



SENATE BILL No. 196

January 26, 1993, Introduced by Senators VAN REGENMORTER, CISKY, WELBORN, BOUCHARD and ARTHURHULTZ and referred to the Committee on Judiciary.

A bill to amend Act No. 328 of the Public Acts of 1931, entitled as amended

"Michigan penal code,"

as amended, being sections 750.1 to 750.568 of the Michigan Compiled Laws, by adding sections 411j, 411k, 411l, 411m, 411n, 411o, 411p, 411q, 411r, and 411s.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 328 of the Public Acts of 1931, as
2 amended, being sections 750.1 to 750.568 of the Michigan Compiled
3 Laws, is amended by adding sections 411j, 411k, 411l, 411m, 411n,
4 411o, 411p, 411q, 411r, and 411s to read as follows:

5 SEC. 411J. AS USED IN THIS SECTION AND SECTIONS 411K TO
6 411S:

7 (A) "CONTROLLED SUBSTANCE OFFENSE" MEANS A FELONY VIOLATION
8 OF PART 74 OR SECTION 17766A OF THE PUBLIC HEALTH CODE, ACT

SENATE BILL No. 196

1 NO. 368 OF THE PUBLIC ACTS OF 1978, BEING SECTIONS 333.7401 TO
2 333.7461 AND 333.17766A OF THE MICHIGAN COMPILED LAWS, CONCERNING
3 CONTROLLED SUBSTANCES OR ANDROGENIC ANABOLIC STEROIDS.

4 (B) "KNOWINGLY", IN THE CASE OF A CORPORATION, MEANS WITH
5 THE APPROVAL OR KNOWLEDGE OF THE BOARD OF DIRECTORS, A MAJORITY
6 OF THE DIRECTORS, OR PERSONS WHO TOGETHER HOLD A MAJORITY OF THE
7 VOTING OWNERSHIP INTERESTS IN THE CORPORATION. IN DETERMINING
8 WHETHER A MAJORITY OF THE DIRECTORS APPROVED OF OR HAD KNOWLEDGE
9 OF THE ACTIVITY, A DIRECTOR WHO WAS NOT AWARE OF THE ACTIVITY DUE
10 TO HIS OR HER OWN NEGLIGENCE OR OTHER FAULT IS REGARDED AS HAVING
11 HAD KNOWLEDGE OF THE ACTIVITY. THIS SUBDIVISION DOES NOT LIMIT
12 THE LIABILITY OF ANY INDIVIDUAL OFFICER, EMPLOYEE, DIRECTOR, OR
13 STOCKHOLDER OF A CORPORATION.

14 (B) "FINANCIAL TRANSACTION" MEANS A PURCHASE, SALE, LOAN,
15 PLEDGE, GIFT, TRANSFER, DELIVERY, EXCHANGE, OR OTHER DISPOSITION
16 AND, WITH RESPECT TO A FINANCIAL INSTITUTION, INCLUDES A DEPOSIT,
17 WITHDRAWAL, TRANSFER BETWEEN ACCOUNTS, EXCHANGE OF CURRENCY,
18 LOAN, EXTENSION OF CREDIT, PURCHASE OR SALE OF ANY STOCK, BOND,
19 CERTIFICATE OF DEPOSIT, OR OTHER MONETARY INSTRUMENT, OR ANY
20 OTHER PAYMENT, TRANSFER, OR DELIVERY BY, THROUGH, OR TO A FINAN-
21 CIAL INSTITUTION, BY WHATEVER MEANS EFFECTED.

22 (C) "FINANCIAL INSTITUTION" MEANS 1 OR MORE OF THE FOLLOW-
23 ING, IF LOCATED IN OR DOING BUSINESS IN THIS STATE:

24 (i) AN INSURED BANK, AS DEFINED IN SECTION 3(h) OF THE FED-
25 ERAL DEPOSIT INSURANCE ACT, 12 U.S.C. 1813(h).

26 (ii) A COMMERCIAL BANK OR TRUST COMPANY.

