



State of North Carolina

Roy Cooper
Attorney General

June 6, 2003

North Carolina Senate President *Pro Tempore* Marc Basnight
North Carolina House of Representatives Speaker James Black
North Carolina House of Representatives Speaker Richard T. Morgan
Co-Chairs, Joint Legislative Commission on Governmental Affairs

Senator Scott Thomas
Representative R. Phillip Haire
Representative Joe L. Kiser
Co-Chairs, Appropriations Subcommittees on Justice and Public Safety

North Carolina General Assembly
Raleigh, North Carolina 27601-1096

RE: N.C.G.S. § 114-2.5; Report of Court Orders in Favor of the State
State of North Carolina, ex rel, Roy Cooper, Attorney General, et al. v.
Darin M. McClure et al., Wake County Superior Case No. 03 CVS 5167

Gentlemen:

N.C.G.S. § 114-2.5 requires that not less than thirty (30) days prior to disbursement of funds received by the State or State agency pursuant to a settlement agreement or final orders of judgment of the case where the amount of funds exceed \$75,000, the Attorney General shall report to the Joint Committee on Governmental Operations and the Chairs of the Appropriations Subcommittees on Justice and Public Safety on the payments received by the State. Pursuant to that statute, I am writing to report as follows:

On April 28, 2003, the State of North Carolina, on relation of Roy Cooper, Attorney General, North Carolina Department of Justice, and the North Carolina Department of Environment and Natural Resources initiated a civil action against eight environmental consulting firms, ten employees of the firms, and an environmental trade association, alleging that they colluded to fix prices, rig bids, and solicit price fixing at taxpayers' expense regarding state contract work to clean sites contaminated by leaking underground petroleum storage tanks.




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On May 5, 2003, the North Carolina Department of Justice and DENR entered into court-approved settlements with six of the firms and six of the firms' employees. Pursuant to the settlements, defendants collectively paid \$330,000.00 in civil penalties to the NC Department of Justice and \$120,000.00 in damages to DENR. The funds recovered as civil penalties will be remitted to the Civil Penalty and Forfeiture Fund pursuant to N.C.G.S. § 115C-457.2.

We will be happy to respond to any questions you may have regarding this report. Please feel free to contact me at (919) 716-0042. With warm regards, I am

Very truly yours,


Julia White
Chief of Staff

JW/dlm

cc: Nels Roseland, Chief Fiscal Officer, NC DOJ
Jim Johnson, Director, Fiscal Research Division, NCGA
Chloe Gossage, Fiscal Research Division, NCGA
William G. Ross, Jr., Secretary, NC Department of Environment and Natural Resources