H.614

Side by Side Comparison

H.614. As Passed the House	H.614. As Proposed by the Senate Committee on Agriculture
Sec. 1. 13 V.S.A. § 2029 is amended to read:	Sec. 1. 13 V.S.A. § 2029 is amended to read:
§ 2029. HOME IMPROVEMENT AND LAND	§ 2029. HOME IMPROVEMENT <u>AND LAND</u>
IMPROVEMENT FRAUD	IMPROVEMENT FRAUD
(a) As used in this section, "home:	(a) As used in this section , "home :
(1) "Home improvement" includes means the	(1) "Home improvement" includes means the
fixing, replacing, remodeling, removing, renovation,	fixing, replacing, remodeling, removing, renovation,
alteration, conversion, improvement, demolition, or	alteration, conversion, improvement, demolition, or
rehabilitation of or addition to any building or land,	rehabilitation of or addition to any building or land,
or any portion thereof, <u>including roofs</u> , that is used or	or any portion thereof, <u>including roofs</u> , that is used or
designed to be used as a residence or dwelling unit.	designed to be used as a residence or dwelling unit.
Home improvement shall include	Home improvement shall include
(2)(A) "Land improvement" means:	(2)(A) "Land improvement" means:
(i) the construction, replacement,	(i) the construction, replacement,
installation, paving, or improvement of driveways,	installation, paving, or improvement of driveways,
roofs, and sidewalks, and trails, roads, or other	roofs, and sidewalks, and trails, roads, or other
landscape features;	landscape features;
(ii) site work, including grading,	(ii) site work, including grading,
excavation, landscape irrigation, site utility	excavation, landscape irrigation, site utility
installation, site preparation, and other construction	installation, site preparation, and other construction
work that is not part of a building on a parcel;	work that is not part of a building on a parcel;
(iii) the limbing, pruning, and cutting, or	(iii) the limbing, pruning, and cutting, or
removal of trees or shrubbery and other	removal of trees or shrubbery and other
improvements to structures or upon land that is	improvements to structures or upon land that is
adjacent to a dwelling house; and	adjacent to a dwelling house; and
(iv) forestry operations, as that term is	(iv) forestry operations, as that term is
defined in 10 V.S.A. § 2602, including the	defined in 10 V.S.A. § 2602, including the
construction of trails, roads, and structures associated	construction of trails, roads, and structures associated
with forestry operations and the transportation off-	with forestry operations and the transportation off-
site of trees, shrubs, or timber.	site of trees, shrubs, or timber.

H.614. As Passed the House

(B) "Land improvement" includes activities made in connection with a residence or dwelling or those activities not made in connection with a residence or dwelling.

(b) A person commits the offense of home improvement <u>or land improvement</u> fraud when he or she <u>the person</u> enters into a contract or agreement, written or oral, for \$500.00 <u>\$1,000.00</u> or more, with an owner for home improvement <u>or land</u> <u>improvement</u>, or into several contracts or agreements for \$2,500.00 or more in the aggregate, with more than one owner for home improvement <u>or land</u> <u>improvement</u>, and he or she the person knowingly:

(1)(A) fails to perform the contract or agreement, in whole or in part; and

(B) when the owner requests performance, <u>payment</u>, or a refund of payment made, the person fails to either:

(i) refund the payment; or

(ii) make and comply with a definiteplan for completion of the work that is agreed to bythe owner; or

(iii) make the payment;

(2) misrepresents a material fact relating to the terms of the contract or agreement or to the condition of any portion of the property involved;

(3) uses or employs any unfair or deceptive act or practice in order to induce, encourage, or solicit such person to enter into any contract or agreement or to modify the terms of the original contract or agreement; or

H.614. As Proposed by the Senate Committee on Agriculture

(B) "Land improvement" includes activities made in connection with a residence or dwelling or those activities not made in connection with a residence or dwelling.

