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29 30 By Committee on Criminal Justice & Corrections

Strike everything after the enacting clause and insert the 1 2 following:

- RCW 72.09.070 and 1994 sp.s. c 7 s 535 are each amended to read as follows:
- (1) There is created a correctional industries board of directors which shall have the composition provided in RCW 72.09.080.
- (2) Consistent with general department of corrections policies and procedures pertaining to the general administration of correctional facilities, the board shall establish and implement policy for correctional industries programs designed to:
- (a) Offer inmates meaningful employment, work experience, and training in vocations that are specifically designed to reduce recidivism and thereby enhance public safety by providing opportunities for legitimate means of livelihood upon their release from custody;
- (b) Provide industries which will reduce the tax burden of corrections and save taxpayers money through production of goods and services for sale and use;
- (c) Operate correctional work programs in an effective and efficient manner which are as similar as possible to those provided by the private sector;
- (d) Encourage the development of and provide for selection of, contracting for, and supervision of work programs with participating private enterprise firms;
- (e) Develop and ((design)) select correctional industries work programs that do not unfairly compete with Washington businesses;
- Invest available funds in correctional enterprises and meaningful work programs that minimize the impact on in-state jobs and businesses.

(3) The board of directors shall at least annually review the work performance of the director of correctional industries division with the secretary.

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- (4) The director of correctional industries division shall review and evaluate the productivity, funding, and appropriateness of all correctional work programs and report on their effectiveness to the board and to the secretary.
- (5) The board of directors shall have the authority to identify and establish trade advisory or apprenticeship committees to advise them on correctional industries work programs. The secretary shall appoint the members of the committees.

Where a labor management trade advisory and apprenticeship committee has already been established by the department pursuant to RCW 72.62.050 the existing committee shall also advise the board of directors.

- (6) The board shall develop a strategic yearly marketing plan that shall be consistent with and work towards achieving the goals established in the six-year phased expansion of class I and class II correctional industries established in RCW 72.09.111. marketing plan shall be presented to the appropriate committees of the legislature by January 17 of each calendar year until the goals set forth in RCW 72.09.111 are achieved.
- Sec. 2. RCW 72.09.100 and 2002 c 175 s 49 are each amended to read as follows:

It is the intent of the legislature to vest in the department the power to provide for a comprehensive inmate work program and to remove statutory and other restrictions which have limited work programs in the past. It is also the intent of the legislature to ensure that the correctional industries board of directors, in developing and selecting correctional industries work programs, does not encourage the development of, or provide for selection of or contracting for, or the significant expansion of, any new or existing class I correctional industries work programs that unfairly compete with Washington businesses. The legislature intends that the requirements relating to fair competition in the correctional industries work programs be liberally construed by the correctional industries board of directors to protect Washington businesses from unfair competition.

For purposes of establishing such a comprehensive program, the legislature recommends that the department consider adopting any or all, or any variation of, the following classes of work programs:

(1) CLASS I: FREE VENTURE INDUSTRIES.

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- (a) The employer model industries in this class shall be operated and managed in total or in part by any profit or nonprofit organization pursuant to an agreement between the organization and the department. The organization shall produce goods or services for sale to both the public and private sector.
- (b) The customer model industries in this class shall be operated and managed by the department to provide Washington state manufacturers or businesses with products or services currently produced or provided by out-of-state or foreign suppliers.
- (c) The correctional industries board of directors shall review these proposed industries, including any potential new class I industries work program or the significant expansion of an existing class I industries work program, before the department contracts to provide such products or services. The review shall include ((an)) the analysis ((of the potential impact of the proposed products and services on the Washington state business community and labor market)) required under section 4 of this act to determine if the proposed correctional industries work program will compete with any Washington business. An agreement for a new class I correctional industries work program, or an agreement for a significant expansion of an existing class I correctional industries work program, that unfairly competes with any Washington business is prohibited.
- (d) The department of corrections shall supply appropriate security and 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 If the director cannot reasonably determine the industries. comparable wage, then the pay shall not be less than the federal minimum wage.
- (f) An inmate who is employed in the class I program of correctional industries shall not be eligible for unemployment

compensation benefits pursuant to any of the provisions of Title 50 RCW until released on parole or discharged.

