

GENERAL ASSEMBLY OF NORTH CAROLINA

EXTRA SESSION 1994

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SENATE BILL 114

Short Title: Prison Profits to Victims Fund.

(Public)

Sponsors: Senators Lee; Plexico, Hoyle, Speed, Forrester, Martin of Pitt, Warren, Conder, Blackmon, Kincaid, Sands, and Parnell.

Referred to: Courts.

February 15, 1994

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE THAT A PORTION OF THE NET PROFITS FROM PRISON
2 ENTERPRISES AND PRISON CANTEENS SHALL BE TRANSFERRED TO
3 THE CRIME VICTIMS COMPENSATION FUND.
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5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 148-2 reads as rewritten:

7 "**§ 148-2. Prison moneys and earnings.**

8 (a) Persons authorized to collect or receive the moneys and earnings of the State
9 prison system shall enter into bonds payable to the State of North Carolina in penal
10 sums and with security approved by the Department of Correction, conditioned upon the
11 faithful performance by these persons of their duties in collecting, receiving, and paying
12 over prison moneys and earnings to the State Treasurer. Only corporate security with
13 sureties licensed to do business in North Carolina shall be accepted.

14 (b) All revenues from the sale of articles and commodities manufactured or
15 produced by prison enterprises shall be deposited with the State Treasurer to be kept and
16 maintained as a special revolving working-capital fund designated 'Prison Enterprises
17 Fund.' ~~The Revenue in the Prison Enterprises Fund shall be used for applied first to~~
18 capital and operating expenditures, including salaries and wages of supervisory
19 personnel, necessary to develop and operate prison industrial and forestry enterprises to
20 provide diversified employment for prisoners. ~~When, in the opinion of the Governor, the~~
21 ~~Prison Enterprises Fund has reached a sum in excess of requirements for these purposes, the~~
22 ~~excess~~ Of the remaining revenue in the Fund, fifty percent (50%) shall be credited to the
23 Crime Victims Compensation Fund, established in G.S. 15B-23, and, at the direction of

1 the Governor, fifty percent (50%) shall be used for other purposes within the State
2 prison system or shall be transferred to the ~~general fund as the Governor may direct.~~
3 General Fund. The provisions of this section shall not apply to revenues generated from
4 private prison enterprises conducted pursuant to G.S. 148-70 except for lease and rental
5 income.

6 (c) Notwithstanding G.S. 147-77, Article 6A of Chapter 147 of the General
7 Statutes, or any other provision of law, the Department of Correction may deposit
8 revenue from prison canteens in local banks. The profits from prison canteens shall be
9 deposited with the State Treasurer on a monthly basis. The State Treasurer shall credit
10 fifty percent (50%) of the profits to an account designated as the Inmate Welfare Fund
11 and shall credit the remaining fifty percent (50%) of the profits to the Crime Victims
12 Compensation Fund established in G.S 15B-23.

13 (d) The total amount transferred under this section in a fiscal year to the Crime
14 Victims Compensation Fund shall not exceed ten million dollars (\$10,000,000). If a
15 transfer otherwise required by this section would exceed this limit, the amount that
16 would have been transferred shall be used in the same manner as the portion of the
17 prison enterprises revenues or prison canteen profits, as appropriate, that is not required
18 to be transferred to the Crime Victims Compensation Fund."

19 Sec. 2. G.S 15B-23 reads as rewritten:

20 **"§ 15B-23. Crime Victims Compensation Fund.**

21 There is established the Crime Victims Compensation Fund. Revenue in the Crime
22 Victims Compensation Fund includes amounts credited to the Fund under G.S. 148-2
23 and other funds. Any surplus in the Crime Victims Compensation Fund shall not revert.
24 The Crime Victims Compensation Fund shall be kept on deposit with the State
25 Treasurer, as in the case of other State funds, and may be invested by the State
26 Treasurer in any lawful security for the investment of State money. The Crime Victims
27 Compensation Fund is subject to the oversight of the State Auditor pursuant to Article
28 5A of Chapter 147 of the General Statutes."

29 Sec. 3. This act becomes effective July 1, 1994, and applies to amounts
30 credited to the Prison Enterprises Fund and canteen profits earned on or after that date.