

ENROLLED HOUSE  
BILL NO. 1280

By: Hutchison, Erwin, Adair,  
Carey, Covey,  
Deutschendorf, Hefner,  
Kirby, Maddux, Mitchell,  
McCarter, Plunk, Roan,  
Walker, Wells, Smithson,  
Miller (Doug), Harrison,  
Miller (Ray) and Rice of  
the House

and

Kerr, Shurden and Wilkerson  
of the Senate

An Act relating to the Oklahoma Central Purchasing Act; amending 74 O.S. 2001, Section 85.12, which relates to excluded acquisitions; adding an exemption for Oklahoma Correctional Industries and Agri-Services of the Department of Corrections; amending 74 O.S. 2001, Section 123f, which relates to convict-made goods; adding an exception for the purchase of goods by certain persons; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 74 O.S. 2001, Section 85.12, is amended to read as follows:

Section 85.12 A. The provisions of this section shall not be construed to affect any law relating to fiscal or accounting procedure except as they may be directly in conflict herewith; and all claims, warrants, and bonds shall be examined, inspected, and approved as now provided by law.

B. Except as otherwise provided by this section, the acquisitions specified in this subsection shall be made in compliance with Section 85.39 of this title but are not subject to other provisions of the Oklahoma Central Purchasing Act:

1. Food and other products produced by state institutions and agencies;

2. The printing or duplication of publications or forms of whatsoever kind or character by state agencies if the work is performed upon their own equipment by their own employees. Pursuant to this paragraph, the state agency may only use equipment owned or leased by the agency and may only utilize that equipment for printing services required by the agency in performing duties imposed upon the agency or functions authorized to be performed by

the agency. Any use of the equipment by the agency pursuant to an agreement or contract with any other entity resulting in delivery of intermediate or finished products to the entity purchasing or using the products shall be subject to the provisions of the Oklahoma Central Purchasing Act;

3. Department of Transportation and Transportation Commission contractual services or right-of-way purchases; contracts awarded pursuant to bids let by the Transportation Commission for the maintenance or construction of streets, roads, highways, bridges, underpasses, or any other transportation facilities under the control of the Department of Transportation, the acquisitions of equipment or materials accruing to the Department of Transportation required in Federal-Aid contracts; and contracts for public service type announcements initiated by the Department of Transportation; but not contractual services for advertising or public relations or employment services;

4. Utility services where rates therefor are regulated by a state or federal regulatory commission, or by municipal ordinance, or by an Indian Tribal Council for use by the Department of Corrections only;

5. Acquisitions by the University Hospitals Authority. The Authority shall develop standards for the acquisition of products and services and may elect to utilize the Purchasing Division. The standards shall foster economy and short response time and shall include appropriate safeguards and record-keeping requirements to ensure appropriate competition and economical and efficient purchasing;

6. Contracts for custom harvesting by the Department of Corrections for the Department or its institutions;

7. Contracts with private prison contractors which are subject to the contracting procedures of Section 561 of Title 57 of the Oklahoma Statutes;

8. Acquisitions by the Oklahoma Municipal Power Authority;

9. Acquisitions by the Grand River Dam Authority;

10. Acquisitions by rural water, sewer, gas, or solid waste management districts created pursuant to the Rural Water, Sewer, Gas and Solid Waste Management Districts Act;

11. Acquisitions by the Oklahoma Ordnance Works Authority, the Northeast Oklahoma Public Facilities Authority, or the Midwestern Oklahoma Development Authority;

12. Contracts entered into by the Oklahoma Industrial Finance Authority for the services of an appraiser or for acquisition of insurance when the Authority's Board of Directors determines that an emergency exists, and contracts for the services of legal counsel when approved by the Attorney General;

13. Expenditure of monies appropriated to the State Board of Education for Local and State Supported Financial Support of Public Schools, except monies allocated therefrom for the Administrative and Support Functions of the State Department of Education;

14. Expenditure of monies appropriated to the State Department of Rehabilitation Services for educational programs or educational materials for the Oklahoma School for the Blind and the Oklahoma School for the Deaf;

15. Contracts entered into by the Oklahoma Department of Career and Technology Education for the development, revision, or updating of vocational curriculum materials, and contracts entered into by the Oklahoma Department of Career and Technology Education for training and supportive services that address the needs of new or expanding industries;

16. Contracts entered into by the Oklahoma Center for the Advancement of Science and Technology for professional services;

17. Contracts entered into by the Oklahoma Department of Commerce pursuant to the provisions of Section 5066.4 of this title;

18. Acquisitions made by the Oklahoma Historical Society from monies used to administer the White Hair Memorial;

19. Acquisitions available to an agency through a General Services Administration (GSA) contract or other federal contract if the acquisition is on current statewide contract and the terms of the GSA or other federal contract, as determined by the State Purchasing Director, are more favorable to the agency than the terms of a statewide contract for the same products;

