## SENATE BILL 5631

State of Washington 59th Legislature 2005 Regular Session

**By** Senators Regala, Hargrove, Stevens, Brandland, Kline, McAuliffe, Franklin, Prentice, Esser, Delvin and Kohl-Welles

Read first time 01/31/2005. Referred to Committee on Human Services & Corrections.

1 AN ACT Relating to inmate work programs; and amending RCW 72.09.100 2 and 28A.335.190.

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

4 **Sec. 1.** RCW 72.09.100 and 2004 c 167 s 3 are each amended to read 5 as follows:

It is the intent of the legislature to vest in the department the 6 7 power to provide for a comprehensive inmate work program and to remove 8 statutory and other restrictions which have limited work programs in 9 the past. It is also the intent of the legislature to ensure that the 10 correctional industries board of directors, in developing and selecting 11 correctional industries work programs, does not encourage the 12 development of, or provide for selection of or contracting for, or the significant expansion of, any new or existing class I correctional 13 14 industries work programs that unfairly compete with Washington 15 The legislature intends that the requirements relating to businesses. 16 fair competition in the correctional industries work programs be liberally construed by the correctional industries board of directors 17 18 to protect Washington businesses from unfair competition. For purposes 1 of establishing such a comprehensive program, the legislature 2 recommends that the department consider adopting any or all, or any 3 variation of, the following classes of work programs:

4

(1) CLASS I: FREE VENTURE INDUSTRIES.

5 (a) The employer model industries in this class shall be operated 6 and managed in total or in part by any profit or nonprofit organization 7 pursuant to an agreement between the organization and the department. 8 The organization shall produce goods or services for sale to both the 9 public and private sector.

10 (b) The customer model industries in this class shall be operated 11 and managed by the department to provide Washington state manufacturers 12 or businesses with products or services currently produced or provided 13 by out-of-state or foreign suppliers.

(c) The correctional industries board of directors shall review 14 these proposed industries, including any potential new class I 15 industries work program or the significant expansion of an existing 16 17 class I industries work program, before the department contracts to provide such products or services. The review shall include the 18 analysis required under RCW 72.09.115 to determine if the proposed 19 correctional industries work program will compete with any Washington 20 21 business. An agreement for a new class I correctional industries work 22 program, or an agreement for a significant expansion of an existing class I correctional industries work program, that unfairly competes 23 24 with any Washington business is prohibited.

(d) The department of corrections shall supply appropriate securityand custody services without charge to the participating firms.

(e) Inmates who work in free venture industries shall do so at
their own choice. They shall be paid a wage comparable to the wage
paid for work of a similar nature in the locality in which the industry
is located, as determined by the director of correctional industries.
If the director cannot reasonably determine the comparable wage, then
the pay shall not be less than the federal minimum wage.

33 (f) An inmate who is employed in the class I program of 34 correctional industries shall not be eligible for unemployment 35 compensation benefits pursuant to any of the provisions of Title 50 RCW 36 until released on parole or discharged.

37 (2) CLASS II: TAX REDUCTION INDUSTRIES.

1 (a) Industries in this class shall be state-owned and operated 2 enterprises designed <u>primarily</u> to reduce the costs for goods and 3 services for tax-supported agencies and for nonprofit organizations.

(b)(i) The industries selected for development within this class
shall, as much as possible, match the available pool of inmate work
skills and aptitudes with the work opportunities in the free community.
The industries shall be closely patterned after private sector
industries but with the objective of reducing public support costs
rather than making a profit.

10 (ii) The products and services of this industry, including 11 purchased products and services necessary for a complete product line, 12 may be sold to <u>the following:</u>

13 (A) Public agencies((, to));

14 (B) Nonprofit organizations((, and to));

15 (C) Private contractors when the goods purchased will be ultimately 16 used by a public agency or a nonprofit organization<u>;</u>

17 (D) An employee and immediate family members of an employee of the 18 department of corrections; and

(E) A person under the supervision of the department of corrections
 and his or her immediate family members.

21 (iii) Clothing manufactured by an industry in this class may be 22 donated to nonprofit organizations that provide clothing free of charge 23 to low-income persons.

(c)(i) Class II correctional industries products and services shall
 be reviewed by the correctional industries board of directors before
 offering such products and services for sale to private contractors.

