

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 COMMITTEE SUBSTITUTE
4 FOR ENGROSSED
5 HOUSE BILL 3384

By: Cooksey of the House

and

Corn of the Senate

6
7
8
9 COMMITTEE SUBSTITUTE

10 [prisons and reformatories - Oklahoma Corrections
11 Act of 1967 - codification - effective date]

12
13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY 57 O.S. 2001, Section 513, is
15 amended to read as follows:

16 Section 513. A. When any prisoner shall be discharged from the
17 institution, the warden or superintendent shall furnish ~~him~~ the
18 prisoner with proper and necessary clothing and a railroad or bus
19 ticket to ~~his~~ the home community of the prisoner within the State of
20 Oklahoma, if it is not in the county in which the institution is
21 located; and if ~~his~~ the home community of the prisoner is outside
22 the State of Oklahoma, the warden or superintendent may furnish the
23 necessary tickets to ~~his~~ the home community of the prisoner or the
24 county in which the sentence was imposed; and if ~~he~~ the inmate trust

1 account of the prisoner does not have at least a credit balance of
2 Fifty Dollars (\$50.00) to his credit, the warden or, superintendent
3 or Chief Financial Officer may furnish such additional sum from the
4 petty cash fund as will afford him the prisoner Fifty Dollars
5 (\$50.00).

6 B. Funds necessary to provide said clothing, transportation and
7 Fifty Dollars (\$50.00) allowed in subsection A of this section shall
8 be drawn from a petty cash fund ~~to be established at each~~
9 ~~institution of~~ by the Oklahoma Department of Corrections pursuant to
10 Section 513.1 of this title. ~~Said Petty Cash Fund shall be governed~~
11 ~~by the rules and regulations established by the Oklahoma State~~
12 ~~Budget Office.~~

13 SECTION 2. AMENDATORY 57 O.S. 2001, Section 513.1, as
14 amended by Section 6, Chapter 294, O.S.L. 2006 (57 O.S. Supp. 2007,
15 Section 513.1), is amended to read as follows:

16 Section 513.1 ~~Maximum amounts in petty cash funds.~~

17 ~~The maximum amounts that may be maintained in petty cash funds,~~
18 ~~established in accordance with the provisions of Section 513 of this~~
19 ~~title, are as specified below:~~

	Maximum Amount
20	
21 Department of Corrections	\$1,000.00
22 Jim E. Hamilton Correctional Center (Hodgen)	\$2,000.00
23 Mack H. Alford Correctional Center	\$2,500.00
24 Howard C. McLeod Correctional Center (Farris)	\$2,000.00

1	Lexington Assessment and Reception Center	\$2,500.00
2	Oklahoma State Penitentiary (McAlester)	\$8,000.00
3	Oklahoma State Reformatory (Granite)	\$3,000.00
4	R.B. "Dick" Conner Correctional Center (Hominy)	\$3,000.00
5	Joe Harp Correctional Center (Lexington)	\$3,000.00
6	Jess Dunn Correctional Center (Taft)	\$3,500.00
7	James Crabtree Correctional Center (Helena)	\$2,000.00
8	Mabel Bassett Correctional Center (Oklahoma City)	\$2,000.00
9	John Lilley Correctional Center (Boley)	\$2,000.00
10	Oklahoma City Community Corrections Center	\$2,000.00
11	Clara Waters Community Corrections Center	
12	(Oklahoma City)	\$2,000.00
13	Kate Barnard Community Corrections Center	
14	(Oklahoma City)	\$2,000.00
15	Tulsa Community Corrections Center	\$2,000.00
16	Muskogee Community Corrections Center	\$2,000.00
17	Lawton Community Corrections Center	\$2,000.00
18	Enid Community Corrections Center	\$2,000.00
19	Union City Community Corrections Center	\$2,000.00
20	Jackie Brannon Correctional Center	\$3,000.00
21	William S. Key Correctional Center (Fort Supply)	\$3,000.00
22	Dr. Eddie Walter Warrior Correctional Center	
23	(Taft)	\$3,000.00
24	Northeast Oklahoma Correctional Center (Vinita)	\$3,000.00

1 ~~Charles E. "Bill" Johnson Correctional Center~~ \$3,000.00

2 To satisfy the requirements of subsections A and B of Section
3 513 of this title, and to timely acquire goods and services that
4 cannot be secured through normal purchasing and invoice processes,
5 there is hereby created a petty cash fund within the Department of
6 Corrections. The Director of State Finance and the Director of the
7 Department of Corrections are authorized to fix the maximum amount
8 of the petty cash fund, and the Director of State Finance shall
9 prescribe the rules and procedures for the administration of the
10 petty cash fund. The Department of Corrections is directed to
11 develop a written policy to specify which units, facilities and
12 institutions within the Department are authorized to make
13 disbursements from the petty cash fund.

