

Proposed Amendment to S. 100

Sect. XX Office of Rental Housing Stabilization Services

(a) Purpose. The purpose of the Office of Rental Housing Stabilization Services (ORHSS)

program is to ensure tenants and landlords have access to services and programs that can assist in preserving the tenancy by avoiding eviction by providing screening and direct referral services.

(b) Appropriation. It is the intent of the General Assembly to appropriate \$XXX,XXX to [Office of Economic Opportunity / United Way/211] for the creation of an Office of Rental Housing Stabilization Services program staffed by two resource specialists.

(c) Eligibility. Any Tenant or landlord shall be eligible to contact the ORHSS program at any time prior to the filing of a summons and complaint for eviction.

~~(d) Notice. A Notice to Quit shall not be valid if it does not provide notice of availability of the Office of Rental Housing Stabilization Services, and include the phone number, email address, and website for the Office of Rental Housing Stabilization Services.~~

~~(e)~~(d) Screening. The Office of Rental Housing Stabilization Services resource specialists shall screen landlords and tenants for eligibility for statewide or local including:

- a. Repair funds,
- b. Rent Arrears Assistance Fund established in Section XX of this title,
- c. Housing Opportunity Program funds,
- d. Vermont Housing Improvement Program (VHIP)
- e. Existing state or federally-funded project- or tenant-based subsidy,
- f. Existing Economic Service Division programs,
- g. Legal counsel at Vermont Legal Aid or Legal Services Vermont for tenants, and through the Vermont Lawyer Referral Service for tenants or landlords, and
- h. Voluntary mediation

~~(f)~~(e) Referral. The Office of Rental Housing Stabilization Services resource specialists shall assist callers in contacting organizations operating programs or resources for which the caller may be eligible, and shall work

**Commented [RS1]:** Possible alternative: Either party can request a stay to access ORHSS, but if it was on the notice, stay is not automatic. Could pick a number like 30 day stay if not on the NTQ.

Angela to consider this idea over the weekend. The 30 days would align with the period of time for setting a status conference once the court is notified of a RAAF application, so would still not extend the length of eviction process.

We recognize that we may not be able to come to agreement here, and that this decision may need to be made by the committee.

with partner organizations to facilitate referrals that do not rely on the tenant or landlord independently contacting the organizations after screening by the Office of Rental Housing Stabilization Services.

#### Sect. XX Tenant Representation Pilot

- (a) Purpose. The purpose of the Tenant Representation Pilot is to provide full representation to tenants in Lamoille and Windsor counties for **two years** through appointment of counsel upon filing of a summons and complaint for eviction to determine the impact of representation on the issuance of writs of possession and homelessness prevention.
- (b) Appropriation. It is the intent of the General Assembly to appropriate to the Agency of Human Services **\$1,077,000** in additional funds for Vermont Legal Aid over the base appropriation for Vermont Legal Aid to provide court-appointed representation in all eviction cases in the two pilot counties of Lamoille and Windsor beginning July 1, 2023.
- (c) Tenant Eligibility. All tenants in Lamoille and Windsor counties who have been served with, or are served with, a summons and complaint shall be appointed counsel provided household income is 120% AMI or below, or rent burden meets or exceeds 30%, or household expenses exceed income.
- (d) Scope of Representation. Full representation shall be limited to the eviction. Pursuit of counterclaims shall be at the discretion of appointed counsel.
- (e) Conflicts of Interest. Vermont Legal Aid is authorized to subcontract to Legal Services Vermont if it is unable to provide tenant representation due to a conflict of interest as defined by the Vermont Rules of Professional Conduct. If Legal Services Vermont also has a conflict of interest, Vermont Legal Aid is authorized to subcontract to private counsel who are members in good standing of the Vermont bar.
- (f) Report. Vermont Legal Aid, Inc. shall provide interim reports on the progress of the pilot on November 15, 2023 and November 15, 2024, and a final report on July 30, 2025. The report shall describe:
  - a. The number of tenants represented;
  - b. Case outcomes including:
    - i. The number of cases fully or partially resolved through access to the Rental Arrears Assistance Fund;

**Commented [RS2]:** VLA is funded in B.300 of the Big Bill. The current match rate is approximately 36% GF to 64% Federal Match, so this \$1,077,000 would be (\$387,720 General Fund, and \$689,280 federal match).

This also assumes we fully fund both years of the pilot in this year's budget, rather than spreading across two years.

**Commented [AZ3]:** I think there is a more cost effective approach to this. Not all tenant/defendants will agree to representation and not all will qualify. Perhaps some sort of hourly rate or reimbursement similar to contract counsel in criminal cases.

