

3 Senate Bill No. 1842

4 SENATE BILL NO. 1842 - By: ALDRIDGE of the Senate and WRIGHT of the
5 House.

6 An Act relating to prison and reformatories; amending 57
7 O.S. 2001, Section 537, which relates to Board of Directors
8 for canteen services; modifying entity approving certain
9 accounts; 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,
11 Section 7.2), which relates to the Special Agency Account
12 Board; abolishing the Special Agency Account Board;
13 transferring all powers, duties, and responsibilities to the
14 Office of State Finance; requiring the Office of State
15 Finance to convert certain accounts by a date certain;
16 amending 72 O.S. 2001, Section 222, which relates to the
17 Oklahoma Department of Veterans Affairs Revolving Fund;
18 modifying entity approving certain accounts; amending 74
19 O.S. 2001, Section 85.58N, which relates to Quick Settlement
20 Account; modifying entity to be the depository for certain
21 account; providing an effective date; and declaring an
22 emergency.

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

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

26 Section 537. A. There shall be established a Board of
27 Directors for all canteen services within the Department of
28 Corrections. The members of the Board shall be appointed by the
29 Director of the Department of Corrections. All canteen operations
30 shall be under the control of the Board and shall operate pursuant
31 to written guidelines established by the Board. The overall canteen
32 operation shall be self-supporting.

1 B. Each correctional facility may have a canteen. The
2 directors of each canteen shall be the facility head and two
3 directors appointed by the facility head. The business manager
4 shall act as custodian of canteen funds and shall make daily
5 deposits of cash receipts in an agency special account approved by
6 the ~~Special Agency Account Board~~ Office of State Finance. Canteen
7 funds may be transferred from one canteen fund special account to
8 another canteen fund special account upon an affirmative vote by the
9 Board of Directors. All disbursements made from the account shall
10 be by voucher signed by two of the directors of the canteen.
11 Documentation of each disbursement shall be kept on permanent file
12 at each institution. Accounting procedures in accordance with state
13 fiscal accounting procedures shall be followed in administering
14 canteen funds. All profits from the canteen operations shall be
15 used exclusively for the benefit of the inmates of the various
16 institutions and personnel of the Department of Corrections as
17 determined by the canteen Board of Directors pursuant to subsection
18 A of this section.

19 C. Employees utilized in the operation of the canteen services
20 at each institution shall be state employees. Inmates may work in
21 the canteen operations. Reimbursement for ~~said~~ the work shall be
22 accomplished through the institution incentive pay program.

1 D. The operations of the canteen service shall be the subject
2 of an annual audit by the Office of the State Auditor and Inspector.
3 Reports of the audit shall be provided to the Governor, the Speaker
4 of the House of Representatives, the President Pro Tempore of the
5 Senate, the Legislative Service Bureau, the Department of
6 Corrections, and to the warden of the concerned institution.

7 E. Merchandise for resale purchased and sold through a
8 correctional facilities' canteen as established in this section
9 shall be exempted from the provisions of the Oklahoma Central
10 Purchasing Act.

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

14 Section 7.2 A. There is hereby ~~re-created, to continue until~~
15 ~~July 1, 2008, in accordance with the provisions of the Oklahoma~~
16 ~~Sunset Law, Section 3901 et seq. of Title 74 of the Oklahoma~~
17 ~~Statutes, a abolished the Special Agency Account Board, to consist~~
18 ~~of the Director of State Finance, the State Treasurer and the~~
19 ~~Director of the Legislative Service Bureau. Effective July 1, 2008,~~
20 all powers, duties and responsibilities of the Special Agency
21 Account Board shall be transferred to the Office of State Finance.
22 All records, property and matters pending of the Board shall also be
23 transferred to the Office of State Finance. The Board Office of

1 State Finance shall have the authority to approve the establishment
2 of agency special accounts in the official depository of the State
3 Treasury. In the case of institutions of higher education, the
4 ~~Special Agency Account Board~~ Office of State Finance, acting in
5 conjunction with the Oklahoma State Regents for Higher Education,
6 shall establish special agency accounts as appropriate which shall
7 be consistent with provisions of the Oklahoma Budget Law of 1947,
8 Section 41.1 et seq. of this title, as it relates to institutions in
9 The Oklahoma State System of Higher Education.

10 B. The ~~Board, created by this section,~~ Office of State Finance
11 shall adopt procedures including application forms, justification
12 and other pertinent information as to the basis for a state agency
13 application for the establishment of agency special accounts. By
14 July 1, 2011, the Office of State Finance shall convert all existing
15 state agency Annuity Savings Accounts (ASA) to 700 Series Fund
16 accounts.

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

20 1. Benefit programs for individuals, including, but not limited
21 to, unemployment compensation, workers' compensation and state
22 retirement programs;

1 2. Revenues produced by activities or facilities ancillary to
2 the operation of a state agency which receive no money, directly or
3 indirectly, from or through that state agency, including, but not
4 limited to, revenues from the sales of food at retail level, sales
5 at canteens, sales at student unions, sales at student bookstores,
6 receipts from athletic programs and receipts from housing.
7 Provided, however, that a state institution of higher learning may
8 purchase necessary equipment and instructional supplies and office
9 supplies from a student bookstore, or, subject to authorization by
10 the Oklahoma State Regents for Higher Education, may rent building
11 space for institutional use in a building operated by an
12 organization or entity whose existence is ancillary to the operation
13 of a state agency, and whose cost was financed in whole or in part
14 with revenue-type bonds; provided, further, that the cost of such
15 office supplies or space rental shall not exceed the cost of similar
16 supplies or rentals available commercially;

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

19 4. Evidence funds for law enforcement agencies;

20 5. Student loan funds and scholarship funds;

