

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

S

1

SENATE BILL 1077

Short Title: Prison Bond Funds.

(Public)

Sponsors: Senators Parnell, Odom; Jordan, and Albertson.

Referred to: Appropriations.

May 10, 1993

A BILL TO BE ENTITLED

1 AN ACT TO APPROPRIATE THE BALANCE OF THE FUNDS FROM THE
2 PROCEEDS OF THE TWO HUNDRED MILLION DOLLARS IN GENERAL
3 OBLIGATION BONDS AUTHORIZED FOR THE CONSTRUCTION OF STATE
4 PRISON AND YOUTH SERVICES FACILITIES.
5

6 The General Assembly of North Carolina enacts:

7 Section 1. **General Purposes.** The appropriations hereby made by the 1993
8 General Assembly for capital improvements from the proceeds of the two hundred
9 million dollar (\$200,000,000) State of North Carolina Prison and Youth Services
10 Facilities Bonds authorized by Chapter 935 of the 1989 Session Laws (the "Bond Act")
11 and approved by the qualified voters of the State who voted thereon on November 6,
12 1990, as said bonds may be issued from time to time (the "bonds"), are for the purposes
13 of financing the cost of eighty-seven million five hundred thousand dollars
14 (\$87,500,000) of State prison facilities and youth services facilities, including, without
15 limitation, the cost of constructing capital facilities, renovating or reconstructing
16 existing facilities, acquiring equipment related thereto, purchasing land, paying costs of
17 issuance of bonds and notes, and paying contractual services necessary for the partial
18 implementation of the purposes of the Bond Act, all as defined in and authorized by the
19 Bond Act and as more particularly described in this act.

20 Sec. 2. **Appropriation Procedures.** The appropriations hereby made by the
21 1993 General Assembly for the purposes under the Bond Act shall be disbursed for the
22 particular projects authorized by this act. Expenditure of funds shall not be made by
23 any State department, institution, or agency, until an allotment has been approved by the
24 Governor as Director of the Budget. The allotment shall be approved only after full

1 compliance with the Executive Budget Act, Article 1 of Chapter 143 of the General
2 Statutes.

3 Where direct capital improvement appropriations include furnishing fixed and
4 movable equipment for any project, funds for equipment shall not be subject to transfer
5 into construction accounts except as authorized by the Director of the Budget. The
6 expenditure of funds for fixed and movable equipment and furnishings shall be
7 reviewed and approved by the Director of the Budget prior to commitment of funds.

8 Capital improvement projects authorized by this act shall be completed,
9 including fixed and movable equipment and furnishings, within the limits of the
10 amounts of the appropriations provided, except as otherwise provided in this act.

11 **Sec. 3. Descriptions, Custodial Levels, Beds, Projected Allocations.**
12 Appropriations are made from bond proceeds for use by the Department of Correction
13 to provide for capital improvement projects as herein provided.

14 The proceeds of bonds and notes shall be expended for paying the cost, as
15 defined in the Bond Act, of prison facilities, to the extent and as provided in this act and
16 subject to change as herein provided, for the following projects:

<u>Project Description</u>	<u>Custodial Level</u>	<u>Beds</u>
21 NEW FACILITIES		
22 Eastern Processing Center	Medium	544
23 Hyde Correctional Center	Medium	416
24 East Work Facility	Minimum	500
25 West Work Facility	Minimum	500
26 Boot Camp - West	Minimum	90
27		
28 FACILITY EXPANSIONS		
29 Marion Close 192		
30 Lumberton Medium 104		
31 NCCIW Medium 50		
32 Harnett Medium 104		
33 Morrison Medium 208		
34 Polk Medium 0		
35 Franklin Medium 104		
36 Johnston Medium 104		
37 Rockingham	Medium	104
38 Alamance Minimum 100		
39 Bladen Minimum 100		
40 Cherry Minimum 50		
41 Fountain Minimum 100		
42 Henderson Minimum 50		
43 Martin Minimum 100		
44 Pasquotank	Minimum	200

1	Richmond	Minimum	100	
2	Robeson	Minimum	50	
3	Rowan	Minimum	50	
4	Umstead	Minimum	50	
5	Wake	Minimum	100	
6	Warren	Minimum	50	
7	Watauga	Minimum	50	
8	Wilkes	Minimum	<u>50</u>	
9				4,220
10	Subtotal	\$85,330,471		
11				
12	Contingencies			<u>2,169,529</u>
13				
14	TOTAL			\$87,500,000

15
 16 Sec. 4. **Increases in Projected Allocations.** Projected allocations set forth
 17 above may be increased to reflect the availability of other funds, including, without
 18 limitation, contingency funds, income earned on the investment of bond and note
 19 proceeds, and the proceeds of any grants.

