

# SENATE BILL No. 346

May 29, 1991, Introduced by Senator VAN REGENMORTER  
and referred to the Committee on Judiciary.

A bill to amend Act No. 328 of the Public Acts of 1931,  
entitled

"Michigan penal code,"

as amended, being sections 750.1 to 750.568 of the Michigan  
Compiled Laws, by adding sections 411g and 411h.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Act No. 328 of the Public Acts of 1931, as  
2 amended, being sections 750.1 to 750.568 of the Michigan Compiled  
3 Laws, is amended by adding sections 411g and 411h to read as  
4 follows:

5       SEC. 411G. (1) A PERSON SHALL NOT KNOWINGLY RECEIVE OR  
6 ACQUIRE THE PROCEEDS OR SUBSTITUTED PROCEEDS OF A VIOLATION OF A  
7 SPECIFIED OFFENSE OR ENGAGE IN ANY TRANSACTION INVOLVING THE  
8 PROCEEDS OR SUBSTITUTED PROCEEDS OF A VIOLATION OF A SPECIFIED  
9 OFFENSE.

1       (2) A PERSON SHALL NOT KNOWINGLY GIVE, SELL, TRANSFER,  
2 TRADE, INVEST, CONCEAL, TRANSPORT, MAINTAIN AN INTEREST IN, OR  
3 OTHERWISE MAKE AVAILABLE ANYTHING OF VALUE KNOWN BY THAT PERSON  
4 TO BE FOR THE PURPOSE OF COMMITTING OR FURTHERING THE COMMISSION  
5 OF A VIOLATION OF A SPECIFIED OFFENSE.

6       (3) A PERSON SHALL NOT KNOWINGLY DIRECT, PLAN, ORGANIZE,  
7 INITIATE, FINANCE, MANAGE, SUPERVISE, OR FACILITATE THE TRANSPOR-  
8 TATION OR TRANSFER OF PROCEEDS OR SUBSTITUTED PROCEEDS KNOWN BY  
9 THAT PERSON TO BE DERIVED FROM A VIOLATION OF A SPECIFIED  
10 OFFENSE.

11       (4) A PERSON SHALL NOT KNOWINGLY CONDUCT A FINANCIAL TRANS-  
12 ACTION INVOLVING PROCEEDS OR SUBSTITUTED PROCEEDS KNOWN BY THAT  
13 PERSON TO BE DERIVED FROM A VIOLATION OF A SPECIFIED OFFENSE WHEN  
14 THE TRANSACTION IS DESIGNED IN WHOLE OR IN PART TO CONCEAL OR  
15 DISGUISE THE NATURE, LOCATION, SOURCE, OWNERSHIP, OR CONTROL OF  
16 THOSE PROCEEDS OR SUBSTITUTED PROCEEDS.

17       (5) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A FELONY  
18 PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 20 YEARS, OR A FINE  
19 OF NOT MORE THAN \$1,000,000.00 OR 5 TIMES THE VALUE OF THE PRO-  
20 CEEDS OR SUBSTITUTED PROCEEDS OF THE VIOLATION OF A SPECIFIED  
21 OFFENSE, WHICHEVER IS GREATER, OR BOTH.

22       (6) AS USED IN THIS SECTION:

23       (A) "PROCEEDS OF A VIOLATION OF A SPECIFIED OFFENSE" MEANS  
24 ANY PROPERTY OBTAINED THROUGH THE COMMISSION OF A VIOLATION OF A  
25 SPECIFIED OFFENSE, INCLUDING ANY APPRECIATION IN THE VALUE OF THE  
26 PROPERTY.

1 (B) "SPECIFIED OFFENSE" MEANS ANY OF THE FOLLOWING:

2 (i) A FELONY VIOLATION OF SECTION 9 OF ACT NO. 265 OF THE  
3 PUBLIC ACTS OF 1947, BEING SECTION 205.509 OF THE MICHIGAN  
4 COMPILED LAWS, RELATING TO CIGARETTE TAXES.

5 (ii) A FELONY VIOLATION OF PART 74 OF THE PUBLIC HEALTH  
6 CODE, ACT NO. 368 OF THE PUBLIC ACTS OF 1978, BEING SECTIONS  
7 333.7401 TO 333.7461 OF THE MICHIGAN COMPILED LAWS, RELATING TO  
8 CONTROLLED SUBSTANCES.

