

# HOUSE BILL REPORT

## HB 1272

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**As Reported by House Committee On:**  
Public Safety & Emergency Preparedness  
Appropriations

**Title:** An act relating to identity theft.

**Brief Description:** Changing identity theft provisions.

**Sponsors:** Representatives Roach, Ericks, Hurst, Strow, Newhouse, McDonald, Simpson, Williams, Haler, O'Brien, Pearson, VanDeWege, McCune, P. Sullivan and Rolfes.

**Brief History:**

**Committee Activity:**

Public Safety & Emergency Preparedness: 1/31/07, 2/8/07 [DPS];  
Appropriations: 3/3/07 [DPS(PSEP)].

**Brief Summary of Substitute Bill**

- Clarifies that each act prohibited by the Identity Theft statute is a separate unit of prosecution.
- Expands the crime of Identity Theft in the first degree.
- Allows, under certain circumstances, the value of separate incidents of Identity Theft to be aggregated for purposes of determining the degree of the Identity Theft involved.

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**HOUSE COMMITTEE ON PUBLIC SAFETY & EMERGENCY PREPAREDNESS**

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives O'Brien, Chair; Hurst, Vice Chair; Pearson, Ranking Minority Member; Ross, Assistant Ranking Minority Member; Ahern, Goodman and Lovick.

**Staff:** Jim Morishima (786-7191).

**Background:**

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

A person commits Identity Theft if he or she knowingly obtains, possesses, uses, or transfers another person's means of identification or financial information with the intent to commit, or aid or abet, any crime. However, a person who obtains the identification of another person for the sole purpose of misrepresenting his or her age is not guilty of Identity Theft.

#### I. Degrees of Identity Theft

A person commits Identity Theft in the first degree if he or she, or an accomplice, uses the means of identification or financial information to obtain an aggregate total of credit, money, goods, services, or anything else of value in excess of \$1,500. Identity Theft in the first degree is a class B felony with a seriousness level of IV.

A person commits Identity Theft in the second degree if he or she, or an accomplice, uses the victim's means of identification or financial information and obtains: (a) an aggregate total of credit, money, goods, services, or anything else of value less than \$1,500, or (b) no credit, money, goods, services, or anything else of value. Identity Theft in the second degree is a class C felony with a seriousness level of II.

#### II. Unit of Prosecution

In *State v. Leyda*, 157 Wn.2d 335 (2006), the Washington Supreme Court ruled that the Legislature, when it enacted the Identity Theft statute, intended that the unit of prosecution for the crime be any one act of knowingly obtaining, possessing, using, or transferring a single piece of another person's identification or financial information. In other words, once the defendant commits an act that constitutes Identity Theft, any subsequent prohibited conduct constitutes the same offense for purposes of prosecution.

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### **Summary of Substitute Bill:**

#### I. Degrees of Identity Theft

Identity Theft in the first degree is expanded to include situations where the accused, a conspirator, or an accomplice commits an act of Identity Theft and:

- acts with the intent to transfer the identification or financial information to another person;
- transfers the identification or financial information to a third person;
- manufactures or intends to manufacture, any false means of identification, false documents, accounts, or records for transfer to, or use by, any other person;
- obtains, possesses, transfers, or uses the identification or financial information through use of the actor's position as a trusted person;
- manufactures, sells, or delivers a forged, fictitious, or false driver's license or identification card with the intent to commit forgery or theft; or
- uses the means of identification or financial information as a form of identification during a contact with law enforcement.

Identity Theft in the second degree occurs when the perpetrator commits Identity Theft under circumstances not constituting Identity Theft in the first degree.

Whenever any series of transactions involving a single person's identification or financial information would, when considered separately, constitute Identity Theft in the second degree because of value, and the series of transactions are part of a common scheme or plan, the transactions may be aggregated for purposes of determining the degree of Identity Theft involved. If a person commits another crime during the commission of Identity Theft, he or she may be prosecuted and punished separately for the other crime as well as for the Identity Theft.

## II. Unit of Prosecution

It is clarified that the relevant unit of prosecution for Identity Theft is each unlawful use of a means of identification or financial information. In other words, a defendant may be prosecuted and punished separately for every instance he or she unlawfully uses the means of identification or financial information, unless the instances constitute the same criminal conduct. Likewise, unlawfully obtaining, possessing, or transferring the means of identification or financial information of any individual is a separate unit of prosecution for each victim and for each unlawful act.

### **Substitute Bill Compared to Original Bill:**

The substitute bill clarifies that a person commits Identity Theft in the first degree if he or she commits both a general act of Identity Theft and one of the listed aggravating circumstances; e.g., transferring the means of identification or financial information to a third person. In one of the aggravating circumstances for Identity Theft in the first degree, the substitute bill removes the requirement that the person use the means of identification or financial information to manufacture any false means of identification, financial documents, accounts, or records for transfer to, or use by, another person; instead, the person must only manufacture or intend to manufacture any false means of identification, financial documents, accounts, or records for transfer to, or use by, another person.

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**Appropriation:** None.

**Fiscal Note:** Available.

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

### **Staff Summary of Public Testimony:**

(In support) The incidence of Identity Theft throughout the state is increasing rapidly; one way to deal with this problem is to get serious with this crime. According to the Washington Supreme Court, Identity Theft that occurs in multiple places, on multiple dates, and against multiple merchants is only one crime. These are multiple assaults; a person is victimized each

time his or her identity is used. Similar to how drug use is treated differently than drug dealing, this bill takes a look at the different ways Identity Theft can occur and imposes more severe punishment when appropriate. Identity Theft can have serious consequences for its victims; the crime can result in damaged credit, driver's license suspension, or even mistaken arrest for the victim. It can take years for victims to repair the damage caused by Identity Theft. Perpetrators of Identity Theft are getting more organized and keep on offending even after they have been caught. This bill will ensure that the benefit of this crime no longer outweighs the consequences of getting caught.

(Opposed) None.

**Persons Testifying:** Representative Roach, prime sponsor; Susan Storey, Law Enforcement Group Against Identity Theft; Halley Hupp, Snohomish County Prosecuting Office; Jean Nelson; James Dunn, Thurston County Sheriffs Office; and James McMahan, Washington Association of Sheriffs and Police Chiefs.

**Persons Signed In To Testify But Not Testifying:** None.

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The substitute bill by Committee on Public Safety & Emergency Preparedness be substituted therefor and the substitute bill do pass. Signed by 34 members: Representatives Sommers, Chair; Dunshee, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Haler, Assistant Ranking Minority Member; Anderson, Buri, Chandler, Cody, Conway, Darneille, Dunn, Ericks, Fromhold, Grant, Haigh, Hinkle, Hunt, Hunter, Kagi, Kenney, Kessler, Kretz, Linville, McDermott, McDonald, McIntire, Morrell, Pettigrew, Priest, Schual-Berke, Seaquist, P. Sullivan and Walsh.

**Staff:** Elisabeth Donner (786-7137).

**Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Public Safety & Emergency Preparedness:**

No new changes were recommended.

**Appropriation:** None.

**Fiscal Note:** Available. Fiscal Note requested on Substitute bill on March 3, 2007.

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

**Staff Summary of Public Testimony:**

None.

**Persons Testifying:** None.

**Persons Signed In To Testify But Not Testifying: None.**