

REPORT OF THE LANDLORD-TENANT LAW STUDY COMMITTEE

December 16, 2024

LANDLORD-TENANT LAW STUDY COMMITTEE

The Landlord-Tenant Law Study Committee consisted of nine members:

Nora Aronds	appointed by CVOEO
Teri Corsones	Judiciary
Shaun Gilpin	Department of Housing and Community Development
Emilie Krasnow, Chair	House of Representatives, Chittenden-9
Jean Murray	Vermont Legal Aid
Joseph Parsons	House of Representatives, Orange-Caledonia
Tanya Vyhovsky	Senate, Chittenden-Central District
Richard Westman	Senate, Lamoille District
Angela Zaikowski	Vermont Landlords Association

STATUTORY CHARGE

2024 A&R No. 181, Sec. 113 created the Landlord-Tenant Law Study Committee to review and consider modernizing the landlord-tenant laws and evictions processes in Vermont.

The Committee shall study issues with Vermont's landlord-tenant laws and current evictions process, including the following issues:

- (1) whether Vermont's landlord-tenant laws require modernization;
- (2) the impact of evictions policies on rental housing availability;
- (3) whether current termination notice periods and evictions processing timelines reflect the appropriate balance between landlord and tenant interests;
- (4) practical obstacles to the removal of unlawful occupants; and
- (5) whether existing bases for termination are properly utilized, including specifically 9 V.S.A. § 4467(b)(2) (termination for criminal activity, illegal drug activity, or acts of violence).

On or before December 15, 2024, the Committee shall report to the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action, which may be in the form of proposed legislation.

As part of its process to understand the issues landlords and tenants face, the Committee took public comment from citizens across the State. Vermonters had the following to say:

TENANT CONCERNS

- Landlord-tenant issues cannot be considered in isolation from issues of housing availability and affordability.
- Housing, even when found, is insecure.
- Working class Vermonters cannot afford to stay in the State.
- Tenants may refrain from reporting habitability and other concerns because they know just how replaceable they are in this tight housing market.
- Landlords have significantly greater bargaining power; tenants are effectively forced to accept the terms landlords extend to them.
- Tenants know that landlords are unlikely to rent to them if they have an eviction on their record and may “self-evict” if they believe an eviction is imminent.
- Tenants are frustrated that the legislature has stalled progress in municipalities that have passed charter changes implementing stronger tenant protections.
- Residents from across the State expressed the most significant support for just cause tenant protections.
- Residents also expressed support for a rental registry; for rent control; for systems to enforce weatherization and other code violations; for rights of first refusal; and for tenant unions.
- If Vermont seeks to accomplish successful reentry for persons exiting corrections institutions, it should address the fact that housing providers screen out applicants with felony convictions.

LANDLORD CONCERNS

- Landlord-tenant issues cannot be considered in isolation from issues of housing availability and affordability.
- Landlords are frustrated that the State’s failures to adequately address its housing and drug crises are being pinned on them and that proposed solutions take the form of restrictions on landlords.
- Landlords cannot be the first line of defense against the drug crisis and its ensuing safety issues.
- Legislators should ensure solutions are targeted to defined problems and do not fall unfairly on good actors.
- Legislators should consider the cumulative effects of additional costs on landlords.
- Because landlords will pass additional costs onto tenants, imposing additional costs runs the risk of further decreasing housing affordability.
- If landlords lack an effective, timely process for addressing problematic tenants, they will more selectively screen applicants at the front-end.
- The only practical route to remove tenants who are paying rent but destabilizing housing for fellow tenants is through no cause eviction.
- No cause eviction is essential, at least until the delays and inadequacies of the current evictions process are remedied.
- It is no longer financially feasible for the private sector to build and provide affordable housing.

AFFORDABLE HOUSING IN VERMONT

The Landlord-Tenant Law Study Committee (the “**Committee**”) recognizes that landlord-tenant issues are inextricable from the issues of housing availability and affordability in Vermont. In an effort to contextualize its investigations and provide a framework for discussion, the Committee took testimony on the current state of affordable housing in Vermont.

As part of the Department of Housing and Community Development’s (“**DHCD**”) 5-Year Consolidated Plan submitted to the U.S. Department of Housing and Urban Development (“**HUD**”) for federal funding, DHCD contracted with the Vermont Housing Finance Agency (“**VHFA**”) to provide a statewide housing needs assessment that describes state- and county-level housing needs and projects changes over the succeeding five years. It is important to note that the housing needs assessment, while a reliable source of data on Vermont’s housing conditions, does not provide housing data at the town level and cannot as readily account for Vermonters experiencing homelessness, migrant farm works, and those who lack a permanent address and do not receive public services. The 2025 Vermont Housing Needs Assessment (“**HNA**”), along with fact sheets on specific topics, including demographics, housing stock, and homelessness, is published on the Agency of Commerce and Community Development’s [website](#). VHFA also regularly publishes updated housing data at VHFA’s Vermont Housing Data [website](#).

The Committee took testimony from VHFA on the HNA to help contextualize the issues in Vermont’s current rental housing market.¹ VHFA highlighted four major themes: (1) Vermont’s housing shortage deepened in 2020 with rippling economic and social impacts; (2) thousands of Vermont homes have physical vulnerabilities, largely due to the old age of the housing stock; (3) low-income households and renters are hardest hit by home shortage and increased housing costs; and (4) the number of residents with needs for service-enriched housing is rising.

