

THE HOUSE OF REPRESENTATIVES  
Monday, March 3, 2008

House Bill No. 3384

HOUSE BILL NO. 3384 - By: COOKSEY of the House.

An Act relating to prisons and reformatories; amending 57 O.S. 2001, Sections 513, 513.1, as amended by Section 6, Chapter 294, O.S.L. 2006, 537 and 549, as last amended by Section 8, Chapter 294, O.S.L. 2006 (57 O.S. Supp. 2007, Sections 513.1 and 549), which relate to the Oklahoma Corrections Act of 1967; updating language; clarifying procedure for disbursement of funds to discharged prisoners; deleting petty cash fund amounts for specified facilities; authorizing utilization of certain account for petty cash fund; requiring promulgation of rules, policies and procedures for use of certain funds; requiring rules be filed with certain entity; requiring use of vouchers; providing procedure for use of vouchers and accounting of funds; clarifying duties of certain Board; providing for the establishment of canteen operations at correctional facilities; modifying procedures for canteen operations; requiring disbursements be made by vouchers and payable through certain entity; providing procedure for disposal of records; modifying accounting procedures; making certain purchases exempt from The Oklahoma Central Purchasing Act; directing profits be used for certain purpose; creating the Department of Corrections Inmate and Staff Welfare Revolving Fund; stating purpose of fund; stating expenditure requirements; providing for transfer of certain cash balances; providing for deposit of profits into certain fund; clarifying canteen procedures for disbursements; modifying duties of the State Board of Corrections; providing for the transfer of abandoned and unclaimed funds to certain revolving fund; providing an exemption; directing certain accounts be closed upon transfer of funds; providing for codification; and providing an effective date.

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

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

1 Section 513. A. When any prisoner shall be discharged from the institution, the  
2 Warden or superintendent shall furnish ~~him~~ the prisoner with proper and necessary  
3 clothing and a railroad or bus ticket to ~~his~~ the home community of the prisoner within  
4 the State of Oklahoma, if it is not in the county in which the institution is located; and if  
5 ~~his~~ the home community of the prisoner is outside the State of Oklahoma, the Warden or  
6 superintendent may furnish the necessary tickets to ~~his~~ the home community of the  
7 prisoner or the county in which the sentence was imposed; and if ~~he~~ the inmate trust  
8 account of the prisoner does not have at least a credit balance of Fifty Dollars (\$50.00) ~~to~~  
9 ~~his credit~~, the Warden or superintendent may furnish such additional sum from the petty  
10 cash special account as will afford ~~him~~ the prisoner Fifty Dollars (\$50.00).

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

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

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

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

22

	<del>Maximum Amount</del>
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1	Department of Corrections	\$1,000.00
2	<del>Jim E. Hamilton Correctional Center (Hodgen)</del>	<del>\$2,000.00</del>
3	<del>Mack H. Alford Correctional Center</del>	<del>\$2,500.00</del>
4	<del>Howard C. McLeod Correctional Center (Farris)</del>	<del>\$2,000.00</del>
5	<del>Lexington Assessment and Reception Center</del>	<del>\$2,500.00</del>
6	<del>Oklahoma State Penitentiary (McAlester)</del>	<del>\$8,000.00</del>
7	<del>Oklahoma State Reformatory (Granite)</del>	<del>\$3,000.00</del>
8	<del>R.B. "Dick" Conner Correctional Center (Hominy)</del>	<del>\$3,000.00</del>
9	<del>Joe Harp Correctional Center (Lexington)</del>	<del>\$3,000.00</del>
10	<del>Jess Dunn Correctional Center (Taft)</del>	<del>\$3,500.00</del>
11	<del>James Crabtree Correctional Center (Helena)</del>	<del>\$2,000.00</del>
12	<del>Mabel Bassett Correctional Center (Oklahoma City)</del>	<del>\$2,000.00</del>
13	<del>John Lilley Correctional Center (Boley)</del>	<del>\$2,000.00</del>
14	<del>Oklahoma City Community Corrections Center</del>	<del>\$2,000.00</del>
15	<del>Clara Waters Community Corrections Center (Oklahoma City)</del>	<del>\$2,000.00</del>
16	<del>Kate Barnard Community Corrections Center (Oklahoma City)</del>	<del>\$2,000.00</del>
17	<del>Tulsa Community Corrections Center</del>	<del>\$2,000.00</del>
18	<del>Muskogee Community Corrections Center</del>	<del>\$2,000.00</del>
19	<del>Lawton Community Corrections Center</del>	<del>\$2,000.00</del>
20	<del>Enid Community Corrections Center</del>	<del>\$2,000.00</del>
21	<del>Union City Community Corrections Center</del>	<del>\$2,000.00</del>
22	<del>Jackie Brannon Correctional Center</del>	<del>\$3,000.00</del>



1 Section 537. A. There shall be established a Canteen System Board of Directors for  
2 all canteen services operated within the Department of Corrections. The members of the  
3 Canteen System Board shall be appointed by the Director of the Department of  
4 Corrections. All canteen operations shall be under the control of the Canteen System  
5 Board and shall operate pursuant to written guidelines established by the Board. The  
6 overall canteen operation composed of all correctional facility canteen operations shall be  
7 collectively called the Canteen System and such system shall be required to be  
8 self-supporting from sales receipts.

