### THE SENATE TWENTY-FIFTH LEGISLATURE, 2010 STATE OF HAWAII

S.B. NO. 2533

JAN 2 7 2010

### A BILL FOR AN ACT

RELATING TO AN AUDIT OF CONTRACTS OF THE DEPARTMENT OF PUBLIC SAFETY WITH THE CORRECTIONS CORPORATION OF AMERICA AND THE FEDERAL DETENTION CENTER.

### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. In response to the governor's plan to address
 the State's budget shortfall by, among other things, closing the
 Kulani correctional facility, a senate ad hoc committee reviewed
 and assessed the impact that the imminent reduction in
 government services would have on Hawaii's communities, inmates,
 and the State's correctional system.

7 Information gathered in briefings held in Hilo and Kailua8 Kona on the Big Island and the state capitol, revealed that:
9 (1) The Kulani correctional facility, in operation since

10 1946, is a minimum security facility situated on eight
11 thousand acres outside Hilo, Hawaii. The facility
12 houses adult male felons serving the last four years
13 toward their tentative parole date;

14 (2) The facility is the only department of public safety
15 facility that is a mandatory work camp, requiring all
16 inmates to work full time. Unlike other facilities



1 that have only limited vocational training in mostly 2 unskilled positions, Kulani correctional facility 3 offers a wide range of educational training and 4 occupational skills programs focusing on mechanical 5 repair and maintenance, construction, heavy equipment 6 operation, computer work, and horticulture and 7 conservation. Inmates use these skills in community service projects, helping Big Island communities with 8 9 projects that would otherwise be unaffordable: 10 (3) The Kulani correctional facility is the only 11 department of public safety facility with a sex offender treatment program for minimum-custody sex 12 13 offenders who are neither violent nor mentally 14 challenged and are willing to work. The most 15 successful sex offender treatment program in the 16 nation, treatment providers attribute this success to 17 the facility's unique provision of treatment in an 18 environment where inmates must also work and function 19 responsibly with minimum supervision. Options for 20 inmate transfer to other facilities with sex offender 21 treatment are limited, and would involve, for example, 22 housing minimum-custody inmates in medium-security



1 facilities, which conflicts with the standards of the 2 American Correctional Association and the department 3 of public safety's policy and procedures; 4 (4) Discontinuing the programs offered by the Kulani 5 correctional facility will significantly impede 6 present and future inmates from completing their 7 prescriptive programs. Since completion of a prescriptive program is a requirement for parole 8 9 eligibility, this will force inmates to remain in 10 incarceration longer. It may also impede their 11 successful reentry into society upon release; 12 (5) While the Kulani correctional facility is a 160-bed 13 facility, it has housed up to two hundred twenty 14 inmates without operational problems; (6) Since 2000, the facility has received state capital 15 16 improvement project funding of \$8,136,937; and 17 (7) As a result of the facility's closure, local vendors 18 will lose tens of thousands of dollars of sales in 19 goods and services, causing a detrimental economic 20 ripple effect for businesses throughout the Big 21 Island.



1 The legislature finds that the information gathered by the 2 ad hoc committee raises questions about the wisdom of closing 3 the Kulani correctional facility. The State has made a 4 significant capital investment in this facility and its closure 5 would severely impede the department of public safety's ability 6 to meet the needs of present and future inmates, its own 7 policies, and accepted corrections standards, and would result 8 in numerous adverse impacts to Big Island communities. 9 The Community Safety Act of 2007 requires the department of 10 public safety to develop a comprehensive and effective offender 11 reentry system plan for adult offenders exiting the prison 12 system. That Act further requires the department to develop 13 comprehensive reentry plans and curricula for individuals 14 exiting correctional facilities to reduce recidivism and 15 increase a person's successful reentry into the community. 16 Kulani correctional facility played a pivotal role in the 17 reentry system, by preparing qualified inmates for their 18 eventual return to the community by providing job training, 19 treatment programs, and graduated exposure to the community. 20 Moreover, Kulani correctional facility's programs were 21 coordinated and articulated with those at the Hawaii community 22 correctional center/Hale Nani, the reentry point for Big Island 2010-0392 SB SMA-1.doc 

inmates, thereby enhancing the effectiveness of reentry on the
 Big Island.

3 The legislature further finds that the closure of this facility with its unique and needed programs, when considered 4 5 with the fact that six of nine Hawaii correctional facilities 6 are under capacity, raises the question of the cost-7 effectiveness of the department of public safety's policy of 8 contracting with the Corrections Corporation of America to house 9 a substantial number of Hawaii inmates in mainland private 10 prisons at significant cost to the State and to the detriment of 11 Hawaii inmates whose consideration for parole has and will be 12 delayed due to the absence at these facilities of programs 13 needed by the inmates to complete their prescriptive programs. 14 The department of public safety's own study, presented to 15 the legislature in 2008, indicated that a significant number of 16 inmates housed in medium security prisons on the mainland and at 17 the medium security federal detention center should have been 18 classified as minimum or community security. These inmates 19 could have been housed at Kulani correctional facility and other underutilized facilities in Hawaii. Instead, the department 20 21 chose to pay a private vendor and the federal government an

22 additional cost to house Hawaii inmates.



1 The purpose of this Act is to require an audit of the department of safety's contracts with the Corrections 2 3 Corporation of America and the federal detention center in 4 Honolulu, which focuses on a comparison, in terms of quality of 5 programming, costs, and economic benefit to the State, of 6 housing Hawaii inmates in mainland facilities and in the federal 7 detention center, with housing Hawaii inmates in Hawaii 8 facilities operated by the State.

9 SECTION 2. The auditor is directed to conduct a financial and management audit of the department of public safety's 10 11 contracts with the Corrections Corporation of America and the 12 federal detention center in Honolulu, which focuses on a 13 comparison, in terms of quality of programming, costs, and 14 economic benefit to the State, of housing Hawaii inmates in 15 mainland facilities and the federal detention center in 16 Honolulu, with housing Hawaii inmates in Hawaii facilities 17 operated by the State. The auditor is directed to, among other 18 things:

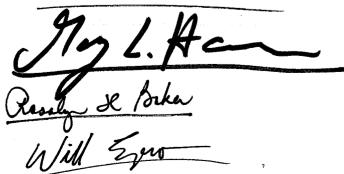
19 (1) Address the closure of the Kulani correctional
20 facility as part of its analysis in conducting this
21 comparison; and



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1 (2) Make a recommendation on whether the continued housing 2 of Hawaii inmates in mainland facilities and in the 3 federal detention center in Honolulu is advisable, in 4 view of the explicit requirements of the Community 5 Safety Act of 2007 and its subsequent amendments. 6 SECTION 3. The auditor shall report findings and recommendations to the legislature no later than twenty days 7 8 prior to the convening of the regular session of 2011. 9 SECTION 4. This Act shall take effect upon its approval. 10

INTRODUCED BY: Bureces. Foll Frzanne Chun Claliland





#### Report Title:

Corrections; Kulani Correctional Facility; Corrections Corporation of America; Ad Hoc Committee

### Description:

Directs the auditor to conduct a financial and management audit of the Department of Public Safety's contract with the Corrections Corporation of America.

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