BILL AS PASSED BY THE HOUSE AND SENATE

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1		Н 907	

2	Introduced by Committee on General, Housing, and Military Affairs
3	Date:
4	Subject: Housing; rental housing safety
5	Statement of purpose of bill as introduced: This bill proposes to provide for
6	the creation of a residential rental housing board; to specify duties and rights
7	relating to a local health officer and inspections of rental housing; and to direct
8	the Department of Taxes to make available a database of Vermont rental
9	housing units.

11 It is hereby enacted by the General Assembly of the State of Vermont: 12 § 2477. NESIDENTIAL RENTAL HOUSING ADVISORY BOARD 13 (a)(1) The Department of Housing and Community Development shall 14 create the Residential Rental Housing Advisory Board consisting of 11 15 members, each of whom shall be a resident of Vermont and shall be appointed 16 17 by the Commissioner of the Department, as follows: 18 (A) three members representing landlords, one of whom is a for-19 profit landford and one of whom represents a nonprofit housing provider,

An act relating to improving rental housing safety

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1	(R) three members representing tenants:
2	(C) three members representing municipalities; and
3	(D) two members of the public.
4	(2) A member shall serve a term of three years.
5	(3) The Poard shall annually elect a chair from among its members.
6	(4) A majority of the Board shall constitute a quorum for transacting
7	<u>business.</u>
8	(5) The Board shall take action by a majority vote of the members
9	present and voting.
10	(b) The Board shall be staffed by the Department, which, along with the
11	Departments of Health and of Public Safety, shall provide support to the Board
12	as required.
13	(c) The Board shall have the following powers and duties:
14	(1) to act as an advisory group to the Governor, General Assembly, and
15	appropriate State agencies on issues related to residential rental housing
16	statutes, policies, and regulations;
17	(2) to report regularly to the Vermont Housing Council on its
18	deliberations and recommendations;
19	(3) to work with appropriate State agencies on developing adequate data
20	on the location and condition of Vermont's rental housing stock;
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1	policies, and regulations better to support decent, safe, and sanitary housing
2	including recommendations for incentives and programs to assist landlords
3	with building repairs;
4	(5) to provide information to community partners, municipalities,
5	landlords, and lenants, including educational materials on applicable rental
6	housing statutes, regulations, and ordinances; and
7	(6) in preparation for a natural disaster, to collect information regarding
8	available resources, disaster related information, and community needs, and, in
9	the event of a natural disaster, work with government authorities in charge of
10	disaster response and communication.
11	Sec. 2. TASKS OF RESIDENTIAL RENTAL HOUSING ADVISORY
12	BOARD
13	On or before January 15, 2019, the Residential Rental Housing Advisory
14	Board created in 3 V.S.A. § 2477 shall consider, and if it deems appropriate
15	shall submit to the General Assembly recommendations for legislation
16	concerning the following issues:
17	(1) whether to retain or modify current statutory provisions for issuance
18	of health orders for violations of a rental housing health code;
19	(2) whether inspection reports should utilize a hazard index rating
20	system similar to that used by the Department of Public Safety's Division of
21	Fire Safety to standardize timelines for repair and amounts of fines, and

1	whether landlords or tenants should have to submit an action plan for
2	correcting the violations within the time limit for repair;
3	(1) whether a landlord or tenant should be allowed to appeal an
4	inspection report to address habitability issues; and
5	(4) whether the local health officer should file a report of violation in
6	the land records as lien on the property if a landlord does not comply with
7	the inspection report.
8	Sec. 3. IMPROVING EFFECTIVENESS OF LOCAL HEALTH OFFICERS;
9	REPORT
10	(a) On or before January 15, 2019, the Department of Health, with input
11	from the Residential Rental Housing Alvisory Board, shall provide a report to
12	the General Assembly with preliminary recommendations and a plan on how
13	to improve the effectiveness of local health officers and the enforcement of
14	Vermont residential rental housing and habitability tatutes and regulations.
15	The report shall include recommendations for regional opproaches to housing
16	code enforcement and for funding.
17	(b) The Department shall develop a system for keeping data about the type
18	and number of complaints concerning violations of the rental safety codes.
19	(c) The Department shall assign a person to be in charge of providing
20	assistance to local health officers in their duties and make the name and
21	contact information of that person available on request.

