

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: Senate Bill 177 (Committee Substitute)

SHORT TITLE: Car Seized - Driving on Revoked Drivers License

SPONSOR(S): Senators Carpenter, Clark, Ledbetter

FISCAL IMPACT: Expenditures: Increase (x) Decrease ()
Revenues: Increase () Decrease ()
No Impact ()
No Estimate Available ()

FUND AFFECTED: General Fund () Highway Fund (x) Local Govt. ()
Other Funds ()

BILL SUMMARY: An Act to provide for the seizure of a motor vehicle used by a person driving with a permanently revoked drivers license.

EFFECTIVE DATE: July 1, 1995

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED:

	FISCAL IMPACT				
	<u>FY</u> 95-96	<u>FY</u> 96-97	<u>FY</u> 97-98	<u>FY</u> 98-99	<u>FY</u>
99-2000					

REVENUES:
GENERAL FUND no estimate available
HIGHWAY FUND
HIGHWAY TRUST FUND
LOCAL
EXPENDITURES \$227,700

POSITIONS:

ASSUMPTIONS AND METHODOLOGY:

Judicial

The proposed legislation adds new G.S. 20-28.3 to provide that if at a sentencing hearing for any moving violation the judge determines that the person's drivers license was permanently revoked, the motor vehicle driven by the person becomes property subject to forfeiture. When a person's license is permanently revoked under existing G.S. 20-28(a), the Division of Motor Vehicles must notify that person that a subsequent violation during the period of permanent revocation may result in forfeiture of the motor vehicle.

There is no data available to indicate how many people who have had their licenses permanently revoked have been involved in subsequent

moving violations. Without such information, the Administrative Office of the Courts is unable to accurately estimate the precise impact that the proposed legislation would have on the Judicial Branch.

In new G.S. 20-28.3, the proposed bill provides that the prosecutor has the duty to ascertain and serve notice ("by any means likely to provide actual notice") on parties with a security interest in the vehicle and the owner of the vehicle if the defendant is not the owner. The vehicle will not be subject to forfeiture if one of the parties is an innocent party as defined in G.S. 20-28.3 (e). An innocent party is the owner or holder of a security interest if (1) that person did not know and had not reason to know that the defendant's drivers license was revoked, or (2) that person knew the defendant's drivers license was revoked but the defendant drove the vehicle without that person's consent.

The procedures describing the duties of prosecutors and judges in G.S. 20-28.3(b) and 20-28.3(c) are nearly identical to existing provisions of another statute, G.S. 20-28.2 (forfeiture of motor vehicle for impaired driving after impaired driving license revocation). Thus, the Administrative Office of the Courts would not expect any fiscal impact to be associated with formulation or implementation of new procedures. The anticipated fiscal impact would arise from the number of cases that might be subject to the provisions of the proposed legislation and the additional time involved in processing these cases when forfeiture is a possibility.

DMV

SB 177 imposes two nonrecurring costs on DMV. First, DMV will have to change its Driver License and Vehicle Registration computer systems to maintain a list of persons who have forfeited vehicles and permanently bar them from obtaining a drivers license or registering any vehicle. DMV estimates that it will take 3500 hours of programming time to change these computer systems. Due to a shortage of manpower in the Management Information System (MIS) staff, DMV assumes this change would have to be contracted out to a private vendor at a cost of \$50/hour. DMV estimates the consultant costs plus related expenses such as office space, rental PC's, SIPS charges will be \$199,000. DMV estimates that it will take four programmers six months to make the changes required by SB 177.

The second expense is \$28,700 for mailing letters to 82,000 persons with permanently revoked licenses to notify them that their vehicles can be seized if they drive during revocation. DMV estimates it costs 35 cents per letter for postage, envelope, and paper. This is a one-time expense, because future drivers will be warned of the forfeiture law when their license is permanently revoked for the first time.

SOURCES OF DATA: DOT - Division of Motor Vehicles;

Administrative Office of the Courts; North Carolina Sentencing and
Policy Advisory Commission

TECHNICAL CONSIDERATIONS:

FISCAL RESEARCH DIVISION

733-4910

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