- 1 (iii) A PRIVATE BANKER.
- 2 (iv) AN AGENCY OR BRANCH OF A FOREIGN BANK.
- 3 (v) A SAVINGS AND LOAN INSTITUTION.
- 4 (vi) A THRIFT INSTITUTION.
- 5 (vii) A CREDIT UNION.
- 6 (viii) A BROKER OR DEALER REGISTERED WITH THE SECURITIES AND
7 EXCHANGE COMMISSION UNDER THE SECURITIES EXCHANGE ACT OF 1934, 15
8 U.S.C. 78a, ET SEQ.
- 9 (ix) A BROKER OR DEALER IN SECURITIES OR COMMODITIES.
- 10 (x) AN INVESTMENT BANKER OR INVESTMENT COMPANY.
- 11 (xi) A CURRENCY EXCHANGE.
- 12 (xii) AN INSURER, REDEEMER, OR CASHIER OF TRAVELER'S CHECKS,
13 CHECKS, OR MONEY ORDERS.
- 14 (xiii) AN OPERATOR OF A CREDIT CARD SYSTEM.
- 15 (xiv) AN INSURANCE COMPANY.
- 16 (xv) A DEALER IN PRECIOUS METALS, STONES, OR JEWELS.
- 17 (xvi) A PAWNBROKER.
- 18 (xvii) A LOAN, FINANCE, OR MORTGAGE COMPANY.
- 19 (xviii) A TRAVEL AGENCY.
- 20 (xix) A LICENSED SENDER OF MONEY.
- 21 (xx) A TELEGRAPH COMPANY.
- 22 (D) "MONETARY INSTRUMENT" MEANS COIN OR CURRENCY OF THE
23 UNITED STATES OR ANOTHER COUNTRY, OR GROUP OF COUNTRIES, A
24 TRAVELER'S CHECK, PERSONAL CHECK, BANK CHECK, MONEY ORDER, OR
25 INVESTMENT SECURITY OR NEGOTIABLE INSTRUMENT IN BEARER FORM OR IN
26 ANY OTHER FORM SUCH THAT DELIVERY IS SUFFICIENT TO PASS TITLE.

1 (E) "PROCEEDS OF A SPECIFIED CRIMINAL OFFENSE" MEANS ANY
2 MONETARY INSTRUMENT OR OTHER REAL OR PERSONAL PROPERTY OBTAINED
3 THROUGH THE COMMISSION OF A SPECIFIED CRIMINAL OFFENSE, INCLUDING
4 ANY APPRECIATION IN THE VALUE OF THE MONETARY INSTRUMENT OR
5 PROPERTY.

6 (F) "SPECIFIED CRIMINAL OFFENSE" MEANS ANY OF THE
7 FOLLOWING:

8 (i) A FELONY VIOLATION OF SECTION 9 OF ACT NO. 265 OF THE
9 PUBLIC ACTS OF 1947, BEING SECTION 205.509 OF THE MICHIGAN
10 COMPILED LAWS, CONCERNING CIGARETTE TAXES.

11 (ii) A CONTROLLED SUBSTANCE OFFENSE.

12 (iii) A FELONY VIOLATION OF SECTION 60 OF THE SOCIAL WELFARE
13 ACT, ACT NO. 280 OF THE PUBLIC ACTS OF 1939, BEING SECTION 400.60
14 OF THE MICHIGAN COMPILED LAWS, CONCERNING WELFARE FRAUD.

15 (iv) A VIOLATION OF SECTION 4, 5, OR 7 OF THE MEDICAID FALSE
16 CLAIM ACT, ACT NO. 72 OF THE PUBLIC ACTS OF 1977, BEING SECTIONS
17 400.604, 400.605, AND 400.607 OF THE MICHIGAN COMPILED LAWS, CON-
18 CERNING MEDICAID FRAUD.

19 (v) A VIOLATION OF SECTION 2 OR 3 OF THE MICHIGAN ANTITRUST
20 REFORM ACT, ACT NO. 274 OF THE PUBLIC ACTS OF 1984, BEING SEC-
21 TIONS 445.772 AND 445.773 OF THE MICHIGAN COMPILED LAWS, CONCERN-
22 ING RESTRAINT OF TRADE AND MONOPOLIES.

