

1 ENGROSSED HOUSE  
2 BILL NO. 3161

By: Biggs and Sherrer of the  
House

3 and

4 Smalley of the Senate  
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8 An Act relating to prisons and reformatories;  
9 amending 57 O.S. 2011, Section 549.1, as last amended  
10 by Section 40, Chapter 15, O.S.L. 2013 (57 O.S. Supp.  
11 2015, Section 549.1), which relates to products and  
12 services produced by prison industries; requiring the  
13 Department of Corrections to work with the State  
14 Board of Career and Technology Education for certain  
15 purpose; deleting certain state agency purchasing  
16 requirement; updating language; deleting prohibition  
that bars products and services from being purchased  
by the general public; deleting certain recordkeeping  
requirement; authorizing persons and nonpublic  
entities to purchase products or services until a  
certain date; deleting internal statutory reference;  
requiring certain revenues to be used exclusively for  
prison industries and agricultural programs; and  
providing an effective date.

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

20 SECTION 1. AMENDATORY 57 O.S. 2011, Section 549.1, as  
21 last amended by Section 40, Chapter 15, O.S.L. 2013 (57 O.S. Supp.  
22 2015, Section 549.1), is amended to read as follows:

23 Section 549.1 A. The Department of Corrections is authorized  
24 to purchase in the manner prescribed by law, facilities, equipment,

1 raw materials and supplies, and to engage the supervisory personnel  
2 necessary to establish and maintain for this state at the penal  
3 institutions, now or hereafter under the control of the State Board  
4 of Corrections, industries and agricultural programs for the  
5 utilization of services of prisoners in the manufacture or  
6 production of the articles or products as may be needed for the  
7 construction, operation, maintenance or use of any office,  
8 department, institution or agency supported in whole or in part by  
9 this state and the political subdivisions thereof. The Department  
10 of Corrections shall work cooperatively with the State Board of  
11 Career and Technology Education to provide education and vocational-  
12 technical training for prisoners who are candidates for employment  
13 in industries and agricultural programs of the Department of  
14 Corrections. Upon the request of the Oklahoma Historical Society or  
15 the Oklahoma Tourism and Recreation Department, the Department of  
16 Corrections shall provide labor for and shall produce or manufacture  
17 articles, products or materials needed for the repair, construction  
18 and maintenance of historical sites and state parks including, but  
19 not limited to, the production of materials and products needed for  
20 the reconstruction of historic forts in the state.

21 B. All articles and services provided by the Department of  
22 Corrections in the state correctional institutions, and not required  
23 for use therein, shall be purchased as required by all offices,  
24 departments, institutions, agencies, counties, schools, colleges,

1 universities, or political subdivisions or any agency thereof of  
2 this state which are supported in whole or in part by this state, if  
3 such article or service is the lowest and best bid, and no such  
4 article or product may be purchased by any such office, department,  
5 institution, agency, county, school, college, university, or  
6 political subdivisions or agency thereof from any other source  
7 ~~unless excepted from the provisions as hereinafter provided.~~

8 Purchases made by the above-described state agencies may be made by  
9 submitting the proper requisition through the Office of Management  
10 and Enterprise Services or by direct order to the prison industries  
11 program of the Department of Corrections.

12 C. ~~If a requisition is received by the Office of Management and~~  
13 ~~Enterprise Services or a direct order is received by the Prison~~  
14 ~~Industries Program of the Department of Corrections from a state~~  
15 ~~agency for any product or service provided by the Department of~~  
16 ~~Corrections and such product or service is also available from a~~  
17 ~~severely handicapped person or a qualified nonprofit agency for the~~  
18 ~~severely handicapped as provided in Section 3001 et seq. of Title 74~~  
19 ~~of the Oklahoma Statutes at a comparable price, then the product or~~  
20 ~~service shall be purchased from such severely handicapped person or~~  
21 ~~qualified nonprofit agency for the severely handicapped. If the~~  
22 ~~product or service is not available within the time period required~~  
23 ~~by the purchasing state agency, then such product or service shall~~

1 ~~be purchased from the Department of Corrections under the provisions~~  
2 ~~of this section.~~

3 ~~D.~~ All offices, departments, institutions, agencies, counties,  
4 cities, districts or political subdivisions, schools, colleges, or  
5 universities, or any agency thereof, or any agencies of the state,  
6 which are supported in whole or in part by this state, may purchase  
7 the ~~goods~~ products or services produced by the prison industries of  
8 the Department of Corrections through their properly authorized  
9 purchasing authority, or they may place a direct order without  
10 competitive bid, with the prison industries of the Department of  
11 Corrections.

