



# NORTH CAROLINA GENERAL ASSEMBLY

2025 Session

## Legislative Incarceration Fiscal Note

**Short Title:** Liam's Law.  
**Bill Number:** House Bill 246 (First Edition)  
**Sponsor(s):** Rep. Torbett

### FISCAL IMPACT SUMMARY

Criminal offenses are classified as misdemeanors (Class 3 as the lowest and Class A1 as the highest) and felonies (Class I to Class A). There are three types of legislative changes to offenses that may result in a fiscal impact to the State's criminal justice system: creating a new offense, changing the class of an existing offense, or changing the scope of an existing offense.

This proposed legislation would **expand the scope of existing offenses and increase the charge level for these expanded scope cases**, turning existing Class 1 and Class 2 misdemeanors into Class B2 and Class F felonies, an existing Class F felony into a Class D, an existing Class 2 misdemeanor into a Class I felony, and an existing Class 2 misdemeanor into a Class 1. While there is some data available for the existing underlying charges, there is no data available to predict how many individuals may be charged or convicted under the expanded scope and higher degrees of punishment proscribed by this bill. **Therefore, Fiscal Research is unable to project the fiscal impact** of the proposed legislation on the criminal justice system.

Each additional person charged under the proposed offenses will have a cost to the judicial system and each additional person convicted will have a cost to the correction system. The **cost of one charge and conviction** is listed in the table below, along with the percent of cases that incur those costs at that offense level.

Cost of One Charge and Conviction											
	Prosecution and Defense			Active Sentence					Suspended Sentence		
Offense Class	Admin. Office of the Courts	Indigent Defense Services		DAC - Confinement			DAC - Post-Release Supervision (PRS)		DAC - Probation		
Felony	Cost	Rate	Cost	Rate	Cost	Length (Mo.)	Cost	Length (Mo.)	Rate	Cost	Length (Mo.)
▲ 1 to B2	\$17,369	23%	\$3,950	100%	\$115,137	156	\$2,994	12	-64%	(\$3,322)	-14
▲ 2 to B2	\$17,526	55%	\$3,950	100%	\$115,137	156	\$2,994	12	-78%	(\$3,085)	-13
▲ F to D	\$5,178	15%	\$895	49%	\$33,951	46	\$712	3	-49%	(\$7,119)	-30
▲ 1 to F	\$1,514	12%	\$612	51%	\$13,285	18	\$2,282	9	-15%	\$3,797	16
▲ 2 to F	\$1,671	44%	\$612	51%	\$13,285	18	\$2,282	9	-29%	\$4,034	17
▲ 2 to I	\$562	38%	\$170	15%	\$4,428	6	\$2,282	9	7%	\$2,136	9
Misdemeanor	Cost	Rate	Cost	Rate	Cost	Length (Mo.)	Cost	Length (Mo.)	Rate	Cost	Length (Mo.)





▲ 2 to 1	\$157	32%	\$0	Active sentences for misdemeanor convictions are served in County jail.	Misdemeanants do not receive PRS.	-14%	\$237	1
<i>Note: Court costs reflect the average cost per disposition. Costs for active sentences, probation, and post-release supervision reflect the total cost of the sentence or supervision period. Costs to the Statewide Misdemeanant Confinement Program (SMCP) only occur for active sentences &gt; 90 days and impaired driving. The triangle symbols ( ▲ ) represent change, plus and minus ( +/- ) symbols reflect the increase or decrease in cost or time from the current to proposed changes in charge levels.</i>								

## FISCAL IMPACT OF H.B.246, V.1

	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>	<u>FY 2028-29</u>	<u>FY 2029-30</u>
<b>State Impact</b>					
General Fund Revenue	-	-	-	-	-
Less Expenditures	-	-	-	-	-
<b>General Fund Impact</b>	<b>No Estimate Available - Refer to Fiscal Analysis section</b>				
<b>NET STATE IMPACT</b>	<b>No Estimate Available - Refer to Fiscal Analysis section</b>				

**TECHNICAL CONSIDERATIONS:** See Technical Considerations Section

## FISCAL ANALYSIS

### Bill Summary:

This bill changes a number of penalties surrounding reckless driving or street racing as described in G.S. 20-140.