20. Contracts for managed health care services entered into by the state entity designated by law or the Department of Human Services, as specified in paragraph 1 of subsection A of Section 1010.3 of Title 56 of the Oklahoma Statutes;

21. Acquisitions by the Forestry Service of the State Department of Agriculture as authorized by the federal General Services Administration through a General Services Administration contract or other federal contract if the acquisitions are not on current statewide contract or the terms of the federal contract are more favorable to the agency than the terms of a statewide contract for the same products;

22. Acquisitions of clothing for clients of the Department of Human Services and acquisitions of food for group homes operated by the Department of Human Services;

23. Acquisitions by the Oklahoma Energy Resources Board;

24. Acquisitions of clothing for juveniles in the custody of the Office of Juvenile Affairs and acquisitions of food for group homes operated by the Office of Juvenile Affairs;

25. State contracts for flexible benefits plans pursuant to the Oklahoma State Employees Benefits Act, Section 1361 et seq. of this title;

26. Acquisitions by the Department of Securities to investigate, initiate, or pursue administrative, civil, or criminal proceedings involving potential violations of the acts under the Department's jurisdiction;

27. Acquisitions by the Native America Cultural and Educational Authority and acquisitions by the Oklahoma Department of Commerce to assist the Native American Cultural and Educational Authority pursuant to Section 5017 of this title;

28. Acquisitions for resale in and through canteens operated pursuant to Section 537 of Title 57 of the Oklahoma Statutes;

29. Acquisitions by the Oklahoma Boll Weevil Eradication Organization for employment and personnel services, and for acquiring sprayers, blowers, traps, and attractants related to the eradication of boll weevils in this state or as part of a national or regional boll weevil eradication program; ~~and~~

30. Contracts entered into by the Oklahoma Indigent Defense System for expert services pursuant to the provisions of subsection D of Section 1355.4 of Title 22 of the Oklahoma Statutes; and

31. Acquisitions by the Oklahoma Correctional Industries and the Agri-Services programs of the Oklahoma Department of Corrections of raw materials, component parts and other products used to produce goods or services for resale and for the production of agricultural products.

C. Any state agency, common school, municipality, rural fire protection district, or county officer may, unless acting pursuant to a contract with the state that specifies otherwise, make use of statewide contracts and the services of the Purchasing Division and the State Purchasing Director. Any political subdivision or rural fire protection district may designate the State Purchasing Director as its agent for any acquisition from a statewide contract or otherwise available to the state.

D. The State Purchasing Director shall make periodic audits of the purchasing procedures of the Oklahoma Ordnance Works Authority, the Northeast Oklahoma Public Facilities Authority, the University Hospitals Authority, and the Midwestern Oklahoma Development Authority to ensure that the procedures are being followed.

SECTION 2. AMENDATORY 74 O.S. 2001, Section 123f, is amended to read as follows:

Section 123f. No products, wares, or merchandise produced, manufactured, or mined, wholly or in part, by convicts or prisoners of this state, who are employed in the state prison industries program, may be offered for sale, sold, exchanged, or distributed in this state, whether contained in the original package or otherwise. This ~~act~~ section shall not prohibit the sale or distribution of such products, wares, or merchandise by or for the state to departments, institutions, or agencies administered and supported by the state or its political subdivisions, and any other wholly or partially tax-supported institutions, or nonprofit charitable agencies for distribution to the needy. This section shall not prohibit the sale or distribution of such products, wares, or merchandise produced by the Oklahoma Correctional Industries or products produced by the Agri-Services Division of the Department of Corrections by or for sale to employees of the State of Oklahoma. This ~~act~~ section shall not prohibit the sale of brick and building tile or furniture manufactured by said state institutions to churches which are

located in the State of Oklahoma. All purchase orders made pursuant to the provisions of this section for such brick or building tile or furniture shall contain an affidavit stating that ~~said~~ the brick or building tile shall not be used for purposes other than for the building of churches, or that ~~said~~ the furniture shall not be used for any purpose other than church purposes. If said state departments, institutions, agencies, or nonprofit charitable agencies do not buy or contract to buy in advance of the season for which said wares or goods are made, and make a satisfactory guarantee to the said ~~Office of Public Affairs~~ Department of Central Services for fulfillment of their contract to purchase all the output, the state may then sell in open market any such goods or wares not generally manufactured in this state. The provisions of this section shall not apply to the sale or distribution of surplus perishable, agricultural products nor to individual articles made by hand by prisoners during their leisure time. This ~~act~~ section shall not be construed as preventing the ~~Office of Public Affairs~~ Department of Central Services or other state agency or agencies from manufacturing and selling such goods, wares, or merchandise as are not generally manufactured in this state.

SECTION 3. This act shall become effective November 1, 2003.

Passed the House of Representatives the 20th day of February,  
2003.

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Presiding Officer of the House of  
Representatives

Passed the Senate the 9th day of April, 2003.

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Presiding Officer of the Senate