

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               2nd Session of the 57th Legislature (2020)

4   HOUSE BILL 2898

                              By: Humphrey of the House

5   and

6   **Boggs** of the Senate

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8  
9                               AS INTRODUCED

10           An Act relating to prisons and reformatories;  
11           amending 57 O.S. 2011, Sections 537 and 537.1, as  
12           amended by Section 250, Chapter 304, O.S.L. 2012 (57  
13           O.S. Supp. 2019, Section 537.1), which relate to  
14           canteen services; abolishing the Canteen System  
15           Board; deleting Board appointment requirements;  
16           placing canteen system operations under the control  
17           of the Chief Financial Officer of the Department of  
18           Corrections; and providing an effective date.

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

          SECTION 1.        AMENDATORY        57 O.S. 2011, Section 537, is  
amended to read as follows:

          Section 537.   A.   ~~There shall be established a Canteen System~~  
~~Board of Directors for all canteen system services operated within~~  
~~the Department of Corrections. The members of the Canteen System~~  
~~Board shall be appointed by the Director of the Department of~~  
~~Corrections.~~ All canteen system operations shall be under the

1 control of the ~~Canteen System Board~~ Chief Financial Officer of the  
2 Department of Corrections and shall operate pursuant to written  
3 guidelines established by the ~~Board~~ Chief Financial Officer. The  
4 overall canteen operation composed of all correctional facility  
5 canteen operations, inmate telephone systems and inmate electronic  
6 mail systems shall be collectively called the Canteen System and  
7 such system shall be required to be self-supporting from sales  
8 receipts.

9 B. Each correctional facility may have a canteen system  
10 operation. Each facility canteen system when established shall  
11 require the warden of such facility or a designee to oversee the  
12 day-to-day canteen system operations according to the guidelines set  
13 by the ~~Canteen System Board~~ Chief Financial Officer. The Chief  
14 Financial Officer of the Department shall act as custodian of all  
15 canteen system funds and be responsible for all expenditures from  
16 the canteen system accounts. The Chief Financial Officer shall make  
17 daily deposits of all sales receipts in the canteen system accounts.  
18 Canteen system profits generated by items or services for resale  
19 shall be identified monthly by the Chief Financial Officer and  
20 transferred periodically from the canteen system account to the  
21 Department of Corrections Inmate and Employee Welfare and Canteen  
22 System Support Revolving Fund. All disbursements made from the  
23 canteen system account shall be by voucher approved by the Chief  
24 Financial Officer and shall be payable through the Office of the

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

14 C. Inmates may work in a correctional facility canteen and  
15 shall receive reimbursement for such work through the institution  
16 incentive pay program.

17 D. Any audit of canteen system operations and accounts  
18 conducted by the State Auditor and Inspector shall be provided to  
19 the warden of the concerned institution.

20 E. Merchandise and services to be purchased for resale or  
21 distribution through the canteen system, inmate telephone equipment  
22 or services, and inmate electronic mail equipment and services shall  
23 be purchased by voucher drawn against canteen system accounts and  
24 all such purchases of goods and services shall be exempted from the

1 provisions of The Oklahoma Central Purchasing Act. All revenues  
2 from canteen operations, inmate telephone system services and inmate  
3 electronic mail system operations shall be used exclusively for the  
4 benefit of the inmates of the various institutions and personnel of  
5 the Department of Corrections ~~as determined by the Canteen System~~  
6 ~~Board of Directors.~~

7 SECTION 2. AMENDATORY 57 O.S. 2011, Section 537.1, as  
8 amended by Section 250, Chapter 304, O.S.L. 2012 (57 O.S. Supp.  
9 2019, Section 537.1), is amended to read as follows:

10 Section 537.1 A. There is hereby created in the State Treasury  
11 a revolving fund for the Department of Corrections to be designated  
12 the "Department of Corrections Inmate and Employee Welfare and  
13 Canteen System Support Revolving Fund". The fund shall be a  
14 continuing fund, not subject to fiscal year limitations, and shall  
15 consist of all profits generated from the canteen system, any inmate  
16 telephone system and any inmate electronic mail system. All monies  
17 accruing to the credit of the fund are hereby appropriated and may  
18 be budgeted and expended by the Department of Corrections ~~and the~~  
19 ~~Canteen System Board of Directors~~ for the benefit of inmates of the  
20 various institutions and personnel of the Department and to support  
21 canteen system operations according to written Department policy,  
22 welfare budget limitations, and upon approval of the ~~Canteen System~~  
23 ~~Board~~ Chief Financial Officer of the Department. Expenditures from  
24 the fund shall be made upon warrants issued by the State Treasurer

1 against claims filed as prescribed by law with the Director of the  
2 Office of Management and Enterprise Services for approval and  
3 payment. All expenditures from this fund shall comply with the  
4 applicable provisions of The Oklahoma Central Purchasing Act, unless  
5 specifically exempted by subsection E of Section 537 of this title.

6 B. All cash balances credited to the various Department canteen  
7 fund accounts that were previously budgeted and approved for inmate  
8 and staff welfare expenditures prior to November 1, 2008, but are  
9 not encumbered or expended as of June 30, 2008, shall be transferred  
10 to the Department of Corrections Inmate and Employee Welfare and  
11 Canteen System Support Revolving Fund upon implementation of the  
12 Department of Corrections consolidated canteen, trust and  
13 restitution accounting system. Effective November 1, 2008, profits  
14 generated from the canteen system, any inmate telephone systems, and  
15 any inmate electronic mail systems shall be identified and deposited  
16 in the Department of Corrections Inmate and Employee Welfare and  
17 Canteen System Support Revolving Fund.

18 SECTION 3. This act shall become effective November 1, 2020.  
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20 COMMITTEE REPORT BY: COMMITTEE ON PUBLIC SAFETY, dated 02/17/2020 -  
21 DO PASS, As Coauthored.  
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