(2) CLASS II: TAX REDUCTION INDUSTRIES.

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- (a) Industries in this class shall be state-owned and operated enterprises designed to reduce the costs for goods and services for tax-supported agencies and for nonprofit organizations.
- (b) 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. The products and services of this industry, including purchased products and services necessary for a complete product line, may be sold to public agencies, to nonprofit organizations, and to private contractors when the goods purchased will be ultimately used by a public agency or a nonprofit organization. Clothing manufactured by an industry in this class may be donated to nonprofit organizations that provide clothing free of charge 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.
- (ii) The board of directors shall conduct a yearly marketing review of the products and services offered under this subsection. Such review shall include an analysis of the potential impact of the proposed products and services on the Washington state business community. To avoid waste or spoilage and consequent loss to the state((-)) when there is no public sector market for such goods, byproducts and surpluses of timber, agricultural, and animal husbandry enterprises may be sold to private persons, at private sale. Surplus byproducts and surpluses of timber, agricultural and animal husbandry enterprises that cannot be sold to public agencies or to private persons may be donated to nonprofit organizations. All sales of surplus products shall be carried out in accordance with rules prescribed by the secretary.
- (d) Security and custody services shall be provided without charge by the department of corrections.

- (e) Inmates working in this class of industries shall do so at their own choice and shall be paid for their work on a gratuity scale which shall not exceed the wage paid for work of a similar nature in the locality in which the industry is located and which is approved by the director of correctional industries.
- (f) Subject to approval of the correctional industries board, provisions of RCW 41.06.380 prohibiting contracting out work performed by classified employees shall not apply to contracts with Washington state businesses entered into by the department of corrections through class II industries.
 - (3) CLASS III: INSTITUTIONAL SUPPORT INDUSTRIES.

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- (a) Industries in this class shall be operated by the department of corrections. They shall be designed and managed to accomplish the following objectives:
- $((\frac{a}{a}))$ (i) Whenever possible, to provide basic work training and experience so that the inmate will be able to qualify for better work both within correctional industries and the free community. It is not intended that an inmate's work within this class of industries should be his or her final and total work experience as an inmate.
- (((b))) <u>(ii)</u> Whenever possible, to provide forty hours of work or work training per week.
- (((c))) (iii) Whenever possible, to offset tax and other public support 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.
- (c) Supervising, management, and custody staff shall be employees 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.
- (e) Except for inmates who work in work training programs, inmates 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) CLASS IV: COMMUNITY WORK INDUSTRIES.

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- (a) Industries in this class shall be operated by the department of corrections. They shall be designed and managed to provide services in the inmate's resident community at a reduced The services shall be provided to public agencies, to persons who are poor or infirm, or to nonprofit organizations.
- (b) Class IV 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 IV program at its discretion. Class IV correctional industries operated in work camps established pursuant to RCW 72.64.050 are exempt from the requirements of this subsection (4)(b).
- (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.
- (d) The department of corrections shall reimburse participating units of local government for liability and workers compensation 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.
 - (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.
- (b) Employment shall be in a community restitution program operated 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.

Sec. 3. RCW 72.09.100 and 2002 c 354 s 238 and 2002 c 175 s 49 are each reenacted and amended to read as follows:

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

(1) CLASS I: FREE VENTURE INDUSTRIES.

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- (a) The employer model industries in this class shall be operated and managed in total or in part by any profit or nonprofit organization pursuant to an agreement between the organization and the department. The organization shall produce goods or services for sale to both the public and private sector.
- (b) The customer model industries in this class shall be operated and managed by the department to provide Washington state manufacturers or businesses with products or services currently produced or provided by out-of-state or foreign suppliers.
- (c) The correctional industries board of directors shall review these proposed industries, including any potential new class I industries work program or the significant expansion of an existing class I industries work program, before the department contracts to provide such products or services. The review shall include ((an)) the analysis ((of the potential impact of the proposed products and services on the Washington state business community and labor market)) required under section 4 of this act to determine if the proposed correctional industries work program will compete with any Washington business. An agreement for a new class I correctional

industries work program, or an agreement for a significant expansion of an existing class I correctional industries work program, that unfairly competes with any Washington business is prohibited.

