S-0805.4			

## SENATE BILL 5686

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State of Washington 58th Legislature 2003 Regular Session

By Senators Keiser, Prentice and McAuliffe

Read first time 02/06/2003. Referred to Committee on Children & Family Services & Corrections.

- 1 AN ACT Relating to workers' compensation benefits of inmates;
- 2 amending RCW 72.09.111 and 51.32.040; and adding a new section to
- 3 chapter 51.32 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 72.09.111 and 2002 c 126 s 2 are each amended to read 6 as follows:
- 7 (1) The secretary shall deduct <u>taxes and legal financial</u>
- 8 <u>obligations</u> from the gross wages ((<del>or</del>)), gratuities, or workers'
  9 <u>compensation benefits payable directly to the inmate under chapter</u>
- 10 51.32 RCW, of each inmate working in correctional industries work
- 11 programs, ((taxes and legal financial obligations)) or otherwise
- 12 receiving such wages, gratuities, or benefits. The secretary shall
- develop a formula for the distribution of offender wages ((and)),
- 14 gratuities, and benefits.
- 15 (a) The formula shall include the following minimum deductions from 16 class I gross wages and from all others earning at least minimum wage:
- 17 (i) Five percent to the public safety and education account for the purpose of crime victims' compensation;
- 19 (ii) Ten percent to a department personal inmate savings account;

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1 (iii) Twenty percent to the department to contribute to the cost of incarceration; and

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- (iv) Twenty percent for payment of legal financial obligations for all inmates who have legal financial obligations owing in any Washington state superior court.
- (b) The formula shall include the following minimum deductions from class II gross gratuities:
- 8 (i) Five percent to the public safety and education account for the 9 purpose of crime victims' compensation;
  - (ii) Ten percent to a department personal inmate savings account;
- 11 (iii) Fifteen percent to the department to contribute to the cost 12 of incarceration; and
- (iv) Twenty percent for payment of legal financial obligations for all inmates who have legal financial obligations owing in any Washington state superior court.
- 16 (c) The formula shall include the following minimum deductions from 17 any workers' compensation benefits paid pursuant to RCW 51.32.080:
  - (i) Five percent to the public safety and education account for the purpose of crime victims' compensation;
    - (ii) Ten percent to a department personal inmate savings account;
- 21 (iii) Twenty percent to the department to contribute to the cost of 22 incarceration; and
  - (iv) An amount equal to any legal financial obligations owed by the inmate established by an order of any Washington state superior court up to the total amount of the award.
  - (d) The formula shall include the following minimum deduction from class IV gross gratuities: Five percent to the department to contribute to the cost of incarceration.
  - $((\frac{d}{d}))$  <u>(e)</u> The formula shall include the following minimum deductions from class III gratuities: Five percent for the purpose of crime victims' compensation.
  - (2) Any person sentenced to life imprisonment without possibility of release or parole under chapter 10.95 RCW or sentenced to death shall be exempt from the requirement under subsection (1)(a)(ii)  $((or))_{\star}$  (b)(ii)  $((of this subsection))_{\star}$  or (c)(ii).
- 36 (3) The department personal inmate savings account, together with 37 any accrued interest, shall only be available to an inmate at the time 38 of his or her release from confinement, unless the secretary determines

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that an emergency exists for the inmate, at which time the funds can be made available to the inmate in an amount determined by the secretary. The management of classes I, II, and IV correctional industries may establish an incentive payment for offender workers based on productivity criteria. This incentive shall be paid separately from the hourly wage/gratuity rate and shall not be subject to the specified deduction for cost of incarceration.

- (4) In the event that the offender worker's wages  $((er))_{\star}$  gratuity, or workers' compensation benefit is subject to garnishment for support enforcement, the crime victims' compensation, savings, and cost of incarceration deductions shall be calculated on the net wages after taxes, legal financial obligations, and garnishment.
- $((\frac{(2)}{2}))$  (5) The department shall explore other methods of recovering a portion of the cost of the inmate's incarceration and for encouraging participation in work programs, including development of incentive programs that offer inmates benefits and amenities paid for only from wages earned while working in a correctional industries work program.
- ((\(\frac{(\(\frac{3}{}\)\))}{\(\frac{6}{}\)}\) The department shall develop the necessary administrative structure to recover inmates' wages and keep records of the amount inmates pay for the costs of incarceration and amenities. All funds deducted from inmate wages under subsection (1) of this section for the purpose of contributions to the cost of incarceration shall be deposited in a dedicated fund with the department and shall be used only for the purpose of enhancing and maintaining correctional industries work programs.
- ((4))) (7) The expansion of inmate employment in class I and class II correctional industries shall be implemented according to the following schedule:
- (a) Not later than June 30, 1995, the secretary shall achieve a net increase of at least two hundred in the number of inmates employed in class I or class II correctional industries work programs above the number so employed on June 30, 1994;
- (b) Not later than June 30, 1996, the secretary shall achieve a net increase of at least four hundred in the number of inmates employed in class I or class II correctional industries work programs above the number so employed on June 30, 1994;

