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## Civil Rights & Judiciary Committee

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### SSB 6074

**Brief Description:** Reauthorizing and expanding the financial fraud and identity theft crimes investigation and prosecution program.

**Sponsors:** Senate Committee on Law & Justice (originally sponsored by Senators Dhingra, Rivers, Padden, Mullet, Van De Wege, Randall, Salomon, Keiser, Conway, Pedersen, Kuderer, Das and Stanford).

#### Brief Summary of Substitute Bill

- Extends the Financial Fraud and Identity Theft Crimes Investigation and Prosecution Program (Program) until 2030.
- Extends and increases the surcharges dedicated to funding of the Program.
- Requires the Department of Commerce to include in its annual report information about the Program's use of funds and funding needs.

**Hearing Date:** 2/25/20

**Staff:** Edie Adams (786-7180).

#### Background:

The Financial Fraud and Identity Theft Crimes Investigation and Prosecution Program (Program) within the Department of Commerce (Department) was created in 2008 with an original expiration date of July 1, 2015. In 2015 the Legislature extended the Program, which is now set to expire on July 1, 2020. The Program consists of two regional financial fraud and identity theft crime task forces: the Central Puget Sound Task Force that includes King, Pierce, and Snohomish counties; and the Spokane County Task Force.

The task forces include representatives of local law enforcement agencies, county prosecutors, the Office of the Attorney General, financial institutions, and other law enforcement entities. The task forces employ law enforcement, investigation, and prosecutorial staff dedicated to investigating and prosecuting financial fraud and identity theft crimes, focusing on complex

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regional and multijurisdictional cases. Financial fraud and identity theft crimes include those that involve: check fraud, chronic unlawful issuance of bank checks, embezzlement, credit/debit card fraud, identity theft, forgery, counterfeit instruments such as checks or documents, organized counterfeit check rings, and organized identification theft rings.

The Department must submit an annual report to the Legislature and Governor regarding the progress of the Program and the task forces, and provide recommendations on changes to the Program, including expansion.

The Program is funded through surcharges on filings with the Uniform Commercial Code (UCC) program within the Department of Licensing. The UCC program files financing statements and other documents evidencing liens against personal property. The surcharges are \$10 for both paper and electronic filings. Revenues from these surcharges are deposited into the Financial Fraud and Identity Theft Investigation and Prosecution Program Account, which may be used only to support the activities of the task forces and the expenses of the Department in administering the Program. These surcharges will expire in 2020.

**Summary of Bill:**

The expiration date for the Financial Fraud and Identity Theft Crimes Investigation and Prosecution Program (Program) is extended to July 1, 2030. Surcharges on Uniform Commercial Code program filings with the Department of Licensing are increased from \$10 to \$15 for both paper and electronic filings. These surcharges will expire July 1, 2030.

The Department of Commerce must include in its annual report information on the Program's use of funds and funding needs to facilitate a biennial review of the Program's funding.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.