Section 1 expands the existing Class 2 misdemeanor of Reckless Driving by making it a **Class 1 misdemeanor if a reckless driving violation results in serious injury and a Class I felony if it results in a "serious bodily injury" as defined in G.S. 14-32.4.**<sup>1</sup> There were 81,134 defendants charged with reckless driving under G.S. 20-140 in CY 2024, and 8,074 convictions under that statute in FY 2022-23. However, it is not known how many of these charges and convictions would have involved either serious injury or serious bodily injury, and as a result **Fiscal Research cannot provide a cost estimate** for this portion of the bill.

Section 2.(b) of the bill expands the existing Class 1 and Class 2 misdemeanors in G.S. 20-141.3 for Unlawful Racing on Streets and Highways. Specifically, it is a Class 1 misdemeanor to participate in a prearranged street race, a Class 2 misdemeanor to participate in any street race, and a Class 1 misdemeanor for a person to allow their vehicle to be used in a street race or to participate in any gambling surrounding a street race. The new subsections included in this bill would make **any violation of these statutes where the race results in serious injury a Class F felony, and would make any violation of these statutes where the race results in a death a Class B2**

<sup>1</sup>"Serious bodily injury" is defined in that statute as "bodily injury that creates a substantial risk of death, or that causes serious permanent disfigurement, coma, a permanent or protracted condition that causes extreme pain, or permanent or protracted loss or impairment of the function of any bodily member or organ, or that results in prolonged hospitalization."



**felony.** In CY 2024, there were 70 defendants charged with a Class 1 misdemeanor under G.S. 20-141.3 and 546 defendants charged with the Class 2 misdemeanor under G.S. 141.3. There were 5 convictions of the Class 1 charges and 34 convictions of the Class 2 charge in FY 2022-23. However, it is not known how many of these charges and convictions would have involved either serious injury or death, and as a result **Fiscal Research cannot provide a cost estimate** for this portion of the bill.

The Sentencing Policy and Advisory Commission (SPAC) notes that there are at least 6 other existing statutes that could overlap with the new B2 charge, including Second Degree Murder without Regard (Class B2), Repeat Felony Death by Vehicle (Class B2), Aggravated Felony Death by Vehicle (Class D), Felony Death by Vehicle (Class D), Involuntary Manslaughter (Class F), and Misdemeanor Death by Vehicle (Class A1). There were a total of 291 convictions under these offenses in FY 2022-23. Because these charges are not directly spoken to by the underlying bill they are not included in this analysis, but Fiscal Research notes that the scope of charges influenced by this legislation could be broader than its direct statutory changes.

Section 2.(c) of the bill expands the current G.S. 20-166, Duty to stop in the event of a crash. Under current law, it is a Class F felony for a willful violation of this section causing either serious bodily injury or death. The bill leaves willful violation of this section that results in serious bodily injury a Class F felony but **increases willful violation that results in a death to a Class D felony**. There were 166 defendants charged under the existing G.S. 20-166 in CY 2024 and 1 conviction in FY 2022-23. However, it is not known how many of these charges and convictions involved a death, and as a result **Fiscal Research cannot provide a cost estimate** for this portion of the bill.

### **Capital Expenses**

Capital costs emerge when prison bed demand exceeds capacity. Based on the most recent prison population and bed capacity projections from the Sentencing and Policy Advisory Commission (SPAC), the State will have sufficient prison beds available beyond the five-year fiscal note horizon. Therefore, Fiscal Research anticipates there will be **no additional prison capital requirements** as a result of this proposed legislation.

### **Operating Expenses**

The table in the Fiscal Impact Summary lists the costs specific to the charge or charges included in this proposal.