1	Sec. 1 18 VS A & 600a is amended to read:
2	§ 602a. DUTIES OF LOCAL HEALTH OFFICERS
3	(a) A local health officer, within his or her jurisdiction, shall:
4	(1) upon request of a landlord or tenant, or upon receipt of information
5	regarding a condition that may be a public health hazard, conduct an
6	investigation;
7	***
8	Sec. 5. 18 V.S.A. § 603 is added to read:
9 10	§ 603. RENTAL HOUSING SAFETY; INSPECTION REPORTS (a)(1) When conducting an investigation of rental housing, a local health
11	officer:
12	(A) shall issue a written inspection report on the rental property
13	using the protocols for implementing the Rental Housing Health Code of the
14	Department or the municipality, in the case of a municipality that has
15	established a code enforcement office, which report shall:
16	(i) contain findings of fact that serve as the basis of one or more
17	violations;
18	(ii) specify the requirements and timelines necessary to correct a
19	violation; and
20	(iii) prohibit the landlord from renting the affected unit to a new
21	tenant until the violation is corrected;
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1	violation that is not corrected by the date provided; and
2	(C) shall provide a copy of the inspection report to the landlord and
3	any tenants affected by a violation by delivering the report electronically, in
4	person, by first class mail, or by leaving a copy at each unit affected by the
5	deficiency.
6	(2) If an entire property is affected by a violation, the local health
7	officer shall post a copy of the inspection report in a common area of the
8	property and include a prominent notice that the report shall not be removed
9	until authorized by the local health officer.
10	(b) If a local health officer fails to conduct an investigation pursuant to
11	section 602a of this title or fails to issue an inspection report pursuant to this
12	section, a landlord or tenant may request that the Department, at its discretion,
13	conduct an investigation or contact the local board of health to take action.
14	Sec. 6. 32 V.S.A. § 6069 is amended to read:
15 16	§ 6069. LANDLORD CERTIFICATE ***
17	(f) Annually, on or before October 31, the Department shall prepare and
18	make available to a member of the public upon request a databate in the form
19	of a sortable spreadsheet that contains the following information for each
20	rental unit for which the Department received a certificate pursuant to this
21	section:
22	(1) name of owner or landford,

1	(2) mailing address of landlord:
2	(3) location of rental unit;
3	(4) type of renal unit;
4	(5) number of units in bunding; and
5	(6) School Property Account Number.
6	Sec. 7. EFFECTIVE DATES
7	(a) This section and Sec. 1 (advisory board) shall take effect on passage.
8	(b) The remaining sections shall take effect on July 1, 2018.
	Sec. 1. 3 V.S.A. § 2477 is added to read:
	§ 2477. RENTAL HOUSING ADVISORY BOARD
	(a)(1) The Department of Housing and Community Development shall
	create the Rental Housing Advisory Board consisting of 11 members, each of
	whom shall be a resident of Vermont and shall be appointed by the
	Commissioner of the Department, as follows:
	(A) three members representing landlords, one of whom is a for-profit
	landlord and one of whom represents a nonprofit housing provider;
	(B) three members representing tenants;
	(C) three members representing municipalities; and
	(D) two members of the public.
	(2) A member shall serve a term of three years.

(3) The Board shall annually elect a chair from among its members.

- (4) A majority of the Board shall constitute a quorum for transacting business.
- (5) The Board shall take action by a majority vote of the members present and voting.
- (b) The Board shall be staffed by the Department, which, along with the Departments of Health and of Public Safety, shall provide support to the Board as required.
 - (c) The Board shall have the following powers and duties:
- (1) to act as an advisory group to the Governor, General Assembly, and appropriate State agencies on issues related to rental housing statutes, policies, and regulations;
- (2) to report regularly to the Vermont Housing Council on its deliberations and recommendations;
- (3) to work with appropriate State agencies on developing adequate data on the location and condition of Vermont's rental housing stock;
- (4) to provide guidance to the State on the implementation of programs, policies, and regulations better to support decent, safe, and sanitary housing, including recommendations for incentives and programs to assist landlords with building repairs;
- (5) to provide information to community partners, municipalities, landlords, and tenants, including educational materials on applicable rental

housing statutes, regulations, and ordinances; and

- (6) in preparation for a natural disaster, to collect information regarding available resources, disaster-related information, and community needs, and, in the event of a natural disaster, work with government authorities in charge of disaster response and communication.
- Sec. 2. TASKS OF RENTAL HOUSING ADVISORY
 BOARD
- (a) On or before January 15, 2019, the Rental Housing Advisory Board created in 3 V.S.A. § 2477 shall submit to the General Assembly potential legislation or policy changes to better support decent, safe, and sanitary rental housing that address the following issues:
- (1) recommendations for one State agency to be responsible for overseeing all aspects of rental housing code enforcement; and
- (2) whether to retain or modify the current system of rental housing code enforcement, including current statutory provisions for issuance of health orders for violations of a rental housing health code.
- (b) In formulating the potential legislation or policy changes identified pursuant to subsection (a) of this section, the Board shall consider the following proposals:
- (1) professionalize or otherwise improve the current system of town health officers;

- (2) regionalize rental housing code enforcement;
- (3) create a public-private system of rental housing code inspections and enforcement;
- (4) allow self-certification by property owners of compliance with applicable rental housing codes;
- (5) require inspection reports to utilize a hazard index rating system similar to that used by the Department of Public Safety's Division of Fire Safety to standardize timelines for repair and amounts of fines;
- (6) require landlords and tenants, as applicable, to submit an action plan for correcting violations within the time limit for correction;
- (7) enable a landlord or tenant to appeal an inspection report to address habitability issues;
 - (8) make inspection reports available to the public online; and
- (9) enable a local health officer to file a report of violation in the land records as a lien on the property if a landlord does not comply with the inspection report.
- (c) Not later than September 1, 2018 and November 15, 2018, the Board shall report on its progress on formulating the potential legislation or policy changes identified pursuant to subsection (a) of this section to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General, Housing, and Military Affairs.

