

1 Introduced by House Committee on General and Housing

2 Referred to Committee on

3 Date:

4 Subject: Housing; landlord and tenant

5 Statement of purpose of bill as introduced: This bill proposes to provide
6 supports to landlords and tenants to resolve disputes and avoid evictions.

7 An act relating to eviction diversion, conflict resolution, and providing
8 services to preserve tenancies

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

10 Sec. 1. OFFICE OF RENTAL HOUSING STABILIZATION SERVICES

11 (a) Purpose. The purpose of the Office of Rental Housing Stabilization
12 Services is to ensure tenants and landlords have access to services and
13 programs that can assist in preserving a tenancy and avoid eviction by
14 providing screening and direct referral services.

15 (b) Eligibility. A tenant or landlord is eligible to contact the Office at any
16 time prior to the filing of a summons and complaint for eviction.

17 (b) Possible alternative: Either party can request a stay to access Office
18 services but if it was on the notice, stay is not automatic. Could pick a number
19 like 30 day stay if not on the NTO. Angela to consider this idea over the
20 weekend. The 30 days would align with the period of time for setting a status

1 conference once the court is notified of a RAAF application, so would still not
2 extend the length of eviction process.

3 (c) Screening. The Office shall employ two resource specialists who shall
4 screen landlords and tenants for eligibility for statewide or local assistance,
5 including:

6 (1) repair funds;

7 (2) the Rent Arrears Assistance Fund established in Sec. 3 of this act;

8 (3) Housing Opportunity Program funds;

9 (4) the Vermont Housing Improvement Program;

10 (5) existing State or federally-funded project- or tenant-based subsidies;

11 (6) existing Economic Service Division programs;

12 (7) legal counsel at Vermont Legal Aid or Legal Services Vermont for

13 tenants, and through the Vermont Lawyer Referral Service for tenants or
14 landlords; and

15 (8) voluntary mediation.

16 (d) Referral. Office resource specialists shall assist callers in contacting
17 organizations operating programs or resources for which the caller may be
18 eligible and shall work with partner organizations to facilitate referrals that do
19 not rely on the tenant or landlord independently contacting the organizations
20 after screening by the Office.

1 (e) Appropriation. In fiscal year 2024 the amount of \$XXX,XXX is
2 appropriated from the General Fund to the [Office of Economic Opportunity /
3 United Way/211] for the creation of an Office of Rental Housing Stabilization
4 Services staffed by two resource specialists.

5 Sec. 2. TENANT REPRESENTATION PILOT PROGRAM

6 (a) Purpose. The purpose of the Tenant Representation Pilot Program is to
7 provide full representation to tenants in Lamoille and Windsor counties for two
8 years through appointment of counsel upon filing of a summons and complaint
9 for eviction to determine the impact of representation on the issuance of writs
10 of possession and homelessness prevention.

11 (b) Tenant eligibility. All tenants in Lamoille and Windsor counties who
12 have been served with, or are served with, a summons and complaint shall be
13 appointed counsel if:

14 (1) household income equals or is less than 120 percent of area median
15 income;

16 (2) the cost of rent equals or exceeds 30 percent of household income; or

17 (3) household expenses exceed income.

18 (c) Scope of Representation.

19 (1) Full representation through the Program is limited to eviction.

20 (2) The pursuit of counterclaims shall be at the discretion of appointed
21 counsel.

1 (d) Conflicts of Interest.

2 (1) Vermont Legal Aid may subcontract to Legal Services Vermont if it
3 is unable to provide tenant representation due to a conflict of interest as
4 defined by the Vermont Rules of Professional Conduct.

5 (2) If Legal Services Vermont also has a conflict of interest, Vermont
6 Legal Aid may subcontract to one or more private counsel who are members in
7 good standing of the Vermont bar.

8 (e) Report. Vermont Legal Aid shall provide interim reports on the
9 progress of the Program on or before November 15, 2023 and November 15,
10 2024, and a final report on or before July 30, 2025, which shall describe:

11 (1) the number of tenants represented;

12 (2) case outcomes, including:

13 (A) the number of cases fully or partially resolved through access to
14 the Rent Arrears Assistance Fund created in Sec. 3 of this act;

15 (B) the number of cases fully or partially resolved through the
16 Vermont Landlord’s Association mediation program;

17 (C) the number of cases fully or partially resolved through access to
18 another resource identified through the Office of Rental Housing Stabilization
19 Services; and

20 (3) recommendations for policy changes and for pilot expansion.

