

1 ENGROSSED SENATE  
2 BILL NO. 1964

By: Corn of the Senate

and

Cooksey of the House

3  
4  
5  
6  
7 [ corrections - discharge of prisoners - maximum  
8 amounts of petty cash - canteen services -  
9 codification -

10 effective date ]  
11

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

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

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

1 Fifty Dollars (\$50.00) ~~to his credit~~, the Warden ~~or~~, superintendent  
2 or chief financial officer may furnish such additional sum from the  
3 petty cash account as will afford ~~him~~ the prisoner Fifty Dollars  
4 (\$50.00).

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

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

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

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

|  | Maximum Amount        |
|--|-----------------------|
| <del>Department of Corrections</del>                     | <del>\$1,000.00</del> |
| <del>Jim E. Hamilton Correctional Center (Hodgen)</del>  | <del>\$2,000.00</del> |
| <del>Mack H. Alford Correctional Center</del>            | <del>\$2,500.00</del> |
| <del>Howard C. McLeod Correctional Center (Farris)</del> | <del>\$2,000.00</del> |
| <del>Lexington Assessment and Reception Center</del>     | <del>\$2,500.00</del> |

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

1        To satisfy the requirements and responsibilities of subsections  
2 A and B of Section 513 of this title, and to timely acquire goods  
3 and services that cannot appropriately be secured through normal  
4 purchasing and invoice processes, there is hereby created a  
5 centralized petty cash fund within the Department of Corrections.  
6 Petty cash fund balances shall be maintained in such amounts as  
7 determined by the Director of the Department of Corrections and the  
8 Director of State Finance. The Director of the Department of  
9 Corrections shall specify in policy those units, facilities and  
10 institutions within the Department that are authorized to make  
11 disbursements from the petty cash fund. The Department shall adhere  
12 to all rules and accounting procedures established by the Office of  
13 State Finance for petty cash in administering 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 services operated within the  
18 Department of Corrections. The members of the Canteen System Board  
19 shall be appointed by the Director of the Department of Corrections.  
20 All correctional facility canteen 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 system 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 operation.  
4 ~~The directors of each~~ Each facility canteen system when established  
5 ~~shall be the facility head and two directors appointed by the~~  
6 ~~facility head~~ require the warden of such facility, or a designee, to  
7 oversee the day-to-day canteen operation according to the guidelines  
8 set by the Canteen System Board. The business manager Chief  
9 Financial Officer of the Department shall act as custodian of all  
10 canteen system funds and be responsible for all expenditures from  
11 the canteen system accounts. The Chief Financial Officer of the  
12 Department shall make daily deposits of ~~each~~ all sales receipts in  
13 ~~an agency special account approved by the Special Agency Account~~  
14 ~~Board~~ 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~~ the Department of Corrections Inmate/Employee Welfare and  
20 Canteen System Support Revolving Fund. All disbursements made from  
21 the canteen system account shall be by voucher ~~signed~~ approved by  
22 ~~two of the directors of the canteen~~ the Chief Financial Officer and  
23 shall be payable through the Office of the State Treasurer.

24 Documentation of each disbursement shall be kept on ~~permanent~~ file

1 ~~at each institution~~ by the Department. Canteen system records may  
2 be disposed of in accordance with the records disposition schedule  
3 approved by the Archives and Records Commission. The Department  
4 shall notify the State Records Administrator thirty (30) days in  
5 advance of its intent to dispose of any canteen records. ~~Accounting~~  
6 The Department shall follow accounting procedures in accordance with  
7 state fiscal accounting procedures ~~shall be followed~~ in  
8 administering canteen system funds. All profits from the canteen  
9 system operations shall be used exclusively for the benefit of the  
10 inmates of the various institutions and personnel of the Department  
11 of Corrections and support of canteen system operations as  
12 determined by the ~~canteen~~ Canteen System Board of Directors pursuant  
13 to subsection 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 a correctional facility canteen operations.~~ Reimbursement and  
17 shall receive reimbursement for ~~said~~ such work ~~shall be accomplished~~  
18 through the institution incentive pay program.

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

1 Department of Corrections, and to the warden of the concerned  
2 institution.

3 E. Merchandise and services to be purchased for resale  
4 ~~purchased and sold~~ or distribution through a ~~correctional~~  
5 ~~facilities' canteen as established in this section~~ the canteen  
6 system, inmate telephone equipment or services, and inmate  
7 electronic mail equipment or services shall be purchased by voucher  
8 drawn against the canteen system accounts and all such purchases of  
9 goods and services shall be exempted from the provisions of the  
10 Oklahoma Central Purchasing Act. All revenues from canteen  
11 operations, inmate telephone system services, and inmate electronic  
12 mail system operations, shall be used exclusively for the benefit of  
13 the inmates of the various institutions and personnel of the  
14 Department of Corrections as determined by the Canteen System Board  
15 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/Employee Welfare and Canteen  
22 System Support Revolving Fund". The fund shall be a continuing  
23 fund, not subject to fiscal limitations, and shall consist of all  
24 profits generated from the canteen system, any inmate telephone

1 system, and any offender electronic mail system. All monies  
2 accruing to the credit of the fund are hereby appropriated and may  
3 be budgeted and expended by the Department of Corrections and the  
4 Canteen System Board for the benefit of inmates of the various  
5 institutions and personnel of the Department and to support canteen  
6 system operations according to written Department policy, welfare  
7 budget limitations, and upon approval of the Canteen System Board of  
8 Directors. 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 exempt 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 special accounts that were previously budgeted and approved for  
17 inmate and staff welfare expenditures prior to the effective date of  
18 this act, but are not encumbered or expended as of June 30, 2008,  
19 shall be transferred to the Department of Corrections  
20 Inmate/Employee Welfare and Canteen System Support Revolving Fund  
21 upon implementation of the Department of Corrections consolidated  
22 canteen, trust and restitution accounting system. Effective  
23 November 1, 2008, profits generated from the canteen system, any  
24 inmate telephone systems, and any inmate electronic mail systems

1 shall be identified and deposited in the Department of Corrections  
2 Inmate/Employee Welfare and 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,
- 23 d. Pay Grade "D" - Skilled Craft;

24

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

1 from his or her interest-bearing account to his or her draw account  
2 shall be approved by the appropriate Department of Corrections staff  
3 prior to transfer. All transfer of funds from an inmate interest  
4 bearing account to external recipients shall be reviewed and  
5 approved by appropriate Department of Corrections staff prior to  
6 transfer. The Department shall define by policy the rules and  
7 procedures governing inmate interest account deposits and fund  
8 transfers.

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

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

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

23 3. The Department of Corrections shall pay into the Crime  
24 Victims Compensation Revolving Fund, Section 142.17 of Title 21 of

1 the Oklahoma Statutes, an amount equal to five percent (5%) of the  
2 gross wages earned by inmates working in a private prison industries  
3 program, said amount to be paid from the amount deducted for cost of  
4 incarceration.

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

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

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

16  
17  
18  
19  
20  
21  
22  
23  
24

