

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 4327 (Substitute S-2 as reported)
Sponsor: Representative Triette Reeves
House Committee: Constitutional Law and Ethics
Senate Committee: Judiciary

CONTENT

The bill would amend Public Act 33 of 1978, which prohibits the dissemination, exhibition, or display of sexually explicit material to minors, to prohibit the display of sexually explicit material that was harmful to minors except in a "restricted area", specify the purpose of that prohibition, and revise provisions pertaining to dissemination via the Internet. The bill would take effect on June 1, 2001, and is tie-barred to Senate Bills 1293, 1295, 1296, and 1297 and House Bills 4359, 5133, and 5134.

Under the bill, a person who possessed managerial responsibility for a business selling, renting, or otherwise distributing sexually explicit visual material that was harmful to minors could not display that material, knowing its nature, unless the person did so in a "restricted area". "Restricted area" would mean either 1) an area behind a counter, if access were limited only to employees who were not minors, and sexually explicit visual or verbal material were displayed only in devices that prevented public view of the lower two-thirds of the material's cover or exterior; or 2) a building, or a distinct and enclosed area or room designed to prevent a minor in a nonrestricted area from seeing into the enclosed area or room, if access by minors were prohibited, notice of the prohibition were prominently displayed, and access were monitored to prevent minors from entering.

The bill also would make an exception for a radio or television broadcaster licensed by the Federal Communications Commission, to the offense of displaying sexually explicit matter to a minor or knowingly disseminating sexually explicit matter to a minor.

In addition, the bill would delete provisions under which the offenses do not apply if done by means of the Internet or a computer unless the matter is "obscene" or the prosecutor proves that the offender knowingly disseminated or displayed the matter to a minor. The bill also would delete exemptions for an Internet or computer network service provider who did not know the nature of the matter, and for a person who disseminated sexually explicit matter that is a public document or other material issued by a governmental entity.

MCL 722.671 et al.

Legislative Analyst: P. Affholter

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on local units of governments. There are no data available to indicate how many people could be convicted of the misdemeanor offense of disseminating, exhibiting, or displaying sexually explicit material to minors under the proposed changes to the existing statute. Local units of government would receive the fine revenue or incur the costs of incarceration for this crime, which carries a penalty of a maximum fine of \$5,000 and/or 90 days in jail.

Date Completed: 11-21-00

Fiscal Analyst: K. Firestone