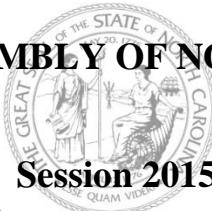


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2015

FISCAL ANALYSIS MEMORANDUM

[This confidential fiscal memorandum is a fiscal analysis of a draft bill, amendment, committee substitute, or conference committee report that has not been formally introduced or adopted on the chamber floor or in committee. This is not an official fiscal note. If upon introduction of the bill you determine that a formal fiscal note is needed, please make a fiscal note request to the Fiscal Research Division, and one will be provided under the rules of the House and the Senate.]

DATE: 07/21/2015
TO: House Committee on Appropriations
FROM: Bryce Ball
Fiscal Research Division
RE: House Bill 338 (Second Edition)

FISCAL IMPACT (\$ in millions)					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
State Impact	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Highway Fund Revenues:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Highway Fund Expenditures:	\$0.10	\$0.01	\$0.01	\$0.01	\$0.01
State Positions:	0.0	0.0	0.0	0.0	0.0
NET STATE IMPACT	(\$0.10)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:
Department of Transportation - Information Technology Division

EFFECTIVE DATE: December 1, 2015

TECHNICAL CONSIDERATIONS:
None

BILL SUMMARY:

Section 1 adds new G.S. 20-35(a3) to: a) establish a \$400 fine for a second or subsequent offense of failing to obtain a license before driving, if the person was ineligible for a license at the time of offense; and, b) provide for active sentencing of 20-60 days for a third or subsequent offense of failing to obtain a license before driving, and also subject the vehicle used in the offense to seizure, impoundment, and forfeiture.

Section 2 provides for the seizure, impoundment, and forfeiture of vehicles in accordance with new G.S. 20-35(a3).

Section 3 makes the bill effective December 1, 2015.

ASSUMPTIONS AND METHODOLOGY:

The following findings address potential impacts to the Department of Transportation exclusively. A separate incarceration note addresses potential impacts on the criminal justice system.

Department of Transportation - Information Technology Division (DOT-IT)

DOT-IT projects that a total of 1,120 hours at a standard assumed labor rate of \$90/hr. are necessary for the design, development, testing, and implementation of required modifications to the State Titling and Registration System (STARS) and State Automated Driver License System (SADLS) for an estimated one-time cost of \$100,800. Recurring system operations and maintenance costs attributable to these modifications are \$9,760.

Proposed technical modifications and system capabilities are outlined below.

STARS

- Modify Administrative Office of the Courts’ menu to allow vehicle seizure, impoundment, and forfeiture for driving in violation of new G.S. 20-35(a3).
- Modify correspondence process to generate new notifications of impoundment.
- Modify titling and registration processes to deny appropriate services associated with seized vehicles.
- Modify inquiry process to display convictions for driving in violation of G.S. 20-35(a3).

SADLS

- Develop and receive a new Administrative Office of the Courts (AOC) charge code for violations of failing to obtain a license before driving a motor vehicle when the person was ineligible to receive a license. Action will be taken for second and subsequent offenses.
- Create a new conviction code for this type of offense.
- Create new suspensions for this new type of conviction.
- Create new action modules to process this conviction type and assign suspensions.
- Determine and assign a proper ACD code to the new conviction rule for transmission out-of-state through the Commercial Driver License Interface System (CDLIS).
- Modify codes table to link the new AOC charge code to the new conviction code in SADLS.

Division of Motor Vehicles – License & Theft Bureau

The Notice, Storage and Theft (NST) Unit is responsible for processing vehicles subject to seizure and impoundment. NST places a hold on all vehicle registrations seized by a law enforcement officer and notifies all owners and lien holders of the seizure in accordance with G.S. 20-28.2 through 28.9, and G.S. 20-54.1. During 2014, the total number of charges issued under G.S. 20-7(a) was 122,257; however, because AOC does not currently capture individual conviction (1st, 2nd, 3rd, subsequent...) levels, the extent of the potential impact on NST workload is indeterminate.

SOURCES OF DATA: Department of Transportation – Information Technology Division and Division of Motor Vehicles

TECHNICAL CONSIDERATIONS: None