

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



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

House Bill 5752 (as reported without amendment) Sponsor: Representative Eric Bush House Committee: Commerce Senate Committee: Technology and Energy

CONTENT

The bill would amend the Michigan Penal Code to revise the violation and penalties for use of a false or fictitious telephone credit number or telephone number, or the use of another's number without authority to use it. The bill would prohibit knowingly obtaining or attempting to obtain a telecommunications service with intent to avoid, attempt to avoid, or cause another person to avoid or attempt to avoid any lawful charge for that service by using a telecommunications access device without the authority or consent of the subscriber or lawful holder of that device; a counterfeit telecommunications access device; or a fraudulent or deceptive scheme, pretense, method, or conspiracy.

The current violation is a misdemeanor, but must be prosecuted as a felony if the total value of telephone service obtained exceeds \$100. A violation of the bill would be a misdemeanor, punishable by up to 93 days' imprisonment and/or a maximum fine of \$500 or three times the total value of the service obtained or attempted to be obtained, whichever was greater, if that value were less than \$200. The bill includes graduated penalties, including maximum prison terms ranging from one year to 10 years, based on the total value of service and prior convictions.

MCL 750.219a

Legislative Analyst: P. Affholter

FISCAL IMPACT

The bill would have an indeterminate, yet likely minimal fiscal impact on the Department of Corrections and local criminal justice agencies. The increased penalties in the bill could result in increased costs for sanctioning convicted violators, and the increased fines would result in additional revenue, depending on which sanctioning option judges would impose. While there are no data currently available that might predict the increased number of annual violations, in 1994, there were three convictions in circuit court for fraudulent use of a telephone credit card, all receiving a sentence of probation.

Date Completed: 5-24-96

Fiscal Analyst: M. Hansen

floor\hb5752