

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2015

Bill Number: S.257 Name of Bill: An act relating to residential rental agreements

Agency/ Dept: DHCD Author of Bill Review: Shaun Gilpin

Date of Bill Review: May 3, 2016 Related Bills and Key Players N/A

Status of Bill: (check one): Upon Introduction As passed by 1st body As passed by both

Recommended Position:

Support Oppose Remain Neutral Support with modifications identified in #8 below

Analysis of Bill

1. Summary of bill and issue it addresses. *Describe what the bill is intended to accomplish and why.*

The bill intends to address issues regarding the subletting of a rental property. It provides a definition for "Subtenant", which is not currently defined in statute despite being subleasing being a common practice. The bill also makes explicit that a sublease agreement can be prohibited in a written lease agreement and identifies what notice is required from the Tenant to the Landlord when such a sublease agreement is not prohibited. Finally, the bill creates an expedited eviction process for an unlawful occupant when subleasing is prohibited.

2. Is there a need for this bill? *Please explain why or why not.*

This bill aims to address a situation that seems to be growing increasingly common. Firstly, it codifies "subtenants", which is not currently defined in statute. Secondly, it aims to address an apparently growing problem of sublease agreements being signed without landlord's knowledge, often resulting in lengthy eviction processes of subtenant who have no relationship with the landlord. This bill should be beneficial in addressing many of these situations.

3. What are likely to be the fiscal and programmatic implications of this bill for this Department?

None. This bill deals with landlord-tenant law that is not administered by this Department

4. What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?

This bill should have little, if any, fiscal and programmatic implications – it will merely expedite the current eviction process in limited circumstances.

5. What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it? *(for example, public, municipalities, organizations, business, regulated entities, etc)*

The expedited hearing process for unlawful occupants should save landlords who find themselves with an unlawful occupant significant amounts of time and money in both legal fees and unpaid rent – a number of landlords testified in support of the bill.

Please return this bill review as a Microsoft Word document to laura.gray@state.vt.us and jessica.mishaan@state.vt.us

6. Other Stakeholders:

6.1 Who else is likely to support the proposal and why?

The Vermont Apartment Owners Association worked to craft the language in this bill and it is generally supported by the landlord community as it will cause significant savings in time and money in the instance of a prohibited sublease agreement being executed.

6.2 Who else is likely to oppose the proposal and why?

While some tenant advocacy groups (Vermont Legal Aid, Vermont Affordable Housing Coalition, CVOEO Vermont Tenants), were somewhat wary of potential for abuse, they worked closely with VAOA to craft compromise language and have voiced support for the resulting bill.

7. Rationale for recommendation: *Justify recommendation stated above.*

This bill defines in statute a common practice in VT rental housing – it also clarifies rights and responsibilities for landlords and tenants, a perennial goal, and it provides one scenario where the lengthy eviction process can be legitimately shortened when an occupant does not have legitimate, legal claim on the residence. This bill addresses a number of issues that have been raised about landlord tenant law over the past several years.

8. Specific modifications that would be needed to recommend support of this bill: *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*

9. Gubernatorial appointments to board or commission? N/A

Secretary/Commissioner has reviewed this document: _____ *Noelle MacKay* ___ *Date:* ___ *May 6, 2016* _