industries as well as other technical skills required by local jails in  
28 the implementation of safe, productive, and effective jail industries  
29 programs.

30 NEW SECTION. Sec. 5. A new section is added to chapter 36.110 RCW  
31 to read as follows:

32 Any member serving in their official capacity on the Washington  
33 state jail industries board, in either an appointed or advisory  
34 capacity, or either their employer or employers, or other entity that  
35 selected the members to serve, are immune from a civil action based  
36 upon an act performed in good faith.

1        NEW SECTION.   **Sec. 6.**   RCW 36.110.040 and 1993 c 285 s 4 are each  
2 repealed.

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