1 (f) Appropriation. In fiscal year 2024 the amount of \$1,077,000 is
2 appropriated from the General Fund to the Agency of Human Services for a
3 subgrant to Vermont Legal Aid to provide court-appointed representation in all
4 eviction cases in the two pilot counties of Lamoille and Windsor beginning
5 July 1, 2023.

6 Sec. 3. RENT ARREARS ASSISTANCE FUND

7 (a) Purpose. The purpose of the Rent Arrears Assistance Fund is to provide
8 funds to prevent eviction in cases involving nonpayment of rent from
9 residential rental units subject to 9 V.S.A. chapter 137 and mobile home lot
10 rentals subject to 10 V.S.A. chapter 153.

11 (b) Tenant Eligibility. The Vermont State Housing Authority shall
12 establish eligibility guidelines for the Fund that ensure a streamlined
13 application process, including certification of past due rent and that tenants are
14 at risk of eviction, which shall address:

15 (1) Eligibility. Financial eligibility criteria that consider area median
16 income, rent burden, and ratio of household expenses to income up to 100
17 percent of area median income for the current federal fiscal year.

18 (2) Sustainability. Standards for assessing whether the tenancy is
19 sustainable while retaining a simple and straightforward application.

20 (3) Referral. If the tenancy is not sustainable the parties shall be
21 referred to the Office of Rental Housing Stabilization Services for assistance in

1 exploring other resources or services, and to apply for a housing choice
2 voucher.

3 (c) Funds available.

4 (1) The Fund shall disburse only the amount necessary to cure the
5 tenant's rent arrears and, if necessary, court costs, and attorney's fees capped at
6 an amount set by the Authority.

7 (2) The Fund is available on a first-come, first-served basis to eligible
8 tenants until the Fund is exhausted.

9 (d) Application.

10 (1) The Authority shall create a plain language form to collect only
11 information necessary to assess eligibility and provides clear instructions to
12 help tenants and landlords apply.

13 (2) The tenant shall certify all information on the application.

14 (3) The Authority shall provide assistance in completing the application,
15 either directly or through referral to Vermont Legal Aid.

16 (4) The Authority shall adopt guidelines and implement a process that
17 ensures:

18 (A) equitable and prompt approval of applications;

19 (B) notice of grant decisions within 10 days; and

20 (C) decisions on appeals within in 10 days.

21 (e) Status of eviction pending application.

1 (1) If an eviction case is filed, the tenant or the landlord shall notify the
2 court when an application for Fund assistance is pending.

3 (2) Upon receiving notice that an application for Fund assistance is
4 pending, the court shall set a status conference within 30 days.

5 (3) While the application is pending, the landlord shall not issue a new
6 notice to quit or file or serve a new summons and complaint.

7 (f) Disbursement. The Authority shall disburse amounts from the Fund
8 directly to the landlord.

9 (g) Conditions for disbursement of funds. The Authority shall establish
10 guidelines for ensuring habitability, limitation on rent increases,
11 documentation for direct deposit, and dismissal of cases, including the
12 following:

13 (1) Habitability. The Authority shall adopt guidelines for identifying
14 violations of the Rental Housing Health Code and certifying that necessary
15 repairs to remediate the violations will be completed within 30 days or
16 pursuant to a plan developed for the remediation and approved by the
17 Authority.

18 (2) Documentation for direct deposit. The landlord shall provide the
19 Authority, on a form provided by the Authority, necessary banking information
20 to enable direct deposit of monies from the Fund.

1 (3) Dismissal. The Authority shall adopt guidelines for disbursement to
2 ensure that non-payment evictions are dismissed.

3 (4) Notification form.

4 (A) The Authority shall adopt and provide to landlords and tenants a
5 standardized notification form that shows amounts paid for each category of
6 disbursement and date of payment.

7 (B) The form shall allow the landlord or tenant to easily notify the
8 court and request a dismissal due to payment.

9 (C) The form shall outline any certifications established in Authority
10 guidance that both parties have made as a part of their application, along with
11 the date of those certifications.

12 (h) Appropriation. In fiscal year 2024 the amount of \$2,500,000 is
13 appropriated from the General Fund to the Vermont State Housing Authority
14 for the creation of a fund to prevent non-payment eviction by making funds
15 available for rent arrears where such funds would preserve the tenancy.

16 Sec. 4. EFFECTIVE DATE

17 This act shall take effect on July 1, 2023.