

1 H.612
2 Introduced by Representative LaLonde of South Burlington
3 Referred to Committee on
4 Date:
5 Subject: Crimes and criminal procedure
6 Statement of purpose of bill as introduced: This bill proposes to establish a
7 State version of the federal Racketeer Influenced and Corrupt Organizations
8 Act for the purpose of targeting organized crime.

9 An act relating to the Vermont Racketeer Influenced and Corrupt
10 Organizations Act

11 It is hereby enacted by the General Assembly of the State of Vermont:

12 Sec. 1. 13 V.S.A. chapter 69A is added to read:

13 CHAPTER 69A. VERMONT RACKETEER INFLUENCED AND
14 CORRUPT ORGANIZATIONS ACT

15 § 3121. SHORT TITLE

16 This chapter shall be known and may be cited as the “Vermont Racketeer
17 Influenced and Corrupt Organizations Act.”

18 § 3122. FINDINGS AND INTENT

19 (a) The General Assembly finds that a severe problem is posed in this State
20 by the increasing sophistication of various criminal elements and the extent to

1 which the State and its citizens are harmed as a result of the activities of these
2 elements.

3 (b) The intent of this chapter is to impose sanctions against those who
4 violate this chapter and to provide compensation to persons injured or
5 aggrieved by such violations. It is not the intent of the General Assembly that
6 isolated incidents of misdemeanor conduct or acts of civil disobedience be
7 prosecuted under this chapter. This chapter shall apply to an interrelated
8 pattern of criminal activity motivated by or the effect of which is pecuniary
9 gain or economic or physical threat or injury. This chapter shall be liberally
10 construed to effectuate the remedial purposes embodied in its operative
11 provisions.

12 § 3123. DEFINITIONS

13 As used in this chapter:

14 (1) “Civil forfeiture proceeding” means the process set forth in 18
15 V.S.A. §§ 4242–4248, which shall apply to all property seized pursuant to this
16 chapter.

17 (2) “Criminal proceeding” means any proceeding commenced in the
18 Criminal Division of the Superior Court by the Attorney General or a State’s
19 Attorney under any provision of this chapter.

20 (3) “Enterprise” means any person, sole proprietorship, partnership,
21 corporation, business trust, union chartered under the laws of this State, or

1 other legal entity; or any unchartered union, association, or group of
2 individuals associated in fact although not a legal entity; and it includes illicit
3 as well as licit enterprises and governmental as well as other entities.

4 (4) “Pattern of racketeering activity” means:

5 (A) engaging in at least two acts of racketeering activity in
6 furtherance of one or more incidents, schemes, or transactions that have the
7 same or similar intents, results, accomplices, victims, or methods of
8 commission or otherwise are interrelated by distinguishing characteristics and
9 are not isolated incidents, provided at least one of such acts occurred after July
10 1, 1980, and that the last of such acts occurred within four years, excluding any
11 periods of imprisonment, after the commission of a prior act of racketeering
12 activity; or

13 (B) engaging in any one or more acts of domestic terrorism as
14 described in section 3521 of this title or any criminal attempt, criminal
15 solicitation, or criminal conspiracy related thereto.

16 (5)(A) “Racketeering activity” means to commit, to attempt to commit,
17 or to solicit, coerce, or intimidate another person to commit any crime that is
18 chargeable by indictment under the laws of this State involving:

19 (i) unlawful distillation, manufacture, sale, and transportation of
20 alcoholic beverages in violation of 7 V.S.A. chapter 21;

- (ii) records and reports of currency transactions in violation of 8 V.S.A. chapter 79;
- (iii) the Vermont Uniform Securities Act (2002) in violation of 9 V.S.A. chapter 150;
- (iv) homicide in violation of chapter 53 of this title;
- (v) assaults and related offenses in violation of chapter 19 of this title;
- (vi) kidnapping, false imprisonment, and related offenses in violation of chapter 55 of this title;
- (vii) prostitution, keeping a place of prostitution, soliciting, procuring, inducing, enticing, compelling, or transporting a person for the purpose of prostitution in violation of chapter 59, subchapter 2 of this title;
- (viii) burglary in violation of chapter 23 of this title;
- (ix) assault and robbery in violation of section 608 of this title;
- (x) arson and burning in violation of chapter 11 of this title;
- (xi) bombs, explosives, and destructive devices in violation of chapter 37 of this title;
- (xii) larceny and embezzlement in violation of chapter 57 of this title;
- (xiii) robbery in violation of section 608 of this title;

(xiv) forgery and counterfeiting in any degree in violation of chapter 43 of this title;

(xv) identity theft in violation of section 2030 of this title;

(xvi) bribery in violation of chapter 21 of this title;

(xvii) false alarms and reports in violation of chapter 41 of this title;

(xviii) impersonating a public officer or employee in violation of section 3002 of this title;

