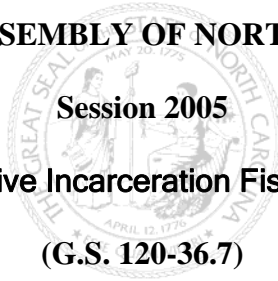


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2005

Legislative Incarceration Fiscal Note

(G.S. 120-36.7)

BILL NUMBER: House Bill 1843 (Third Edition)

SHORT TITLE: Revise Legislative Ethics Act - 1.

SPONSOR(S): Representatives Hackney, Howard, Brubaker, and Luebke

FISCAL IMPACT					
	Yes ()	No ()	No Estimate Available (X)		
	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>
GENERAL FUND					
Correction					
Recurring					
Nonrecurring					
Judicial					
Recurring					
Nonrecurring					
TOTAL					
EXPENDITURES:					
ADDITIONAL PRISON BEDS*					
POSITIONS: (cumulative)					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Correction; Judicial Branch					
EFFECTIVE DATE: January 1, 2007					
<i>*This fiscal analysis is independent of the impact of other criminal penalty bills being considered by the General Assembly, which could also increase the projected prison population and thus the availability of prison beds in future years. The Fiscal Research Division is tracking the cumulative effect of all criminal penalty bills on the prison system as well as the Judicial Department.</i>					

BILL SUMMARY:

House Bill 1843 retains most the provisions of the existing Legislative Ethics Act and supplements these provisions with more definitions of conflicts of interest, establishes a limit on gifts received by legislators from lobbyists and lobbyist principals, and provides for a more detailed and frequent statement of economic interest. The bill also enacts two new criminal penalties which are the subject of this incarceration note.

ASSUMPTIONS AND METHODOLOGY:

General

The Sentencing and Policy Advisory Commission prepares prison population projections for each criminal penalty bill. The Commission assumes for each bill that increasing criminal penalties does not have a deterrent or incapacitative effect on crime. Therefore, the Fiscal Research Division does not assume savings due to deterrent effects for this bill or any criminal penalty bill.

The proposed GS 120-286 would establish new definitions for bribery of a legislative official. Violations of this section would be punishable as a Class F felony. It is not known how many additional bribery convictions may occur as a result of this proposed bill. If, for example, there were two additional Class F convictions for this offense per year, the combination of active sentences and probation revocations would result in the need for one additional prison bed the first year and two additional prison beds the second year.

Proposed GS 120-319 sets out penalties for failure to file required reports or knowingly providing false information on these reports of economic interest. Knowingly concealing or failing to disclose required information would be punishable as a Class 1 misdemeanor, and knowingly providing false information is a Class H felony.

There is no historical data by which to estimate the impact of this proposal, since it is a new offense. In 2004-05, 35% of Class H felonies resulted in active sentences, with an estimated time served of ten months. Thus, to need one additional prison bed in the first year, there would need to be three convictions during the year. The misdemeanor penalty section would not be expected to have any impact on the State's prison system, since sentences less than 90 days are served in local jails.

Judicial Branch

For most criminal penalty bills, the Administrative Office of the Courts provides Fiscal Research with an analysis of the fiscal impact of the specific bill. For these bills, fiscal impact is typically based on the assumption that court time will increase due to an expected increase in trials and a corresponding increase in the hours of work for judges, clerks, and prosecutors. This increased court time is also expected to result in greater expenditures for jury fees and indigent defense. The Administrative Office of the Courts has no data with which to analyze this bill, but suspects there would be few cases filed, although these cases might be considered high-profile and time-consuming.

SOURCES OF DATA: Department of Correction; Judicial Branch; North Carolina Sentencing and Policy Advisory Commission.

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Douglas Holbrook

APPROVED BY: Lynn Muchmore, Director
Fiscal Research Division

DATE: July 18, 2006



Signed Copy Located in the NCGA Principal Clerk's Offices