

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on General and Housing to which was referred House Bill
3 No. 772 entitled “An act relating to residential rental agreements, eviction
4 procedures, and the creation of the positive rental payment credit reporting
5 pilot program” respectfully reports that it has considered the same and
6 recommends that the bill be amended by striking out all after the enacting
7 clause and inserting in lieu thereof the following:

8 * * * Termination of Residential Rental Agreement * * *

9 Sec. 1. 9 V.S.A. chapter 137 is amended to read:

10 CHAPTER 137. RESIDENTIAL RENTAL AGREEMENTS

11 Subchapter 1. General

12 § 4451. DEFINITIONS

13 As used in this chapter:

14 (1)(A) “Actual notice” means **receipt of** written notice either:

15 (i) hand-delivered ~~or~~;

16 (ii) delivered by sheriff service;

17 (iii) mailed to the last known address or the address provided in
18 the residential rental agreement;

19 (iv) emailed to an email address included in the lease agreement

20 and mailed as described in subdivision (iii) of this subdivision (1)(A); or

1 (v) if the last known address is unknown, posted on the door of the
2 dwelling unit.

3 (B) ~~A~~ There is created a rebuttable presumption that the notice was
4 received three five days after:

5 (i) the date the email was sent if sent via electronic means; or

6 (ii) ~~mailing is created~~ if the sending party proves that the notice
7 was sent by first-class or certified U.S. mail, the date of the mailing.

8 * * *

9 (11) “Immediate family” means:

10 (A) an adult person related by blood, adoption, civil marriage, or
11 civil union;

12 (B) an unmarried parent of a joint child;

13 (C) a child, grandchild, foster child, ward, or guardian; or

14 (D) a child, grandchild, foster child, ward, or guardian of any
15 person listed in subdivision (A) or (B) of this subdivision (11).

16 * * *

17 Subchapter 2. Residential Rental Agreements

18 § 4455. TENANT OBLIGATIONS; PAYMENT OF RENT; RENT

19 INCREASES

20 (a) Rent is payable without demand or notice at the time and place agreed
21 upon by the parties.

1 (b) An increase in rent shall take effect on the first day of the rental period
2 following no less than 60 days' actual notice to the tenant.

3 (c) A landlord shall not increase rent more than once in any 12-month
4 period.

5 * * *

6 § 4456a. RESIDENTIAL RENTAL APPLICATION

7 (a)(1) A landlord or a landlord's agent shall not charge an application fee to
8 any individual in order to apply to enter into a rental agreement for a
9 residential dwelling unit. This subsection shall not be construed to prohibit a
10 person from charging a fee to a person in order to apply to rent commercial or
11 nonresidential property.

12 (2) As used in this section, an "application fee" means any fee, charge,
13 or cost to submit a residential rental application including any third-party
14 processing payment.

15 (3) A landlord or a landlord's agent may charge actual costs to conduct a
16 background or credit check of an applicant, unless the tenant or applicant
17 provides a credit check as part of the application, in which case the landlord or
18 landlord's agent shall not charge for a credit check.

19 * * *

20 (c) A person who violates this section commits an unfair practice in
21 commerce in violation of section 2453 of this title.

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§ 4461. SECURITY DEPOSITS

(a)(1) A security deposit is any advance, deposit, or prepaid rent, however named, which is refundable to the tenant at the termination or expiration of the tenancy. The function of a security deposit is to secure the performance of a tenant’s obligations to pay rent and to maintain a dwelling unit.

(2) A landlord shall not charge for or receive a security deposit exceeding an amount equal to two months’ rent, in addition to any rent for the first month paid on or before initial occupancy.

(3) Subject to the requirements of this section, a landlord may charge a separate security deposit in addition to the amount authorized in subdivision (2) of this subsection as a condition for allowing the tenant to have a pet or pets during the rental period. A landlord shall not charge any amount under this subdivision for any animal that mitigates a disability.

* * *

(c)(1) A landlord shall return the security deposit along with a written statement itemizing any deductions to a tenant within 14 days ~~from~~ after the date on which the landlord discovers that the tenant vacated or abandoned the dwelling unit or the date the tenant vacated the dwelling unit, provided the landlord received notice from the tenant of that date. In the case of the seasonal occupancy and rental of a dwelling unit not intended as a primary

1 residence, the security deposit and written statement shall be returned within
2 60 days.