27 (ii) The board of directors shall conduct a yearly marketing review of the products and services offered under this subsection. 28 Such review shall include an analysis of the potential impact of the 29 proposed products and services on the Washington state business 30 To avoid waste or spoilage and consequent loss to the 31 community. 32 state, when there is no public sector market for such goods, byproducts and surpluses of timber, agricultural, and animal husbandry enterprises 33 may be sold to private persons, at private sale. Surplus byproducts 34 and surpluses of timber, agricultural and animal husbandry enterprises 35 36 that cannot be sold to public agencies or to private persons may be 37 donated to nonprofit organizations. All sales of surplus products

shall be carried out in accordance with rules prescribed by the
 secretary.

3 (d) Security and custody services shall be provided without charge4 by the department of corrections.

5 (e) Inmates working in this class of industries shall do so at 6 their own choice and shall be paid for their work on a gratuity scale 7 which shall not exceed the wage paid for work of a similar nature in 8 the locality in which the industry is located and which is approved by 9 the director of correctional industries.

10 (f) Subject to approval of the correctional industries board, 11 provisions of RCW 41.06.142 shall not apply to contracts with 12 Washington state businesses entered into by the department of 13 corrections through class II industries.

14 (3) CLASS III: INSTITUTIONAL SUPPORT INDUSTRIES.

(a) Industries in this class shall be operated by the department of corrections. They shall be designed and managed to accomplish the following objectives:

18 (i) Whenever possible, to provide basic work training and 19 experience so that the inmate will be able to qualify for better work 20 both within correctional industries and the free community. It is not 21 intended that an inmate's work within this class of industries should 22 be his or her final and total work experience as an inmate.

23 (ii) Whenever possible, to provide forty hours of work or work 24 training per week.

25 (iii) Whenever possible, to offset tax and other public support 26 costs.

(b) Class III correctional industries shall be reviewed by the correctional industries board of directors to set policy for work crews. The department shall present to the board of directors quarterly detail statements showing where work crews worked, what correctional industry class, and the hours worked. The board of directors may review any class III program at its discretion.

33 (c) Supervising, management, and custody staff shall be employees34 of the department.

(d) All able and eligible inmates who are assigned work and who are
 not working in other classes of industries shall work in this class.

37 (e) Except for inmates who work in work training programs, inmates

p. 4

in this class shall be paid for their work in accordance with an inmate gratuity scale. The scale shall be adopted by the secretary of corrections.

4

(4) CLASS IV: COMMUNITY WORK INDUSTRIES.

5 (a) Industries in this class shall be operated by the department of 6 corrections. They shall be designed and managed to provide services in 7 the inmate's resident community at a reduced cost. The services shall 8 be provided to public agencies, to persons who are poor or infirm, or 9 to nonprofit organizations.

(b) Class IV correctional industries shall be reviewed by the 10 correctional industries board of directors to set policy for work 11 12 The department shall present to the board of directors crews. 13 quarterly detail statements showing where work crews worked, what correctional industry class, and the hours worked. 14 The board of directors may review any class IV program at its discretion. Class IV 15 16 correctional industries operated in work camps established pursuant to 17 RCW 72.64.050 are exempt from the requirements of this subsection (4)(b). 18

(c) Inmates in this program shall reside in facilities owned by, contracted for, or licensed by the department of corrections. A unit of local government shall provide work supervision services without charge to the state and shall pay the inmate's wage.

23 (d) The department of corrections shall reimburse participating 24 units of local government for liability and workers compensation 25 insurance costs.

(e) Inmates who work in this class of industries shall do so at their own choice and shall receive a gratuity which shall not exceed the wage paid for work of a similar nature in the locality in which the industry is located.

30

(5) CLASS V: COMMUNITY RESTITUTION PROGRAMS.

(a) Programs in this class shall be subject to supervision by the department of corrections. The purpose of this class of industries is to enable an inmate, placed on community supervision, to work off all or part of a community restitution order as ordered by the sentencing court.

36 (b) Employment shall be in a community restitution program operated37 by the state, local units of government, or a nonprofit agency.

(c) To the extent that funds are specifically made available for
 such purposes, the department of corrections shall reimburse nonprofit
 agencies for workers compensation insurance costs.

