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**S.79/H.256 Comparison**

- Underlying House statute in regular font
- Senate changes in yellow
- DPH questions/notes in pink
- House General proposed changes

\* \* \* Department of Public Safety; Authority for Rental Housing  
Health and Safety \* \* \*

Sec. 1. 20 V.S.A. chapter 173 is amended to read:

CHAPTER 173. PREVENTION AND INVESTIGATION OF FIRES;  
PUBLIC BUILDINGS; HEALTH AND SAFETY; ENERGY STANDARDS

\* \* \*

Subchapter 2. Division of Fire Safety; Public Buildings; Building Codes;  
Rental Housing Health and Safety; Building Energy Standards

\* \* \*

§ 2729. GENERAL PROVISIONS; FIRE SAFETY; CARBON MONOXIDE

(a) A person shall not build or cause to be built any structure that is unsafe or likely to be unsafe to other persons or property in case of fire or generation and leakage of carbon monoxide.

(b) A person shall not maintain, keep or operate any premises or any part thereof, or cause or permit to be maintained, kept, or operated, any premises or part thereof, under his or her control or ownership in a manner that causes or is

1 likely to cause harm to other persons or property in case of fire or generation  
2 and leakage of carbon monoxide.

3 (c) On premises under a person’s control, excluding single family owner-  
4 occupied houses and premises, that person shall observe rules adopted under  
5 this subchapter for the prevention of fires and carbon monoxide leakage that  
6 may cause harm to other persons or property.

7 (d) Any condominium or multiple unit dwelling using a common roof, or  
8 row houses so-called, or other residential buildings in which people sleep,  
9 including hotels, motels, and tourist homes, excluding single family owner-  
10 occupied houses and premises, whether the units are owned or leased or rented,  
11 shall be subject to the rules adopted under this subchapter and shall be  
12 provided with one or more carbon monoxide detectors, as defined in 9 V.S.A.  
13 § 2881(3), properly installed according to the manufacturer’s requirements.

14 § 2730. DEFINITIONS

15 (a) As used in this subchapter, “public building” means:

16 \* \* \*

17 (D) a building in which people rent accommodations, whether  
18 overnight or for a longer term, including “rental housing” as defined in  
19 subsection (f) of this section;

20 \* \* \*

1           (2) Use of any portion of a building in a manner described in this  
2 subsection shall make the entire building a “public building” for purposes of  
3 this subsection. For purposes of this subsection, a “person” does not include  
4 an individual who is directly related to the employer and who resides in the  
5 employment-related building.

6           (b) The term “public building” does not include:

7           (1) An owner-occupied single family residence, unless used for a  
8 purpose described in subsection (a) of this section.

9   \* \* \*

10           (4) ~~A single family residence with an accessory dwelling unit as~~  
11 ~~permitted under 24 V.S.A. § 4406(4)(D).~~ [Repealed.]

12   \* \* \*

13           (f) “Rental housing” means housing that is leased or offered for lease, and  
14 includes a “dwelling unit” as defined in 9 V.S.A. § 4451 and a “short-term  
15 rental” as defined in 18 V.S.A. § 4301.

16       § 2731. RULES; INSPECTIONS; VARIANCES

17           (a) Rules.

18           (1) The Commissioner is authorized to adopt rules regarding the  
19 construction, health, safety, sanitation, and fitness for habitation of buildings,  
20 maintenance and operation of premises, and prevention of fires and removal of  
21 fire hazards, and to prescribe standards necessary to protect the public,

1 employees, and property against harm arising out of or likely to arise out of  
2 fire.

3 \* \* \*

4 (b) Inspections.

5 (1) The Commissioner shall conduct inspections of premises to ensure  
6 that the rules adopted under this subchapter are being observed and may  
7 establish priorities for enforcing these rules and standards based on the relative  
8 risks to persons and property ~~from fire~~ of particular types of premises.

9 (2) The Commissioner may also conduct inspections to ensure that  
10 buildings are constructed in accordance with approved plans and drawings.

11 (3) When conducting an inspection of rental housing, the Commissioner  
12 shall:

13 (A) issue a written inspection report on the unit or building that:

14 (i) contains findings of fact that serve as the basis of one or more  
15 violations;

16 (ii) specifies the requirements and timelines necessary to correct a  
17 violation;

18 (iii) provides notice that the landlord is prohibited from renting the  
19 affected unit to a new tenant until the violation is corrected; and

1           (iv) provides notice in plain language that the landlord or agents of  
2           the landlord must have access to the rental unit to make repairs as ordered by  
3           the Commissioner consistent with the access provisions in 9 V.S.A. § 4460;

4           (B) provide a copy of the inspection report to the landlord, to the  
5           person who requested the inspection, and to any tenants who are affected by a  
6           violation:

7           (i) electronically, if the Department has an electronic mailing  
8           address for the person; or

9           (ii) by first-class mail, if the Department does not have an  
10          electronic mailing address for the person;

11          (C) if an entire building is affected by a violation, provide a notice of  
12          inspection directly to the individual tenants, and may also post the notice in a  
13          common area, that specifies:

14               (i) the date of the inspection;

15               (ii) that violations were found and must be corrected by a certain  
16               date;

17               (iii) how to obtain a copy of the inspection electronically or by  
18               first-class mail; and

19               (iv) if the notice is posted in a common area, that the notice shall  
20               not be removed until authorized by the Commissioner;

21          (D) make the inspection report available as a public record.

1 (c) Fees. The following fire prevention and building code fees are  
2 established:

3 (1) The permit application fee for a construction plan approval shall be  
4 based on \$8.00 per each \$1,000.00 of the total valuation of the construction  
5 work proposed to be done for all buildings, but in no event shall the permit  
6 application fee exceed \$185,000.00 nor be less than \$50.00.

7 (2) When an inspection is required due to the change in use or  
8 ownership of a public building, the fee shall be \$125.00.

