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**STATE OF VERMONT**  
GENERAL ASSEMBLY  
HOUSE COMMITTEE ON GENERAL,  
HOUSING AND MILITARY AFFAIRS

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**MEMORANDUM**

To: House Committee on Appropriations  
Date: March 13, 2015  
Subject: Response to Memo of February 12, 2015

**Vermont Housing and Conservation Board**

The General, Housing and Military Affairs Committee respectfully requests that the Appropriations Committee retain funding for the Vermont Housing and Conservation Board at the levels contained in the Governor's Budget. Based on our knowledge of the importance of VHCB's mission, it is clear that cutting their statutory share of the Property Transfer Tax even more than the 30% proposed by the Administration would delay many necessary housing projects in the next year. Cuts to funds used in conservation projects would result in a 1:1 loss in federal funding, and cuts to housing projects would result in \$6-7 loss for every dollar invested.

With housing vacancies at approximately 1% in our biggest cities, and with an increasing need for supportive housing, warming shelters and innovative solutions to homelessness, we will lose the ability to help local organizations find solutions to their affordable housing needs if we do not fund VHCB at the level requested.

Based on the statutorily determined formula, VHCB was authorized to receive \$17.7 million from the Property Transfer Tax in FY16. By sustaining a reduction to \$12.15 million, VHCB has already contributed over \$5 million to help fill the budget gap, and has pledged over \$6 million over the next several years to help with the Lake Champlain Cleanup. And while there is \$2.8 million in Capital Budget Funding proposed for VHCB for housing and conservation projects, this will merely level fund the amount given to VHCB last year (which was also some millions short of their statutory formula).

The funds appropriated to VHCB touch every corner of the state, and certifiably return a 100% match of federal funds for conservation projects and, on average, 600-700% in investment in local housing projects.

Helping communities to develop affordable housing, preserving our countryside, developing programs that alleviate social ills and contributing to the state's wellbeing in good times and bad has been the hallmark of VHCB. Lessening its appropriation will create financial damage far larger than the dollars saved.

**Respectfully, and by a committee vote of 5-3-0, the GHMA does not support any further cuts in their budget.**

### **General Assistance Funds**

Regarding General Assistance Funds, we are relieved that much of the funding has remained, and we encourage you to fund AHS in a way that will continue investments in programs that will reduce reliance on emergency housing funds and hotel funds for cold weather exemptions. And while we are relieved that the 33% cut in Direct Subsidy and Care program and mental health voucher funds will not displace anyone currently receiving vouchers, we are very worried about the flexibility in the fund should the need for them increase, especially after the \$437,000 cut in Budget Adjustment for FY15.

It is also a relief to know that the \$22 million budget (as described by Housing Director Chaney) will be preserved in a way that should provide efficiencies. Reducing housing security, however, by counting SSI payments when determining Reach Up benefits and by cutting LIHEAP payments, will create a similar stress in the clientele we are endeavoring to serve.

We appreciate that the Department of Mental Health was faced with difficult choices in developing a sustainable budget, **the GMHA does not support, by an 8-0-0 committee vote, any further cuts to the General Assistance Funds.**