

Section-by-Section Summary

S.79

“An act relating to improving rental housing health and safety”

As passed by Senate Economic Development, Housing and General Affairs

Sec. 1 of the bill adds language to 20 V.S.A. chapter 173 to give the Division of Fire Safety within the Department of Public Safety the primary authority at the State level to regulate rental housing health and safety.

Chapter heading; subchapter heading; and § 2729 – technical additions to reflect the scope of DPS authority

§ 2730

- (a)(D) – adds “rental housing” to the definition of “public building”
- (b)(4) – strikes the exemption for a single-family residence with an accessory dwelling unit (with this change, a SFR remains exempt unless used for a rental purpose, and an ADU is subject to DPS authority)
- (f) – adds definition of “rental housing” = means both a rental unit subject to landlord-tenant chapter and a short-term rental

§ 2731

- (a)(1) – adds to DPS authority “health, safety, sanitation, and fitness for habitation” of buildings
- (b)(3) – creates and outlines an inspection reporting requirement for when DPS conducts an investigation of rental housing
- (c), (d), and (e) – no changes to current law (included for context)

§§ 2733, 2734, 2736, 2738 – technical corrections only

Sec. 2 of the bill creates a State Rental Housing Registry

- (a) – housed in DHCD
- (b) – specifies the data a registrant must provide
- (c) – requires municipalities with their own program to provide data to DHCD at least annually
- (d) – protects privacy of data on registry

Sec. 3 of the bill imposes the registration requirement for rental housing units

- (a) owner must file landlord certificate with Dept. of Taxes and within 30 days after register with DHCD and pay fee of \$35 per unit
- (b) owner of short-term rental must register and pay fee within 30 days of renting a unit

- (c) – exemptions applicable to mobile homes if registered with DHCD
- (d) – penalties for failure to register – late fee of \$150 and possible admin. Penalty of \$5,000

Sec. 4 authorizes FTE Inspector positions within DPS

Sec. 5 authorizes 1.5 FTE positions in DHCD to administer and enforce the registry and 1 FTE to enforce compliance with the registry requirements

Sec. 6 makes technical and conforming changes in Title 18 concerning local health officers – repeals the inspection report requirement that is specific to local health officers and provides instead that if its' the local officer doing an inspection, the officer will issue a report consistent with DPS inspection reporting requirements in Title 20

Sec. 7 lays out the transition provisions for moving rental housing authority from the Department of Health to the Department of Public Safety

Sec. 8 (findings) and

Sec. 9 creates the Vermont Housing Investment Program in 10 V.S.A. § 699

- (a) – creates program in DHCD, working through housing partners
- (b) – eligible units: (1) non-code compliant; (2) vacant; or (3) accessory dwelling
- (c) – administration provisions
- (d) – requirements for both grants and loans:
 - Maximum \$30,000
 - LL matching contribution of 20 percent
 - Weatherization component
 - Comply with codes
 - Applies to original owner and successors in interest
- (e) – requirements for grants – 5 year covenant – must give first priority to household exiting homelessness; rent of 80% FMR; must accept subsidies
- (f) – requirements for forgivable loans – 10 year covenant – rent of 80% FMR; must accept subsidies; forgiveness of 1/10 per year for 10 years
- (g) – priority of liens (State lien subordinate to existing and first mortgages)

Sec. 10. Appropriations:

- (a) \$200k – DHCD – start up funding for registry and positions
- (b) \$200k – DPS – start up funding for positions
- (c) Allocations from registration fees:
 - \$200k – DHCD – registry and positions
 - \$345,691 – DPS - positions
- (d) \$3,000,000 to VHIP

Sec. 11 – effective dates

