

1 ENGROSSED HOUSE AMENDMENT  
TO  
2 ENGROSSED SENATE BILL NO. 1842 By: Aldridge of the Senate  
3 and  
4 Wright of the House  
5  
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8 An Act relating to prisons and reformatories;  
amending 57 O.S. 2001, Section 537, which relates to  
9 Board of Directors for canteen services; \* \* \*  
amending 62 O.S. 2001, Section 7.2, as amended by  
10 Section 1, Chapter 105, O.S.L. 2002 (62 O.S. Supp.  
2007, Section 7.2), which relates to the Special  
11 Agency Account Board; \* \* \* amending 72 O.S. 2001,  
Section 222, which relates to the Oklahoma Department  
12 of Veterans Affairs Revolving Fund; modifying entity  
approving certain accounts; amending 74 O.S. 2001,  
13 Section 85.58N, which relates to Quick Settlement  
Account; \* \* \* providing an effective date; and  
14 declaring an emergency.

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16  
17 AMENDMENT NO. 1. Strike the title, enacting clause and entire bill  
and insert

18  
19 "An Act relating to prisons and reformatories;  
amending 57 O.S. 2001, Section 537, which relates to  
20 Board of Directors for canteen services; modifying  
entity approving certain accounts; amending 62 O.S.  
21 2001, Section 7.2, as amended by Section 1, Chapter  
105, O.S.L. 2002 (62 O.S. Supp. 2007, Section 7.2),  
22 which relates to the Special Agency Account Board;  
abolishing the Special Agency Account Board;  
23 transferring all powers, duties, and  
responsibilities to the Office of State Finance;  
24 requiring the Office of State Finance to convert

1 certain accounts by a date certain; amending 62 O.S.  
2 2001, Section 7.10, as last amended by Section 1,  
3 Chapter 49, O.S.L. 2005 (62 O.S. Supp. 2007, Section  
4 7.10), which relates to voluntary payroll  
5 deductions; expanding authorized payroll deductions;  
6 amending 72 O.S. 2001, Section 222, which relates to  
7 the Oklahoma Department of Veterans Affairs  
8 Revolving Fund; modifying entity approving certain  
9 accounts; amending 74 O.S. 2001, Section 85.58N,  
10 which relates to Quick Settlement Account; modifying  
11 entity to be the depository for certain account;  
12 providing an effective date; and declaring an  
13 emergency.

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

15 SECTION 1. AMENDATORY 57 O.S. 2001, Section 537, is  
16 amended to read as follows:

17 Section 537. A. There shall be established a Board of  
18 Directors for all canteen services within the Department of  
19 Corrections. The members of the Board shall be appointed by the  
20 Director of the Department of Corrections. All canteen operations  
21 shall be under the control of the Board and shall operate pursuant  
22 to written guidelines established by the Board. The overall canteen  
23 operation shall be self-supporting.

24 B. Each correctional facility may have a canteen. The  
directors of each canteen shall be the facility head and two  
directors appointed by the facility head. The business manager  
shall act as custodian of canteen funds and shall make daily  
deposits of cash receipts in an agency special account approved by

1 the ~~Special Agency Account Board~~ Office of State Finance. Canteen  
2 funds may be transferred from one canteen fund special account to  
3 another canteen fund special account upon an affirmative vote by the  
4 Board of Directors. All disbursements made from the account shall  
5 be by voucher signed by two of the directors of the canteen.  
6 Documentation of each disbursement shall be kept on permanent file  
7 at each institution. Accounting procedures in accordance with state  
8 fiscal accounting procedures shall be followed in administering  
9 canteen funds. All profits from the canteen operations shall be  
10 used exclusively for the benefit of the inmates of the various  
11 institutions and personnel of the Department of Corrections as  
12 determined by the canteen Board of Directors pursuant to subsection  
13 A of this section.

14 C. Employees utilized in the operation of the canteen services  
15 at each institution shall be state employees. Inmates may work in  
16 the canteen operations. Reimbursement for ~~said~~ the work shall be  
17 accomplished through the institution incentive pay program.