23 (vi) A VIOLATION OF SECTION 409 OF THE UNIFORM SECURITIES
24 ACT, ACT NO. 265 OF THE PUBLIC ACTS OF 1964, BEING SECTION
25 451.809 OF THE MICHIGAN COMPILED LAWS, CONCERNING SECURITIES
26 FRAUD.

1 (vii) A VIOLATION OF SECTION 5 OR 7 OF ACT NO. 33 OF THE
2 PUBLIC ACTS OF 1978, BEING SECTIONS 722.675 AND 722.677 OF THE
3 MICHIGAN COMPILED LAWS, CONCERNING THE DISPLAY OR DISSEMINATION
4 OF OBSCENE MATTER TO MINORS.

5 (viii) A FELONY VIOLATION OF SECTION 72, 73, 74, OR 75, CON-
6 CERNING ARSON.

7 (ix) A VIOLATION OF SECTION 93, 94, 95, OR 96, CONCERNING
8 BANK BONDS, BILLS, NOTES, AND PROPERTY.

9 (x) A VIOLATION OF SECTION 117, 118, 119, 120, 121, OR 124,
10 CONCERNING BRIBERY.

11 (xi) A VIOLATION OF SECTION 120A, CONCERNING JURY
12 TAMPERING.

13 (xii) A VIOLATION OF SECTION 145C, CONCERNING CHILD SEXUALLY
14 ABUSIVE ACTIVITY OR MATERIAL.

15 (xiii) A FELONY VIOLATION OF SECTION 157N, 157P, 157Q, 157R,
16 157S, 157T, OR 157U, CONCERNING CREDIT CARDS OR FINANCIAL TRANS-
17 ACTION DEVICES.

18 (xiv) A FELONY VIOLATION OF SECTION 174, 175, 176, 180, 181,
19 OR 182, CONCERNING EMBEZZLEMENT.

20 (xv) A FELONY VIOLATION OF CHAPTER XXXIII, CONCERNING EXPLO-
21 SIVES AND BOMBS.

22 (xvi) A VIOLATION OF SECTION 213, CONCERNING EXTORTION.

23 (xvii) A FELONY VIOLATION OF SECTION 218, CONCERNING FALSE
24 PRETENSES.

25 (xviii) A FELONY VIOLATION OF CHAPTER XLI, CONCERNING FORG-
26 ERY AND COUNTERFEITING.

- 1 (xix) A VIOLATION OF SECTION 271, 272, 273, OR 274,
2 CONCERNING SECURITIES FRAUD.
- 3 (xx) A VIOLATION OF SECTION 301, 302, 303, 304, 305, 305A,
4 OR 313, CONCERNING GAMBLING.
- 5 (xxi) A VIOLATION OF SECTION 316 OR 317 CONCERNING MURDER.
- 6 (xxii) A VIOLATION OF SECTION 330, 331, OR 332, CONCERNING
7 HORSE RACING.
- 8 (xxiii) A VIOLATION OF SECTION 349, 349A, OR 350, CONCERNING
9 KIDNAPPING.
- 10 (xxiv) A FELONY VIOLATION OF CHAPTER LII, CONCERNING
11 LARCENY.
- 12 (xxv) A VIOLATION OF SECTION 422, 423, 424, OR 425, CONCERN-
13 ING PERJURY AND SUBORNATION OF PERJURY.
- 14 (xxvi) A VIOLATION OF SECTION 452, 455, 457, 458, OR 459,
15 CONCERNING PROSTITUTION.
- 16 (xxvii) A VIOLATION OF SECTION 529, 530, OR 531, CONCERNING
17 ROBBERY.
- 18 (xxviii) A FELONY VIOLATION OF SECTION 535, 535A, OR 536A,
19 CONCERNING STOLEN, EMBEZZLED, OR CONVERTED PROPERTY.
- 20 (xxix) A VIOLATION OF SECTION 5 OF ACT NO. 343 OF THE PUBLIC
21 ACTS OF 1984, BEING SECTION 752.365 OF THE MICHIGAN COMPILED
22 LAWS, CONCERNING OBSCENITY.
- 23 (xxx) A CONSPIRACY, ATTEMPT, OR SOLICITATION TO COMMIT AN
24 OFFENSE LISTED IN SUBPARAGRAPHS (i) TO (xxix).
- 25 (G) "SUBSTITUTED PROCEEDS OF A SPECIFIED CRIMINAL OFFENSE"
26 MEANS ANY MONETARY INSTRUMENT OR OTHER REAL OR PERSONAL PROPERTY

