



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5748 (Substitute H-1 as reported without amendment)

Sponsor: Representative Charles Perricone

House Committee: Commerce

Senate Committee: Technology and Energy

CONTENT

The bill would amend Public Act 53 of 1979, which deals with computer crimes, to expand the prohibition and increase penalties for violations. The bill also would establish a rebuttable presumption that a person "did not have authorization...to access" a computer program, computer, computer system, or computer network, unless specified conditions were met.

The Act provides that a person may not intentionally and without authorization gain access to, alter, damage, or destroy a computer, computer system, or computer network, or gain access to, alter, damage, or destroy a computer software program or data contained in a computer, computer system, or computer network. The bill provides, instead, that a person could not intentionally and without authorization, or by exceeding valid authorization, either access or cause access to be made to a computer program, computer, computer system, or computer network to acquire, alter, damage, delete, or destroy property or otherwise use the service of a computer or computer program, system, or network; or insert or attach, or knowingly create the opportunity for an unknowing and unwanted insertion or attachment of, a set of instructions or a computer program into a computer or computer program, system, or network, that was intended to acquire, alter, damage, delete, disrupt, or destroy property or otherwise use the services of a computer or computer program, system, or network.

A violation of the Act is a misdemeanor if it involves \$100 or less, and is a felony, punishable by up to 10 years' imprisonment and/or a maximum fine of \$5,000, if it involves more than \$100. Under the bill, if a violation involved an aggregate amount of less than \$200, it would be a misdemeanor, punishable by up to 93 days' imprisonment and/or a maximum fine of \$500 or three times the aggregate amount. The bill includes graduated penalties for larger aggregate amounts and prior convictions.

MCL 752.792 et al.

Legislative Analyst: P. Affholter

FISCAL IMPACT

The bill would have an indeterminate, yet likely minimal fiscal impact on the Department of Corrections and local criminal justice agencies. The increased penalties and increased fines would result in longer sentences and additional revenue depending on the number of annual convictions and the type of sanction imposed. For comparison, in 1994, there were two convictions in circuit court for violations of the existing statute regarding access to computer with intent to defraud, one receiving a prison sentence, the other jail. To the extent that changes proposed in the bill resulted in increased convictions, and longer sentences for those individuals found guilty, costs could increase. There are no data currently available that might help predict the anticipated number of increased convictions.

Date Completed: 5-23-96

Fiscal Analyst: M. Hansen

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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.