

2/15/00 Do Pass
H 2/24/00 Judiciary
JUDICIARY
H. 3/9/00 Amend/Do Pass w/
FILED JAN 26 2000 H-8257
H. 3/23/00 renumbered Business
Calendar
2052

SENATE FILE
BY MADDOX

(p.336)
Passed Senate, Date 2/22/00 Passed House, Date _____
Vote: Ayes 49 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the value of property or services obtained
2 through the criminal offense of fraudulent use of a credit
3 card.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SENATE FILE 2052

H-8257

1 Amend Senate File 2052 as passed by the Senate as
2 follows:

3 1. Page 1, by striking lines 3 through 8 and
4 inserting the following:

5 "NEW SUBSECTION. 3."

6 2. By renumbering as necessary.

By COMMITTEE ON JUDICIARY
LARSON of Linn, Chairperson

H-8257 FILED MARCH 8, 2000

SF 2052
JUDICIARY

1 Section 1. Section 715A.6, Code 1999, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 3. The value of property or services
4 secured or sought to be secured is its highest value by any
5 reasonable standard at the time the offense is committed. Any
6 reasonable standard includes but is not limited to market
7 value within the community, actual value, or replacement
8 value.

9 If property or services secured or sought to be secured by
10 two or more acts from the same person or location, or from
11 different persons by two or more acts which occur in
12 approximately the same location or time period so that the
13 offenses are attributable to a single scheme, plan, or
14 conspiracy, the acts may be considered as a single offense and
15 the value may be the total value of all property and services
16 secured or sought to be secured.

17 EXPLANATION

18 This bill relates to the criminal offense of fraudulent use
19 of a credit card. A person commits fraudulent use of a credit
20 card if a person uses a credit card for the purpose of
21 obtaining property or services if the person has not been
22 authorized to use the credit card or the card has been
23 canceled, revoked, stolen, or forged.

24 The bill provides that two or more fraudulent acts by use
25 of a credit card which are committed by one or more persons
26 and occur in approximately the same location or same time
27 period may be considered a single offense for purposes of
28 calculating the value of the property or services. If the
29 value of the fraudulent act by use of a credit card is less
30 than or equal to \$1,000, the person commits an aggravated
31 misdemeanor, and if the value is greater than \$1,000, the
32 person commits a class "D" felony.

33 An aggravated misdemeanor is punishable by confinement for
34 no more than two years and a fine of at least \$500 but not
35 more than \$5,000. A class "D" felony is punishable by

1 confinement for no more than five years and a fine of at least
2 \$750 but not more than \$7,500.

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**SENATE FILE 2052
FISCAL NOTE**

The estimate for Senate File 2052 is hereby submitted as a fiscal note pursuant to Joint Rule 17 and as a correctional impact statement pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2052 deals with fraudulent use of a credit card. Under current law, if the person obtains property or services valued at less than \$1,000, then the act is an aggravated misdemeanor. If the property or services are worth \$1,000 or more, the offense is a Class D felony. This Bill clarifies that the property or services will be assessed at the highest value reasonable. The Bill also permits several uses of the credit card to be considered a single offense and the total value is the sum of the uses.

BACKGROUND

During calendar year 1998, there were 168 convictions for fraudulent credit card use. Twenty individuals were responsible for one-third of the convictions. It is not known how many individual fraudulent uses there were leading to these convictions.

ASSUMPTIONS

1. Senate File 2052 is permissive in allowing the prosecuting attorney to decide whether to treat each use as a separate act or to combine multiple uses into a single act. There is no information available on county attorney charging practices.
2. The costs of defending an aggravated misdemeanor and a Class D felony are the same, approximately \$1,000 per case. Prosecution costs are approximately the same as defense costs.

CORRECTIONAL IMPACT

There is a potential for Senate File 2052 to have a correctional impact if offenses that are currently being charged as aggravated misdemeanors become Class D felonies. It is not possible to determine how many offenses will be moved from aggravated misdemeanors to Class D felonies or whether the correctional impact will be significant.

FISCAL IMPACT

The fiscal impact of Senate File 2052 cannot be determined. However, it is anticipated that the impact to both the State General Fund and local governments will be minimal.

SOURCES

Criminal and Juvenile Justice Planning Division, Department of Human Rights
Office of the Public Defender

(LSB 5207XS, MDF)