

By: Representatives Broomfield, Scott (80th) To: Judiciary B

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 507

1 AN ACT TO CREATE THE OFFENSE OF HOME REPAIR FRAUD; TO ENACT
2 EXCEPTIONS; TO ENACT DEFINITIONS; TO PRESCRIBE THE ELEMENTS OF THE
3 OFFENSE AND THE PUNISHMENT THEREFOR; AND FOR RELATED PURPOSES.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

5 **SECTION 1.** (1) As used in this section, unless the context
6 clearly requires otherwise:

7 (a) "Home repair" means the fixing, replacing,
8 altering, converting, modernizing, improving of or the making of an
9 addition to any real property primarily designed or used as a
10 residence.

11 (i) Home repair shall include the construction,
12 installation, replacement or improvement of driveways, roofs,
13 walls, floors, swimming pools, porches, kitchens, chimneys, chimney
14 liners, garages, fences, fallout shelters, central air
15 conditioning, central heating, boilers, furnaces, hot water
16 heaters, electrical wiring including telephone and security wiring,
17 sewers, plumbing fixtures including fire suppression systems, storm
18 doors, storm windows, awnings and other cosmetic improvements to
19 structures or within the residence.

20 (ii) Home repair shall not include the sale,
21 installation, cleaning or repair of carpets; the sale of goods or
22 materials by a merchant who does not directly or through a
23 subsidiary perform any work or labor in connection with the
24 installation or application of the goods or materials; the repair,
25 installation, replacement or connection of any home appliance
26 including, but not limited to, disposals, refrigerators, ranges,
27 garage door openers, television antennas, washing machines,



28 telephones or other home appliances when the person replacing,
29 installing, repairing or connecting such home appliance is an
30 employee or agent of the merchant that sold the home appliance; or
31 landscaping.

32 (b) "Person" means any individual, partnership,
33 corporation, business, trust or other legal entity.

34 (c) "Residence" means a single or multiple family
35 dwelling, including, but not limited to, a single family home,
36 apartment building, condominium, duplex, townhouse or mobile home
37 which is used or intended to be used by its occupants as their
38 dwelling place.

39 (2) A person commits the offense of home repair fraud when
40 he knowingly:

41 (a) Enters into a written agreement or contract with a
42 person for home repair, and he knowingly:

43 (i) Misrepresents a material fact relating to the
44 terms of the contract or agreement or the preexisting or existing
45 condition of any portion of the property involved, or creates or
46 confirms another's impression which is false and which he does not
47 believe to be true, or promises performance which he does not
48 intend to perform or knows will not be performed;

49 (ii) Uses or employs any deception, false pretense
50 or false promises in order to induce, encourage or solicit such
51 person to enter into any contract or agreement;

52 (iii) Misrepresents or conceals either his real
53 name, the name of his business or his business address; or

54 (iv) Uses deception, coercion or force to obtain
55 the victim's consent to modification of the terms of the original
56 contract or agreement;

57 (b) Damages the property of a person with the intent to
58 enter into an agreement or contract for home repair; or

59 (c) Misrepresents himself or another to be an employee
60 or agent of any unit of the federal, state or municipal government



61 or any other governmental unit, or an employee or agent of any
62 public utility, with the intent to cause a person to enter into,
63 with himself or another, any contract or agreement for home repair.

64 (3) Intent and knowledge shall be determined by an
65 evaluation of all circumstances surrounding a transaction and the
66 determination shall not be limited to the time of contract or
67 agreement.

68 (4) Substantial performance shall not include work performed
69 in a manner of little or no value or work that fails to comply with
70 the appropriate municipal, county, state or federal regulations or
71 codes.

72 (5) Violation of this section shall be punished as follows:

73 (a) By imprisonment in the custody of the Department of
74 Corrections not to exceed two (2) years when the amount of the
75 fraud is more than One Thousand Dollars (\$1,000.00) but less than
76 Five Thousand Dollars (\$5,000.00).

77 (b) By imprisonment in the custody of the Department of
78 Corrections not to exceed five (5) years when the amount of the
79 fraud is Five Thousand Dollars (\$5,000.00) or more, but less than
80 Ten Thousand Dollars (\$10,000.00).

81 (c) By imprisonment in the custody of the Department of
82 Corrections not to exceed ten (10) years when the amount of the
83 fraud is Ten Thousand Dollars (\$10,000.00) or more.

84 (d) As a misdemeanor punishable by imprisonment in the
85 county jail for not more than six (6) months when the amount of the
86 fraud is One Thousand Dollars (\$1,000.00) or less.

87 (6) In addition to any other sentence it may impose, the
88 court shall order that the defendant shall make restitution to the
89 victim, either within a specified period of time or in specified
90 installments. The order shall not be enforceable during the period
91 of imprisonment unless the court expressly finds that the defendant
92 has assets to pay the amounts ordered at the time of sentencing.
93 Intentional refusal to obey the restitution order or a failure by a



94 defendant to make a good faith effort to make such restitution may
95 be considered a violation of the defendant's probation and may be
96 cause for revocation of his probation or suspension of sentence.

97 **SECTION 2.** This act shall take effect and be in force from
98 and after July 1, 2002.