**Commented [JM4R3]:** Can't agree

- ii. The number of cases fully or partially resolved through use of the Vermont Landlord's Association mediation program;
  - iii. The number of cases fully or partially resolved through access to another resource identified through the ORHSS
- c. Recommendations for policy changes and for pilot expansion.

Sect. XX Rent Arrears Assistance Fund (RAAF)

- (a) Purpose. The purpose of the Rent Arrears Assistance Fund is to provide funds to prevent eviction in cases involving nonpayment of rent from residential rental units 9 V.S.A 4451 et seq and mobile home lot rentals 10 V.S.A.6201 et seq
- (b) Appropriation. It is the intent of the General Assembly to appropriate \$2,500,000 to the Vermont State Housing Authority for the creation of a fund to prevent non-payment eviction by making funds available for rent arrears where such funds would preserve the tenancy.
- (c) Tenant Eligibility. Vermont State Housing Authority shall establish eligibility guidelines for receipt of Rental Rescue Fund that ensure a streamlined application process including certification of past due rent and that tenants are at risk of eviction which may consider:
- a. Financial eligibility criteria that considers Area Median Income, rent burden, and ratio of household expenses to income up to 100% of Area Median Income for the current federal fiscal year.
  - b. Sustainability. Standards for assessing whether the tenancy is sustainable while retaining a simple and straightforward application.
  - c. Subsidy Application. If the tenancy is not sustainable the parties will be referred to the ORHSS for assistance in exploring other resources or services, and to apply for a Housing Choice Voucher.
- (d) Funds available. The rental rescue fund will disburse only the amount necessary to cure the tenant's rent arrears, if necessary, court costs, and attorney's fees capped at an amount set by Vermont State Housing Authority. Rent Arrears Assistance Fund shall be available on a first-come, first-served basis to eligible tenants until the Fund is exhausted.
- (e) Application.

**Commented [KB5]:** VSHA has never received a direct appropriation of funds from the legislature. Suggest "It is the intent of the General Assembly to appropriate \$2,500,000 to OEO/AOA subgranted to VSHA for the..."

**Commented [KB6R5]:** I have since learned that VSHA's statute does provide for direct appropriation and prefer this.

- a. The Vermont State Housing Authority shall create a plain language form to collect only information necessary to assess eligibility and provides clear instructions to help tenants and landlords apply.
  - b. The tenant must certify all information on the application.
  - c. Vermont State Housing Authority will provide either directly or through referral to Vermont Legal Aid assistance in completing the application.
  - d. Vermont State Housing Authority shall implement a process that ensures equitable and prompt approval of applications, according to the guidelines established by Vermont State Housing Authority, notice of grant decisions within 10 days, and decisions on appeals within in 10 days.
- (f) Status of Eviction Pending Application.
- a. If an eviction case has been filed, the tenant or the landlord shall notify the court when an application for Rent Arrears Assistance Fund assistance is pending.
  - b. Upon the court's receipt of notification that an application for rental rescue funds is pending, the eviction case shall be set for a status conference in 30 days.
  - c. While the application is pending, the landlord shall not issue a new notice to quit or file or serve a new summons and complaint.
- (g) Disbursement. Rent Arrears Assistance Fund will be disbursed directly to the landlord.
- (h) Conditions for disbursement of funds. Vermont State Housing Authority shall establish guidelines for ensuring habitability, limitation on rent increases, documentation for direct deposit, and dismissal of cases.
- a. Identify violations of the Rental Housing Health Code and certify that necessary repairs to remediate the violations will be completed within 30 days or a plan developed for the remediation and approved by Vermont State Housing Authority.
  - b. Documentation for Direct Deposit. The landlord shall provide the Vermont State Housing Authority, on a form provided by the Vermont State Housing Authority, necessary banking information to enable direct deposit of Rent Arrears Assistance Fund.

b. — Dismissal. Vermont State Housing Authority will establish guidelines for disbursement that assure that non-payment evictions are dismissed.

1. The notification form shall further outline any Certifications established in Vermont State Housing Authority guidance that both parties (landlord and tenant) have made as a part of their application, along with the date of those certifications.

**Commented [RS7]:** Angela to consider retention of "no cause" over the weekend given lack of prohibition on re-filing, desire to prevent eviction, and potential middle ground of referral of cases for mediation and other ORHSS resources that can address underlying reason no cause was filed.

We recognize this may not be an area where we can come to agreement and the committee may need to decide.