- (d) The department of corrections shall supply appropriate security and 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 If the director cannot reasonably determine the comparable wage, then the pay shall not be less than the federal minimum wage.
- (f) An inmate who is employed in the class I program of correctional industries shall not be eliqible for unemployment compensation benefits pursuant to any of the provisions of Title 50 RCW until released on parole or discharged.
 - (2) CLASS II: TAX REDUCTION INDUSTRIES.

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- (a) Industries in this class shall be state-owned and operated enterprises designed to reduce the costs for goods and services for tax-supported agencies and for nonprofit organizations.
- (b) 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. The products and services of this industry, including purchased products and services necessary for a complete product line, may be sold to public agencies, to nonprofit organizations, and to private contractors when the goods purchased will be ultimately used by a public agency or a nonprofit organization. Clothing manufactured by an industry in this class may be donated to nonprofit organizations that provide clothing free of charge 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.

(ii) The board of directors shall conduct a yearly marketing review of the products and services offered under this subsection. Such review shall include an analysis of the potential impact of the proposed products and services on the Washington state business community. To avoid waste or spoilage and consequent loss to the state, when there is no public sector market for such goods, byproducts and surpluses of timber, agricultural, and animal husbandry enterprises may be sold to private persons, at private sale. Surplus byproducts and surpluses of timber, agricultural and animal husbandry enterprises that cannot be sold to public agencies or to private persons may be donated to nonprofit organizations. All sales of surplus products shall be carried out in accordance with rules prescribed by the secretary.

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- (d) Security and custody services shall be provided without charge by the department of corrections.
- (e) Inmates working in this class of industries shall do so at their own choice and shall be paid for their work on a gratuity scale which shall not exceed the wage paid for work of a similar nature in the locality in which the industry is located and which is approved by the director of correctional industries.
- (f) Subject to approval of the correctional industries board, provisions of RCW 41.06.142 shall not apply to contracts with Washington state businesses entered into by the department of corrections through class II industries.
 - (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:
- $((\frac{a}{a}))$ (i) Whenever possible, to provide basic work training and experience so that the inmate will be able to qualify for better work both within correctional industries and the free community. It is not intended that an inmate's work within this class of industries should be his or her final and total work experience as an inmate.
- (((b))) <u>(ii)</u> Whenever possible, to provide forty hours of work or work training per week.
- (((c))) (iii) Whenever possible, to offset tax and other public support 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.
- (c) Supervising, management, and custody staff shall be employees 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.
- (e) Except for inmates who work in work training programs, inmates 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) CLASS IV: COMMUNITY WORK INDUSTRIES.

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- (a) Industries in this class shall be operated by the department of corrections. They shall be designed and managed to provide services in the inmate's resident community at a reduced The services shall be provided to public agencies, to persons who are poor or infirm, or to nonprofit organizations.
- (b) Class IV 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 IV program at its discretion. Class IV correctional industries operated in work camps established pursuant to RCW 72.64.050 are exempt from the requirements of this subsection (4)(b).
- (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.
- (d) The department of corrections shall reimburse participating units of local government for liability and workers compensation 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.

(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.
- (b) Employment shall be in a community restitution program operated 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.

