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House Bill 5615 (as passed by the House)
Sponsor: Representative John Kivela
House Committee: Criminal Justice

CONTENT

The bill would amend the Michigan Penal Code to include a violation involving ephedrine or pseudoephedrine as a predicate offense of racketeering.

The Penal Code prohibits a person from engaging in certain activities through a "pattern of racketeering activity" (at least two incidents of racketeering that have interrelated characteristics and amount to or pose a threat of continuing criminal activity). "Racketeering" means committing, attempting to commit, conspiring to commit, or aiding or abetting, soliciting, coercing, or intimidating a person to commit an offense for financial gain, involving any of the violations specified in the Code. The bill would include a felony violation of Section 7340, 7340c, or 17766c of the Public Health Code, concerning ephedrine or pseudoephedrine.

(With certain exceptions, Section 7340 prohibits the sale, distribution, delivery, or furnishing of a product that contains ephedrine or pseudoephedrine, if the sale is transacted through the use of the mail, internet, telephone, or other electronic means. Section 7340c, proposed by House Bill 5089 (H-1), would prohibit a person from soliciting another to purchase or otherwise obtain any amount of ephedrine or pseudoephedrine knowing that it was to be used for the purpose of illegally manufacturing methamphetamine. Section 17766c, proposed by House Bill 5363 (H-1), would prohibit a person from purchasing or possessing any amount of ephedrine or pseudoephedrine knowing or having reason to know that it was to be used to manufacture methamphetamine.)

The bill would take effect on January 1, 2015, and is tie-barred to House Bills 5089 and 5363.

MCL 750.159g

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill could lead to an increase in racketeering convictions by including certain methamphetamine-related violations as predicate offenses to the crime of racketeering. The penalty for racketeering is imprisonment for up to 20 years, a maximum fine of \$100,000, or both. A new felony conviction under the bill would cost State government approximately \$35,000 per prisoner per year. The cost to local government, if any, would be additional resources required by the court system.

Date Completed: 6-12-14

Fiscal Analyst: John Maxwell