(xix) obstruction of justice in violation of section 3015 of this title;

(xx) perjury and other related offenses in violation of chapter 65 of this title;

(xxi) domestic terrorism in violation of section 3521 of this title;

(xxii) dangerous weapons in violation of chapter 85 of this title;

(xxiii) commercial gambling in violation of chapter 51 this title;

(xxiv) distributing obscene materials in violation of chapter 63 of this title;

(xxv) the unlawful manufacture, distribution, dispensing, sale, or possession of noncontrolled drugs in violation of 18 V.S.A. § 4228 or 18 V.S.A. §§ 4231–4235a and related offenses in 18 V.S.A. chapter 84, subchapter 1;

(xxvi) insurance fraud in violation of section 2031 of this title;

1 (xxvii) certain felonies involving certificates of title, security
2 interest, or liens in violation of chapter 49 of this title;

3 (xxviii) defacing of identifying numbers in violation of 23 V.S.A.
4 § 1703;

5 (xxix) possession of a motor vehicle with serial or motor numbers
6 defaced in violation of 23 V.S.A. § 1701;

7 (xxx) abuse, neglect, and exploitation of vulnerable adults in
8 violation of chapter 28 of this title; or

9 (xxxi) offenses enumerated in 13 V.S.A. § 364.

10 (B) “Racketeering activity” also means any act or threat involving
11 murder, kidnapping, gambling, arson, robbery, theft, receipt of stolen property,
12 bribery, extortion, obstruction of justice, dealing in narcotic or dangerous
13 drugs, or dealing in securities that is chargeable under the laws of the United
14 States, any territory of the United States, or any state and that is punishable by
15 imprisonment for more than one year.

16 (C) “Racketeering activity” also means any conduct defined as
17 “racketeering activity” under 18 U.S.C. § 1961(1), any violation of 18 U.S.C.
18 § 1028, or any violation of 31 U.S.C. §§ 5311–5330.

19 (6) “Real property” means any real property situated in this State or any
20 interest in such real property, including any lease of or mortgage upon such
21 real property.

1 § 3124. PROHIBITED ACTIVITIES

2 (a) It shall be unlawful for any person, through a pattern of racketeering
3 activity or proceeds derived from racketeering activity, to acquire or maintain,
4 directly or indirectly, any interest in or control of any enterprise, real property,
5 or personal property of any nature, including money.

6 (b) It shall be unlawful for any person employed by or associated with any
7 enterprise to conduct or participate in, directly or indirectly, such enterprise
8 through a pattern of racketeering activity.

9 (c) It shall be unlawful for any person to conspire or endeavor to violate
10 any of the provisions of subsection (a) or (b) of this section. A person violates
11 this subsection when:

12 (1) the person, together with one or more persons, conspires to violate
13 any of the provisions of subsection (a) or (b) of this section and any one or
14 more of such persons commits any overt act to affect the object of the
15 conspiracy; or

16 (2) the person endeavors to violate any of the provisions of subsection
17 (a) or (b) of this section and commits any overt act to affect the object of the
18 endeavor.

19 § 3125. CRIMINAL PENALTIES

20 (a) Notwithstanding any other provision in law, a person convicted of the
21 offense of engaging in activity in violation of section 3124 of this title shall be

1 imprisoned not more than 20 years or fined not more than \$25,000.00 or three
2 times the amount of any pecuniary value gained by the person from the
3 violation, or both. The court shall hold a hearing to determine the amount of
4 the fine.

5 (b) For the purposes of this section, “pecuniary value” means:

6 (1) anything of value in the form of money, a negotiable instrument, a
7 commercial interest, or anything else, the primary significance of which is
8 economic advantage; or
9 (2) any other property or service that has a value in excess of \$100.00.

10 § 3126. CIVIL REMEDIES

11 (a) Any court in the Civil Division of the Superior Court, after making due
12 provisions for the rights of innocent persons, may enjoin violations of section
13 3124 of this title by issuing appropriate orders and judgments, including:

14 (1) ordering any defendant to divest themselves of any interest in any
15 enterprise, real property, or personal property;
16 (2) imposing reasonable restrictions upon the future activities or
17 investments of any defendant, including prohibiting any defendant from
18 engaging in the same type of endeavor as the enterprise in which the defendant
19 was engaged in violation of section 3124 of this title;
20 (3) ordering the dissolution or reorganization of any enterprise;

1 (4) ordering the suspension or revocation of any license, permit, or prior
2 approval granted to any enterprise by any agency of the State; or
3 (5) ordering the forfeiture of the charter of a corporation organized
4 under the laws of this State or the revocation of a certificate authorizing a
5 foreign corporation to conduct business within this State upon a finding that
6 the board of directors or a managerial agent acting on behalf of the
7 corporation, in conducting affairs of the corporation, has authorized or engaged
8 in conduct in violation of section 3124 of this title and that, for the prevention
9 of future criminal activity, the public interest requires that the charter of the
10 corporation be forfeited and that the corporation be dissolved or the certificate
11 be revoked.