3 (2) If a landlord terminates a tenancy under subsection 4467(d) or (e) of
4 this title, the landlord shall return one-half of the security deposit along with a
5 written statement itemizing any deductions to the tenant not later than 60 days
6 before the date in the termination notice.

7 * * *

8 (e) If a landlord fails to return the security deposit with a statement within
9 ~~14 days~~ the timeframes outlined in subsection (c) of this section, the landlord
10 forfeits the right to withhold any portion of the security deposit. If the failure
11 is willful, the landlord shall be liable for double the amount wrongfully
12 withheld, plus reasonable attorney's fees and costs.

13 * * *

14 § 4467. TERMINATION OF TENANCY; NOTICE

15 (a) Termination for nonpayment of rent. The landlord may terminate a
16 tenancy for nonpayment of rent by providing actual notice to the tenant of the
17 date on which the tenancy will terminate, which shall be at least ~~14~~ 10 days
18 after the date of the actual notice. The rental agreement shall not terminate if
19 the tenant pays or tenders rent due through the end of the rental period in
20 which payment is made or tendered, provided a landlord may terminate a
21 tenancy under subdivision (b)(1) of this section for repeated late payment of

1 rent. Acceptance of partial payment of rent shall not constitute a waiver of the
2 landlord's remedies for nonpayment of rent or an accord and satisfaction for
3 nonpayment of rent.

4 (b) Termination for breach of rental agreement.

5 (1)(A) The landlord may terminate a tenancy for:

6 (i) failure of the tenant to comply with a material term of the rental
7 agreement or with obligations imposed under this chapter ~~by~~;

8 (ii) a tenant's late payment of rent more than three times in a 12-
9 month period; or

10 (iii) a tenant's refusal to allow a landlord or a landlord's agent
11 access to the dwelling unit in accordance with section 4460 of this title.

12 (B) A landlord shall provide actual notice ~~given~~ to the tenant at least
13 ~~30~~ 21 days prior to the termination date specified in the notice.

14 (C) As used in this subsection (b), "late payment of rent" means
15 payment of rent more than 10 days after rent is due under the rental agreement.

16 (2)(A) When termination is based on ~~criminal activity, illegal drug~~
17 ~~activity~~, or acts of violence, damage to the dwelling unit or premises, or other
18 activity any of which ~~threaten~~ threatens the health or safety of other residents,
19 the landlord or landlord's agent, or neighbors, the landlord may terminate the
20 tenancy by providing actual notice to the tenant of the date on which the

1 tenancy will terminate, which shall be at least 14 five days from the date of the
2 actual notice.

3 (B) The actual notice required under this subsection (b) shall be
4 accompanied by an affidavit setting forth particular facts and the basis thereof
5 in support of the termination with sufficient details to inform the tenant of the
6 reasoning behind the termination.

7 (3) A landlord shall not terminate a rental agreement under this
8 subsection based on a person seeking medical assistance for a drug overdose,
9 being the subject of a good faith request for medical assistance, or being at the
10 scene of a drug overdose or within close proximity of the scene of a drug
11 overdose as provided in 18 V.S.A. § 4254 and evidence obtained from the
12 good faith request for medical assistance for a drug overdose shall not be used
13 in an ejectment action brought under 12 V.S.A. chapter 169.

14 (c) ~~Termination for no cause~~ Termination for tenant or governmental notice
15 to vacate. In the absence of a written rental agreement, the landlord may
16 terminate a tenancy for no cause as follows:

17 (1) ~~If rent is payable on a monthly basis, by providing actual notice to~~
18 ~~the tenant of the date on which the tenancy will terminate, which shall be:~~

19 ~~(A) for tenants who have resided continuously in the same premises~~
20 ~~for two years or less, at least 60 days after the date of the actual notice;~~

1 ~~(B) for tenants who have resided continuously in the same premises~~
2 ~~for more than two years, at least 90 days after the date of the actual notice~~
3 When termination is based on an intent to vacate provided by actual notice
4 from a tenant, a landlord may terminate a rental agreement on the date
5 provided in the actual notice.

