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STATE OF VERMONT GENERAL ASSEMBLY HOUSE COMMITTEE ON GENERAL AND HOUSING

MEMORANDUM

To: House Committee on Appropriations

From: House Committee on General and Housing

Date: January 24, 2023

Subject: Budget Adjustment Act Proposals

The General and Housing Committee has been at the forefront of the conversation, especially over the last three years, about the best use of funding for housing. We have seen an historic investment of federal and State funds for housing that proposes to alleviate homelessness by providing one of the three all-important legs to the stool: the units needed. Between programs created since the beginning of the pandemic and those that already existed, housing built, created, or rehabilitated by using State and federal funds has reached over 1,500 units — an incredible success story accomplished in a tri-partisan way in the General Assembly and by reaching across the aisle between the Legislative and Executive Branches. We have experienced great success in housing those experiencing homelessness, as well as providing the necessary services.

Unfortunately, the Budget Adjustment Act (BAA) proposal from the Administration only proposes to continue one of these successful programs, the Vermont Rental Housing Improvement Program (VHIP).

On its face, VHIP has been very successful, with over 400 units brought back online or with commitments to be brought online. It is administered by our local nonprofit housing organizations. VHIP is a positive example of partnership between the government and affordable housing organizations and private landlords to bring these apartments back.

The General and Housing Committee supports the continuation of this program with the \$5,000,000 proposed in the BAA. We also note that this proposal is to use General Fund dollars, which is new for this program. Since its conception, federal COVID-19 relief funds have been appropriated for execution of this pilot program. This is important for your consideration, as General Fund dollars imply that the program is moving away from its pilot status and will compete with myriad other worthy programs that are seeking General Fund dollars for their continuation. It remains preferable to use remaining qualified funds from CRF, ERAP or ARPA if possible.

However, we also urge the House Appropriations Committee to consider using the BAA to provide the Vermont Housing and Conservation Board and other housing organizations with increased funding to continue the substantial work that has been accomplished in building, creating, and rehabilitating housing units. These additional funds would also support the service organizations, including the community action agencies and other organizations, which are on the ground helping Vermonters who are experiencing homelessness.

Finally, we would urge the House Appropriations Committee to add the necessary funding to mitigate the recent end of federal funding for our motel programs and rental assistance programs. We understand that there is great competition for General Fund dollars, but given that federal funding for these necessary programs is depleted, it is incumbent upon us to continue the programs in a way that protects the public safety of all Vermonters.

Concerning the specific provisions of the draft Budget Adjustment Act that you have requested this Committee review, we respectfully submit the following:

Sec. 1. Amendments to Act 185, Sec. B.1100 (2022)

Subdivision (26) – Appropriation to ADS for USGS and LIDAR match

This subject is not within the Committee's jurisdiction and the Committee takes no position on this proposal.

Subdivision (31) – Appropriation to DCF for CARES Housing Voucher Program

The Committee supports the appropriation of additional General Fund support for this important program, but defers to the Committee on Human Services concerning the amount of the appropriation.

Subdivision (32) – Appropriation to DHCD for additional VHIP funding

As discussed above, the Committee supports the additional funding for VHIP through the Budget Adjustment Act in the amount of \$5,000,000 of General Funds.

Sec. 4. Amendment to Act 185, Sec. D.101 (2022) – Cannabis Regulation Fund

This subject is not within the Committee's jurisdiction and the Committee takes no position on this proposal.

Sec. 6. Amendment to Act 185, Sec. E.100 (2022) – Technical Correction; Truth and Reconciliation Commission; Limited Service Positions

The Committee supports this technical correction.

Sec. 24. Amendment to Act 182, Sec. 3 (2022) – Technical Correction; Manufactured Home Improvement and Replacement Program

The Committee supports this technical correction.

Sec. 26. Amendment to Act 183, Sec. 16(b)(1) – Technical Correction; CTE Construction and Rehabilitation Experiential Learning Program

The Committee supports this technical correction.