VHFA projects that by 2029 Vermont needs an additional 9,521 homes to address current homelessness, normalize vacancy rates, and to replace expected homes lost in 2025 through 2029. This figure does not account for additional homes required for general population growth. Assuming a pre-2020 population growth rate of 1.0% annual increase, Vermont can expect to require housing for an additional 14,712 households. This growth rate, however, may not be an accurate estimate; as VHFA testified, demand to live in Vermont year-round began to increase in 2017 and picked up further in 2020. If the state population growth rate remains at a post-2020 rate of 1.8% annual increase, Vermont can expect to require housing for an additional 11,582 households beyond that projected using the pre-2020 growth rate, meaning that Vermont would need to account for 26,294 new households by 2029. VHFA’s estimates for total housing required to address homelessness, normalize vacancy rates, replace expected home loss, and account for new population growth range from 24,233 to 35,815. Spreading the current deficit over the next five years and accounting for the continued increase in year-round

¹ Nate Lantieri, Vermont Housing Finance Agency. (November 4, 2024). “Vermont’s Housing Needs: Highlights from the 2025-2029 Vermont Housing Needs Assessment.” Landlord-Tenant Law Study Committee. <https://www.youtube.com/live/z4bO-qch-Mg?si=JtkhFfA1HHpSZMLG&t=3065>.

Vermonters, VHFA projects the state needs 1,200 to 3,400 additional homes annually above the current pace of home building.

VHFA testified that, with the sluggish pace of home building and elevated construction costs, vacancy rates have declined to near-record levels, home prices and rents have jumped, and homelessness has dramatically increased. VHFA posited that these factors—high home prices and low availability—have left thousands of jobs across the state unfilled, including jobs critical to addressing the state’s housing needs, such as home construction and social services jobs.

Discussions around the age of Vermont’s housing stock—the oldest in the nation—have long been a part of housing policy discussions at the State House. VHFA added further context to the vulnerability of Vermont’s existing housing stock, observing that factors such as ruralness; declines in vacancy rates; increases in maintenance and repair costs; limited homeowner resource capacity; a shortage of home repair contractors; the location of historic town centers near waterways; and a high rate of incidence (20%) of manufactured home community overlap with floodplains all heighten the physical vulnerability of Vermont’s housing stock. VHFA testified that a greater number of homes than indicated by the HNA would need to be replaced if the State continued to incur flooding damage at the rate of recent disasters. The Committee raised for investigation the total number of homes taken offline due to flooding.

Based on data from the U.S. Census Bureau covering 5-year estimates from 2018 to 2022, VHFA testified that of all Vermont households, including both owners and renters, fully 31 percent are cost-burdened, meaning that they pay 30 percent or more of their income on housing; of this figure, nearly half—14 percent—are severely cost-burdened, meaning that they pay 50 percent or more of their income on housing. These numbers are even more dramatic for renters: fully 51 percent of renters are cost-burdened, with nearly half of those—25 percent—severely cost-burdened. According to HUD, the monthly rent for a safe, decent apartment in Vermont counties in 2024 is 25 to 35 percent higher than it was five years ago. VHFA further testified that the percentage of renters who can afford to buy a median home in Vermont has decreased from 32 percent in 2021 to 13 percent in 2024, as the income required to afford a median home has increased by 61 percent.

The Committee discussed the 30 percent affordability threshold’s origin in post-World War II-era policy, when it was theorized that one week’s pay should cover one month’s rent, which further evolved over succeeding years. The Committee discussed that national housing policy and advocacy groups have suggested other affordability thresholds, including up to 45 percent of income on housing *plus* transportation costs, and further noted the inflexibility of a hard figure which does not account for the difference in disposable income between relatively lower- and higher-earning persons. It emerged in discussion that DHCD does contest fair market rents set by HUD to better account for actual costs. Significantly, the Committee discussed that shifting from the 30 percent affordability threshold would move Vermont out of alignment with federal programs, which could create implementation issues.

Affordable housing advocate Erhard Mahnke provided further examples of how the open market fails low-income renters.² For example, a single parent in Chittenden

² Erhard Mahnke. (December 9, 2024). Landlord-Tenant Law Study Committee. <https://www.youtube.com/live/uOy6SxBgg6E?si=ZvIF-zVHfuvVkyE-&t=1253>.

County with two children working a service-sector job earning \$26 an hour, or 50 percent of HUD Area Median Income (“AMI”), can only afford to pay \$1,182 a month for rent, excluding utilities. In Lamoille and Orange Counties, a similarly situated Vermonter would only be able to afford monthly rent of \$912 earning 50 percent AMI of \$20.50. A Vermonter with a disability receiving the maximum Supplemental Security Income (“SSI”) benefit for a single individual can afford no more than \$300 a month for rent and utilities. The numbers are little better for a couple receiving the maximum SSI benefit of \$1,521, who can afford no more than \$456 a month for rent and utilities. Where in Vermont, Mahnke testified, can a resident secure housing at these prices? No revision to landlord-tenant law, Mahnke posited, can resolve these issues and revisions to landlord-tenant law open the door to the erosion of tenant rights.

