

SESSION OF 2013

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2065

As Amended by House Committee of the Whole

Brief*

HB 2065, as amended, would create the crime of home improvement fraud, which would be defined as causing an owner to enter into a home improvement contract by:

- Knowingly using or employing deception, false pretense, or false promise;
- Knowingly creating or reinforcing a false impression regarding the condition of the owner's dwelling or property;
- Knowingly making a false statement of material fact or omitting a material fact relating to the home improvement contract; or
- Damaging property of the owner with the intent to induce such owner to enter into a home improvement contract or extend such a contract.

The penalty would depend on the amount of money paid by the owner and any damages caused by the contractor. If the total amount is \$100,000 or more, the crime would be a severity level 5, nonperson felony; between \$25,000 and \$100,000, a severity level 7, nonperson felony; between \$1,000 and \$25,000, a severity level 9, nonperson felony; and less than \$1,000, a class A nonperson misdemeanor. The bill also would define key terms.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

The bill was introduced at the request of the Kansas County and District Attorneys Association. In the House Committee on Corrections and Juvenile Justice, Stephen Howe, District Attorney, Tenth Judicial District, and a representative of AARP Kansas appeared in support of the bill. No others offered testimony.

The House Committee agreed to strike from the definition of the crime "receiving money for the purpose of obtaining or paying for services, labor, materials, or equipment and failing to apply such money for such purpose as evidenced by failing to substantially complete the home improvement for which the funds were provided." The Committee also agreed to remove the definition of "substantially complete", as that phrase only appeared in the stricken language.

The House Committee of the Whole made technical amendments to the bill.

The Division of the Budget's fiscal note for the bill, as introduced, indicates passage would have an effect on prison admissions and prison bed needs, however, the Sentencing Commission does not have enough data for similar crimes to determine the precise effect. The Office of Judicial Administration indicates the bill could increase the number of cases filed, however, the impact would likely be accommodated within existing resources.