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1 (c) Not later than June 30, 1997, the secretary shall achieve a net 2 increase of at least six hundred in the number of inmates employed in 3 class I or class II correctional industries work programs above the 4 number so employed on June 30, 1994;

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- (d) Not later than June 30, 1998, the secretary shall achieve a net increase of at least nine hundred in the number of inmates employed in class I or class II correctional industries work programs above the number so employed on June 30, 1994;
- (e) Not later than June 30, 1999, the secretary shall achieve a net increase of at least one thousand two hundred in the number of inmates employed in class I or class II correctional industries work programs above the number so employed on June 30, 1994;
- (f) Not later than June 30, 2000, the secretary shall achieve a net increase of at least one thousand five hundred in the number of inmates employed in class I or class II correctional industries work programs above the number so employed on June 30, 1994.
- $((\frac{5}{}))$  (8) It shall be in the discretion of the secretary to apportion the inmates between class I and class II depending on available contracts and resources.
- NEW SECTION. Sec. 2. A new section is added to chapter 51.32 RCW to read as follows:
  - If the department of labor and industries has received notice that an injured worker entitled to benefits payable under this chapter is in the custody of the department of corrections pursuant to a conviction and sentence, the department shall send all such benefits to the worker in care of the department of corrections, except those benefits payable to a beneficiary as provided in RCW 51.32.040 (3)(c) and (4). Failure of the department to send such benefits to the department of corrections shall not result in liability to any party for either department.
- 31 **Sec. 3.** RCW 51.32.040 and 1999 c 185 s 1 are each amended to read 32 as follows:
- 33 (1) Except as provided in RCW 43.20B.720 ((and)), 74.20A.260, and
  34 section 2 of this act, no money paid or payable under this title shall,
  35 before the issuance and delivery of the check or warrant, be assigned,
  36 charged, or taken in execution, attached, garnished, or pass or be paid

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to any other person by operation of law, any form of voluntary assignment, or power of attorney. Any such assignment or charge is void unless the transfer is to a financial institution at the request of a worker or other beneficiary and made in accordance with RCW 51.32.045.

- (2)(a) If any worker suffers (i) a permanent partial injury and dies from some other cause than the accident which produced the injury before he or she receives payment of the award for the permanent partial injury or (ii) any other injury before he or she receives payment of any monthly installment covering any period of time before his or her death, the amount of the permanent partial disability award or the monthly payment, or both, shall be paid to the surviving spouse or the child or children if there is no surviving spouse. If there is no surviving spouse and no child or children, the award or the amount of the monthly payment shall be paid by the department or self-insurer and distributed consistent with the terms of the decedent's will or, if the decedent dies intestate, consistent with the terms of RCW 11.04.015.
- (b) If any worker suffers an injury and dies from it before he or she receives payment of any monthly installment covering time loss for any period of time before his or her death, the amount of the monthly payment shall be paid to the surviving spouse or the child or children if there is no surviving spouse. If there is no surviving spouse and no child or children, the amount of the monthly payment shall be paid by the department or self-insurer and distributed consistent with the terms of the decedent's will or, if the decedent dies intestate, consistent with the terms of RCW 11.04.015.
- (c) Any application for compensation under this subsection (2) shall be filed with the department or self-insuring employer within one year of the date of death. The department or self-insurer may satisfy its responsibilities under this subsection (2) by sending any payment due in the name of the decedent and to the last known address of the decedent.
- (3)(a) Any worker or beneficiary receiving benefits under this title who is subsequently confined in, or who subsequently becomes eligible for benefits under this title while confined in, any institution under conviction and sentence shall have all payments of the compensation canceled during the period of confinement. After

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discharge from the institution, payment of benefits due afterward shall be paid if the worker or beneficiary would, except for the provisions of this subsection (3), otherwise be entitled to them.

- (b) If any prisoner is injured in the course of his or her employment while participating in a work or training release program authorized by chapter 72.65 RCW and is subject to the provisions of this title, he or she is entitled to payments under this title, subject to the requirements of chapter 72.65 RCW, unless his or her participation in the program has been canceled, or unless he or she is returned to a state correctional institution, as defined in RCW 72.65.010(3), as a result of revocation of parole or new sentence.
- (c) If the confined worker has any beneficiaries during the confinement period during which benefits are canceled under (a) or (b) of this subsection, they shall be paid directly the monthly benefits which would have been paid to the worker for himself or herself and the worker's beneficiaries had the worker not been confined.
- (4) Any lump sum benefits to which a worker would otherwise be entitled but for the provisions of this section shall be paid on a monthly basis to his or her beneficiaries.

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