9 (3) The proof of inspection fee for fire suppression, alarm, detection,  
10 and any other fire protection systems shall be \$30.00.

11 (4) Three-year initial certificate of fitness and renewal fees for  
12 individuals performing activities related to fire or life safety established under  
13 subsection (a) of this section shall be:

14 (A) Water-based fire protection system design:

15 (i) Initial certification: \$150.00.

16 (ii) Renewal: \$50.00.

17 (B) Water-based fire protection system installation, maintenance,  
18 repair, and testing:

19 (i) Initial certification: \$115.00.

20 (ii) Renewal: \$50.00.

21 (C) Gas appliance installation, inspection, and service: \$60.00.

1 (D) Oil burning equipment installation, inspection, and service:

2 \$60.00.

3 (E) Fire alarm system inspection and testing: \$90.00.

4 (F) Limited oil burning equipment installation, inspection, and

5 service: \$60.00.

6 (G) Domestic water-based fire protection system installation,

7 maintenance, repair, and testing:

8 (i) Initial certification: \$60.00.

9 (ii) Renewal: \$20.00.

10 (H) Fixed fire extinguishing system design, installation, inspection,

11 servicing, and recharging:

12 (i) Initial certification: \$60.00.

13 (ii) Renewal: \$20.00.

14 (I) Emergency generator installation, maintenance, repair, and

15 testing: \$30.00;

16 (J) Chimney and solid fuel burning appliance cleaning, maintenance,

17 and evaluation: \$30.00.

18 (d) Permit processing. The Commissioner shall make all practical efforts  
19 to process permits in a prompt manner. The Commissioner shall establish time  
20 limits for permit processing as well as procedures and time periods within  
21 which to notify applicants whether an application is complete.

1 (e) Variances; exemptions. Except for any rules requiring the education  
2 module regarding the State’s energy goals described in subdivision (a)(2) of  
3 this section, the Commissioner may grant variances or exemptions from rules  
4 adopted under this subchapter where strict compliance would entail practical  
5 difficulty, unnecessary hardship, or is otherwise found unwarranted, provided  
6 that:

7 (1) any such variance or exemption secures the public safety and health;

8 (2) any petitioner for such a variance or exemption can demonstrate that  
9 the methods, means, or practices proposed to be taken in lieu of compliance  
10 with the rule or rules provide, in the opinion of the Commissioner, equal  
11 protection of the public safety and health as provided by the rule or rules;

12 (3) the rule or rules from which the variance or exemption is sought has  
13 not also been adopted as a rule or standard under 21 V.S.A. chapter 3,  
14 subchapters 4 and 5; and

15 (4) any such variance or exemption does not violate any of the  
16 provisions of 26 V.S.A. chapters 3 and 20 or any rules adopted thereunder.

17 \* \* \*

18 § 2733. ORDERS TO REPAIR, REHABILITATE, OR REMOVE

19 STRUCTURE



1           (a)(1) Whenever the ~~commissioner~~ Commissioner finds that premises or  
2 any part of them does not meet the standards adopted under this subchapter,  
3 the ~~commissioner~~ Commissioner may order it repaired or rehabilitated.

4           (2) If ~~it~~ the premises is not repaired or rehabilitated within a reasonable  
5 time as specified by the ~~commissioner~~ Commissioner in his or her order, the  
6 ~~commissioner~~ Commissioner may order the premises or part of them closed, if  
7 by doing so the public safety will not be imperiled; otherwise he or she shall  
8 order demolition and removal of the structure, or fencing of the premises.

9           (3) Whenever a violation of the rules is deemed to be imminently  
10 hazardous to persons or property, the ~~commissioner~~ Commissioner shall order  
11 the violation corrected immediately.

12           (4) If the violation is not corrected, the ~~commissioner~~ Commissioner  
13 may ~~then~~ order the premises or part of them immediately closed and to remain  
14 closed until the violation is corrected.

15           (b) Whenever a structure, by reason of age, neglect, want of repair, action  
16 of the elements, destruction, either partial or total by fire or other casualty or  
17 other cause, is so dilapidated, ruinous, decayed, filthy, unstable, or dangerous  
18 as to constitute a material menace or damage in any way to adjacent property,  
19 or to the public, and has so remained for a period of not less than one week, the  
20 ~~commissioner~~ Commissioner may order such structure demolished and  
21 removed.

1 (c) Orders issued under this section shall be served by certified mail with  
2 return receipt requested or in the discretion of the ~~commissioner~~  
3 Commissioner, shall be served in the same manner as summonses are served  
4 under the Vermont Rules of Civil Procedure promulgated by the ~~supreme court~~  
5 Supreme Court, to all persons who have a recorded interest in the property  
6 recorded in the place where land records for the property are recorded, and to  
7 all persons who will be temporarily or permanently displaced by the order,  
8 including owners, tenants, mortgagees, attaching creditors, lien holders, and  
9 public utilities or water companies serving the premises.

10 § 2734. PENALTIES

11 (a)(1) A person who violates any provision of this subchapter or any order  
12 or rule issued pursuant thereto shall be fined not more than \$10,000.00.

13 (2) The ~~state's attorney~~ State's Attorney of the county in which such  
14 violation occurs shall prosecute the violation and may commence a proceeding  
15 in the ~~superior court~~ Superior Court to compel compliance with such order or  
16 rule, and such court may make orders and decrees therein by way of writ of  
17 injunction or otherwise.

18 (b)(1) A person who fails to comply with a lawful order issued under  
19 authority of this subchapter in case of sudden emergency shall be fined not  
20 more than \$20,000.00.

1           (2) A person who fails to comply with an order requiring notice shall be  
2 fined \$200.00 for each day's neglect commencing with the effective date of  
3 such order or the date such order is finally determined if an appeal has been  
4 filed.

5           (c)(1) The ~~commissioner~~ Commissioner may, after notice and opportunity  
6 for hearing, assess an administrative penalty of not more than \$1,000.00 for  
7 each violation of this subchapter or any rule adopted under this subchapter.