6 (2) ~~If rent is payable on a weekly basis, by providing actual notice to the~~
7 ~~tenant of the date on which the tenancy will terminate, which shall be at least~~
8 ~~21 days after the date of the actual notice~~ When termination is based on
9 compliance with an order issued by a governmental agency or court order that
10 necessitates vacating the premises, a landlord may terminate a rental agreement
11 on the date provided in the order.

12 (d) Termination of rental agreement when property is sold or repurposed.
13 ~~In the absence of a written rental agreement a Δ landlord who has contracted to~~
14 ~~sell the building may terminate a tenancy by providing actual notice to the~~
15 ~~tenant of the date on which the tenancy will terminate, which shall be at least~~
16 ~~30 90 days~~ after the date of the actual notice or, in the event of a written rental
17 agreement, at least 90 days before the expiration of the stated term of the rental
18 agreement, when:

1 (A) the landlord has contracted to sell the building;

2 (B) necessary for the landlord or a member of the landlord's
3 immediate family to occupy the premises for a minimum of 12 continuous
4 months as a primary residence;

5 (C) permanently withdrawing the dwelling unit from the rental
6 market; or

7 (D) demolishing the dwelling unit or premises or the rental unit
8 requires renovations that exceed 50 percent of the rental unit's value to become
9 or remain habitable, provided that the tenant shall have the right of first refusal
10 to reoccupy the unit at market rate following renovations.

11 (e) ~~Termination for no cause under terms of written~~ at the expiration of a
12 rental agreement.

13 (1) If there is a written rental agreement, the notice to terminate ~~for no~~
14 ~~cause shall be at least 30~~ 90 days ~~before the end or expiration of the stated term~~
15 ~~of the rental agreement if the tenancy has continued for two years or less. The~~
16 ~~notice to terminate for no cause shall be at least 60 days before the end or~~
17 ~~expiration of the term of the rental agreement if the tenancy has continued for~~
18 ~~more than two years.~~

19 (2) In the absence of a written rental agreement, the notice to terminate
20 shall be at least 90 days after the date of actual notice.

1 (3) If there is a ~~written~~ week-to-week rental agreement, the notice to
2 terminate ~~for no cause~~ shall be at least seven days; **however, a notice to**
3 **terminate for nonpayment of rent shall be as provided in subsection (a) of this**
4 **section.**

5 (f) Termination ~~date~~ notice. In all cases, the termination date shall be
6 specifically stated in the notice as well as the reason for the termination.

7 (g) Conversion to condominium. If the building is being converted to
8 condominiums, notice shall be given in accordance with 27 V.S.A. chapter 15,
9 subchapter 2.

10 (h) Termination of shared occupancy. A rental arrangement whereby a
11 person rents to another individual one or more rooms in ~~his or her~~ the person's
12 personal residence that includes the shared use of any of the common living
13 spaces, such as the living room, kitchen, or bathroom, may be terminated by
14 either party by providing actual notice to the other of the date the rental
15 agreement shall terminate, which shall be at least ~~15 days after the date of~~
16 ~~actual notice if the rent is payable monthly and at least seven days after the~~
17 ~~date of actual notice if the rent is payable weekly.~~

18 (i) Multiple notices. All actual notices that are in compliance with this
19 section shall not invalidate any other actual notice and shall be a valid basis for
20 commencing and maintaining an action for possession pursuant to this chapter,
21 10 V.S.A. chapter 153, 11 V.S.A. chapter 14, or 12 V.S.A. chapter 169,

1 notwithstanding that the notices may be based on different or unrelated
2 grounds, dates of termination, or that the notices are sent at different times
3 prior to or during an ejectment action. A landlord may maintain an ejectment
4 action and rely on as many grounds for ejectment as are allowed by law at any
5 time during the eviction process.

6 (j) Payment after termination; effect.

7 (1) A landlord's acceptance of full or partial rent payment by or on
8 behalf of a tenant after the termination of the tenancy for reasons other than
9 nonpayment of rent or at any time during the ejectment action shall not result
10 in the dismissal of an ejectment action or constitute a waiver of the landlord's
11 remedies to proceed with an eviction action ~~based on any of the following:~~

12 ~~(A) the tenant's breach of the terms of a rental agreement pursuant to~~
13 ~~subsection (b) of this section;~~

14 ~~(B) the tenant's breach of the tenant's obligations pursuant to~~
15 ~~subsections 4456(a), (b), and (c) of this title; or~~

16 ~~(C) for no cause pursuant to subsections (c), (d), (e), and (h) of this~~
17 ~~section.~~

18 (2) This subsection shall apply to 10 V.S.A. chapter 153, 11 V.S.A.
19 chapter 14, and 12 V.S.A. chapter 169.

