GENERAL ASSEMBLY OF NORTH CAROLINA
Session 2015
Legislative Fiscal Note

BILL NUMBER: House Bill 348 (First Edition)

SHORT TITLE: NC Religious Freedom Restoration Act.

SPONSOR(S): Representatives Schaffer and Bishop

FISCAL IMPACT ($ in millions)					
☑ Yes　　　☐ No　　　☑ No Estimate Available					
State Impact	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund Revenues:					
General Fund Expenditures:					
State Positions:					
NET STATE IMPACT	No estimate available. Please see Assumptions & Methodology section for additional details.				

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:
Administrative Office of the Courts; Department of Justice; Department of Public Safety

EFFECTIVE DATE:　When the bill becomes law.

TECHNICAL CONSIDERATIONS:
None

FISCAL IMPACT SUMMARY:

This bill may have a fiscal impact based on the expansion of a person's ability to sue State agencies in State courts. Costs may be incurred by the courts, the Department of Justice in defending State agencies, and by State agencies for associated court costs, including expert witness fees and attorney fees authorized under the bill if the State is found to be at fault. The Fiscal Research Division cannot estimate what the level of fiscal impact might be given the unknown history of potential cases under this proposed law.

BILL SUMMARY:

H.B. 348 adds a new Article 9, The North Carolina Religious Freedom Restoration Act, to G.S. 147. It prohibits the State from burdening a person's free exercise of religion, unless the State demonstrates that application of the burden to the person is essential to the furtherance of a compelling State interest and that the State used the least restrictive means of furthering that compelling State interest. The bill also provides that granting State funds, benefits, or exemptions does not constitute a violation of the statute. Finally, the bill provides that if a person's exercise of religion has been burdened, the person may assert the violation as a claim or defense in a judicial proceeding; if the person prevails, the court may award attorney's fees and costs.

ASSUMPTIONS AND METHODOLOGY:

H.B. 348, NC Religious Freedom Restoration Act, may result in additional civil actions asserting a claim that the State has acted in a manner that imposes a burden on one's exercise of religion. A federal statute, The Religious Land Use and Institutionalized Persons Act (RLUIPA), already provides a cause of action for

substantial burden on the exercise of religious freedom of prisoners. Since 2008, 24 cases in which an inmate asserted a RLUIPA claim have been filed. Of the 24 cases, 12 have been completed, and of those, none of the inmates have prevailed. Section 2 of the bill states that it "applies to cases, actions, and causes of action for which the trial court has not entered final judgment as of that date." This language could allow inmates to add a claim under the provision to any existing lawsuit (State or federal).

If additional civil actions occur, costs may be incurred by the courts, the Department of Justice in defending State agencies, and by State agencies for associated court costs, including expert witness fees and attorney fees if the State is found to be in violation of the law. These additional costs cannot be estimated because we do not know what the volume and complexity of the litigation may be: how many actions, the length of the proceedings in State courts, whether or not the findings in those civil actions would be appealed, and the cost of attorney fees and expert witness fees the State would be responsible for if the assertion prevails.

SOURCES OF DATA: Administrative Office of the Courts, Department of Justice, Department of Public Safety

TECHNICAL CONSIDERATIONS: None

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