(b) A person commits the offense of home improvement <u>or land improvement</u> fraud when he or she the person enters into a contract or agreement, written or oral, for \$500.00 \$1,000.00 or more, with an owner for home improvement <u>or land</u> <u>improvement</u>, or into several contracts or agreements for \$2,500.00 or more in the aggregate, with more than one owner for home improvement <u>or land</u> <u>improvement</u>, and he or she the person knowingly:

(1)(A) fails to perform the contract or agreement, in whole or in part; and

(B) when the owner requests performance, payment, or a refund of payment made, the person fails to either:

(i) refund the payment; or

(ii) make and comply with a definite plan for completion of the work that is agreed to by the owner; <u>or</u>

(iii) make the payment;

(2) misrepresents a material fact relating to the terms of the contract or agreement or to the condition of any portion of the property involved;

(3) uses or employs any unfair or deceptive act or practice in order to induce, encourage, or solicit such person to enter into any contract or agreement or to modify the terms of the original contract or agreement; or (4) when there is a declared state of emergency, charges for goods or services related to the emergency a price that exceeds two times the average price for the goods or services and the increase is not attributable to the additional costs incurred in connection with providing those goods or services.

(c) Whenever a person is convicted of home improvement <u>or land improvement</u> fraud or of fraudulent acts related to home improvement <u>or land improvement</u>:

 the person shall notify the Office of <u>the</u> Attorney General;

(2) the court shall notify the Office of the Attorney General; and

(3) the Office of <u>the</u> Attorney General shallplace the person's name on the Home Improvement<u>and Land Improvement</u> Fraud Registry.

(d)(1) A person who violates subsection (b) of this section shall be imprisoned not more than two years or fined not more than \$1,000.00, or both, if the loss to a single consumer is less than \$1,000.00.

(2) A person who is convicted of a second or subsequent violation of subdivision (1) of this subsection (b) of this section shall be imprisoned not

H.614. As Proposed by the Senate Committee on Agriculture

(4) when there is a declared state of emergency, charges for goods or services related to the emergency a price that exceeds two times the average price for the goods or services and the increase is not attributable to the additional costs incurred in connection with providing those goods or services.

(c) Whenever a person is convicted of home improvement <u>or land improvement</u> fraud or of fraudulent acts related to home improvement <u>or land improvement</u>:

 the person shall notify the Office of <u>the</u> Attorney General;

(2) the court shall notify the Office of the Attorney General; and

(3) the Office of <u>the</u> Attorney General shall place the person's name on the Home Improvement <u>and Land Improvement</u> Fraud <u>Registry and shall</u> <u>include on the Registry whether the person has</u> <u>notified the Office of Attorney General under</u> <u>subdivision (e)(1) of this section that they have filed</u> <u>a surety bond or an irrevocable letter of credit</u>.

(d)(1) A person who violates subsection (b) of this section shall be imprisoned not more than two years or fined not more than \$1,000.00, or both, if the loss to a single consumer is less than \$1,000.00 \$1,500.00.

(2) A person who is convicted of a second or subsequent violation of subdivision (1) of this subsection (b) of this section shall be imprisoned not

H.614. As	Passed	the House
-----------	--------	-----------

more than three years or fined not more than \$5,000.00, or both.

(3) A person who violates subsection (b) of this section shall be imprisoned not more than three years or fined not more than \$5,000.00, or both, if:

(A) the loss to a single consumer is \$1,000.00 \$1,500.00 or more; or

(B) the loss to more than one consumer is\$2,500.00 or more in the aggregate.

(4) A person who is convicted of a second or subsequent violation of subdivision (b)(3) of this subsection section shall be imprisoned not more than five years or fined not more than \$10,000.00, or both.

(5) A person who violates subsection (c) or (e) of this section shall be imprisoned for not more than two years or fined not more than \$1,000.00, or both.