9 (iii) A FELONY VIOLATION OF SECTION 60 OF THE SOCIAL WELFARE  
10 ACT, ACT NO. 280 OF THE PUBLIC ACTS OF 1939, BEING SECTION 400.60  
11 OF THE MICHIGAN COMPILED LAWS, RELATING TO WELFARE FRAUD.

12 (iv) A FELONY VIOLATION OF SECTION 4, 5, OR 7 OF THE MEDI-  
13 CAID FALSE CLAIM ACT, ACT NO. 72 OF THE PUBLIC ACTS OF 1977,  
14 BEING SECTIONS 400.604, 400.605, AND 400.607 OF THE MICHIGAN  
15 COMPILED LAWS, RELATING TO MEDICAID FRAUD.

16 (v) A FELONY VIOLATION OF SECTION 409 OF THE UNIFORM SECURI-  
17 TIES ACT, ACT NO. 265 OF THE PUBLIC ACTS OF 1964, BEING SECTION  
18 451.809 OF THE MICHIGAN COMPILED LAWS, RELATING TO SECURITIES  
19 FRAUD.

20 (vi) A VIOLATION OF SECTION 5 OR 7 OF ACT NO. 33 OF THE  
21 PUBLIC ACTS OF 1978, BEING SECTIONS 722.675 AND 722.677 OF THE  
22 MICHIGAN COMPILED LAWS, RELATING TO THE DISPLAY OR DISSEMINATION  
23 OF OBSCENE MATTER TO MINORS.

24 (vii) A FELONY VIOLATION OF SECTION 72, 73, 74, OR 75,  
25 RELATING TO ARSON.

26 (viii) A FELONY VIOLATION OF SECTION 93, 94, 95, OR 96,  
27 RELATING TO BANK BONDS, BILLS, NOTES, AND PROPERTY.

1       (ix) A FELONY VIOLATION OF SECTION 117, 118, 119, 120, 121,  
2 OR 124, RELATING TO BRIBERY.

3       (x) A VIOLATION OF SECTION 120A, RELATING TO JURY  
4 TAMPERING.

5       (xi) A FELONY VIOLATION OF SECTION 145C, RELATING TO CHILD  
6 SEXUALLY ABUSIVE ACTIVITY OR MATERIAL.

7       (xii) A FELONY VIOLATION OF SECTION 157N, 157P, 157Q, 157R,  
8 157S, 157T, OR 157U, RELATING TO CREDIT CARDS OR FINANCIAL TRANS-  
9 ACTION DEVICES.

10       (xiii) A FELONY VIOLATION OF SECTION 174, 175, 176, 180,  
11 181, OR 182, RELATING TO EMBEZZLEMENT.

12       (xiv) A FELONY VIOLATION OF CHAPTER XXXIII, RELATING TO  
13 EXPLOSIVES AND BOMBS.

14       (xv) A FELONY VIOLATION OF SECTION 213, RELATING TO  
15 EXTORTION.

16       (xvi) A FELONY VIOLATION OF SECTION 218, RELATING TO FALSE  
17 PRETENSES.

18       (xvii) A FELONY VIOLATION OF CHAPTER XLI, RELATING TO FORG-  
19 ERY AND COUNTERFEITING.

20       (xviii) A FELONY VIOLATION OF SECTION 271, 272, 273, OR 274,  
21 RELATING TO SECURITIES FRAUD.

22       (xix) A VIOLATION OF SECTION 301, 302, 303, 304, 305, 305A,  
23 OR 313, RELATING TO GAMBLING.

24       (xx) A FELONY VIOLATION OF SECTION 316 OR 317 RELATING TO  
25 MURDER.

26       (xxi) A VIOLATION OF SECTION 330, 331, OR 332, RELATING TO  
27 HORSE RACING.

1 (xxii) A FELONY VIOLATION OF SECTION 349, 349A, OR 350,  
2 RELATING TO KIDNAPPING.

3 (xxiii) A FELONY VIOLATION OF CHAPTER LII, RELATING TO  
4 LARCENY.

