
SENATE CONCURRENT RESOLUTION

REQUESTING THE GOVERNOR TO EXPLORE A COMPETITIVELY PROCURED PUBLIC-PRIVATE PARTNERSHIP AGREEMENT FOR A NEW SYSTEM OF CORRECTIONAL FACILITIES THAT MAY INCLUDE REENTRY CENTERS, REPORTING CENTERS, TREATMENT CENTERS, PRISONS, JAILS, AND HALFWAY HOMES, TO BE OWNED AND OPERATED BY THE STATE AND ITS COUNTIES.

1 WHEREAS, part of the mission of the Department of Public
2 Safety (Department) is to operate a statewide system of
3 correctional facilities with professionalism, integrity, and
4 fairness; and

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6 WHEREAS, Hawaii currently employs and operates a system of
7 prisons and jails that are overcrowded and in some cases old and
8 dilapidated; and

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10 WHEREAS, inadequate facilities have forced Hawaii to send
11 prisoners to private mainland prisons; and

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13 WHEREAS, the State's current prison population, including
14 those incarcerated on the mainland, is over 5,000 and is
15 estimated to exceed 6,000 in the foreseeable future; and

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17 WHEREAS, the practice of sending Hawaii's prisoners to
18 private mainland prisons is a temporary solution that is no
19 longer viable or in the best interests of prisoners, their
20 families, or society as a whole; and

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22 WHEREAS, the Legislature believes that returning inmates to
23 Hawaii from facilities the State sends them to in other states
24 would be in the best interest of Hawaii and would serve the
25 economic and social interests of Hawaii's residents; and

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27 WHEREAS, the Department operates seven correctional
28 facilities on four major Hawaiian islands; and

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1 WHEREAS, the Department's seven correctional facilities are
2 in need of modernization or expansion to meet the State's
3 current correctional needs; and
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5 WHEREAS, if the current situation continues, prison
6 conditions will only worsen and potentially lead to federal
7 intervention that will financially burden the State, as seen in
8 California, which resulted in the costly federal oversight of
9 California's prison health care system; and
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11 WHEREAS, federal intervention threatens all other parts of
12 government service, including but not limited to education,
13 welfare, and other aspects of public safety; and
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15 WHEREAS, the Department has not provided a concrete plan to
16 rebuild our prisons and jails in response to the burgeoning
17 prison system crisis; and
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19 WHEREAS, pursuant to section 353-16.36, Hawaii Revised
20 Statutes, the Governor may enter into and execute contracts with
21 a private entity to construct correctional facilities to be
22 leased or purchased for the benefit of the State; and
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24 WHEREAS, the State is interested in entering into a public-
25 private partnership to plan, design, construct, prepare, and
26 provide the financing for new, expanded, or renovated
27 correctional facilities statewide, as permitted under chapter
28 37D, Hawaii Revised Statutes; and
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30 WHEREAS, the State has used the type of financing agreement
31 envisioned for the correctional facilities on other projects;
32 and
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34 WHEREAS, future appropriations may be necessary for the
35 Department to meet payment obligations under this type of
36 public-private partnership agreement; and
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38 WHEREAS, financing agreements or private financing for the
39 development of correctional facilities on state lands are not
40 likely to provide better interest rates or financing costs than
41 general obligation bonds; and
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43 WHEREAS, the State could capitalize on the equity value of
44 existing assets and may desire to enter into land or property



1 agreements that may entail a sale, exchange, lease, or any
2 combination thereof, to reduce or improve future costs or
3 payment obligations of the State through a public-private
4 partnership agreement; and

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6 WHEREAS, a developer could develop lands or property sold,
7 exchanged, leased, or any combination thereof, and construct
8 improvements other than correctional facilities in the public-
9 private partnership agreement; and

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11 WHEREAS, a request for proposals to enter into a public-
12 private partnership to plan, design, construct, finance, and
13 prepare for operation, expanded, renovated, or new facilities is
14 anticipated; now, therefore,

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16 BE IT RESOLVED by the Senate of the Twenty-seventh
17 Legislature of the State of Hawaii, Regular Session of 2014, the
18 House of Representatives concurring, that the Governor is
19 requested to explore a competitively procured public-private
20 partnership agreement for the planning, design, construction,
21 and financing of a new system of correctional facilities that
22 may include reentry centers, reporting centers, treatment
23 centers, prisons, jails, and halfway homes, to be owned and
24 operated by the State and its counties; and

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26 BE IT FURTHER RESOLVED that the Governor is requested to
27 explore different public-private partnership models, including
28 those that may involve partial public funding or joint
29 development; and

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31 BE IT FURTHER RESOLVED that the Legislature supports the
32 construction of correctional facilities statewide under a
33 public-private partnership agreement that the Governor and the
34 Legislature deems to be in the best interest of the State; and

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36 BE IT FURTHER RESOLVED that the Governor is urged to
37 achieve the goal of bringing home all of the State's prisoners
38 that are incarcerated on the mainland no later than July 1,
39 2018; and

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41 BE IT FURTHER RESOLVED that the public-private partnership
42 be in accordance with the Justice Reinvestment Act and that a
43 minimum of seventy percent of the repayment costs for the new



1 system be paid for through cost savings and efficiencies, as
2 compared to the existing system; and
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4 BE IT FURTHER RESOLVED that the public-private partnership
5 thoroughly evaluate refurbishment and expansion of any existing
6 facilities that may have remaining useful life and can be
7 extended for a minimum of thirty years; and
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9 BE IT FURTHER RESOLVED that all proposals include a total
10 cost of ownership analysis, including but not limited to: first
11 cost of capital, all land and infrastructure costs, building
12 operating costs and maintenance, managerial operating costs
13 including all staff costs, and remaining useful life beyond the
14 thirty-year period; and
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16 BE IT FURTHER RESOLVED that the relevant state departments
17 are requested to put out a request for proposals for the public-
18 private partnership agreement to the prison building industry;
19 and
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21 BE IT FURTHER RESOLVED that the relevant state departments
22 are requested to offer to hold an informational briefing on the
23 request for proposals for the Senate Committees on Public
24 Safety, Intergovernmental and Military Affairs, and Ways and
25 Means, and the House Committees on Public Safety and Finance, at
26 least thirty days before issuance of the request for proposals;
27 and
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29 BE IT FURTHER RESOLVED that the State is requested to
30 select a private partner to accomplish the goal of providing
31 Hawaii with a new, state of the art, system of correctional
32 facilities and, as soon as possible thereafter, submit the
33 selected offer to the Legislature; and
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35 BE IT FURTHER RESOLVED that the Department of Public Safety
36 complete a thorough evaluation of all inmates in prison and the
37 status of their reentry plans, the effectiveness of
38 rehabilitation services and programs, or lack thereof, and
39 alternatives to incarceration; and
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41 BE IT FURTHER RESOLVED that the Governor is requested to
42 submit to the Legislature a report of any findings,
43 recommendations, plans, and proposed legislation relating to the



1 public-private partnership agreement no later than twenty days
2 prior to the convening of the Regular Session of 2015; and

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4 BE IT FURTHER RESOLVED that certified copies of this
5 Concurrent Resolution be transmitted to the Governor, the
6 Comptroller, the Director of Finance, the Director of Public
7 Safety, the Chairperson of the Board of Land and Natural
8 Resources, the Attorney General, the Chairperson of the Hawaiian
9 Homes Commission, and the Mayors and County Council members of
10 each county.

