

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: H432 PCS CSRW-5
SHORT TITLE: Licensing Selling of Cars
SPONSOR(S): Representatives Saunders; Cole and Weatherly.

FISCAL IMPACT

	Yes ()	No (X)	No Estimate Available ()		
	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>

REVENUES

Highway Fund (No impact)

EXPENDITURES

Department of Correction (No substantial impact expected for the three departments)
Judicial Branch
Department of Motor Vehicles

POSITIONS: 0

PRINCIPAL DEPARTMENT(S) &

PROGRAM(S) AFFECTED: Judicial Branch, Department of Motor Vehicles, and Dept. of Correction

EFFECTIVE DATE: This act becomes effective July 1, 2002.

BILL SUMMARY:

Section 1 amends GS 20-287 to establish penalties for violation of licensing requirements, setting criminal penalty as a Class 1 misdemeanor and civil penalties at maximum of \$1000 per violation for licensee violations and \$5000 per violation for persons who have not obtained a license. Section 2 amends GS 20-288 to clarify persons who must obtain licenses and to set out process and criteria (including training requirements) for used motor vehicle dealer licenses.

ASSUMPTIONS AND METHODOLOGY:

Department of Motor Vehicles

Any costs to the department would be minimal and can be absorbed through normal operations.

Judicial Branch

The Administrative Office of the Courts (AOC) does not have an offense code for violations of the existing G.S. 20-287. Therefore, they assume that relatively few charges are filed. Additionally, since the bill does not expand existing G.S. 20-287(a) application to any new group of persons who may sell cars and because available data suggests few charges under existing law in calendar year 2000, the AOC predicts no substantial impact on the court system.

New G.S. 20-288(a1) establishes used car dealers licensing requirements, distinct from G.S. 20-288(a) new car salespersons requirements. Although the imposition of more requirements provides more opportunity to violate the law, the AOC is unaware of any data upon which to base an estimate of the number of violations that would occur.

Sentencing Commission

According to the Sentencing Commission, there were no convictions for this offense in FY 1999/2000. The proposed bill is not expected to have a significant impact on the prison population. In FY 1999/2000, 15% of all Class 1 misdemeanor convictions resulted in active sentences. The average sentence length imposed was 45 days. Offenders serving active sentences of less than 90 days are housed in county jails.

TECHNICAL CONSIDERATIONS: None

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