18 D. The operations of the canteen service shall be the subject  
19 of an annual audit by the Office of the State Auditor and Inspector.  
20 Reports of the audit shall be provided to the Governor, the Speaker  
21 of the House of Representatives, the President Pro Tempore of the  
22 Senate, the Legislative Service Bureau, the Department of  
23 Corrections, and to the warden of the concerned institution.

24

1 E. Merchandise for resale purchased and sold through a  
2 correctional facilities' canteen as established in this section  
3 shall be exempted from the provisions of the Oklahoma Central  
4 Purchasing Act.

5 SECTION 2. AMENDATORY 62 O.S. 2001, Section 7.2, as  
6 amended by Section 1, Chapter 105, O.S.L. 2002 (62 O.S. Supp. 2007,  
7 Section 7.2), is amended to read as follows:

8 Section 7.2 A. There is hereby ~~re-created, to continue until~~  
9 ~~July 1, 2008, in accordance with the provisions of the Oklahoma~~  
10 ~~Sunset Law, Section 3901 et seq. of Title 74 of the Oklahoma~~  
11 ~~Statutes, a abolished the Special Agency Account Board, to consist~~  
12 ~~of the Director of State Finance, the State Treasurer and the~~  
13 ~~Director of the Legislative Service Bureau. Effective July 1, 2008,~~  
14 ~~all powers, duties and responsibilities of the Special Agency~~  
15 ~~Account Board shall be transferred to the Office of State Finance.~~  
16 ~~All records, property and matters pending of the Board shall also be~~  
17 ~~transferred to the Office of State Finance. The ~~Board~~ Office of~~  
18 ~~State Finance~~ shall have the authority to approve the establishment  
19 of agency special accounts in the official depository of the State  
20 Treasury. In the case of institutions of higher education, the  
21 ~~Special Agency Account Board~~ Office of State Finance, acting in  
22 conjunction with the Oklahoma State Regents for Higher Education,  
23 shall establish special agency accounts as appropriate which shall  
24 be consistent with provisions of the Oklahoma Budget Law of 1947,

1 Section 41.1 et seq. of this title, as it relates to institutions in  
2 The Oklahoma State System of Higher Education.

3 B. The ~~Board, created by this section,~~ Office of State Finance  
4 shall adopt procedures including application forms, justification  
5 and other pertinent information as to the basis for a state agency  
6 application for the establishment of agency special accounts. By  
7 July 1, 2011, the Office of State Finance shall convert all existing  
8 state agency special accounts to 700 Series Fund accounts.

9 C. The ~~Board~~ Office of State Finance may approve agency special  
10 accounts for money received by state agencies for the following  
11 purposes:

12 1. Benefit programs for individuals, including, but not limited  
13 to, unemployment compensation, workers' compensation and state  
14 retirement programs;

15 2. Revenues produced by activities or facilities ancillary to  
16 the operation of a state agency which receive no money, directly or  
17 indirectly, from or through that state agency, including, but not  
18 limited to, revenues from the sales of food at retail level, sales  
19 at canteens, sales at student unions, sales at student bookstores,  
20 receipts from athletic programs and receipts from housing.

21 Provided, however, that a state institution of higher learning may  
22 purchase necessary equipment and instructional supplies and office  
23 supplies from a student bookstore, or, subject to authorization by  
24 the Oklahoma State Regents for Higher Education, may rent building

1 space for institutional use in a building operated by an  
2 organization or entity whose existence is ancillary to the operation  
3 of a state agency, and whose cost was financed in whole or in part  
4 with revenue-type bonds; provided, further, that the cost of such  
5 office supplies or space rental shall not exceed the cost of similar  
6 supplies or rentals available commercially;

7 3. Gifts, devises and bequests with an agency as beneficiary,  
8 unless otherwise provided by statute;

9 4. Evidence funds for law enforcement agencies;

10 5. Student loan funds and scholarship funds;

11 6. Funds held in escrow;

12 7. Land Commission funds;

13 8. Funds for which the state agency acts as custodian,  
14 including, but not limited to, fees from employee earnings approved  
15 by the governing board of the agency, funds of student organizations  
16 including student activity fees collected by an educational  
17 institution as a separate item in enrollment procedures,  
18 professional organizations, patients and inmates;