20 (k) Commencement of ejectment action. A notice to terminate a tenancy
21 shall be insufficient to support a judgment of eviction unless the proceeding is

1 commenced not later than 30 days after the termination date set forth in the
2 notice when provided pursuant to subsection (a) or (b) of this section and not
3 later than 60 days from after the termination date set forth in the notice for all
4 other terminations.

5 (l) Affirmative defense to ejectment action.

6 (1) For any **ejectment** action based on a failure to pay rent pursuant to
7 subsection (a) of this section, it shall be an affirmative defense of the tenant,
8 **and judgement shall be issued for the defendant,** if there exists a serious health
9 and safety code violation **issued to the landlord under 20 V.S.A. § 2677 that is**
10 **uncorrected as of the date of the termination,** which shall include:

11 (A) any condition that jeopardizes the security of the unit;

12 (B) **major plumbing leaks, flooding, or waterlogged ceiling or**
13 **flooring in imminent danger of falling in;**

14 (C) **gas or fuel oil leaks;**

15 (D) **electrical conditions that could result in shock or fire;**

16 (E) **absence of a working heating system when outside temperature is**
17 **below 60 degrees Fahrenheit;**

18 (F) **utilities not in service, including no running hot water;**

19 (G) **conditions that present the immediate possibility of serious**
20 **injury;**

1 **Sec. 2.** 12 V.S.A. § 663 is added to read:

2 § 663. ALTERNATE SERVICE OF PROCESS; DURATION OF ORDER

3 (a) When the court orders that alternate service of process be made in a
4 civil proceeding, the order shall remain in effect and apply to all subsequent
5 service of process in the same proceeding, including postjudgment
6 proceedings. This section shall apply to orders issued pursuant to Vermont
7 Rule of Civil Procedure 4(d)(1) permitting service of process by publication or
8 by leaving a copy at the defendant’s dwelling house or usual place of abode, or
9 to orders permitting alternate service of process under any other provision of
10 law.

11 (b) When a motion for alternative service of process is filed pursuant to
12 Vermont Rule of Civil Procedure 4(d)(1) in an action under 10 V.S.A. chapter
13 153, 11 V.S.A. chapter 14, or 12 V.S.A. chapter 169, the court shall rule on the
14 motion within three days after it is filed.

15 **Sec. 3.** 12 V.S.A. chapter 169 is amended to read:

16 CHAPTER 169. EJECTMENT

17 * * *

18 Subchapter 3. Superior Court Ejectment

19 * * *

20 **§ 4853.** SERVICE OF PROCESS

1 for ejectment were served on the tenant pursuant to Rule 3 of the Vermont
2 Rules of Civil Procedure, whichever occurs first.

3 * * *

4 (g) ~~The tenant may at any time by motion apply to the court to reduce the~~
5 ~~amount ordered to be paid into court under this section. The motion for~~
6 ~~reduction shall be accompanied by affidavit setting forth particular facts in its~~
7 ~~support. Repealed.~~

8 * * *

9 § 4854a. PROPERTY OF TENANT REMAINING ON PREMISES AFTER

10 EVICTION

11 (a) A landlord may dispose of any personal property remaining in a
12 dwelling unit or leased premises without notice or liability to the tenant or
13 owner of the personal property:

14 (1) ~~15 days~~ immediately after a writ of possession is served pursuant to
15 this chapter or upon the landlord being legally restored to possession of the
16 dwelling unit or leased premises pursuant to this chapter, whichever is later; or

17 (2) in the case of an eviction brought pursuant to 10 V.S.A. chapter 153,
18 40 days after a writ of possession issued for failure to pay rent into court
19 pursuant to subsection 4853a(h) of this title is served or upon the landlord
20 being legally restored to possession of the leased premises by a writ of

1 possession issued for failure to pay rent into court pursuant to subsection
2 4853a(h) of this title, whichever is later.