(e)(1) A person who is sentenced pursuant to subdivision (d)(2), (3), or (4) of this section, or convicted of fraudulent acts related to home improvement <u>or land improvement</u>, may engage in home improvement <u>or land improvement</u> activities for compensation only if:

(1)(A) the work is for a company or individual engaged in home improvement <u>or land improvement</u> activities; <u>and the company or individual has not</u> <u>previously committed a violation under this section;</u> the person and the management of the company or the individual are not a family member, a household member, or a current or prior business associate; and the person first notifies the company or individual of the conviction and notifies the Office of the Attorney

H.614. As Proposed by the Senate Committee on Agriculture

more than three years or fined not more than \$5,000.00, or both.

(3) A person who violates subsection (b) of this section shall be imprisoned not more than three years or fined not more than \$5,000.00, or both, if:

(A) the loss to a single consumer is \$1,000.00 <u>\$1,500.00</u> or more; or

(B) the loss to more than one consumer is\$2,500.00 or more in the aggregate.

(4) A person who is convicted of a second or subsequent violation of subdivision (b)(3) of this subsection section shall be imprisoned not more than five years or fined not more than \$10,000.00, or both.

(5) A person who violates subsection (c) or (e) of this section shall be imprisoned for not more than two years or fined not more than \$1,000.00, or both.

(e)(1) A person who is sentenced pursuant to subdivision (d)(2), (3), or (4) of this section, or convicted of fraudulent acts related to home improvement <u>or land improvement</u>, may engage in home improvement <u>or land improvement</u> activities for compensation only if:

(1)(A) the work is for a company or individual engaged in home improvement <u>or land improvement</u> activities; <u>and the company or individual has not</u> previously committed a violation under this section; the person and the management of the company or the individual are not a family member, a household <u>member, or a current or prior business associate</u>; and the person first notifies the company or individual of the conviction and notifies the Office of <u>the</u> Attorney

AgricGeneral of the person's current address and telephonenumber; the name, address, and telephone number ofnumber; the name, address, and telephone number of

number; the name, address, and telephone number of the company or individual for whom the person is going to work; and the date on which the person will start working for the company or individual; or

(2)(B) the person notifies the Office of <u>the</u> Attorney General of the intent to engage in home improvement <u>or land improvement</u> activities, and that the person has filed a surety bond or an irrevocable letter of credit with the Office in an amount of not less than \$50,000.00, \$250,000.00 and pays on a regular basis all fees associated with maintaining such bond or letter of credit.

(2) As used in this subsection:

(A) "Business associate" means a person joined together with another person to achieve a common financial objective.

(B) "Family member" means a spouse, child, sibling, parent, next of kin, domestic partner, or legal guardian.

(C) "Household member" means a person who, for any period of time, is living or has lived together, is sharing or has shared occupancy of a dwelling.

(f) The Office of <u>the</u> Attorney General shall release the letter of credit at such time when:

(1) any claims against the person relating to home improvement <u>or land improvement</u> fraud have been paid;

H.614. As Proposed by the Senate Committee on Agriculture

General of the person's current address and telephone number; the name, address, and telephone number of the company or individual for whom the person is going to work; and the date on which the person will start working for the company or individual; or

(2)(B) the person notifies the Office of the Attorney General of the intent to engage in home improvement <u>or land improvement</u> activities, and that the person has filed a surety bond or an irrevocable letter of credit with the Office in an amount of not less than \$50,000.00, \$250,000.00 and pays on a regular basis all fees associated with maintaining such bond or letter of credit.

(2) As used in this subsection:

(A) "Business associate" means a person joined together with another person to achieve a common financial objective.

(B) "Family member" means a spouse, child, sibling, parent, next of kin, domestic partner, or legal guardian.

(C) "Household member" means a person who, for any period of time, is living or has lived together, is sharing or has shared occupancy of a dwelling.

(f) The Office of <u>the</u> Attorney General shall release the letter of credit at such time when:

(1) any claims against the person relating to home improvement <u>or land improvement</u> fraud have been paid; (2) there are no pending actions or claims against the person for home improvement <u>or land</u> <u>improvement</u> fraud; and

(3) the person has not been engaged in home improvement <u>or land improvement</u> activities for at least six years and has signed an affidavit so attesting.

