

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 1170\*

Short Title: Agency Printing.

(Public)

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Sponsors: Representative Morgan.

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Referred to: Business and Labor.

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May 15, 1996

A BILL TO BE ENTITLED

AN ACT TO ENFORCE ECONOMY IN STATE PRINTING COSTS AND TO  
PROMOTE OPPORTUNITIES FOR INCREASED PRIVATIZATION OF  
PRINTING.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-169 reads as rewritten:

**"§ 143-169. Limitations on publications.**

(a) Repealed by Session Laws 1983, c. 866, s. 2.

(b) Every publication published at State expense which makes use of ~~the multicolor~~  
~~process-process color or multicolor printing~~ is prohibited except:

(1) In cases of scientific illustrations when the illustrations would be  
unintelligible if published in black and white;

(2) When the publication is a project of the Department of Environment,  
Health, and Natural Resources, or is a part of the magazine 'Wildlife in  
North Carolina,' published under the auspices of the Wildlife Resources  
Commission; or

(3) When the express approval of the Department of Administration is  
obtained.

(c) Every publication published at State expense shall be prepared in accordance  
with the recycling and reuse requirements set forth in G.S. 130A-309.14(j).

1 (d) If an agency fails to comply with this subsection, the Director of the Budget  
2 shall certify the agency's printing budget for the next fiscal year at ten percent (10%) less  
3 than the amount appropriated for the fiscal year in which the violation occurs."

4 Sec. 2. G.S. 130A-309.14(j) reads as rewritten:

5 "(j) The Department of Administration shall develop a model report for reports  
6 published by any State agency, the General Assembly, the General Court of Justice, or  
7 The University of North Carolina. This model report shall satisfy the following:

8 (1) The paper in the report shall, to the extent economically practicable, be  
9 made from recycled paper and shall be capable of being recycled.

10 (2) The other constituent elements of the report shall, to the extent  
11 economically practicable, be made from recycled products and shall be  
12 capable of being recycled or reused.

13 (3) The report shall, to the extent practicable, be printed on both sides of the  
14 paper.

15 If an agency fails to comply with this subsection, the Director of the Budget shall  
16 certify the agency's printing budget for the next fiscal year at ten percent (10%) less than  
17 the amount appropriated for the fiscal year in which the violation occurs."

18 Sec. 3. The Division of Purchase and Contract of the Department of  
19 Administration shall perform a performance audit of the actual cost of all in-house  
20 printing operations conducted by State agencies, excluding The University of North  
21 Carolina system, to determine the cost-effectiveness of their printing operations in  
22 comparison to Correction Enterprises and commercial operations. The Division shall file  
23 the report with the Joint Legislative Commission on Governmental Operations no later  
24 than November 30, 1996.

25 Sec. 4. G.S. 143-170.1(a3) reads as rewritten:

26 "(a3) If an agency fails to comply with this section, ~~then the agency's printing budget~~  
27 ~~for the fiscal year following the violation shall be reduced by ten percent (10%).~~ the Director of  
28 the Budget shall certify the agency's printing budget for the next fiscal year at ten percent  
29 (10%) less than the amount appropriated for the fiscal year in which the violation  
30 occurs."

31 Sec. 5. G.S. 148-70 reads as rewritten:

32 "**§ 148-70. Management and care of inmates; prison industries; disposition of**  
33 **products of inmate labor.**

34 The State Department of Correction in all contracts for labor shall provide for feeding  
35 and clothing the inmates and shall maintain, control and guard the quarters in which the  
36 inmates live during the time of the contracts; and the Department shall provide for the  
37 guarding and working of such inmates under its sole supervision and control. The  
38 Department may make such contracts for the hire of the inmates confined in the State  
39 prison as may in its discretion be proper. In accordance with the provisions of Article 11  
40 of Chapter 66 of the General Statutes, the Department may use the labor of inmates  
41 confined in the State prison in work on farms and manufacturing, either within or without  
42 the State prison. The Department may dispose of the products of the labor of the inmates,  
43 either in farming or in manufacturing or in other industry at the State Prison System to

1 any public institution owned, managed, or controlled by the State, or to any county, city  
2 or town in this State, or to any federal, state, or local public institution in any other state  
3 of the union. Provided however, no manufacturing or other industry shall be established,  
4 supervised or controlled by the Department unless specifically approved by the Governor  
5 pursuant to G.S. 66-58(f).