3 (b) Notwithstanding subsection (a) of this section, if the court stays the
4 execution of a writ of possession issued pursuant to this chapter, then a
5 landlord may dispose of any personal property remaining in a dwelling unit or
6 leased premises without notice or liability to the tenant or owner of the
7 personal property one day after the landlord is legally restored to possession of
8 the dwelling unit or leased premises.

9 * * *

10 Subchapter 4. Superior Court Ejectment for Just Cause

11 § 4861. ISSUANCE OF PROCESS FOR JUST CAUSE BY SUPERIOR

12 JUDGE

13 When the lessee of lands or tenements, either by parole or written lease, or a
14 person holding under the lease, holds possession of the demised premises
15 without right, after the termination of the lease under 9 V.S.A. § 4467(a) or (b),
16 the person entitled to the possession of the premises may have from the
17 presiding judge of the Superior Court a writ to restore the person to the
18 possession thereof.

1 § 4862. MODE AND SERVICE OF PROCESS; TRIAL BY JURY

2 PROHIBITED

3 (a) The process may issue as a summons, requiring the defendant to appear
4 and answer to the complaint of the plaintiff, which shall state that the
5 defendant is in the possession of the lands or tenements in question, with a
6 description thereof, that the tenant holds unlawfully and against the right of the
7 plaintiff. A copy of the rental agreement, if any, and any notice to terminate
8 the defendant’s tenancy shall be attached to the complaint, including a copy of
9 the rent ledger if the complaint is based on a termination under 9 V.S.A.

10 § 4467(a).

11 (b) Neither party shall have the right to a trial by jury.

12 § 4863. ANSWER

13 (a) Notwithstanding any other provision of law or rule to the contrary, the
14 defendant shall file an answer within 14 days after service of the complaint.

15 (b) An answer to a complaint filed under this subchapter shall be
16 accompanied by an affidavit setting forth particular facts in opposition to the
17 complaint.

18 (c)(1) If the complaint is based on a termination under 9 V.S.A. § 4467(a),
19 the defendant may cure the action by paying all rents owed, court costs, and
20 service fees by the answer date. If payment is not received by the answer date,
21 the defendant shall lose the right to cure the complaint as a matter of law. A

1 plaintiff may accept payment in whole or in part and dismiss the complaint. A
2 defendant shall not have the right to cure in a subsequent action brought by the
3 plaintiff for termination under 9 V.S.A. § 4467(a).

4 (2) Upon receipt of an answer to a complaint based on a termination
5 under 9 V.S.A. § 4467(a) or (b)(1), the court shall set a final hearing date not
6 later than 60 days after the date of service of the complaint absent good cause.

7 § 4864. DEFAULT

8 If the defendant fails to provide a written answer as provided in this
9 subchapter, the plaintiff shall be entitled to possession of the premises. The
10 plaintiff shall file a motion for possession based on the default and shall
11 include an affidavit that provides proof of service on the defendant. The court
12 shall decide on the motion within five days after the filing by the plaintiff
13 absent good cause.

14 § 4865. SHOW CAUSE HEARING

15 (a) If the complaint is based on a termination under 9 V.S.A. § 4467(b)(2),
16 the court shall set a show cause hearing within 10 days after an answer is filed
17 by the defendant absent good cause. If the defendant fails to appear, the
18 plaintiff shall be awarded possession of the premises.

19 (b) At the show cause hearing, the defendant shall provide a rebuttal to the
20 facts supporting the termination claims brought by the plaintiff.

1 (c)(1) Parties may rely on affidavit evidence during the show cause hearing
2 made under the pains and penalties of perjury. If the defendant makes a
3 showing that live testimony is required or upon the court’s own determination,
4 a final hearing may be ordered.

5 (2) In the event a final hearing is ordered to resolve the complaint, a
6 final hearing shall be set within 21 days after the date of the show cause
7 hearing.

8 § 4866. COSTS; JUDGMENT FOR PLAINTIFF; POSSESSION

9 If the court finds the plaintiff is entitled to possession, whether by default or
10 after a final hearing, the plaintiff shall have a judgment for possession and
11 rents due, if applicable, including damages and costs, and when a written rental
12 agreement so provides, the court may award reasonable attorney’s fees. A writ
13 of possession shall issue on the date of judgment and shall direct any sheriff to
14 serve the writ upon the defendant and, not earlier than 14 days after the writ is
15 served, put the plaintiff in possession.