8           (2) Penalties assessed pursuant to this subsection shall be based on the  
9 severity of the violation.

10           (3) An election by the ~~commissioner~~ Commissioner to proceed under  
11 this subsection shall not limit or restrict the ~~commissioner's~~ Commissioner's  
12 authority under subsection (a) of this section.

13           (d) Violation of any rule adopted under this subchapter shall be prima facie  
14 evidence of negligence in any civil action for damage or injury ~~which~~ that is  
15 the result of the violation.

16   \* \* \*

17           § 2736. MUNICIPAL ENFORCEMENT

18           (a)(1) The legislative body of a municipality may appoint one or more  
19 trained and qualified officials and may establish procedures to enforce rules  
20 and standards adopted under subsection 2731(a) of this title.

1           (2) After considering the type of buildings within the municipality, if the  
2 ~~commissioner~~ Commissioner determines that the training, qualifications, and  
3 procedures are sufficient, he or she may assign responsibility to the  
4 municipality for enforcement of some or all of these rules and standards.

5           (3) The ~~commissioner~~ Commissioner may also assign responsibility for  
6 enforcement of the rules of the access board adopted under section 2902 of this  
7 title.

8           (4) The ~~commissioner~~ Commissioner shall provide continuing review,  
9 consultation, and assistance as may be necessary.

10           (5) The assignment of responsibility may be revoked by the  
11 ~~commissioner~~ Commissioner after notice and an opportunity for hearing if the  
12 ~~commissioner~~ Commissioner determines that the training, qualifications, or  
13 procedures are insufficient.

14           (6) The assignment of responsibility shall not affect the ~~commissioner's~~  
15 Commissioner's authority under this subchapter.

16           (b) If a municipality assumes responsibility under subsection (a) of this  
17 section for performing any functions that would be subject to a fee established  
18 under subsection 2731(a) of this title, the municipality may establish and  
19 collect reasonable fees for its own use, and no fee shall be charged for the  
20 benefit of the ~~state~~ State.

1       (c)(1) Subject to rules adopted under section 2731 of this title, municipal  
2 officials appointed under this section may enter any premises in order to carry  
3 out the responsibilities of this section.

4           (2) The officials may order the repair, rehabilitation, closing,  
5 demolition, or removal of any premises to the same extent as the ~~commissioner~~  
6 Commissioner may under section 2732 of this title.

7       (d) Upon a determination by the ~~commissioner~~ Commissioner that a  
8 municipality has established sufficient procedures for granting variances and  
9 exemptions, such variances and exemptions may be granted to the same extent  
10 authorized under subsection 2731(b) of this title.

11       (e) The results of all activities conducted by municipal officials under this  
12 section shall be reported to the ~~commissioner~~ Commissioner periodically upon  
13 request.

14       (f) Nothing in this section shall be interpreted to decrease the authority of  
15 municipal officials under other laws, including laws concerning building codes  
16 and laws concerning housing codes.

17   \* \* \*

18       § 2738. FIRE PREVENTION AND BUILDING INSPECTION SPECIAL

19   FUND

20       (a) The fire prevention and building inspection special fund revenues shall  
21 be from the following sources:

1 (1) fees relating to construction and inspection of public building and  
2 fire prevention inspections under section 2731 of this title;

3 (2) fees relating to boilers and pressure vessels under section 2883 of  
4 this title;

5 (3) fees relating to electrical installations and inspections and the  
6 licensing of electricians under 26 V.S.A. §§ 891-915;

7 (4) fees relating to cigarette certification under section 2757 of this title;  
8 and

9 (5) fees relating to plumbing installations and inspections and the  
10 licensing of plumbers under 26 V.S.A. §§ 2171-2199.

11 (b) Fees collected under subsection (a) of this section shall be available to  
12 the ~~department of public safety~~ Department of Public Safety to offset the costs  
13 of the ~~division of fire safety~~ Division of Fire Safety.

14 (c) The ~~commissioner of finance and management~~ Commissioner of  
15 Finance and Management may anticipate receipts to this fund and issue  
16 warrants based thereon.

17 \* \* \*

18 \* \* \* State Rental Housing Registry; Registration Requirement \* \* \*

19 Sec. 2. 3 V.S.A. § 2478 is added to read:

20 § 2478. STATE RENTAL HOUSING REGISTRY; HOUSING DATA

1        (a) The Department of Housing and Community Development, in  
2        coordination with the Division of Fire Safety, the Department of Health, the  
3        Enhanced 911 Board, and the Department of Taxes, shall create and maintain a  
4        registry of the rental housing in this State, which includes a “dwelling unit” as  
5        defined in 9 V.S.A. § 4451 and a “short-term rental” as defined in 18 V.S.A.  
6        § 4301.

7        (b) The Department of Housing and Community Development shall require  
8        for each unit that is registered the following data:

9            (1) the name and mailing address of the owner, landlord, and property  
10          manager of the unit, as applicable;

11           (2) the phone number and electronic mail address of the owner,  
12          landlord, and property manager of the unit, as available;

13           (3) location of the unit;

14           (4) year built;

15           (5) type of rental unit;

16           (6) number of units in the building;

17           (7) school property account number;

18           (8) accessibility of the unit; and

19           (9) any other information the Department deems appropriate.

20        (c) Upon request of the Department of Housing and Community  
21        Development, and at least annually, a municipal, district, or other local

1 government entity that operates a rental housing health and safety program that  
2 requires registration of a rental housing unit and a fee for inclusion on the  
3 registry shall provide to the Department the data for each unit that is required  
4 pursuant to subsection (b) of this section.

