



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bills 331 and 332 (as reported without amendment)

Sponsor: Senator Mallory McMorrow

Committee: Civil Rights, Judiciary, and Public Safety

CONTENT

Senate Bill 331 would amend the handgun licensure Act to do the following:

- Prohibit an individual from manufacturing, assembling, importing, purchasing, selling, or transferring a firearm, frame, or receiver that did not have a valid serial number.
- Prescribe the serialization requirements for a firearm or completed or unfinished frame.
- Beginning 18 months after the bill's effective date, prohibit a person from knowingly possessing a firearm or any completed or unfinished frame or receiver that was not imprinted with a valid serial number.
- Prohibit the use of a three-dimensional (3D) printer or computer numerical control milling machine for unlicensed firearm manufacturing.
- Prohibit an unlicensed individual from manufacturing more than five firearms annually and require the individual to notify the Michigan State Police within 10 days of producing a firearm.
- Prescribe misdemeanor and felony penalties for violating the bill's provisions.
- Specify that the bill's prohibitions would not apply to antique or inoperative firearms, transactions involving law enforcement agencies, law enforcement activities, or buyback programs, among other things.
- Require a person who moved into the State to comply with the serialization requirements within 90 days of moving.

Senate Bill 332 would add sentencing guidelines to the Code of Criminal Procedure to make a second or subsequent violation of Senate Bill 331's prohibitions a Class E felony against the public safety punishable by up to five years' imprisonment.

Senate Bill 332 is tie-barred to Senate Bill 331.

Proposed MCL 28.434c (S.B. 331);
777.11b (S.B. 332)

BRIEF RATIONALE

Generally, ghost guns are un-serialized firearms built from separate pieces or a kit and are often made of 3D printed material and untraceable. According to testimony before the Senate Committee on Civil Rights, Judiciary, and Public Safety, minors and prohibited individuals can easily acquire ghost guns. Some believe that un-serialized firearms and ghost gun precursors should be regulated and undergo serialization to reduce unauthorized and potentially dangerous access to guns.

PREVIOUS LEGISLATION

(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)

Senate Bills 331 and 332 are respectively reintroductions of Senate Bills 1149 and 1150 of the

2023-2024 Legislative Session. Senate Bills 1149 and 1150 passed the Senate and were referred to the House Committee on Government Operations but received no further action.

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bills' criminal penalties could have a negative fiscal impact on the State and local government. Violations of the proposed Act would be punishable as misdemeanors and felonies of different severity. More misdemeanor and felony arrests and convictions could increase resource demands on law enforcement, court systems, community supervision, jails, and correctional facilities. Misdemeanor convictions could increase county jail and local probation supervision costs, which vary by jurisdiction and are thus indeterminate. Based on 2023 data, the average cost to State government for felony probation supervision is approximately \$4,600 per probationer per year. For any increase in prison intakes the average annual cost of housing a prisoner in a State correctional facility is an estimated \$48,700. Per diem rates range from \$100 to \$431 per day (average per diem is \$135), depending on the security level of the facility. Additionally, any associated fine revenue would increase funding to public libraries.

Senate Bill 331 would have a minimal fiscal impact on State and local law enforcement, from increased policing requirements and the requirement of the Director of State Police to create and receive certain notifications from manufacturers or assemblers of firearms.

Senate Bill 332 would have no fiscal impact on local government and an indeterminate fiscal impact on the State, in light of the Michigan Supreme Court's July 2015 opinion in *People v. Lockridge*, in which the Court ruled that the sentencing guidelines are advisory for all cases. This means that the addition to the guidelines under the bill would not be compulsory for the sentencing judge. As penalties for felony convictions vary, the fiscal impact of any given felony conviction depends on judicial decisions

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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.