

SENATE BILL REPORT

SSB 5719

As Passed Senate, March 13, 2003

Title: An act relating to fraudulent use of a credit card scanning device.

Brief Description: Penalizing the fraudulent use of credit card scanning devices.

Sponsors: Senate Committee on Financial Services, Insurance & Housing (originally sponsored by Senators Winsley, Prentice, Benton, Finkbeiner and Shin).

Brief History:

Committee Activity: Financial Services, Insurance & Housing: 2/13/03, 2/27/03 [DPS].
Passed Senate: 3/13/03, 49-0.

SENATE COMMITTEE ON FINANCIAL SERVICES, INSURANCE & HOUSING

Majority Report: That Substitute Senate Bill No. 5719 be substituted therefor, and the substitute bill do pass.

Signed by Senators Benton, Chair; Winsley, Vice Chair; Keiser, Prentice, Reardon and Roach.

Staff: Joanne Conrad (786-7472)

Background: Credit card scanning devices are legitimately used to access, read, and store information encoded on credit cards and other forms of payment card, in order to process transactions. Some of the devices are small and portable, to facilitate businesses transacting with payment cards, in restaurants and other settings. Some employees and others may use scanners to obtain a cardholder's information, in order to commit financial fraud.

Summary of Bill: Fraudulent use of a payment card scanning device is a class C felony. Subsequent violations are a class B felony.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: There is an increase in fraud due to criminal use of credit card scanning devices, to expropriate the victim's credit card data. This has become a "crime of choice."

Testimony Against: None.

Testified: Dedi Hitchins, WA Retail Assn.; Steve Satuloff, Target Corp.