16 § 4867. PROPERTY OF TENANT REMAINING ON PREMISES AFTER
17 EVICTION

18 A landlord may dispose of any personal property remaining in a dwelling
19 unit or leased premises without notice or liability to the tenant or owner of the
20 personal property upon the landlord being legally restored to possession of the
21 dwelling unit or leased premises pursuant to this subchapter.

1 § 4868. TRESPASS ORDERS

2 (a) After being legally restored to possession of the dwelling unit or leased
3 premises pursuant to this chapter, the plaintiff may issue the defendant an order
4 against trespass for the entire premises subject to the ejectment action.

5 (b) The order shall be effective and may be enforced with criminal
6 penalties in accordance with 13 V.S.A. § 3705, regardless of whether the
7 defendant has been invited onto the property by another resident.

8 * * * Trespass * * *

9 Sec. 4. 13 V.S.A. § 3705 is amended to read:

10 § 3705. UNLAWFUL TRESPASS

11 (a)(1) A person shall be imprisoned for not more than three months or fined
12 not more than \$500.00, or both, if, without legal authority or the consent of the
13 person in lawful possession, the person enters or remains on any land or in any
14 place as to which notice against trespass is given by:

15 * * *

16 (3) If a person has been issued an order against trespass under 12 V.S.A.
17 § 4869, it shall be a violation of this subsection if the person enters or remains
18 on any land or in any place subject to the order against trespass regardless of
19 whether the person has the consent of the person in lawful possession of the
20 land or place.

21 * * *

1 (g)(1) Notwithstanding subsection (a) of this section or any provision of
2 law to the contrary, a landlord of a dwelling unit may cause to be served an
3 order against trespass that prohibits a tenant’s invitees or licensees from
4 trespassing in the dwelling unit or any of the dwelling unit’s common areas if:

5 (A) the tenant responsible for the invitee or licensee consents to the
6 order;

7 (B) the invitee or licensee subject to the order has violated the terms
8 of the dwelling unit’s lease agreement; or

9 (C) the invitee or licensee has violated a State or federal law while on
10 the premises of the dwelling unit.

11 (2) Notwithstanding any other provision of law, a person who is served
12 an order against trespass issued pursuant to subdivision (1) of this subsection
13 has a limited right to appeal the order by bringing a small claims action against
14 the landlord under 12 V.S.A. chapter 187 within seven days after the order is
15 served. The decision of the court in the small claims action shall be final and
16 not subject to appeal.

17 (3) As used in this subsection:

18 (A) “Dwelling unit” means a building or the part of a building that is
19 used as a home, residence, or sleeping place by one or more persons who
20 maintain a household.

1 (6) “Removal of confidentiality” means to restore an ejectment record to
2 the level of public access a public court record enjoys by removing any
3 physical and electronic separation imposed on the ejectment record when it
4 was confidential.

5 (7) “Tenant” has the same meaning as in 9 V.S.A. § 4451(10).

6 (8) “Tenant screening report” means any written, oral, or other
7 communication prepared by a consumer reporting agency that includes
8 information about an individual’s rental history for the purpose of serving as a
9 factor in establishing the individual’s eligibility for housing.

10 (9) “Termination notice” means any notice given under 9 V.S.A. § 4467.

11 § 4872. CONFIDENTIALITY OF RECORD UPON FILING

12 All records of a newly filed ejectment complaint shall be confidential. The
13 ejectment record shall be designated as confidential upon filing and shall
14 remain confidential except pursuant to section 4873 of this title.

15 § 4873. REMOVAL OF CONFIDENTIALITY OF FOR-CAUSE

16 EJECTMENT RECORDS

17 If the court of jurisdiction in an ejectment case issues a final judgment after
18 an evidentiary hearing in favor of the landlord where a finding has been made
19 of nonpayment of rent pursuant to 9 V.S.A. § 4467(a) or breach of rental
20 agreement pursuant to 9 V.S.A. § 4467(b), the court shall remove

1 confidentiality for the ejectment record after 30 days unless the court orders
2 continued confidentiality.

3 § 4874. EFFECT OF CONFIDENTIALITY; PROHIBITIONS

4 (a) The ejectment case underlying a confidential ejectment record is
5 deemed never to have occurred. A person who is asked about the person's
6 ejectment history may answer that there is no prior ejectment if the record is
7 confidential.

