



Senate Fiscal Agency
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House Bill 4243 (Substitute S-1 as reported)
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Sponsor: Representative Julie Alexander (H.B. 4243)
Representative Sarah Anthony (H.B. 4244)
Representative David LaGrand (H.B. 4245)
House Committee: Rules and Competitiveness
Senate Committee: Judiciary and Public Safety

CONTENT

House Bill 4243 (S-1) would amend the Public Health Code to do the following:

- Prescribe felony penalties for violations involving the manufacture, creation, delivery, or possession with intent to manufacture, create, or deliver heroin, fentanyl, carfentanil, and certain opiates.
- Revise the terms of imprisonment for felony violations involving the manufacture, creation, delivery, or possession with intent to manufacture, create, or deliver certain Schedule 1 or 2 controlled substances.

House Bill 4244 (S-1) would amend the sentencing guidelines in the Code of Criminal Procedure to revise the statutory maximum sentences for the delivery or manufacture of certain Schedule 1 or 2 controlled substances and to include the new felonies prescribed in House Bill 4243 (S-1).

House Bill 4245 (S-1) would amend Chapter 11 (Probation) of the Code of Criminal Procedure to allow a court to order probation for certain offenses described in House Bill 4243 (S-1), if the violation involved a substance that was not heroin, fentanyl, carfentanil, or any derivative of those drugs.

House Bills 4243 (S-1) and 4244 (S-1) are tie-barred. House Bill 4245 (S-1) is tie-barred to House Bill 4243. Each bill would take effect 90 days after its enactment.

MCL 333.7401 (H.B. 4243)
777.13m (H.B. 4244)
771.1 (H.B. 4245)

Legislative Analyst: Stephen P. Jackson

FISCAL IMPACT

House Bill 4243 (S-1) could have an indeterminate fiscal impact on State and local government. The bill could result in the reduction of maximum sentences due to a change in the classification and scheduling of narcotic drugs and opiates. The changes in classification and scheduling of these drugs could result in a savings to the State as the amount of time offenders serve in a State correctional facility could be decreased under the bill's provisions. The latest figures for the Department of Corrections (MDOC) estimate the average cost to house a prisoner in a State facility is \$42,500, which includes administrative and operational

costs for the Department. The average State costs for parole and probation supervision averaged roughly \$4,400 per supervised offender. These costs are paid with State General Fund/General Purpose (GF/GP) revenue. Additionally, local governments could be affected as a result of reduced court caseloads and the associated administrative costs. Any change in penal fine revenue would affect the funding for local libraries, the constitutionally designated recipients of that revenue. The potential costs savings to the State and local units of government are indeterminate and would depend on the actual number of cases affected by the proposed changes.

House Bill 4244 (S-1) could have an indeterminate fiscal impact on local governments and 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.

The bill could increase costs for the State if the changes resulted in more people being sentenced to a State facility instead of local jail or other alternative placements and, conversely, costs would be lower for local units of government if they did not have to house those prisoners. The latest figures for the MDOC estimate the average cost to house a prisoner in a State facility is \$42,500, which includes administrative and operational costs for the Department. The estimated savings for a local government for not having to house a prisoner is indeterminate and would vary by jurisdiction.

House Bill 4245 (S-1) could have an indeterminate fiscal impact on State and local governments, as the bill specifies that certain offenses that currently are ineligible for probation would become eligible. The result would be fewer prisoners in State correctional facilities and/or local jails, which would reduce the costs for the State or local governments. The potential savings for the State would be based on the latest figures for the MDOC, which estimates the average cost to house a prisoner in a State facility at \$42,500 per year, which includes administrative and operational costs for the Department. Probation supervision costs could increase as more people were sentenced to probation instead, with the average State costs for parole and probation supervision averaging roughly \$4,400 per supervised offender. These costs are paid with State GF/GP revenue. Additionally, local governments could be affected because of reduced jail housing costs. The estimated savings would vary by jurisdiction. Any change in penal fine revenue would affect the funding for local libraries, the constitutionally designated recipients of this revenue. The potential costs savings to the State and local units of government are indeterminate and would depend on the actual number of cases affected by the proposed changes.

Date Completed: 12-6-22

Fiscal Analyst: Joe Carrasco, Jr.