



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 249 (as reported without amendment)
Senate Bill 250 (Substitute S-1 as reported)
Sponsor: Senator Darwin L. Booher
Committee: Banking and Financial Institutions

CONTENT

Senate Bill 249 would amend the Michigan Penal Code to increase the maximum prison term for false pretenses involving a value of \$20,000 or more; and establish increased penalties for violations involving a value of \$50,000 or more.

The Code prescribes a range of penalties for a person who, with intent to defraud or cheat, makes or uses a false pretense to do any of the following:

- Cause a person to grant, convey, assign, lease, or mortgage land or an interest in land.
- Obtain a person's signature on a forged written instrument.
- Obtain from a person any money or personal property or the use of any instrument, facility, article, or other valuable thing or service.
- By means of a false weight or measure, obtain more than was bargained for.
- By means of a false weight or measure, sell or dispose of less than was bargained for.

The penalties depend on the value of the land, interest in land, money, personal property, use of the instrument, facility, article, thing, or service, larger amount obtained, or smaller amount sold or disposed of, and whether the violator has prior convictions for this offense.

If the value is \$20,000 or more, or the violator has two or more prior convictions for an offense involving a value of \$1,000 or more but less than \$20,000, the violation is a felony punishable by imprisonment for up to 10 years, a fine of up to \$15,000 or three times the value, whichever is greater, or both imprisonment and a fine.

The bill would establish the penalties shown in the table below.

Value	Maximum Term	Maximum Fine ¹⁾
\$20,000 to <\$50,000	15 years	\$15,000
\$1,000 to <\$20,000 w/ 2 or more priors	15 years	\$15,000
\$50,000 to <\$100,000	15 years	\$25,000
\$20,000 to <\$50,000 w/ 2 or more priors ²⁾	15 years	\$25,000
\$100,000 or more	20 years	\$35,000
\$50,000 to <\$100,000 w/ 2 or more priors ²⁾	20 years	\$35,000
¹⁾ The maximum fine would be the amount listed or three times the value, whichever was greater.		
²⁾ A prior conviction would not include a conviction for a violation involving a value of \$200 or less.		

Senate Bill 250 (S-1) would amend the sentencing guidelines in the Code of Criminal Procedure to reflect the penalties proposed by Senate Bill 249.

Currently, false pretenses involving \$20,000 or more, or \$1,000 to \$20,000 with prior convictions, is a Class D felony against property with a 10-year statutory maximum. Under the bill, false pretenses involving \$20,000 or more but less than \$50,000, or \$1,000 or more but less than \$20,000 with prior convictions, would be a Class C felony against property with a statutory maximum of 15 years.

False pretenses involving \$50,000 or more but less than \$100,000, or \$20,000 or more but less than \$50,000 with prior convictions, also would be a Class C felony against property with a 15-year statutory maximum.

False pretenses involving \$100,000 or more, or \$50,000 or more but less than \$100,000 with prior convictions, would be a Class B felony against property with a 20-year statutory maximum.

The bill is tie-barred to Senate Bill 249.

MCL 750.218 (S.B. 249)
777.161 (S.B. 250)

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bills would have an indeterminate fiscal impact on State and local government. There are no data to indicate how many offenders would be convicted of the proposed offenses. An offender convicted of one of the Class C offenses under the bills would receive a sentencing guidelines minimum sentence range of 0-11 months to 62-114 months. An offender convicted of the Class B offense under the bills would receive a sentencing guidelines minimum sentence range of 0-18 months to 117-160 months. Local governments would incur the costs of incarceration in local facilities, which vary by county. The State would incur the cost of felony probation at an annual average cost of \$2,500, as well as the cost of incarceration in a State facility at an average annual cost of \$35,000. Additional penal fine revenue would benefit public libraries.

Date Completed: 5-4-11

Fiscal Analyst: Matthew Grabowski

Floor's sb249.

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.