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H.772

An act relating to residential rental agreements, eviction procedures, and the creation of the positive rental payment credit reporting pilot program

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

\* \* \* Termination of Residential Rental Agreement \* \* \*

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

CHAPTER 137. RESIDENTIAL RENTAL AGREEMENTS

Subchapter 1. General

§ 4451. DEFINITIONS

As used in this chapter:

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

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

(ii) delivered by sheriff service;

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

(iv) emailed to an email address included in the lease agreement and mailed as described in subdivision (iii) of this subdivision (1)(A); or

(v) if the last address is unknown, posted to the door of the dwelling unit.

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









1 this section, along with a written statement itemizing any deductions to the  
2 tenant not later than 45 days before the date in the termination notice.

3 \* \* \*

4 (e) If a landlord fails to return the security deposit with a statement within  
5 ~~14 days~~ the timeframes outlined in subsection (c) of this section, the landlord  
6 forfeits the right to withhold any portion of the security deposit. If the failure  
7 is willful, the landlord shall be liable for double the amount wrongfully  
8 withheld, plus reasonable attorney's fees and costs.

9 \* \* \*

10 § 4465. RETALIATORY CONDUCT PROHIBITED

11 (a) A landlord of a residential dwelling unit may not retaliate by  
12 establishing or changing terms of a rental agreement or by bringing or  
13 threatening to bring an action against a tenant who:

14 (1) has complained to a governmental agency charged with  
15 responsibility for enforcement of a building, housing, or health regulation of a  
16 violation applicable to the premises materially affecting health and safety;

17 (2) has complained to the landlord of a violation of this chapter; ~~or~~

18 (3) has organized or become a member of a tenant's union or similar  
19 organization;



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) When termination is based on ~~criminal activity, illegal drug activity,~~  
17 ~~or~~ acts of violence, damage to the dwelling unit or premises, or other activity  
18 any of which threaten threatens the health or safety of other residents, the  
19 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 (3) 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 (4) 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 (5)(A) A landlord shall not terminate a rental agreement of a tenant  
15 under this subsection (b) because the tenant is the victim of an incident or  
16 pattern of domestic abuse, sexual assault, or stalking.

17 (B) The landlord shall allow a tenant who is the victim of domestic  
18 abuse, sexual assault, or stalking committed by another tenant or lawful  
19 occupant to bifurcate the rental agreement as authorized in section 4472a of  
20 this title.

1            (C) The landlord may terminate the rental agreement under  
2            subdivision (2) of this subsection (b) for a tenant who has committed an act of  
3            domestic abuse, sexual assault, or stalking against another tenant if the act  
4            poses an actual and imminent threat to the remaining tenants, other residents,  
5            the landlord or landlord's agent, or neighbors, and there is no other action to be  
6            taken that would reduce or eliminate the threat.

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

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

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

14            ~~(B) for tenants who have resided continuously in the same premises~~  
15            ~~for more than two years, at least 90 days after the date of the actual notice~~

16            When termination is based on an intent to vacate provided by actual notice  
17            from a tenant, a landlord may terminate a rental agreement on the date  
18            provided in the actual notice.

19            ~~(2) If rent is payable on a weekly basis, by providing actual notice to the~~  
20            ~~tenant of the date on which the tenancy will terminate, which shall be at least~~  
21            ~~21 days after the date of the actual notice~~ When termination is based on

1 compliance with an order issued by a governmental agency or court order that  
2 necessitates vacating the premises, a landlord may terminate a rental agreement  
3 on the date provided in the order.