14 SECTION 3. AMENDATORY 57 O.S. 2001, Section 537, is
15 amended to read as follows:

16 Section 537. A. There shall be established a Canteen System
17 Board of Directors for all canteen system services operated within
18 the Department of Corrections. The members of the Canteen System
19 Board shall be appointed by the Director of the Department of
20 Corrections. All canteen system operations shall be under the
21 control of the Canteen System Board and shall operate pursuant to
22 written guidelines established by the Board. The overall canteen
23 operation composed of all correctional facility canteen operations,
24 inmate telephone systems and inmate electronic mail systems shall be

1 collectively called the Canteen System and such system shall be
2 required to be self-supporting from sales receipts.

3 B. Each correctional facility may have a canteen system
4 operation. ~~The directors of each~~ Each facility canteen system when
5 established shall be the facility head and two directors appointed
6 by the facility head require the warden of such facility, or a
7 designee, to oversee the day-to-day canteen system operations
8 according to the guidelines set by the Canteen System Board. The
9 ~~business manager~~ Chief Financial Officer of the Department shall act
10 as custodian of all canteen system funds and be responsible for all
11 expenditures from the canteen system accounts. The Chief Financial
12 Officer shall make daily deposits of ~~each~~ all sales receipts in an
13 ~~agency special account approved by the Special Agency Account Board~~
14 the canteen system accounts. Canteen ~~funds may~~ system profits
15 generated by items or services for resale shall be identified
16 monthly by the Chief Financial Officer and transferred periodically
17 ~~from one~~ the canteen fund special system account to ~~another canteen~~
18 ~~fund special account upon an affirmative vote by the Board of~~
19 ~~Directors.~~ All disbursements made from the account shall be by
20 ~~voucher signed by two of the directors of the canteen~~ the Department
21 of Corrections Inmate and Employee Welfare and Canteen System
22 Support Revolving Fund. All disbursements made from the canteen
23 system account shall be by voucher approved by the Chief Financial
24 Officer and shall be payable through the Office of the State

1 Treasurer. Documentation of each disbursement shall be kept on
2 ~~permanent file at each institution by the Department.~~ Accounting
3 Canteen system records may be disposed of in accordance with the
4 records disposition schedule approved by the Archives and Records
5 Commission. The Department shall notify the State Records
6 Administrator thirty (30) days in advance of its intent to dispose
7 of any canteen records. The Department shall follow accounting
8 procedures in accordance with state fiscal accounting procedures
9 ~~shall be followed~~ in administering canteen system funds. All
10 profits from the canteen ~~operations~~ system shall be used exclusively
11 for the benefit of the inmates of the various institutions and
12 personnel of the Department of Corrections and support of canteen
13 system operations as determined by the ~~canteen~~ Canteen System Board
14 of Directors pursuant to subsection A of this section.

15 C. Employees utilized in the operation of the canteen services
16 at each institution shall be state employees. Inmates may work in
17 ~~the a correctional facility canteen operations.~~ Reimbursement and
18 shall receive reimbursement for said such work shall be accomplished
19 through the institution incentive pay program.

20 D. ~~The operations of the~~ All correctional facilities canteen
21 ~~service~~ system operations and canteen system accounts shall be the
22 subject ~~of~~ to an annual audit by the Office of the State Auditor and
23 Inspector. Reports of the audit shall be provided to the Governor,
24 the Speaker of the House of Representatives, the President Pro

1 Tempore of the Senate, the Legislative Service Bureau, the
2 Department of Corrections, and to the warden of the concerned
3 institution.