20 Sec. 5. **Contingency Funds.** The amount allocated for contingencies set
 21 forth above shall be placed by the State Treasurer in a special account in the State
 22 Prison and Youth Services Facilities Bond Fund to be designated the "State Prison and
 23 Youth Services Facilities Contingency Account". The funds in the State Prison and
 24 Youth Services Facilities Contingency Account shall be disbursed in accordance with
 25 the procedures herein established for disbursements from the State Prison and Youth
 26 Services Facilities Bond Fund. The funds in the State Prison and Youth Services
 27 Facilities Contingency Account shall be expended for paying the cost of projects,
 28 including, without limitation, the costs of issuance of bonds and notes, increased project
 29 costs resulting from construction costs exceeding projected costs, inflationary factors,
 30 and changes in projects and allocations.

31 Any balance in the State Prison and Youth Services Facilities Contingency
 32 Account may be used for particular prison construction or renovation projects as the
 33 Governor as Director of the Budget may direct.

34 Sec. 6. **Administration.** With respect to facilities authorized for the
 35 Department of Correction, the Office of State Construction of the Department of
 36 Administration may contract for and supervise all aspects of administration, technical
 37 assistance, design, construction, or demolition of prison facilities in order to implement
 38 the providing of prison facilities under the provisions of this act without being subject to
 39 the requirements of the following statutes and rules implementing those statutes: G.S.
 40 143-135.26(1), 143-128, 143-129, 143-131, 143-132, 143-134, 143-135.26, 113A-1
 41 through 113A-10, 113A-50 through 113A-66, 133-1.1(g), and 143-408.1. The Office of
 42 State Construction of the Department of Administration shall have a verifiable ten
 43 percent (10%) goal for participation by minority and women-owned businesses. All

1 contracts for the design, construction, or demolition of prison facilities shall include a
2 penalty for failure to complete the work by a specified date.

3 The Office of State Construction of the Department of Administration shall
4 consider alternative delivery systems that could expedite the delivery of prison facilities.
5 Such delivery systems as design-build, using modular or conventional building systems,
6 shall be considered. However, in order for such alternatives to be used, the Department
7 of Correction must approve the proposed design for operational programming and cost
8 of operations and maintenance.

9 The Office of State Construction of the Department of Administration shall
10 involve the Department of Correction in all aspects of the projects to the extent that
11 such involvement relates to the Department's program needs and to its responsibility for
12 the care of the prison population.

13 Sec. 7. **Changes.** To the extent that funds are not required to be expended
14 for the specific projects described in this act, appropriations authorized herein may be
15 used to complete project elements which could not be funded with the appropriations
16 made in Section 239 of Chapter 689 of the 1991 Session Laws. Funds may also be
17 used to construct, reconstruct, or renovate prison industrial and forestry enterprises,
18 facilities, as mentioned in G.S. 148-2, at prison facilities statewide, as replacement
19 projects, and to make necessary prison facility repairs and renovations but no such funds
20 may be used for operating expenditures. Prior to taking any action under this section,
21 the Governor may consult with the Advisory Budget Commission.

22 Sec. 8. **Quarterly Reports.** The Office of State Construction of the
23 Department of Administration shall provide quarterly reports to the Chair of the
24 Appropriations Committee and the Base Budget Committee in the Senate, the Chairs of
25 the Appropriations Committee in the House, the Joint Legislative Commission on
26 Governmental Operations, and the Fiscal Research Division as to any changes in
27 projects and allocations made under this act. The report shall include any changes in the
28 projects and allocations made pursuant to this act, information on which contractors
29 have been selected, what contracts have been entered into, the projected and actual
30 occupancy dates of facilities contracted for, the number of beds to be constructed on
31 each project, the location of each project, and the projected and actual cost of each
32 project.

33 The Department of Insurance and the Department of Correction shall report
34 quarterly to the Joint Legislative Commission on Governmental Operations on their
35 involvement in the prison construction program.

36 Sec. 9. **Unexpended Funds.** To the extent that funds remain unexpended,
37 they shall be subject to further reallocation or reappropriation by the General Assembly
38 for purposes permitted by the Bond Act.

39 Sec. 10. This act becomes effective July 1, 1993.