NEW SECTION. Sec. 4. A new section is added to chapter 72.09 RCW to read as follows:

- (1) The department must prepare a threshold analysis for any proposed new class I correctional industries work program or the significant expansion of an existing class I correctional industries work program before the department enters into an agreement to provide such products or services. The analysis must state whether the proposed new or expanded program will impact any Washington business and must be based on information sufficient to evaluate the impact on Washington business.
- (2) If the threshold analysis determines that a proposed new or expanded class I correctional industries work program will impact a Washington business, the department must complete a business impact analysis before the department enters into an agreement to provide such products or services. The business impact analysis must include:
- (a) A detailed statement identifying the scope and types of impacts caused by the proposed new or expanded correctional industries work program on Washington businesses; and
- (b) A detailed statement of the business costs of the proposed correctional industries work program compared to the business costs of the Washington businesses that may be impacted by the proposed class I correctional industries work program. Business costs of the proposed correctional industries work program include rent,

water, sewer, electricity, disposal, labor costs, and any other quantifiable expense unique to operating in a prison. costs of the impacted Washington business include rent, water, sewer, electricity, disposal, property taxes, and labor costs including employee taxes, unemployment insurance, and workers' compensation.

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- (3) The completed threshold analysis and any completed business impact analysis with all supporting documents must be shared in a meaningful and timely manner with local chambers of commerce, trade associations, local business and state labor organizations, and government entities before a finding required under subsection (4) of this section is made on the proposed new or expanded class I correctional industries work program.
- (4) If a business impact analysis is completed, the department must conduct a public hearing to take public testimony on the business impact analysis. The department must, at a minimum, establish a publicly accessible web site containing information reasonably calculated to provide notice to each Washington business assigned the same three-digit standard industrial classification code, or the corresponding North American industry classification system code, as the organization seeking the class I correctional industries work program agreement of the date, time, and place of the hearing. Notice of the hearing shall be posted at least thirty days prior to the hearing.
- (5) Following the public hearing, the department shall adopt a finding that the proposed new or expanded class I correctional industries work program: (a) Will not compete with any Washington business; (b) will not compete unfairly with any Washington business; or (c) will compete unfairly with any Washington business and is therefore prohibited under this act.
- Sec. 5. RCW 72.09.460 and 1998 c 244 s 10 are each amended to read as follows:
- (1) The legislature intends that all inmates be required to participate in department-approved education programs, work programs, or both, unless exempted under subsection (4) of this section. Eligible inmates who refuse to participate in available education or work programs available at no charge to the inmates shall lose privileges according to the system established under RCW

72.09.130. Eligible inmates who are required to contribute financially to an education or work program and refuse to contribute shall be placed in another work program. Refusal to contribute shall not result in a loss of privileges. The legislature recognizes more inmates may agree to participate in education and work programs than are available. The department must make every effort to achieve maximum public benefit by placing inmates in available and appropriate education and work programs.

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- (2) The department shall provide access to a program of education to all offenders who are under the age of eighteen and who have not met high school graduation or general equivalency diploma requirements in accordance with chapter 28A.193 RCW. The program of education established by the department and education provider under RCW 28A.193.020 for offenders under the age of eighteen must provide each offender a choice of curriculum that will assist the inmate in achieving a high school diploma or general equivalency diploma. The program of education may include but not be limited to basic education, prevocational training, work ethic skills, conflict resolution counseling, substance abuse intervention, and anger management counseling. The curriculum may balance these and other rehabilitation, work, and training components.
- (3) The department shall, to the extent possible and considering all available funds, prioritize its resources to meet the following goals for inmates in the order listed:
- (a) Achievement of basic academic skills through obtaining a high school diploma or its equivalent and achievement of vocational skills necessary for purposes of work programs and for an inmate to qualify for work upon release;
- (b) Additional work and education programs based on assessments and placements under subsection (5) of this section; and
 - (c) Other work and education programs as appropriate.
- (4) The department shall establish, by rule, objective medical standards to determine when an inmate is physically or mentally unable to participate in available education or work programs. When the department determines an inmate is permanently unable to participate in any available education or work program due to a medical condition, the inmate is exempt from the requirement under subsection (1) of this section. When the department determines an

inmate is temporarily unable to participate in an education or work program due to a medical condition, the inmate is exempt from the requirement of subsection (1) of this section for the period of time he or she is temporarily disabled. The department shall periodically review the medical condition of all temporarily disabled inmates to ensure the earliest possible entry or reentry by inmates into available programming.

