

CHAPTER 314.

[ S. B. 422. ]

INSTITUTIONAL INDUSTRIES COMMISSION.

AN ACT relating to public institutions; creating an institutional industries commission; fixing a penalty; and adding a new chapter to Title 43, RCW.

*Be it enacted by the Legislature of the State of Washington:*

New chapter. SECTION 1. There is added to Title 43, RCW, a new chapter entitled "Institutional Industries Commission" and numbered chapter 43.95.

Definition of terms. SEC. 2. Definition of terms:

"Institution." "Institution" means any place under the jurisdiction of the department of public institutions at which individuals are confined pursuant to court order.

"Department." "Department" means that agency of the state government which now has jurisdiction over such institutions or such agency of the state government as may hereafter have such jurisdiction.

"Commission." "Commission" means the institutional industries commission as herein created.

"Enterprise." "Enterprise" means an agricultural or manufacturing operation or group of closely related operations within a single institution which in accepted trade practices would ordinarily be carried on as a single unit for the purpose of producing saleable items above and beyond the needs of the producing institution, not to include or apply to self sustaining activities, maintenance and construction work and handiwork of prisoners.

"Chapter." "Chapter" means chapter 43.95, RCW.

Institutional industries commission created; membership. SEC. 3. There is hereby created the institutional industries commission which shall consist of the director of the department of public institutions and six members appointed by the governor of whom two shall be representatives of organized labor, two shall be representatives of industry, one shall be a

representative of agriculture and one shall be a representative of the general public.

SEC. 4. The first term of the members representing industry and labor shall be two years. The first term of the members representing agriculture and the general public shall be four years. After the first term all appointments shall have a term of four years. The first term of each member shall commence on the first day of June, 1955. No member shall be removed except by the appointing authority and for cause. In the event of a vacancy in the office of any member the balance of the term shall be filled by the appointing authority as in the case of original appointments. The director of the department of public institutions shall act as chairman of the commission.

First terms.  
Terms thereafter.  
Commencement of first term.  
Removal.  
Vacancy filled.  
Chairman.

SEC. 5. The commission shall meet regularly at least four times during each fiscal year and may hold extra meetings on call of the chairman. Four members of the commission shall constitute a quorum and a vote of the majority of the members in office is necessary for the transaction of the business of the commission.

Meetings.  
Quorum.  
Majority vote to transact business.

SEC. 6. The members of the commission, other than the chairman, shall receive a per diem of twenty-five dollars for each day they are engaged in the official business of the commission, including time spent in traveling, for not more than twenty days in each fiscal year. All members, including the chairman, shall receive their actual and necessary expenses of travel incurred in attending meetings of the commission and in making investigations either as a commission or individually as members of the commission at the request of the chairman. The compensation and expenses of the members shall be paid from appropriations made for industrial operations at the institutions and shall be prorated among such appropriations on the basis of

Per diem.  
Travel expenses.  
Source of payment for compensation and expenses.

time spent where the efforts of the members are of application to more than one institution.

Commission duties.

SEC. 7. The commission shall:

(1) Recommend productive, industrial and agricultural enterprises in the institutions under the jurisdiction of the department of public institutions in such volume and of such kinds as to eliminate unnecessary idleness among the inmates and to provide diversified work activities which will serve as means of vocational education as well as of occupation and financial support.

(2) Determine the advisability and suitability of establishing, expanding, diminishing, or discontinuing each separate industrial or agricultural enterprise at each institution involving a gross annual production of more than twenty-five thousand dollars value but less than two hundred seventy-five thousand dollars value and authorize or prohibit such action. The commission shall determine the gross annual production, within the limit set above, of each new enterprise at the time of its establishment. The annual production so set shall not be increased until a public hearing concerning the proposed increase has been held before the commission. It shall be the duty of the commission, annually, to adjust the maximum gross annual production value of two hundred seventy-five thousand dollars permitted for each separate enterprise at each institution, the purpose of such adjustment being to keep said limit in balance with changes in population of state institutions and changes in cost of production. Such adjustment shall be made in the following manner:

Maximum gross annual production value adjusted annually.

Adjustment procedure.

(a) The maximum limitation of two hundred seventy-five thousand dollars shall serve as a base figure as of December 31, 1954, for such computation.

(b) The maximum limitation for each enterprise

at each institution shall be increased or decreased in the same proportion as the population of state institutions shall have increased or decreased in comparison with their population on December 31, 1954.

(c) The maximum limitation for each enterprise at each institution shall be further increased or decreased in the same proportion as the wholesale price index of the United States bureau of labor statistics shall have increased or decreased in comparison with such wholesale price index as of December 31, 1954.

The maximum gross annual limitation on production as adjusted in accordance with the above formula shall replace and serve in lieu of the two hundred seventy-five thousand dollars limitation until the next annual adjustment is made by the commission. It shall apply to enterprises previously authorized as well as to those authorized during the current period, and such adjustment may be made without public hearing.

(3) Hold hearings and make rules for the conducting of such hearings. The commission may in its discretion hold public hearings on any subject within its jurisdiction.

Hearings.

SEC. 8. No industrial enterprise which involves a gross annual production of more than twenty-five thousand dollars shall be established unless and until a hearing concerning the enterprise has been had before the commission. Public notice of the hearing shall be given prior to the hearing. At the time this commission becomes established by law, it shall at the earliest possible time convene and make necessary arrangements to place industrial enterprises that were in operation prior to this law under compliance with this law.

Hearing before enterprise established.

Public notice.

SEC. 9. Each inmate, who is engaged in productive work in any state prison or institution under the jurisdiction of the department of public institutions

Compensation to inmate determined by director of public institutions.

as a part of the work program, may receive for his work such compensation as the director of public institutions shall determine. Such compensation shall be in accordance with a graduated schedule based on quantity and quality of work performed and skill required for its performance, and be limited to such amounts as are set up by the director and approved by the commission. Said compensation shall be credited to the account of the inmate.