5 (d) The registry, and data collected by the registry, shall be protected  
6 pursuant to 1 V.S.A. § 317 (c)(2) and may only be released to specifically  
7 designated persons who, in the discretion of the Department, shall use such  
8 data to further the public good. Registry data may not be disclosed to entities  
9 for the purposes of solicitation campaigns without express authority granted by  
10 the Department. Data about a specific unit may be disclosed to the owner or  
11 operator of the rental unit regulated by the registry for the purpose of  
12 informing the owner or operator of its registry status.

13 (d)(1) The data the Department collects pursuant to this section is exempt  
14 from public inspection and copying pursuant to 1 V.S.A. § 317(c)(1) and the  
15 Department shall not disclose such data except as provided in subdivision (2)  
16 of this subsection.

17 (2) The Department:

18 (A) may disclose data it collects pursuant to this section to other  
19 State, municipal, or regional government entities, to nonprofit organizations, or  
20 to other persons for the purposes of protecting public health and safety;



1           (B) shall not disclose data it collects pursuant to this section for a  
2           commercial purpose; and

3           (C) shall require, as a condition of receiving data collected  
4           pursuant to this section, that a person to whom the Department discloses the  
5           data takes necessary steps to protect the privacy of persons whom the data  
6           concerns, to protect the data from further disclosure, and to comply with  
7           subdivision (B) of this subsection.

8           Sec. 3. 3 V.S.A. § 2479 is added to read:

9           § 2479. RENTAL HOUSING REGISTRATION

10           (a) Except as provided in subsection (c) of this section, an owner of rental  
11           housing that is subject to 9 V.S.A. chapter 137 the owner of a dwelling unit, as  
12           defined in 9 V.S.A. § 4501, that is leased or offered for lease shall:

13           (1) file with the Department of Taxes the landlord certificate required  
14           for the renter's rebate or the renter credit program; and

15           (2) within 30 days of filing the certificate, register, provide the  
16           information required by subsection 2478(b) of this title, and pay to the  
17           Department of Housing and Community Development an annual registration  
18           fee of \$35.00 per rental unit, unless the owner has within the preceding  
19           12 months:

20           (A) registered the unit pursuant to subsection (b) of this section; or

1           (B) registered the unit with a municipal, district, or other local  
2           government entity that operates a rental housing health and safety program  
3           with a rental registry that complies with subsection 2478(b) of this title.

4           (b) Except as provided in subsection (c) of this section, an owner of a  
5           short-term rental, as defined in 18 V.S.A. § 4301, shall, annually, within  
6           30 days of renting a unit, register, provide the information required by  
7           subsection 2478(b) of this title, and pay to the Department of Housing and  
8           Community Development an annual registration fee of \$35.00 per rental unit,  
9           unless the owner has within the preceding 12 months:

10           (1) registered the unit pursuant to subsection (a) of this section; or

11           (2) registered the unit with a municipal, district, or other local  
12           government entity that operates a rental housing health and safety program  
13           with a rental registry that complies with subsection 2478(b) of this title.

14           (c)(1) An owner of a mobile home lot within a mobile home park who has  
15           registered the lot with the Department of Housing and Community  
16           Development and who does not own a mobile home on the lot is exempt from  
17           registering the lot pursuant to this section.

18           (2) An owner of a mobile home lot within a mobile home park who has  
19           registered the lot with the Department and who owns a mobile home on the lot  
20           that is available for rent or rented shall register the property with the  
21           Department and pay a fee equal to the fee required by subdivision (a)(2) of this

1 section less any fee paid within the previous 12 months pursuant to 10 V.S.A.  
2 § 6254(c).

3 (3) An owner of a mobile home who rents the mobile home, whether  
4 located in a mobile home park, shall register pursuant to this section.

5 (4) An owner of housing that is provided as a benefit of farm  
6 employment, as defined in 9 V.S.A. § 4469a(a)(3), is exempt from the  
7 registration requirements imposed in this section.

8 (d) An owner of rental housing who fails to register pursuant to this section  
9 shall pay a late registration fee of \$150.00 per unit and may be subject to an  
10 administrative penalty not to exceed \$5,000.00 for each violation.

11 (e) The Department of Housing and Community Development shall  
12 maintain the registration fees collected pursuant to this section in a special  
13 fund entitled the Rental Housing Safety Special Fund, the proceeds of which  
14 the Department shall use:

15 (1) to hire authorized staff to administer the registry and registration  
16 requirements imposed in this section and in section 2478 of this title; and

17 (2) to provide funding to the Department of Public Safety to hire  
18 authorized staff to conduct inspections and regulate rental housing pursuant to  
19 20 V.S.A. chapter 173, subchapter 2.

20 \* \* \* Positions Authorized \* \* \*

21 Sec. 4. DEPARTMENT OF PUBLIC SAFETY; POSITIONS

1        (a) The Department of Public Safety is authorized to create five full-time,  
2        classified Inspector positions in order to conduct rental housing health and  
3        safety inspections and enforcement pursuant to 20 V.S.A. chapter 173,  
4        subchapter 2.

5        (b) In fiscal year 2022, the amount of ~~\$200,000.00~~ \$100,000.00 is  
6        appropriated from the General Fund to the Department of Public Safety as one-  
7        time startup funding to hire one or more Inspector positions authorized  
8        pursuant to subsection (a) of this section.

9        (c) The Department may hire additional Inspectors authorized by this  
10       section to the extent funds become available from the Rental Housing Safety  
11       Special Fund created and maintained pursuant to 3 V.S.A. § 2479.

12       Sec. 5. DEPARTMENT OF HOUSING AND COMMUNITY  
13       DEVELOPMENT; POSITIONS

14       (a) The Department of Housing and Community Development is  
15       authorized to create one full-time classified position and one half-time  
16       classified position to administer and enforce the registry requirements created  
17       in 3 V.S.A. § 2478.

18       (b) In fiscal year 2022, the amount of ~~\$200,000.00~~ \$300,000.00 is  
19       appropriated from the General Fund to the Department of Housing and  
20       Community Development as one-time startup funding to hire one or more of  
21       the positions authorized pursuant to subsection (a) of this section.