## **TECHNICAL CONSIDERATIONS**

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- Due to delays in updated data availability, FRD must utilize 2023 data for Incarceration Notes for the beginning of the 2025 long session. Any changes are not expected to be significant, but FRD does plan to revisit Incarceration Notes prepared prior to the availability of updated data when and where appropriate later in the session.
- Offense changes are typically effective on December 1. FRD assumes that costs incurred in the first year to the judicial and correction systems would be less than annualized costs due to lag time in charges and convictions.
- This estimate assumes that expanding existing or creating new criminal offenses produces no deterrent or incapacitative effect on crime rates. Likewise, FRD assumes no deterrent





effects for any modifications to criminal penalties. The estimates in this Incarceration Note make no assumptions about the larger impact on crime rates or costs to society or the State.

- This estimate makes no prediction regarding the likelihood that a prosecutor will charge an offense based on any proposed increases or decreases to the offense class level. This estimate also does not attempt to predict the impact of offense class changes on plea negotiations. FRD assumes the proposed offense class is charged and convicted at the same rate as the prior level.
- For reference, Appendix A to this document shows the costs per charge/conviction for each class of offense in North Carolina.

## **DATA SOURCES**

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Department of Adult Correction; Administrative Office of the Courts; North Carolina Sentencing and Policy Advisory Commission; Office of Indigent Defense Services.

## **LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS**

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This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

## **CONTACT INFORMATION**

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Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

## **ESTIMATE PREPARED BY**

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## **ESTIMATE APPROVED BY**

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March 17, 2025



**Signed copy located in the NCGA Principal Clerk's Offices**





## APPENDIX A: COSTS PER CHARGE/CONVICTION BY OFFENSE CLASS

Cost of One Charge and Conviction											
	Prosecution and Defense			Active Sentence					Suspended Sentence		
Offense Class	Admin. Office of the Courts	Indigent Defense Services		DAC - Confinement			DAC - Post- Release Supervision (PRS)		DAC - Probation		
Felony	Cost	Rate	Cost	Rate	Cost	Length (Mo.)	Cost	Length (Mo.)	Rate	Cost	Length (Mo.)
A	\$55,469	95%	\$11,967	100%	NA	Life	N/A	N/A	0%	N/A	0
B1	\$23,852	78%	\$4,187	100%	\$178,610	242	\$2,994	12	0%	N/A	0
B2	\$17,704	85%	\$4,187	100%	\$115,137	156	\$2,994	12	0%	N/A	0
C	\$8,598	82%	\$2,317	100%	\$63,473	86	\$2,994	12	0%	N/A	0
D	\$7,027	89%	\$1,744	100%	\$47,236	64	\$2,994	12	0%	N/A	0
E	\$3,281	79%	\$909	57%	\$19,928	27	\$2,994	12	43%	\$7,356	31
F	\$1,849	74%	\$849	51%	\$13,285	18	\$2,282	9	49%	\$7,119	30
G	\$1,525	78%	\$706	39%	\$11,071	15	\$2,282	9	61%	\$6,170	26
H	\$1,016	78%	\$510	33%	\$8,119	11	\$2,282	9	67%	\$5,933	25
I	\$740	68%	\$407	15%	\$4,428	6	\$2,282	9	85%	\$5,221	22
Misdemeanor	Cost	Rate	Cost	Rate	Cost	Length (Days)			Rate	Cost	Length (Mo.)
A1	\$580	52%	\$281	Active sentences for misdemeanor convictions are served in County jail.			Misdemeanants do not receive PRS		64%	\$3,797	16
1	\$335	62%	\$237						64%	\$3,322	14
2	\$178	30%	\$237						78%	\$3,085	13
3	\$63	14%	\$202						84%	\$3,085	13

Note: Court costs reflect the average cost per disposition. Costs for active sentences, probation, and post-release supervision reflect the total cost of the sentence or supervision period. Costs to the Statewide Misdemeanant Confinement Program (SMCP) only occur for active sentences > 90 days and for impaired driving.

