

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 3384

By: Cooksey

4
5 AS INTRODUCED

6 An Act relating to prisons and reformatories;
7 amending 57 O.S. 2001, Sections 513, 513.1, as
8 amended by Section 6, Chapter 294, O.S.L. 2006, 537
9 and 549, as last amended by Section 8, Chapter 294,
10 O.S.L. 2006 (57 O.S. Supp. 2007, Sections 513.1 and
11 549), which relate to the Oklahoma Corrections Act of
12 1967; updating language; clarifying procedure for
13 disbursement of funds to discharged prisoners;
14 deleting petty cash fund amounts for specified
15 facilities; authorizing utilization of certain
16 account for petty cash fund; requiring promulgation
17 of rules, policies and procedures for use of certain
18 funds; requiring rules be filed with certain entity;
19 requiring use of vouchers; providing procedure for
20 use of vouchers and accounting of funds; clarifying
21 duties of certain Board; providing for the
22 establishment of canteen operations at correctional
23 facilities; modifying procedures for canteen
24 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.

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

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

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

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

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

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

5 ~~The maximum amounts that may be maintained in petty cash funds,~~
6 ~~established in accordance with the provisions of Section 513 of this~~
7 ~~title, are as specified below.~~

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

1	Kate Barnard Community Corrections Center	
2	(Oklahoma City)	\$2,000.00
3	Tulsa Community Corrections Center	\$2,000.00
4	Muskogee Community Corrections Center	\$2,000.00
5	Lawton Community Corrections Center	\$2,000.00
6	Enid Community Corrections Center	\$2,000.00
7	Union City Community Corrections Center	\$2,000.00
8	Jackie Brannon Correctional Center	\$3,000.00
9	William S. Key Correctional Center (Fort Supply)	\$3,000.00
10	Dr. Eddie Walter Warrior Correctional Center	
11	(Taft)	\$3,000.00
12	Northeast Oklahoma Correctional Center (Vinita)	\$3,000.00
13	Charles E. "Bill" Johnson Correctional Center	\$3,000.00

14 To satisfy the requirements of subsections A and B of Section
15 513 of this title, and to timely acquire goods and services that
16 cannot be secured through normal purchasing and invoice processes,
17 the Department of Corrections is authorized to utilize one agency
18 special account as a centralized petty cash fund, as authorized by
19 the Special Agency Account Board. The Department of Corrections
20 shall promulgate written rules, policies and procedures for the use
21 of the petty cash special account funds and the amounts authorized
22 to be maintained in such account. The rules, policies and
23 procedures for the petty cash special account shall be filed with
24 the Office of State Finance. The Director of the Department shall

1 specify in policy those units, facilities and institutions within
2 the Department of Corrections that are authorized to make
3 disbursements from the petty cash special account. All authorized
4 disbursements from the petty cash special account shall be made by
5 voucher, signed by a person authorized and designated by the Chief
6 Financial Officer of the Department, and filed with the Office of
7 the State Treasurer. The Department shall adhere to all rules and
8 accounting procedures established by the Office of State Finance for
9 state petty cash funds in administering the petty cash special
10 account.

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

13 Section 537. A. There shall be established a Canteen System
14 Board of Directors for all canteen services operated within the
15 Department of Corrections. The members of the Canteen System Board
16 shall be appointed by the Director of the Department of Corrections.
17 All canteen operations shall be under the control of the Canteen
18 System Board and shall operate pursuant to written guidelines
19 established by the Board. The overall canteen operation composed of
20 all correctional facility canteen operations shall be collectively
21 called the Canteen System and such system shall be required to be
22 self-supporting from sales receipts.

23 B. Each correctional facility may have a canteen operation.
24 ~~The directors of each~~ Each facility canteen when established shall

1 ~~be the facility head and two directors appointed by the facility~~
2 ~~head~~ require the warden of such facility, or a designee to oversee
3 the day-to-day canteen operation according to the guidelines set by
4 the Canteen System Board. The ~~business manager~~ Chief Financial
5 Officer of the Department shall act as custodian of all canteen
6 funds and be responsible for all expenditures from the canteen
7 special account. The Chief Financial Officer shall make daily
8 deposits of ~~each~~ all sales receipts in ~~an agency~~ the canteen special
9 account approved by the Special Agency Account Board. Canteen ~~funds~~
10 system profits ~~may~~ shall be identified monthly by the Chief
11 Financial Officer and transferred periodically from ~~one~~ the canteen
12 ~~fund~~ special account to ~~another canteen fund special account upon an~~
13 ~~affirmative vote by the Board of Directors.~~ All disbursements made
14 ~~from the account shall be by voucher signed by two of the directors~~
15 ~~of the canteen~~ the Department of Corrections Inmate and Staff
16 Welfare Revolving Fund. All disbursements made from the canteen
17 special account shall be by voucher approved by the Chief Financial
18 Officer and shall be payable through the Office of the State
19 Treasurer. Documentation of each disbursement shall be kept on
20 ~~permanent file at each institution~~ by the Department. ~~Accounting~~
21 Canteen records may be disposed of in accordance with the records
22 disposition schedule approved by the Archives and Records
23 Commission. The Department shall notify the State Records
24 Administrator thirty (30) days in advance of its intent to dispose