1 (c) The Department may hire additional staff authorized by this section to  
2 the extent funds become available from the Rental Housing Safety Special  
3 Fund created and maintained pursuant to 3 V.S.A. § 2479.

4 \* \* \* Conforming Changes to Current Law Governing the Department of  
5 Health, State Board of Health, and Local Health Officials \* \* \*

6 Sec. 6. 18 V.S.A. chapter 11 is amended to read:

7 CHAPTER 11. LOCAL HEALTH OFFICIALS

8 \* \* \*

9 § 602a. DUTIES OF LOCAL HEALTH OFFICERS

10 (a) A local health officer, within his or her jurisdiction, shall:

11 (1) ~~upon request of a landlord or tenant, or~~ upon receipt of information  
12 regarding a condition that may be a public health hazard, conduct an  
13 investigation;

14 (2) enforce the provisions of this title, the rules promulgated, and  
15 permits issued thereunder;

16 (3) prevent, remove, or destroy any public health hazard; or mitigate any  
17 significant public health risk in accordance with the provisions of this title;

18 (4) in consultation with the Department, take the steps necessary to  
19 enforce all orders issued pursuant to chapter 3 of this title; and

20 (5) have the authority to assist the Division of Fire Safety in inspecting  
21 rental housing pursuant to 20 V.S.A. chapter 173, subchapter 2, provided that

1 if the local health officer inspects a rental property without an inspector from  
2 the Division, the officer shall issue an inspection report in compliance with  
3 20 V.S.A § 2731(b).

4 (b) Upon discovery of violation or a public health hazard or public health  
5 risk that involves a public water system, a food or lodging establishment, or  
6 any other matter regulated by Department rule, the local health officer shall  
7 immediately notify the Division of Environmental Health. Upon discovery of  
8 any other violation, public health hazard, or public health risk, the local health  
9 officer shall notify the Division of Environmental Health within 48 hours of  
10 discovery of such violation or hazard and of any action taken by the officer.

11 ~~§ 603. RENTAL HOUSING SAFETY; INSPECTION REPORTS~~

12 ~~(a)(1) When conducting an investigation of rental housing, a local health~~  
13 ~~officer shall issue a written inspection report on the rental property using the~~  
14 ~~protocols for implementing the Rental Housing Health Code of the Department~~  
15 ~~or the municipality, in the case of a municipality that has established a code~~  
16 ~~enforcement office.~~

17 ~~(2) A written inspection report shall:~~

18 ~~(A) contain findings of fact that serve as the basis of one or more~~  
19 ~~violations;~~

20 ~~(B) specify the requirements and timelines necessary to correct a~~  
21 ~~violation;~~

1           ~~(C) provide notice that the landlord is prohibited from renting the~~  
2           ~~affected unit to a new tenant until the violation is corrected; and~~

3           ~~(D) provide notice in plain language that the landlord and agents of~~  
4           ~~the landlord must have access to the rental unit to make repairs as ordered by~~  
5           ~~the health officer consistent with the access provisions in 9 V.S.A. § 4460.~~

6           ~~(3) A local health officer shall:~~

7           ~~(A) provide a copy of the inspection report to the landlord and any~~  
8           ~~tenants affected by a violation by delivering the report electronically, in~~  
9           ~~person, by first class mail, or by leaving a copy at each unit affected by the~~  
10           ~~deficiency; and~~

11           ~~(B)(i) if a municipality has established a code enforcement office,~~  
12           ~~provide information on each inspection according to a schedule and in a format~~  
13           ~~adopted by the Department in consultation with municipalities that have~~  
14           ~~established code enforcement offices; or~~

15           ~~(ii) if a municipality has not established a code enforcement~~  
16           ~~office, provide information on each inspection to the Department within seven~~  
17           ~~days of issuing the report using an electronic system designed for that purpose,~~  
18           ~~or within 14 days by mail if the municipality is unable to utilize the electronic~~  
19           ~~system.~~

20           ~~(4) If an entire property is affected by a violation, the local health officer~~  
21           ~~shall post a copy of the inspection report in a common area of the property and~~

1 ~~include a prominent notice that the report shall not be removed until authorized~~  
2 ~~by the local health officer.~~

3 ~~(5) A municipality shall make an inspection report available as a public~~  
4 ~~record.~~

5 ~~(b)(1) A local health officer may impose a civil penalty of not more than~~  
6 ~~\$200.00 per day for each violation that is not corrected by the date provided in~~  
7 ~~the written inspection report, or when a unit is re-rented to a new tenant prior~~  
8 ~~to the correction of a violation.~~

9 ~~(2)(A) If the cumulative amount of penalties imposed pursuant to this~~  
10 ~~subsection is \$800.00 or less, the local health officer, Department of Health, or~~  
11 ~~State's Attorney may bring a civil enforcement action in the Judicial Bureau~~  
12 ~~pursuant to 4 V.S.A. chapter 29.~~

13 ~~(B) The waiver penalty for a violation in an action brought pursuant~~  
14 ~~to this subsection is 50 percent of the full penalty amount.~~

15 ~~(3) If the cumulative amount of penalties imposed pursuant to this~~  
16 ~~subsection is more than \$800.00, or if injunctive relief is sought, the local~~  
17 ~~health officer, Department of Health, or State's Attorney may commence an~~  
18 ~~action in the Civil Division of the Superior Court for the county in which a~~  
19 ~~violation occurred.~~

20 ~~(e) If a local health officer fails to conduct an investigation pursuant to~~  
21 ~~section 602a of this title or fails to issue an inspection report pursuant to this~~



1 ~~section, a landlord or tenant may request that the Department, at its discretion,~~  
2 ~~conduct an investigation or contact the local board of health to take action.~~

3 [Repealed.]