1 OBTAINED OR ANY GAIN REALIZED BY THE SALE OR EXCHANGE OF PROCEEDS
2 OF A SPECIFIED CRIMINAL OFFENSE.

3 SEC. 411K. (1) A PERSON SHALL NOT KNOWINGLY RECEIVE OR
4 ACQUIRE A MONETARY INSTRUMENT OR OTHER PROPERTY THAT CONSTITUTES
5 THE PROCEEDS OR SUBSTITUTED PROCEEDS OF A SPECIFIED CRIMINAL
6 OFFENSE WITH KNOWLEDGE OF BOTH OF THE FOLLOWING:

7 (A) THE MONETARY INSTRUMENT OR OTHER PROPERTY REPRESENTS THE
8 PROCEEDS OR SUBSTITUTED PROCEEDS OF ANY SPECIFIED CRIMINAL
9 OFFENSE.

10 (B) THE RECEIPT OR ACQUISITION OF THE PROCEEDS OR SUBSTI-
11 TUTED PROCEEDS MEETS 1 OR MORE OF THE FOLLOWING CRITERIA:

12 (i) IT WILL AID THAT PERSON OR ANOTHER PERSON IN PROMOTING
13 OR CARRYING ON THE SPECIFIED CRIMINAL OFFENSE FROM WHICH THE PRO-
14 CEEDS OR SUBSTITUTED PROCEEDS WERE DERIVED OR ANY OTHER SPECIFIED
15 CRIMINAL OFFENSE.

16 (ii) IT IS DESIGNED, IN WHOLE OR IN PART, TO CONCEAL OR DIS-
17 GUISE THE NATURE, LOCATION, SOURCE, OWNERSHIP, OR CONTROL OF THE
18 PROCEEDS OR SUBSTITUTED PROCEEDS OF THE SPECIFIED CRIMINAL
19 OFFENSE OR TO AVOID A TRANSACTION REPORTING REQUIREMENT UNDER
20 STATE OR FEDERAL LAW.

21 (2) A PERSON SHALL NOT KNOWINGLY CONDUCT OR ATTEMPT TO CON-
22 DUCT A FINANCIAL TRANSACTION INVOLVING A MONETARY INSTRUMENT OR
23 OTHER PROPERTY THAT CONSTITUTES THE PROCEEDS OR SUBSTITUTED PRO-
24 CEEDS OF A SPECIFIED CRIMINAL OFFENSE WITH KNOWLEDGE OF BOTH OF
25 THE FOLLOWING:

1 (A) THE MONETARY INSTRUMENT OR OTHER PROPERTY REPRESENTS THE
2 PROCEEDS OR SUBSTITUTED PROCEEDS OF ANY SPECIFIED CRIMINAL
3 OFFENSE.

4 (B) THE FINANCIAL TRANSACTION MEETS 1 OR MORE OF THE FOLLOW-
5 ING CRITERIA:

6 (i) IT WILL AID THAT PERSON OR ANOTHER PERSON IN PROMOTING
7 OR CARRYING ON THE SPECIFIED CRIMINAL OFFENSE FROM WHICH THE PRO-
8 CEEDS OR SUBSTITUTED PROCEEDS WERE DERIVED OR ANY OTHER SPECIFIED
9 CRIMINAL OFFENSE.