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

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

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

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

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

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

13 A. There is hereby created in the State Treasury a revolving fund for the  
14 Department of Corrections to be designated the "Department of Corrections Inmate and  
15 Staff Welfare Revolving Fund". The fund shall be a continuing fund, not subject to fiscal  
16 limitations, and shall consist of all profits generated from the canteen system, any  
17 inmate telephone system, any inmate electronic mail system, and all monies credited to  
18 any inmate trust account which has been abandoned or unclaimed as provided by law.  
19 All monies accruing to the credit of the fund are hereby appropriated and may be  
20 budgeted and expended by the Department of Corrections and the Canteen System  
21 Board of Directors for the benefit of inmates of the various institutions and personnel of  
22 the Department according to written Department policy, welfare budget limitations, and

1 upon approval of the Canteen System Board. Expenditures from the fund shall be made  
2 upon warrants issued by the State Treasurer against claims filed as prescribed by law  
3 with the Director of State Finance for approval and payment. All expenditures from this  
4 fund shall comply with the applicable provisions of The Oklahoma Central Purchasing  
5 Act, unless specifically exempted by law.

6 B. All cash balances credited to the various Department canteen fund special  
7 accounts that were previously budgeted and approved for inmate and staff welfare  
8 expenditures prior to the effective date of this act, but are not encumbered or expended  
9 as of June 30, 2008, shall be transferred to the Department of Corrections Inmate and  
10 Staff Welfare Revolving Fund on November 1, 2008. Effective November 1, 2008, profits  
11 generated from the canteen system, any inmate telephone systems, and any inmate  
12 electronic mail systems shall be identified and deposited in the Department of  
13 Corrections Inmate and Staff Welfare Revolving Fund.

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

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

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

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

3           3. The power to negotiate wages and working conditions on behalf of prisoners  
4 working in prison industries or prisoners working in the Construction Division. Pay  
5 grades for the Construction Division “on-the-job training” inmate crews shall be as  
6 follows:

- 7           a.     Pay Grade “A” - Inmate Worker,
- 8           b.     Pay Grade “B” - Inmate Worker,
- 9           c.     Pay Grade “C” - Apprentice,
- 10          d.     Pay Grade “D” - Skilled Craft;

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

16          5. The duty to establish the percentages of such wages ~~and other receipted funds~~  
17 which shall be available for apportionment to inmate savings; to the inmate for his or her  
18 personal use; to the lawful dependents of the inmate, if any; to the victim of the inmate’s  
19 crime; for payment of creditors; for payment of costs and expenses for criminal actions  
20 against such inmate; and to the Department of Corrections for costs of incarceration.  
21 Provided, that not less than twenty percent (20%) of such wages ~~and funds~~ shall be  
22 placed in an account, and shall be payable to the prisoner upon his or her discharge.

1 Funds from this account may be used by the inmate for fees or costs in filing a civil or  
2 criminal action as defined in Section 151 et seq. of Title 28 of the Oklahoma Statutes or  
3 for federal action as defined in Section 1911 et seq. of Title 28 of the United States Code,  
4 28 U.S.C., Section 1911 et seq.; and

5 6. The power to invest funds held by the Department of Corrections on behalf of  
6 each inmate in an interest-bearing account with the interest accruing and payable to the  
7 Crime Victims Compensation Revolving Fund, as provided in Section 142.17 of Title 21 of  
8 the Oklahoma Statutes. The interest from each inmate's savings account shall be  
9 payable to the Crime Victims Compensation Revolving Fund, at such intervals as may be  
10 determined by the Board, in addition to any other payments to such fund required by the  
11 inmate's sentence or otherwise by law. An inmate shall not have the right, use or control  
12 of any interest derived from any funds placed in a mandatory savings account.

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

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

UNDERLINED language denotes Amendments to present Statutes.  
**BOLD FACE CAPITALIZED** language denotes Committee Amendments.  
~~Strike thru~~ language denotes deletion from present Statutes.

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

4           3. The Department of Corrections shall pay into the Crime Victims Compensation  
5 Revolving Fund, Section 142.17 of Title 21 of the Oklahoma Statutes, an amount equal to  
6 five percent (5%) of the gross wages earned by inmates working in a private prison  
7 industries program, said amount to be paid from the amount deducted for cost of  
8 incarceration.

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

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

17           D. Effective November 1, 2008, the entire balance of any inmate trust fund account  
18 with an individual aggregate balance of less than Fifty Dollars (\$50.00) that is  
19 abandoned and unclaimed for a period of not less than twelve (12) months, as determined  
20 by the State Board of Corrections upon notice of abandonment by the Chief Financial  
21 Officer of the Department, shall be transferred to the Department of Corrections Inmate  
22 and Staff Welfare Revolving Fund. All future abandoned and unclaimed inmate trust

1 fund accounts with an individual aggregate of less than Fifty Dollars (\$50.00), shall be  
2 exempt from inclusion in the State Unclaimed Property Fund. Upon transfer of the  
3 abandoned and unclaimed inmate trust funds, as provided in this subsection, the account  
4 shall be permanently closed.

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

6 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY AND PUBLIC SAFETY,  
7 dated 02-28-08 - DO PASS.