



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bills 249 and 250 (as introduced 3-9-11)
Sponsor: Senator Darwin L. Booher
Committee: Banking and Financial Institutions

Date Completed: 5-3-11

CONTENT

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

Senate Bill 250 would amend the sentencing guidelines in the Code of Criminal Procedure to reflect the penalties proposed by Senate Bill 249 and classify offenses involving \$50,000 or more.

Senate Bill 250 is tie-barred to Senate Bill 249.

Senate Bill 249

The Michigan Penal 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, demise, 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 on 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. Under the bill, the maximum prison term would be 15 years, and the penalty would apply to violations involving a value of \$20,000 or more but less than \$50,000.

The penalty would be up to 15 years' imprisonment, a maximum fine of \$25,000 or three times the value, whichever was greater, or both imprisonment and a fine, if either of the following applied:

- The land, interest in land, money, personal property, use of the instrument, facility, article, valuable thing, or service, larger amount obtained, or smaller amount sold or disposed of, had a value of \$50,000 or more but less than \$100,000.
- The violator committed an offense involving a value of \$20,000 or more but less than \$50,000, and had two or more prior convictions for false pretenses.

The penalty would be up to 20 years' imprisonment, a maximum fine of \$35,000 or three times the value, whichever was greater, or both imprisonment and a fine, if either of the following applied:

- The land, interest in land, money, personal property, use of the instrument, facility, article, valuable thing, or service, larger amount obtained, or smaller amount sold or disposed of, had a value of \$100,000 or more.
- The violator committed an offense involving a value of \$50,000 or more but less than \$100,000, and had two or more prior convictions for false pretenses.

For purposes of these proposed penalties, a prior conviction would not include a conviction for a violation involving a value of \$200 or less.

Senate Bill 250

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 C felony against property with a 20-year statutory maximum.

MCL 750.218 (S.B. 249)
777.16I (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. 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.

Fiscal Analyst: Matthew Grabowski

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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.