

1 TO THE HONORABLE SENATE:

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

15 (11) “Immediate family” means:

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

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

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

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

1 residential dwelling unit. This subsection shall not be construed to prohibit a
2 person from charging a fee to a person in order to apply to rent commercial or
3 nonresidential property.

4 (2) As used in this section, an “application fee” means any fee, charge,
5 or cost to submit a residential rental application including any third-party
6 processing payment.

7 * * *

8 § 4461. SECURITY DEPOSITS

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

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

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

21 * * *

1 § 4465. RETALIATORY CONDUCT PROHIBITED

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

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

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

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

11 (4) has taken any legal action authorized by law against the landlord; or

12 (5) has contacted law enforcement to respond to an instance of domestic
13 abuse.

14 (b) If the landlord acts in violation of this section, the tenant is entitled to
15 recover damages and reasonable attorney's fees and has a defense in any
16 retaliatory action for possession.

17 (c) If a landlord serves notice of termination of tenancy on any grounds
18 other than for nonpayment of rent within 90 days after notice by any municipal
19 or State governmental entity that the premises are not in compliance with
20 applicable health or safety regulations, there is a rebuttable presumption that

1 any termination by the landlord is in retaliation for the tenant having reported
2 the noncompliance.

3 * * *

4 § 4467. TERMINATION OF TENANCY; NOTICE

5 (a) Termination for nonpayment of rent. The landlord may terminate a
6 tenancy for nonpayment of rent by providing actual notice to the tenant of the
7 date on which the tenancy will terminate, which shall be at least ~~14~~ 10 days
8 after the date of the actual notice. The rental agreement shall not terminate if
9 the tenant pays or tenders rent due through the end of the rental period in
10 which payment is made or tendered, provided a landlord may terminate a
11 tenancy under subdivision (b)(1) of this section for repeated late payment of
12 rent. Acceptance of partial payment of rent shall not constitute a waiver of the
13 landlord's remedies for nonpayment of rent or an accord and satisfaction for
14 nonpayment of rent.

15 (b) Termination for breach of rental agreement.

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

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

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

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

3 (B) A landlord shall provide actual notice ~~given~~ to the tenant at least
4 30 21 days prior to the termination date specified in the notice.

5 (C) As used in this subsection (b), “late payment of rent” means
6 payment of rent more than 10 days after rent is due under the rental agreement.

7 (2) When termination is based on criminal activity, ~~illegal drug activity~~
8 damage to the dwelling unit or premises, or acts of violence, any of which
9 ~~threaten~~ is an ongoing threat to the ~~health or~~ safety of other residents, the
10 landlord or landlord’s agent, or neighbors, the landlord may terminate the
11 tenancy by providing actual notice to the tenant of the date on which the
12 tenancy will terminate, which shall be at least 14 days from the date of the
13 actual notice.

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

18 (4) A landlord shall not terminate a rental agreement under this
19 subsection based on a person seeking medical assistance for a drug overdose,
20 being the subject of a good faith request for medical assistance, or being at the
21 scene of a drug overdose or within close proximity of the scene of a drug

1 overdose as provided in 18 V.S.A. § 4254 and evidence obtained from the
2 good faith request for medical assistance for a drug overdose shall not be used
3 in an ejectment action brought under 12 V.S.A. chapter 169.

4 (5)(A) A landlord shall not terminate a rental agreement of a **protected**
5 tenant under this subsection (b) because the tenant is the victim of an incident
6 or pattern of domestic abuse, sexual assault, or stalking.

7 (B) A **protected tenant** who is the victim of domestic abuse, sexual
8 assault, or stalking committed by another tenant or lawful occupant **may**
9 **request** to bifurcate the rental agreement as authorized in section 4472a of this
10 title.

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

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

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

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

20 When termination is based on an intent to vacate provided by actual notice

1 from a tenant, a landlord may terminate a rental agreement on the date
2 provided in the actual notice.