VHFA testified that Vermont has the second highest rate of homelessness in the nation, with an approximately 200 percent increase in homelessness since 2020. In response to Committee discussion raising that the apparent dramatic increase in homelessness may reflect the relatively more efficient count possible under the General Assistance Emergency Housing Program, VHFA responded that the State has seen a sustained increase in homelessness each year even after accounting for the motel voucher program. While full annual data on homelessness will not be available until January, VHFA reported that weekly numbers suggest rates are still high. Finally, VHFA identified, against the backdrop of other Vermont crises, that empirical data supports the position that housing costs and homelessness are directly correlated.³

VHFA identified 14,586 apartments providing subsidized affordable rental housing in Vermont as of 2024. Of these apartments, 69 percent receive project-based rental assistance, which is funding provided to ensure tenants pay no more than 30 percent of their income on gross rent. Programs that have created units with project-based rental assistance in Vermont include the Public Housing Program, the USDA Rural Housing Program, and various Section 8 programs operating in the 1970s through the 1990s. Apartments with project-based rental assistance are owned by public housing authorities, nonprofit housing providers, and for-profit developers. VHFA testified that older Vermonters are technically overserved in this market relative to the general population, with 45 percent of all subsidized affordable rental apartments age-restricted.

VHFA further identified State demographics and other trends that place additional demands on the housing market, noting that Vermont experiences higher rates of addiction disorder and disability than national averages; 12 percent of Vermonters are of 75 years of age or older, with potential for mobility and independent living challenges; there is a limited supply of service-enriched housing for increasingly complex needs; and service systems are stressed, with critical positions vacant. Finally, VHFA testified that large homes outnumber large households and small households outnumber small homes, producing a mismatch between Vermont households and available homes.

The Committee heard testimony from both landlords and tenants stating that the private market was not positioned to resolve Vermont’s affordable housing crisis. Mahnke testified that private, for-profit landlords cannot serve low-income tenants without some form of public assistance. The Committee discussed whether this undercut the suggestion landlords are engaging in price gouging. Mahnke observed that housing problems are largely resource driven and can be alleviated with an infusion of public

³ Aldern, C. and Colburn, G. *Homelessness is a Housing Problem*. University of California Press. (2022).

funds, as evidenced by the unprecedented federal pandemic relief and recovery investments, which tripled annual affordable housing production, sheltered and fed homeless and at-risk Vermonters in motels, and provided assistance to tens of thousands of Vermonters to preserve their housing. Federal aid, Mahnke expressed, however, was unlikely to be forthcoming from the incoming administration.

EVICTION PROCEEDINGS IN VERMONT

The Committee took testimony from the Vermont Judiciary on data on Vermont's evictions proceedings.⁴ The Judiciary provided data on eviction cases dating back to 2021 and cautioned that data on evictions dating to the pandemic may be skewed due to the eviction moratorium and the rental assistance program. Annual eviction filings in Vermont have increased since 2021, with 1,025 evictions filings in 2021; 1,337 eviction filings in 2022; 1,939 eviction filings in 2023; and 1,634 eviction filings year-to-date, which projects out to a total of 1,855 eviction filings in 2024, slightly down from 2023 figures.⁵

The Judiciary testified that the courts maintain disposition guidelines for different types of cases. The guideline for evictions cases is six months, with the Judiciary estimating that the average case is disposed of within three to six months.⁶ The Judiciary reported that of the 1,899 cases pending before the courts, 1,435—or 76 percent—are under the disposition guideline of six months, with 454—or 24 percent—over the disposition guideline. The Judiciary was unable to account for whether pandemic backlog still accounted for any of this figure. The Committee discussed that tenants are entitled to the same legal process afforded litigants in other civil proceedings and noted that landlords overwhelmingly secure legal representation in eviction proceedings while tenants overwhelmingly do not.

The Judiciary testified that evictions on termination bases other than nonpayment of rent, such as for breach of rental agreement or for no cause, are put on track for a hearing on the merits at whatever time the courts can accommodate. The Judiciary testified that judge availability in part determines how quickly a case can be set for a merits hearing and reported that roughly half of Vermont counties have two courthouses, with larger counties serviced by greater numbers of judges, permitting different judges to take different dockets. In smaller counties, a single judge may carry each of the criminal, family, and civil dockets, extending out case timelines.

The Judiciary testified that evictions in which nonpayment of rent is declared as a basis for termination proceed on a different timeline than cases that do not assert that basis for termination, with landlords typically filing a motion for payment of rent into court with the complaint.⁷ The Judiciary reported that courts typically set aside a rent escrow block every two weeks to address these motions, which serve to determine if rent is due and, if so, a timeline for the tenant to pay rent into court. The Judiciary observed that hearings on these motions can help facilitate the parties meeting to settle the case. The Judiciary observed that the proportion of eviction cases in which motions for rent

⁴ Teri Corsones, Laurie Canty. Vermont Judiciary. (December 2, 2024). Landlord-Tenant Law Study Committee. <https://www.youtube.com/live/h5-KEHh9RPk?si=ywpUB4hmZi-suQ9I&t=3084>.

⁵ Vermont Judiciary, *Eviction Cases Filed: 1/1/2111/27/24*, <https://legislature.vermont.gov/Documents/2024/WorkGroups/LandlordSC/Documents%20and%20Testimony/W~Teri%20Corsones~Eviction%20Cases%20Filed%202021-2024~12-2-2024.pdf>.