4 \* \* \*

5 \* \* \* Transition Provisions \* \* \*

6 Sec. 7. RENTAL HOUSING HEALTH AND SAFETY; TRANSITION  
7 PROVISIONS

8 (a) Notwithstanding any provision of law to the contrary:

9 (1) Until the Commissioner of Public Safety adopts rules governing  
10 rental housing health and safety pursuant to 20 V.S.A. § 2731, the Department  
11 of Health, local officials authorized by law, and the Department of Public  
12 Safety have concurrent authority to enforce the Vermont Rental Housing  
13 Health Code adopted by the Department of Health pursuant to 18 V.S.A.  
14 § 102, 3 V.S.A. § 3003(a), and 3 V.S.A. § 801(b)(11).

15 (2) The Commissioner of Public Safety may immediately adopt a rule  
16 incorporating the Rental Housing Health Code without following the  
17 procedures otherwise required for general rulemaking in 3 V.S.A. chapter 25.

18 (3) Except as provided in subdivision (2) of this subsection, the  
19 Commissioner of Public Safety shall comply with the requirements for general  
20 rulemaking in 3 V.S.A. chapter 25 when adopting rules governing rental  
21 housing health and safety.

1        (b) Upon the adoption of rules governing rental housing health and safety  
2        pursuant to the authority in 20 V.S.A. § 2731:

3            (1) the Department of Public Safety is the State government entity with  
4        primary authority to enforce State laws governing rental housing health and  
5        safety;

6            (2) the Department of Public Safety and local officials have concurrent  
7        authority to enforce State and local laws governing rental housing health and  
8        safety pursuant to 18 V.S.A. chapter 11; 20 V.S.A. chapter 173, subchapter 2;  
9        24 V.S.A. chapters 83 and 123; and applicable municipal law; and

10          (3) the Department of Health, the State Board of Health, and local health  
11        officials have concurrent authority to enforce State and local laws governing  
12        public health hazards and public health risks, as those terms are defined in  
13        18 V.S.A. § 2, pursuant to 18 V.S.A. chapters 1, 3, and 11.

14            \*\*\* Study; Penalties for Vacant Property \*\*\*

15        Sec. 8. PENALTIES FOR VACANT PROPERTY; STUDY

16          (a) On or before December 15, 2021, the Secretary of Commerce and  
17        Community Development, in consultation with the Executive Director of the  
18        Vermont League of Cities and Towns, shall study and write a report on  
19        approaches to imposing penalties on property owners who leave property  
20        vacant for one year or more, including what protections should be in place to  
21        not penalize owners in the armed services or with disabilities, medical

1 ~~conditions, or lack of income, which prevent them from maintaining the~~  
2 ~~property. The report shall include recommendations for any necessary~~  
3 ~~legislative action.~~

4 ~~(b) The Secretary shall submit a copy of the report described in~~  
5 ~~subsection (a) of this section to the House Committees on Commerce and~~  
6 ~~Economic Development and on General, Housing, and Military Affairs and the~~  
7 ~~Senate Committee on Economic Development, Housing and General Affairs.~~

8 \* \* \* Vermont Housing Investments \* \* \*

9 Sec. 8. VERMONT RENTAL HOUSING INVESTMENT PROGRAM;

10 PURPOSE

11 ~~(a) Recognizing that Vermont's rental housing stock is some of the oldest~~  
12 ~~in the country and that much of it needs to be updated to meet code~~  
13 ~~requirements and other standards, the Vermont Rental Housing Investment~~  
14 ~~Program is intended to incentivize private apartment owners to make~~  
15 ~~significant improvements to both housing quality and weatherization by~~

1 providing grants and forgivable loans that are matched in part by the property  
2 owner.

3 (b) The Program seeks to take the lessons learned from the successful Re-  
4 housing Recovery Program established with funds provided by the Federal  
5 CARES Act and implement them in a State-funded program.

6 Sec. 9. 10 V.S.A. chapter 29, subchapter 3 is added to read:

7 Subchapter 3. Housing; Investments

8 § 699. VERMONT RENTAL HOUSING INVESTMENT PROGRAM

9 (a) Creation of program.

10 (1) The Department of Housing and Community Development shall  
11 design and implement the Vermont Rental Housing Investment Program  
12 through which the Department shall award funding to statewide or regional  
13 nonprofit housing organizations, or both, to provide competitive grants and  
14 forgivable loans to private landlords for the rehabilitation, and including  
15 weatherization, of eligible rental housing units.

16 (2) The Department shall develop statewide standards for the Program,  
17 including factors that partner organizations shall use to evaluate applications  
18 and award grants and forgivable loans.

19 (b) Eligible rental housing units. The following units are eligible for a  
20 grant or forgivable loan through the Program:

1           (1) Non-code compliant. The unit does not comply with the  
2           requirements of applicable building, housing, or health laws.

3           (2) Vacant. The unit is non-code compliant, is not leased or occupied as  
4           of the date of application, and remains unoccupied on the date of the award.

5           (3) New accessory dwelling. The unit is an will be a newly-created  
6           accessory dwelling unit that meets the requirements of 24 V.S.A. § 4412(1)(E).

7           (c) Administration. The Department shall require a housing organization  
8           that receives funding under the Program to adopt:

9           (1) a standard application form that describes the application process  
10           and includes instructions and examples to help landlords apply;

11           (2) an award process that ensures equitable selection of landlords,  
12           subject to a housing organization's exercise of discretion based on the factors  
13           adopted by the Department pursuant to subsection (a) of this section; and

14           (3) a grants and loan management system that ensures accountability for  
15           funds awarded.

16           (d) Program requirements applicable to grants and forgivable loans.

17           (1) A grant or loan shall not exceed \$30,000 per unit.

18           (2) A landlord shall contribute matching funds or in-kind services that  
19           equal or exceed 20 percent of the value of the grant or loan.

20           (3) A project may include a weatherization component.

1           (4) A project shall comply with applicable building, housing, and health  
2           laws.

3           (5) The terms and conditions of a grant or loan agreement apply to the  
4           original recipient and to a successor in interest for the period the grant or loan  
5           agreement is in effect.

