committee and the house of representatives health care committee by December 1, 1989.

Passed the Senate March 13, 1989. Passed the House April 13, 1989. Approved by the Governor April 27, 1989. Filed in Office of Secretary of State April 27, 1989.

CHAPTER 184

[House Bill No. 2013]

PARK AND RECREATION DISTRICTS—FINANCING PROPOSALS—SUBMISSION TO VOTERS

AN ACT Relating to park and recreation districts; and adding a new section to chapter 36.69 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 36.69 RCW to read as follows:

If the petition or resolution initiating the formation of the proposed park and recreation district proposes that the initial capital or operational costs are to be financed by regular property tax levies for a five-year period as authorized by RCW 36.69.145, or an annual excess levy, or that proposed capital costs are to be financed by the issuance of general obligation bonds and bond retirement levies, a proposition or propositions for such purpose or purposes shall be submitted to the voters of the proposed park and recreation district at the same election. A proposition or propositions for regular property tax levies for a five-year period as authorized by RCW 36.69.145, an annual excess levy, or the issuance of general obligation bonds and bond retirement levies, may also be submitted to the voters at any general or special election. The ballot proposition or propositions authorizing the imposition of a tax levy or levies, or issuance of general obligation bonds and imposition of tax levies, shall be null and void if the park and recreation district was not authorized to be formed.

Passed the House March 15, 1989. Passed the Senate April 6, 1989. Approved by the Governor April 27, 1989. Filed in Office of Secretary of State April 27, 1989.

CHAPTER 185

[House Bill No. 1524] CORRECTIONAL INDUSTRIES—PROGRAM ADMINISTRATION

AN ACT Relating to Washington state correctional industries; and amending RCW 41-.06.071, 43.19.1932, 72.09.060, 72.09.070, 72.09.080, 72.09.090, 72.09.100, 72.09.106, 72.09-.110, 72.60.100, 72.60.102, 72.62.020, and 72.63.040.

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

Sec. 1. Section 28, chapter 136, Laws of 1981 as amended by section 1, chapter 175, Laws of 1983 and RCW 41.06.071 are each amended to read as follows:

In addition to the exemptions provided under RCW 41.06.070, the provisions of this chapter shall not apply in the department of corrections to the secretary, the secretary's personal secretary, the deputy secretary, all division directors and assistant directors, all facility superintendents and associate superintendents for facilities with a resident capacity of fifty or more and all management and sales staff of ((institutional)) correctional industries.

Sec. 2. Section 14, chapter 136, Laws of 1981 and RCW 43.19.1932 are each amended to read as follows:

The department of corrections shall be exempt from the following provisions of this chapter in respect to goods or services purchased or sold pursuant to the operation of ((institutional)) <u>correctional</u> industries: RCW 43.19.180, 43.19.190, 43.19.1901, 43.19.1905, 43.19.1906, 43.19.1908, 43.19.1911, 43.19.1913, 43.19.1915, 43.19.1917, 43.19.1919, 43.19.1921, 43.19.1925, and 43.19.200.

Sec. 3. Section 6, chapter 136, Laws of 1981 and RCW 72.09.060 are each amended to read as follows:

The department of corrections may be organized into such divisions or offices as the secretary may determine, but shall include divisions for (1) ((institutional)) correctional industries, (2) prisons and other custodial institutions and (3) probation, parole, community service, restitution, and other nonincarcerative sanctions. The secretary shall have at least one person on his staff who shall have the responsibility for developing a program which encourages the use of volunteers, for citizen advisory groups, and for similar public involvement programs in the corrections area. Minimum qualification for staff assigned to public involvement responsibilities shall include previous experience in working with volunteers or volunteer agencies.

Sec. 4. Section 8, chapter 136, Laws of 1981 and RCW 72.09.070 are each amended to read as follows:

(1) There is created ((an institutional)) <u>a correctional</u> industries board of directors which shall have the composition provided in RCW 72.09.080.

(2) ((The board shall advise the department of corrections in adopting and implementing)) 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 employment, work experience, and training in vocations which may provide opportunities for legitimate means of livelihood upon their release from custody((:));

(b) Provide industries which will reduce the tax burden of corrections 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) Provide for selection of, contracting for, and supervision of work programs with participating private enterprise firms;

(c) Develop and design correctional industries work programs;

(f) Invest available funds in correctional industries enterprises and work programs.

(3) ((In addition,)) The board of directors shall((:

(a) Recommend to the direct or candidates for appointment as director of the institutional industries division.

(b) At-least annually evaluate the work performance of the director of the institutional industries division and submit this evaluation to the secretary.

