

FINAL BILL REPORT

ESHB 1844

C 119 L 03

Synopsis as Enacted

Brief Description: Criminalizing possession of instruments or equipment of financial fraud.

Sponsors: By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Schual-Berke, Benson, Simpson, Morrell, McIntire, Mielke, Hudgins, Rockefeller and Bush).

House Committee on Financial Institutions & Insurance
Senate Committee on Financial Services, Insurance & Housing

Background:

Washington Criminal Statutes prohibit identity theft and other fraud in general. Law enforcement officials report an increasing sophistication of offenders with respect to the use of technology to produce fraudulent credit/debit cards, identification, and various payment instruments. Although the use of fraudulent documents or instruments may currently constitute any one of several crimes, the mere possession or manufacture of such items is not necessarily criminal.

Summary:

Overview. Five new financial fraud crimes are created pertaining to the use, possession, or production of payment instruments, identification, or devices used to produce fraudulent documents. Exemptions are created for the legitimate practices of financial institutions and other entities occurring in the usual course of business. Several of these crimes are added to the list of predicate offenses that can give rise to prosecution under the Criminal Profiteering Act.

Unlawful Production of Payment Instruments. It is a crime to print or otherwise produce a check or other payment instrument that includes either the name, routing number, or account number of another person without the consent of that person. (Class C felony.)

Unlawful Possession of Payment Instruments. It is unlawful to possess “ with the requisite criminal intent “ two or more payment instruments in the name of a person, or which contain the routing or account number of a person, absent the permission of that person. Such possession is also prohibited if the named person, routing number, or account number is fictitious. (Class C felony.)

Unlawful Possession of a Personal Identification Device. It is unlawful to possess “ with

the requisite criminal intent “ any device whose purpose is to manufacture or print any driver’s license, identification card, credit/debit card, or badge. (Class C felony.)

Unlawful Possession of Fictitious Identification. It is unlawful to possess “ with the requisite criminal intent“ an identification card in the name of a fictitious person. (Class C felony.)

Unlawful Possession of Instruments of Financial Fraud. It is unlawful to knowingly possess check making equipment or software with the intent to perpetrate a crime involving financial fraud. (Class C felony.)

Unlawful Possession of Another’s Identification. It is unlawful to possess identification in the name of another person unless one has the permission of that person. (Gross misdemeanor.)

Jurisdiction. When the prosecution of any of the offenses created by the act relates to the offense of identity theft, the jurisdiction may be either the place of the victim’s residence or the locality in which any part of the offense took place.

Criminal Profiteering Act. The five felony offenses created by the act constitute criminal profiteering and are subject to the remedies available under the Criminal Profiteering Act.

Ranking of Seriousness Level. The Class C felonies created by the act are ranked in the sentencing guidelines as seriousness level I. This ranking is considered in conjunction with an offender’s criminal history in order to determine the appropriate sentence.

Votes on Final Passage:

House 97 0
Senate 47 0

Effective: July 27, 2003
July 1, 2004 (Section 8)