⁶ *Compare* with disposition guidelines of 6 months for collections, 9 months for prisoner cases, 18 months for contracts, and 18 months for real property.

⁷ *See* 9 V.S.A. § 4467(a) (termination for nonpayment of rent) and 12 V.S.A. § 4853a (payment of rent into court; expedited hearing).

have been filed into court has gone up each year, from 30 percent in 2021; to 37 percent in 2022; to 50 percent in 2023; and, finally, to 55 percent year-to-date in 2024.⁸

The Judiciary testified that the single greatest obstacle to timely disposition is judge vacancy and reported that the courts endured a nearly-year long period of seven vacancies from 2022 to 2023. The Judiciary stated that calendars are extended during a vacancy. Given that other dockets, like juvenile, emergency, and mental health dockets, must follow strict deadlines to ensure due process, the courts end up extending out other cases, like evictions cases, further. Finally, the Judiciary expressed optimism that it was approaching full judge staffing for the first time in recent memory.

⁸ Vermont Judiciary, *Motions for Rent into Court Filed 1/1/2111/27/24*, <https://legislature.vermont.gov/Documents/2024/WorkGroups/LandlordSC/Documents%20and%20Testimony/W~Teri%20Corsones~Motions%20for%20Rent%20into%20Court%20Filed%202021-2024~12-2-2024.pdf>.

TRENDS IN TENANT COMPLAINTS

The Committee took testimony from the Champlain Valley Office of Economic Opportunity (“CVOEO”) on the Vermont Tenants Hotline (the “**Hotline**”).⁹ Through this hotline, CVOEO annually receives calls from 1,000 to 1,500 renters on issues ranging from leases, habitability standards, and eviction processes. CVOEO answers renter questions, provides referrals, and follows up to advance tenant interests. More broadly, CVOEO does workshops on tenant rights and responsibilities and helps to improve communications between tenants and landlords. As a resource for tenants with problems requiring support, the Vermont Tenants Hotline provides an up-to-date snapshot of the problems Vermont renters face.

CVOEO testified that the Hotline takes in calls every day from renters at risk of losing their homes due to rent increases and reported that CVOEO regularly hears about tenants receiving lease renewals with \$200 to \$500 increases. The Hotline also regularly receives calls from tenants dealing with substandard conditions and tenants afraid to report issues due to fears of retaliation. CVOEO observed that problems that could have been cheap to resolve had they been timely reported are permitted to increase in severity so long as tenants remain afraid to report habitability issues.

CVOEO testified that calls from renters have more than doubled since 2018, with greater than 1,500 calls to the Hotline last year. CVOEO reported that the highest increase in the number of calls is attributable to eviction, with a significant increase in the proportion of those related to illegal eviction. CVOEO reported that fully 15 percent of calls to the Hotline this year have related to evictions. CVOEO also reported that the Hotline has seen an increase in calls related to habitability, with approximately 30 percent of calls this year related to habitability issues like lack of heat or hot water, leakage, or structural damage.

⁹ Jessica Hyman. Fair Housing Program, Champlain Valley Office of Economic Opportunity. (December 2, 2024). Landlord-Tenant Law Study Committee. https://www.youtube.com/live/h5-KEHh9RPk?si=ACIwHs_m0g7NWPIA&t=1853.

POLICY PROPOSALS

Rental Registry

The Committee heard testimony from PolicyLink, a national research and action institute advancing racial and economic equity, that one of the biggest barriers to passing effective housing policies is that jurisdictions lack sufficient information about their housing markets, including information on housing ownership; housing conditions; affordable housing at risk of conversion to market rates; and tax credit buildings with expiring affordability.¹⁰ PolicyLink testified that rental registries help governments to gather appropriate data to permit responses specific to their local contexts. Mahnke testified that a statewide rental registry would have aided policymakers, FEMA, and direct service providers during recent natural disasters. PolicyLink reported that rental registries have passed in dozens of cities across the country, including in Springfield, IL; Louisville, KY; Minneapolis, MN; Portland, OR; and Syracuse, NY. PolicyLink identified as a particular success the rental registry in Concord, CA, which PolicyLink posits helped to protect residents from housing insecurity.

The Committee heard testimony that different jurisdictions require varying levels of information disclosure in their rental registries. PolicyLink identified that information on owners, number of units owned, occupation status, eviction filings, and rental status are common provisions. PolicyLink further observed that it can be helpful to jurisdictions to seek information on beneficial ownership to look through corporate structures and identify how various ownership groups, such as limited liability companies, are related. The Committee heard testimony from the Community Service Society, a nonprofit organization dedicated to serving low-income individuals, that the state of New York passed the LLC Transparency Act in part to seek better information about LLCs, who own the vast majority of housing in New York.¹¹ Mahnke similarly expressed that it can be hard even for a tenant to know who owns the property they are renting.

The Committee heard testimony that rental registries can be leveraged to regulate the rental market through identification of code violations. Mahnke recommended that the State fund periodic, cyclical minimum housing habitability inspections by the Department of Fire Safety, together with a public rental registry funded by a modest annual per unit fee. Mahnke suggested this would provide renters with consumer protections by making public information on rental safety conditions and inspection records for apartments they are considering. Mahnke recommended that any statewide rental registry accommodate existing, effective local registries.