8 (b)(1) A consumer reporting agency shall check Vermont court ejectment
9 records to determine whether they are confidential before including them in a
10 tenant screening report.

11 (2) A consumer reporting agency shall not include any ejectment record
12 in a tenant screening report if the court record is confidential or if the
13 consumer reporting agency has been directly notified that the record is
14 confidential.

15 (c) Any tenant who suffers injury as a result of a violation of subsection (b)
16 of this section may bring an action for injunctive relief, actual damages, or
17 statutory damages of up to \$1,000.00 per violation, costs, and reasonable
18 attorney's fees.

19 § 4875. ACCESS TO CONFIDENTIAL RECORDS; PARTIES TO ACTION

20 The court of jurisdiction in an ejectment case shall make the confidential
21 ejectment record available to each of the following persons for purposes of

1 litigating, adjudicating, joining, appealing, or otherwise facilitating the
2 ejectment case:

3 (1) each party to the ejectment case;

4 (2) the judge and court staff of jurisdiction; and

5 (3) each attorney representing a party to the ejectment case.

6 § 4876. ACCESS TO CONFIDENTIAL RECORDS; OTHERS

7 (a) In addition to access provided in section 4875 of this title, the court of
8 jurisdiction shall make a confidential ejectment record available for any
9 authorized purpose under subsection (b) of this section to any person with a
10 valid court order authorizing access to the ejectment record.

11 (b) Upon motion and subject to a balancing of interests for and against
12 disclosure, the court of jurisdiction shall make a confidential ejectment record
13 available to a requesting party for scholarly, educational, journalistic, or
14 governmental purposes. Records made available under this subsection shall
15 not include the identifying information of any party unless the court of
16 jurisdiction determines that the request is appropriate and that the release of the
17 identifying information is necessary to fulfill the purpose of the request and
18 that the identifying information will not be released to the public.

19 * * * Positive Rental Payment Pilot Program * * *

20 Sec. 6. POSITIVE RENTAL PAYMENT CREDIT REPORTING PILOT

1 (a) Definitions. As used in this section:

2 (1) “Contractor” means the third-party vendor that the State Treasurer’s
3 Office contracts with to administer the pilot program described in this section.

4 (2) “Dwelling unit” has the same meaning as in 9 V.S.A. § 4451(3).

5 (3) “Participant property owner” means a landlord that has agreed in
6 writing to participate in the pilot program and has satisfied the requirements
7 described in subsection (c) of this section.

8 (4) “Participant tenant” means a tenant who has elected to participate in
9 the pilot program and whose landlord is a participant property owner.

10 (5) “Rental payment information” means information concerning a
11 participant tenant’s timely payment of rent. “Rent payment information” does
12 not include information concerning a participant tenant’s payment or
13 nonpayment of fees.

14 (b) Pilot program creation.

15 (1) The State Treasurer shall create and implement a two-year positive
16 rental payment credit reporting pilot program to facilitate the reporting of rent
17 payment information from participant tenants to consumer reporting agencies.

18 (2) On or before May 1, 2027, the State Treasurer shall contract with a
19 third party to administer a positive rental payment credit reporting pilot
20 program and facilitate the transmission of rent reporting information from a

1 participant property owner to a consumer reporting agency. The third-party
2 administrator shall be required to:

3 (A) enter into an agreement with one or more participant property
4 owners in the State in accordance with the requirements of this section for
5 participation in the pilot program;

6 (B) ensure that information to a credit reporting agency includes only
7 rent payment information after the date on which the participant tenant elected
8 to participate in the pilot program;

9 (C) develop and implement a process for removal of participant
10 tenants for failure to comply with program requirements, including failure to
11 make timely rental payments;

12 (D) establish a standard form for a participant tenant to use to elect to
13 participate or cease participation in the pilot program, which shall include a
14 statement that the tenant’s participation is voluntary and that a participant may
15 cease participating in the pilot program at any time and for any reason by
16 providing notice to the participant’s landlord and that the tenant may be
17 removed from the program for failure to comply with program requirements,
18 including failure to make timely rental payments; and

19 (E) offer an optional financial education course for participant
20 tenants.