Sec. 3. IMPROVING EFFECTIVENESS OF LOCAL HEALTH OFFICERS; REPORT

- (a) The Department of Health shall provide the Rental Housing Advisory

 Board with information on the current system for local health officers and the

 enforcement of Vermont rental housing and habitability statutes and

 regulations, as well as any recommendation it has for how the system could be

 improved or substantially modified, including recommendations for regional

 approaches to housing code enforcement.
- (b) The Department shall develop a system for keeping data about the type and number of complaints concerning violations of the rental safety codes.
- (c) The Department shall assign a person to be in charge of providing assistance to local health officers in their duties and make the name and contact information of that person available on request.

Sec. 4. 18 V.S.A. § 602a is amended to read:

§ 602a. DUTIES OF LOCAL HEALTH OFFICERS

- (a) A local health officer, within his or her jurisdiction, shall:
- (1) upon <u>request of a landlord or tenant, or upon</u> receipt of information regarding a condition that may be a public health hazard, conduct an investigation;

* * *

Sec. 5. 18 V.S.A. § 603 is added to read:

§ 603. RENTAL HOUSING SAFETY; INSPECTION REPORTS

- (a)(1) When conducting an investigation of rental housing, a local health officer shall issue a written inspection report on the rental property using the protocols for implementing the Rental Housing Health Code of the Department or the municipality, in the case of a municipality that has established a code enforcement office.
 - (2) A written inspection report shall:
- (A) contain findings of fact that serve as the basis of one or more violations;
- (B) specify the requirements and timelines necessary to correct a violation;
- (C) provide notice that the landlord is prohibited from renting the affected unit to a new tenant until the violation is corrected; and
- (D) provide notice in plain language that the landlord and agents of the landlord must have access to the rental unit to make repairs as ordered by the health officer consistent with the access provisions in 9 V.S.A. § 4460.
- (3) A local health officer shall provide a copy of the inspection report to the landlord and any tenants affected by a violation by delivering the report electronically, in person, by first class mail, or by leaving a copy at each unit affected by the deficiency.
 - (4) If an entire property is affected by a violation, the local health

officer shall post a copy of the inspection report in a common area of the property and include a prominent notice that the report shall not be removed until authorized by the local health officer.

- (b) A local health officer may impose a fine of not more than \$100.00 per day for each violation that is not corrected by the date provided in the written inspection report, or when a unit is re-rented to a new tenant prior to the correction of a violation.
- (c) If a local health officer fails to conduct an investigation pursuant to section 602a of this title or fails to issue an inspection report pursuant to this section, a landlord or tenant may request that the Department, at its discretion, conduct an investigation or contact the local board of health to take action.

Sec. 6. 32 V.S.A. § 6069 is amended to read:

§ 6069. LANDLORD CERTIFICATE

* * *

- (f) Annually, on or before October 31, the Department shall prepare and make available to a member of the public upon request a database in the form of a sortable spreadsheet that contains the following information for each rental unit for which the Department received a certificate pursuant to this section:
 - (1) name of owner or landlord;
 - (2) mailing address of landlord;

- (3) location of rental unit;
- (4) type of rental unit;
- (5) number of units in building; and
- (6) School Property Account Number.

Sec. 7. ACCELERATED WEATHERIZATION PROGRAM; HOUSING IMPROVEMENT PROGRAM; STATE TREASURER; FUNDING

- (a) The General Assembly finds that, in addition to the weatherization efforts provided under the Home Weatherization Assistance Program established in 33 V.S.A. chapter 25, an increased pace of weatherization and housing improvements would result in both environmental and economic benefits to the State. Accelerated weatherization efforts and housing improvements will:
 - (1) decrease the emission of greenhouse gases;
 - (2) increase job opportunities in the field of weatherization;
 - (3) enable Vermonters to live in safer, healthier housing; and
- (4) reduce health care costs by reducing the incidence of respiratory illnesses, allergies, and other health problems.
- (b) In fiscal years 2019 and 2020, the State Treasurer is authorized to invest up to \$5,000,000.00 of funds from the credit facility established in 10 V.S.A. § 10 for an accelerated weatherization and housing improvement program, provided that:

- (1) for owner-occupied homes, the funds shall be used to support weatherization efforts and housing improvement efforts for homeowners with a family income that is not more than 120 percent of the area or statewide median family income, whichever is higher, as reported by the U.S. Department of Housing and Urban Development for the most recent year for which data are available;
- (2) for multi-family rental homes, the funds shall be used in conjunction with other State programs, and that not less than 50 percent of the tenant households residing in properties to be rehabilitated shall have an annual household income that is not more than 80 percent of the area or statewide median family income, whichever is higher, as reported by the U.S. Department of Housing and Urban Development for the most recent year for which data are available; and
- (3) weatherization efforts are included in the improvements to any housing unit funded from the credit facility.

Sec. 8. EFFECTIVE DATES

- (a) This section and Sec. 1 (advisory board) shall take effect on passage.
- (b) Sec. 6 (rental housing database) shall take effect on July 1, 2019.
- (c) The remaining sections shall take effect on July 1, 2018.