



Senate Fiscal Agency
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BILL ANALYSIS



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House Bills 5838 and 5839 (as reported without amendment)
Sponsor: Representative Tom Barrett (H.B. 5838)
Representative Jason M. Sheppard (H.B. 5839)
House Committee: Criminal Justice
Senate Committee: Judiciary

CONTENT

House Bill 5838 would amend the Michigan Penal Code to do the following:

- Prohibit and prescribe felony penalties for selling or offering to sell travel services for the purpose of engaging in prostitution or human trafficking.
- Revise the penalty for transporting a person for purposes of prostitution by specifying a maximum fine.

The bill would prohibit a person from knowingly selling or offering to sell travel services that included or facilitated travel for the purpose of engaging in what would be, if the violation occurred in Michigan, a violation of Chapter 67 (Prostitution) or Chapter 67A (Human Trafficking) of the Penal Code. A violation would be a felony punishable by up to five years' imprisonment and/or a maximum fine of \$10,000. If the violation involved conduct against a minor, the penalty would be up to 10 years' imprisonment and/or a maximum fine of \$15,000.

As used in these provisions, "travel services" would mean transportation by air, sea, or ground, hotel or other lodging accommodations, package tours, or the provision of vouchers or coupons to be redeemed for future travel, or accommodations for a fee, commission, or other valuable consideration.

The Penal Code prohibits a person from knowingly transporting or causing to be transported, or aiding or assisting in obtaining transportation for, any person for the purpose of prostitution or with the intent and purpose to induce, entice, or compel that person to become a prostitute. A violation is a felony punishable by up to 20 years' imprisonment. Under the bill, the penalty would be up to 20 years' imprisonment and/or a maximum fine of \$20,000.

House Bill 5839 would amend the Code of Criminal Procedure to include the felonies proposed by House Bill 5838 in the sentencing guidelines. Selling travel services to facilitate prostitution or human trafficking in other jurisdictions would be designated as a Class E felony against a person, with a statutory maximum sentence of five years' imprisonment. If the violation involved a minor, it would be a Class D felony against a person, with a statutory maximum sentence of 10 years' imprisonment.

House Bill 5839 is tie-barred to House Bill 5838.

MCL 750.459 (H.B. 5838)
777.16w (H.B. 5839)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

House Bill 5838 could have a negative fiscal impact on State and local government. More felony arrests and convictions could increase resource demands on law enforcement, court systems, community supervision, jails, and correctional facilities. The average cost to State government for felony probation supervision is approximately \$3,024 per probationer per year. For any increase in prison intakes, in the short term, the marginal cost to State government would be approximately \$3,764 per prisoner per year. Any associated increase in fine revenue would be dedicated to public libraries.

House Bill 5839 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 struck down portions of the sentencing guidelines law). According to one interpretation of that decision, 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 would depend on judicial decisions.

Date Completed: 12-13-16

Fiscal Analyst: Ryan Bergan

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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.