

REVENUE: No revenue impact
FISCAL: Fiscal statement issued

Action: Do Pass
Vote: 8 - 0 - 1
Yeas: Bonamici, Cameron, Flores, Komp, Krieger, Read, Whisnant, Macpherson
Nays: 0
Exc.: Barker
Prepared By: Darian Stanford, Counsel
Meeting Dates: 5/18, 5/21

WHAT THE MEASURE DOES: Creates new Class B felony of organized retail theft.

ISSUES DISCUSSED:

- Effect of Oregon's Racketeer Influenced and Corrupt Organizations (RICO) statute
- Focus of bill on attacking methamphetamine problem

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Oregon presently divides most theft offenses by dollar value. First-degree theft, a Class C felony, applies for stolen items valued at or over \$750; second-degree theft, a Class A misdemeanor, applies for stolen items valued at or between \$50 and \$750, and third-degree theft, a Class C misdemeanor, applies for stolen items valued at less than \$50. There is also aggravated first-degree theft, a Class B felony, which applies for stolen items in a single or aggregate transaction(s) at \$10,000 or higher.

Retail merchants have reported organized thefts involving multiple persons acting in concert in which the persons steal various items (often items like batteries or baby formula) from stores with the purpose of later reselling these items at secondary markets such as E-Bay, Craig's List, or flea markets. The money raised from such thefts is then used to finance methamphetamine delivery and abuse. Sometimes, the gangs of persons intentionally keep the value of the items stolen from a particular store on a particular day at or below \$750 (to stay as misdemeanors). The persons would then hit the same or a different store the following day or week.

SB 331 A creates a new crime of "organized retail theft" to capture this conduct and punish it at the felony level. To be guilty of organized retail theft, the state must establish that: (1) the person stole merchandise; (2) from a mercantile establishment; (3) the person acted in concert with another person; and (4) the aggregate value of the merchandise within a 90-day period exceeds \$5,000. SB 331 A also places organized retail theft within Oregon's RICO (Racketeer Influenced and Corrupt Organization Act) statute.