6           (6) The identity of a recipient and the amount of a grant or forgivable  
7           loan are public records that shall be available for public copying and inspection  
8           and the Department shall publish this information at least monthly on its  
9           website.

10          (e) Program requirements applicable to grants. For a grant awarded under  
11          the Program, the following requirements apply for a minimum period of five  
12          years:

13           (1) A landlord shall coordinate with nonprofit housing partners and local  
14           coordinated entry organizations to identify potential tenants.

15           (2)(A) Except as provided in subdivision (2)(B) of this subsection, a  
16           landlord shall lease the unit to a household that is exiting homelessness.

17           (B) If, upon petition of the landlord, the Department or the housing  
18           organization that issued the grant determines that a household exiting  
19           homelessness is not available to lease the unit, then the landlord shall lease the  
20           unit:

1                    (i) to a household with an income equal to or less than 80 percent  
2                    of area median income; or

3                    (ii) if such a household is unavailable, to another household with  
4                    the approval of the Department or housing organization.

5                    (3)(A) A landlord shall accept any housing vouchers that are available to  
6                    pay all, or a portion of, the tenant’s rent and utilities.

7                    (B) If no housing voucher or federal or State subsidy is available, the  
8                    total cost of rent for the unit, including utilities not covered by rent payments,  
9                    shall not exceed the applicable fair market rent established by the Department  
10                   of Housing and Urban Development.

11                   (4)(A) A landlord may convert a grant to a forgivable loan upon  
12                   approval of the Department and the housing organization that approved the  
13                   grant.

14                   (B) A landlord who converts a grant to a forgivable loan shall receive  
15                   a 10 percent credit for loan forgiveness for each year in which the landlord  
16                   participates in the grant program.

17                   (f) Requirements applicable to forgivable loans. For a forgivable loan  
18                   awarded under the Program, the following requirements apply for a minimum  
19                   period of 10 years:

20                   (1)(A) A landlord shall accept any housing vouchers that are available to  
21                   pay all, or a portion of, the tenant’s rent and utilities.

1           (B) If no housing voucher or federal or State subsidy is available, the  
2           cost of rent for the unit, including utilities not covered by rent payments, shall  
3           not exceed the applicable fair market rent established by the Department of  
4           Housing and Urban Development.

5           (2) The Department shall forgive 10 percent of the amount of a  
6           forgivable loan for each year a landlord participates in the loan program.

7           (g) Lien priority. A lien for a grant converted to a loan or for a forgivable  
8           loan issued pursuant to this section is subordinate to:

9           (1) a lien on the property in existence at the time the lien for  
10           rehabilitation and weatherization of the rental housing unit is filed in the land  
11           records; and

12           (2) a first mortgage on the property that is refinanced and recorded after  
13           the lien for rehabilitation and weatherization of the rental housing unit is filed  
14           in the land records.

15           Sec. 10. REPORT

16           On or before February 15, 2022 the Department of Housing and  
17           Community Development shall report to the General Assembly concerning the  
18           design, implementation, and outcomes of the Vermont Housing Investment  
19           Program, including findings and any recommendations related to the amount of  
20           grant awards.



1 Sec. 11. VERMONT HOMEOWNERSHIP REVOLVING LOAN FUND;

2 PURPOSE

3 (a) The purpose of the Vermont Homeownership Revolving Loan Fund  
4 created in Sec. 12 of this act is to provide no-interest loans to increase access  
5 to homeownership.

6 (b) The Program is intended to assist Vermonters who otherwise may be  
7 unable to purchase a home or who may be unable to afford the costs to  
8 rehabilitate, weatherize, or otherwise make necessary improvements to a home  
9 they purchase.

10 (c) The Program is also intended to place a special focus on increasing the  
11 homeownership rates of households identifying as Black, Indigenous, or  
12 People of Color, who are systematically disenfranchised from financing real  
13 estate through traditional banking and have therefore been generationally  
14 dispossessed of the ability to develop lasting wealth.

15 Sec. 12. 10 V.S.A. § 699a is added to read:

16 § 699a. VERMONT HOMEOWNERSHIP REVOLVING LOAN FUND

17 (a) Creation of Program. The Department of Housing and Community  
18 Development shall design and implement the Vermont Homeownership  
19 Revolving Loan Fund, through which the Department shall provide funding to  
20 statewide or regional nonprofit housing organizations, or both, to issue no-  
21 interest loans to first-time homebuyers.

1        (b) Eligible housing units. The following units are eligible for a loan  
2        through the Program:

3            (1) Existing structure. The unit is an existing single-family dwelling; a  
4        multifamily dwelling with not more than four units or a unit in such a  
5        dwelling; a mobile home; or a condominium.

6            (2) Accessory dwelling. The unit is an accessory dwelling unit that  
7        meets the requirements of 24 V.S.A. § 4412(1)(E).

8        (c) Eligible applicants; priorities.

9            (1) To be eligible for a loan through the Program, an applicant shall:

10            (A) be a first-time homebuyer in Vermont;

11            (B) have a household income of not more than 120 percent of the  
12        area median income; and

13            (C) occupy the home as his or her full time residence.

14            (2) A housing organization may give priority to an applicant whose  
15        employer provides down payment assistance or funding for rehabilitation  
16        costs.

17        (d) Administration. The Department shall require a housing organization  
18        that receives funding under the Program to adopt:

19            (1) a standard application form that describes the application process  
20        and includes instructions and examples to help homebuyers apply;

1           (2) an award process that ensures equitable selection of homebuyers;

2           and

3           (3) a loan management system that ensures accountability for funds  
4           awarded.