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- (5) The department shall establish, by rule, standards for participation in department-approved education and work programs. The standards shall address the following areas:
- (a) Assessment. The department shall assess all inmates for their basic academic skill levels using a professionally accepted method of scoring reading, math, and language skills as grade level equivalents. The department shall determine an inmate's education history, work history, and vocational or work skills. The initial assessment shall be conducted, whenever possible, within the first thirty days of an inmate's entry into the correctional system, except that initial assessments are not required for inmates who are sentenced to life without the possibility of release, assigned to an intensive management unit within the first thirty days after entry into the correctional system, are returning to the correctional system within one year of a prior release, or whose physical or mental condition renders them unable to complete the assessment process. The department shall track and record changes in the basic academic skill levels of all inmates reflected in any testing or assessment performed as part of their education programming;
- (b) Placement. The department shall follow the policies set forth in subsection (1) of this section in establishing criteria for placing inmates in education and work programs. The department shall, to the extent possible, place all inmates whose composite grade level score for basic academic skills is below the eighth grade level in a combined education and work program. placement criteria shall include at least the following factors:
- (i) An inmate's release date and custody level((, except)). An inmate shall not be precluded from participating in an education or work program solely on the basis of his or her release date, except that inmates with a release date of more than one hundred twenty months in the future shall not comprise more than ten percent of

inmates participating in a new class I correctional industry not in existence on the effective date of this section;

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- (ii) An inmate's education history and basic academic skills;
- (iii) An inmate's work history and vocational or work skills;
- (iv) An inmate's economic circumstances, including but not limited to an inmate's family support obligations; and
- Where applicable, an inmate's prior performance in department- approved education or work programs;
- (c) Performance and goals. The department shall establish, and periodically review, inmate behavior standards and program goals for all education and work programs. Inmates shall be notified of applicable behavior standards and program goals prior to placement in an education or work program and shall be removed from the education or work program if they consistently fail to meet the standards or goals;
- (d) Financial responsibility. (i) The department shall establish a formula by which inmates, based on their ability to pay, shall pay all or a portion of the costs or tuition of certain Inmates shall, based on the formula, pay a portion of the costs or tuition of participation in:
- (A) Second and subsequent vocational programs associated with an inmate's work programs; and
- (B) An associate of arts or baccalaureate degree program when placement in a degree program is the result of a placement made under this subsection;
- (ii) Inmates shall pay all costs and tuition for participation in:
- (A) Any postsecondary academic degree program which is entered independently of a placement decision made under this subsection; and
- (B) Second and subsequent vocational programs not associated with an inmate's work program.

Enrollment in any program specified in (d)(ii) of this subsection shall only be allowed by correspondence or if there is an opening in an education or work program at the institution where an inmate is incarcerated and no other inmate who is placed in a program under this subsection will be displaced; and

(e) Notwithstanding any other provision in this section, an inmate sentenced to life without the possibility of release:

Shall not be required to participate in education programming; and

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(ii) May receive not more than one postsecondary academic degree in a program offered by the department or its contracted providers.

If an inmate sentenced to life without the possibility of release requires prevocational or vocational training for a work program, he or she may participate in the training subject to this section.

- (6) The department shall coordinate education and work programs among its institutions, to the greatest extent possible, to facilitate continuity of programming among inmates transferred between institutions. Before transferring an inmate enrolled in a program, the department shall consider the effect the transfer will have on the inmate's ability to continue or complete a program. This subsection shall not be used to delay or prohibit a transfer necessary for legitimate safety or security concerns.
- (7) Before construction of a new correctional institution or expansion of an existing correctional institution, the department shall adopt a plan demonstrating how cable, closed-circuit, and satellite television will be used for education and training purposes in the institution. The plan shall specify how the use of television in the education and training programs will improve inmates' preparedness for available work programs and opportunities for which inmates may qualify upon release.
- (8) The department shall adopt a plan to reduce the per-pupil cost of instruction by, among other methods, increasing the use of volunteer instructors and implementing technological efficiencies. The plan shall be adopted by December 1996 and shall be transmitted to the legislature upon adoption. The department shall, in adoption of the plan, consider distance learning, satellite instruction, video tape usage, computer-aided instruction, and flexible scheduling of offender instruction.
- (9) Following completion of the review required by section 27(3), chapter 19, Laws of 1995 1st sp. sess. the department shall take all necessary steps to assure the vocation and education programs are relevant to work programs and skills necessary to enhance the employability of inmates upon release.