(g) A person convicted of home improvement or land improvement fraud is prohibited from applying for or receiving State grants or from contracting, directly or indirectly, with the State or any of its subdivisions for a period of up to three years following the date of the conviction, as determined by the Commissioner of Buildings and General Services.

(h) A person subject to the financial surety requirements of section 3605 of this title for timber trespass shall not engage in land improvement activities unless the person has satisfied the financial surety requirements for timber trespass.

Sec. 2. 13 V.S.A. § 3605 is added to read: § 3605. FINANCIAL SURETY REQUIRED FOR <u>CONTINUED TIMBER HARVESTING</u> <u>ACTIVITIES</u>

(a) Under one or more of the following circumstances, a person shall not engage in timber harvesting activities for compensation unless the person satisfies the conditions of subsection (b) of this section:

H.614. As Proposed by the Senate Committee on Agriculture

(2) there are no pending actions or claims against the person for home improvement <u>or land</u> <u>improvement</u> fraud; and

(3) the person has not been engaged in home improvement <u>or land improvement</u> activities for at least six years and has signed an affidavit so attesting.

(g) A person convicted of home improvement or land improvement fraud is prohibited from applying for or receiving State grants or from contracting, directly or indirectly, with the State or any of its subdivisions for a period of up to three years following the date of the conviction, as determined by the Commissioner of Buildings and General Services.

(h) A person subject to the financial surety requirements of section 3605 of this title for timber trespass shall not engage in land improvement activities unless the person has satisfied the financial surety requirements for timber trespass.

Sec. 2. 13 V.S.A. § 3605 is added to read: § 3605. FINANCIAL SURETY REQUIRED FOR CONTINUED TIMBER HARVESTING ACTIVITIES

(a) Under one or more of the following circumstances, a person shall not engage in timber harvesting activities for compensation unless the person satisfies the conditions of subsection (b) of this section:

H.614. As Passed the House	H.614. As Proposed by the Senate Committee on Agriculture
(1) The person was convicted of a second or	(1) The person was convicted of a second or
subsequent violation of timber trespass under section	subsequent violation of timber trespass under section
3606a of this title and has not paid all required fines	<u>3606a of this title.</u>
or restitution.	
(2) The person is subject to two or more civil	(2) The person is subject to two or more civil
judgements under section 3606 of this title and has	judgements under section 3606 of this title.
not paid all required damages or restitution.	
(3) The person is subject to the financial surety	(3) The person is subject to the financial surety
requirements of subsection 2029(e) of this title for	requirements of subsection 2029(e) of this title for
land improvement fraud.	land improvement fraud.
(4) The person was convicted of a combination	(4) The person was convicted of a combination
of one or more violations of timber trespass and one	of one or more violations of timber trespass and one
or more occurrence of land improvement fraud and	or more occurrence of land improvement fraud.
has not paid the required fines, damages, or	
restitution.	
(b)(1) A person subject to prohibition under	(b)(1) A person subject to prohibition under
subsection (a) of this section may engage in timber	subsection (a) of this section may engage in timber
harvesting activities for compensation if:	harvesting activities for compensation if:
(A) the work is for a company or individual	(A) the work is for a company or individual
engaged in timber harvesting activities and the	engaged in timber harvesting activities and the
company or individual has not previously committed	company or individual has not previously committed
a violation under this section; the person and the	a violation under this section; the person and the
management of the company or the individual are not	management of the company or the individual are not
a family member, a household member, or a current	a family member, a household member, or a current
or prior business associate; and the person first	or prior business associate; and the person first
notifies the company or individual of the conviction	notifies the company or individual of the conviction
or civil judgment and notifies the Office of the	or civil judgment and notifies the Office of the
Attorney General of the person's current address and	Attorney General of the person's current address and
telephone number; the name, address, and telephone	telephone number; the name, address, and telephone
number of the company or individual for whom the	number of the company or individual for whom the
person is going to work; and the date on which the	person is going to work; and the date on which the

person will start working for the company or individual; or

(B) the person notifies the Office of the Attorney General of the intent to engage in timber harvesting activities, has filed a surety bond or an irrevocable letter of credit with the Office in an amount of not less than \$250,000.00, and pays on a regular basis all fees associated with maintaining such bond or letter of credit.