10 (ii) IT IS DESIGNED, IN WHOLE OR IN PART, TO CONCEAL OR DIS-
11 GUISE THE NATURE, LOCATION, SOURCE, OWNERSHIP, OR CONTROL OF THE
12 PROCEEDS OR SUBSTITUTED PROCEEDS OF THE SPECIFIED CRIMINAL
13 OFFENSE, OR TO AVOID A TRANSACTION REPORTING REQUIREMENT UNDER
14 STATE OR FEDERAL LAW.

15 SEC. 411L. EXCEPT AS OTHERWISE PROVIDED IN SECTIONS 411M TO
16 411P, A PERSON WHO VIOLATES SECTION 411K IS GUILTY OF
17 FOURTH-DEGREE MONEY LAUNDERING, A MISDEMEANOR PUNISHABLE BY
18 IMPRISONMENT FOR NOT MORE THAN 2 YEARS, OR BY A FINE OF NOT MORE
19 THAN \$10,000.00 OR TWICE THE VALUE OF THE PROCEEDS OR SUBSTITUTED
20 PROCEEDS OF THE SPECIFIED CRIMINAL OFFENSE INVOLVED IN THE VIOLA-
21 TION, WHICHEVER IS GREATER, OR BOTH.

22 SEC. 411M. (1) EXCEPT AS OTHERWISE PROVIDED IN SECTIONS
23 411N TO 411P, A PERSON WHO VIOLATES SECTION 411K IS GUILTY OF
24 THIRD-DEGREE MONEY LAUNDERING IF THE VIOLATION INVOLVES 1 OF THE
25 FOLLOWING CIRCUMSTANCES:

1 (A) THE VALUE OF THE PROCEEDS OR SUBSTITUTED PROCEEDS OF THE
2 SPECIFIED CRIMINAL OFFENSE INVOLVED IN THE VIOLATION IS
3 \$10,000.00 OR MORE.

4 (B) THE SPECIFIED CRIMINAL OFFENSE INVOLVED IN THE VIOLATION
5 IS A CONTROLLED SUBSTANCE OFFENSE, OR AN ATTEMPT, SOLICITATION,
6 OR CONSPIRACY TO COMMIT A CONTROLLED SUBSTANCE OFFENSE.

7 (C) THE VIOLATION IS COMMITTED WITH THE INTENT TO DO 1 OR
8 MORE OF THE FOLLOWING:

9 (i) PROMOTE THE COMMISSION OF THE SPECIFIED CRIMINAL OFFENSE
10 FROM WHICH THE PROCEEDS OR SUBSTITUTED PROCEEDS WERE DERIVED OR
11 ANY OTHER SPECIFIED CRIMINAL OFFENSE.

12 (ii) CONCEAL OR DISGUISE THE NATURE, LOCATION, SOURCE,
13 OWNERSHIP, OR CONTROL OF THE PROCEEDS OR SUBSTITUTED PROCEEDS OF
14 THE SPECIFIED CRIMINAL OFFENSE OR AVOID A TRANSACTION REPORTING
15 REQUIREMENT UNDER STATE OR FEDERAL LAW.

16 (2) THIRD-DEGREE MONEY LAUNDERING IS A FELONY PUNISHABLE BY
17 IMPRISONMENT FOR NOT MORE THAN 5 YEARS, OR BY A FINE OF NOT MORE
18 THAN \$50,000.00 OR TWICE THE VALUE OF THE PROCEEDS OR SUBSTITUTED
19 PROCEEDS OF THE SPECIFIED CRIMINAL OFFENSE INVOLVED IN THE VIOLA-
20 TION, WHICHEVER IS GREATER, OR BOTH.

21 SEC. 411N. (1) EXCEPT AS OTHERWISE PROVIDED IN SECTIONS
22 411O AND 411P, A PERSON WHO VIOLATES SECTION 411K IS GUILTY OF
23 SECOND-DEGREE MONEY LAUNDERING IF THE VALUE OF THE PROCEEDS OR
24 SUBSTITUTED PROCEEDS OF THE SPECIFIED CRIMINAL OFFENSE INVOLVED
25 IN THE VIOLATION IS \$10,000.00 OR MORE AND THE VIOLATION INVOLVES
26 EITHER OF THE FOLLOWING:

1 (A) THE SPECIFIED CRIMINAL OFFENSE INVOLVED IN THE VIOLATION
2 OF SECTION 411K IS A CONTROLLED SUBSTANCE OFFENSE, OR AN ATTEMPT,
3 SOLICITATION, OR CONSPIRACY TO COMMIT A CONTROLLED SUBSTANCE
4 OFFENSE.

