# Washington State House of Representatives Office of Program Research

## BILL ANALYSIS

## **Public Safety Committee**

### **HB 2416**

**Brief Description**: Concerning correctional industries' insurance costs.

**Sponsors**: Representatives Pike, Manweller, Klippert, Vick, Wilson and Buys.

#### **Brief Summary of Bill**

- Requires the Department of Corrections to directly pay workers' compensation premiums for inmates participating in class IV and class V industries instead of reimbursing local government agencies and nonprofit agencies for the costs such of workers' compensation insurance.
- Requires that any workers' compensation premiums or assessments due for any adult or juvenile offender under the state's custody must be paid for by the state agency that has custody of that offender.

**Hearing Date**: 1/27/16

Staff: Yvonne Walker (786-7841).

#### Background:

The Department of Corrections (DOC) provides inmate work programs through the Correctional Industries Board (Board). The Board develops and implements programs that offer inmates employment, work experience, and training, and that reduce the cost of housing inmates. To achieve these goals, the Board operates five classes of correctional industry work programs. All inmates working in class I–IV employment receive financial compensation for their work. Class V jobs are court ordered community work that is performed for the benefit of the community without financial compensation.

#### Class IV Industries.

Class IV ("Community Work") industries are operated by the DOC and are designed to provide services in the inmate's resident community. Inmates working in class IV industries provide services at a reduced cost to other public agencies, to persons who are poor or infirm, and to

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nonprofit organizations. Local governments that hire inmates must provide work supervision service without charge to the state and must pay the inmate's wage.

Janitorial services, grounds keeping, litter control, institutional kitchen support, special event seating set-up, wheelchair cleaning, tree planting, forest maintenance, and fire suppression are examples of jobs found in the class IV industries work program.

The DOC must reimburse participating units of local government for liability and workers compensation insurance costs.

#### Class V Industries.

Class V ("community service") jobs are court ordered community restitution that is performed for the benefit of the community without financial compensation.

The DOC must reimburse nonprofit agencies for workers compensation insurance costs, to the extent that funds are specifically made available for such purposes.

Offenders performing community restitution pursuant to a court order are considered employees. Any premiums or assessments due for community restitution work is the obligation of the state agency, county, city, town, or nonprofit for which the offender performed the community restitution. Coverage commences when the state agency, county, city, town, or nonprofit organization has given notice to the Department of Labor and Industries that it wishes to cover offenders performing community restitution before the occurrence of an injury or contraction of an occupational disease.

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

The DOC will no longer reimburse local governments and nonprofit agencies for workers compensation insurance costs. Instead, the DOC must elect workers' compensation and pay any workers' compensation premiums or costs due for offenders under the DOC custody who are working or performing services on behalf of a local government or nonprofit agency.

Any workers' compensation premiums or assessments due for any adult or juvenile offender under the state's custody will be the obligation of the state and must be paid by the state agency that has custody of that offender.

**Appropriation**: None.

**Fiscal Note**: Requested on January 19, 2016.

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