



VERMONT LEGISLATIVE
Joint Fiscal Office

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Fiscal Note

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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

As recommended by the House Committee on General and Housing, Draft 4.1¹

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 for nonpayment or breach of rental contract;
- *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 6:* make ejection records confidential unless the court issues judgement in favor of the landlord;
- *Section 7:* create the positive rental payment credit reporting pilot program at the Treasurer's Office. 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); and
- *Section 10:* make appropriations to various programs supporting renters and landlords.

Fiscal Impact

The bill contains \$1.9 million in fiscal year 2027 General Fund appropriations. Table 1 provides more detail on these appropriations.

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.*

Table 1: Appropriations in H.772

	Purpose	Amount
State Treasurer	Implementation of the positive rental payment credit reporting pilot program	\$0.1 million
Department for Children and Families	Grants to community action agencies to support liaison work between tenants and landlords	\$0.6 million
Department of Housing and Community Development (DHCD)	Grant to the Vermont State Housing Authority for the Rent Arrears Assistance Fund created by Act 47 of 2023	\$1 million
	Grant to the Champlain Valley Office of Economic Opportunity for statewide landlord and tenant education	\$0.2 million
Total		\$1.9 million

In addition to appropriations, 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.

Background and Details

Section 7 would create the positive rental repayment pilot program. 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.