

HOUSE BILL REPORT

SSB 6557

As Reported By House Committee On:
Corrections
Appropriations

Title: An act relating to the deductions made to inmate wages and the responsibilities of the correctional industries board.

Brief Description: Revising provisions relating to correctional industries work programs.

Sponsors: Senate Committee on Law & Justice (originally sponsored by Senator Hargrove).

Brief History:

Reported by House Committee on:
Corrections, February 24, 1994, DP;
Appropriations, February 28, 1994, DP.

HOUSE COMMITTEE ON CORRECTIONS

Majority Report: Do pass. Signed by 7 members:
Representatives Morris, Chair; Mastin, Vice Chair; Long,
Ranking Minority Member; G. Cole; L. Johnson; Moak and
Ogden.

Minority Report: Do not pass. Signed by 1 member:
Representative Padden.

Staff: Antonio Sanchez (786-7383).

Background: The Department of Corrections (DOC), Division of Correctional Industries, operates five classes of work programs which provide jobs, training, and work experience for inmates. Correctional industries workers are estimated to work an average of 1,400 hours annually. The inmates receive wages for their work ranging from \$30 per month for Class IV work programs to the prevailing wage for offenders employed in Class I jobs.

Under current law, the department is responsible for establishing deductions to be made from the inmate's wages to contribute to the cost of incarceration and the development of the Correctional Industries Program. In 1993, the provisions on deductions from inmates' wages were amended, effective June 30, 1994. This legislation requires

the department to take deductions from the wages of inmates working in Class I or Class II jobs, and any other inmate earning more than minimum wage. After deductions for legal financial obligations and taxes, the department must deduct 10 percent for the crime victim compensation account; 10 percent for a personal inmate savings account, until the account has a balance of \$950; and 30 percent for the cost of incarceration. A person sentenced to life imprisonment is exempt from the personal inmates savings account deduction, but subject to a 40 percent deduction for the cost of incarceration.

Legislation passed in 1993 (Engrossed Senate Bill 5989), also mandated the expansion of inmate employment in correctional industries by 150 percent - an additional 1,500 inmate employees - by June 30, 2000.

The department has expressed concern that the deductions required by the 1993 legislation may discourage inmates from working in correctional industries and impede the department from achieving the production goals established under law in 1993.

Summary of Bill: The Department of Corrections is required to redevelop the formula for deductions from offender wages. For inmates working in Class I work programs and inmates earning at least minimum wage, the formula must include minimum deductions of 5 percent for the crime victims compensation account, 10 percent to a department personal inmate savings account, and 20 percent for the cost of incarceration. For inmates working in Class II work programs, the deductions are the same except that the minimum deduction for the cost of incarceration is 15 percent. For Class IV work programs, the formula must include a 5 percent deduction for the cost of incarceration. Lifetime offenders are also required to have their wages deducted according to the new deduction formula. Funds in the department's personal inmate savings account may be made available to the inmate prior to release only if the secretary determines that an emergency exists for the inmate.

The management of Class I, II, and IV industries may establish an incentive payment for offender workers based on productivity. The incentive is to be paid separately from wages or gratuities, and is not subject to the deduction for cost of incarceration.

If the offenders' earnings are subject to garnishment for support enforcement, the deductions for crime victims' compensation, savings, and the cost of incarceration are calculated on the net wages after taxes, legal financial

obligations, and the amount subject to garnishment are taken out.

The Correctional Industries Board of Directors is required to develop a strategic yearly marketing plan that is consistent with and works toward the goals established in the six-year phased expansion of Class I and Class II industries established by statute. The plan must be presented to the appropriate legislative committees by January 17 of each year until the correctional industries expansion goals have been achieved.

Fiscal Note: Available.

Effective Date: June 30, 1994.

Testimony For: A fair and firm formula of deductions from inmate wages will serve the interests of the public who pay taxes, the Class I industries program, and the inmates who are learning skills. Incentives will provide inmates with the motivation that is necessary in a competitive market.

Testimony Against: None.

Witnesses: Senator Hargrove, prime sponsor; Jim King, RESTEC/Coalition on Inmate Labor (pro); Janeen Wadsworth, Department of Corrections (pro); and Chuck Berglund, Antipodes, Inc. (pro).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 22 members: Representatives Sommers, Chair; Valle, Vice Chair; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Dellwo; Dorn; Dunshee; Foreman; Jacobsen; Lemmon; Leonard; Linville; H. Myers; Peery; Rust; Sehlin; Sheahan; Stevens; Wang and Wolfe.

Minority Report: Do not pass. Signed by 3 members: Representatives Silver, Ranking Minority Member; Cooke and Talcott.

Staff: John Woolley (786-7154).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Corrections: No new changes were recommended.

Fiscal Note: Available.

Effective Date: The bill takes effect June 30, 1994.

Testimony For: The Department of Corrections supports the bill as it makes changes to current mandatory deductions that may be impediments to increasing participation in inmate work programs. The bill will allow for rewarding productivity in correctional industries, helping to mitigate some of the disincentives associated with dedicating a high percentage of wages to the cost of incarceration and crime victims compensation. The bill was introduced to keep current programs working while correctional industries expand.

Testimony Against: None.

Witnesses: (Pro) Senator Hargrove, prime sponsor; and Janeen Wadsworth, Department of Corrections.