

SENATE BILL REPORT

ESHB 2004

AS OF MARCH 30, 1993

**Brief Description:** Changing provisions relating to criminal sentencing and correctional industries.

**SPONSORS:** House Committee on Corrections (originally sponsored by Representatives Morris, Long and Springer)

**HOUSE COMMITTEE ON CORRECTIONS**

**HOUSE COMMITTEE ON CAPITAL BUDGET**

**SENATE COMMITTEE ON LAW & JUSTICE**

**Staff:** Susan Carlson (786-7418)

**Hearing Dates:** March 31, 1993

**BACKGROUND:**

The Division of Correctional Industries is responsible for developing programs to offer inmates employment, work experience and training, and to reduce the tax burden of corrections. The Division of Correctional Industries operates five classes of work programs:

1) Class I - Free Venture Industries. This program allows private sector companies to set up factories within the corrections institutions. Goods or services are produced for sale to both the public and private sector. Inmate employees are paid at least \$4.25 an hour or a comparable wage for the industry determined by the Department of Employment Security.

2) Class II - Tax Reduction Industries. This program is owned and managed directly by the Department of Corrections (DOC). Class II products and services may only be sold to public agencies, to nonprofit organizations, and to private contractors if the goods purchased will be ultimately used by a public agency or a nonprofit organization. All state agencies are currently required to purchase products produced by class II inmate work programs operated by the department unless the Department of General Administration finds that: the articles or products do not meet the reasonable requirements of the agency or department; the products are not of equal or better quality; and the price of the product or service is higher than that produced by the private sector. Every new class II industry developed by the department is required first to consider the effect the new industry will have on business and labor in the state. Wages for inmates working in this class are \$0.30 to \$0.90 per hour; however, asbestos removal pays \$4.25 an hour. These wages are paid through a revolving fund generated by the sale of goods and

services. Class II industries sold almost \$15 million in goods and services in 1992.

3) Class III - Institutional Support Services. This class employs inmates in jobs that maintain the operations of the institution such as food or janitorial services. This class pays offenders \$30 - \$50 per month from prison operating funds. Class III industries employ the highest number of offenders. In 1992, 33 percent of the inmate population (3,288 offenders) worked in class III jobs.

4) Class IV - Community Work Industries. This program allows public agencies, the poor or infirm, and nonprofit agencies to hire a class IV inmate to provide services in the community at a reduced cost. This class offers inmates at minimum security or work release centers an opportunity to work in their communities. In 1992, 481 offenders (5 percent) participated in class IV work.

5) Class V - Community Service Program. This program allows offenders to perform work without compensation for the benefit of the community.

Currently, the Secretary of the Department of Corrections is authorized to develop a formula to determine how much is deducted from an inmate's wages while working in prison industry. The deduction is used to pay for the cost of corrections, including the cost to develop and implement correctional industries programs. The department currently deducts 20 percent for the cost of incarceration, 20 percent for legal financial obligations, and 10 percent goes into the inmate savings account until a balance of \$500 is accumulated.

#### **ASBESTOS ABATEMENT**

The Department of Corrections began offender asbestos abatement training and services in 1990 at McNeil Island Corrections Center. During 1991, the programs expanded beyond McNeil Island to provide abatement services for other DOC institutions. Approximately 10 inmates are employed in the asbestos abatement industry. During the next biennium the state is expected to spend approximately \$9 million on asbestos abatement projects on state-owned properties.

#### **UNDERGROUND STORAGE TANK REMOVAL**

The 1989 Legislature charged the Department of Ecology with establishing a comprehensive underground storage tank program. In 1992, the Department of Ecology began enforcement orders for the removal of tanks that are an existing or imminent threat to human health or the environment. During the next biennium the state is expected to spend approximately \$11 million on the removal and replacement of underground storage tanks and associated site cleanup. The Department of Corrections currently operates one offender work program that removes underground storage tanks as part of the Correctional Industries Program.

**SUMMARY:**

**MARKETING ENHANCEMENT OF CLASS II CORRECTIONAL INDUSTRIES**

The Department of Corrections and the Department of General Administration are required to adopt administrative rules that assure preferential purchase by all state agencies of correctional goods and services produced by class II industries. The Correctional Industries Board is required to approve the rules.

The industry representative on the Correctional Industries Board of Directors must be selected from a list provided by an array of statewide business organizations.

The Department of Corrections is required to establish a data gathering system for tracking information about offender participation in correctional industries jobs. In addition, the Department of Corrections and the Department of General Administration are required to jointly submit yearly reports to the Legislature on the purchase of all correctional industries goods and services.

**ASBESTOS ABATEMENT AND UNDERGROUND STORAGE REMOVAL**

The Correctional Industries Board of Directors is required to expand class II offender work teams for the removal of asbestos and leaking underground storage tanks to ten offender teams. All state agencies are required to give priority to contracting with the Correctional Industries for this type of work authorized in the capital budget, provided that the approved offender work teams can meet the demand for such work.

**CORRECTIONAL INDUSTRIES ENHANCEMENTS**

The Department of Corrections is required to increase inmate participation in class I and class II work programs to 20 percent by 1997 and to 30 percent by the year 2000. By January 1, 1994, the department must submit a report to the Legislature identifying impediments to reaching these goals and ways to remove those impediments.

**OFFENDER OBLIGATIONS**

The department is further required to develop an administrative process for deductions from inmate wages. For offenders working in class I work programs at least 20 percent of their wages must be deducted to cover the cost of incarceration. The funds deducted for the cost of incarceration must be used to enhance and maintain the Correctional Industries program until December 31, 2010. Thereafter, the funds must be deposited in the general fund. Also, 10 percent must be deposited in an inmate savings account until it reaches \$1,500. Ten percent must be deducted from an inmate's wages for the crime victims compensation fund.

Ten percent of class II wages and 5 percent of class III and IV wages must be deducted for the crime victims compensation account. A formula for deductions for legal financial obligations must also be established by the department.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available