5 (xxiv) A FELONY VIOLATION OF SECTION 422, 423, 424, OR 425,  
6 RELATING TO PERJURY AND SUBORNATION OF PERJURY.

7 (xxv) A FELONY VIOLATION OF SECTION 452, 455, 457, 458, OR  
8 459, RELATING TO PROSTITUTION.

9 (xxvi) A FELONY VIOLATION OF SECTION 529, 530, OR 531,  
10 RELATING TO ROBBERY.

11 (xxvii) A VIOLATION OF SECTION 535, 535A, OR 536A, RELATING  
12 TO STOLEN, EMBEZZLED, OR CONVERTED PROPERTY.

13 (xxviii) A VIOLATION OF SECTION 5 OR 6 OF ACT NO. 343 OF THE  
14 PUBLIC ACTS OF 1984, BEING SECTIONS 752.365 AND 752.366 OF THE  
15 MICHIGAN COMPILED LAWS, RELATING TO OBSCENITY.

16 (xxix) A VIOLATION OF SECTION 2 OR 3 OF THE MICHIGAN ANTI-  
17 TRUST REFORM ACT, ACT NO. 274 OF THE PUBLIC ACTS OF 1984, BEING  
18 SECTIONS 445.772 AND 445.773 OF THE MICHIGAN COMPILED LAWS,  
19 RELATING TO RESTRAINT OF TRADE AND MONOPOLIES.

20 (xxx) A CONSPIRACY, ATTEMPT, OR SOLICITATION TO COMMIT AN  
21 OFFENSE LISTED IN SUBPARAGRAPHS (i) TO (xxix).

22 (C) "SUBSTITUTED PROCEEDS OF A VIOLATION OF A SPECIFIED  
23 OFFENSE" MEANS ANY PROPERTY OBTAINED OR ANY GAIN REALIZED BY THE  
24 SALE OR EXCHANGE OF PROCEEDS OF A VIOLATION OF A SPECIFIED  
25 OFFENSE.

26 SEC. 411H. (1) A PERSON WHO ENGAGES IN A CONTINUING  
27 CRIMINAL ENTERPRISE IS GUILTY OF A CRIME, PUNISHABLE BY A TERM OF

1 IMPRISONMENT OR A FINE, OR BOTH, NOT EXCEEDING TWICE THE TERM OF  
2 IMPRISONMENT OR FINE AUTHORIZED FOR THE SPECIFIED OFFENSE THAT IS  
3 THE UNDERLYING OFFENSE PURSUANT TO SUBSECTION (2) (A) .

4 (2) A PERSON IS ENGAGED IN A CONTINUING CRIMINAL ENTERPRISE  
5 IF ALL OF THE FOLLOWING APPLY:

6 (A) THE PERSON VIOLATES A SPECIFIED OFFENSE.

7 (B) THE VIOLATION OF THE SPECIFIED OFFENSE IS PART OF A CON-  
8 TINUING SERIES OF 2 OR MORE VIOLATIONS OF THE SAME OR A DIFFERENT  
9 SPECIFIED OFFENSE ON SEPARATE OCCASIONS THAT THE PERSON UNDER-  
10 TAKES IN CONCERT WITH 5 OR MORE OTHER PERSONS WITH RESPECT TO  
11 WHOM THE PERSON OCCUPIES A POSITION OF ORGANIZER, SUPERVISOR, OR  
12 ANY OTHER MANAGEMENT POSITION, AND FROM WHICH VIOLATIONS THE  
13 PERSON OBTAINED INCOME OR RESOURCES.

14 (3) A PERSON WHO VIOLATES SUBSECTION (1) AFTER A PREVIOUS  
15 CONVICTION UNDER THAT SUBSECTION MAY BE PUNISHED BY A TERM OF  
16 IMPRISONMENT NOT EXCEEDING 3 TIMES THE TERM OF IMPRISONMENT  
17 AUTHORIZED FOR THE SPECIFIED OFFENSE THAT IS THE UNDERLYING  
18 OFFENSE PURSUANT TO SUBSECTION (2) (A) .

19 (4) AS USED IN THIS SECTION, "SPECIFIED OFFENSE" MEANS THAT  
20 TERM AS DEFINED IN SECTION 411G.