5           ~~(e) Set aside for Black, Indigenous, or People of Color. A minimum of 25~~  
6           ~~percent of Program funds shall be awarded to applicants identifying as Black,~~  
7           ~~Indigenous, or People of Color. The Department and its nonprofit partners~~  
8           ~~shall work to ensure appropriate utilization of these funds.~~

9           (e) Recognizing that Black, Indigenous, and People of Color have  
10           historically not had access to capital for homeownership purchases and have  
11           been systemically discriminated against in the housing market, the Department,  
12           working with NAACP, AALV, USCRI, the Governors Equity Task Force, the  
13           Vermont Housing Finance Agency, local racial justice organizations, and the  
14           non-profit homeownership centers, shall develop a plan of active outreach and  
15           implementation to ensure that program opportunities are effectively  
16           communicated, and that funds are equitably awarded, to communities of  
17           Vermonters who have historically suffered housing discrimination.

18           (f) Program requirements.

19           (1) A loan issued through the Program:

20                   (A) shall not exceed a standard limit set by the Department, which  
21           shall not exceed \$50,000;

1           (B) shall be zero interest and payments shall be suspended while the  
2           homebuyer occupies the home;

3           (C) shall become due in full upon the sale or transfer of the home or  
4           upon refinancing with approval by the Department and the housing  
5           organization that issued the loan.

6           (2) A rehabilitation project that is funded by a loan through the Program  
7           may include a weatherization component and shall comply with applicable  
8           building, housing, and health laws.

9           (3) A homebuyer may use not more than 25 percent of a loan for down  
10          payment and closing costs and fees.

11          (4) A homebuyer shall repay a loan.

12          (g) Revolving loan fund. The Department shall use the amounts from loans  
13          that are repaid to provide additional funding through the Program.

14          (h) Lien priority. A lien for a loan issued pursuant to this section is  
15          subordinate to:

16               (1) a lien on the property in existence at the time the lien for the loan is  
17               filed in the land records; and

18               (2) a first mortgage on the property that is refinanced and recorded after  
19               the lien for the loan is filed in the land records.

20          Sec. 13. DUTIES CONTINGENT ON FUNDING

1        The duties of the Department of Housing and Community Development  
2        specified in Secs. 10 and 12 of this act are contingent upon available funding.

3        **Sec. 14. REPORT**

4        On or before February 15, 2022 the Department of Housing and  
5        Community Development shall report to the General Assembly concerning the  
6        design, implementation, and outcomes of the Vermont Homeownership  
7        Revolving Loan Fund created in Sec. 12 of this act, including findings and any  
8        recommendations related to the amount of grant awards.

9                                        \* \* \* Appropriations \* \* \*

10        **Sec. 14. APPROPRIATIONS**

11        (a) The amount of \$4,000,000.00 is appropriated from the General Fund to  
12        the Department of Housing and Community Development to provide grants  
13        and loans as follows:

14                (1) \$3,000,000 for grants and loans through the Vermont Rental  
15        Housing Investment Program created in 10 V.S.A. § 699; and

16                (2) \$1,000,000 for loans through the Vermont Homeownership  
17        Revolving Loan Fund created in 10 V.S.A. § 699a.

18        (b) The amount of \$200,000.00 is appropriated from the General Fund to  
19        the Department of Housing and Community Development as one time start up  
20        funding to assist in creating the rental housing registry created in 3 V.S.A.  
21        § 2478 and to fund the positions authorized in Sec. 5 of this act.

1 ~~(c) The amount of \$200,000.00 is appropriated from the General Fund to~~  
2 ~~the Division of Fire Safety as one-time start-up funding for the positions~~  
3 ~~authorized in Sec. 4 of this act.~~

4 ~~(d) From the amounts collected from rental housing registration fees~~  
5 ~~pursuant to 3 V.S.A. § 2479, the Commissioner of Finance and Management~~  
6 ~~shall allocate:~~

7 ~~(1) \$200,000.00 to the Department of Housing and Community~~  
8 ~~Development to assist in creating the rental housing registry created in~~  
9 ~~3 V.S.A. § 2478 and to fund the positions authorized in Sec. 5 of this act; and~~

10 ~~(2) \$345,691.00 to the Division of Fire Safety to assist in funding the~~  
11 ~~positions authorized in Sec. 4 of this act.~~

12 ~~Sec. 15. EFFECTIVE DATES~~

13 ~~(a) This section and the following sections shall take effect on passage:~~

14 ~~(1) Sec. 2 (rental housing registry); and~~

15 ~~(2) Sec. 7 (DPS rulemaking authority and transition provisions);~~

16 ~~(b) The following sections shall take effect on July 1, 2021:~~

17 ~~(1) Sec. 5 (DHCD positions);~~

18 ~~(2) Sec. 8 (vacant property study);~~

19 ~~(3) Secs. 9–13 (Vermont housing investment programs); and~~

20 ~~(4) Sec. 14 (appropriations).~~

21 ~~(c) Sec. 4 (DPS positions) shall take effect on October 1, 2021.~~

1 ~~(d) The following sections shall take effect on January 1, 2022:~~

2 ~~(1) Sec. 1 (DPS authority for rental housing health and safety);~~

3 ~~(2) Sec. 3 (rental housing registration); and~~

4 ~~(3) Sec. 6 (conforming changes to Department of Health statutes).~~

5 \* \* \* Effective Dates \* \* \*

6 **Sec. 15. EFFECTIVE DATES**

7 (a) This section and the following sections shall take effect on passage:

8 (1) Sec. 1 (DPS authority for rental housing health and safety).

9 (2) Sec. 2 (rental housing registry).

10 (3) Sec. 6 (conforming changes to Department of Health statutes).

11 (4) Sec. 7 (DPS rulemaking authority and transition provisions).

12 (b) The following sections take effect on July 1, 2021:

13 (1) Sec. 4 (DPS positions).

14 (2) Sec. 5 (DHCD positions);

15 (3) Secs. 8-10 (Vermont Housing Investment Program).

16 (4) Secs. 11-14 (Vermont Homeownership Revolving Loan Fund).

17 (c) Sec. 3 (rental housing registration) shall take effect on January 1, 2022.