19 9. Funds used by the Oklahoma Tax Commission to pay for the  
20 filing of liens with the Federal Aviation Administration;

21 10. Temporary accounts for funds arising from new or amended  
22 legislation not otherwise provided for in statute or for other  
23 emergency situations. Such accounts are to be utilized only pending  
24 legislative action directing custody of such funds;

1 11. Payment of liability claims against the state;

2 12. Activities of the various Armory Boards of the Oklahoma  
3 Military Department to receive and dispense funds derived by the  
4 Armory Boards pursuant to Sections 232.6 and 232.7 of Title 44 of  
5 the Oklahoma Statutes; and

6 13. Payment of expenses incurred in connection with the  
7 acceptance of payments made with nationally recognized credit cards.

8 D. The State Treasurer is authorized to accept deposit of money  
9 made directly to agency special accounts approved by the ~~Board~~  
10 Office of State Finance. All money received by a state agency, as  
11 described in Section 7.1 of this title, shall be deposited in State  
12 Treasury funds or accounts and no money shall be deposited in banks  
13 or other depositories unless the bank accounts are maintained by the  
14 State Treasurer or are for the deposit of authorized petty cash  
15 funds.

16 E. Money deposited in agency special accounts shall be  
17 disbursed on vouchers issued by the state agency concerned to  
18 accomplish the purpose for which the money was intended.

19 F. Funds and revenues of the Grand River Dam Authority are  
20 exempt from the requirements of this section.

21 G. Funds and revenues of the Oklahoma Municipal Power Authority  
22 are exempt from the requirements of this section.

23 H. Monies used for investment purposes by the Oklahoma  
24 Firefighters Pension and Retirement System, the Oklahoma Police

1 Pension and Retirement System, the Uniform Retirement System for  
2 Justices and Judges, the Oklahoma Law Enforcement Retirement System,  
3 the Oklahoma Public Employees Retirement System, the Teachers'  
4 Retirement System of Oklahoma, the State Insurance Fund, the State  
5 and Education Employees Group Insurance Board, the Commissioners of  
6 the Land Office, and the Oklahoma State Regents for Higher Education  
7 for its Endowment Trust Fund are exempt from the requirements of  
8 this section, and shall be placed with the respective custodian bank  
9 or trust company.

10 SECTION 3. AMENDATORY 62 O.S. 2001, Section 7.10, as  
11 last amended by Section 1, Chapter 49, O.S.L. 2005 (62 O.S. Supp.  
12 2007, Section 7.10), is amended to read as follows:

13 Section 7.10. A. 1. Upon the request of a state employee, a  
14 state agency, board, or commission shall make voluntary payroll  
15 deductions for the employee to any credit union, bank, or savings  
16 association having an office in this state.

17 2. If the governing body of any county, municipality, or school  
18 district provides for voluntary payroll deductions to a credit union  
19 serving the employees of the county, municipality, or school  
20 district, it shall provide voluntary payroll deductions to any  
21 credit union, bank, or savings association having an office in this  
22 state which has a minimum participation of twenty percent (20%) of  
23 the employees of the county, municipality, or school district.

24

1 B. Upon the request of a state employee and pursuant to  
2 procedures established by the Administrator of the Office of  
3 Personnel Management, a state agency, board, or commission shall  
4 make payroll deductions for:

5 1. The payment of any insurance premiums due a private  
6 insurance organization with a minimum participation of five hundred  
7 (500) state employees for life, accident, and health insurance which  
8 is supplemental to that provided for by the state;

9 2. The payment of any insurance premiums due a private  
10 insurance organization or service company which is regulated by the  
11 State Insurance Commissioner and with a minimum participation of  
12 five hundred (500) state employees for legal services;

13 3. Premiums or payments for retirement plans with a minimum  
14 participation of five hundred (500) state employees for retirement  
15 plans which are supplemental to that provided for by the state;

16 4. Salary adjustment agreements included in a flexible benefits  
17 plan as authorized by the State Employees Flexible Benefits Act;

