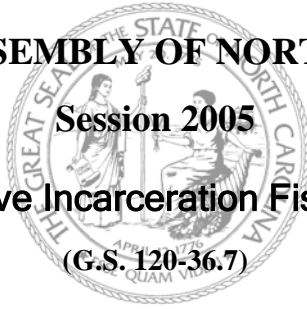


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2005

Legislative Incarceration Fiscal Note

(G.S. 120-36.7)

**BILL NUMBER:** House Bill 1848 (Second Edition)
**SHORT TITLE:** No Blank Contribution Checks.
**SPONSOR(S):** Representatives Eddins, Hackney, Howard, and Ross

FISCAL IMPACT table with columns for Yes (X), No ( ), and No Estimate Available ( ) across fiscal years FY 2006-07 to FY 2010-11. Rows include GENERAL FUND (Correction, Judicial), ADDITIONAL PRISON BEDS\*, POSITIONS: (cumulative), and PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Correction; Judicial Branch.

**BILL SUMMARY:** Amends the definitions provided in G.S. 163-278.6 to clarify the meanings of “contributor,” “contributor,” and “intermediary.” The bill also enacts new G.S. 163-278.20A to prohibit campaign contributions through an intermediary, unless all of the following conditions are met:

1. The contributor is authorized to make a contribution in accordance with this act and existing law.
2. The instrument used for the contribution details specific information concerning the amount, date, and recipient candidate or committee; and is made by or completed at the direction of the contributor and is signed or otherwise authorized by the contributor.
3. The contribution complies with GS 163-278.13 (limitation on contributions).
4. The transaction is reported by the contributor and the contributor if reporting is required.
5. The intermediary is not prohibited from soliciting contributions by G.S. 163-278.13B (lobbyist, lobbyist’s agent, lobbyist’s principal, etc.).
6. The intermediary delivers the contribution to the contributor within 20 days after taking possession of the contribution.

If these conditions are met, an intermediary’s participation does not require reporting, though the contributor must maintain a record of the intermediary’s identity and receipt of the contribution. A violation of these provisions is a Class 2 misdemeanor and subject to civil penalties under GS 163-278.34. The State Board of Elections is responsible for adopting rules to implement act.

The bill also rewrites G.S. 163-278.20(a), which makes it a Class 2 misdemeanor for individuals or other entities to solicit, attempt to solicit, or receive contributions for the purpose of supporting a candidate, political committee, referendum, or political party without clearly designating for whom the funds will be used. It removes language that allowed those soliciting campaign contributions to advise prospective contributors that the recipient of the contribution will be designated at a later time.

*Source: Adapted from Bill Digest H.B. 1848 (05/09/0200).*

## **ASSUMPTIONS AND METHODOLOGY:**

### **Department of Correction**

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. Based on the most recent population projections and estimated available prison bed capacity, *there are no surplus prison beds available over the immediate five-year horizon, or beyond.*

Because this bill creates two new criminal penalties, there is no historical data from which to estimate the impact on the State’s prison population, or to project the number of offenders who could be sentenced under the act. In 2004-05, 16% of Class 2 misdemeanor convictions resulted in active sentences, with an average estimated time served of 11.8 days. Because offenders serving active sentences of 90 days or less are housed in county jails, *there is no anticipated impact on the State’s prison population.* The impact on local jails cannot be determined.

## **Department of Correction – Division of Community Corrections**

In 2004-05, approximately 83% of those convicted of Class 2 misdemeanors received community punishment, predominately special probation. Offenders given community supervised probation are supervised by probation officers who provide general supervision at a cost to DCC of \$1.93 per offender, per day. For intensive supervision probation or electronic house arrest, the daily costs are higher – \$12.95 and \$6.71, respectively.

In addition, offenders supervised by DCC are required to pay a \$30 per month supervision fee; those serving community service are required to pay a one-time fee of \$200; and those on electronic house arrest or electronic monitoring must pay a one-time \$90 fee. This money is collected by the Court System and goes to the General Fund. The percentage of fees actually collected cannot be determined from the Court's records, but survey information indicates that the compliance rate for supervised probationers is around 48%.

## **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.

There is no data with which to project the number of violations that might result under G.S. 163-278.20A or G.S. 163-278.20. In addition, the Administrative Office of the Courts presently does not have a specific offense code for current G.S. 163-278.20, which would suggest relatively few charges. In calendar year 2005, one defendant was charged with campaign contribution violations under 163-278.13.

It is assumed that most persons and entities will comply with this law. Thus, *few additional cases are anticipated*. Currently, the AOC estimates court-time costs for Class 2 misdemeanors of \$2,380 per trial and \$211 per plea. *If additional cases do result, the impact in district court would be increased workload for judges, district attorneys, deputy clerks, and indigent defense.*

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

**TECHNICAL CONSIDERATIONS:** None

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**Signed Copy Located in the NCGA Principal Clerk's Offices**