

2025 -- H 5662

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO CRIMINAL OFFENSES -- FRAUD AND FALSE DEALING

Introduced By: Representatives Kennedy, Ackerman, Azzinaro, Edwards, O'Brien,
Kazarian, and Diaz
Date Introduced: February 26, 2025
Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 11-18 of the General Laws entitled "Fraud and False Dealing" is
2 hereby amended by adding thereto the following section:
3 **11-18-35. Real estate title fraud - Unsolicited offers to purchase.**
4 (a) For the purpose of this section, the following definitions shall apply:
5 (1) "Mortgage lending process" means the process through which a person seeks or obtains
6 a residential mortgage loan including, but not limited to, solicitation, application, or origination of
7 terms, real estate appraisals and surveys, third-party provider services, underwriting, signing and
8 closing, and funding of the loan.
9 (2) "Pattern of real estate title fraud" means one or more violations of subsection (b)(1) or
10 (b)(2) of this section that and that have the same or similar intents, results, accomplices, or methods
11 of commission or otherwise results from comparable actions or omissions.
12 (3) "Person" means an individual, corporation, company, limited liability company,
13 partnership, trustee, association, or any other entity.
14 (4) "Instrument" means a deed, to secure debt, security deed, mortgage, security interest,
15 deed of trust, promissory note, or any other document representing a security interest or lien upon
16 any interest property including the renewal, modification, or refinancing of any such loan.
17 (5) "Sufficient documentation" means a driver's license, passport, military identification
18 card, an attorney registration or bar association identification card, or other government issued
19 identification that established positive identification.

1 (6) “Unsolicited real estate purchase offer” means an oral or written offer to purchase real
2 estate initiated by the potential purchaser or the purchase’s agent to purchase real estate not subject
3 to a real estate listing agreement nor offered for sale by the owner of the owners agent prior to
4 receiving the offer to purchase from the potential purchaser or purchaser’s agent.

5 (7) “Victim” means a person who experienced personal loss, including, but not limited to
6 monetary loss, due to violation of this section.

7 (b)(1) Any person or entity making an unsolicited offer to purchase real estate shall provide
8 the following notice:

9 “This offer may or may not be equal to the fair market value of the property.”

10 (2) If the offer is less than the values of the previous year’s assessed values for municipal
11 taxation purpose the following additional notice shall also be included in the notice required by
12 subsection (b)(1) of this section as follows:

13 “ This offer is less than the municipal assessed value for this property.”

14 (c) The notices required in subsection (b) of this section shall be in a separate document
15 from any other offer, advisement or writing provided by the offeror and shall be printed in capital
16 letters at a minimum font size of eight (8) points, and shall be signed by all owners/prospective
17 sellers of the real estate.

18 (d) Any person who violates any of the provisions of subsections (b) or (c) of this section
19 shall be guilty of a misdemeanor and upon conviction may be imprisoned for a term not exceeding
20 one year or fined not exceeding one thousand dollars (\$1,000), and any transfer or sale of real estate
21 in violation of the provisions of subsection (b) or (c) of this section shall be voidable at the election
22 of the seller for a period of sixty (60) days from the date of sale, provided the purchaser has provided
23 the seller with an address to send the notice of cancellation of sale. If a valid address has not been
24 provided to the seller, the sixty (60) day period shall not start until the seller acquires actual notice
25 of the current address of the purchaser.

26 (e) On and after September 1, 2025, no municipality shall authorize or accept for filing
27 any real estate deed, mortgage, or other instrument by electronic filing from a remote location
28 unless the filing is accompanied with sufficient documentation to identify the individual making
29 the filing.

30 (f) Any filing in violation of the provisions of subsection (e) of this section shall be void.
31 Nothing in this section shall be construed to apply to an in person filing of a deed in the appropriate
32 municipal department or office.

33 (g) A person commits real estate title fraud when such person, with intent to defraud:

34 (1) Knowingly offers for recording or records any real estate deed in which the transferor’s

1 signature is forged:

2 (2) Knowingly offers for recording or records a fraudulently created instrument or title to

3 the real estate; or

4 (3) Knowingly offers for recording or records a fraudulent mortgage, lien or instrument

5 claiming an interest in real estate for either themselves or another person or entity; or

6 (4) Knowingly falsely encumbering the real estate of another; or

7 (5) Knowingly attempts or transfers an interest, encumbrance, lien or mortgage in the

8 property of a third party by means of a known forgery or false document or instrument.

9 (h) Any person violating the provisions of subsection (g) of this section shall for a first

10 offense be guilty of a felony and be subject to imprisonment for not more than ten (10) years, and

11 a fine of not more than fifty thousand dollars (\$50,000), or both. A person violating the provisions

12 of subsection (g) of this section by a pattern of real estate title fraud shall be guilty of a felony and

13 subject to imprisonment for not more than twenty (20) years, and a fine of not more than one

14 hundred thousand dollars (\$100,000), or both, and/or an order of restitution to any victim.

15 (i) Any owner of real estate who is a victim of a person violating the provisions of

16 subsection (g) of this section, in addition to any other remedy that may be available at law or equity,

17 may bring an action against an individual who has knowingly filed, entered, or recorded, or caused

18 to be filed, entered, or recorded, in any public record a false or forged deed or other instrument

19 purporting to convey the owner's interest to such real property to such individual or a third party

20 or purporting to encumber the owner's interest in such real property to;

21 (1) Recover the owner's actual damages caused by the filing, entering, or recording of such

22 false or forged deed or other instrument or five thousand dollars (\$5,000.00), whichever is greater;

23 and

24 (2) Recover the owner's costs incurred in bringing such action, including reasonable

25 attorney's fees.

26 (j) Nothing in this section shall be construed as creating a cause of action against any public

27 official or employee, including without limitation, a municipal clerk or any employee or agent of a

28 clerk of a municipality for actions taken in the performance of the clerk's duties.

29 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO CRIMINAL OFFENSES -- FRAUD AND FALSE DEALING

1 This act would establish the criminal offense of real estate title fraud. Additionally, this act
2 would require that individuals making unsolicited offers to purchase real estate provide warnings
3 that the offer may not be for fair market values and/or for less than the assessed value. This act
4 would also require that municipalities that allow remote filing of electronic instruments shall
5 receive sufficient documentation to positively identify the filer. The act would also create a private
6 cause of action for victims of real estate title fraud.

7 This act would take effect upon passage.

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