

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE (INCARCERATION NOTE G.S. 120-36.7)

BILL NUMBER: Senate Bill 912 (2nd Edition)

SHORT TITLE: Penalty for Filing False Statutory Lien

SPONSOR(S): Senators Rand and Cunningham

FISCAL IMPACT					
Yes ()	No ()	No Estimate Available (X)			
(In millions)					
	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>
GENERAL FUND					
Correction		No Fiscal Impact			
Judicial		No Reliable Estimate Available			

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* County Jails: If individuals are convicted under this new law and are sentenced at patterns similar to existing class 1 misdemeanors, it would result in additional inmate days being served in county jails.					
PRINCIPAL DEPARTMENT (S) & PROGRAM (S) AFFECTED: Department of Correction; Judicial Department; County Jails.					
EFFECTIVE DATE: December 1, 2001					

BILL SUMMARY:

TO PROVIDE FOR PENALTIES FOR FILING OR PERFECTING FALSE STATUTORY LIENS. Amends G.S. 44A-24 to provide that the following is a class 1 misdemeanor: filing a claim of a mechanics', laborers', or material men's lien with an owner pursuant to G.S. 44A-12, or perfecting such a lien pursuant to G.S. 44A-18, with knowledge that filing or notice are not related to valid improvement to real property or are done with an intended purpose, e.g., to harass, hinder or wrongfully interfere with any person.

Judiciary I Committee Substitute Adopted 4/23/01

Adds new G.S. 44A-25 prohibiting clerk or register of deeds for indexing, docketing, or recording claim of lien unless (1) document is offered pursuant to statute that provides for indexing and docketing and (2) document appears on its face to contain all information required by relevant statute. Makes filing or attempt to file lien,

knowing it is not authorized by statute or with intent to hinder, harass, or wrongfully interfere with another, a Class 1 misdemeanor.

ASSUMPTIONS AND METHODOLOGY:

Department of Correction / County Jails

The Sentencing Commission cannot reliably estimate the number of offenders who may be sentenced under this legislation. However, they believe this bill would not have a significant impact on the Department of Correction since individuals convicted of class 1 misdemeanor serve their time in county jails.

In FY 1999-00, approximately 15% of individuals convicted of class 1 misdemeanors received active sentences. The average sentence length imposed was 45 days. Offenders who serve active sentences of 90 days or less are housed in county jails. Thus, any individuals receiving active sentences under this bill would result in additional inmate days being served in county jails.

Judicial Department

The Administrative Office of the Courts (AOC) does not have any reliable data available that can estimate the number of individuals who may be affected by this bill. However, based on discussions with one clerk of court, they do not anticipate provisions outlined in G.S. 44A-25(a) would require additional time to process liens. Therefore, this section is not expected to have a significant impact on the court system.

Depending on the number of charges resulting from the new G.S. 44A-25(b), this bill could have an impact on the court system. The Fiscal Research Division does not anticipate, however, that this section would have a substantial impact on court time.

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

TECHNICAL CONSIDERATIONS:

FISCAL RESEARCH DIVISION 733-4910

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DATE: April 24, 2001



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