Just Cause

Just cause tenant protections eliminate no cause evictions, leaving in place as permissible bases for eviction nonpayment of rent, lease violations, and other specified conditions, such as nuisance, disturbance, or negligent damage to property. The Community Service Society testified that these laws leave space for new buildings' cost

¹⁰ Tram Hoang, PolicyLink. (November 18, 2024). "Tenant Protection Policies." Landlord-Tenant Law Study Committee. https://www.youtube.com/live/WHdHXLNBFmo?si=Y8rx_IMv1LnYOLGH&t=3080.

¹¹ Same Stein, Oksana Miranova, Community Service Society. (November 18, 2024). Landlord-Tenant Law Study Committee. https://www.youtube.com/live/WHdHXLNBFmo?si=pdaIm3A_MMnPi8YE&t=4974.

and financing through initial rent setting mechanisms. PolicyLink testified that seven states have enacted broad just cause protections: New Jersey, New York, New Hampshire, California, Oregon, Washington, and Colorado. Connecticut has enacted just cause protections for senior citizens.

Rights and Democracy Vermont, a member-led, people's organization dedicated to advancing human rights and strengthening democracy through grassroots organizing, testified that four Vermont municipalities overwhelmingly passed just cause tenant protections: Burlington, with a 63 percent majority in 2021; Winooski, with a 73 percent majority in 2023; Essex, with a 60 percent majority in 2023; and Montpelier, with a 58 percent majority in 2024.¹² Three out of four of these communities voted on nearly identical policy language that ensures that tenants who pay their rent, obey State statutes on renter obligations, and agree to reasonable renewal conditions can stay in their homes. Conversely, these just cause tenant protections permit landlords to evict tenants who do not pay their rent, violate their lease, engage in activities that contravene State statutes on renter obligations, commit illegal acts, or do not accept reasonable renewal terms. Mahnke recommended that the legislature, at a minimum, pass these four municipal charter changes.

Rights and Democracy Vermont observed that the just cause tenant protections successfully passed in these Vermont communities make accommodations for landlords by providing exemptions for mom & pop landlords who owner-occupy a triplex/duplex/single-family home or have a rented accessory dwelling unit; probationary periods for new tenants before protections take effect; exemptions for landlords homing family members or otherwise taking property off the market; and exemptions for renovations.

PolicyLink, Rights and Democracy Vermont, and Mahnke all testified that just cause tenant protections serve to prevent tenant displacement and promote housing stability, particularly in tight rental markets with low vacancies, like Vermont's current rental housing market. PolicyLink observed that research shows that cities that implement just cause tenant protections experienced lower eviction and eviction filings rates than cities that did not.¹³ Mahnke and Rights and Democracy Vermont observed that just cause tenant protections stabilize rents by preventing unreasonable rent increases and allow tenants to stay in their communities, creating stronger, longer connections.

Rights and Democracy Vermont posit that just cause tenant protections will also help address homelessness rates; reduce community property degradation; help retain young and lower-wage Vermonters; boost staffing in local businesses; reduce construction costs by increasing worker pool; and reduce healthcare and other support costs associated with homelessness and under-housing. Mahnke similarly testified that just cause tenant protections will help stem the tide of young Vermonters leaving the State. Rights and Democracy Vermont further testified that there is no evidence that just cause tenant protections increase housing costs for renters or costs for landlords.

¹² Tom Proctor, Rights & Democracy Vermont. (December 2, 2024). "Just Cause Eviction." Landlord-Tenant Law Study Committee. <https://www.youtube.com/live/h5-KEHh9RPk?t=5427s>.

¹³ See Julieta Cuellar, The Eviction Lab, Princeton University, *Effects of "Just Cause" Eviction Ordinances on Eviction in Four California Cities*, <https://jplia.princeton.edu/news/effect-just-cause-eviction-ordinances-eviction-four-california-cities>.

PolicyLink testified, based on data from the U.S. Census Bureau's most recent Household Pulse Survey, that 52 percent of Vermont renter households felt significantly pressured to leave their homes; of those Vermonters, 32 percent moved from their homes, with 14 percent doing so because landlords refused to make repairs. The Committee heard testimony that just cause tenant protections may make it less risky for tenants to exercise their right to livable conditions, whether by reporting inadequate housing conditions or requesting repairs.

The Community Service Society testified that just cause tenant protections aid in code enforcement and help to prevent tenants from self-evicting when they fear displacement that may impact their ability to secure future housing. The Community Service Society and Mahnke observed that issues like poor living conditions and discrimination are already illegal but rely on tenant enforcement; implementation of just cause tenant protections is argued to empower tenants to enforce rights they may be fearful of addressing without adequate protection and to prevent illegal, retaliatory evictions in response to legitimate tenant complaints about housing habitability. The Community Service Society pointed to a recent survey of tenants in Washington, D.C. that found that 61 percent of respondents were more willing to insist on repairs with just cause tenant protections than they would have been without them.¹⁴

