SUPREME COURT OF WASHINGTON

Dean v. Lehman

143 Wash. 2d 12 (2001) · Decided February 8, 2001

SUMMARY

The Washington Supreme Court considered a challenge by spouses of Department of Corrections inmates to RCW 72.09.480, which requires deductions from funds received by inmates for savings, incarceration costs, and victims' compensation. The court held that the statute does not violate Washington's tax-uniformity requirement or the Takings Clauses and that the inmate spouses had standing based on potential community property interests. The court nevertheless held that inmates were entitled to previously earned interest on their inmate savings accounts.

CASE DETAILS

COURT	Supreme Court of Washington
WRITING FOR THE COURT	Madsen, J.; Madsen; Smith; Ireland; Bridge; Guy; Talmadge
JURISDICTION	Washington
DECIDED	February 8, 2001
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	The Washington Department of Corrections appealed a superior court summary judgment ruling, and the Washington Court of Appeals certified the case to the Supreme Court of Washington.
STANDARD OF REVIEW	Summary judgment is reviewed de novo; statutory and constitutional questions are reviewed de novo.
PRECEDENTIAL VALUE	Published Washington Supreme Court opinion; precedential.
PARTIES	Washington Department of Corrections, Joseph Lehman, Chase Riveland v. Suzanne Dean, Class of spouses of Washington Department of Corrections inmates

TOPICS

community property · statutory interpretation · takings clause · constitutional law · family law

PRACTICE AREAS

constitutional law · family law · corrections law · property law

QUESTIONS PRESENTED

1. Whether spouses of DOC inmates have standing to challenge deductions from funds received by their incarcerated spouses based on their alleged community-property interests.
2. Whether deductions authorized by RCW 72.09.480 violate the uniformity requirement of article VII, section 1 of the Washington Constitution.
3. Whether the deductions violate the Takings Clauses of the United States and Washington Constitutions.
4. Whether inmates and their spouses are entitled to interest earned on mandatory inmate savings accounts under RCW 72.09.111(1)(d).

HOLDINGS

1. The class of spouses has standing because spouses possess a community-property interest in funds received by inmate spouses, and RCW 72.09.480 does not expressly override Washington's community-property presumption.
2. The deductions authorized by RCW 72.09.480 are not taxes and therefore do not violate the Washington Constitution's tax-uniformity requirement.
3. The deductions authorized by RCW 72.09.480 do not violate the Takings Clause of the United States Constitution; the court declined to decide whether the Washington Takings Clause provides broader protection.
4. Under RCW 72.09.111(1)(d), inmates and class members are entitled to previously earned interest on mandatory inmate savings accounts, and the DOC violated the statute by diverting that interest to the Inmate Betterment Fund.

KEY QUOTATIONS

> *"If the primary purpose of the charges is to raise revenue, rather than to regulate, then the charges are a tax. Conversely, if the primary purpose is regulatory, "the charges are properly characterized as 'tools of regulation' rather than taxes.""* (at 27)

> *"We hold that the DOC violated RCW 72.09.111(1)(d) by failing to provide inmates (and Class members) with "accumulated interest" on their inmate savings accounts and order that accrued interest be credited to the accounts of those inmates currently incarcerated and returned to those who have already been released."* (at 36)

FACTUAL BACKGROUND

Washington law required the DOC to deduct 35 percent of funds received by inmates from outside sources: 5 percent for crime-victim compensation, 10 percent for a personal inmate savings account, and 20 percent toward incarceration costs and correctional work programs. Suzanne Dean and a class of spouses of DOC inmates challenged the deductions, asserting community-property interests in funds sent to their incarcerated spouses. Before February 28, 1997, interest earned on pooled inmate savings accounts was transferred to an Inmate Betterment Fund rather than credited to the accounts.

PROCEDURAL HISTORY

Spouses of DOC inmates brought a class action challenging RCW 72.09.480, which required deductions totaling 35 percent of funds received by inmates. On cross-motions for summary judgment, the King County Superior Court ruled for the class on the Washington Constitution's tax-uniformity requirement, the federal and Washington Takings Clauses, and entitlement to interest on inmate savings accounts; it ordered the return of previously seized funds and barred deductions from funds received by married inmates. The DOC appealed, and the Court of Appeals certified the case to the Supreme Court of Washington.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The trial court's rulings that RCW 72.09.480 was unconstitutional and that previously seized funds must be returned were reversed. The DOC was ordered to credit accrued interest to accounts of inmates still incarcerated and return accrued interest to inmates who had been released.

CASES CITED

- Haberman v. Wash. Pub. Power Supply Sys., 109 Wn.2d 107, 138, 744 P.2d 1032, 750 P.2d 254 (1987)
- Greater Harbor 2000 v. City of Seattle, 132 Wn.2d 267, 281, 937 P.2d 1082 (1997)
- deElche v. Jacobsen, 95 Wn.2d 237, 622 P.2d 835 (1980)
- Keene v. Edie, 131 Wn.2d 822, 935 P.2d 588 (1997)
- Arnold v. Department of Retirement Systems, 128 Wn.2d 765, 912 P.2d 463 (1996)
- Estate of Madsen v. Comm’r, 97 Wn.2d 792, 650 P.2d 196 (1982)
- Rustad v. Rustad, 61 Wn.2d 176, 377 P.2d 414 (1963)
- Covell v. City of Seattle, 127 Wn.2d 874, 879, 905 P.2d 324 (1995)
- Wright v. Riveland, 219 F.3d 905, 911 (9th Cir. 2000)
- Webb’s Fabulous Pharmacies, Inc. v. Beckwith, 449 U.S. 155, 101 S. Ct. 446, 66 L. Ed. 2d 358 (1980)
- United States v. Sperry Corp., 493 U.S. 52, 110 S. Ct. 387, 107 L. Ed. 2d 290 (1989)
- Tellis v. Godinez, 5 F.3d 1314 (9th Cir. 1993)
- Schneider v. Cal. Dep’t of Corr., 151 F.3d 1194 (9th Cir. 1998)
- Phillips v. Wash. Legal Found., 524 U.S. 156, 118 S. Ct. 1925, 141 L. Ed. 2d 174 (1998)
- In re Personal Restraint of Metcalf, 92 Wn. App. 165, 963 P.2d 911 (1998)
- Nielson v. Spanaway Gen. Med. Clinic, Inc., 135 Wn.2d 255, 262-63, 956 P.2d 312 (1998)