

SENATE BILL REPORT

SSB 6007

As Passed Senate, February 9, 2016

Title: An act relating to theft of rental property.

Brief Description: Modifying theft of rental, leased, lease-purchased, or loaned property provisions.

Sponsors: Senate Committee on Law & Justice (originally sponsored by Senators Roach and Padden).

Brief History:

Committee Activity: Law & Justice: 1/11/16, 1/18/16 [DPS].
Passed Senate: 2/09/16, 48-0.

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: That Substitute Senate Bill No. 6007 be substituted therefor, and the substitute bill do pass.

Signed by Senators Padden, Chair; O'Ban, Vice Chair; Pedersen, Ranking Minority Member; Darneille, Frockt, Pearson and Roach.

Staff: Tim Ford (786-7423)

Background: A person commits the crime of theft of rental, leased, leased-purchased, or loaned personal property where, with intent to deprive the owner, the person uses deception to wrongfully obtain or exert unauthorized control over personal property that is rented, leased, or loaned by written agreement. Intent to deprive the owner is presumed where the person fails to return the property within 72 hours after receipt of proper notice demanding the return of the property or the renter presented identification to the owner that was materially false, fictitious, or not current with respect to name, address, place of employment, or other appropriate items.

Proper notice is a written demand for return of the property made by the owner after the due date of the rental, lease, or loan period. The owner must mail the proper notice by certified or registered mail to the person at the address the person gave when the contract was made or the last known address.

The replacement value of the property wrongfully obtained must be used in determining the

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amount involved in the theft of rental, leased, lease-purchased, or loaned property.

Theft of rental, leased, lease-purchased, or loaned property is as follows:

- Class B felony if the property is valued at \$5,000 or more;
- Class C felony if the property is valued at \$750 or more but less than \$5,000; and
- gross misdemeanor if the property is valued at less than \$750.

The crime does not apply to rental or leasing of real property under the Residential Landlord-Tenant Act.

Summary of Substitute Bill: A person who intentionally holds personal property under a written rental agreement – whether rental, lease, lease-purchase, or loan agreement – beyond the expiration period is guilty of theft of rental, leased, lease-purchased, or loaned property. It is not a defense that the person returns the property after the expiration date on the written agreement where the person fails to pay the applicable rental charge for the property for the time the person held the property.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on First Substitute: PRO: Criminals know they don't have to pay. Some renters hold the property over the expiration by months and years. The equipment may need repairs. The renters may return the property if a police report is filed and they don't want to be prosecuted. But they don't pay the outstanding fees. Once the police are informed that the rental property has been returned they close the investigation as if there is no crime. The criminals know they won't be prosecuted for the outstanding amount owed. It is still theft. This bill will make it a crime even if they return the property but where they don't pay the outstanding fees.

Persons Testifying on First Substitute: PRO: Michael McDaniel, American Rental Association; Jason Ekland, Lew Rents; Tim Medved, U Cool Refrigeration; Mark Johnson, WA Retail Association; Victor Proulx, 410 Rentals; Gail Bohnas, 410 Rentals.

Persons Signed In To Testify But Not Testifying: No one.