

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: H83 (1 Edition)

SHORT TITLE: Worthless Check Program/Buncombe

SPONSOR(S): Goforth, Sherrill

FISCAL IMPACT					
	Yes (x)	No ()	No Estimate Available ()		
	<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	-	\$47,739	\$93,694	\$96,973	\$105,000
EXPENDITURES	\$114,076	\$95,477	\$93,694	\$96,973	\$100,367
POSITIONS: (cumulative) 2		-	-	-	-
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:	Administrative Office of the Courts				
EFFECTIVE DATE:	Upon ratification				

BILL SUMMARY: This bill adds Buncombe County to those counties where the District Attorney is authorized, but not required, to establish a worthless check collection program. The statute, NC GS 14-107.2, provides that the program may include cases that would be punishable as misdemeanors, felonies, or both. The statute allows a check passer to avoid criminal prosecution by paying restitution, bank-imposed service charges, processing fees imposed on the check taker, and a \$60 fee for the operation of the program.

ASSUMPTIONS AND METHODOLOGY: This bill authorizes the District Attorney in Buncombe County to start a worthless check program. In the past, these programs have received start-up money from the state amounting to roughly \$115,000 in the first year for positions and equipment, and \$90,000 in the second year for the positions. The typical configuration of a program requires two full-time positions, a legal assistant and an investigator, and an equipment package including a high-volume copier, a laser printer, and a fax machine.

Typically, the program does not produce enough revenues in the first year to offset the costs, and only achieves a partial recoupment in the second year. It usually takes the third year for the program to become fully self-supporting, and the program may begin between the fourth and fifth years to produce more receipts than are required to operate the individual site. Overages have been used in the past for equipment purchases for District Attorney

offices, but may be used to establish new programs, in the discretion of the General Assembly.

SOURCES OF DATA: The Administrative Office of the Courts

TECHNICAL CONSIDERATIONS:

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY:

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

DATE: March 18, 2003



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