

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: SB 161 (1st Edition)

SHORT TITLE: Restrict Court-Ordered Arbitration

SPONSOR(S): Senator Clodfelter

FISCAL IMPACT					
	Yes ()	No ()	No Estimate Available (X)		
	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>
REVENUES					
EXPENDITURES					
POSITIONS: (cumulative)					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:	Administrative Office of the Courts (AOC)				
EFFECTIVE DATE:	October 1, 2003				

BILL SUMMARY: SB 161 amends GS 7A-37.1(c) to reduce the ceiling on civil actions in District Court from \$15,000 to \$10,000. Clarifies the section applicable to district court actions only. Applies to actions and cases filed on or after October 1, 2003. *Source: Institute of Government Daily Bulletin*

ASSUMPTIONS AND METHODOLOGY: A fiscal analysis of this bill would require detailed information about the disposition of cases referred for arbitration, which is not included in the Administrative Office of the Court's information system.

Superior Court

This bill would eliminate arbitration from Superior Court entirely. The Administrative Office of the Court's civil case management program, which does not include dispositional information, indicates only 60 Superior Court cases in 2000-01 where arbitration was indicated. Thus, removing arbitration from Superior Court would have very little fiscal impact.

District Court

The Administrative Office of the Courts does not provide any indication that this bill would have a significant fiscal impact on the District Court. They indicate that the bill, as written, would give attorneys a pathway to avoid any form of alternative dispute resolution by filing cases in District Court that would otherwise have gone to Superior Court. This is a policy concern that does not have an impact on costs of case processing. A subcommittee of the Judicial Council has been working on court jurisdictional issues and has developed a list of comprehensive policy recommendations that differ from the intent of this bill.

SOURCES OF DATA: AOC Research and Planning

TECHNICAL CONSIDERATIONS: AOC has provided a detailed analysis of how this bill would interact with other policy initiatives in the court system. These considerations do not affect the fiscal impact of the bill that cannot be determined in any case due to lack of basic dispositional information.

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Douglas R. Holbrook

APPROVED BY: James D. Johnson, Director Fiscal Research Division

DATE: April 15, 2003



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