12 (b) Any aggrieved person or the State may institute a civil action under
13 subsection (a) of this section. In the civil action, relief shall be granted in
14 conformity with the principles that govern the granting of injunctive relief
15 from threatened loss or damage in other civil cases, provided that no showing
16 of special or irreparable damage to the person shall have to be made. Upon the
17 execution of proper bond against damages for an injunction improvidently
18 granted and a showing of immediate danger of significant loss or damage, a
19 temporary restraining order and a preliminary injunction may be issued in any
20 such action before a final determination on the merits.

1 (c) Any person who is injured by reason of any violation of section 3124 of
2 this title shall have a cause of action for three times the actual damages
3 sustained and, where appropriate, punitive damages. Such person shall also
4 recover attorney's fees in the trial and appellate courts and the costs of
5 investigation and litigation reasonably incurred. The defendant or any injured
6 person may demand a trial by jury in any civil action brought pursuant to this
7 section.

8 (d) Any injured person shall have a right or claim to forfeited property or to
9 the proceeds derived therefrom.

10 (e) A conviction in any criminal proceeding shall estop the defendant in
11 any subsequent civil action or civil forfeiture proceeding under this chapter as
12 to all matters proved in the criminal proceeding.

13 § 3127. CIVIL FORFEITURE PROCEEDINGS

14 (a) All property of every kind used or intended for use in the course of,
15 derived from, or realized through a pattern of racketeering activity shall be
16 subject to forfeiture to the State. The Attorney General and any State's
17 Attorney shall be specifically authorized to commence any civil forfeiture
18 proceeding under this chapter in matters arising under this chapter.

19 (b) Any property subject to forfeiture pursuant to subsection (a) of this
20 section and any proceeds are declared to be contraband and no person shall

1 have a property right in them, and they shall be forfeited in accordance with
2 the procedure set forth in 18 V.S.A. §§ 4242–4248.

3 § 3128. LIMITATION OF TIME FOR COMMENCEMENT OF ACTIONS
4 Notwithstanding any other provision of law, a criminal proceeding or civil
5 action brought pursuant to this chapter shall be commenced within five years
6 after the conduct in violation of this chapter terminates. If the State brings a
7 criminal charge or commences a civil forfeiture proceeding pursuant to this
8 chapter, the tolling of the period of limitations with respect to any cause of
9 action arising under section 3124 or 3127 of this title that is based upon any
10 matter complained of in such criminal proceeding or civil forfeiture proceeding
11 by the State shall be suspended during the pendency of the proceedings and for
12 two years thereafter.

13 § 3129. APPLICATION OF CIVIL REMEDIES

14 The application of a civil remedy under this chapter shall not preclude the
15 application of any other remedy, civil or criminal, under this chapter or any
16 other provision of law. Civil remedies under this chapter are supplemental and
17 not mutually exclusive.

18 § 3130. RECOGNITION AND ENFORCEMENT OF JUDGMENTS OF
19 OTHER STATES; RECIPROCAL AGREEMENTS WITH OTHER
20 STATES

1 (a) A valid judgment rendered by a court of a jurisdiction having a law
2 substantially similar to this chapter shall be recognized and enforced by the
3 courts of this State to the extent that a judgment rendered by a court of this
4 State pursuant to this chapter would be enforced in the other jurisdiction.

5 (b) The Attorney General shall be authorized to enter into reciprocal
6 agreements with the attorney general or chief prosecuting attorney of any
7 jurisdiction having a law substantially similar to this chapter so as to further
8 the purposes of this chapter.

9 § 3131. VENUE

10 For purposes of this chapter, the crime shall be considered to have been
11 committed in any county in which an incident of racketeering occurred or in
12 which an interest or control of an enterprise or real or personal property is
13 acquired or maintained.

14 § 3132. CASES OF SPECIAL IMPORTANCE

15 In any civil action or civil forfeiture proceeding brought pursuant to this
16 chapter, the State may file with the clerk of the court a certificate stating that
17 the case is of special public importance. A copy of such certificate shall be
18 furnished immediately by the clerk to the chief judge or, in the judge's
19 absence, the presiding chief judge of the court in which the civil action or civil
20 forfeiture proceeding is pending. Upon receipt of the certificate, the judge
21 shall immediately designate a judge to hear and determine the civil action or

1 civil forfeiture proceeding. The judge designated shall promptly assign the
2 civil action or civil forfeiture proceeding for hearing, participate in the
3 hearings and determination, and cause such civil action or civil forfeiture
4 proceeding to be expedited.

5 Sec. 2. EFFECTIVE DATE

6 This act shall take effect on July 1, 2026.