5 (B) THE VIOLATION IS COMMITTED WITH THE INTENT TO DO 1 OR
6 MORE OF THE FOLLOWING:

7 (i) PROMOTE THE COMMISSION OF THE SPECIFIED CRIMINAL OFFENSE
8 FROM WHICH THE PROCEEDS OR SUBSTITUTED PROCEEDS WERE DERIVED OR
9 ANY OTHER SPECIFIED CRIMINAL OFFENSE.

10 (ii) CONCEAL OR DISGUISE THE NATURE, LOCATION, SOURCE,
11 OWNERSHIP, OR CONTROL OF THE PROCEEDS OR SUBSTITUTED PROCEEDS OF
12 THE SPECIFIED CRIMINAL OFFENSE OR AVOID A TRANSACTION REPORTING
13 REQUIREMENT UNDER STATE OR FEDERAL LAW.

14 (2) SECOND-DEGREE MONEY LAUNDERING IS A FELONY, PUNISHABLE
15 BY IMPRISONMENT FOR NOT MORE THAN 10 YEARS, OR BY A FINE OF NOT
16 MORE THAN \$100,000.00 OR TWICE THE VALUE OF THE PROCEEDS OR SUB-
17 STITUTED PROCEEDS OF THE SPECIFIED CRIMINAL OFFENSE INVOLVED IN
18 THE VIOLATION, WHICHEVER IS GREATER, OR BOTH.

19 SEC. 411o. (1) EXCEPT AS OTHERWISE PROVIDED IN SECTION
20 411P, A PERSON WHO VIOLATES SECTION 411K IS GUILTY OF
21 FIRST-DEGREE MONEY LAUNDERING IF THE VIOLATION INVOLVES ALL OF
22 THE FOLLOWING CIRCUMSTANCES:

23 (A) THE VALUE OF THE PROCEEDS OR SUBSTITUTED PROCEEDS OF THE
24 SPECIFIED CRIMINAL OFFENSE INVOLVED IN THE VIOLATION IS
25 \$10,000.00 OR MORE.

1 (B) THE SPECIFIED CRIMINAL OFFENSE INVOLVED IN THE VIOLATION
2 IS A CONTROLLED SUBSTANCE OFFENSE, OR AN ATTEMPT, SOLICITATION,
3 OR CONSPIRACY TO COMMIT A CONTROLLED SUBSTANCE OFFENSE.

4 (C) THE VIOLATION IS COMMITTED WITH THE INTENT TO DO 1 OR
5 MORE OF THE FOLLOWING:

6 (i) PROMOTE THE COMMISSION OF THE SPECIFIED CRIMINAL OFFENSE
7 FROM WHICH THE PROCEEDS OR SUBSTITUTED PROCEEDS WERE DERIVED OR
8 ANY OTHER SPECIFIED CRIMINAL OFFENSE.

9 (ii) CONCEAL OR DISGUISE THE NATURE, LOCATION, SOURCE,
10 OWNERSHIP, OR CONTROL OF THE PROCEEDS OR SUBSTITUTED PROCEEDS OF
11 THE SPECIFIED CRIMINAL OFFENSE OR AVOID A TRANSACTION REPORTING
12 REQUIREMENT UNDER STATE OR FEDERAL LAW.

13 (2) FIRST-DEGREE MONEY LAUNDERING IS A FELONY PUNISHABLE BY
14 IMPRISONMENT FOR NOT MORE THAN 20 YEARS, OR BY A FINE OF NOT MORE
15 THAN \$500,000.00 OR TWICE THE VALUE OF THE PROCEEDS OR SUBSTI-
16 TUTED PROCEEDS OF THE SPECIFIED CRIMINAL OFFENSE INVOLVED IN THE
17 VIOLATION, WHICHEVER IS GREATER, OR BOTH.

