

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** HB 953 < 1<sup>st</sup> Edition >  
**SHORT TITLE:** Utter/Possess Counterfeit U.S. Currency  
**SPONSOR(S):** Representative Eddins

**FISCAL IMPACT**

	Yes (X)	No ()	No Estimate Available (X)		
	<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**

**EXPENDITURES**

**Department of Correction –No estimate available but assume fiscal impact**  
**Judicial Branch – No estimate available but assume fiscal impact**

**POSITIONS:** 0

**PRINCIPAL DEPARTMENT(S) &  
PROGRAM(S) AFFECTED:** Judicial Branch and Dept. of Correction

**EFFECTIVE DATE:** This act is effective Dec 1, 2001, and applies to offenses committed on or after that date.

**BILL SUMMARY:**

Creates GS 14-13.1 that provides that it is a felony to possess, pass, or utter counterfeit United States currency with the intent to defraud another. An attempt to commit a violation, and aiding and abetting another in such activity is also made a violation. All are Class I felonies.

**ASSUMPTIONS AND METHODOLOGY:**

Department of Correction

Although it appears that the conduct prohibited in the proposed bill could be partially subsumed in conduct currently covered under G.S. 14-119 and G.S. 14-120, counterfeiting of U.S. currency identified in this bill is a new N.C. offense. During FY 1999/2000, there

were 646 convictions for forgery of an instrument, which is a Class I felony under G.S. 14-119. There were 391 convictions for offenses covered under G.S. 14-120 (Class I felonies including forgery of endorsement, uttering a forged endorsement, and uttering a forged instrument). However, there is no data showing the number of instances for actions prohibited by this bill.

Since the proposed bill creates a new offense, the Sentencing Commission does not have any historical data from which to estimate the impact of this bill on the prison population. It is not known how many offenders might be sentenced under this bill, but Fiscal Research assumes there could be some fiscal impact since offenders convicted of a Class I felony can receive an active sentence. If, for example, there were ten convictions for the proposed offense, the combination of active sentences and probation revocations would result in the need for one additional prison bed the first year and three additional prison beds the second year. If, for example, there were 100 convictions for the proposed offense, this would result in the need for 7 additional prison beds the first year and 26 additional prison beds the second year. In FY 1999/2000, 13% of Class I felons received an active sentence, with an average sentence length of 6 months

Judicial Branch

AOC does not have available data from which to estimate the number of defendants who would be charged under this bill. Depending on the number of such charges, this amendment could have fiscal impact on the court system. Since this creates a new felony, the charges would be disposed of in superior court, where the court costs are higher than those in district court. It may be that some of the charges under this bill, however, could be prosecuted under existing fraud-related criminal provisions.

Since the bill makes it a felony for conduct prohibited in this bill, Fiscal Research assumes there will be a fiscal impact on the Judicial Branch.

**SOURCES OF DATA:** Department of Correction; Judicial Branch; North Carolina Sentencing and Policy Advisory Commission

**TECHNICAL CONSIDERATIONS:** None

**FISCAL RESEARCH DIVISION:** 733-4910

**PREPARED BY:** Lisa Robinson and Jim Mills

**APPROVED BY:** James D. Johnson

**DATE:** April 23, 2001



**Signed Copy Located in the NCGA Principal Clerk's Offices**