

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE
Revised

House Bill 501
Judiciary

(Delegate Kelly, *et al.*)

Judicial Proceedings

Criminal Law - Fraudulent Conversion of Rental Property

This bill clarifies the language of the current law prohibition against fraudulent conversion of rental property to ensure that it applies to both rent-to-rent and rent-to-own situations, requires that the property subject to a fraudulent conversion charge have a value of \$1,500 or more, and provides for merger with a theft conviction arising out of the same act or transaction.

Fiscal Summary

State Effect: None. The bill is clarifying in nature and should not significantly affect criminal prosecutions or convictions.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: A person may not fraudulently convert to the person's own use a good or thing of value received under a written contract or written lease entered into for the purpose of renting or leasing things for valuable consideration. A violator is guilty of a misdemeanor and on conviction is subject to maximum penalties of 60 days imprisonment and/or \$1,000 fine.

Under the general theft provisions, a person convicted of theft of property with a value of \$500 or more is guilty of a felony and subject to maximum penalties of 15 years imprisonment and/or a fine of \$25,000. A person convicted of theft of property with a

value of less than \$500 is guilty of a misdemeanor and subject to maximum penalties of 18 months imprisonment and/or a fine of \$500. Regardless of value, the convicted person must restore the owner's property or pay the owner for the value of the property.

Chapter 130 of 2004 created a petty theft sentencing category for existing theft, bad checks, and credit card offenses where the value of the goods, services, and other property involved in the offense is less than \$100. A violator is guilty of a misdemeanor and subject to maximum penalties of 90 days imprisonment and/or a \$500 fine.

A person may not possess stolen personal property knowing that it has been stolen, or believing that it probably has been stolen, if the person (1) intends to deprive the owner of the property; (2) willfully or knowingly uses, conceals, or abandons the property in a manner that deprives the owner of the property; or (3) uses, conceals, or abandons the property knowing that the use, concealment, or abandonment probably will deprive the owner of the property.

Additional Information

Prior Introductions: SB 504 of 2008 passed the Senate and received an unfavorable report from the House Judiciary Committee.

Cross File: SB 192 (Senator Brinkley, *et al.*) - Judicial Proceedings.

Information Source(s): Judiciary (Administrative Office of the Courts, Maryland District Court), Department of Public Safety and Correctional Services, Maryland Department of Transportation, Department of Legislative Services

Fiscal Note History: First Reader - February 20, 2009
mcp/kdm Revised - House Third Reader - March 30, 2009
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