Sec. 6. RCW 72.09.015 and 1995 1st sp.s. c 19 s 3 are each amended to read as follows:

The definitions in this section apply throughout this chapter.

- (1) "Base level of correctional services" means the minimum level of field services the department of corrections is required by statute to provide for the supervision and monitoring of offenders.
- (2) "Contraband" means any object or communication the secretary determines shall not be allowed to be: (a) Brought into; (b) possessed while on the grounds of; or (c) sent from any institution under the control of the secretary.
 - (3) "County" means a county or combination of counties.
 - (4) "Department" means the department of corrections.
- (5) "Earned early release" means earned ((early)) release as authorized by RCW 9.94A.728.
- (6) "Extended family visit" means an authorized visit between an inmate and a member of his or her immediate family that occurs in a private visiting unit located at the correctional facility where the inmate is confined.
- (7) "Good conduct" means compliance with department rules and policies.
- (8) "Good performance" means successful completion of a program required by the department, including an education, work, or other program.
- (9) "Immediate family" means the inmate's children, stepchildren, grandchildren, great grandchildren, parents, stepparents, grandparents, great grandparents, siblings, and a person legally married to an inmate. "Immediate family" does not include an inmate adopted by another inmate or the immediate family of the adopted or adopting inmate.
- (10) "Indigent inmate," "indigent," and "indigency" mean an inmate who has less than a ten-dollar balance of disposable income in his or her institutional account on the day a request is made to utilize funds and during the thirty days previous to the request.
- (11) "Inmate" means a person committed to the custody of the department, including but not limited to persons residing in a correctional institution or facility and persons released on furlough, work release, or community custody, and persons received from another state, state agency, county, or federal jurisdiction.

(12) "Privilege" means any goods or services, education or work programs, or earned early release days, the receipt of which are directly linked to an inmate's (a) good conduct; and (b) good performance. Privileges do not include any goods or services the department is required to provide under the state or federal Constitution or under state or federal law.

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- (13) "Secretary" means the secretary of corrections or his or her designee.
- (14) "Significant expansion" includes any expansion into a new product line or service to the class I business that results from an increase in benefits provided by the department, including a decrease in labor costs, rent, or utility rates (for water, sewer, electricity, and disposal), an increase in work program space, tax advantages, or other overhead costs.
- (15)"Superintendent" means the superintendent of correctional facility under the jurisdiction of the Washington state department of corrections, or his or her designee.
- (((15))) (16) "Unfair competition" means any net competitive advantage that a business may acquire as a result of a correctional industries contract, including labor costs, rent, tax advantages, utility rates (water, sewer, electricity, and disposal), and other overhead costs. To determine net competitive advantage, the correctional industries board shall review and quantify any expenses unique to operating a for-profit business inside a prison.
- (17) "Washington business" means an in-state manufacturer or service provider subject to chapter 82.04 RCW existing on the effective date of this section.
- "Work programs" means all classes of correctional (18)industries jobs authorized under RCW 72.09.100.
 - **Sec. 7.** RCW 72.09.111 and 2003 c 379 s 25 and 2003 c 271 s 2 are each reenacted and amended to read as follows:
 - (1) The secretary shall deduct taxes and legal financial obligations from the gross wages, gratuities, or workers' compensation benefits payable directly to the inmate under chapter 51.32 RCW, of each inmate working in correctional industries work programs, or otherwise receiving such wages, gratuities, or benefits. The secretary shall also deduct child support payments from the gratuities of each inmate working in class II through

