

**NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE FISCAL NOTE
(INCARCERATION NOTE G.S. 120-36.7)**

BILL NUMBER: House Bill 1510 (First Edition)
SHORT TITLE: Meth Precursors/Increase Crim Penalty.
SPONSOR(S): Representatives Kiser and Haire

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2004-05</u>	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>
GENERAL FUND					
Correction	Amount cannot be determined – see Assumptions & Methodology				
There are no available prison beds in this time frame. This note assumes the use of contractual prison beds (\$57.92 per bed per day). In the long term, due to the limited availability of contractual beds, the State will need to construct new cells at \$69,500 per bed. Construction would have to begin in FY 04-05 for beds to be available in FY 07-08.					
Judicial	Amount cannot be determined – see Assumptions & Methodology				
ADDITIONAL PRISON BEDS*	For every 6 convictions, 1 bed in year 1 and 2 beds in year 2				
POSITIONS: (cumulative)					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Correction; Judicial Branch					
EFFECTIVE DATE: December 1, 2004					
<i>*This fiscal analysis is independent of the impact of other criminal penalty bills being considered by the General Assembly, which could also increase the projected prison population and thus the availability of prison beds in future years. The Fiscal Research Division is tracking the cumulative effect of all criminal penalty bills on the prison system as well as the Judicial Department.</i>					

BILL SUMMARY: This bill would increase the felony punishment level from Class H to Class F for possession of a precursor chemical with intent to manufacture a controlled substance or possession or distribution of a precursor chemical knowing or having reasonable cause to believe that it will be used to manufacture a controlled substance. This increase would apply to precursors for the manufacture of any controlled substance. Precursors are component substances used in drug manufacture, and are listed in G.S. 90-95. The bill would also add new precursor chemicals to the list in statute.

ASSUMPTIONS AND METHODOLOGY:

The AOC does not have an offense code for this offense, so we cannot determine the number of historical charges or convictions. However, in a search of the free text field, the Sentencing Commission discovered six convictions for this offense in FY 2002-03 (the free text field is optional, so not all convictions may have been captured). We also cannot determine the increase in offenses resulting from the addition of new precursors to the list.

Department of Correction

Based on the most recent population projections and estimated available prison bed capacity, there are no surplus prison beds available for the five year Fiscal Note horizon and beyond. That means the number of beds needed is always equal to the projected additional inmates due to a bill.

The Sentencing Commission estimates that, for every six convictions that are increased from a Class H to a Class F, there will be the need for one additional prison bed in the first year and two additional beds in the second year due to sentence lengths and revocations. Each prison bed costs approximately \$22,428 per year. There would be some savings for the Division of Community Corrections, as a greater percentage of Class F felons (50%) versus Class H felons (36%) serve active sentences. These savings would range from \$1.75 to \$10.06 per offender per day.

Judicial Branch

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

The AOC notes that, for a higher felony offense, litigation would be more vigorous, time-consuming, and costly, and a greater percentage of cases would be resolved by trial rather than guilty plea. The difference in cost between a *guilty plea* for a Class H felony and a *jury trial* for a Class F felony is approximately \$8,000. Without additional data, we cannot project the impact of this bill on the court system.

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

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DATE: June 22, 2004



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