

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**HOUSE BILL 298**

Short Title: State Contracts/Slavery Profits. (Public)

Sponsors: Representatives Womble, Jones (Primary Sponsors); Adams and Bell.

Referred to: Commerce, Small Business and Entrepreneurship, if favorable, Judiciary II.

February 22, 2007

A BILL TO BE ENTITLED  
AN ACT REQUIRING COMPANIES ENTERING INTO CONTRACTS WITH  
STATE DEPARTMENTS TO EXAMINE THEIR RECORDS FOR EVIDENCE  
OF PARTICIPATION IN OR PROFITING FROM SLAVERY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 3 of Chapter 143 of the General Statutes is amended by adding the following new section to read:

**"§ 143-59.5. Vendors search records for information on slavery participation or profit.**

(a) The following definitions apply in this section:

- (1) Enslaved person. – Any person who was wholly subject to the will of another and whose person and services were wholly under the control of another and who was in a state of enforced compulsory service to another during the slavery era.
- (2) Investment. – To make use of an enslaved person for future benefits or advantages.
- (3) Participation. – Having been a slaveholder during the slavery era.
- (4) Predecessor vendor. – An entity whose ownership, title, and interest, including all rights, benefits, duties, and liabilities were acquired in an uninterrupted chain of succession by the vendor.
- (5) Profits. – Any economic advantage or financial benefit derived from the use of enslaved persons.
- (6) Slavery. – The practice of owning enslaved persons.
- (7) Slavery era. – That period of time in the United States of America prior to 1865.
- (8) Slaveholder. – Holders of enslaved persons, owners of business enterprises using enslaved persons, owners of vessels carrying enslaved persons or other means of transporting enslaved persons, and

1 merchants or financiers dealing in the purchase, sale, or financing of  
2 the business of enslaved persons.

3 (9) Slaveholder insurance policies. – Policies issued to or for the benefit of  
4 slaveholders to insure them against the death of or injury to enslaved  
5 persons.

6 (b) A vendor entering into a contract for goods or services with a department of  
7 the State shall complete an affidavit, prior to or contemporaneous with entering into the  
8 contract, certifying the following:

9 (1) The vendor has searched any and all records of the vendor, or any  
10 predecessor vendor, for records of participation or investment in or  
11 profits derived from slavery, including slaveholder insurance policies  
12 issued during the slavery era.

13 (2) The vendor has disclosed any and all records of participation in or  
14 profits derived from slavery by the vendor, or any predecessor vendor,  
15 including issuance of slaveholder insurance policies during the slavery  
16 era, and the vendor has identified the names of any enslaved persons or  
17 slaveholders described in the records.

18 (c) A State department may terminate a contract entered into with a vendor if the  
19 vendor fails to fully and accurately complete the affidavit required in subsection (b) of  
20 this section.

21 (d) The Secretary of Administration shall: (i) develop an affidavit to be used by  
22 State departments and vendors; and (ii) monitor compliance with the provisions of this  
23 section, including investigation of alleged violations.

24 (e) The provisions of this section shall not apply to the following:

25 (1) Contracts entered into by State departments with other governmental  
26 entities, including the United States of America, a county, city, or  
27 public agency of one of these entities.

28 (2) Contracts for the purchase of articles in certain emergencies as  
29 provided in G.S. 143-57."

30 **SECTION 2.** This act is effective when it becomes law and applies to  
31 contracts entered into on or after October 1, 2007.