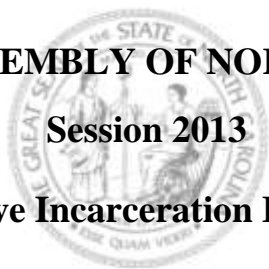


# GENERAL ASSEMBLY OF NORTH CAROLINA



**Session 2013**

## Legislative Incarceration Fiscal Note

(G.S. 120-36.7)

**BILL NUMBER:** House Bill 287 (First Edition)

**SHORT TITLE:** Increase Dropout Age From 16 to 17.

**SPONSOR(S):** Representatives Lambeth, Moffitt, Brandon, and D. Ross

<b>FISCAL IMPACT</b>					
(\$ in millions)					
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> No Estimate Available					
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
<b>State Impact</b>					
General Fund Revenues:					
General Fund Expenditures:					
Special Fund Revenues:					
Special Fund Expenditures:					
State Positions:					
<b>NET STATE IMPACT</b>	<b>Likely budget cost. See Assumptions &amp; Methodology section for additional details.</b>				
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b>					
Administrative Office of the Courts, Indigent Defense Services, Department of Public Safety					
<b>EFFECTIVE DATE</b> July 1, 2013					
<b>TECHNICAL CONSIDERATIONS:</b>					
None					

**FISCAL IMPACT SUMMARY:**

The proposed bill may have a fiscal impact to address an increase in the scope of the chargeable offense being enforced, adjudicated and having penalties applied to those convicted under the broadening of the current statute. However, given there is no historical data on this new definition or similar offenses to use as a proxy for predicting the total number of new offenses, the Fiscal Research Division cannot reasonably estimate the total additional costs that may be incurred. The following costs may be incurred for every one person charged and convicted of this crime:

- Administrative Office of the Courts: \$165 per disposition
- Indigent Defense Services: \$166 per case in district court  
   \$321 per case in superior court without a trial  
   \$847 per case in superior court with a trial
- Prison Section: No cost (offenders sentenced to local jail, not prison)
- Community Corrections: \$1,634-\$1,960
- Department of Juvenile Justice: \$417,045 annually

Please see the Assumptions and Methodology section for additional information.

## **BILL SUMMARY:**

G.S. 115C-378(a), Children required to attend, requires every parent, guardian, or other person having charge or control of a child between the ages of seven and sixteen to make the child attend school for the entire school session. Failure to do so is a Class 1 misdemeanor under existing statute (G.S. 115C-380). Section 1 expands the upper limit of the range to seventeen years of age, but amends the statute to require compulsory attendance “unless the child graduates from high school.”

G.S. 115C-238.66(3), School attendance, requires every parent, guardian, or other person having charge or control of a child who is enrolled in the regional school and who is less than sixteen years of age to cause such child to attend school continuously for a period equal to the time that the regional school shall be in session. This statute makes it a Class 1 misdemeanor for any person to aid or abet a student’s unlawful absence from a regional school. Section 2 amends the age for compulsory attendance from sixteen to seventeen, and, again provides that the attendance is required “unless the child graduates from high school.”

G.S. 116-235(b)(2) requires every parent, guardian, or other person having charge or control of a child less than sixteen years of age and who is enrolled in the North Carolina School of Science and Math (NCSSM) to make the child attend school for the entire school session. The statute makes it a Class 1 misdemeanor for any person to aid or abet a student’s unlawful absence from NCSSM. Section 3 changes the age for compulsory attendance from sixteen to seventeen, with the same amendment to compel attendance unless the child graduates.

G.S. 7B-1501(27)(a) and G.S. 143B-805(20)(a) currently define an “undisciplined juvenile” as a child less than sixteen but older than six who is unlawfully absent from school, disobedient, found in places unlawful for a juvenile to be, or a runaway. These sections amend subsection (a) of both sections to raise the upper limit of the range to seventeen years of age. G.S. 7B-1501(27)(b) and G.S. 143B-805(20)(b) further define an “undisciplined juvenile” as a child who is sixteen years of age who is regularly disobedient to and beyond the disciplinary control of the juvenile’s parent or guardian, found in places unlawful for a juvenile to be, or a runaway. Sections 4 and 5 amend subsection (b) of both sections to raise the juvenile’s age to seventeen, in accordance with the changes made to the school attendance laws.

This bill has an effective date of July 1, 2013.

