

HOUSE BILL ANALYSIS
ESSB 5769

Title: An act relating to theft of property.

Brief Description: Concerning the theft of beverage crates and merchandise pallets.

Sponsors: Senate Committee on Law & Justice (originally sponsored by Senators Johnson and Goings)

Hearing Date: **HOUSE COMMITTEE ON CRIMINAL JUSTICE AND CORRECTIONS**
February 27, 1998.

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Background: Businesses who use merchandise pallets and/or beverage crates in their normal course of operation suffer nearly \$1 million in losses each year due to the misappropriation of the pallets and crates. It is estimated that in each shipment where these items are used, one quarter of the merchandise pallets and/or beverage crates are not returned to the owner.

A vibrant secondary market exists for the purchase and resale of these misappropriated items.

Prosecution of persons found in possession of the misappropriated merchandise pallets and/or beverage crates has historically been unsuccessful because it has been difficult to prove ownership of the pallets and/or crates.

Summary: The term "merchandise pallet" is defined as a wood or plastic carrier designed and manufactured as an item on which products can be placed prior to or during transport to retail outlets, manufacturers, or contractors, and affixed with language stating "property of . . .," "owned by . . .," or other markings or words identifying ownership.

The term "beverage crate" is defined as a plastic or metal box-like container used by a manufacturer or distributor in the transportation or distribution of individually packaged beverages to retail outlets, and affixed with language stating "property of," "owned by," or other markings or words identifying ownership.

Theft of 10 or more merchandise pallets, 10 or more beverage crates or a combination of ten or more merchandise pallets and beverage crates is theft in the third degree, a gross misdemeanor.

Possessing 10 or more stolen merchandise pallets, 10 or more stolen beverage crates, or a combination of 10 or more stolen merchandise pallets and stolen beverage crates is possessing stolen property in the third degree, a gross misdemeanor.

A person found in possession of 10 or more stolen merchandise pallets, 10 or more stolen beverage crates, or a combination of 10 or more stolen

merchandise pallets and stolen beverage crates is presumed to know that the property is stolen. This presumption is rebuttable by evidence raising a reasonable inference that the possession was without knowledge that the property was stolen.

Rules Authority: No.

Fiscal Note: Requested.

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