

1 S.183

2 An act relating to home improvement and land improvement fraud

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

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

5 § 2029. HOME IMPROVEMENT AND LAND IMPROVEMENT FRAUD

6 (a) As used in this section:

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

11 (2)(A) “Land improvement” means:

12 (i) the construction, replacement, installation, paving, or
13 improvement of driveways, sidewalks, trails, roads, or other landscape
14 features;

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

18 (iii) the limbing, pruning, cutting, or removal of trees or
19 shrubbery; and

20 (iv) forestry operations, as that term is defined in 10 V.S.A.

21 § 2602, including the construction of trails, roads, and structures associated

1 with forestry operations and the transportation off-site of trees, shrubs, or
2 timber.

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

6 (b) A person commits the offense of home improvement or land
7 improvement fraud when the person knowingly enters into a contract, ~~or~~
8 agreement, or change order, written or oral, for \$1,000.00 or more, with an
9 owner for home improvement or land improvement, or into several contracts,
10 ~~or~~ agreements, or change orders for \$2,500.00 or more in the aggregate, with
11 more than one owner for home improvement or land improvement, and the
12 person knowingly:

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

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

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

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

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

1 (2) misrepresents a material fact relating to the terms of the contract, ~~or~~
2 agreement, or change order or to the condition of any portion of the property
3 involved;

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

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

12 (c) Whenever a person is convicted of home improvement or land
13 improvement fraud or of fraudulent acts related to home improvement or land
14 improvement:

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

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

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

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

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

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

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

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

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

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

19 (e)(1) A person who is sentenced pursuant to subdivision (d)(2), (3), or (4)
20 of this section, or convicted of fraudulent acts related to home improvement or

1 land improvement, may engage in home improvement or land improvement
2 activities for compensation only if:

3 (A) the work is for a company or individual engaged in home
4 improvement or land improvement activities and the company or individual
5 has not previously committed a violation under this section; the person and the
6 management of the company or the individual are not a family member, a
7 household member, or a current or prior business associate; and the person first
8 notifies the company or individual of the conviction and notifies the Office of
9 the Attorney General of the person's current address and telephone number;
10 the name, address, and telephone number of the company or individual for
11 whom the person is going to work; and the date on which the person will start
12 working for the company or individual; or

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

18 (2) As used in this subsection:

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

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

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

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

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

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

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

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

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

1 unless the person has satisfied the financial surety requirements for timber
2 trespass.

3 Sec. 2. EFFECTIVE DATE

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