

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 1580

Short Title: Drug Tax Funds for Enforcement.

(Public)

Sponsors: Senator Shaw; and Carpenter.

Referred to: Appropriations.

June 6, 1990

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE FOR USE OF THE PROCEEDS OF THE CONTROLLED  
3 SUBSTANCE TAX FOR LAW ENFORCEMENT.

4 The General Assembly of North Carolina enacts:

5 Section 1. Article 2D of Chapter 105 of the General Statutes is amended by  
6 adding at the end a new section to read:

7 "**§ 105-113.113. Use of Proceeds.**

8 (a) The Secretary of Revenue shall distribute the net proceeds of the tax levied in  
9 this Article as provided in this section.

10 (b) In the case of proceeds collected as the result of an arrest, the Secretary shall  
11 distribute seventy-five percent (75%) of the net proceeds collected to the county in  
12 which the arrest was made, except that if the arrest was made by a law enforcement  
13 officer employed by a municipality, the Secretary shall distribute seventy-five percent  
14 (75%) of the net proceeds collected to the municipality that employs the officer.  
15 Counties and municipalities shall use funds received pursuant to this subsection only for  
16 law enforcement.

17 (c) The Secretary shall, on a quarterly basis, credit the remaining net proceeds  
18 collected to the Rural Law Enforcement Fund in the Department of Crime Control and  
19 Public Safety."

20 Sec. 2. The Department of Crime Control and Public Safety shall develop a  
21 plan to implement a revolving grant program to make matching grants on the basis of  
22 need to small town police forces and rural county law enforcement agencies to be used  
23 for local law enforcement programs. The grants would be made from the Rural Law  
24 Enforcement Fund beginning in the 1991-92 fiscal year. The Department of Crime

1 Control and Public Safety shall report its plan to the Joint Legislative Commission on  
2 Governmental Operations and the Fiscal Research Division on or before December 1,  
3 1990.

4           Sec. 3. There is created in the Department of Crime Control and Public  
5 Safety the Rural Law Enforcement Fund to provide matching grants to small town  
6 police forces and rural county law enforcement agencies beginning in the 1991-92 fiscal  
7 year. The State Treasurer shall invest its assets according to law, and the earnings shall  
8 remain in the Fund.

9           Sec. 4. Section 6 of Chapter 772 of the 1989 Session Laws is repealed. All  
10 funds in the State Controlled Substances Tax Fund shall be credited to the Rural Law  
11 Enforcement Fund created in this act.

12           Sec. 5. This act shall become effective July 1, 1990.