(c) Advise the director of the institutional industries division in the selection of, contracting for, and supervision of work programs with participating private-enterprise firms.

(d) Advise the director of the institutional industries division in the development and design of institutional industries work programs.

(e) Advise the secretary and the director of the institutional industries division in the investment of funds in institutional industry enterprises and work programs.

(f) Review and evaluate the productivity and appropriateness of all correctional work programs and report on their effectiveness to the director of the division and to the secretary.

(g) Review and evaluate on an on-going basis all financial reports for work programs.

(h) Prepare and transmit to the governor and legislature through the secretary the report required under RCW 72.60.280)) at least annually review the work performance of the director of correctional industries division with the secretary.

(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.

Sec. 5. Section 9, chapter 136, Laws of 1981 and RCW 72.09.080 are each amended to read as follows:

(1) The ((institutional)) correctional industries board of directors shall consist of nine voting members((. Seven members shall be))₂ appointed by the governor upon recommendation by the secretary ((and)). Each member shall serve <u>a</u> three-year staggered term((s)). Initially, the ((secretary)) governor shall appoint ((two)) three members to one-year terms, ((two)) three members to two-year terms, and three members to three-year terms. ((In addition, the secretary and the director of the institutional industries division shall be ex officio members.)) The speaker of the house of representatives and the president of the senate shall each appoint one member from each of the two largest caucuses in their respective houses. The legislators so appointed shall be nonvoting members and shall serve two-year terms, or until they cease to be members of the house from which they were appointed, whichever occurs first. The ((seven)) nine members appointed by the ((secretary)) governor shall include representatives from both labor and industry.

(2) The board of directors shall elect a ((chairman)) chair and such other officers as it deems appropriate((. However, the chairman may not be the secretary or the director of the institutional industries division)) from among the voting members.

(3) The voting members of the board of directors shall serve ((without)) with compensation ((but)) pursuant to RCW 43.03.240 and shall be reimbursed by the department for travel expenses and per diem under RCW 43.03.050 and 43.03.060, as now or hereafter amended. Legislative members shall be reimbursed under RCW 44.04.120, as now or hereafter amended.

(4) The secretary shall provide such staff services, facilities, and equipment as the board shall require to carry out its duties.

Sec. 6. Section 10, chapter 136, Laws of 1981 as amended by section 203, chapter 7, Laws of 1987 and RCW 72.09.090 are each amended to read as follows:

The ((institutional)) correctional industries account is established in the state treasury. The department of corrections shall deposit in the account all moneys collected and all profits that accrue from the industrial and agricultural operations of the department and any moneys appropriated to the account. Moneys in the account may be spent only for expenses arising in the ((institutional)) correctional industries operations.

The division's net profits from ((institutional)) correctional industries' sales and contracts shall be reinvested, without appropriation, in the expansion and improvement of ((institutional)) correctional industries. However,

the board of directors shall annually recommend that some portion of the profits from ((institutional)) correctional industries be returned to the state general fund.

The board and secretary shall request appropriations or increased appropriations whenever it appears that additional money is needed to provide for the establishment and operation of a comprehensive ((institutional)) correctional industries program.

Sec. 7. Section 11, chapter 136, Laws of 1981 as last amended by section 2, chapter 193, Laws of 1986 and RCW 72.09.100 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. 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. The 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.

The department of corrections shall supply appropriate security and custody services without charge to the participating firms.

Inmates who work in free venture industries shall do so at their own choice. They shall be paid a wage not less than sixty percent of the approximate prevailing wage within the state for the occupation, as determined by the director of the ((institutional)) correctional industries division. If the director finds that he cannot reasonably determine the wage, then the pay shall not be less than the federal minimum wage.

(2) CLASS II: TAX REDUCTION INDUSTRIES. 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. 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 and to nonprofit organizations: PROVIDED, That 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 by-products and surpluses of timber, agricultural and animal

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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.

Security and custody services shall be provided without charge by the department of corrections.

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 federal minimum wage and which is approved by the director of ((institutional)) correctional industries.

(3) CLASS III: INSTITUTIONAL SUPPORT INDUSTRIES. Industries in this class shall be operated by the department of corrections. They shall be designed and managed to accomplish the following objectives:

(a) Whenever possible, to provide basic work training and experience so that the inmate will be able to qualify for better work both within ((institutional)) 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) Whenever possible, to provide forty hours of work or work training per week.

(c) Whenever possible, to offset tax and other public support costs.

Supervising, management, and custody staff shall be employees of the department.

All able and eligible inmates who are assigned work and who are not working in other classes of industries shall work in this class.