4 E. Merchandise and services to be purchased for resale
5 ~~purchased and sold~~ or distribution through a ~~correctional~~
6 ~~facilities~~ the canteen as established in this section system,
7 inmate telephone equipment or services, and inmate electronic mail
8 equipment and services shall be purchased by voucher drawn against
9 canteen system accounts and all such purchases of goods and services
10 shall be exempted from the provisions of the Oklahoma Central
11 Purchasing Act. All revenues from canteen operations, inmate
12 telephone system services and inmate electronic mail system
13 operations shall be used exclusively for the benefit of the inmates
14 of the various institutions and personnel of the Department of
15 Corrections as determined by the Canteen System Board of Directors.

16 SECTION 4. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 537.1 of Title 57, unless there
18 is created a duplication in numbering, reads as follows:

19 A. There is hereby created in the State Treasury a revolving
20 fund for the Department of Corrections to be designated the
21 "Department of Corrections Inmate and Employee Welfare and Canteen
22 System Support Revolving Fund". The fund shall be a continuing
23 fund, not subject to fiscal year limitations, and shall consist of
24 all profits generated from the canteen system, any inmate telephone

1 system and any inmate electronic mail system. All monies accruing
2 to the credit of the fund are hereby appropriated and may be
3 budgeted and expended by the Department of Corrections and the
4 Canteen System Board of Directors for the benefit of inmates of the
5 various institutions and personnel of the Department and to support
6 canteen system operations according to written Department policy,
7 welfare budget limitations, and upon approval of the Canteen System
8 Board. Expenditures from the fund shall be made upon warrants
9 issued by the State Treasurer against claims filed as prescribed by
10 law with the Director of State Finance for approval and payment.
11 All expenditures from this fund shall comply with the applicable
12 provisions of the Oklahoma Central Purchasing Act, unless
13 specifically exempted by subsection E of Section 537 of Title 57 of
14 the Oklahoma Statutes.

15 B. All cash balances credited to the various Department canteen
16 fund accounts that were previously budgeted and approved for inmate
17 and staff welfare expenditures prior to November 1, 2008, but are
18 not encumbered or expended as of June 30, 2008, shall be transferred
19 to the Department of Corrections Inmate and Employee Welfare and
20 Canteen System Support Revolving Fund upon implementation of the
21 Department of Corrections consolidated canteen, trust and
22 restitution accounting system. Effective November 1, 2008, profits
23 generated from the canteen system, any inmate telephone systems, and
24 any inmate electronic mail systems shall be identified and deposited

1 in the Department of Corrections Inmate and Employee Welfare and
2 Canteen System Support Revolving Fund.

3 SECTION 5. AMENDATORY 57 O.S. 2001, Section 549, as last
4 amended by Section 8, Chapter 294, O.S.L. 2006 (57 O.S. Supp. 2007,
5 Section 549), is amended to read as follows:

6 Section 549. A. The State Board of Corrections shall have the
7 following powers and duties with respect to the operation of prison
8 industries, the Construction Division, and administration of inmate
9 trust funds:

10 1. The power to make leases or other contracts consistent with
11 the operation of prison industries, and to set aside land or
12 facilities for the use of such industry;

13 2. The power to establish conditions for expenditures by the
14 Department of Corrections from the Industries Revolving Fund;

15 3. The power to negotiate wages and working conditions on
16 behalf of prisoners working in prison industries or prisoners
17 working in the Construction Division. Pay grades for the
18 Construction Division "on-the-job training" inmate crews shall be as
19 follows:

- 20 a. Pay Grade "A" - Inmate Worker,
21 b. Pay Grade "B" - Inmate Worker,
22 c. Pay Grade "C" - Apprentice, and
23 d. Pay Grade "D" - Skilled Craft;

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1 4. The power to collect wages and other receipted funds on
2 behalf of the inmate, to apportion inmate wages and funds in
3 accordance with the law; and the duty to preserve those wages and
4 funds reserved for the inmate in an account for his or her benefit,
5 and to establish procedures by which the inmate can draw funds from
6 this account under the conditions and limitations and for the
7 purposes allowed by law;

