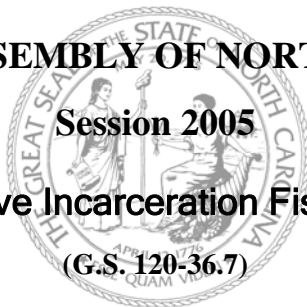


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2005

Legislative Incarceration Fiscal Note

(G.S. 120-36.7)

BILL NUMBER: House Bill 1849 (Second Edition)
SHORT TITLE: Lobbying Reforms 2006.
SPONSOR(S): Representatives Hackney, Howard, Sherrill, and Gibson

Table with fiscal impact data for FY 2006-07 to FY 2010-11. Categories include GENERAL FUND (Correction, Judicial), ADDITIONAL PRISON BEDS*, POSITIONS, and PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED.

BILL SUMMARY: Amends Article 9A of Chapter 120 and S.L. 2005-456 (SB 612), which takes effect January 1, 2007, to establish waiting periods before certain state officers may lobby; to bar lobbyists from certain appointments and other activities; to ban certain gifts by lobbyists and

principals to legislators, legislative employees, or executive branch officers; to require quarterly reporting of expenditures, with additional interim reporting; to expand the coverage of the lobbying laws to include executive branch officers; to limit campaign contributions by registered lobbyists; to clarify the powers and duties of the Secretary of State and Attorney General; and to establish a lobbying education program. The act repeals Article 4C of Chapter 147 and makes other conforming changes, as recommended by the House Select Committee on Ethics and Governmental Reform.

Source: Adapted from "Bill Analysis." H1849e1-SMST. Legislative Services Office, NCGA.

ASSUMPTIONS AND METHODOLOGY:

General

H.B. 1849 would expand the coverage of lobbying laws and add several new requirements for compliance. Through these requirements and expansion, the bill creates the following criminal offenses:

- Section 1 enacts G.S. 120-47.7C, which delineates certain prohibited actions by any lobbyist, member and former member of the General Assembly, certain Executive branch officer, or individual acting on a lobbyist's behalf. Under current G.S. 120-47.9(a), a violation of Article 9A of Chapter 120 is a Class 1 misdemeanor offense.
- Section 3, in part, broadens and clarifies existing definitions (G.S. 120-47.1); amends registration procedures and fees; prohibits contingency lobbying and certain actions for election influence; prohibits certain gifts by a lobbyist or lobbyist's principal; and requires more extensive reporting of expenditures by lobbyists. A willful violation of any such provision is a Class 1 misdemeanor offense under G.S. 120-47.9(a).
- Section 5 amends G.S. 163-278.13, to prohibit a registered lobbyist from contributing more than four thousand dollars (\$4,000, in total) in any election to one or more candidates, or candidate campaign committees. Under G.S. 163-278.13(f), a violation is a Class 2 misdemeanor.

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 new criminal penalties, there are no historical data from which to estimate the impact on the State's prison population, or to project the number new convictions or sentences under the act. *However, it is assumed that persons subject to the provisions of this bill will comply with its provisions. Thus, the bill is not anticipated to have any significant fiscal impact for the Department of Corrections.*

In FY 2004-05, 19% of Class 1 and 16% of Class 2 misdemeanor convictions resulted in active sentences, with average estimated times of 30.7 and 11.8 days, respectively. *Because offenders*

servicing 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

Assuming compliance, Fiscal Research does not anticipate a significant fiscal impact for DCC. In FY 2004-05, approximately 79% of Class 1 misdemeanor convictions resulted in community punishments, and 2% in intermediate sentences; 83% of Class 2 convictions resulted in community punishment, and 1% in intermediate sentences.

Offenders sentenced to supervised community or intermediate punishments are subject to general supervision by probation officers 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 (includes daily cost) and \$6.71 (plus \$1.93 daily cost), respectively.

In addition, offenders supervised by DCC are required to pay a \$30 per month supervision fee; those serving community service are required 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 this bill. However, the AOC does not have a specific offense code for Chapter 120, suggesting that few charges would arise under H.B. 1849. Assuming a high degree of compliance, *few additional cases are anticipated*. The AOC estimates court-time costs of \$3,153 and \$2,380 per trial, and \$224 and \$211 per plea for Class 1 and 2 misdemeanors, respectively.

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

TECHNICAL CONSIDERATIONS: None

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