4 (d) Termination of rental agreement when property is sold or repurposed.  
5 ~~In the absence of a written rental agreement a~~ A ~~landlord who has contracted to~~  
6 ~~sell the building~~ may terminate a tenancy by providing actual notice to the  
7 tenant of the date on which the tenancy will terminate, which shall be at least  
8 ~~30~~ 90 days after the date of the actual notice or, in the event of a written rental  
9 agreement, at least 90 days before the expiration of the stated term of the rental  
10 agreement, when:

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

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

15 (3) permanently withdrawing the dwelling unit from the rental market;

16 or

17 (4) demolishing the dwelling unit or premises or the rental unit requires  
18 renovations that exceed 50 percent of the rental unit's value to become or  
19 remain habitable, provided that the tenant shall have the right of first refusal to  
20 reoccupy the unit at market rate following renovations.

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

3 (1) If there is a written rental agreement, the notice to terminate ~~for no~~  
4 ~~cause~~ shall be at least ~~30~~ 90 days before the end or expiration of the stated term  
5 of the rental agreement ~~if the tenancy has continued for two years or less. The~~  
6 ~~notice to terminate for no cause shall be at least 60 days before the end or~~  
7 ~~expiration of the term of the rental agreement if the tenancy has continued for~~  
8 ~~more than two years.~~

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

11 (3) If there is a written week-to-week rental agreement, the notice to  
12 terminate ~~for no cause~~ shall be at least ~~seven~~ 10 days; ~~however, a notice to~~  
13 ~~terminate for nonpayment of rent shall be as provided in subsection (a) of this~~  
14 ~~section.~~

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

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

20 (h) Termination of shared occupancy. A rental arrangement whereby a  
21 person rents to another individual one or more rooms in ~~his or her~~ the person's

1 personal residence that includes the shared use of any of the common living  
2 spaces, such as the living room, kitchen, or bathroom, may be terminated by  
3 either party by providing actual notice to the other of the date the rental  
4 agreement shall terminate, which shall be at least ~~15 days after the date of~~  
5 ~~actual notice if the rent is payable monthly and at least~~ seven days after the  
6 date of actual notice ~~if the rent is payable weekly.~~

7 (i) Multiple notices. All actual notices that are in compliance with this  
8 section shall not invalidate any other actual notice and shall be a valid basis for  
9 commencing and maintaining an action for possession pursuant to this chapter,  
10 10 V.S.A. chapter 153, 11 V.S.A. chapter 14, or 12 V.S.A. chapter 169,  
11 notwithstanding that the notices may be based on different or unrelated  
12 grounds, dates of termination, or that the notices are sent at different times  
13 prior to or during an ejectment action. A landlord may maintain an ejectment  
14 action and rely on as many grounds for ejectment as are allowed by law at any  
15 time during the eviction process.

16 (j) Payment after termination; effect.

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

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

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

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

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

9           (k) Commencement of ejectment action. A notice to terminate a tenancy  
10          shall be insufficient to support a judgment of eviction unless the proceeding is  
11          commenced not later than 60 days ~~from~~ after the termination date set forth in  
12          the notice.

13          (l) Affirmative defense to ejectment action.

14          (1) For any ejectment action based on a failure to pay rent pursuant to  
15          subsection (a) of this section, it shall be an affirmative defense of the tenant,  
16          and judgment shall be issued for the defendant, if there exists a serious health  
17          and safety code violation issued to the landlord under 20 V.S.A. § 2677 and the  
18          landlord has made no reasonable attempt to correct the violation as of the date  
19          of the termination, which shall include:

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

2           (B) major plumbing leaks, flooding, or waterlogged ceiling or  
3 flooring in imminent danger of falling in;

4           (C) gas or fuel oil leaks;

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

6           (E) absence of a working heating system when outside temperature is  
7 below 60 degrees Fahrenheit;

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

9           (G) conditions that present the immediate possibility of serious  
10 injury;

11           (H) obstacles that prevent the safe entrance into or exit from the  
12 dwelling unit;

13           (I) absence of a functional toilet within the dwelling unit; or

14           (J) inoperable smoke or carbon monoxide detectors.

15           (2) Tenant remedies under this subsection shall not defeat an ejection  
16 action if the serious health and safety code violation was caused by the  
17 negligent or deliberate act or omission of the tenant or a person on the  
18 premises with the tenant's consent.