Forfeiture of inmates earnings.

When any inmate violates the rules of the institution or escapes, the director of the department of public institutions shall determine what portion of his earnings shall be forfeited and such forfeiture shall be deposited in the industrial operations revolving fund of such institution.

Industrial operations revolving fund.

Said compensation shall be paid from the industrial operations revolving fund of the institution. Whenever by any statute a price is required to be fixed for any article, material, supply, or services to be produced, manufactured, supplied, or performed in connection with the work program of the department of public institutions, the compensation paid to inmates shall be included as an item of cost in fixing the final statutory price.

Compensation to inmate included as cost item in fixing statutory price.

Compensation to inmates engaged in productive work outside program.

Inmates not engaged on work programs under the jurisdiction of the commission and financed out of the industrial operations revolving fund, but who are engaged in productive labor outside of such programs may be compensated in like manner. The compensation of such inmates shall be paid either out of funds appropriated by the legislature for that purpose or out of the industrial operations revolving fund of the institution, as the director of the department of public institutions may direct.

Civil rights of inmate not restored.

SEC. 10. Nothing in this chapter is intended to restore, in whole or in part, the civil rights of any inmate. No inmate compensated under this chapter shall be considered as an employee or to be em-

ployed by the state or the department of public institutions, nor shall any such inmate come within any of the provisions of the workmen's compensation act, or be entitled to any benefits thereunder whether on behalf of himself or of any other person. All moneys paid to inmates shall be considered a gratuity.

Inmate not employee.

Gratuity.

SEC. 11. The department of public institutions is hereby authorized and empowered to cause the inmates in the state institutions of this state to be employed in the rendering of such services and in the production and manufacture of such articles, materials, and supplies as are now, or may hereafter be, needed by the state, or any political subdivision thereof, or that may be needed by any public institution of the state or of any political subdivision thereof.

Authorization to employ inmates in services needed by the state or political subdivision thereof.

SEC. 12. The commission shall, from time to time, determine the kind, quality, and quantity, of the several articles, materials, and supplies to be thus produced and manufactured or the services to be rendered.

Kind, quality and quantity determined.

SEC. 13. All articles, materials, and supplies, produced or manufactured under the provisions of this chapter shall be solely and exclusively for public use and no article, material, or supplies, produced or manufactured under the provisions of this chapter shall ever be sold, supplied, furnished, exchanged, or given away, for any private use or profit whatever, except that, to avoid waste or spoilage and consequent loss to the state, byproducts and surpluses of agricultural and animal husbandry enterprises may be sold to private persons, at private sale, under rules prescribed by the director of public institutions.

Articles and services solely for public use.

SEC. 14. Each and every article manufactured under the provisions of this chapter shall have plainly

"Washington Institutional Industries" mark.

marked or stamped on the outside of the shipping container thereof, the words "Washington Institutional Industries."

Examination and approval of price.

SEC. 15. The commission shall from time to time examine and approve the price at which such articles, materials, and supplies are sold, which price shall be as near the prevailing market price as possible.

Authority to purchase given state agency or political subdivision of state; preference given.

SEC. 16. All articles, materials, and supplies herein authorized to be produced or manufactured may be purchased from the institution producing or manufacturing the same by any state agency or political subdivision of the state and at the prices fixed in the manner herein provided, and the director of the department of public institutions shall require those institutions under his direction to give preference to the purchasing of their needs of such articles as are produced under this chapter.

Action deemed unlawful.

SEC. 17. It shall be unlawful for any person to sell, expose for sale, or offer for sale within this state, any article or articles manufactured wholly or in part by inmate labor, except articles the sale of which is specifically sanctioned by law.

Misdemeanor.

Every person selling, exposing for sale, or offering for sale any article manufactured in this state wholly or in part by inmate labor, the sale of which is not specifically sanctioned by law, is guilty of a misdemeanor.

Accrued profits to be utilized.

SEC. 18. If and when the industries or enterprises covered by this act develop to a point where they accrue profits, profits shall be utilized as follows:

(1) Maintenance of facilities or equipment used in existing industries.

(2) Establishment and maintenance of new industries.

(3) To provide vocational training for employees of the industries and other inmates.

(4) To hold in a reserve all additional profits for the purpose of creating a fund to establish forest camps and treatment facilities.

Passed the Senate February 18, 1955.

Passed the House March 7, 1955.

Approved by the Governor March 21, 1955.

CHAPTER 315.

[ S. B. 70. ]

GRAIN AND TERMINAL WAREHOUSES—COMMODITY INSPECTION.

AN ACT relating to commodity inspection and amending section 17, chapter 189, Laws of 1919 and RCW 22.08.150.

*Be it enacted by the Legislature of the State of Washington:*

SECTION 1. Section 17, chapter 189, Laws of 1919 and RCW 22.08.150 are each amended to read as follows: Amendment.

All grain and other commodities received at terminal warehouses shall be inspected and weighed by the inspector and when exported shall, if requested, be reinspected and graded in like manner and a certificate of grade issued. The director shall have the authority to designate qualified inspectors as licensed weighers for the performance of their duties in connection with the inspection and weighing of commodities for foreign export. A reasonable fee to be fixed by the department shall be charged for the inspection or reinspection. All other grain and other commodities received in carload lots, or, when shipped by water in lots containing more than thirty tons of grain or twelve tons of other commodities at inspection points, not unloaded at a terminal warehouse, shall be weighed, inspected and graded, un- Inspection and weighing at terminal warehouses.  
  
Designation of qualified inspectors.  
  
Fees.