

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: SB 680 (2nd Edition PCS)
SHORT TITLE: Lawful Firearm Activities Protected
SPONSOR(S): Senator Odom

FISCAL IMPACT

	Yes (X) County Fees <u>FY 2001-02</u>	No () <u>FY 2002-03</u>	No Estimate Available (X) County Jails		
			<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>
REVENUES					
Fees Collected by Counties	\$2,500	\$5,000	\$5,000	\$5,000	\$5,000

GENERAL FUND EXPENDITURES

Correction -- No fiscal impact
Judicial Branch -- No fiscal impact
Department of Justice -- No fiscal impact

(Although we cannot project the number of new county jail inmates due to this bill, it should be noted that Class 1 misdemeanants could receive active jail sentences.)

POSITIONS: 0

PRINCIPAL DEPARTMENT(S) &

PROGRAM(S) AFFECTED: Department of Justice; Department of Correction; Judicial Branch; County Jails; and County Governments.

EFFECTIVE DATE: Section 1 of this act is effective when it becomes law and applies to any action pending or filed on or after that date. Section 2 of this act becomes effective December 1, 2001, and applies to gun shows occurring on or after that date. Section 3 and 4 of this bill are effective when they become law.

BILL SUMMARY:

The proposed bill adds new G.S. 14-409.40(g), which provides that only the state may bring certain civil actions against firearms or ammunition marketers, manufacturers, distributors, dealers, sellers, or trade associations. This bill would further require the Attorney General to bring any action against any of the aforementioned parties on behalf of the State.

Adds new Article 54C("Gun Shows") to GS Chapter 14. It requires that at least 60 days before the date of the gun show, a gun show promoter file an application for a gun show permit with the sheriff of the county in which the gun show will take place and submit a \$100 application fee. The sheriff must inform the applicant within 30 days of the date of the application whether the permit is granted or denied. If the application for a permit is denied it provides an appeal process. It further sets forth the qualifications for the permit.

GS 14-415.33 provides that each vendor must obtain a sales tax certificate of registration as required by GS 105-164.4(c). Within ten days after the end of the semimonthly period during which the show concluded, each vendor must file a sales tax return and pay the tax under Article 5 of Chapter 105 of the General Statutes. Violations of this Article are class 1 misdemeanors.

ASSUMPTIONS AND METHODOLOGY:

Department of Justice

Based on discussions with officials at the Department of Justice, they don't expect any impact from this bill given the small number of cases.

Department of Correction

Although it is unknown the number of offenders who may be sentenced for a violation of this act, Fiscal Research does not expect this bill to have an impact on the Department of Correction. In some cases though, local jails may be impacted. In 1999/2000, 15% of Class 1 misdemeanors resulted in active sentences, with an average sentence length of 45 days. Offenders serving active sentences of less than 90 days are housed in county jails.

Judicial Branch

SB 680 makes any violation of the new Article 54C a Class 1 misdemeanor. Thus, the bill creates several new Class 1 misdemeanor offenses. The Administrative Office of the Courts (AOC), however, does not have any reliable data available to estimate the number of new prosecutions that would arise. AOC does have data on violations of GS-14-402(a) where it is a Class 2 misdemeanor to sell, transfer, purchase, or receive a pistol or crossbow unless the purchaser or receiver has obtained a permit. This legislation would have the effect of extending these requirements to other weapons, including handguns, shotguns, and rifles. In calendar year 2000, only 30 defendants statewide were charged under 14-402(a).

Although some new charges can be expected to result, Fiscal Research believes that any increase can be absorbed with existing resources.

The bill further provides that if an application for a promoter permit is denied, the applicant may appeal the sheriff's decision by petitioning a district court judge of the district in which the application is filed. Given the small number of gun shows currently, Fiscal Research believes that any increase in workload from appeals to district court can be absorbed with existing resources.

County Government

New GS 14-415.31(b) requires gun show promoters to obtain a permit from the sheriff for each show, as well as pay a \$100 fee to offset administrative costs. Based on data from the

NC Sheriff's Association, it is estimated that 50 gun shows are held annually throughout North Carolina. Thus, charging \$100 for each show would result in approximately \$5,000 being collected by Counties each year.

SOURCES OF DATA: Department of Justice, Department of Correction; Judicial Branch; North Carolina Sentencing and Policy Advisory Commission; and North Carolina Sheriff's Association

TECHNICAL CONSIDERATIONS: None

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