

1 **SENATE FLOOR VERSION**

2 February 28, 2012

3 SENATE BILL NO. 1539

By: Brecheen of the Senate

4 and

5 Armes of the House

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7  
8 An Act relating to prisons and reformatories;  
9 amending 57 O.S. 2011, Section 549.1, which relates  
10 to purchase of prison industries goods and services;  
11 authorizing the Department of Corrections to accept,  
12 process and export certain agriculture products; and  
13 providing an effective date.

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

15 SECTION 1. AMENDATORY 57 O.S. 2011, Section 549.1, is  
16 amended to read as follows:

17 Section 549.1. A. The Department of Corrections is authorized  
18 to purchase in the manner prescribed by law, facilities, equipment,  
19 raw materials and supplies, and to engage the supervisory personnel  
20 necessary to establish and maintain for this state at the penal  
21 institutions, now or hereafter under the control of the State Board  
22 of Corrections, industries and agricultural programs for the  
23 utilization of services of prisoners in the manufacture or  
24 production of the articles or products as may be needed for the  
construction, operation, maintenance or use of any office,

1 department, institution or agency supported in whole or in part by  
2 this state and the political subdivisions thereof. Upon the request  
3 of the Oklahoma Historical Society or the Oklahoma Tourism and  
4 Recreation Department, the Department of Corrections shall provide  
5 labor for and shall produce or manufacture articles, products or  
6 materials needed for the repair, construction and maintenance of  
7 historical sites and state parks including, but not limited to, the  
8 production of materials and products needed for the reconstruction  
9 of historic forts in the state.

10 B. All articles and services provided by the Department of  
11 Corrections in the state correctional institutions, and not required  
12 for use therein, shall be purchased as required by all offices,  
13 departments, institutions, agencies, counties, schools, colleges,  
14 universities, or political subdivisions or any agency thereof of  
15 this state which are supported in whole or in part by this state, if  
16 such article or service is the lowest and best bid, and no such  
17 article or product may be purchased by any such office, department,  
18 institution, agency, county, school, college, university, or  
19 political subdivisions or agency thereof from any other source  
20 unless excepted from the provisions as hereinafter provided.  
21 Purchases made by the above-described state agencies may be made by  
22 submitting the proper requisition through the Department of Central  
23 Services or by direct order to the prison industries program of the  
24 Department of Corrections.

1 C. If a requisition is received by the Department of Central  
2 Services or a direct order is received by the Prison Industries  
3 Program of the Department of Corrections from a state agency for any  
4 product or service provided by the Department of Corrections and  
5 such product or service is also available from a severely  
6 handicapped person or a qualified nonprofit agency for the severely  
7 handicapped as provided in Section 3001 et seq. of Title 74 of the  
8 Oklahoma Statutes at a comparable price, then the product or service  
9 shall be purchased from such severely handicapped person or  
10 qualified nonprofit agency for the severely handicapped. If the  
11 product or service is not available within the time period required  
12 by the purchasing state agency, then such product or service shall  
13 be purchased from the Department of Corrections under the provisions  
14 of this section.

15 D. All offices, departments, institutions, agencies, counties,  
16 cities, districts or political subdivisions, schools, colleges, or  
17 universities, or any agency thereof, or any agencies of the state,  
18 which are supported in whole or in part by this state, may purchase  
19 the goods or services produced by the prison industries of the  
20 Department of Corrections through their properly authorized  
21 purchasing authority, or they may place a direct order without  
22 competitive bid, with the prison industries of the Department of  
23 Corrections.

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1 E. Not-for-profit corporations or charitable agencies chartered  
2 in Oklahoma or other states may purchase such goods and services.  
3 Units of the federal government and units of government in other  
4 states may also purchase such goods and services. All entities  
5 which contract with the state, its political units, its agencies,  
6 its public institutions, not-for-profit corporations or charitable  
7 agencies chartered in Oklahoma may purchase goods or services from  
8 the Department of Corrections which are used in the performance of  
9 such contracts. Any church located in the State of Oklahoma may  
10 also purchase goods and services produced by the prison industries  
11 of the Department of Corrections. Any community action agency or  
12 council of governments within this state may purchase housing  
13 components produced by the prison industries of the Department of  
14 Corrections. Nothing shall prohibit the Department from bidding on  
15 portions of a state contract which are subcontracted by the primary  
16 contractor.

17 F. Others are prohibited from purchasing such goods and  
18 services, with the exception that all surplus agricultural products  
19 may be sold on the open market or bartered and exchanged for other  
20 food, feed or seed products of comparable value. The Department of  
21 Corrections shall keep complete and accurate records of any such  
22 barter or exchanges in such form and manner as the Department of  
23 Central Services may prescribe. A copy of such records shall be  
24 filed with the Department of Central Services no later than March 1

1 of each year for all barters or exchanges occurring in the previous  
2 calendar year. When practicable, the Department of Corrections may  
3 accept and process agricultural products from the public and may  
4 export the resulting products to foreign markets.

5 G. Products manufactured by the Department of Corrections shall  
6 be of styles, patterns, designs and quantities specified by the  
7 Department of Corrections except where the same have been or may be  
8 specified by the Department of Central Services. Products shall be  
9 provided at a fair market price for comparable quality.

10 H. State agencies shall make maximum utilization of such  
11 products and no similar products shall be purchased by state  
12 agencies from any other source than the Department of Corrections  
13 except as provided in subsection C of this section, unless the  
14 Department of Corrections certifies to the State Purchasing Director  
15 that it is not able to provide products, and no claim therefor shall  
16 be paid without such certification.

17 I. Exceptions from the mandatory provisions hereof may be made  
18 in any case where, in the opinion of the Department of Central  
19 Services, the article or product does not meet the reasonable  
20 requirements of or for such offices, departments, institutions or  
21 agencies, or in any case where the requisitions made cannot be  
22 reasonably complied with. No such offices, departments,  
23 institutions or agencies, shall be allowed to evade the intent and  
24 meaning of this section by slight variations from standards adopted

1 by the Department of Central Services, when the articles, services  
2 or products produced or manufactured by the Department of  
3 Corrections, in accordance with established standards, are  
4 reasonably adapted to the actual needs of such offices, departments,  
5 institutions or agencies.

6 J. In the event of disagreement between the Department of  
7 Corrections and the State Purchasing Director on fairness of price,  
8 ability to comply to specifications, reasonableness of  
9 specifications and timeliness of delivery of products the matter  
10 will be resolved by the Central Purchasing Director.

11 K. The Department of Central Services shall cooperate with the  
12 Department of Corrections in seeking to promote for use in state  
13 agencies and by all other eligible customers, the products  
14 manufactured and services provided by the prison industries.

15 L. The Department of Corrections shall prepare catalogs  
16 containing the description of all goods and services provided, with  
17 the pricing of each item. Copies of such catalog shall be sent by  
18 the Department of Corrections to all offices, departments,  
19 institutions and agencies of this state, and shall be available for  
20 distribution to all other eligible customers.

21 SECTION 2. This act shall become effective November 1, 2012.

22 COMMITTEE REPORT BY: COMMITTEE ON AGRICULTURE & RURAL DEVELOPMENT,  
23 dated 2-20-12 - DO PASS, As Coauthored.

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