The Committee heard testimony that cast doubt on the theory that tenant protections decrease housing production relative to jurisdictions without tenant protections. PolicyLink testified that researchers at the University of California, Berkeley conducted studies on housing markets specifically to address economists' fear of effects of tenant protections on housing production and found that between 2007 and 2013, the six cities in the San Francisco Bay Area with the strongest tenant protections—just cause and rent control—produced more housing units per capita than cities in the Bay Area lacking those tenant protections.¹⁵

The Community Service Society testified that they looked to New Jersey, where just cause tenant protections have been in place at the state level for over 50 years, in order to understand the potential economic effects of adoption for New York. The Community Service Society testified that the primary takeaways from their study were that New Jersey's state framework of tenant protections improved affordability and stability and did not impact housing supply, pointing to explosive housing development over the past 15 years in both urban and suburban areas, including in areas with rent control. The Community Service Society concluded that just cause tenant protections did not impact new construction, observing that New Jersey suburbs between Jersey City and

¹⁴ See Joshua D. Ambrosius, John I. Gilderbloom, William J. Steele, Wesley L. Meares, Dennis Keating, *Forty years of rent control: Reexamining New Jersey's moderate local policies after the great recession*, Cities, Vol. 49, December 2015, pp. 121-33, <https://www.sciencedirect.com/science/article/abs/pii/S0264275115001122>.

¹⁵ See Jackelyn Hwang, Iris Zhang, Jae Sik Jeon, Karen Chapple, Julia Greenberg, Vasudha Kumar, Institute of Governmental Studies, *Who Benefits from Tenant Protections?: The Effects of Rent Stabilization and Just Cause for Evictions on Residential Mobility in the Bay Area*, https://www.urbandisplacement.org/wp-content/uploads/2022/03/IGS_2_Tenant-Protections_Brief_03.01.22.pdf.

western New York added housing at three times the rate of New York suburbs adjacent to New York City that lacked just cause tenant protections.¹⁶

The Community Service Society additionally addressed whether the imposition of just cause tenant protections might shift housing development from the rental market toward the condominium or cooperative market and found no such shift in New Jersey. The Community Service Society observed that the shares of rental and homeowner house production are essentially same as they were in 1974, when New Jersey enacted just cause tenant protections. The Community Service Society also testified that New Jersey’s just cause tenant protections did not lead to abandonment or disinvestment, pointing to a 2015 study that tested the impact of rent control on housing quality and foreclosure rates across 161 New Jersey communities and did not find any significant impact on either housing quality or foreclosure rates.¹⁷

The Community Service Society further testified that just cause tenant protections increase the efficiency of housing vouchers by ensuring that landlords do not raise rents just to capture additional affordable housing subsidy and help to curb real estate speculation by making it more difficult for investors to flip rental housing and raise rents. The Community Service Society posited that just cause tenant protections have made it easier for first-time owners to purchase housing in New York. The Committee cautioned that the success of just cause tenant protections in states with more rapid or efficient evictions processes does not mean that Vermont will experience the same success.

The Burlington Housing Authority, which provides over 2,000 housing choice vouchers to the greater Burlington area, testified that eliminating no cause eviction would be problematic for housing choice vouchers. The Burlington Housing Authority observed that tenants evicted for cause from federally subsidized programs are barred from federal housing for three years and that tenants who owe money to prior landlords would not be permitted to obtain housing choice vouchers for even longer periods.¹⁸ The Committee questioned whether the Burlington Housing Authority was treating its discretion to take away a tenant’s housing choice voucher due to back rent as a strict bar, and the Burlington Housing Authority conceded that it was the Authority’s discretion whether a tenant retains a voucher if the tenant owes money to a landlord. The Burlington Housing Authority expressed concern that if it did not maintain a strict bar, then landlords would leave the program and further testified that landlords would discriminate if there is no attempt to make them whole.

The Burlington Housing Authority stated that private landlords currently evict tenants for no cause to preserve housing vouchers and predicted an uptick in for cause evictions if just cause tenant protections were introduced in Vermont. The Committee observed that this prediction did not align with data presented on eviction rates in

¹⁶ See Samuel Stein, Paul Williams, Oksana Mironova, Sylvia Morse, Community Service Society, *The Truth About Good Cause & Housing Supply*, https://smhttp-ssl-58547.nexcesscdn.net/nycss/images/uploads/pubs/Good_Cause_Housing_Supply_Full_Draft_4-27-22.pdf.

¹⁷ See Joshua D. Ambrosius, John I. Gilderbloom, William J. Steele, Wesley L. Meares, Dennis Keating, *Forty years of rent control: Reexamining New Jersey’s moderate local policies after the great recession*, Cities, Vol. 49, December 2015, pp. 121-33, <https://www.sciencedirect.com/science/article/abs/pii/S0264275115001122>.

¹⁸ Steve Murray, Burlington Housing Authority. (December 9, 2024). Landlord-Tenant Law Study Committee. https://www.youtube.com/live/uOy6SxBgq6E?si=vnBUmuN1Kt_9ZNBU&t=3681.

jurisdictions that passed just cause tenant protections. Pressed as to whether a probationary period that permitted removal of a tenant for poor fit would alleviate concerns, the Burlington Housing Authority conceded that it would help.

