

HOUSE BILL REPORT

HB 1571

As Reported by House Committee On:
Juvenile Justice & Family Law

Title: An act relating to enhancing necessary child support payments.

Brief Description: Enhancing enforcement of child support obligations.

Sponsors: Representatives Holmquist, Dickerson, Delvin, Upthegrove, Pettigrew, Hinkle, Priest, Condotta, Kristiansen, Orcutt, Rockefeller, Bush, McCoy and Clements.

Brief History:

Committee Activity:

Juvenile Justice & Family Law: 2/13/03, 2/27/03 [DPS].

Brief Summary of Substitute Bill

- Requires the Department of Corrections to take 15 percent from the gratuities earned by inmates working in class II through class IV programs in corrections facilities.
- Requires 15 percent to be deducted from all other funds received by any inmate, except for funds received as a result of a legal settlement.

HOUSE COMMITTEE ON JUVENILE JUSTICE & FAMILY LAW

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Dickerson, Chair; Pettigrew, Vice Chair; Delvin, Ranking Minority Member; Carrell, Eickmeyer, Hinkle and Upthegrove.

Staff: Sonja Hallum (786-7092).

Background:

Some inmates in the Department of Corrections (DOC) facilities are employed in work programs.

These programs are categorized into classes:

Class I industries are generally operated and managed by for-profit or non-profit

organizations under contract with the DOC. These are the types of jobs which people who are not in corrections facilities might have. Inmates in this classification earn wages for their work.

Class II industries are state-owned and operated industries that produce products and services that are only sold to public agencies and nonprofit organizations. Inmates in this classification earn what are called "gratuities" rather than wages.

Class III industries are institutional support industries.

Class IV industries are community work industries where the inmate provides services to his or her resident community.

Class V programs are designed for the inmate to work off restitution which he or she owes.

The DOC is currently responsible for taking deductions from the gross wages and gratuities of each inmate working in class I through class IV correctional industry programs. The DOC is required by statute to take certain mandatory deductions:

For inmates working in class I industries (and others earning at least minimum wage), **the DOC takes 55 percent** of the inmates' income. The 55 percent is divided into:

- 5 percent for crime victims' compensation;
 - 10 percent for an inmate savings account;
 - 20 percent to the DOC for costs of incarceration; and
 - 20 percent for any owed legal financial obligations (LFOs) which can also include restitution for the victim.
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- **For inmates working in class II industries the DOC takes 50 percent** of the inmate's income. The 50 percent is divided into:
 - 5 percent for crime victims compensation;
 - 10 percent for an inmate savings account;
 - 15 percent to the DOC for costs of incarceration; and
 - 20 percent for any owed LFOs.
 - **For inmates working in class III industries the DOC takes 5 percent** of the inmate's income for the purpose of crime victim's compensation.
 - **For inmates working in class IV industries the DOC takes 5 percent** of the inmate's income to contribute to the cost of incarceration.

When an inmate receives any funds in addition to his or her wages or gratuities, such as when a family member or friend sends a check to the inmate directly through the mail or the inmate wins a monetary lawsuit, then the additional funds are subject to the same 55

percent deduction as those inmates working in class I industries and the funds are divided the same way.

Currently, child support payments can be deducted from an inmate's wages and from the inmate's DOC savings account in two ways:

1. In instances where an offender works for a class I industry, the Division of Child Support (DCS) has the authority to send a payroll deduction notice directly through the employer to have child support payments withdrawn from the inmate's paycheck each pay period prior to the inmate receiving the paycheck; or
2. The DCS may issue an order to withhold and deliver child support payments from any inmate who owes child support. Once the DOC receives the order, the funds in the inmate's savings account are sent to the DCS.

Summary of Substitute Bill:

The DOC is required to deduct 15 percent from class II through IV gratuities earned by an inmate working in a correctional facility work program. The DOC is also required to deduct 15 percent from any funds an inmate receives other than from wages or gratuities, except for funds received as a result of a settlement or award resulting from legal action. Inmates who have been sentenced to life imprisonment without the possibility of parole, or death, are also subject to the 15 percent deduction from money received by an inmate, except for funds received as a result of a settlement or award resulting from legal action.

A technical change is made which reorganizes two sections of the statute so that class III comes before class IV formulas.

Nothing in the statute shall limit the DCS from taking collection action against an inmate's moneys, assets, or property which they are otherwise authorized to do by statute, including the collection of moneys received as a result of a settlement or award resulting from legal action.

Substitute Bill Compared to Original Bill:

The original bill required the DOC to deduct money from the inmate's class I wages or class II gratuities. The bill required the DOC to deduct 20 percent from each inmate's earnings which would then be divided between the inmate's legal financial obligations and child support payments.

The substitute bill removes the requirement that the LFO deduction be divided between LFOs and child support obligations. The substitute bill replaces this divided deduction with a separate 15 percent deduction from all gratuities earned from class II through class

IV wages, but not class I wages. The 15 percent deduction is also applied to other income received by the inmate including inmates who have been sentenced to life imprisonment without the possibility of parole, or death, except the funds received as a result of a legal action.

The DCS retains the ability to collect money as it would otherwise have been able to do under current statutes such as issuing a notice of payroll deduction for class I wages or a notice to withhold and deliver for funds an inmate receives as a result of a legal award or settlement.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: (In support, original bill) This is a bill that came from a real life situation where an obligee had trouble collecting from an obligor when they were incarcerated. People shouldn't be able to avoid paying child support because they are incarcerated. The bill is not intended to hamper agency collection or interfere with victim compensation or restitution. People like this can't be made responsible, but they can be made accountable. Child support is minute compared to what the kids have to go through. Child abuse and child rape is the issue and no money can heal the child's wounds, but it is something.

(With concerns, original bill) The 20 percent for LFOs may actually reduce how much the DCS can withhold since the DCS can currently withhold 50 percent. LFOs can include restitution and it may be hard to sort out dividing between restitution and child support. The DCS is currently looking at matches between the DCS's caseload and the inmates' accounts and if there is money available, they will take withholding.

(Neutral, original bill) The DOC is already taking out the 20 percent. This bill is only dividing it up differently.

Testimony Against: None.

Testified: (In support) Representative Holmquist, prime sponsor; and Paul Muhs.

(With concerns) David Stillman, Department of Social and Health Services.

(Neutral) Denise Doty and Victoria Barshaw, Department of Corrections.