

ACT 256

S.B. NO. 1792

A Bill for an Act Relating to Correctional Industries.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 354D-1, Hawaii Revised Statutes, is amended to read as follows:

“**[[§354D-1]] Finding and purpose.** The legislature finds that the number and types of programs operated by the department of public safety shall be expanded to provide a comprehensive work program for inmates. The full development of inmate employment opportunities shall be expanded to enable correctional industries programs to operate in a cost-effective manner.

The purpose of this chapter is to:

- (1) Establish the correctional industries program to allow expanded industries programs to generate revenue to sustain its operation and allow for capital investment. The program should be structured to allow for the increased involvement of correctional industries in providing specific training skills ~~[[for]]~~ offenders that increase their employment prospects after release;
- (2) Develop industries that provide a maximum level of work for all qualified, able-bodied inmates;
- (3) Provide an environment for the operation of correctional industries similar to that of a private business operation;
- (4) Encourage cooperative training ventures between the correctional industries program and the private sector; and
- (5) Provide for low-cost construction, renovation, and repairs of facilities, grounds, furniture, vehicles, and equipment for private nonprofit social service, education, and health agencies and programs.”

SECTION 2. Section 354D-4, Hawaii Revised Statutes, is amended to read as follows:

“**[[§354D-4]] Powers and duties of the director.** Under the supervision of the director or the director’s designee, the administrator of the correctional industries program shall:

- (1) Develop programs generating revenue that best sustains their operation and allows for capital investment, and reimburses the general fund, when possible, for the expense of correctional services;
- (2) Develop programs providing the maximum level of work and training opportunities for qualified, able-bodied inmates;
- (3) Develop programs assuming responsibility for training qualified, able-bodied inmates in general work and specific training skills that increase their employment prospects after release;
- (4) Develop programs in which inmates can learn skills used in the construction [industry,] and other industries, while providing low-cost construction, renovation, and repairs of facilities, grounds, furniture,

- vehicles, and equipment for private, nonprofit social services, health, or education agencies and programs;
- (5) Acquire or purchase equipment, materials, supplies, office space, insurance, and services necessary to establish and maintain programs pursuant to this chapter;
 - (6) Utilize labor services of qualified, able-bodied inmates in the manufacture or production of goods and services that are needed for the construction, operation, or maintenance of any office, department, institution, or agency supported in whole or in part by the State, the counties, or the federal government;
 - (7) Sell all goods and services to the State, the counties, or the federal government;
 - (8) Enter into any contract or agreement and execute all instruments consistent with this chapter and exempt from chapter 103;
 - (9) Purchase, lease, trade, exchange, acquire, and maintain personal property; and
 - (10) Accept grants or loans from the State, the counties, or the federal government.”

SECTION 3. Section 354D-8, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The administrator may purchase or cause to be purchased and maintained all necessary materials, supplies, space, services, and equipment required for the operation of the program. Notwithstanding any other provision to the contrary, purchases [of equipment, materials, supplies, and services] by the administrator for the manufacture of any goods or services shall be exempt from the public bidding requirements of chapter 103.”

SECTION 4. Section 354D-10, Hawaii Revised Statutes, is amended to read as follows:

“**[§354D-10] Correctional industries revolving fund.** There is created [a revolving fund to be known as] the correctional industries revolving fund to be administered by the department. All moneys collected by the department from the sale or disposition of goods and services produced in accordance with this chapter shall be deposited into the correctional industries revolving fund. The proceeds in the correctional industries revolving fund shall be used for: the purchase or lease of supplies, equipment, and machinery; the construction, leasing, or renovating of buildings used to carry out the purposes of this chapter; the salaries of personnel necessary to administer the enterprises established in accordance with this chapter; payment of inmates for work assignments; and other necessary expenses; provided that the correctional industries revolving fund shall not be maintained in excess of the amount necessary to carry out the purposes of this chapter.”

SECTION 5. Section 354D-11, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The director or a designated representative shall make all qualified, able-bodied inmate work assignments with the correctional industries program and establish the rate of compensation for the assignments. A portion of the compensation [shall be paid to the State to defray the cost of operations, and a

portion] shall be paid to the qualified, able-bodied inmate in relation to the number of hours worked, type of work assignment, and quality of work performed. Payment rates shall be established on an annual basis after review by the advisory committee. [Payment rates shall be subject to the availability of appropriations by the legislature.]”

SECTION 6. Section 354D-13, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Qualified, able-bodied inmates producing goods and services under the terms of an agreement authorized by this section shall be paid on a scale to be determined by the director. These payments shall be distributed to offset the cost of imprisonment, incidental expenses, [court-ordered] restitution, child support, and to establish funds in trust for the qualified able-bodied inmate upon release in conformance with section 354D-12.”

SECTION 7. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 8. This Act shall take effect upon its approval.

(Approved June 12, 1991.)