TOPA/COPA/ROFR

The Committee heard testimony from PolicyLink that potential tenant displacement can be turned into an opportunity for ownership and stabilization through a tenant opportunity to purchase (“**TOPA**”), which requires property owners to provide advance notice of sale to tenants.¹⁹ TOPA creates timelines for tenants to form tenant associations, express interest, and secure financing without limiting a seller’s ability to receive market value. PolicyLink testified that TOPA is increasingly used as a community ownership tool to build community wealth and identified Washington, D.C. as a successful use-case, where TOPA has been used to develop or preserve over 16,000 units of housing. PolicyLink identified as one similar alternative a community opportunity to purchase (“**COPA**”), which grants nonprofit partners an opportunity to purchase property to help preserve affordable housing. PolicyLink testified that San Francisco has used COPA, paired with a local preservation financing tool, to preserve over 230 units of housing for tenants most at risk of displacement.²⁰ Mahnke echoed these suggestions and suggested modeling language after mobile home park law.²¹

Tenant Right to Counsel

A tenant right to counsel would guarantee renters meeting eligibility conditions, like an income threshold, legal representation in evictions court proceedings, which may be determinative of evictions outcomes. The Committee heard testimony from PolicyLink that, nationwide, while 81 percent of landlords have legal representation in evictions cases, only 3 percent of tenants have legal representation. PolicyLink testified that tenant right to counsel programs were originally started to address this power imbalance and that these programs have been effective nationwide in preventing displacement and saving state funds relating to housing insecurity. PolicyLink reported that in New York City, 84 percent of represented tenants have remained in their homes and in Cleveland, 90 percent of represented tenants avoided eviction or an involuntary move, both jurisdictions with a tenant right to counsel. As of 2024, 17 cities, two counties, and five states, including Connecticut, provide tenant right to counsel.²²

The Committee asked how cities, counties, and states are funding their tenant right to counsel programs. PolicyLink observed that funding varies by jurisdiction, with some programs relying on American Rescue Plan (“**ARPA**”) funds to implement pilot programs that are now transitioning to long-term programs requiring yearly funding.

¹⁹ See PolicyLink, *Tenant / Community Opportunity to Purchase*, <https://www.policylink.org/resources-tools/tools/all-in-cities/housing-anti-displacement/topa-copa>.

²⁰ See Julia Duranti-Martinez & David M. Geenberg, LISC Community Research and Impact, *Stable Homes and Resident Empowerment*, <https://www.lisc.org/our-resources/resource/stable-homes-and-resident-empowerment/>.

²¹ See 10 V.S.A. § 6242.

²² See National Coalition for a Civil Right to Counsel, *The Right to Counsel for Tenants Facing Eviction: Enacted Legislation*, https://civilrighttocounsel.org/wp-content/uploads/2023/11/RTC_Enacted_Legislation_in_Eviction_Proceedings_FINAL.pdf.

Mahnke recommended continuing and expanding Vermont Legal Aid’s representation of tenants through eviction clinics.

Rent Control/Stabilization

PolicyLink testified that rent control, which protects renters from predatory rent hikes, has been proven to increase housing stability and affordability for tenants without decreasing housing production.²³ A rent control policy would create a predictable schedule for maximum rent while ensuring fair returns for landlords. Among other benefits, PolicyLink testified that rent control provides tenants with leverage to attain improved housing conditions without fear of retaliation. PolicyLink reported that over 190 jurisdictions nationwide have enacted some form of rent control and that, in all cases, they include mechanisms for landlords to receive a fair return. PolicyLink estimated that if rent burden were eliminated in Vermont, meaning no Vermonter would pay more than 30 percent of their income on rent, over \$200,000,000 in disposable income would be freed.

CVOEO observed that manufactured home communities already embrace a kind of rent stabilization by requiring mediation for lot rent increases over a certain threshold.²⁴ CVOEO testified that the protections provided to residents of mobile home parks by this measure and by the right of first refusal have increased affordability and stability for mobile home park residents.²⁵ Mahnke also endorsed statewide rent stabilization patterned after the State’s mobile home laws to prevent rent increases above the Consumer Price Index *plus* one percent. The Committee discussed that the mobile home park housing model differs from traditional rental housing in that mobile home park residents typically rent their lots but own their homes. The Committee questioned what effect these mobile home park resident protections have had on the development of mobile home parks in Vermont and questioned whether mobile home parks have required assistance to cover improvements due to rent control measures. Mahnke testified that the mobile home park law includes a provision for raising lot rents based on capital improvements.

The Committee discussed the economic effects of tenant protections like rent control on housing production and heard testimony that the factors housing developers most regularly attributed construction delay to were economic uncertainty, availability of construction financing, and economic feasibility.²⁶ The Committee expressed doubt that rent control would not affect economic feasibility or financing. PolicyLink testified that researchers at the University of Minnesota modeled various rent caps to examine how

²³ See Manuel Pastor, Vanessa Carter, Maya Abood, University of Southern California Equity Research Institute, *Rent Matters: What are the Impacts of Rent Stabilization Measures?*, <https://dornsife.usc.edu/eri/publications/rent-matters/>; Edward G. Goetz, Anthony Damiano, Peter Hendee Brown, Patrick Alcorn, Jeff Matson, University of Minnesota Center for Urban and Regional Affairs, *Minneapolis Rent Stabilization Study*, <https://www.cura.umn.edu/research/minneapolis-rent-stabilization-study>; Ameer Chew, Sarah Treuhaf, PolicyLink, the Center for Popular Democracy, the Right to the City Alliance, *Our Homes, Our Future: How Rent Control Can Build Stable, Healthy Communities*, <https://www.policylink.org/resources-tools/our-homes-our-future>.

