

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

HOUSE BILL 2689

By: Deutschendorf

AS INTRODUCED

An Act relating to Oklahoma Correctional Industries; amending 57 O.S. 2001, Section 549.1, as amended by Section 1, Chapter 59, O.S.L. 2003 (57 O.S. Supp. 2005, Section 549.1), which relates to purchase of prison industries goods and services; allowing certain entities to purchase certain goods; amending 74 O.S. 2001, Section 123f, as last amended by Section 2, Chapter 398, O.S.L. 2004 (74 O.S. Supp. 2005, Section 123f), which relates to sale or distribution of convict-made goods; authorizing sale of certain products to certain entities; and providing an effective date.

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

SECTION 1. AMENDATORY 57 O.S. 2001, Section 549.1, as amended by Section 1, Chapter 59, O.S.L. 2003 (57 O.S. Supp. 2005, Section 549.1), is amended to read as follows:

Section 549.1 A. The Department of Corrections is authorized to purchase in the manner prescribed by law, facilities, equipment, raw materials and supplies, and to engage the supervisory personnel necessary to establish and maintain for this state at the penal institutions, now or hereafter under the control of the State Board of Corrections, industries and agricultural programs for the utilization of services of prisoners in the manufacture or production of such articles or products as may be needed for the construction, operation, maintenance or use of any office, department, institution or agency supported in whole or in part by this state and the political subdivisions thereof.

B. All articles and services provided by the Department of Corrections in the state correctional institutions, and not required

for use therein, shall be purchased as required by all offices, departments, institutions, agencies, counties, schools, colleges, universities, or political subdivisions or any agency thereof of this state which are supported in whole or in part by this state, if such article or service is the lowest and best bid, and no such article or product may be purchased by any such office, department, institution, agency, county, school, college, university, or political subdivisions or agency thereof from any other source unless excepted from the provisions as hereinafter provided. Purchases made by the above-described state agencies may be made by submitting the proper requisition through the Office of Public Affairs or by direct order to the prison industries program of the Department of Corrections.

C. If a requisition is received by the Office of Public Affairs or a direct order is received by the Prison Industries Program of the Department of Corrections from a state agency for any product or service provided by the Department of Corrections and such product or service is also available from a severely handicapped person or a qualified nonprofit agency for the severely handicapped as provided in Sections 3001 et seq. of Title 74 of the Oklahoma Statutes at a comparable price, then the product or service shall be purchased from such severely handicapped person or qualified nonprofit agency for the severely handicapped. If the product or service is not available within the time period required by the purchasing state agency, then such product or service shall be purchased from the Department of Corrections under the provisions of this section.

D. All counties, cities, districts or political subdivisions, schools, colleges, or universities, or any agency thereof, which are supported in whole or in part by this state, may purchase the goods or services produced by the prison industries of the Department of Corrections through their properly authorized purchasing authority,

or they may place a direct order without competitive bid, with the prison industries of the Oklahoma Department of Corrections.

E. Not-for-profit corporations or charitable agencies chartered in Oklahoma or other states may purchase such goods and services. Units of the federal government and units of government in other states may also purchase such goods and services. All entities which contract with the state, its political units, its agencies, its public institutions, not-for-profit corporations or charitable agencies chartered in Oklahoma may purchase goods or services from the Department of Corrections which are used in the performance of such contracts. Any church located in the State of Oklahoma may also purchase goods and services produced by the prison industries of the Department of Corrections. Any community action agency or council of governments within this state may purchase housing components produced by the prison industries of the Department of Corrections. Nothing shall prohibit the Department from bidding on portions of a state contract which are subcontracted by the primary contractor.

F. Others are prohibited from purchasing such goods and services, with the exception that all surplus agricultural products may be sold on the open market or bartered and exchanged for other food, feed or seed products of comparable value. The Department of Corrections shall keep complete and accurate records of any such barters or exchanges in such form and manner as the Office of Public Affairs may prescribe. A copy of such records shall be filed with the Office of Public Affairs no later than March 1 of each year for all barters or exchanges occurring in the previous calendar year.

G. Products manufactured by the Department of Corrections shall be of styles, patterns, designs and quantities specified by the Department of Corrections except where the same have been or may be specified by the Office of Public Affairs. Products shall be provided at a fair market price for comparable quality.

H. State agencies shall make maximum utilization of such products and no similar products shall be purchased by state agencies from any other source than the Department of Corrections except as provided in subsection C of this section, unless the Department of Corrections certifies to the Central Purchasing Director that it is not able to provide products, and no claim therefor shall be paid without such certification.

I. Exceptions from the mandatory provisions hereof may be made in any case where, in the opinion of the Office of Public Affairs, the article or product does not meet the reasonable requirements of or for such offices, departments, institutions or agencies, or in any case where the requisitions made cannot be reasonably complied with. No such offices, departments, institutions or agencies, shall be allowed to evade the intent and meaning of this section by slight variations from standards adopted by the Office of Public Affairs, when the articles, services or products produced or manufactured by the Oklahoma Department of Corrections, in accordance with established standards, are reasonably adapted to the actual needs of such offices, departments, institutions or agencies.

J. In the event of disagreement between the Department of Corrections and the Central Purchasing Director on fairness of price, ability to comply to specifications, reasonableness of specifications and timeliness of delivery of products the matter will be resolved by the Director of Public Affairs.

K. The Office of Public Affairs shall cooperate with the Department of Corrections in seeking to promote for use in state agencies and by all other eligible customers, the products manufactured and services provided by the prison industries.

L. The Department of Corrections shall prepare catalogs containing the description of all goods and services provided, with the pricing of each item. Copies of such catalog shall be sent by the Department of Corrections to all offices, departments,

institutions and agencies of this state, and shall be available for distribution to all other eligible customers.

SECTION 2. AMENDATORY 74 O.S. 2001, Section 123f, as last amended by Section 2, Chapter 398, O.S.L. 2004 (74 O.S. Supp. 2005, 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 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 or retirees of the State of Oklahoma, or to employees or retirees of any political subdivision of the state. This section shall not prohibit the sale or distribution of housing components produced by the Oklahoma Correctional Industries of the Department of Corrections by or for sale to any state community action agency or council of governments. This 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 the brick or building tile shall not be used for purposes other than for the building of churches, or that 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 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 section shall not be construed as preventing the 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, 2006.

50-2-8052          GRS          01/06/06