## A BILL FOR AN ACT

RELATING TO HAWAII CORRECTIONAL INDUSTRIES.

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

- 1 SECTION 1. The legislature finds that Act 341, Session
- 2 Laws of Hawaii 1990, codified as chapter 354D, Hawaii Revised
- 3 Statutes, established the Hawaii correctional industries
- 4 program, which provides inmates work-related skills to increase
- 5 their employment prospects upon release. Hawaii correctional
- 6 industries employs several hundred inmates every year in print,
- 7 furniture, canteen, and sewing shops that are located inside
- 8 correctional facilities and through outside work-lines that
- 9 clean and maintain highways and byways.
- 10 Hawaii correctional industries is required by law to be a
- 11 self-sufficient and self-sustaining agency within the department
- 12 of public safety. Hawaii correctional industries does not
- 13 receive any general fund moneys. All proceeds collected by the
- 14 department of public safety from the sale of goods and services
- 15 produced by inmates under the Hawaii correctional industries
- 16 program are deposited into the correctional industries revolving
- 17 fund which pays for the program's supplies, equipment, and



- 1 machinery, space to house each work enterprise, salaries and
- 2 personnel expenses for program staff and administrators,
- 3 salaries for inmate workers, and all other necessary expenses.
- 4 The legislature finds that while Hawaii correctional
- 5 industries is currently allowed to sell goods and services
- 6 produced by inmates to the State, the counties, and the federal
- 7 government, the agency is prohibited by law from selling to the
- 8 general public, except in limited circumstances. This
- 9 restriction limits Hawaii correctional industries' ability to
- 10 fulfill its statutory mandates for financial self-sufficiency
- 11 and continued growth for the purpose of maximizing inmate job
- 12 training and employment in a cost-effective manner.
- 13 The purpose of this Act is to authorize Hawaii correctional
- 14 industries to sell goods and services to the general public,
- 15 which will substantially improve its ability to be financially
- 16 self-supporting and increase work training opportunities for
- 17 inmates at no additional cost to the State.
- 18 SECTION 2. Section 354D-4, Hawaii Revised Statutes, is
- 19 amended to read as follows:

1	"§354D-4 Powers and duties of the director. Under the	
2	supervisi	on of the director or the director's designee, the
3	administr	ator of the correctional industries program shall:
4	(1)	Develop programs generating revenue that best sustains
5		their operation and allows for capital investment, and
6		reimburses the general fund, when possible, for the
7		expense of correctional services;
8	(2)	Develop programs providing the maximum level of work
9		and training opportunities for qualified, able-bodied
10		inmates;
11	(3)	Develop programs assuming responsibility for training
12		qualified, able-bodied inmates in general work and
13		specific training skills that increase their
14		employment prospects after release;
15	(4)	Develop programs in which inmates can learn skills
16		used in the construction and other industries, while
17		providing low-cost construction, renovation, and
18		repairs of facilities, grounds, furniture, vehicles,
19		and equipment for private, nonprofit social services,
20		health, or education agencies and programs;

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1	(5)	Acquire or purchase equipment, materials, supplies,
2		office space, insurance, and services necessary to
3		establish and maintain programs pursuant to this
4		chapter;
5	(6)	[Use labor-services] Conduct industries or enterprises
6		for the employment of qualified, able-bodied inmates
7		in the manufacture or production of [goods] articles
8		and products and the provision of services for sale to
9		the public or that [are] may be needed for the
10		construction, operation, [ex] maintenance, or use of
11		any office, department, institution, or agency
12		supported in whole or in part by [the State, the
13		counties, a state and its political subdivisions or
14		the federal government;
15	[ <del>(7)</del>	Sell all goods and services to the State, the
16		counties, or the federal government;
17	<del>(8)</del> ] <u>(7)</u>	Sell uniforms and uniform accessories to state-
18		employed adult corrections officers;
19	[ <del>(9)</del> ] <u>(8)</u>	Purchase, lease, trade, exchange, acquire, and
20		maintain personal property; and

1 [(10)] (9) Accept grants or loans from the State, the counties, 2 or the federal government." 3 SECTION 3. Section 354D-15, Hawaii Revised Statutes, is 4 repealed. 5 ["[8354D 15] Sale of goods. It shall be unlawful to sell, 6 or offer for sale, on the open market of this State, any 7 articles or products manufactured or produced, wholly or in 8 part, under this chapter. Coods or services produced by venture 9 agreements under section 354D-13 shall be exempt from this 10 limitation."] 11 SECTION 4. Statutory material to be repealed is bracketed 12 and stricken. New statutory material is underscored. 13 This Act shall take effect upon its approval. INTRODUCED BY:

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JAN 25 2016

### Report Title:

Hawaii Correctional Industries; Open Market Sales

### Description:

Authorizes Hawaii Correctional Industries to sell products and services on the open market to the general public.

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