

HOUSE BILL REPORT

SHB 2539

As Passed Legislature

Title: An act relating to inmate funds.

Brief Description: Concerning inmate funds.

Sponsors: House Committee on Community Safety (originally sponsored by Representatives Street, Simmons, Santos and Leavitt).

Brief History:

Committee Activity:

Community Safety: 1/27/26, 2/2/26 [DPS].

Floor Activity:

Passed House: 2/13/26, 57-36.

Senate Amended.

Passed Senate: 3/3/26, 30-18.

House Concurred.

Passed House: 3/11/26, 57-38.

Passed Legislature.

Brief Summary of Substitute Bill

- Increases the monetary threshold for defining inmate indigency to \$100 and, beginning July 1, 2029, requires the Department of Corrections (DOC) to periodically adjust the threshold based on the Consumer Price Index.
- Beginning July 1, 2027, requires the DOC to annually publish the indigent rate on its website and at each correctional facility.

HOUSE COMMITTEE ON COMMUNITY SAFETY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Signed by 6 members: Representatives Goodman, Chair; Simmons, Vice Chair; Davis, Farivar, Fosse and Obras.

Minority Report: Without recommendation. Signed by 3 members: Representatives Graham, Ranking Minority Member; Griffey, Assistant Ranking Minority Member; Burnett.

Staff: Corey Patton (786-7388).

Background:

An inmate committed to the custody of the Department of Corrections (DOC) is considered indigent when he or she has less than a \$25 balance of disposable income in his or her institutional account on the day a request is made to utilize funds and during the 30 days prior to the request. This monetary threshold for defining inmate indigency is sometimes referred to as the "indigency level" or "indigency cap."

Inmates are expected to contribute financially toward costs of incarceration and medical copays. When an inmate is unable to pay for certain supplies or services, the costs are recorded as a debt to the DOC and may be recouped from the inmate's institutional account when the account exceeds the indigency cap. The Secretary of the DOC is also directed to make certain deductions from an inmate's wages, gratuities, and worker's compensation benefits, for taxes, legal financial obligations, and child support obligations. However, the formula for distribution of funds cannot reduce an inmate's account below the indigency cap.

Summary of Substitute Bill:

The monetary threshold for defining inmate indigency is increased to \$100 and, beginning July 1, 2029, and every four years thereafter, the Department of Corrections (DOC) must further increase the threshold using the most current seasonally adjusted Consumer Price Index (CPI) for all urban consumers. The DOC may not adjust the threshold if an adjustment using the CPI would result in a reduction.

Beginning July 1, 2027, the DOC must publish the indigent rate on its public website and at each correctional facility in an area accessible to inmates within five business days of July 1 of each year.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill provides a way to address some of the systemic issues within the state's history of incarceration. Inmate wages and contributions from family members go into accounts that incarcerated persons can spend from for things like commissary purchases. Certain funds are subject to deductions when an incarcerated person's account exceeds the \$25 indigency threshold. However, the prices for basic goods have been continually increasing, especially since the pandemic. This has resulted in food, hygiene items, and other necessities becoming prohibitively expensive. It is vitally important that the state not burden incarcerated persons with debt or other hurdles that will affect their reentry and rehabilitation. Increasing the indigency threshold to \$100 will help incarcerated persons afford basic goods and provide relief to their families. Incarceration should be about humanity, healing, and justice, rather than only punishment. This bill will also attract more participation in Correctional Industries (CI) programs, which facilitate opportunities for prosocial communication, provide a sense of responsibility, and offer a means of paying for daily needs. Under current law, up to 95 percent of the gratuities earned in CI programs may be subject to deductions, which has deterred people from wanting to work.

(Opposed) None.

Persons Testifying: Representative Chipalo Street, prime sponsor; Tonelli Anderson; Derond Potts; and Emijah Smith, Colorful Communities LLC.

Persons Signed In To Testify But Not Testifying: None.