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. 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 cost. The services shall be provided to public agencies, to persons who are poor or infirm, or to nonprofit organizations.

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.

The department of corrections shall reimburse participating units of local government for liability and workers compensation insurance costs.

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 minimum wage for their work.

(5) CLASS V: COMMUNITY SERVICE PROGRAMS. 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 offender, placed on community supervision, to work off all or part of a community service order as ordered by the sentencing court.

Employment shall be in a community service program operated by the state, local units of government, or a nonprofit agency.

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. 8. Section 4, chapter 296, Laws of 1983 and RCW 72.09.106 are each amended to read as follows:

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Class II ((institutional)) <u>correctional</u> industries may subcontract its data input and microfilm capacities to firms from the private sector. Inmates employed under these subcontracts will be paid in accordance with the Class I free venture industries procedures and wage scale.

Sec. 9. Section 12, chapter 136, Laws of 1981 as amended by section 1, chapter 162, Laws of 1986 and RCW 72.09.110 are each amended to read as follows:

All inmates working in prison industries shall participate in the cost of corrections, including costs to develop and implement ((institutional)) <u>correctional</u> industries programs. The secretary shall develop a formula which can be used to determine the extent to which the wages of these inmates will be deducted for this purpose. The amount so deducted shall be placed in the general fund and shall be a reasonable amount which will not unduly discourage the incentive to work. The secretary may direct the state treasurer to deposit a portion of these moneys in the crime victims compensation account.

When the secretary finds it appropriate and not unduly destructive of the work incentive, the secretary shall also provide deductions for restitution, savings, and family support.

Sec. 10. Section 72.60.100, chapter 28, Laws of 1959 as last amended by section 38, chapter 185, Laws of 1987 and RCW 72.60.100 are each amended to read as follows:

Nothing in this chapter is intended to restore, in whole or in part, the civil rights of any inmate. No inmate compensated for work in ((institutional)) correctional industries shall be considered as an employee or to be employed by the state or the department, nor shall any such inmate, except those provided for in RCW 72.60.102 and 72.64.065, come within any of the provisions of the workers' compensation act, or be entitled to any benefits thereunder whether on behalf of himself or of any other person.

Sec. 11. Section 2, chapter 40, Laws of 1972 ex. sess. as last amended by section 7, chapter 52, Laws of 1983 1st ex. sess. and RCW 72.60.102 are each amended to read as follows:

From and after July 1, 1973, any inmate employed in classes 1, 11, and IV of ((institutional)) correctional industries as defined in RCW 72.09.100 is eligible for industrial insurance benefits as provided by Title 51 RCW. However, eligibility for benefits for either the inmate or ((his)) the inmate's dependents or beneficiaries for temporary disability or permanent total disability as provided in RCW 51.32.090 or 51.32.060, respectively, shall not take effect until the inmate is released pursuant to an order of parole by the indeterminate sentence review board ((of prison terms and paroles)), or discharged from custody upon expiration of the sentence, or discharged from custody by order of a court of appropriate jurisdiction. Nothing in this section shall be construed to confer eligibility for any industrial insurance benefits to any inmate who is employed in class III or V of ((institutional)) correctional industries as defined in RCW 72.09.100.

Sec. 12. Section 2, chapter 7, Laws of 1972 ex. sess. and RCW 72.62-.020 are each amended to read as follows:

When used in this chapter, unless the context otherwise requires:

The term "vocational education" means a planned series of learning experiences, the specific objective of which is to prepare individuals for gainful employment as semiskilled or skilled workers or technicians or subprofessionals in recognized occupations and in new and emerging occupations, but shall not mean programs the primary characteristic of which is repetitive work for the purpose of production, including the ((institutional)) correctional industries program. Nothing in this section shall be construed to prohibit the correctional industries board of directors from identifying and establishing trade advisory or apprenticeship committees to advise them on correctional industries work programs.

Sec. 13. Section 4, chapter 286, Laws of 1985 and RCW 72.63.040 are each amended to read as follows:

The costs of implementation of the projects prescribed by this chapter shall be supported to the extent that funds are available under the provisions of chapter 75.52 RCW, and from ((institutional)) correctional industries funds.

Passed the House March 6, 1989. Passed the Senate April 7, 1989. Approved by the Governor April 27, 1989. Filed in Office of Secretary of State April 27, 1989.

CHAPTER 186

[Senate Bill No. 5552] INTERSTATE TARIFFS—FILING WITH UTILITIES AND TRANSPORTATION COMMISSION NO LONGER REQUIRED

AN ACT Relating to filing requirements for interstate tariffs; and repealing RCW 81.28.070.