## **ASSUMPTIONS AND METHODOLOGY:**

### **General**

The Sentencing and Policy Advisory Commission prepares prison population projections for each bill containing a criminal penalty. The Commission assumes for such bills that expanding existing or creating new criminal offenses produces no deterrent or incapacitative effect on crime. Therefore, the Fiscal Research Division does not assume deterrent effects for any criminal penalty bill.

S.L. 2011-192 (H.B. 642), the Justice Reinvestment Act (JRA), made changes to North Carolina’s court system, corrections system (both to prisons and probation), and to post-release supervision. The Act also created a statewide confinement program for housing misdemeanants with sentences of less than 180 days in county jails. Previously, county jails were only required to house misdemeanants with sentences of 90 days or less. In addition, all F-I felons are now subject to nine months of post-release supervision (PRS). B1-E felony PRS has been increased from nine months to twelve months. Due to the lack of historical data about JRA implementation, it is not possible to estimate the number of prison beds that may be needed as a result of revocations.

## **Judicial Branch**

The Administrative Office of the Courts provides Fiscal Research with a fiscal impact analysis for most criminal penalty bills. For such bills, fiscal impact is typically based on the assumption that court time will increase due to anticipated increases in trials and corresponding increases in workload for judges, clerks, and prosecutors. This increased court time is also expected to result in greater expenditures for jury fees and indigent defense.

In FY 2011-12, 2,037 defendants were charged with violating G.S. 115C-380 (public school attendance). Of these, 379 (19%) were convicted. AOC does not have offense codes for the other two Class 1 misdemeanors: violation of G.S. 115C-238.66(3) (regional school attendance), and G.S. 116-235(b)(2) (NCSSM attendance) referenced in this bill. The lack of offense codes may be some indication that this offense is not frequently charged. For every additional person charged with a Class 1 misdemeanor offense, AOC estimates the average cost to the court would be \$165.

AOC is not able to estimate the number of additional charges that may result from the passage of this bill. Data obtained from the Fiscal Research Division shows that approximately 3,384 16-year-olds and 4,245 17-year-olds are expected to drop out of school each year over the next five years. Three scenarios, created by AOC, are provided below, resulting in a range from over \$33,000 to nearly \$84,000 annually in fiscal impact to the court system.

<b>Scenarios of potential fiscal impact for Sections 1-3 of HB 287v1</b>			
# charges for public school attendance violation (FY12)	% scenario increase under SB 267v1	# additional charges under SB 267v1	\$ annual impact of additional charges (\$165 per case)
2,037	10%	204	\$33,660
	15%	306	\$50,490
	25%	509	\$83,985

The Office of Indigent Defense Services (IDS) provides Fiscal Research with a fiscal impact analysis for criminal penalty bills that will result in greater expenditures for indigent defense. IDS estimates that the cost of a PAC attorney per case for an expanded Class 1 misdemeanor would be \$166 in district court. In superior court, IDS estimates that the cost of a PAC attorney per case for a Class 1 misdemeanor would be \$321 if the case does not go to trial and \$847 if it does.

## **Department of Public Safety –Prison Section**

This bill amends the age requirement of public school attendance from sixteen to seventeen. The North Carolina Sentencing and Policy Advisory Commission expect no impact on the prison population because offenders who receive active sentences will serve them in the local jail. Therefore, the Department of Public Safety does not anticipate an impact on prison custody projections. In addition, only felony offenses result in Post Release Supervision (PRS), therefore there is no additional cost for a misdemeanant sentenced to an active sentence.

## **Department of Public Safety – Community Correction Section**

All types of post-release supervision, including intermediate or community sanctions, are supervised by the Community Corrections Section (CCS); CCS also oversees community service.<sup>1</sup> General post-release supervision and supervision of intermediate and community offenders by a probation officer costs \$3.63 per

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<sup>1</sup> CCS incurs costs of \$1.29 per day for each offender sentenced to the Community Service Work Program.

offender, per day; no cost is assumed for those receiving unsupervised probation, or who are only ordered to pay fines, fees, or restitution. Total costs are based on average supervision length and the percentage of offenders (per offense class) sentenced to active sentences requiring post-release supervision, intermediate sanctions and supervised probations.

There were 379 Class 1 misdemeanor convictions under G.S. 115C-378(a) for violations of compulsory school attendance during FY 2011-12. Of those 379 convictions, 16 (4.2%) received an active sentence. It is not known how many convictions may result from the proposed broadening of the current statute. In addition, the North Carolina Sentencing Commission does not maintain information on juveniles adjudicated undisciplined. While amending the age requirements for public school attendance may result in an increase in the number of juveniles adjudicated undisciplined, these juveniles are not eligible to be committed to a youth development center (YDC); therefore, it is not anticipated that this bill will have an impact on YDC resources.