4 **Sec. 2.** RCW 28A.335.190 and 2000 c 138 s 201 are each amended to 5 read as follows:

6 (1) When, in the opinion of the board of directors of any school 7 district, the cost of any furniture, supplies, equipment, building, improvements, or repairs, or other work or purchases, except books, 8 9 will equal or exceed the sum of fifty thousand dollars, complete plans and specifications for such work or purchases shall be prepared and 10 11 notice by publication given in at least one newspaper of general circulation within the district, once each week for two consecutive 12 weeks, of intention to receive bids therefor 13 the and that specifications and other information may be examined at the office of 14 15 the board or any other officially designated location: PROVIDED, That 16 the board without giving such notice may make improvements or repairs 17 to the property of the district through the shop and repair department of such district when the total of such improvements or repair does not 18 exceed the sum of (a) fifteen thousand dollars, for districts with 19 20 fifteen thousand five hundred or more full-time equivalent students; or 21 (b) for districts with fewer than fifteen thousand five hundred fulltime equivalent students, fifteen thousand dollars if more than one 22 23 craft or trade is involved with the school district improvement or 24 repair, or ten thousand dollars if a single craft or trade is involved with the school district improvement or repair. The cost of any public 25 26 work, improvement or repair for the purposes of this section shall be 27 the aggregate of all amounts to be paid for labor, material, and equipment on one continuous or interrelated project where work is to be 28 performed simultaneously or in close sequence. The bids shall be in 29 30 writing and shall be opened and read in public on the date and in the 31 place named in the notice and after being opened shall be filed for public inspection. 32

33 (2) Every purchase of furniture, equipment or supplies, except 34 books, the cost of which is estimated to be in excess of fifteen 35 thousand dollars, shall be on a competitive basis. The board of 36 directors shall establish a procedure for securing telephone and/or 37 written quotations for such purchases. Whenever the estimated cost is

р. б

1 from fifteen thousand dollars up to fifty thousand dollars, the 2 procedure shall require quotations from at least three different 3 sources to be obtained in writing or by telephone, and recorded for 4 public perusal. Whenever the estimated cost is in excess of fifty 5 thousand dollars, the public bidding process provided in subsection (1) 6 of this section shall be followed.

7 (3) Any school district may purchase goods produced or provided in whole or in part from class II inmate work programs operated by the 8 department of corrections pursuant to RCW 72.09.100, including but not 9 limited to furniture, equipment, or supplies. School districts are 10 encouraged to set as a target to contract, beginning after June 30, 11 12 2005, to purchase up to one percent of the total goods required by the 13 school districts each year, goods produced or provided in whole or in 14 part from class II inmate work programs operated by the department of corrections. 15

(4) Every building, improvement, repair or other public works 16 17 project, the cost of which is estimated to be in excess of (a) fifteen thousand dollars, for districts with fifteen thousand five hundred or 18 more full-time equivalent students; or (b) for districts with fewer 19 than fifteen thousand five hundred full-time equivalent students, 20 21 fifteen thousand dollars if more than one craft or trade is involved 22 with the school district improvement or repair, or ten thousand dollars if a single craft or trade is involved with the school district 23 24 improvement or repair, shall be on a competitive bid process. Whenever 25 the estimated cost of a public works project is fifty thousand dollars or more, the public bidding process provided in subsection (1) of this 26 27 section shall be followed unless the contract is let using the small works roster process in RCW 39.04.155 or under any other procedure 28 authorized for school districts. One or more school districts may 29 authorize an educational service district to establish and operate a 30 small works roster for the school district under the provisions of RCW 31 32 39.04.155.

33 (((4))) (5) The contract for the work or purchase shall be awarded 34 to the lowest responsible bidder as defined in RCW 43.19.1911 but the 35 board may by resolution reject any and all bids and make further calls 36 for bids in the same manner as the original call. On any work or 37 purchase the board shall provide bidding information to any qualified 38 bidder or the bidder's agent, requesting it in person.

p. 7

(((5))) (6) In the event of any emergency when the public interest 1 2 or property of the district would suffer material injury or damage by delay, upon resolution of the board declaring the existence of such an 3 emergency and reciting the facts constituting the same, the board may 4 waive the requirements of this section with reference to any purchase 5 or contract: PROVIDED, That an "emergency", for the purposes of this 6 7 section, means a condition likely to result in immediate physical injury to persons or to property of the school district in the absence 8 9 of prompt remedial action.

10 ((<del>(6)</del>)) <u>(7)</u> This section does not apply to the direct purchase of 11 school buses by school districts and educational services in accordance 12 with RCW 28A.160.195.

--- END ---