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# A BILL FOR AN ACT

RELATING TO CORRECTIONS.

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

1           SECTION 1. The legislature finds that commissaries at  
2 state correctional facilities provide an opportunity for inmates  
3 to purchase goods for personal use, such as sundries, hygiene  
4 products, and food. The prices of goods at the commissaries,  
5 however, are higher than those found in public retail stores.  
6 The legislature is concerned that the markups at the  
7 commissaries may be excessive.

8           The purpose of this Act is to require the auditor to  
9 conduct a financial and management audit of the operations of  
10 the department of public safety's commissaries, as well as the  
11 commissary operations of out-of-state contracted correctional  
12 facilities where Hawaii inmates are confined.

13           SECTION 2. The office of the auditor shall conduct a  
14 financial and management audit of the department of public  
15 safety's commissary operations, as well as the operations of the  
16 commissaries in out-of-state contracted correctional facilities  
17 where Hawaii inmates are confined, that shall include but not be  
18 limited to determining:



- 1 (1) The total annual revenues generated from the sales of
- 2 commissary items during the prior fiscal year;
- 3 (2) The total annual expenditures incurred for the
- 4 operation and maintenance of each commissary during
- 5 the prior fiscal year;
- 6 (3) The criteria used to select the type of items that are
- 7 stocked and made available at commissaries;
- 8 (4) The method used to determine the price of items sold
- 9 to inmates at commissaries; and
- 10 (5) Any contractual agreement where a party other than the
- 11 State operates the commissary to identify any controls
- 12 on pricing and profits.

13 SECTION 3. The office of the auditor shall submit a report  
 14 of its findings and any recommendations of the financial and  
 15 management audit, including any proposed legislation, to the  
 16 legislature no later than twenty days prior to the convening of  
 17 the regular session of 2013.

18 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: Cindy Evans

JAN 25 2012

# H.B. NO. 2724

**Report Title:**

Corrections; Commissaries; Prices; Audit

**Description:**

Requires a financial and management audit of department of public safety commissary operations and out-of-state commissaries where Hawaii inmates are confined.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