18 SEC. 411P. IF A PROSECUTION FOR A VIOLATION OF SECTION 411K
19 INVOLVES A FEE ACCEPTED BY A LICENSED ATTORNEY FOR REPRESENTING A
20 CLIENT IN A CRIMINAL INVESTIGATION OR PROCEEDING, THE PROSECUTION
21 HAS THE BURDEN OF PROVING THE MONETARY INSTRUMENT OR OTHER PROP-
22 ERTY WAS ACCEPTED BY THE ATTORNEY WITH THE INTENT TO DO 1 OR MORE
23 OF THE FOLLOWING:

24 (A) PROMOTE THE COMMISSION OF THE SPECIFIED CRIMINAL OFFENSE
25 FROM WHICH THE PROCEEDS OR SUBSTITUTED PROCEEDS WERE DERIVED OR
26 ANY OTHER SPECIFIED CRIMINAL OFFENSE.

1 (B) CONCEAL OR DISGUISE THE NATURE, LOCATION, SOURCE,
2 OWNERSHIP, OR CONTROL OF THE PROCEEDS OR SUBSTITUTED PROCEEDS OF
3 THE SPECIFIED CRIMINAL OFFENSE OR AVOID A TRANSACTION REPORTING
4 REQUIREMENT UNDER STATE OR FEDERAL LAW.

5 SEC. 411Q. (1) A PERSON WHO CONDUCTS OR ATTEMPTS TO CONDUCT
6 A FINANCIAL TRANSACTION INVOLVING A MONETARY INSTRUMENT OR OTHER
7 PROPERTY THAT A LAW ENFORCEMENT OFFICER REPRESENTS TO BE THE PRO-
8 CEEDS OR SUBSTITUTED PROCEEDS OF A SPECIFIED CRIMINAL OFFENSE IS
9 GUILTY OF A FELONY, PUNISHABLE AS PROVIDED IN SUBSECTION (2), IF
10 THAT PERSON CONDUCTS OR ATTEMPTS TO CONDUCT THE FINANCIAL TRANS-
11 ACTION WITH THE INTENT TO DO 1 OR MORE OF THE FOLLOWING:

12 (A) PROMOTE THE COMMISSION OF A SPECIFIED CRIMINAL OFFENSE.

13 (B) CONCEAL OR DISGUISE THE NATURE, LOCATION, SOURCE, OWNER-
14 SHIP, OR CONTROL OF A MONETARY INSTRUMENT OR OTHER PROPERTY
15 BELIEVED TO BE THE PROCEEDS OR SUBSTITUTED PROCEEDS OF A SPECI-
16 FIED CRIMINAL OFFENSE OR AVOID A TRANSACTION REPORTING REQUIRE-
17 MENT UNDER STATE OR FEDERAL LAW.

18 (2) A PERSON WHO VIOLATES SUBSECTION (1) MAY BE PUNISHED AS
19 FOLLOWS:

20 (A) IF THE MONETARY INSTRUMENT OR OTHER PROPERTY INVOLVED IN
21 THE TRANSACTION IS REPRESENTED TO BE THE PROCEEDS OR SUBSTITUTED
22 PROCEEDS OF A CONTROLLED SUBSTANCE OFFENSE AND HAS A VALUE OF
23 \$10,000.00 OR MORE, BY IMPRISONMENT FOR NOT MORE THAN 20 YEARS OR
24 A FINE OF NOT MORE THAN \$500,000.00, OR BOTH.

25 (B) IF THE MONETARY INSTRUMENT OR OTHER PROPERTY INVOLVED IN
26 THE TRANSACTION IS REPRESENTED TO BE THE PROCEEDS OR SUBSTITUTED
27 PROCEEDS OF A CONTROLLED SUBSTANCE OFFENSE OR HAS A VALUE OF

1 \$10,000.00 OR MORE, BY IMPRISONMENT FOR NOT MORE THAN 10 YEARS OR
2 A FINE OF NOT MORE THAN \$100,000.00, OR BOTH.

