

HOUSE BILL ANALYSIS

HB 2488

Brief Description: Modifying correctional industries.

Sponsors: Representatives Koster and Ballasiotes.

Hearing: January 28, 2000

HOUSE COMMITTEE ON CRIMINAL JUSTICE AND CORRECTIONS

BACKGROUND:

The Department of Corrections provides inmate work programs through the Correctional Industries Board of Directors (the Board). The Board develops and implements programs that offer inmates employment, work experience and training, and that reduce the cost of housing inmates. To achieve these goals, the Board operates five classes of work programs. All inmates working in Class I through IV employment receive financial compensation for their work. Class V jobs are court ordered community work that is preformed for the benefit of the community without financial compensation.

Class I Industries: Inmates working in Class I ("free venture") industries are paid according to the prevailing wage for comparable work in that locality. There are two models for class I industries authorized under state law « an employer model and a customer model.

Employer model industries are operated and managed by for-profit or non-profit organizations under contract with the Department of Corrections (department). They produce goods and services for sale to both the public and private sector. Customer model Class I industries are operated and managed by the department to produce and provide Washington businesses with products or services currently produced only by out-of-state or foreign suppliers. There are currently no customer model Class I industries operating in the state.

Class II Industries: Class II ("tax reduction") industries are state-owned and operated industries designed to reduce the costs for goods and services for public agencies and non-profit organizations. Products and services generated by Class II industries may only be sold to public agencies and non-profit organizations. However, to avoid waste or spoilage, byproducts and surpluses of timber, agricultural, and animal husbandry enterprises may be sold at private sale or donated to non-profit organizations.

SUMMARY OF BILL:

Class I Industries: Any agreement between an employer model Class I industry and the department must first be reviewed and approved by the Board. The review must include an analysis of the potential impact of the contract on the Washington business community and labor market, and must include a public hearing. Washington businesses that are in the same industrial classification as the business seeking the contract must be notified of the date, time, and place of the hearing. The Board is prohibited from approving any agreement that will have an adverse economic impact on a Washington business.

Class II Industries: Class II industries must make every effort to reduce or eliminate the creation of surplus products that are then sold to private persons.

FISCAL NOTE: Received on January 26, 2000.

EFFECTIVE DATE: Ninety days after adjournment of a session in which bill is passed.