

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: SB 1542 6th Edition

SHORT TITLE: Video Poker Machines

FISCAL IMPACT

Yes () No () No Estimate Available (X)

FY 2000-01 FY 2001-02 FY 2002-03 FY 2003-04 FY 2004-05

REVENUES

EXPENDITURES

No estimate available

POSITIONS:

PRINCIPAL DEPARTMENT (S) &

PROGRAM (S) AFFECTED: Administrative Office of the Courts & Department of Correction

EFFECTIVE DATE: When the bill becomes a law for subsections (a) (b) and (d) and Sections 6 through 8; October 1, 2000 for the remainder of the act.

BILL SUMMARY: TO PLACE A MORATORIUM ON THE INTRODUCTION OF NEW VIDEO GAMING MACHINES INTO THIS STATE TO LIMIT THE NUMBER OF VIDEO GAMING MACHINES TO THREE PER LOCATION, TO PROVIDE FOR REGISTRATION OF MACHINES WITH THE SHERIFF TO BE SIGNED UNDER OATH, TO REQUIRE REPORTS TO THE NEXT REGULAR SESSION OF THE GENERAL ASSEMBLY, EXEMPTING CERTAIN ACTIVITIES, INCREASING CRIMINAL PENALTIES FOR VIOLATION, PROVIDING FOR SUSPENSION OR REVOCATION OF LICENSES FOR VIOLATION, REQUIRING LABELING OF MACHINES AS TO PENALTIES FOR CASH PAYOUTS, AND PROVIDING FOR SEIZURE OF UNLAWFUL VIDEO GAMING MACHINES, TO MAKE IT UNLAWFUL FOR ANYONE UNDER EIGHTEEN YEARS OF AGE TO PLAY A VIDE GAMING MACHINE AND TO MAKE IT A CLASS 1 MISDEMEANOR FOR THE OPERATOR OF SUCH A MACHINE TO KNOWINGLY ALLOW A PERSON UNDER EIGHTEEN TO PLAY THE MACHINE.

ASSUMPTIONS AND METHODOLOGY:

Judicial Branch

The Administrative Office of the Courts (AOC) has no data from which to estimate the number of new prosecutions that would arise from this bill. It is impossible to predict compliance with a new law and therefore, impossible to predict the impact on the court system. The Fiscal Research Division believes that if there is any impact, it would not be substantial and AOC could most likely absorb it within existing resources because the workload would be spread statewide.

Department of Corrections (Sentencing Commission)

The bill creates a new criminal penalty for violation of the provisions. The first violation would result in a Class 1 misdemeanor; Class I felony for a second offense and a Class H felony for third or subsequent offense. Any person operating four or more machines would be guilty of a Class G felony. It also makes unlawful for any person under eighteen years of age to play a video gaming machine and makes it a Class 1 misdemeanor for the operator of such a machine knowingly to allow a person under eighteen to play the machine.

While it is not possible to estimate the number of convictions that will result from this bill, the Sentencing Commission projects that approximately 3% of all convictions for the Class 1 misdemeanor offenses would likely receive an active prison sentence of 3.7 months; 2% of Class I felony convictions would receive an active sentence of 7.4 months; 33% of Class H felony convictions would receive an active sentence of 9.1 months; and 48% of all convictions for Class G felonies result in active sentences.

TECHNICAL CONSIDERATIONS:

FISCAL RESEARCH DIVISION 733-4910

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