12 ~~E.~~ D. Not-for-profit corporations or charitable agencies  
13 chartered in Oklahoma or other states may purchase such ~~goods~~  
14 products and services. Units of the federal government and units of  
15 government in other states may also purchase such ~~goods~~ products and  
16 services. All entities which contract with the state, its political  
17 units, its agencies, its public institutions, not-for-profit  
18 corporations or charitable agencies chartered in Oklahoma may  
19 purchase ~~goods~~ products or services from the Department of  
20 Corrections which are used in the performance of such contracts.  
21 Any church located in the State of Oklahoma may also purchase ~~goods~~  
22 products and services produced by the prison industries of the  
23 Department of Corrections. Any community action agency or council  
24 of governments within this state may purchase housing components

1 produced by the prison industries of the Department of Corrections.  
2 Nothing shall prohibit the Department from bidding on portions of a  
3 state contract which are subcontracted by the primary contractor.

4 ~~F. Others are prohibited from purchasing such goods and~~  
5 ~~services, with the exception that all surplus agricultural products~~  
6 ~~may be sold on the open market or bartered and exchanged for other~~  
7 ~~food, feed or seed products of comparable value. The Department of~~  
8 ~~Corrections shall keep complete and accurate records of any such~~  
9 ~~barters or exchanges in such form and manner as the Office of~~  
10 ~~Management and Enterprise Services may prescribe. A copy of such~~  
11 ~~records shall be filed with the Office of Management and Enterprise~~  
12 ~~Services no later than March 1 of each year for all barters or~~  
13 ~~exchanges occurring in the previous calendar year. When~~  
14 ~~practicable, the Department of Corrections may accept and process~~  
15 ~~agricultural products from the public and may export the resulting~~  
16 ~~products to foreign markets.~~

17 G. E. Until November 1, 2021, any person or nonpublic entity  
18 may purchase products or services produced by the prison industries  
19 of the Department of Corrections.

20 F. Products manufactured by the Department of Corrections shall  
21 be of styles, patterns, designs and quantities specified by the  
22 Department of Corrections except where the same have been or may be  
23 specified by the Office of Management and Enterprise Services.  
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1 Products shall be provided at a fair market price for comparable  
2 quality.

3 ~~H.~~ G. State agencies shall make maximum utilization of such  
4 products, and no similar products shall be purchased by state  
5 agencies from any other source than the Department of Corrections  
6 ~~except as provided in subsection C of this section,~~ unless the  
7 Department of Corrections certifies to the State Purchasing Director  
8 that it is not able to provide products, and no claim therefor shall  
9 be paid without such certification.

10 ~~I.~~ H. Exceptions from the mandatory provisions hereof may be  
11 made in any case where, in the opinion of the Office of Management  
12 and Enterprise Services, the article or product does not meet the  
13 reasonable requirements of or for such offices, departments,  
14 institutions or agencies, or in any case where the requisitions made  
15 cannot be reasonably complied with. No such offices, departments,  
16 institutions or agencies, shall be allowed to evade the intent and  
17 meaning of this section by slight variations from standards adopted  
18 by the Office of Management and Enterprise Services, when the  
19 articles, services or products produced or manufactured by the  
20 Department of Corrections, in accordance with established standards,  
21 are reasonably adapted to the actual needs of such offices,  
22 departments, institutions or agencies.

23 ~~J.~~ I. In the event of disagreement between the Department of  
24 Corrections and the State Purchasing Director on fairness of price,

1 ability to comply to specifications, reasonableness of  
2 specifications and timeliness of delivery of products the matter  
3 will be resolved by the Central Purchasing Director.

4 ~~K.~~ J. The Office of Management and Enterprise Services shall  
5 cooperate with the Department of Corrections in seeking to promote  
6 for use in state agencies and by all other eligible customers, the  
7 products manufactured and services provided by the prison  
8 industries.

9 ~~L.~~ K. The Department of Corrections shall prepare catalogs  
10 containing the description of all ~~goods~~ products and services  
11 provided, with the pricing of each item. Copies of such catalog  
12 shall be sent by the Department of Corrections to all offices,  
13 departments, institutions and agencies of this state, and shall be  
14 available for distribution to all other eligible customers.

15 L. All revenues derived from the sale of products or services  
16 produced by prison industries of the Department of Corrections shall  
17 be used exclusively for maintaining and expanding the operations of  
18 the industries and agricultural programs.

19 SECTION 2. This act shall become effective November 1, 2016.  
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1 Passed the House of Representatives the 10th day of March, 2016.

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4 Presiding Officer of the House  
of Representatives

5 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2016.

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8 Presiding Officer of the Senate