1 (c) Pilot program agreements. A participant property owner shall agree in
2 writing:

3 (1) to participate in the pilot program for the duration of the pilot
4 program;

5 (2) not to charge a participant tenant for participation in the pilot
6 program;

7 (3) to comply with the requirements of the pilot program;

8 (4) to provide information as required by the State Treasurer concerning
9 the implementation of the pilot program; and

10 (5) to assist in the recruitment of tenants to participate in the pilot
11 program.

12 (d) Pilot program participants. On or before June 1, 2027, the contractor
13 shall, in coordination with the State Treasurer, recruit not more than 10
14 participant property owners and, to the extent practicable, not fewer than 100
15 participant tenants to participate in the pilot program. The contractor shall
16 seek to select participant tenants from populations that are underserved and
17 underrepresented in home ownership. The contractor shall also seek to recruit
18 participant landlords who offer:

19 (1) a variety of types of dwelling units for rent, including dwelling units
20 of various sizes;

1 (2) dwelling units for rent that are located in geographically diverse
2 areas of the State; and

3 (3) at least five dwelling units for rent.

4 (e) Termination. The State Treasurer may terminate the pilot program at
5 any time in the Treasurer’s sole discretion or terminate participation of a
6 participant property owner for failure to comply with the requirements of the
7 pilot program.

8 (f) Reports.

9 (1) On or before November 1, 2028, the State Treasurer shall submit an
10 interim report to the House Committee on General and Housing and the Senate
11 Committee on Economic Development, Housing and General Affairs regarding
12 the findings of the pilot program. The report shall include:

13 (A) the number of participant tenants, including information
14 regarding the demographic makeup of participant tenants, such as race,
15 ethnicity, gender, income, and age, as voluntarily provided by the participant;

16 (B) the number of participant tenants who ceased participating in the
17 pilot program voluntarily;

18 (C) the number of participant tenants who were removed from the
19 pilot program and the reasons why;

20 (D) a breakdown of costs of administering the pilot program,
21 including the monthly costs associated with rent reporting;

1 (E) a description of challenges faced by the participant property
2 owners and participant tenants during the pilot program;

3 (F) an analysis of the outcomes of rent reporting on participant
4 tenants' credit scores; and

5 (G) recommendations for legislative action, including proposed
6 statutory language and an appropriation for associated costs.

7 (2) On or before November 1, 2029, the State Treasurer shall submit a
8 final report to the House Committee on General and Housing and the Senate
9 Committee on Economic Development, Housing and General Affairs regarding
10 the findings of the pilot program. The report shall include an update to the
11 information required in the interim report.

12 * * * Residential Security Deposit Transition Period * * *

13 Sec. 7. SECURITY DEPOSIT; TRANSITION PERIOD

14 Notwithstanding 9 V.S.A. § 4461(a), a landlord may retain a security
15 deposit that exceeds an amount equal to two months' rent, provided that the
16 residential rental agreement was in effect prior to July 1, 2026.

17 * * * Technical Training * * *

18 Sec. 8. LANDLORD AND TENANT EDUCATION AND TECHNICAL
19 ASSISTANCE PROGRAM

20 (a) The Champlain Valley Office of Economic Opportunity (CVOEO) shall
21 provide education and technical assistance to Vermont landlords and tenants

1 regarding their rights, obligations, and remedies for statutory violations under
2 Vermont rental statutes.

3 (b)(1) Training for tenants shall include training under the Preferred Renter
4 Certification Program or its future equivalent.

5 (2) For landlords, CVOEO shall work in partnership with the Vermont
6 Landlords' Association, Vermont Legal Aid, and the Vermont Human Rights
7 Commission to develop a curriculum to address any resource and information
8 gaps to increase positive interactions with tenants and improve renter
9 household stability.

10 (c) Assistance under this program shall include in-person, virtual, and on-
11 demand options.

12 * * * Appropriations * * *

13 Sec. 9. APPROPRIATIONS

14 The following is appropriated from the General Fund in fiscal year 2027:

15 (1) the sum of \$100,000.00 to the State Treasurer **for contracting and**
16 **administrative costs necessary** to implement the positive rental payment credit
17 reporting pilot program; and

18 (2) the sum of \$1,200,000.00 to the Department of Housing and
19 Community Development for the following purposes:

