# Washington State House of Representatives Office of Program Research

## BILL ANALYSIS

## Juvenile Justice & Family Law Committee

## HB 1571

**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 Summary of Bill**

• Requires the Department of Corrections to deduct 20% from the gross wages and gratuities an inmate earns working in a correctional industry program and divide the funds between child support payments and legal financial obligations.

**Hearing Date:** 2/13/03

Staff: Sonja Hallum (786-7092).

#### **Background:**

The Department of Corrections (DOC) is currently responsible for deducting taxes from the gross wages and gratuities of each inmate working in a correctional industry program. Aside from taxes, the DOC is required to develop a formula to take other specific deductions from the wages and gratuities earned by inmates. The formula must include the following mandatory deductions:

- 55% from inmates working in Class I Industries (and others earning at least minimum wage): 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). (Class I Industries, also known as "free venture" industries, are generally operated and managed by for-profit or non-profit organizations under contract with the Department of Corrections.)
- **50% from inmates working in Class II Industries**: 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. (Class II Industries, also known as "tax reduction" industries, are state-owned and operated industries that produce products

and services that are only sold to public agencies and nonprofit organizations.)

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% deduction as those inmates working in Class I Industries.

Currently, child support payments can be deducted from an inmate's wages and 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 do a payroll deduction directly through the employer to have child support payments instantly withdrawn from the inmate's paycheck each pay period.
- 2. The DCS may issue an order to withhold and deliver child support payments from any inmate who owes such payments. Once the DOC receives the order, the funds in the inmate's savings account is sent to the DCS.

#### **Summary of Bill:**

The Department of Corrections (DOC) is required to deduct 20% from each inmate's check if the inmate has a child support or legal financial obligation. That amount must be divided to pay for child support payments and legal financial obligations.

**Appropriation:** None.

**Fiscal Note:** Requested on February 7, 2003.

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