6 All departments, institutions and agencies of this State which are supported in whole  
7 or in part by the State shall give preference to Department of Correction products in  
8 purchasing articles, products, and commodities which these departments, institutions, and  
9 agencies require and which are manufactured or produced within the State prison system  
10 and offered for sale to them by the Department of Correction, and no article or  
11 commodity available from the Department of Correction shall be purchased by any such  
12 State department, institution, or agency from any other source unless the prison product  
13 does not meet the standard specifications and the reasonable requirements of the  
14 department, institution, or agency as determined by the Secretary of Administration, or  
15 the requisition cannot be complied with because of an insufficient supply of the articles  
16 or commodities required. The provisions of Article 3 of Chapter 143 of the General  
17 Statutes respecting contracting for the purchase of all supplies, materials and equipment  
18 required by the State government or any of its departments, institutions or agencies under  
19 competitive bidding shall not apply to articles or commodities available from the  
20 Department of Correction, but the Department of Correction shall be required to keep the  
21 price of such articles or commodities substantially in accord with that paid by  
22 governmental agencies for similar articles and commodities of equivalent quality as  
23 determined by the Secretary by reference to competitive bidding as required by law. The  
24 Secretary, or an agency acting within its delegation from the Secretary under Article 3 of  
25 Chapter 143 of the General Statutes, may obtain quotes from commercial vendors to  
26 determine whether the price of the Department of Correction is substantially in accord  
27 with that paid for similar articles and commodities.

28 In addition, the Secretary of Correction may lease one or more buildings or portions  
29 of buildings on the grounds of any State correctional institution or location under  
30 Department of Correction control, together with the real estate needed for reasonable  
31 access to such buildings, for a term not to exceed 20 years, to a private corporation for  
32 the purpose of establishing and operating a factory for the manufacture and processing of  
33 products or any other commercial enterprise deemed by the Secretary to provide  
34 employment opportunities for inmates in meaningful jobs for wages. A lease entered into  
35 pursuant to this section may include provisions for the remodeling or construction of  
36 buildings. Each lease shall be approved by the Governor and Council of State and may be  
37 entered into only after consultation with the Joint Legislative Commission on  
38 Governmental Operations. Each lease negotiated and concluded pursuant to this section  
39 shall include and shall be valid only so long as the lessee adheres to the following  
40 provisions:

- 41 (1) All persons employed in the factory or other commercial enterprise  
42 operated in or on the leased property, except the lessee's supervisory

1                   employee and necessary training personnel, shall be inmates who are  
2                   approved for such employment by the Secretary or his designee.

3           (2)       The factory or other commercial enterprise operated in or on the leased  
4                   property shall observe at all times such practices and procedures  
5                   regarding security as the lease may specify or as the Secretary may  
6                   stipulate.

7           (3)       The factory or other commercial enterprise operated on the leased  
8                   property shall be deemed a private enterprise and subject to all the laws  
9                   and lawfully adopted rules of this State governing the operation of  
10                  similar business enterprises elsewhere, except that the provisions of  
11                  G.S. 66-58 shall not apply to the industries or products of such private  
12                  enterprise.

13           The Secretary shall adopt rules for the administration and management of personnel  
14           policies for prisoner workers including wages, working hours, and conditions of  
15           employment.

16           Except as prohibited by applicable provisions of the United States Code, inmates of  
17           correctional institutions of this State may be employed in the manufacture and processing  
18           of products and services for introduction into interstate commerce, so long as they are  
19           paid no less than the prevailing minimum wage."

20           Sec. 6. This act becomes effective July 1, 1996.