

1 Sec. 1. RENTAL HOUSING STABILIZATION SERVICES

2 (a) Creation; purpose. The Champlain Valley Office of Economic
3 Opportunity shall create and administer a Rental Housing Stabilization
4 Services Program to provide tenants and landlords with access to services and
5 programs that assist in preserving a tenancy and avoid eviction, including
6 eligibility screening, direct referral, and follow-up services.

7 (b) Eligibility. A tenant or landlord is eligible to contact the Office at any
8 time prior to the filing of a summons and complaint for eviction or through
9 court referral.

10 (c) Screening. The Office shall employ resource specialists who shall
11 assess landlords and tenants for availability and eligibility for statewide or
12 local assistance, including:

13 (1) repair funds;

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

15 (3) Housing Opportunity Grant Program funds;

16 (4) the Vermont Housing Improvement Program;

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

18 (6) existing Economic Service Division programs;

19 (7) legal counsel at Vermont Legal Aid or Legal Services Vermont for
20 tenants, and through the Vermont Lawyer Referral Service for tenants or
21 landlords;

- 1 (8) voluntary mediation;
- 2 (9) housing education and skills-building programs; and
- 3 (10) other available housing resources as needed.

4 (d) Referral. The Office shall:

- 5 (1) assist callers in contacting organizations operating programs or
- 6 available resources for which the caller may be eligible; and
- 7 (2) provide support and follow-up services and work with partner
- 8 organizations to ensure effective participation in identified programs and
- 9 services.

10 (e) Appropriation. In fiscal year 2024, the amount of \$400,000.00 is
11 appropriated from the General Fund to the Office of Economic Opportunity
12 within the Department for Children and Families for a subgrant to Champlain
13 Valley Office of Economic Opportunity to administer the Rental Housing
14 Stabilization Services Program pursuant to this section.

15 Sec. 2. TENANT REPRESENTATION PILOT PROGRAM

16 (a) Creation; purpose. Vermont Legal Aid shall create and administer a
17 Tenant Representation Pilot Program:

- 18 (1) to provide full representation to tenants in Lamoille and Windsor
- 19 counties for two years through appointment of counsel upon filing of a
- 20 summons and complaint for eviction; and

1 (2) to determine the impact of representation on the issuance of writs of
2 possession and homelessness prevention.

3 (b) Tenant eligibility. A court shall appoint counsel to represent a
4 residential tenant in Lamoille or Windsor County who is served with a
5 summons and complaint in an ejectment action and meets the following
6 criteria:

7 (1) household income equals or is less than 120 percent of State area
8 median income;

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

10 (3) household expenses exceed income.

11 (c) Scope of representation.

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

13 (2) The pursuit of counterclaims shall be at the discretion of appointed
14 counsel.

15 (d) Conflicts of interest.

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

19 (2) If Legal Services Vermont also has a conflict of interest, Vermont
20 Legal Aid may subcontract to one or more private counsels who are members
21 in good standing of the Vermont Bar.

1 (e) Report. Vermont Legal Aid shall provide interim reports on the
2 progress of the Program on or before November 15, 2023 and November 15,
3 2024 and a final report on or before July 30, 2025, which shall describe:

4 (1) the number of tenants represented;

5 (2) case outcomes, including:

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

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

10 (C) the number of cases fully or partially resolved through access to
11 another resource identified through the Rental Housing Stabilization Services
12 Program; and

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

14 (f) Appropriation. In fiscal year 2024 the amount of \$1,077,000.00 is
15 appropriated from the General Fund to the Agency of Human Services for a
16 subgrant to Vermont Legal Aid to provide court-appointed representation in all
17 eviction cases in the two pilot counties of Lamoille and Windsor beginning on
18 July 1, 2023.

19 Sec. 3. RENT ARREARS ASSISTANCE FUND

20 (a) Creation; purpose. The Vermont State Housing Authority shall create
21 and administer a Rent Arrears Assistance Fund to provide funds to prevent

1 eviction in cases involving nonpayment of rent from residential rental units
2 subject to 9 V.S.A. chapter 137 and mobile home lot rentals subject to 10
3 V.S.A. chapter 153.

4 (b) Tenant eligibility. The Vermont State Housing Authority shall
5 establish eligibility guidelines for the Fund that ensure a streamlined
6 application process, including certification of past due rent and that tenants are
7 at risk of eviction, which shall address the following:

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

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

13 (3) Referral. If the tenancy is not sustainable, the parties shall be
14 referred to the Rental Housing Stabilization Services Program for assistance in
15 exploring other resources or services and to apply for a housing choice
16 voucher.

17 (c) Funds available.

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

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

3 (d) Application.

4 (1) The Authority shall create a plain language form to collect only
5 information necessary to assess eligibility and provide clear instructions to
6 help tenants and landlords apply.

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

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

10 (4) The Authority shall adopt guidelines and implement a process that
11 ensures:

12 (A) equitable and prompt approval of applications;

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

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

15 (e) Status of eviction pending application.

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

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

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

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

3 (g) Conditions for disbursement of funds. The Authority shall establish
4 guidelines for ensuring habitability, limitation on rent increases,
5 documentation for direct deposit, and dismissal of cases, including the
6 following:

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

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

15 (3) Dismissal. The Authority shall adopt guidelines for disbursement to
16 ensure that complaints based on nonpayment of rent and complaints for no
17 cause are dismissed, whether there is a single or multiple pending complaints.

18 (4) Notification form.

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

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

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

6 (h) Appropriation. In fiscal year 2024, the amount of \$2,500,000.00 is
7 appropriated from the General Fund to the Vermont State Housing Authority to
8 create and administer the Rent Arrears Assistance Fund pursuant to this
9 section.

10 Sec. 4. 18 V.S.A. § 1764 is amended to read:

11 § 1764. LEAD INSPECTORS; FINANCIAL RESPONSIBILITY

12 (a) The Commissioner shall require that a licensee or an applicant for a
13 license under subsection 1752(e) of this chapter provide evidence of ability to
14 indemnify properly a person who suffers damage from lead-based paint
15 activities or RRPM activities such as proof of effective liability insurance
16 coverage or a surety bond in an amount to be determined by the
17 Commissioner, which shall not be less than \$300,000.00. This section shall
18 not restrict or enlarge the liability of any person under any applicable law.

19 (b) Owners of rental target housing who personally perform all work under
20 this chapter on properties in which they have an interest shall be exempt from
21 subsection (a) of this section.

1 Sec. 5. EFFECTIVE DATES

2 This act shall take effect on July 1, 2023, except that Sec. 4 (lead paint)

3 shall take effect on passage.