1 class IV correctional industries work programs. The secretary 2 shall develop a formula for the distribution of offender wages, 3 gratuities, and benefits. The formula shall not reduce the inmate account below the indigency level, as defined in RCW 72.09.015. 4

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- (a) The formula shall include the following minimum deductions from class I gross wages and from all others earning at least minimum wage:
- (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;
- (iii) Twenty percent to the department to contribute to the cost 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.
- (b) The formula shall include the following minimum deductions from class II gross gratuities:
- (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;
 - (iii) Fifteen percent to the department to contribute to the cost of incarceration;
 - (iv) Twenty percent for payment of legal financial obligations for all inmates who have legal financial obligations owing in any Washington state superior court; and
 - (v) Fifteen percent for any child support owed under a support order.
- (c) The formula shall include the following minimum deductions from 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;
- 35 (ii) Ten percent to a department personal inmate savings 36 account;
- 37 (iii) Twenty percent to the department to contribute to the 38 cost of 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.

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- (d) The formula shall include the following minimum deductions from class III gratuities:
- (i) Five percent for the purpose of crime victims' compensation; and
- (ii) Fifteen percent for any child support owed under a support order.
- (e) The formula shall include the following minimum deduction from class IV gross gratuities:
- (i) Five percent to the department to contribute to the cost of incarceration; and
- (ii) Fifteen percent for any child support owed under a support order.
- 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), (b)(ii), or (c)(ii).
- (3) The department personal inmate savings account, together with any accrued interest, shall only be available to an inmate at the time of his or her release from confinement, unless the secretary determines 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)(a) Subject to availability of funds for the correctional industries program, the expansion of inmate employment in class I and class II correctional industries shall be implemented according to the following schedule:
- (i) Not later than June 30, 2005, 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, 2003;

(ii) Not later than June 30, 2006, 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, 2003;

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(iii) Not later than June 30, 2007, the secretary shall achieve a net increase of at least six 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, 2003;

- (iv) Not later than June 30, 2008, 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, 2003;
- (v) Not later than June 30, 2009, 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, 2003;
- (vi) Not later than June 30, 2010, 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, 2003.
- (b) Failure to comply with the schedule in this subsection does not create a private right of action.
- (5) In the event that the offender worker's wages, 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.
- (((5))) (6) The department shall explore other methods of recovering a portion of the cost of the inmate's incarceration and 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.
- (((6))) (7) 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.

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- (((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;
- (c) Not later than June 30, 1997, the secretary shall achieve a net increase of at least six 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;
- (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.))
- (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.
- (9) Nothing in this section shall limit the authority of the department of social and health services division of child support from taking collection action against an inmate's moneys, assets, or property pursuant to chapter 26.23, 74.20, or 74.20A RCW.
- 37 NEW SECTION. Sec. 8. A new section is added to chapter 72.09 38 RCW to read as follows:

All records, documents, data, and other materials obtained under the requirements of section 4 of this act from an existing correctional industries class I work program participant or an applicant for a proposed new or expanded class I correctional industries work program are exempt from public disclosure under chapter 42.17 RCW.

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NEW SECTION. Sec. 9. A new section is added to chapter 42.17 RCW to read as follows:

All records, documents, data, and other materials obtained under the requirements of section 4 of this act from an existing correctional industries class I work program participant or an applicant for a proposed new or expanded class I correctional industries work program are exempt from public disclosure under this chapter.

- Sec. 10. RCW 28B.10.029 and 1998 c 344 s 5 and 1998 c 111 s 2 are each reenacted and amended to read as follows:
- 17 institution of higher education may exercise An 18 independently those powers otherwise granted to the director of 19 general administration in chapter 43.19 RCW in connection with the 20 purchase and disposition of all material, supplies, services, and 21 equipment needed for the support, maintenance, and use of the 22 respective institution of higher education. Property disposition 23 policies followed by institutions of higher education shall be consistent with policies followed by the department of general 24 25 administration. Purchasing policies and procedures followed by institutions of higher education shall be in compliance with 26 27 chapters 39.19, 39.29, and 43.03 RCW, and RCW 43.19.1901, 28 43.19.1906, 43.19.1911, 43.19.1917, 43.19.1937, 43.19.534, 43.19.685, 43.19.700 through 43.19.704, and 43.19.560 through 29 30 43.19.637. The community and technical colleges shall comply with 31 RCW 43.19.450. Except for the University of Washington, higher education 32 institutions of shall comply with ((43.19.1935, 43.19.19363, and 43.19.19368)) <u>43.41.310, 43.41.290,</u> 33 34 and 43.41.350. If an institution of higher education can satisfactorily demonstrate to the director of the office of 35 36 financial management that the cost of compliance is greater than 37 the value of benefits from any of the following statutes, then it