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

1 § 4468. TERMINATION OF TENANCY; ACTION FOR POSSESSION

2 If the tenant remains in possession after termination of the rental agreement  
3 without the express consent of the landlord, the landlord may bring an action  
4 for possession, damages, and costs:

5 (1) for a termination provided under subsections 4467(a) and (b) of this  
6 title, under 12 V.S.A. chapter 169, subchapter 4; and

7 (2) for all other terminations provided in section 4467 of this title, under  
8 12 V.S.A. chapter 169, subchapter 3.

9 \* \* \*

10 Sec. 1a. 9 V.S.A. § 4472a is added to read:

11 § 4472a. RIGHT TO BIFURCATION OF A RENTAL AGREEMENT

12 (a)(1) Notwithstanding a contrary provision of a rental agreement or of  
13 subchapter 2 of this chapter, a landlord shall authorize a protected tenant to  
14 bifurcate a rental agreement in order to eject, remove, or terminate a rental  
15 agreement to any individual who is a tenant or lawful occupant of the dwelling  
16 unit that engages in abuse, sexual assault, or stalking, against the protected  
17 tenant without ejecting, removing, or terminating the rental agreement with the  
18 protected tenant.

19 (2) In bifurcating a rental agreement under this section, the landlord may  
20 terminate the rental agreement of the abuser in accordance with subdivision  
21 4467(b)(2) of this chapter.





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

5 \* \* \*

6 (i) Notwithstanding subsection (d) of this section, the parties may come to  
7 an agreement and at any time by motion apply to the court to reduce the  
8 amount ordered to be paid into court under this section.

9 \* \* \*

10 § 4854a. PROPERTY OF TENANT REMAINING ON PREMISES AFTER  
11 EVICTION

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

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

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

9 \* \* \*

10 Subchapter 4. Superior Court Ejectment for Nonpayment or Breach

11 § 4861. ISSUANCE OF PROCESS BY SUPERIOR JUDGE FOR

12 NONPAYMENT OR BREACH

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.

19 § 4862. MODE AND SERVICE OF PROCESS; TRIAL BY JURY

20 (a) The process may issue as a summons, requiring the defendant to appear  
21 and answer to the complaint of the plaintiff, which shall state that the

1 defendant is in the possession of the lands or tenements in question, with a  
2 description thereof, that the tenant holds unlawfully and against the right of the  
3 plaintiff. A copy of the rental agreement, if any, and any notice to terminate  
4 the defendant's tenancy, including the affidavit required by 9 V.S.A.  
5 § 4467(b)(2)(B), shall be attached to the complaint. If the complaint is based  
6 on a termination under 9 V.S.A. § 4467(a), the complaint shall include a copy  
7 of the rent ledger, if available.

8 (b) Either party shall have the right to a trial by jury.

9 § 4863. ANSWER; HEARING

10 (a) An answer to a complaint filed under this subchapter shall be  
11 accompanied by an affidavit setting forth particular facts in opposition to the  
12 complaint.

13 (b)(1) Upon receipt of an answer to a complaint based on a termination  
14 under 9 V.S.A. § 4467(a) or (b), the court shall set a final hearing date not later  
15 than 90 days after the filing of the complaint absent good cause.

16 (2) The timeline in this subsection shall not apply when the plaintiff is in  
17 possession of the lands or tenements in question or has received from the court  
18 a writ of possession for the lands or tenements.

19 § 4864. DEFAULT

20 If the defendant fails to file an answer in the time provided pursuant to Rule  
21 12 of the Vermont Rules of Civil Procedure, the plaintiff may file a motion for

1 a default judgment in accordance with Rule 55 of the Vermont Rules of Civil  
2 Procedure. The court shall rule on the motion promptly.