18 5. Membership dues ~~in~~, utilized for benefits, goods or  
19 services, provided by the Oklahoma Public Employees Association to  
20 the organization's membership or any other statewide association  
21 limited to state employee membership with a minimum membership of  
22 ~~one thousand (1,000)~~ two thousand (2,000) dues-paying members. For  
23 purposes of this paragraph, state agencies shall accept online or  
24 electronically submitted forms from the Oklahoma Public Employees

1 Association and other state employee associations. The Office of  
2 Personnel Management shall develop and implement a verification  
3 process for online or electronically submitted forms which may  
4 include the use of electronic signature technology or other process  
5 as determined appropriate;

6 6. Contributions to its foundation organized pursuant to 26  
7 U.S.C., Section 501(c)(3) in the Oklahoma Public Employees  
8 Association or any other statewide association limited to state  
9 employee membership with a minimum membership of one thousand  
10 (1,000) dues-paying members;

11 7. Payments to a college savings account administered under the  
12 Oklahoma College Savings Plan Act pursuant to Section 3970.1 et seq.  
13 of Title 70 of the Oklahoma Statutes; and

14 8. Subscriptions to the Oklahoma Today magazine published by  
15 the State of Oklahoma through the Oklahoma Tourism and Recreation  
16 Department.

17 C. The administrative costs of processing payroll deductions or  
18 administering salary adjustment agreements for insurance premiums as  
19 provided for in subsection B of this section shall be a charge of  
20 two percent (2%) of the gross annual premiums for insurance plans.  
21 The administrative costs of processing payroll deductions or  
22 administering salary adjustment agreements for payments for  
23 retirement plans as provided for in subsection B of this section  
24 shall be one percent (1%) of the gross annual payments for

1 retirement plans. These charges shall be collected monthly from the  
2 private insurance or retirement plan organization by the Office of  
3 Personnel Management and shall be deposited to the credit of the  
4 General Revenue Fund. Provided that these costs shall not be  
5 collected from state employees or state agencies unless otherwise  
6 directed in Section 1 et seq. of this title.

7 D. Any statewide association granted a payroll deduction prior  
8 to March 23, 1984, shall be exempt from the minimum state employee  
9 membership requirement.

10 E. Approval of a payroll deduction or salary adjustment  
11 agreement for any insurance organization, line of coverage or policy  
12 shall not be construed as an assumption of liability, for the term  
13 of policy or the performance of the insurance organization, by this  
14 state, or any of its agencies, boards, commissions, institutions or  
15 any officer or employee thereof. Contracts for such insurance shall  
16 be in all respects subject to the insurance laws of this state, and  
17 shall be enforceable solely pursuant to such laws.

18 F. The Oklahoma Employment Security Commission is authorized to  
19 deduct from the wages or salary of its employees the employees'  
20 contribution to the Oklahoma Employment Security Commission  
21 Retirement Plan.

22 G. Payroll deductions shall be made for premium payments for  
23 group insurance for retired members or beneficiaries of any state-  
24 supported retirement system upon proper authorization given by the

1 member or beneficiary to the board from which the member or  
2 beneficiary is currently receiving retirement benefits.

3 H. Upon request of instructional personnel employed at either  
4 the Oklahoma School for the Blind or the Oklahoma School for the  
5 Deaf and pursuant to procedures established by the Administrator of  
6 the Office of Personnel Management, the Commission for  
7 Rehabilitation Services shall make payroll deductions for membership  
8 dues in any statewide educational employee organization or  
9 association.

10 I. Upon the request of a state employee of the Oklahoma  
11 Department of Corrections, the Oklahoma Department of Corrections  
12 shall make voluntary payroll deductions for the employee to the  
13 Correctional Peace Officer Foundation.