shall be exempt from them: RCW 43.19.685; 43.19.534; and 43.19.637. Any institution of higher education that chooses to exercise independent purchasing authority for a commodity or group of commodities shall notify the director of general administration. Thereafter the director of general administration shall not be required to provide those services for that institution for the duration of the general administration contract term for that commodity or group of commodities.

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- (2) The council of presidents and the state board for community and technical colleges shall convene its correctional industries business development advisory committee, and work collaboratively with correctional industries, to:
- (a) Reaffirm purchasing criteria and ensure that quality, service, and timely delivery result in the best value for expenditure of state dollars;
- (b) Update the approved list of correctional industries products from which higher education shall purchase; and
- (c) Develop recommendations on ways to continue to build correctional industries' business with institutions of higher education.
- (3) Higher education and correctional industries shall develop a plan to build higher education business with correctional industries to increase higher education purchases of correctional industries products, based upon the criteria established in subsection (2) of this section. The plan shall include the correctional industries' production and sales goals for higher education and an approved list of products from which higher education institutions shall purchase, based on the criteria established in subsection (2) of this section. Higher education and correctional industries shall report to the legislature regarding the plan and its implementation no later than January 30, 2005.
- (4) Institutions of higher education shall set as a target to contract, beginning not later than June 30, 2006, to purchase one percent of the total goods and services required by the institutions each year produced or provided in whole or in part from class II inmate work programs operated by the department of corrections. Institutions of higher education shall set as a target to contract, beginning not later than June 30, 2008, to

- 1 purchase two percent of the total goods and services required by 2 the institutions each year produced or provided in whole or in part from class II inmate work programs operated by the department of 3 4 corrections.
- 5 (5) An institution of higher education may exercise independently those powers otherwise granted to the public printer 6 in chapter 43.78 RCW in connection with the production or purchase 7 of any printing and binding needed by the respective institution of 8 9 higher education. Purchasing policies and procedures followed by institutions of higher education shall be in compliance with 10 11 chapter 39.19 RCW. Any institution of higher education that chooses to exercise independent printing production or purchasing 12 authority shall notify the public printer. Thereafter the public 13 printer shall not be required to provide those services for that 14 15 institution.
- 16 NEW SECTION. Sec. 11. Section 3 of this act takes effect July 17 1, 2005.
- 18 NEW SECTION. Sec. 12. Section 2 of this act expires July 1, 19 2005."
- 20 Correct the title.

- The provision that stated that the DOC must, within available funds, expand its class I and II work programs is changed from "within available funds" to "subject to available funds"
- The definition for "significant expansion" and "unfair competition" are made the same as the version that the House passed. Defines "significant expansion" to include any expansion into a new product line or service to the class I business that results from an increase in benefits provided by the department, including a decrease in labor costs, rent, or utility rates (for water, sewer, electricity, and disposal), an increase in work program space, tax advantages, or other overhead costs. Defines "unfair competition" to mean any net

competitive advantage that a business may acquire as a result of a correctional industries contract, including labor costs, rent, tax advantages, utility rates (water, sewer, electricity, and disposal), and other overhead costs. To determine net competitive advantage, the correctional industries board shall review and quantify any expenses unique to operating a forprofit business inside a prison.

- Redefines "Washington business" to mean an in-state manufacturer or service provider existing on the effective date of the act.
- Makes other technical and clarifying amendments.