3 (2) ~~If rent is payable on a weekly basis, by providing actual notice to the~~
4 ~~tenant of the date on which the tenancy will terminate, which shall be at least~~
5 ~~21 days after the date of the actual notice~~ When termination is based on
6 compliance with an order issued by a governmental agency or court order that
7 necessitates vacating the premises, a landlord may terminate a rental agreement
8 on the date provided in the order.

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

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

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

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

21 or

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

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

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

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

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

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

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

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

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

21 (j) Payment after termination; effect.

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

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

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

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

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

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

18 (l) Affirmative defense to ejectment action.

19 (1) For any ejectment action based on a failure to pay rent pursuant to
20 subsection (a) of this section, it shall be an affirmative defense of the tenant,
21 and judgment shall be issued for the defendant, if there exists a serious health

1 and safety code violation issued to the landlord under 20 V.S.A. § 2677 and the
2 landlord has made no reasonable attempt to correct the violation as of the date
3 of the termination, which shall include:

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

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

7 (C) gas or fuel oil leaks;

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

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

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

12 (G) conditions that present the immediate possibility of serious
13 injury;

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

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

17 (J) inoperable smoke or carbon monoxide detectors.

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

1 victim of domestic violence, sexual assault, or stalking in order to request to
2 bifurcate a rental agreement under this section.

3 (b)(1) In the event the bifurcation and removal of an individual under
4 subsection (a) of this section results in the protected tenant being unable to
5 cover the rent of the dwelling unit, the landlord shall provide the protected
6 tenant with a reasonable opportunity to locate additional tenants or to
7 otherwise find new housing.

8 (2) A reasonable opportunity under this section shall be not less than 90
9 days.

10 * * * Ejectment * * *

11 Sec. 2. [Deleted.]

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

13 CHAPTER 169. EJECTMENT

14 * * *

15 Subchapter 3. Superior Court Ejectment

16 * * *

17 § 4852. MODE OF PROCESS; DECLARATION; TRIAL BY JURY

18 (a) The process may issue as a summons or writ of attachment, requiring
19 the defendant to appear and answer to the complaint of the plaintiff, which
20 shall state that the defendant is in the possession of the lands or tenements in
21 question (~~describing them~~), with a description thereof, which that the tenant

1 holds unlawfully and against the right of the plaintiff. A copy of the rental
2 agreement, if any, and any notice to terminate the defendant's tenancy,
3 including the affidavit required by 9 V.S.A. § 4467(b)(3), shall be attached to
4 the complaint. If the complaint is based on a termination under 9 V.S.A.
5 § 4467(a), the complaint shall include a copy of the rent ledger, if available.

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

7 * * *

8 § 4853a. PAYMENT OF RENT INTO COURT; EXPEDITED HEARING

9 ~~{Subsection (a) as amended by 2007, Act No. 125 (Adj. Sess.), § 1.}~~

10 ~~(a) In any action against a tenant for possession, the landlord may file a~~
11 ~~motion for an order that the tenant pay rent into court. The motion may be~~
12 ~~filed and served with the complaint or at any time after the complaint has been~~
13 ~~filed. The motion shall be accompanied by affidavit setting forth particular~~
14 ~~facts in support of the motion.~~

15 ~~{Subsection (a) as amended by 2007, Act No. 176 (Adj. Sess.), § 51.}~~

16 (a) In any action against a tenant for possession brought in accordance with
17 this chapter, 9 V.S.A. chapter 137, 10 V.S.A. chapter 153, or 11 V.S.A. chapter
18 14, the landlord may file a motion for an order that the tenant pay rent into
19 court. The motion may be filed and served with the complaint or at any time
20 after the complaint has been filed. The motion shall be accompanied by
21 affidavit setting forth particular facts in support of the motion.

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(d) If the court finds the tenant is obligated to pay rent and has failed to do so, the court shall order full or partial payment into court of rent as it accrues while the proceeding is pending and rent accrued from the date of filing with the court the complaint for ejectment or the date the summons and complaint for ejectment were served on the tenant pursuant to Rule 3 of the Vermont Rules of Civil Procedure, whichever occurs first.

