



VERMONT LEGISLATIVE
Joint Fiscal Office

1 Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • <https://lfo.vermont.gov>

Fiscal Note

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Ted Barnett, Senior Fiscal Analyst

H.772 – An act relating to residential rental agreements, eviction procedures, and the creation of the positive rental payment credit reporting pilot program

As recommended by the House Committee on Appropriations, Draft 1.1ⁱⁱ

Bill Summary

The bill as recommended would make many changes to rental policies and procedures and create the positive rental payment credit reporting pilot program, effective July 1, 2026:

- *Section 2:* limit rental application and background check fees to actual costs to the landlord. Violations would be subject to civil penalties;
- *Section 4:* create a new process for ejection in certain cases;
- *Section 5:* allow a landlord to serve an order against trespass that prohibits a tenant's invitees or licensees from trespassing in the dwelling unit or any of a dwelling unit's common areas under certain circumstances;
- *Section 7:* create the positive rental payment credit reporting pilot program at the Treasurer's Office, contingent on a fiscal year 2027 appropriation. The pilot program would explore adding a tenant's timely payment of rent to their credit report;
- *Section 9:* create the Landlord and Tenant Education and Technical Assistance Program at the Champlain Valley Office of Educational Opportunity (CVOEO). The duty to implement the program would be contingent on a fiscal year 2027 appropriation; and
- *Section 10:* make appropriations to various programs supporting renters and landlords.

Fiscal Impact

The bill would make substantial changes to court procedures, including confidentiality provisions for ejection actions, and time-mandated hearings. According to information provided by the Vermont Judiciary, those provisions would require additional judge(s) and courtroom staff to mitigate the impact on scheduling for non-eviction cases within the Civil Division. The estimated cost of additional positions is \$730,000 per year.

¹ *The Joint Fiscal Office (JFO) is a nonpartisan legislative office dedicated to producing unbiased fiscal analysis – this fiscal note is meant to provide information for legislative consideration, not to provide policy recommendations.*

Background and Details

Section 7 would create the positive rental repayment pilot program – the duty to implement the program would be contingent on receiving an appropriation in fiscal year 2027. The program would recruit no more than 10 property owners and at least 100 tenants in geographically diverse areas of the state. The Treasurer would submit two reports to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing, and General Affairs. An interim report due on or before November 1, 2028 would outline participant demographics, associated costs of the project, challenges faced by property owners and tenants, outcomes, and recommendations for legislative action, including statutory language and a proposed appropriation for associated costs. A final report on November 1, 2029, would update the findings of the interim report. Success of the pilot program could result in additional funding requests in the future.

ⁱ *The full fiscal note history is available on the fiscal tab of the bill page on the General Assembly website and can be pulled up through a bill number search on the JFO page.*