

event that these beds are needed. However, it has been stated by the Secretary of the Department of Correction that these contracts should not exceed two years, and thus, should not be continued beyond the 1995-97 biennium.

This legislation provides enabling language which would allow the Department of Correction to contract with for-profit or nonprofit firms to provide and operate confinement facilities to house state prisoners within the state. Contracts entered into under this authority must not exceed ten years and are subject to the approval of the Council of State and Department of Administration.

Since this is only authorizing legislation, there would be no additional fiscal impact on the Department of Correction. However, as contracts are signed with these for-profit or nonprofit firms, funds would need to be appropriated to the Department of Correction to compensate for the care and maintenance of these additional prisoners.

SOURCES OF DATA: Department of Correction

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION

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PREPARED BY: Charles E. Perusse

APPROVED BY: Tom Covington

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