²⁴ 10 V.S.A. §§ 62516253.

²⁵ 10 V.S.A. § 6242.

²⁶ National Multifamily Housing Council, *Quarterly Survey of Apartment Construction & Development Activity (December 2023)*, <https://www.nmhc.org/research-insight/nmhc-construction-survey/2023/quarterly-survey-of-apartment-construction-development-activity-december-2023/>.

they impacted rates of return and found that rates of return align with what investors and lenders expect and are willing to commit funds toward.²⁷ PolicyLink further testified that Americans nationwide can expect a tighter housing market, with nationwide multifamily housing development hitting a peak in 2023 and Fannie Mae expecting subdued loan originations for multifamily homes and continued market softness and that these tight housing conditions exacerbated the need for strong tenant protections like rent control.²⁸

The Committee also discussed the effects of rent control on St. Paul, Minnesota, and questioned how the dramatic reduction in building permits over the three months following imposition of rent control could be explained without recourse to the economic impacts of rent control measures. PolicyLink responded that: (1) the reduction in building permits can easily be read as an attempt by developers to wield market power, as the St. Paul City Council had a year to amend the ordinance; and (2) the other twin city, Minneapolis, which did not pass rent control, also saw a huge drop in building permits over the same time period.

The Community Service Society testified that New York enacted just cause tenant protections through a flexible structure that applied immediately to New York City and then permitted other localities to opt-in, of which ten have to date. Interestingly, the Community Service Society observed, these localities have opted for stronger tenant protections than initially enacted in New York City.

Housing Supports

Mahnke testified that increasing funding for rent arrearage assistance like the State's Housing Opportunity Program, tenant-landlord mediation and representation, landlord risk-pools, and supportive services for tenants struggling to pay rent could go some way to alleviating issues between landlords and tenants. Mahnke recommended increasing and expanding State rental assistance programs and supportive services for vulnerable, at-risk households, like people with mental health disabilities, families on Reach Up through the Vermont Rental Subsidy Program, and persons exiting prison. Mahnke further recommended supporting extending Pathways Vermont's Housing First services. Finally, Mahnke recommended supporting programs that help mitigate landlord risk when renting to at-risk families, like increasing funding for the Family Supportive Housing Program, which provides case management and supportive services to families on Reach Up that have experienced homelessness, and standing up the Vermont State Housing Authority's Landlord Relief Program.

²⁷ See Edward G. Goetz, Anthony Damiano, Peter Hendee Brown, Patrick Alcorn, Jeff Matson, University of Minnesota Center for Urban and Regional Affairs, *Minneapolis Rent Stabilization Study*, <https://www.cura.umn.edu/research/minneapolis-rent-stabilization-study>.

²⁸ See Tim Komosa, Kim Betancourt, Fannie Mae, *2024 Multifamily Market Outlook: Instability Expected as Skies Remain Cloudy*, <https://multifamily.fanniemae.com/news-insights/2024-multifamily-market-outlook-instability-expected-skies-remain-cloudy>.

FOR ADDITIONAL CONSIDERATION

- The Committee heard testimony that housing costs and homelessness are directly correlated. How do eviction rates relate to homelessness?
- How can Vermont get a sense of the magnitude of tenant displacements that do not proceed through the formal evictions process, including “self-evictions”?
- How many homes were taken offline due to recent FEMA disasters in Vermont?
- What number of seasonal homes have been converted to full occupancy? Is there a way to identify when a town has reached its full housing capacity?
- The Committee discussed that the choices plaintiffs make, such as whether to file a motion for rent into court, may drive eviction case timelines. To what are differences in timing across evictions cases attributable? Do these differences meaningfully relate to due process?
- How many annual eviction filings are re-filings of prior cases?
- The Committee repeatedly heard that landlords would inevitably pass any increased costs along to tenants, raising the following questions:
 - How do nonpaying tenants affect the rental rates of paying tenants and the profits earned by landlords?
 - More generally, how are costs borne by landlords? Do landlords attempt to maintain consistent profit margins regardless of circumstances?
 - What returns on investment are landlords receiving?
 - How should equity that is built over time factor into return on investment?
- The Committee repeatedly heard that tenants faced multi-hundred dollar rent increases. What explains these dramatic increases?
- What explains the eviction rates at providers of affordable or subsidized housing? Are management companies at these housing providers using evictions as a tool for money collections from low-income tenants?
- How are jurisdictions sustainably funding tenant right to counsel programs?
- What are the costs of inaction and of tensions in housing policy? For example, the Committee discussed that the Housing Opportunity Grant Program extends rent money to save sustainable tenancies; if a Vermonter loses housing as a result, the State then pays more funds toward the GA Program.
- Reexamine the parameters of the renter rebate program, which has not kept up with changing conditions. Younger families, lower-income tenants that would have met conditions in years past no longer qualify.
- Revisit Vermont’s real estate land speculation tax to prevent predatory practices.
- Reexamine the Rental Housing Advisory Board’s 2019 and 2020 recommendations.