In FY 2011-12, 26% of offenders convicted of a Class 1 misdemeanor were sentenced to active sentences for an average length of 39 days; 2% received intermediate sentences; and 72% received community punishments. The average lengths of intermediate and community punishment imposed for this offense class were 18 and 15 months, respectively. The average cost to community corrections for any individual convicted of a Class 1 misdemeanor who receives an intermediate sentence is \$1,960 (540 days times \$3.63 per day). Of those convicted to a community sentence, around 40% received supervised sentences. The average cost to community corrections for any individual convicted of a Class 1 misdemeanor who receives community supervision is \$1,634 (450 days times \$3.63 per day).

**Department of Juvenile Justice**

Currently, a juvenile may be considered undisciplined who is 16 years of age and who (1) is regularly disobedient to and beyond the disciplinary control of the juvenile’s parents, guardian, or custodian; (2) is found in places where it is unlawful for a juvenile to be; or (3) has run away from home for a period of more than 24 hours. The only undisciplined behavior that applies to juveniles under 16 but not to those 16 is being unlawfully absent from school. The proposed legislation would increase the number of juveniles being supervised by juvenile court counselors to include those 16 year olds who have complaints for truancy.

Looking at the offense dates of truancy related complaints filed in the past three years in the table below, there has been an annual average of 1,200 truancy related complaints and it is almost a 1:1 ratio of truancy offense to juvenile.

	CY 2010	CY 2011	CY 2012	Total	Annual Average
Truancy Status Offenses	1,289	1,226	1,085	3,600	1,200

New truancy complaints that may result from the bill were estimated utilizing the rate of dropouts as compared to truancy complaints for juveniles ages 6-15. Since the recent average of truancy related offenses is 1,200, DJJ then applied that figure to determine a rate of truancy related complaints for juveniles ages 6-15. Taking the juvenile population aged 6-15 which is estimated at 1,278,207 (source: State Demographer for July 1, 2011), DJJ derived an annual rate of .94 truancy complaints for every 1,000 juvenile aged youth in the state. Recognizing that it is likely that the age group of 16 and 17 year-olds will have a higher rate of disengagement to school, DJJ then chose to project the volume of truancy complaints to be received as 2 complaints per 1,000 youth ages 16 and 17. The population of 16 year-olds in the State is 126,517 (source: DJJ County Databook). Calculating a rate of 2 per 1,000 gives an estimate of 253 likely truancy complaints.

In the juvenile justice system, DJJ court counselors receive the complaints, review the complaints for legal sufficiency, and, if there is a finding of legal sufficiency, receive the complaint for intake. In the 2010 final report from the Youth Accountability Task Force it was reported that the average intake evaluation cost by DJJ is \$175 per intake. It will cost DJJ a total additional intake cost of \$44,275 (\$175 times 253 complaints) to sufficiently assess the truant population that will come to Division Court Services offices.

Under Senate Bill 287, as written, there will be many more 16 year-old support services (i.e. structured day, mentoring, parent/family skill building, among others) to help them stay in school and not be truant. The average annual cost of a Juvenile Crime Prevention Council (JCPC) funded program to the state is \$748.02. The entire new population coming into DJJ offices with truancy complaints will need services managed by the Community programs section. An additional \$189,244 (253 offenders times \$748) will be needed to fully fund JCPC should SB 287 become law.

On average, 40% of juveniles who have any type of status offense filed in a DJJ office end up on protective supervision. Protective supervision is court-ordered and managed by juvenile court counselors for a minimum of 90 days and has the same requirements of work as many other types of court-ordered supervision (home visits, school visits, counseling the family, etc.). DJJ estimates that a total of 101 offenses will require supervision of the juveniles adjudicated (253 offenders times 40%). DJJ estimates that a total of 22,770 protective supervision days will be needed annually (253 offenses times 90 days). The average daily cost of supervision as reported in the Youth Accountability Task Force final report is \$8.06. DJJ estimates that a total of \$183,526 would be needed to supervise the new population in the community (22,770 days annually times \$8.06). Taking into consideration the intake, community programs, and supervision costs projected in this analysis, the total cost to the DJJ is estimated to be \$417,045.

**SOURCES OF DATA:** Department of Public Safety; Administrative Office of the Courts; North Carolina Sentencing and Policy Advisory Commission; Office of Indigent Defense Services.

**TECHNICAL CONSIDERATIONS:** None

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**DATE:** May 13, 2013



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