21 6. Funds held in escrow;

22 7. Land Commission funds;

1 8. Funds for which the state agency acts as custodian,
2 including, but not limited to, fees from employee earnings approved
3 by the governing board of the agency, funds of student organizations
4 including student activity fees collected by an educational
5 institution as a separate item in enrollment procedures,
6 professional organizations, patients and inmates;

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

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

13 11. Payment of liability claims against the state;

14 12. Activities of the various Armory Boards of the Oklahoma
15 Military Department to receive and dispense funds derived by the
16 Armory Boards pursuant to Sections 232.6 and 232.7 of Title 44 of
17 the Oklahoma Statutes; and

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

20 D. The State Treasurer is authorized to accept deposit of money
21 made directly to agency special accounts approved by the ~~Board~~
22 Office of State Finance. All money received by a state agency, as
23 described in Section 7.1 of this title, shall be deposited in State

1 Treasury funds or accounts and no money shall be deposited in banks
2 or other depositories unless the bank accounts are maintained by the
3 State Treasurer or are for the deposit of authorized petty cash
4 funds.

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

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

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

12 H. Monies used for investment purposes by the Oklahoma
13 Firefighters Pension and Retirement System, the Oklahoma Police
14 Pension and Retirement System, the Uniform Retirement System for
15 Justices and Judges, the Oklahoma Law Enforcement Retirement System,
16 the Oklahoma Public Employees Retirement System, the Teachers'
17 Retirement System of Oklahoma, the State Insurance Fund, the State
18 and Education Employees Group Insurance Board, the Commissioners of
19 the Land Office, and the Oklahoma State Regents for Higher Education
20 for its Endowment Trust Fund are exempt from the requirements of
21 this section, and shall be placed with the respective custodian bank
22 or trust company.

1 SECTION 3. AMENDATORY 72 O.S. 2001, Section 222, is
2 amended to read as follows:

3 Section 222. A. There is hereby created in the State Treasury
4 a Revolving Fund for the Oklahoma Department of Veterans Affairs to
5 be known as the Oklahoma Department of Veterans Affairs Revolving
6 Fund. The Revolving Fund shall consist of all funds and monies
7 received by the Oklahoma Department of Veterans Affairs, its
8 constituent institutions, and/or, the War Veterans Commission of
9 Oklahoma, from any gifts, contributions, bequests, individual
10 reimbursements except as otherwise provided by law, and other
11 sources of revenue, for the care or support of war veterans
12 discharged other than under dishonorable conditions, who have been
13 admitted and cared for at the Oklahoma Department of Veterans
14 Affairs Centers, at Ardmore, Claremore, Clinton, Lawton/Ft. Sill,
15 Norman, Sulphur or Talihina. Provided no grants-in-aid,
16 reimbursements, or other revenue from the United States government
17 or any instrumentality of the United States government shall be
18 deposited in the fund. Provided further, nothing contained herein
19 prohibits the establishment and utilization of special agency
20 accounts by the Department of Veterans Affairs and its constituent
21 institutions, as may be approved by the ~~Special Agency Account Board~~
22 Office of State Finance, for receipt and disbursement of the
23 personal funds of Veteran Center patients and members and/or for

1 receipt and disbursement of charitable contributions and donations
2 for use by and for patients and members.

3 B. The Revolving Fund herein created shall be used by the
4 Oklahoma Department of Veterans Affairs to pay for the care of war
5 veterans discharged other than under dishonorable conditions, in
6 Veterans Centers, to pay the general operating expenses of the
7 Veterans Centers, including the payment of salaries and wages of
8 officials and employees, to pay for the employee safety programs and
9 incentive awards provided for in Section 63.10a of this title, and
10 to remodel, repair, construct, build additions, modernize, or add
11 improvements of domiciliary or hospital buildings necessary for the
12 care of veterans, including tuberculosis, mentally ill or
13 neuropsychiatric patients, but not excluding others; and
14 architectural plans, specifications, or other costs pertinent
15 thereto.

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

19 D. All expenditures from ~~said~~ the Revolving Fund shall be made
20 upon warrants issued by the State Treasurer based upon claims
21 approved by the Department of Veterans Affairs, as provided by law,
22 and filed with the Director of State Finance for approval and
23 payment.

1 SECTION 4. AMENDATORY 74 O.S. 2001, Section 85.58N, is
2 amended to read as follows:

3 Section 85.58N ~~The Special Agency Account Board~~ Office of State
4 Finance shall create in the official depository of the State
5 Treasury an agency special account for the Department of Central
6 Services to be designated as the "Quick Settlement Account". The
7 purpose of the account shall be the payment of liability claims
8 against the state after a determination by the Risk Management
9 Administration that such payments are in the best interest of the
10 state, are in accordance with the laws and regulations governing the
11 Comprehensive Professional Risk Management Program, and are in an
12 amount not exceeding Ten Thousand Dollars (\$10,000.00). No monies
13 shall be expended from the Quick Settlement Account except as
14 provided for in this section.

15 The Department of Central Services shall transfer funds as
16 necessary from the Risk Management Revolving Fund to the Quick
17 Settlement Account, provided that the maximum sum held in the Quick
18 Settlement Account shall not exceed Ten Thousand Dollars
19 (\$10,000.00), excluding funds in transit. Expenditures from the
20 Quick Settlement Account shall be exempt from the provisions of the
21 Oklahoma Central Purchasing Act.

22 SECTION 5. This act shall become effective July 1, 2008.

1 SECTION 6. It being immediately necessary for the preservation
2 of the public peace, health and safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

5 COMMITTEE REPORT BY: COMMITTEE ON GENERAL GOVERNMENT, dated 2-18-08
6 - DO PASS, As Coauthored.