

FINAL BILL REPORT

SSB 5631

C 346 L 05

Synopsis as Enacted

Brief Description: Changing provisions relating to inmate work programs.

Sponsors: Senate Committee on Human Services & Corrections (originally sponsored by Senators Regala, Hargrove, Stevens, Brandland, Kline, McAuliffe, Franklin, Prentice, Esser, Delvin and Kohl-Welles).

Senate Committee on Human Services & Corrections
House Committee on Criminal Justice & Corrections
House Committee on Appropriations

Background: The legislature has authorized the Department of Corrections (DOC) to establish and operate a comprehensive work program for inmates by setting up various classes of industries. Class I and Class II industries are two components of the DOC's comprehensive work program.

Class I or "free venture" industries were designed to allow profit-making or non-profit organizations under contract with the DOC to employ inmate laborers to produce goods and services for sale to the public and private sectors. Class I industries were also designed to allow the DOC to manage and operate industries to produce the kinds of goods and services that would otherwise be available to Washington businesses only through vendors located out of state. The statute authorizing Class I industries contemplates a Class I worker's pay to be comparable to the prevailing wage for similar work in the local community. However, by law, a Class I worker's pay is subject to deductions by the DOC for crime victims' compensation, the inmate's savings account, costs of incarceration, and any legal financial obligations that may be owed by the inmate.

Class II or "tax reduction" industries are owned by the state. They are set up to make goods and services that can be sold to public agencies and non-profit organizations cheaply. Rather than being run to make a profit, the ultimate goal of these industries is to lower the cost of doing business for their public agency and non-profit customers. Class II workers are paid a gratuity, ranging from 35 cents to \$1.10 per hour and are subject to deductions by the DOC for crime victims' compensation, the inmate's savings account, costs of incarceration, child support, and legal financial obligations.

In May 2004, the Supreme Court of Washington determined that the law authorizing Class I industries conflicts with article II, section 29 of the state constitution, which states, "[a]fter the first day of January eighteen hundred and ninety the labor of convicts of this state shall not be let out by contract to any person, copartnership, company or corporation, and the legislature shall by law provide for the working of convicts for the benefit of the state."

Since the Supreme Court's decision in May 2004, nine businesses have stopped employing Class I industries workers at three correctional institutions in the state. Approximately 270 Class I jobs have been lost.

The loss of Class I industries represents lost revenue to the Department of Corrections and a loss of funds that would have gone toward the cost of incarceration, victims' restitution, and legal financial obligation payments. The DOC expects the loss of jobs to be reflected in increased recidivism because inmates will not have the opportunity to gain job skills and experience while serving their sentences. Idleness is also expected to create a need for increased security and to put corrections officers at higher risk.

Summary: The list of potential customers for products and services produced by Class II industries is expanded to include employees and family members of employees of the DOC and persons under the supervision of the DOC and their family members. The Correctional Industries board of directors must authorize the type and quantity of items produced by Class II Industries that may be purchased and sold to persons under DOC supervision, DOC employees, and their respective family members. School districts are permitted to purchase goods, such as furniture, equipment, and supplies from Class II industries.

Votes on Final Passage:

Senate	47	0	
House	55	41	(House amended)
Senate	40	2	(Senate concurred)

Effective: July 24, 2005