

GENERAL ASSEMBLY OF NORTH CAROLINA  
1983 SESSION

CHAPTER 409  
HOUSE BILL 1036

AN ACT TO PROHIBIT THE UNAUTHORIZED USE OF PUBLIC PURCHASE OR CONTRACT PROCEDURES FOR PRIVATE BENEFIT.

The General Assembly of North Carolina enacts:

Section 1. Article 3 of Chapter 143 of the General Statutes is amended to add a new section to read as follows:

**"§ 143-58.1. Unauthorized use of public purchase or contract procedures for private benefit.** – (a) It shall be unlawful for any person, by the use of the powers, policies or procedures described in this Article or established hereunder, to purchase, attempt to purchase, procure or attempt to procure any property or services for private use or benefit.

(b) This prohibition shall not apply if:

- (1) The department, institution or agency through which the property or services are procured had theretofore established policies and procedures permitting such purchases or procurement by a class or classes of persons in order to provide for the mutual benefit of such persons and the department, institution or agency involved, or the public benefit or convenience; and
- (2) Such policies and procedures, including any reimbursement policies, are complied with by the person permitted thereunder to use the purchasing or procurement procedures described in this Article or established thereunder.

(c) A violation of this section is a misdemeanor punishable by fine, imprisonment up to two years, or both, in the discretion of the court."

Sec. 2. This act shall become effective October 1, 1983.

In the General Assembly read three times and ratified, this the 31st day of May, 1983.