* * *

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

* * *

§ 4853c. THREATENING BEHAVIOR; EXPEDITED HEARING

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

(2) The motion may be filed and served with the complaint or at any time after the complaint has been filed. The motion shall be accompanied by

1 an affidavit setting forth particular facts in support of the motion and a copy of
2 the lease agreement.

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

6 (c) At any time before the hearing, the defendant may oppose the motion
7 pursuant to Rule 7(b)(6) of the Vermont Rules of Civil Procedure by filing an
8 affidavit, a signed written statement, or a memorandum in opposition to the
9 motion. The affidavit, signed written statement, or memorandum shall set
10 forth particular facts to show that a genuine dispute of fact exists in relation to
11 the motion.

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

17 (2) If the court finds that the defendant's continued occupation of the
18 lands or tenements is a threat to the safety of other residents, the landlord or
19 the landlord's agent, or neighbors, the court shall grant the plaintiff's motion
20 and issue judgment in favor of the plaintiff for immediate possession of the
21 premises.

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

7 * * *

8 * * * Trespass * * *

9 Sec. 4. PURPOSE

10 The purpose of Sec. 5 of this act is to overrule the Vermont Supreme
11 Court’s decision in State v. Dixon, 169 Vt. 15 (1999), and allow the landlord
12 of a dwelling unit to obtain a no trespass order prohibiting the tenant’s invitees
13 or licensees from entering the dwelling unit’s common areas if the invitee or
14 licensee subject to the order has violated the terms of the lease agreement.

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

16 § 3705. UNLAWFUL TRESPASS

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

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) As used in this subsection:

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

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

17 Sec. 6. [Deleted.]

18 * * * Positive Rental Payment Pilot Program * * *

19 Sec. 7. 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 (g) Appropriation contingency. The duty to implement this section is
13 contingent upon an appropriation of funds in fiscal year 2027 from the General
14 Fund for the specific purposes described in this section.

15 * * * Residential Security Deposit Transition Period * * *

16 Sec. 8. SECURITY DEPOSIT; TRANSITION PERIOD

17 Notwithstanding 9 V.S.A. § 4461(a), a landlord may maintain a security
18 deposit that exceeds an amount equal to two months' rent, provided that the
19 residential rental agreement was in effect prior to July 1, 2026. Upon the
20 termination of the rental agreement, the landlord shall return the security
21 deposit in compliance with the requirements of 9 V.S.A. § 4461.

* * * Technical Training * * *

1
2 Sec. 9. LANDLORD AND TENANT EDUCATION AND TECHNICAL
3 ASSISTANCE PROGRAM

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

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

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

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

15 (d) The duty to implement this section is contingent upon an appropriation
16 of funds in fiscal year 2027 from the General Fund for the specific purposes
17 described in this section.

18 Sec. 10. [Deleted.]

1 * * * Statewide Housing Court Report * * *

2 Sec. 11. HOUSING COURT STUDY

3 On or before January 31, 2027, the Court administrator shall submit to the
4 General Assembly a report on the feasibility of implementing a dedicated
5 docket in Vermont for handling all matters governing residential rental
6 agreements under 9 V.S.A. chapter 137 and ejectment actions under 12 V.S.A.
7 chapter 169. The report shall include an examination of:

8 (1) the financial costs of implementing a dedicated housing court in
9 Vermont;

10 (2) the workforce impact of a dedicated housing court, including the
11 number of judges and staff necessary to resolve ejectment actions statewide
12 within 90 days, and the workforce impact of other court staff with the
13 implementation of a dedicated housing court;

14 (3) whether current State facilities have the capacity to support a
15 dedicated housing court statewide and whether new or expanded facilities
16 would be required or whether current technical capacities within the Judiciary
17 can handle virtual statewide implementation of a centralized housing court;
18 and

19 (4) any other matter deemed relevant to the issue of implementing a
20 statewide housing court.

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* * * Effective Date * * *

Sec. 12. EFFECTIVE DATE

This act shall take effect on September 1, 2026.

(Committee vote: _____)

Senator _____

FOR THE COMMITTEE