(2) As used in this subsection:

(A) "Business associate" means a person joined together with another person to achieve a common financial objective.

(B) "Family member" means a spouse, child, sibling, parent, next of kin, domestic partner, or legal guardian of a person.

(C) "Household member" means a person who, for any period of time, is living or has lived together, is sharing or has shared occupancy of a dwelling.

(c) The Office of the Attorney General shall release the letter of credit at such time when:

(1) any claims against the person relating to timber harvesting activities or land improvement fraud have been paid;

(2) there are no pending actions or claims against the person from the person's timber harvesting activities or land improvement fraud; and

(3) the person has not been engaged in timber harvesting activities for at least six years and has signed an affidavit so attesting. person will start working for the company or individual; or

(B) the person notifies the Office of the Attorney General of the intent to engage in timber harvesting activities, has filed a surety bond or an irrevocable letter of credit with the Office in an amount of not less than \$250,000.00, and pays on a regular basis all fees associated with maintaining such bond or letter of credit.

(2) As used in this subsection:

(A) "Business associate" means a person joined together with another person to achieve a common financial objective.

(B) "Family member" means a spouse, child, sibling, parent, next of kin, domestic partner, or legal guardian of a person.

(C) "Household member" means a person who, for any period of time, is living or has lived together, is sharing or has shared occupancy of a dwelling.

(c) The Office of the Attorney General shall release the letter of credit at such time when:

(1) any claims against the person relating to timber harvesting activities or land improvement fraud have been paid;

(2) there are no pending actions or claims against the person from the person's timber harvesting activities or land improvement fraud; and

(3) the person has not been engaged in timber harvesting activities for at least six years and has signed an affidavit so attesting.

(d) A person who violates subsection (b) of this section or subdivision 3606a(c)(1) of this title shall be imprisoned for not more than two years or fined not more than \$1,000.00, or both.

Sec. 3. IMPLEMENTATION; CONDITION OF OPERATION

(a) The requirement under 13 V.S.A. § 3605 that a person convicted of criminal timber trespass or assessed a civil penalty for timber trespass shall file a surety bond or letter of credit with the Office of the Attorney General shall, as a condition of continued or future operation, apply to all persons convicted of a criminal fine under 13 V.S.A. § 3606a or assessed civil liability under 13 V.S.A. § 3606 prior to July 1, 2024 and for which the criminal fine or civil liability remains unpaid as of July 1, 2024.

(b) The Attorney General shall send notice of the requirement for a surety bond or letter of credit under subsection (a) of this section as a condition of continued operation to all persons in the State who, as of the effective date of this act, have failed to pay criminal fines or civil damages assessed for timber trespass under 13 V.S.A. §§ 3606 and 3606a.

> Sec. 3. 13 V.S.A. § 3606a is amended to read: § 3606a. TRESPASS; CRIMINAL PENALTY

(a) No person shall knowingly or recklessly:

(1) cut down, fell, destroy, remove, injure, damage, or carry away any timber or forest product placed or growing for any use or purpose whatsoever, or timber or forest product lying or growing