3 § 4865. THREATENING BEHAVIOR; EXPEDITED HEARING

4 (a)(1) In an action for ejectment based on a termination under 9 V.S.A.  
5 § 4467(b)(2), the plaintiff may file a motion for a judgment that the plaintiff is  
6 entitled to immediate possession of the premises on the grounds that the  
7 defendant's continued occupation of the lands or tenements is threatening the  
8 health or safety of other residents, the landlord or the landlord's agent, or  
9 neighbors.

10 (2) The motion may be filed and served with the complaint or at any  
11 time after the complaint has been filed. The motion shall be accompanied by  
12 an affidavit setting forth particular facts in support of the motion and a copy of  
13 the lease agreement.

14 (b) A hearing on the motion shall be held promptly any time after 10 days'  
15 notice to the parties but not later than 21 days after the motion is filed absent  
16 good cause.

17 (c) At any time before the hearing, the defendant may oppose the motion  
18 pursuant to Rule 7(b)(6) of the Vermont Rules of Civil Procedure by filing an  
19 affidavit, a signed written statement, or a memorandum in opposition to the  
20 motion. The affidavit, signed written statement, or memorandum shall set

1 forth particular facts to show that a genuine dispute of fact exists in relation to  
2 the motion.

3 (d)(1) If the defendant fails to appear for the hearing, or to file an affidavit,  
4 signed written statement, or memorandum in opposition to the plaintiff's  
5 motion, or has failed to file an answer in the time provided pursuant to Rule 12  
6 of the Vermont Rules of Civil Procedure, the plaintiff shall be entitled to  
7 judgment by default for immediate possession of the premises.

8 (2) If the court finds that the defendant's continued occupation of the  
9 lands or tenements is a threat to the health or safety of other residents, the  
10 landlord or the landlord's agent, or neighbors, the court shall grant the  
11 plaintiff's motion and issue judgment in favor of the plaintiff for immediate  
12 possession of the premises.

13 (e) If the court issues judgment in favor of the plaintiff pursuant to  
14 subsection (d) of this section, the court shall, on the date judgment is entered,  
15 issue a writ of possession directing the sheriff of the county in which the  
16 property or a portion thereof is located to serve the writ upon the defendant  
17 and, not sooner than five days after the writ is served, to put the plaintiff into  
18 possession.

19 § 4866. COSTS; JUDGMENT FOR PLAINTIFF; POSSESSION

20 If the court finds the plaintiff is entitled to possession, the plaintiff shall  
21 have a judgment for possession and rents due, if applicable, including damages

1 and costs, and when a written rental agreement so provides, the court may  
2 award reasonable attorney's fees. A writ of possession shall issue on the date  
3 of judgment and shall direct any sheriff to serve the writ upon the defendant  
4 and, not earlier than 14 days after the writ is served, put the plaintiff in  
5 possession.

6 § 4867. PROPERTY OF TENANT REMAINING ON PREMISES AFTER

7 EVICTION

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

12 § 4868. TRESPASS ORDERS

13 After being legally restored to possession of the dwelling unit or leased  
14 premises pursuant to this chapter, the plaintiff may issue the defendant an order  
15 against trespass for the entire premises subject to the ejectment action in  
16 accordance with 13 V.S.A. § 3705.

17 \* \* \* Trespass \* \* \*

18 Sec. 4. PURPOSE

19 The purpose of Sec. 5 of this act is to overrule the Vermont Supreme  
20 Court's decision in State v. Dixon, 169 Vt. 15 (1999), and allow the landlord  
21 of a dwelling unit to obtain a no trespass order prohibiting the tenant's invitees

1 or licensees from entering the dwelling unit's common areas if the invitee or  
2 licensee subject to the order has violated the terms of the lease agreement.

3 Sec. 5. 13 V.S.A. § 3705 is amended to read:

4 § 3705. UNLAWFUL TRESPASS

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

9 \* \* \*

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

14 (A) the tenant responsible for the invitee or licensee consents to the  
15 order;

16 (B) the invitee or licensee subject to the order has violated the terms  
17 of the dwelling unit's lease agreement; or

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

1           (2) As used in this subsection:

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

5           (B) “Tenant” means a person entitled under a rental agreement to  
6 occupy a residential dwelling unit to the exclusion of others.

