

HOUSE BILL REPORT

HB 1133

As Passed Legislature

Title: An act relating to assignment of claims for unlawful conversion and unlawful leaving without paying.

Brief Description: Allowing the assignment of claims for unlawful conversion of goods and unlawful leaving without paying.

Sponsors: Representatives Kremen, Ballasiotes, Ludwig, Long, Riley, H. Myers, Zellinsky, Schmidt, Padden, Fuhrman and Johanson.

Brief History:

Reported by House Committee on:
Judiciary, February 16, 1993, DP;
Passed House, March 1, 1993, 92-0;
Passed House, January 19, 1994, 94-0;
Passed Legislature.

HOUSE COMMITTEE ON JUDICIARY

Majority Report: Do pass. Signed by 17 members:
Representatives Appelwick, Chair; Ludwig, Vice Chair;
Padden, Ranking Minority Member; Ballasiotes, Assistant
Ranking Minority Member; Campbell; Chappell; Forner;
Johanson; Locke; Long; Mastin; H. Myers; Riley; Schmidt;
Scott; Tate; and Wineberry.

Staff: Bill Perry (786-7123).

Background: Criminal and civil penalties may be imposed for shoplifting and related thefts of property or services. Depending on the nature and value of the property stolen, the crime of theft ranges from a gross misdemeanor to a class B felony.

Special civil penalties apply to shoplifting and theft of restaurant or lodging services. In addition to actual damages, which include the value of services or property taken, certain penalties and costs may be recovered by a merchant from the person taking the goods or services. If the defendant is an adult or emancipated minor, those additional penalties and costs include:

- (1) the retail value of the goods or services, to a maximum of \$1,000;
- (2) a penalty of at least \$100 but not more than \$200; and
- (3) reasonable attorney's fees and court costs.

Vicarious liability is also imposed on the parent of an unemancipated minor who steals such goods or services. However, in the case of parental liability, the additional "retail value" penalty maximum of \$1,000 is reduced to \$500.

Pursuit of these civil remedies by a merchant is independent of whether criminal charges are filed or prosecuted.

If a merchant gets a civil judgment under these provisions, that judgment may be assigned to another party for collection. Collection of the judgment debt may be accomplished through a debt collection agency. However, a claim that has not been reduced to a judgment may not be assigned.

Summary of Bill: Claims, as well as judgments may be assigned by a merchant who has suffered the theft of goods or services.

Fiscal Note: Not requested.

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

Testimony For: There is no good reason to prohibit claims assignment. It is available in other kinds of cases. The bill will result in fewer cases going to court.

Testimony Against: None.

Witnesses: Larry Mount and Jeff Cox, Washington Retailers Association (pro); and Frank Lamb, Washington Collectors Association (pro).