



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 1027 (Substitute S-1)
Sponsor: Senator Michael D. MacDonald
Committee: Judiciary and Public Safety

Date Completed: 6-13-22

CONTENT

The bill would amend Chapter 16 (Miscellaneous Provisions) of the Code of Criminal Procedure to allow for the creation of a supervision program that diverted individuals who were suspected of committing a drug-related criminal offense away from criminal prosecution and into the supervision program before the filing of criminal charges.

Specifically, under the bill, a prosecutor's office, a law enforcement agency, and a social welfare agency could work in concert to establish a supervision program that diverted individuals who were suspected of possessing or using a controlled substance in violation of Sections 7403 or 7404 of the Public Health Code away from criminal prosecution and into the supervision program before the filing of criminal charges. A supervision program would have to include appropriate substance use disorder treatment and would have to use a case management system that maintained a record of each case that was diverted under the program from inception to disposition. If the prosecutor's office and the social welfare agency agreed that an individual had completed the terms of his or her supervision successfully, he or she could not be prosecuted for the violation of Sections 7403 or 7404.

"Social welfare agency" would mean a community-based organization offering assistance to individuals in need.

(Section 7403 of the Public Health Code prohibits a person from knowingly or intentionally possessing a controlled substance, a controlled substance analogue, or a prescription form unless it was obtained directly from, or pursuant to, a valid prescription or order. Section 7404 prohibits a person from using a controlled substance or controlled substance analogue unless it was obtained directly from, or pursuant to, a valid prescription or order.)

MCL 776.21b

Legislative Analyst: Stephen P. Jackson

FISCAL IMPACT

The bill could have an indeterminate, positive fiscal impact on local trial courts. By providing opportunities for placement into a supervised program instead of proceeding with formal charges, some alleged drug-related offenses would never appear on trial court dockets. This could reduce trial court criminal caseloads, which would save trial courts time and resources. Any savings for trial courts is indeterminate based on the bill's current language.

The bill could result in savings for the Michigan Department of Corrections (MDOC) as successful program participants would avoid incarceration, which would save the State the

cost of that incarceration. Currently, the average annual cost to house a prisoner in an MDOC facility is an estimated \$43,000, which includes fixed administrative and operational costs (which are funded with General Fund/General Purpose revenue). The amount of savings for the MDOC is indeterminate and would depend on the number of individuals who would avoid prison by completing the supervision program. However, local libraries could see a decrease in revenue, as any criminal sentences that include a fine would not be imposed if a person completed the program successfully.

The bill's social welfare agency components would have no direct fiscal impact on State or local government. The definition of "social welfare agency" could include entities that receive funding from the State and local units of government; however, since there is no requirement that a directly State-funded department (e.g., the Michigan Department of Health and Human Services) or a third-party State-supported entity (e.g., community mental health services programs or community action agency) must participate in a supervision program, there is no direct fiscal cost. To the extent that programs that currently exist to support individuals who could be served under a supervision program needed additional resources, there could be an indirect cost to the State or local units of government. Also, if the supervision program resulted in a greater number of Medicaid beneficiaries' receiving covered substance use disorder services, there could be an increase in Medicaid costs.

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