

S.183

Introduced by Senator Norris

Referred to Committee on

Date:

Subject: Crimes; home improvement and land improvement fraud

Statement of purpose of bill as introduced: This bill proposes to require that a person knowingly intends to defraud a client with whom the person has entered into a contract or agreement for home or land improvement.

An act relating to home improvement and land improvement fraud

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

Sec. 1. 13 V.S.A. § 2029 is amended to read:

§ 2029. HOME IMPROVEMENT AND LAND IMPROVEMENT FRAUD

(a) As used in this section:

(1) “Home improvement” means the fixing, replacing, remodeling, removing, renovation, alteration, conversion, improvement, demolition, or rehabilitation of or addition to any building, or any portion thereof, including roofs, that is used or designed to be used as a residence or dwelling unit.

1 (2)(A) “Land improvement” means:

2 (i) the construction, replacement, installation, paving, or
3 improvement of driveways, sidewalks, trails, roads, or other landscape
4 features;

5 (ii) site work, including grading, excavation, landscape irrigation,
6 site utility installation, site preparation, and other construction work that is not
7 part of a building on a parcel;

8 (iii) the limbing, pruning, cutting, or removal of trees or
9 shrubbery; and

10 (iv) forestry operations, as that term is defined in 10 V.S.A.
11 § 2602, including the construction of trails, roads, and structures associated
12 with forestry operations and the transportation off-site of trees, shrubs, or
13 timber.

14 (B) “Land improvement” includes activities made in connection with
15 a residence or dwelling or those activities not made in connection with a
16 residence or dwelling.

17 (b) A person commits the offense of home improvement or land
18 improvement fraud when the person knowingly enters into a contract or
19 agreement, written or oral, for \$1,000.00 or more, with an owner for home
20 improvement or land improvement, or into several contracts or agreements for

1 \$2,500.00 or more in the aggregate, with more than one owner for home
2 improvement or land improvement, and the person knowingly:

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

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

7 ~~(i) refund the payment;~~

8 ~~(ii) make and comply with a definite plan for completion of the~~
9 ~~work that is agreed to by the owner; or~~

10 ~~(iii) make the payment promises performance that the person does~~
11 ~~not intend to perform or knows will not be performed, in whole or in part;~~

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

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

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

1 (c) Whenever a person is convicted of home improvement or land
2 improvement fraud or of fraudulent acts related to home improvement or land
3 improvement:

4 (1) the person shall notify the Office of the Attorney General;

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

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

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

14 (2) A person who is convicted of a second or subsequent violation of
15 subsection (b) of this section shall be imprisoned not more than three years or
16 fined not more than \$5,000.00, or both.

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

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

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

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

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

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

14 (A) the work is for a company or individual engaged in home
15 improvement or land improvement activities and the company or individual
16 has not previously committed a violation under this section; the person and the
17 management of the company or the individual are not a family member, a
18 household member, or a current or prior business associate; and the person first
19 notifies the company or individual of the conviction and notifies the Office of
20 the Attorney General of the person's current address and telephone number;
21 the name, address, and telephone number of the company or individual for

1 whom the person is going to work; and the date on which the person will start
2 working for the company or individual; or

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

8 (2) As used in this subsection:

9 (A) “Business associate” means a person joined together with another
10 person to achieve a common financial objective.

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

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

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

18 (1) any claims against the person relating to home improvement or land
19 improvement fraud have been paid;

20 (2) there are no pending actions or claims against the person for home
21 improvement or land improvement fraud; and

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

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

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

13 Sec. 2. EFFECTIVE DATE

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