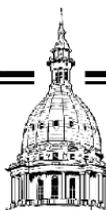




Senate Fiscal Agency
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BILL ANALYSIS



Telephone: (517) 373-5383
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Senate Bills 199 and 200 (as introduced 2-1-95)
Sponsor: Senator Jon Cisky
Committee: Judiciary

Date Completed: 9-9-96

CONTENT

Senate Bills 199 and 200, respectively, would amend the Public Health Code and create the "Crime Stoppers Act" to do all of the following:

- **Create the Crime Stoppers Commission within the Department of Management and Budget (DMB).**
- **Create the "Crime Stoppers Fund" to provide grants to "crime stoppers organizations" for "crime stoppers services".**
- **Dedicate to the proposed Crime Stoppers Fund a portion of the revenue from the sale of property forfeited in relation to controlled substance and steroid violations of the Public Health Code.**

The bills are tie-barred.

"Crime stoppers organization" would mean a nonprofit entity that provided crime stoppers services. "Crime stoppers services" would mean information and resource services that helped to prevent crime or apprehend criminals, and would include, though not be limited to, providing information to the public on crime prevention; providing information to the public to apprehend criminals; and offering rewards to solve crimes.

Senate Bill 199

The bill would require that 2% of the balance of revenue remaining from the sale of property forfeited under the Public Health Code for controlled substance and androgenic anabolic steroid violations, after the payment of expenses of the forfeiture and sale proceedings, be forwarded by the clerk of the court to the State Treasurer for deposit in the Crime Stoppers Fund proposed by Senate Bill 200.

The Code provides that, when property is forfeited for a drug or steroid violation, the State or the local unit of government that seized the property may retain it for official use or sell property that is not required by law to be destroyed and that is not harmful to the public. Revenue from sales must be applied to the expenses of the forfeiture and sale proceedings, with the balance distributed to the treasurer of the entity having budgetary authority over the seizing agency. Under Senate Bill 199, 2% would have to go to the Crime Stoppers Fund before the balance was distributed to that entity.

Senate Bill 200

The proposed Crime Stoppers Act would create the Crime Stoppers Commission and the Crime Stoppers Fund.

Commission

The Crime Stoppers Commission would be created within the DMB and would consist of the following members, appointed by the Governor with the advice and consent of the Senate:

- One person who represented the interests of the judiciary.
- One county prosecuting attorney.
- One peace officer.
- One person representing the interests of crime stoppers organizations.
- One person representing the interests of the public.

The Commission would have to promulgate rules pursuant to the Administrative Procedures Act to implement the bill.

Fund

The Crime Stoppers Fund would be created as a separate fund in the State Treasury. Fund money could be spent only as provided in the bill. The State Treasurer would have to credit to the Fund all amounts received under Senate Bill 199 for the sale of forfeited property. The Treasurer would have to invest Fund money in the same manner as surplus funds are invested. Earnings from the Crime Stoppers Fund would have to be credited back to the Fund.

A crime stoppers organization could apply to the Crime Stoppers Commission to receive a grant to provide crime stoppers services. An application would have to be on a form prescribed by the Commission. The Commission would have to direct and authorize the State Treasurer, in writing, to disburse money from the Fund as grants to specified crime stoppers organizations to provide crime stoppers services. The Commission would have to report to the Secretary of the Senate and the Clerk of the House of Representatives, on January 1 of each year, the distributions made under Senate Bill 200 for the preceding year.

A crime stoppers organization that received a disbursement from the Fund under the bill would have to use that money to enhance and increase crime stoppers services. A distribution could not supplant other funds that, in the absence of the disbursement from the Crime Stoppers Fund, were available for providing crime stoppers services.

MCL 333.7524 (S.B. 199)

Legislative Analyst: P. Affholter

FISCAL IMPACT

Senate Bills 199 and 200 would have an impact on local units of government and State agencies that are involved in the seizure of property in relation to controlled substance and steroid violations specified in the Public Health Code.

Since the treasurer of the entity that has budgetary authority over the seizing agency currently receives funds from the sale of such property after expenses of forfeiture or sale proceedings have been subtracted, the proposed 2% diversion of this revenue to the Crime Stoppers Fund would

mean a decrease in the amount that would otherwise go to the funding unit for enhancing law enforcement efforts.

Local units of government that benefit from the sale of forfeited property reported a total of \$11.5 million in net revenues in 1994. Two percent of this amount would have meant approximately \$230,000 for the Crime Stoppers Fund.

The potential revenue to the Crime Stoppers Fund is indeterminate, however, as this would depend on the amount of property forfeited, and the net revenues from the sale of such property once expenses had been paid. Over the past four years this amount has fluctuated from a low of approximately \$11 million to a high of approximately \$18 million. The Office of Drug Control Policy is still in the process of compiling data for 1995.

Fiscal Analyst: M. Ortiz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.