3 (C) IN ALL CASES NOT DESCRIBED IN SUBDIVISION (A) OR (B), BY
4 IMPRISONMENT FOR NOT MORE THAN 5 YEARS OR A FINE OF NOT MORE THAN
5 \$50,000.00, OR BOTH.

6 (3) FOR PURPOSES OF THIS SECTION, A REPRESENTATION OF A MON-
7 ETARY INSTRUMENT OR OTHER PROPERTY AS THE PROCEEDS OR SUBSTITUTED
8 PROCEEDS OF A SPECIFIED CRIMINAL OFFENSE MAY BE MADE BY A PERSON
9 AT THE DIRECTION OF, OR WITH THE APPROVAL OF, A LAW ENFORCEMENT
10 OFFICIAL AUTHORIZED TO INVESTIGATE OR PROSECUTE VIOLATIONS OF
11 THIS SECTION.

12 SEC. 411R. THE DIRECTOR OF THE DEPARTMENT OF STATE POLICE,
13 IN CONSULTATION WITH THE ATTORNEY GENERAL, MAY ENTER INTO AGREE-
14 MENTS WITH FEDERAL AUTHORITIES, INCLUDING THE UNITED STATES
15 DEPARTMENT OF TREASURY AND THE UNITED STATES DEPARTMENT OF JUS-
16 TICE, TO OBTAIN REPORTED INFORMATION AND ACCESS TO THE FINANCIAL
17 CRIMES ENFORCEMENT NETWORK AND MAY DISSEMINATE INFORMATION
18 OBTAINED TO STATE AND LOCAL LAW ENFORCEMENT AUTHORITIES AS AUTHO-
19 RIZED BY THE FEDERAL GOVERNMENT.

20 SEC. 411S. (1) A PERSON WHO ENGAGES IN A CONTINUING CRIMI-
21 NAL ENTERPRISE IS GUILTY OF A CRIME, PUNISHABLE BY A TERM OF
22 IMPRISONMENT OR A FINE, OR BOTH, NOT EXCEEDING TWICE THE TERM OF
23 IMPRISONMENT OR FINE AUTHORIZED FOR THE SPECIFIED CRIMINAL
24 OFFENSE THAT IS THE UNDERLYING OFFENSE PURSUANT TO SUBSECTION
25 (2)(A).

26 (2) A PERSON IS ENGAGED IN A CONTINUING CRIMINAL ENTERPRISE
27 IF ALL OF THE FOLLOWING APPLY:

1 (A) THE PERSON COMMITS A SPECIFIED CRIMINAL OFFENSE.

2 (B) THE COMMISSION OF THE SPECIFIED CRIMINAL OFFENSE IS PART
3 OF A CONTINUING SERIES OF 2 OR MORE INSTANCES INVOLVING THE COM-
4 MISSION OF THE SAME OR A DIFFERENT SPECIFIED CRIMINAL OFFENSE ON
5 SEPARATE OCCASIONS THAT THE PERSON UNDERTAKES IN CONCERT WITH 5
6 OR MORE OTHER PERSONS WITH RESPECT TO WHOM THE PERSON OCCUPIES A
7 POSITION OF ORGANIZER, SUPERVISOR, OR ANY OTHER MANAGEMENT POSI-
8 TION AND FROM WHICH VIOLATIONS THE PERSON OBTAINED INCOME OR
9 RESOURCES.

10 (3) A PERSON WHO VIOLATES SUBSECTION (1) AFTER A PREVIOUS
11 CONVICTION UNDER THAT SUBSECTION MAY BE PUNISHED BY A TERM OF
12 IMPRISONMENT OR A FINE, OR BOTH, NOT EXCEEDING 3 TIMES THE TERM
13 OF IMPRISONMENT OR FINE AUTHORIZED FOR THE SPECIFIED CRIMINAL
14 OFFENSE THAT IS THE UNDERLYING OFFENSE PURSUANT TO SUBSECTION
15 (2) (A).