

RACKETEERING: EXPAND DEFINITION

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House Bill 5953

Sponsor: Rep. Lee Gonzales

Committee: Judiciary

Complete to 7-23-08

A SUMMARY OF HOUSE BILL 5953 AS INTRODUCED 4-8-08

Under the Michigan Penal Code, "racketeering" means committing, attempting to commit, conspiring to commit, or aiding or abetting, soliciting, coercing, or intimidating a person to commit, for financial gain, an offense listed in the definition. House Bill 5953 would amend the code (MCL 750.159g) to include a violation of the Identity Theft Protection Act and a violation of Section 145d of the penal code as a predicate offense in the code's definition of racketeering.

(Section 145d prohibits use of the Internet, a computer, or a computer program, network, or system to communicate with any person for the purpose of committing, attempting to commit, conspiring to commit, or soliciting another to commit any of the following:

- When the victim or intended victim is a minor or believed to be a minor— involvement in child sexually abusive activity or material, kidnaping, first-, second-, third-, or fourth-degree criminal sexual conduct (CSC), or assault with intent to commit CSC, solicitation of a child for immoral purposes, recruitment or inducement of a minor to commit a felony, kidnaping of a child under the age of 14, or disseminating sexually explicit material to a minor.
- Stalking or aggravated stalking.
- An explosives offense listed in Chapter 33 of the code; causing a death by explosives; selling explosives to a minor; or intentionally reporting a crime relating to a bombing, attempted bombing, or threat to bomb, knowing that the report is false.)

FISCAL IMPACT:

The bill's fiscal impact would depend on how it affected racketeering-related convictions and forfeitures. To the extent that more offenders were sentenced to prison, the state could incur increased costs averaging about \$32,000 per offender per year, a figure that includes allocated portions of various fixed administrative and operational costs. To the extent that more offenders were sentenced to jail, affected counties could experience increased costs; jail costs vary by county. To the extent that more felons were sentenced

to felony probation, the state could incur increased costs of probation supervision; parole and probation supervision average about \$2,000 per supervised offender per year.

Any increases in penal fine revenues could benefit local libraries, who are the constitutionally-designated recipients of those revenues. Any increases in revenue from disposing of forfeited racketeering-related property would benefit the seizing law enforcement agencies.

Although there are no data to indicate how many additional offenders would be sanctioned under the bill, preliminary data on felony dispositions in 2007 indicate that there were 743 offenders sentenced for the predicate offenses that the bill would include in the racketeering statute.

2007 Felony Dispositions for Selected Crimes (Preliminary Data; Includes Attempts)

MCL	Description	Prison	Probation	Jail	Other	Total
750.145d	Internet/computer crimes	102	84	3	2	191
445.65	Identity theft	100	300	51	33	484
445.67	Identity theft; obtain ID with intent to commit	<u>17</u>	<u>35</u>	<u>8</u>	<u>8</u>	<u>68</u>
	Totals	219	419	62	43	743

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.