8 5. The duty to establish the percentages of such wages and
9 ~~other receipted funds~~ which shall be available for apportionment to
10 inmate mandatory savings; to the inmate for his or her personal use;
11 to the lawful dependents of the inmate, if any; to the victim of the
12 inmate's crime; for payment of creditors; for payment of costs and
13 expenses for criminal actions against such inmate; and to the
14 Department of Corrections for costs of incarceration. Provided,
15 that not less than twenty percent (20%) of such wages ~~and funds~~
16 shall be placed in an account, and shall be payable to the prisoner
17 upon his or her discharge. Funds from this account may be used by
18 the inmate for fees or costs in filing a civil or criminal action as
19 defined in Section 151 et seq. of Title 28 of the Oklahoma Statutes
20 or for federal action as defined in Section 1911 et seq. of Title 28
21 of the United States Code, ~~28 U.S.C., Section 1911 et seq.~~; and

22 6. The power to invest funds held by the Department of
23 Corrections on behalf of each inmate in an interest-bearing account
24 with the interest accruing and payable to the Crime Victims

1 Compensation Revolving Fund, as provided in Section 142.17 of Title
2 21 of the Oklahoma Statutes. The interest from each inmate's
3 savings account shall be payable to the Crime Victims Compensation
4 Revolving Fund, at such intervals as may be determined by the Board,
5 in addition to any other payments to such fund required by the
6 inmate's sentence or otherwise by law. An inmate shall not have the
7 right, use or control of any interest derived from any funds placed
8 in a mandatory savings account; and

9 7. The power to invest funds held by the Department of
10 Corrections on behalf of each inmate in a commingled offender
11 interest-bearing account held by the Office of the State Treasurer.
12 The State Treasurer shall post interest to this account monthly.
13 The Department of Corrections, at such intervals as may be
14 determined by the Board, will credit interest to the inmate based on
15 the pro rata account balance of the inmate. Deposits into the
16 inmate interest-bearing account will only be allowed when the trust
17 fund draw account of the inmate has a balance in excess of One
18 Hundred Dollars (\$100.00). Inmate mandatory savings account
19 balances will not be used to determine the eligibility of the inmate
20 to participate in the interest-bearing account. Inmates who
21 participate in the interest-bearing account will only be allowed to
22 transfer funds from their interest-bearing account to their draw
23 account once every ninety (90) days. All inmate transfers from the
24 interest-bearing account of the inmate to the draw account of the

1 inmate must be approved by appropriate Department staff prior to
2 transfer. All transfers of funds from an inmate interest-bearing
3 account to external recipients must be reviewed and approved by
4 appropriate Department staff prior to transfer. The Department
5 shall define in policy those rules and procedures that govern inmate
6 interest-bearing account deposits and funds transfers.

7 B. The State Board of Corrections shall cause to be placed in
8 an account income from the inmate's employment and any other income
9 or benefits accruing to or payable to and for the benefit of said
10 inmate, including any workers' compensation or Social Security
11 benefits.

12 1. From this account the State Board of Corrections may charge
13 for costs of incarceration any inmate working in private prison
14 industries or any other inmate for costs of incarceration not to
15 exceed fifty percent (50%) of any deposits made to said account,
16 unless said deposits were from a workers' compensation benefit.

17 2. From this account, the State Board of Corrections may charge
18 any inmate for costs of incarceration, an amount equivalent to one
19 hundred percent (100%) of any deposits from a workers' compensation
20 benefit to said account.

21 3. The Department of Corrections shall pay into the Crime
22 Victims Compensation Revolving Fund, Section 142.17 of Title 21 of
23 the Oklahoma Statutes, an amount equal to five percent (5%) of the
24 gross wages earned by inmates working in a private prison industries

1 program, said amount to be paid from the amount deducted for cost of
2 incarceration.

3 4. Withdrawals and deposits shall be made according to rules
4 and regulations established by the State Board of Corrections.

5 C. The Department of Corrections may assess costs of
6 incarceration against all inmates beginning on September 1, 1992.
7 Such costs shall be a debt of the inmate owed to the Department of
8 Corrections and may be collected as provided by law for collection
9 of any other civil debt. In addition to the provisions of this
10 section authorizing expenditure of inmate trust funds for costs of
11 incarceration, any monies received for costs of incarceration shall
12 be deposited in the Department of Corrections Revolving Fund.

13 SECTION 6. This act shall become effective November 1, 2008.

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