	10
H.614. As Passed the House	H.614. As Proposed by the Senate Committee on Agriculture
	belonging to another person, without permission
	from the owner of the timber or forest product; or
	(2) deface the mark of a log, forest product, or
	other valuable timber in a river or other place.
	(b) Any person who violates subsection (a) of this
	section shall:
	(1) for a first offense, be imprisoned not more
	than one year or fined not more than \$20,000.00, or
	both; or
	(2) for a second or subsequent offense, be
	imprisoned not more than two three years or fined not
	more than \$50,000.00, or both.
	(c) Whenever a person is convicted of timber
	trespass under this section:
	(1) the person shall notify the Office of the
	Attorney General;
	(2) the court shall notify the Office of the
	Attorney General; and
	(3) the Office of the Attorney General shall
	place the person's name on the Home Improvement
	and Land Improvement Fraud Registry and shall
	include on the Registry whether the person has
	notified the Office of Attorney General under
	subdivision 3605(b)(1)(B) of this title that they have
	filed a surety bond or an irrevocable letter of credit.
	Sec. 4. IMPLEMENTATION
	The financial surety requirements established by
	13 V.S.A. § 3605 shall apply prospectively and shall
	not apply to convictions or civil judgments that
	occurred prior to the effective date of this act.

H.614. As Passed the House	H.614. As Proposed by the Senate Committee on Agriculture
Sec. <mark>4.</mark> OFFICE OF THE ATTORNEY GENERAL;	Sec. 5. OFFICE OF THE ATTORNEY GENERAL;
REPORT ON TIMBER TRESPASS	REPORT ON TIMBER TRESPASS
ENFORCEMENT	ENFORCEMENT
(a) On or before January 15, 2025, the Office of	(a) On or before January 15, 2025, the Office of
the Attorney General shall submit to the House	the Attorney General shall submit to the House
Committees on Agriculture, Food Resiliency, and	Committees on Agriculture, Food Resiliency, and
Forestry and on Judiciary and the Senate Committees	Forestry and on Judiciary and the Senate Committees
on Natural Resources and Energy and on Judiciary a	on Natural Resources and Energy and on Judiciary a
report regarding the current enforcement of timber	report regarding the current enforcement of timber
trespass within the State and potential methods of	trespass within the State and potential methods of
improving enforcement. The report shall include:	improving enforcement. The report shall include:
(1) a summary of the current issues pertaining	(1) a summary of the current issues pertaining
to enforcement of timber trespass statutes;	to enforcement of timber trespass statutes;
(2) a summary of mechanisms or alternatives	(2) a summary of mechanisms or alternatives
utilized in other states to effectively enforce or	utilized in other states to effectively enforce or
prevent timber theft or similar crimes;	prevent timber theft or similar crimes;
(3) recommendations for programs, policy	(3) recommendations for programs, policy
changes, staffing, and budget estimates to improve	changes, staffing, and budget estimates to improve
enforcement and prevention; ensure consumer	enforcement and prevention; ensure consumer
protection; and reduce the illegal harvesting, theft,	protection; and reduce the illegal harvesting, theft,
and transporting of timber in the State, including	and transporting of timber in the State, including
proposed statutory changes to implement the	proposed statutory changes to implement the
recommendations; and	recommendations; and
(4) a recommendation of whether and how	(4) a recommendation of whether and how
property used in the commission of land	property used in the commission of land
improvement fraud or timber trespass should be	improvement fraud or timber trespass should be
subject to seizure and forfeiture by law enforcement.	subject to seizure and forfeiture by law enforcement.
(b) The Office of the Attorney General shall	(b) The Office of the Attorney General shall
consult with the Department of Forests, Parks and	consult with the Department of Forests, Parks and
Recreation; the Department of Public Safety; the	Recreation; the Department of Public Safety; the
Office of the State Treasurer; the Department of	Office of the State Treasurer; the Department of

	12
H.614. As Passed the House	H.614. As Proposed by the Senate Committee on Agriculture
State's Attorneys and Sheriffs; the Professional	State's Attorneys and Sheriffs; the Professional
Logging Contractors of the Northeast; the Vermont	Logging Contractors of the Northeast; the Vermont
Forest Products Association; and other interested	Forest Products Association; and other interested
parties in the preparation of the report required under	parties in the preparation of the report required under
this section.	this section.
Sec. <mark>5</mark> . EFFECTIVE DATE	Sec. <mark>6</mark> . EFFECTIVE DATE
This act shall take effect on July 1, 2024.	This act shall take effect on July 1, 2024.