14 SECTION 4. AMENDATORY 72 O.S. 2001, Section 222, is  
15 amended to read as follows:

16 Section 222. A. There is hereby created in the State Treasury  
17 a Revolving Fund for the Oklahoma Department of Veterans Affairs to  
18 be known as the Oklahoma Department of Veterans Affairs Revolving  
19 Fund. The Revolving Fund shall consist of all funds and monies  
20 received by the Oklahoma Department of Veterans Affairs, its  
21 constituent institutions, and/or, the War Veterans Commission of  
22 Oklahoma, from any gifts, contributions, bequests, individual  
23 reimbursements except as otherwise provided by law, and other  
24 sources of revenue, for the care or support of war veterans

1 discharged other than under dishonorable conditions, who have been  
2 admitted and cared for at the Oklahoma Department of Veterans  
3 Affairs Centers, at Ardmore, Claremore, Clinton, Lawton/Ft. Sill,  
4 Norman, Sulphur or Talihina. Provided no grants-in-aid,  
5 reimbursements, or other revenue from the United States government  
6 or any instrumentality of the United States government shall be  
7 deposited in the fund. Provided further, nothing contained herein  
8 prohibits the establishment and utilization of special agency  
9 accounts by the Department of Veterans Affairs and its constituent  
10 institutions, as may be approved by the ~~Special Agency Account Board~~  
11 Office of State Finance, for receipt and disbursement of the  
12 personal funds of Veteran Center patients and members and/or for  
13 receipt and disbursement of charitable contributions and donations  
14 for use by and for patients and members.

15 B. The Revolving Fund herein created shall be used by the  
16 Oklahoma Department of Veterans Affairs to pay for the care of war  
17 veterans discharged other than under dishonorable conditions, in  
18 Veterans Centers, to pay the general operating expenses of the  
19 Veterans Centers, including the payment of salaries and wages of  
20 officials and employees, to pay for the employee safety programs and  
21 incentive awards provided for in Section 63.10a of this title, and  
22 to remodel, repair, construct, build additions, modernize, or add  
23 improvements of domiciliary or hospital buildings necessary for the  
24 care of veterans, including tuberculosis, mentally ill or

1 neuropsychiatric patients, but not excluding others; and  
2 architectural plans, specifications, or other costs pertinent  
3 thereto.

4 C. The Department of Veterans Affairs may transfer monies from  
5 the revolving fund created in this section to the W.V.C. Revolving  
6 Fund in the State Treasury.

7 D. All expenditures from ~~said~~ the Revolving Fund shall be made  
8 upon warrants issued by the State Treasurer based upon claims  
9 approved by the Department of Veterans Affairs, as provided by law,  
10 and filed with the Director of State Finance for approval and  
11 payment.

12 SECTION 5. AMENDATORY 74 O.S. 2001, Section 85.58N, is  
13 amended to read as follows:

14 Section 85.58N ~~The Special Agency Account Board~~ Office of State  
15 Finance shall create in the official depository of the State  
16 Treasury an agency special account for the Department of Central  
17 Services to be designated as the "Quick Settlement Account". The  
18 purpose of the account shall be the payment of liability claims  
19 against the state after a determination by the Risk Management  
20 Administration that such payments are in the best interest of the  
21 state, are in accordance with the laws and regulations governing the  
22 Comprehensive Professional Risk Management Program, and are in an  
23 amount not exceeding Ten Thousand Dollars (\$10,000.00). No monies  
24

1 shall be expended from the Quick Settlement Account except as  
2 provided for in this section.

3 The Department of Central Services shall transfer funds as  
4 necessary from the Risk Management Revolving Fund to the Quick  
5 Settlement Account, provided that the maximum sum held in the Quick  
6 Settlement Account shall not exceed Ten Thousand Dollars  
7 (\$10,000.00), excluding funds in transit. Expenditures from the  
8 Quick Settlement Account shall be exempt from the provisions of the  
9 Oklahoma Central Purchasing Act.

10 SECTION 6. This act shall become effective July 1, 2008.

11 SECTION 7. It being immediately necessary for the preservation  
12 of the public peace, health and safety, an emergency is hereby  
13 declared to exist, by reason whereof this act shall take effect and  
14 be in full force from and after its passage and approval."

15 Passed the House of Representatives the 21st day of April, 2008.

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18 \_\_\_\_\_  
Presiding Officer of the House of  
Representatives

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20 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2008.

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23 \_\_\_\_\_  
Presiding Officer of the Senate

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