

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 812

State Personnel & State Government Committee Substitute Adopted 7/3/91

Short Title: State Buy Recycled Goods.

(Public)

Sponsors:

Referred to:

April 24, 1991

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH A STATE PROCUREMENT POLICY WHICH ENCOURAGES THE PURCHASE OF PRODUCTS MADE FROM RECYCLED MATERIALS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-49 reads as rewritten:

"§ 143-49. Powers and duties of Secretary.

The Secretary of Administration shall have power and authority, and it shall be his duty, subject to the provisions of this Article:

- (1) To canvass sources of supply, including sources of supply of products made from recycled materials, and to purchase or to contract for the purchase, lease and lease-purchase of all supplies, materials, equipment and other tangible personal property required by the State government, or any of its departments, institutions or agencies under competitive bidding or otherwise as hereinafter provided.
- (2) To establish and enforce specifications which shall apply to all supplies, materials and equipment to be purchased or leased for the use of the State government or any of its departments, institutions or agencies.
- (2a) To establish criteria for determining whether goods or supplies qualify as products made from recycled material, as defined in G.S. 143-58.2.
- (3) To purchase or to contract for, by sealed, competitive bidding or other suitable means, all contractual services and needs of the State

1 government, or any of its departments, institutions, or agencies; or to
2 authorize any department, institution or agency to purchase or contract
3 for such services.

4 When the award of any contract for contractual services
5 exceeding a cost of one hundred thousand dollars (\$100,000)
6 requires negotiation with prospective contractors, the Secretary
7 shall request and the Attorney General shall assign a
8 representative of the office of the Attorney General to assist in
9 negotiation for the award of the contract. It shall be the duty of
10 such representative to assist and advise in obtaining the most
11 favorable contract for the State, to evaluate all proposals
12 available from prospective contractors for that purpose, to
13 interpret proposed contract terms and to advise the Secretary or
14 his representatives of the liabilities of the State and validity of
15 the contract to be awarded. All contracts and drafts of such
16 contracts shall be prepared by the office of the Attorney
17 General and copies thereof shall be retained by such office for a
18 period of three years following the termination of such
19 contracts. The term 'contractual services' as used in this
20 subsection shall mean work performed by an independent
21 contractor requiring specialized knowledge, experience,
22 expertise or similar capabilities wherein the service rendered
23 does not consist primarily of acquisition by this State of
24 equipment or materials and the rental of equipment, materials
25 and supplies. The term 'negotiation' as used herein shall not be
26 deemed to refer to contracts entered into or to be entered into as
27 a result of a competitive bidding process.

- 28 (4) To have general supervision of all storerooms and stores operated by
29 the State government, or any of its departments, institutions or
30 agencies; to provide for transfer or exchange to or between all State
31 departments, institutions and agencies, or to sell all supplies, materials
32 and equipment which are surplus, obsolete or unused; and to have
33 supervision of inventories of all tangible personal property belonging
34 to the State government, or any of its departments, institutions or
35 agencies. All receipts from the transfer or sale of such surplus,
36 obsolete or unused equipment of State departments, institutions and
37 agencies which are supported by appropriations from the general fund,
38 except where such receipts have been anticipated for, or budgeted
39 against the cost of replacements, shall be placed by the Secretary in an
40 equipment reserve fund from which expenditures may be made only
41 with prior approval of the Director of the Budget. The duties imposed
42 by this subdivision shall not relieve any department, institution or
43 agency of the State government from accountability for equipment,
44 materials, supplies and tangible personal property under its control.

1 Prior to taking any action under this subdivision concerning
2 expenditures from the equipment reserve fund, the Secretary may
3 consult with the Advisory Budget Commission.

4 (5) To make provision for or to contract for all State printing, including all
5 printing, binding, paper ~~stock~~-stock, recycled paper stock, and supplies
6 or materials in connection with the same.

7 (6) To make available to nonprofit corporations operating charitable
8 hospitals, to local nonprofit community sheltered workshops or centers
9 that meet standards established by the Division of Vocational
10 Rehabilitation of the Department of Human Resources, to private
11 nonprofit agencies licensed or approved by the Department of Human
12 Resources as child placing agencies or residential child-care facilities,
13 and to counties, cities, towns, governmental entities and other
14 subdivisions of the State and public agencies thereof in the expenditure
15 of public funds, the services of the Department of Administration in
16 the purchase of materials, supplies and equipment under such rules,
17 regulations and procedures as the Secretary of Administration may
18 adopt. In adopting rules and regulations any or all provisions of this
19 Article may be made applicable to such purchases and contracts made
20 through the Department of Administration, and in addition the rules
21 and regulations shall contain a requirement that payment for all such
22 purchases be made in accordance with the terms of the contract. Prior
23 to adopting rules and regulations under this subdivision, the Secretary
24 of Administration may consult with the Advisory Budget
25 Commission."

26 Sec. 2. Article 3 of Chapter 143 of the General Statutes is amended by
27 adding the following new section:

28 **"§ 143-58.2. State policy; cooperation in promoting the purchase of products made**
29 **from recycled materials.**

30 (a) It is the policy of this State to encourage and promote the purchase of
31 products made from recycled materials. All State agencies, institutions, and political
32 subdivisions shall cooperate with the Department of Administration and all other State
33 agencies, institutions, and political subdivisions in efforts to encourage the purchase of
34 products made from recycled materials, and, where economically feasible, to require the
35 use of products made from recyclable material. When contracting for the purchase of
36 products for which criteria have been established pursuant to G.S. 143-49(2a), the
37 Secretary shall employ any procedures adopted under G.S. 143-53 to award contracts
38 for products made from recycled materials.

39 (b) To encourage the maximum purchase of materials made from recycled
40 materials, the Department of Administration, in consultation with The University of
41 North Carolina, the Department of Economic and Community Development, the
42 Department of Transportation, the Department of Environment, Health, and Natural
43 Resources shall, no later than July 1, 1992:

1 (1) Develop a plan to increase the State purchase of materials made from
2 recycled solid waste. No later than January 1, 1993, the Department of
3 Administration shall submit a report for the implementation of this
4 plan to the General Assembly; and

5 (2) With representatives of the recycling industry and environmental
6 organizations, establish a list of acceptable products which contain
7 recycled materials and publish this list at least twice each year for the
8 use of State agencies.

9 (c) As used in this section, 'recycled materials' means materials recovered or
10 diverted from the solid waste stream, but does not include those materials or by-
11 products generated from and commonly reused within an original manufacturing
12 process."

13 Sec. 3. Article 8 of Chapter 143 of the General Statutes is amended by
14 adding a new section to read:

15 "**§ 143-135.7. State policy; cooperation in promoting the purchase of products**
16 **made from recycled materials.**

17 It is the policy of this State to encourage and promote the purchase of products made
18 from recycled materials, as defined in G.S. 143-58.2. All State agencies, institutions,
19 and political subdivisions shall cooperate with the Department of Administration and all
20 other State agencies, institutions, and political subdivisions in efforts to encourage the
21 purchase of products made from recycled content and, to the extent economically
22 feasible, to require the use of supplies and material made from recycled materials when
23 purchasing goods and services."

24 Sec. 4. This act becomes effective October 1, 1991.