1 of any canteen records. The Department shall follow accounting
2 procedures in accordance with state fiscal accounting procedures
3 ~~shall be followed in administering canteen funds. All profits from~~
4 ~~the canteen shall be used exclusively for the benefit of the inmates~~
5 ~~of the various institutions and personnel of the Department of~~
6 ~~Corrections as determined by the canteen Board of Directors pursuant~~
7 ~~to subsection A of this section.~~

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

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

21 E. Merchandise and services to be purchased for resale
22 ~~purchased and sold through a correctional facilities~~ the canteen as
23 ~~established in this section~~ system, inmate telephone equipment or
24 services, and inmate electronic mail equipment and services shall be

1 purchased by voucher drawn against the canteen special account and
2 all such purchases of goods and services shall be exempted from the
3 provisions of The Oklahoma Central Purchasing Act. All profits from
4 the canteen system, inmate telephone and inmate electronic mail
5 operations shall be used exclusively for the benefit of the inmates
6 of the various institutions and personnel of the Department of
7 Corrections as determined by the Canteen System Board of Directors.

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

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

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

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

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

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

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

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

6 3. The power to negotiate wages and working conditions on
7 behalf of prisoners working in prison industries or prisoners
8 working in the Construction Division. Pay grades for the
9 Construction Division "on-the-job training" inmate crews shall be as
10 follows:

11 a. Pay Grade "A" - Inmate Worker,

12 b. Pay Grade "B" - Inmate Worker,

13 c. Pay Grade "C" - Apprentice,

14 d. Pay Grade "D" - Skilled Craft;

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

22 5. The duty to establish the percentages of such wages ~~and~~
23 ~~other receipted funds~~ which shall be available for apportionment to
24 inmate savings; to the inmate for his or her personal use; to the

1 lawful dependents of the inmate, if any; to the victim of the
2 inmate's crime; for payment of creditors; for payment of costs and
3 expenses for criminal actions against such inmate; and to the
4 Department of Corrections for costs of incarceration. Provided,
5 that not less than twenty percent (20%) of such wages ~~and funds~~
6 shall be placed in an account, and shall be payable to the prisoner
7 upon his or her discharge. Funds from this account may be used by
8 the inmate for fees or costs in filing a civil or criminal action as
9 defined in Section 151 et seq. of Title 28 of the Oklahoma Statutes
10 or for federal action as defined in Section 1911 et seq. of Title 28
11 of the United States Code, 28 U.S.C., Section 1911 et seq.; and

12 6. The power to invest funds held by the Department of
13 Corrections on behalf of each inmate in an interest-bearing account
14 with the interest accruing and payable to the Crime Victims
15 Compensation Revolving Fund, as provided in Section 142.17 of Title
16 21 of the Oklahoma Statutes. The interest from each inmate's
17 savings account shall be payable to the Crime Victims Compensation
18 Revolving Fund, at such intervals as may be determined by the Board,
19 in addition to any other payments to such fund required by the
20 inmate's sentence or otherwise by law. An inmate shall not have the
21 right, use or control of any interest derived from any funds placed
22 in a mandatory savings account.

23 B. The State Board of Corrections shall cause to be placed in
24 an account income from the inmate's employment and any other income

1 or benefits accruing to or payable to and for the benefit of said
2 inmate, including any workers' compensation or Social Security
3 benefits.

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

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

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

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

21 C. The Department of Corrections may assess costs of
22 incarceration against all inmates beginning on September 1, 1992.
23 Such costs shall be a debt of the inmate owed to the Department of
24 Corrections and may be collected as provided by law for collection

1 of any other civil debt. In addition to the provisions of this
2 section authorizing expenditure of inmate trust funds for costs of
3 incarceration, any monies received for costs of incarceration shall
4 be deposited in the Department of Corrections Revolving Fund.

5 D. Effective November 1, 2008, the entire balance of any inmate
6 trust fund account with an individual aggregate balance of less than
7 Fifty Dollars (\$50.00) that is abandoned and unclaimed for a period
8 of not less than twelve (12) months, as determined by the State
9 Board of Corrections upon notice of abandonment by the Chief
10 Financial Officer of the Department, shall be transferred to the
11 Department of Corrections Inmate and Staff Welfare Revolving Fund.
12 All future abandoned and unclaimed inmate trust fund accounts with
13 an individual aggregate of less than Fifty Dollars (\$50.00), shall
14 be exempt from inclusion in the State Unclaimed Property Fund. Upon
15 transfer of the abandoned and unclaimed inmate trust funds, as
16 provided in this subsection, the account shall be permanently
17 closed.

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

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