7       Sec. 6. [Deleted.]

8                       \* \* \* Positive Rental Payment Pilot Program \* \* \*

9       Sec. 7. POSITIVE RENTAL PAYMENT CREDIT REPORTING PILOT

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

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

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

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

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

19           (5) “Rental payment information” means information concerning a  
20 participant tenant’s timely payment of rent. “Rent payment information” does

1 not include information concerning a participant tenant's payment or  
2 nonpayment of fees.

3 (b) Pilot program creation.

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

7 (2) On or before May 1, 2027, the State Treasurer shall contract with a  
8 third party to administer a positive rental payment credit reporting pilot  
9 program and facilitate the transmission of rent reporting information from a  
10 participant property owner to a consumer reporting agency. The third-party  
11 administrator shall be required to:

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

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

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

1           (D) establish a standard form for a participant tenant to use to elect to  
2           participate or cease participation in the pilot program, which shall include a  
3           statement that the tenant's participation is voluntary and that a participant may  
4           cease participating in the pilot program at any time and for any reason by  
5           providing notice to the participant's landlord and that the tenant may be  
6           removed from the program for failure to comply with program requirements,  
7           including failure to make timely rental payments; and

8           (E) offer an optional financial education course for participant  
9           tenants.

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

12           (1) to participate in the pilot program for the duration of the pilot  
13           program;

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

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

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

19           (5) to assist in the recruitment of tenants to participate in the pilot  
20           program.

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

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

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

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

13       (e) Termination. The State Treasurer may terminate the pilot program at  
14       any time in the Treasurer's sole discretion or terminate participation of a  
15       participant property owner for failure to comply with the requirements of the  
16       pilot program.

17       (f) Reports.

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

- 1           (A) the number of participant tenants, including information  
2           regarding the demographic makeup of participant tenants, such as race,  
3           ethnicity, gender, income, and age, as voluntarily provided by the participant;  
4           (B) the number of participant tenants who ceased participating in the  
5           pilot program voluntarily;  
6           (C) the number of participant tenants who were removed from the  
7           pilot program and the reasons why;  
8           (D) a breakdown of costs of administering the pilot program,  
9           including the monthly costs associated with rent reporting;  
10           (E) a description of challenges faced by the participant property  
11           owners and participant tenants during the pilot program;  
12           (F) an analysis of the outcomes of rent reporting on participant  
13           tenants' credit scores; and  
14           (G) recommendations for legislative action, including proposed  
15           statutory language and an appropriation for associated costs.  
16           (2) On or before November 1, 2029, the State Treasurer shall submit a  
17           final report to the House Committee on General and Housing and the Senate  
18           Committee on Economic Development, Housing and General Affairs regarding  
19           the findings of the pilot program. The report shall include an update to the  
20           information required in the interim report.

1       (g) Appropriation contingency. The duty to implement this section is  
2       contingent upon an appropriation of funds in fiscal year 2027 from the General  
3       Fund for the specific purposes described in this section.

4                   \* \* \* Residential Security Deposit Transition Period \* \* \*

5       Sec. 8. SECURITY DEPOSIT; TRANSITION PERIOD

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

9                   \* \* \* Technical Training \* \* \*

10       Sec. 9. LANDLORD AND TENANT EDUCATION AND TECHNICAL  
11       ASSISTANCE PROGRAM

12       (a) The Champlain Valley Office of Economic Opportunity (CVOEO) shall  
13       provide education and technical assistance to Vermont landlords and tenants  
14       regarding their rights, obligations, and remedies for statutory violations under  
15       Vermont rental statutes.

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

18       (2) For landlords, CVOEO shall develop a curriculum to address any  
19       resource and information gaps to increase positive interactions with tenants  
20       and improve renter household stability.

