

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: SB 1542 (5th Edition)

SHORT TITLE: Video Poker Machines

FISCAL IMPACT

Yes () No () No Estimate Available (X)

FY 2000-01 FY 2001-02 FY 2002-03 FY 2003-04 FY 2004-05

REVENUES

EXPENDITURES

No estimate available

POSITIONS:

PRINCIPAL DEPARTMENT (S) &

PROGRAM (S) AFFECTED: Administrative Office of the Courts & Department of Correction

EFFECTIVE DATE: When the bill becomes a law for subsections (a) (b) and (d) and Sections 6 through 8; October 1, 2000 for the remainder of the act.

BILL SUMMARY: Creates a moratorium making it unlawful for any person to own, operate, or cause to be operated any video gaming machine, which was not in operation in this State on or before June 29, 2000. The moratorium expires July 1, 2002. The bill also prohibits more than three video gaming machines at one location and regulates the proximity to other locations; requiring at least 300 feet of distance from any other location where machines are in operation. The bill exempts any activities of a federally recognized Indian Tribe, which are currently lawful. The bill also creates new criminal penalties for violations of its provision.

ASSUMPTIONS AND METHODOLOGY:

Judicial Branch

The Administrative Office of the Courts (AOC) has no data from which to estimate the number of new prosecutions that would arise from this bill. It is impossible to predict compliance with a new law and therefore, impossible to predict the impact on the court system. The Fiscal

Research Division believes that if there is any impact, it would not be substantial and AOC could most likely absorb it within existing resources because the workload would be spread statewide.

Department of Corrections (Sentencing Commission)

The bill creates a new criminal penalty for violation of the provisions. The first violation would result in a Class 1 misdemeanor; Class I felony for a second offense and a Class H felony for third or subsequent offense. Any person operating four or more machines would be guilty of a Class G felony.

While it is not possible to estimate the number of convictions that will result from this bill, the Sentencing Commission projects that approximately 3% of all convictions for the Class 1 misdemeanor offenses would likely receive an active prison sentence of 3.7 months; 2% of Class I felony convictions would receive an active sentence of 7.4 months; 33% of Class H felony convictions would receive an active sentence of 9.1 months; and 48% of all convictions for Class G felonies result in active sentences.

TECHNICAL CONSIDERATIONS:

FISCAL RESEARCH DIVISION 733-4910

PREPARED BY: Kelly Little

APPROVED BY: James D. Johnson

DATE: July 10, 2000



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