

HOUSE BILL REPORT

SHB 2059

As Passed Legislature

Title: An act relating to theft of rental property.

Brief Description: Prohibiting theft of rental property.

Sponsors: By House Committee on Criminal Justice & Corrections (originally sponsored by Representatives D. Schmidt, Grant, Thompson and Sheldon).

Brief History:

Committee Activity:

Criminal Justice & Corrections: 3/4/97, 3/5/97 [DPS].

Floor Activity:

Passed House: 3/13/97, 96-0.

Senate Amended.

House Concurred.

Passed Legislature.

HOUSE COMMITTEE ON CRIMINAL JUSTICE & CORRECTIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Ballasiotes, Chairman; Benson, Vice Chairman; Koster, Vice Chairman; Quall, Ranking Minority Member; O'Brien, Assistant Ranking Minority Member; Blalock; Cairnes; Delvin; Dickerson; Hickel; Robertson and Sullivan.

Staff: Yvonne Walker (786-7841).

Background: An offender convicted of stealing property valued over \$1,500 is considered theft in the first degree or a class B felony; valued between \$250 and \$1,500 is considered theft in the second degree or a class C felony; and valued less than \$250 is considered theft in the third degree or a gross misdemeanor.

Expiration of a lease or rental contract. A person who fails to return rented or leased property within 10 days after receiving a written notice, sent by certified or registered mail, of the expiration of the lease or rental agreement is guilty of a gross misdemeanor. The written notice from the lessor must include a warning that failure to promptly return the leased property within 10 days may result in a criminal prosecution.

The term "lease" in this section also includes rental agreements.

Failure to pay leased or rental payments. A person is guilty of a class C felony if the rented or leased property is valued over \$1,500, and if the person fails to return the rented or leased property within five days after receiving a written notice, sent by certified or registered mail, from the lessor; and the person has signed an agreement to rent or lease for a period of six months or more and fails to pay the lessor the periodic payments when due for a period of 90 days.

Summary of Bill: A person who, with intent to deprive the owner or owner's agent, wrongfully obtains, or exerts unauthorized control over, or by color or aid of deception gains control of personal property that is rented or leased to the person, commits the crime of theft of rental, leased, or lease-purchased property.

The classification of the crime is based upon the replacement value of the item involved in the theft. The crime is: a class B felony if the property is valued at \$1,500 or more; a class C felony if the property is valued at \$250 or more but less than \$1,500; a gross misdemeanor if the property is valued at less than \$250.

The rental or leasing of real property under the Residential Landlord-Tenant Act is specifically excluded from the application of this bill.

The existing law relating to failing to return leased (or rented) property and criminal possession of leased (or rented) property is repealed.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Over the years a number of people have rented, leased, and failed to return various materials from small businesses around the state. Many of these people were absconders who presented false identification at the time of rental and consequently cannot be traced. The failure to return many of these items has resulted in substantial financial losses to area businesses, some stores losing over \$50,000 per year in stolen property, and there is no law to prosecute these offenders. These losses are crippling small businesses. This bill can only help to improve the law as it applies to the rental and leasing industry in Washington.

Testimony Against: None.

Testified: Roger Odegard, AA Rentals of Bothell (pro); Martin Dennison, American Rental Association of Washington (pro); Detective DJ Nesel, King County Police

(pro); Gina Forte, 40 Rentals (pro); and Celia Fritz, Washington Rental Dealers Association (pro).