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H.91

Introduced by Representatives McGill of Bridport, Cole of Hartford, Cordes
of Bristol, Garofano of Essex, and Wood of Waterbury

Referred to Committee on

Date:

Subject: Human services; shelter; emergency temporary shelter

Statement of purpose of bill as introduced: This bill proposes to establish the
Emergency Temporary Shelter Program to replace the General Assistance
Emergency Housing Program.

~~An act relating to the Emergency Temporary Shelter Program~~

*An act relating to the Vermont Homeless Emergency Assistance and
Responsive Transition to Housing Program*

It is hereby enacted by the General Assembly of the State of Vermont:

~~*** Legislative Intent ***~~

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly that the Emergency Temporary
Shelter Program established in 33 V.S.A. chapter 22 is a step toward ensuring
that.

1 ~~(1) unsheltered homelessness be eliminated in Vermont and interim~~
2 ~~shelter opportunities be available to provide a stable pathway to permanent~~
3 ~~housing for all Vermonters experiencing homelessness;~~

4 ~~(2) arbitrary time limits, night-by-night shelter, relocation between~~
5 ~~interim housing sites, and other disruptions in housing stability be eliminated;~~

6 ~~(3) noncongregate housing be used to the greatest extent possible;~~

7 ~~(4) Vermont's emergency housing statutes, rules, policies, and practices~~
8 ~~incorporate Housing First principles, trauma-informed practices, and emerging~~
9 ~~best practices, including:~~

10 ~~(A) immediate access to shelter without housing readiness~~
11 ~~requirements; and~~

12 ~~(B) voluntary supportive services designed to support housing~~
13 ~~stability; and~~

14 ~~(5) Vermont increase the supply of interim shelter that is geographically~~
15 ~~and physically accessible to individuals with a disability, and that addresses the~~
16 ~~range of needs among individuals with a disability.~~

17 * * * Emergency Temporary Shelter Program * * *

18 Sec. 2. 33 V.S.A. chapter 22 is added to read:

19 CHAPTER 22. EMERGENCY TEMPORARY SHELTER PROGRAM

20 § 2209. EMERGENCY TEMPORARY SHELTER PROGRAM ADVISORY

21 COMMITTEE

1 ~~(a) Creation. There is created the Emergency Temporary Shelter Program~~
2 Advisory Committee to provide advice and recommendations to the
3 Commissioner regarding the implementation, administration, and operation of
4 the Emergency Temporary Shelter Program from the perspective of individuals
5 with lived experience of homelessness.

6 (b) Membership. Each coordinated entry lead agency shall appoint an
7 individual with lived experience of homelessness in Vermont to serve on the
8 Advisory Committee established in this section. The Advisory Committee's
9 membership shall reflect the growing diversity among Vermonters, including
10 individuals who are Black, Indigenous, and Persons of Color, as well as with
11 regard to socioeconomic status, geographic location, gender, sexual identity,
12 and disability status.

13 (c) Assistance. The Advisory Committee shall have the administrative,
14 technical, and legal assistance of the Department for Children and Families.

15 (d) Meetings.

16 (1) The Commissioner shall call the first meeting of the Advisory
17 Committee to occur on or before July 15, 2025.

18 (2) The Committee shall select a chair or co-chairs from among its
19 members at the first meeting.

20 ~~(3) A majority of the membership shall constitute a quorum.~~

1 ~~(e) Compensation and reimbursement. Members of the Advisory~~
2 Committee shall be entitled to per diem compensation and reimbursement of
3 expenses as permitted under 32 V.S.A. § 1010 for not more than 12 meetings
4 annually. These payments shall be made from monies appropriated to the
5 Department.

6 Sec. 3. REPEAL; EMERGENCY TEMPORARY SHELTER PROGRAM

7 ADVISORY COMMITTEE

8 33 V.S.A. § 2209 (Emergency Temporary Shelter Program Advisory
9 Committee) is repealed on July 1, 2029.

10 Sec. 4. 33 V.S.A. chapter 22 is amended to read:

11 CHAPTER 22. EMERGENCY TEMPORARY SHELTER PROGRAM

12 § 2201. DEFINITIONS

13 As used in this chapter:

14 (1) “Commissioner” means the Commissioner for Children and
15 Families.

16 (2) “Community-based shelter” means a shelter that meets the Vermont
17 Housing Opportunity Grant Program’s Standards of Provision of Assistance.

18 (3) “Department” means the Department for Children and Families.

19 (4) “Household” means an individual and any dependents for whom the
20 individual is legally responsible and who live in Vermont. “Household”

1 ~~includes individuals who reside together as one economic unit, including those~~
2 ~~who are married, parties to a civil union, or unmarried.~~

3 (2) “Statewide vacancy rate” means the Vermont-specific rental vacancy
4 rate as reported by the U.S. Census Bureau.

5 § 2202. ESTABLISHMENT; EMERGENCY TEMPORARY SHELTER
6 PROGRAM

7 (a) The Emergency Temporary Shelter Program is established within the
8 Department for Children and Families for the purpose of temporarily
9 sheltering households pursuant to the eligibility criteria in section 2203 of this
10 chapter in a manner that ensures participant dignity and leads to greater
11 stability.

12 (b) Permissible shelter provided through this Program shall:

13 (1) include:

14 (A) community-based shelter provided by housing and shelter
15 operators, including community-based shelters for designated populations; and

16 (B) hotel and motel rooms only after the Department has exhausted
17 other means of providing community-based shelter; and

18 (2) limit relocation between community-based shelter sites.

19 (c)(1) If there is inadequate community-based shelter space available for a
20 household within the Agency of Human Services district in which the
21 ~~household presents itself, the household shall be provided shelter in a hotel or~~

1 ~~hotel within the district, if available, until adequate community-based shelter~~
2 ~~space becomes available in the district.~~

3 (2) Annually, the Department shall propose hotel and motel rates
4 through the budget process for consideration and approval by the General
5 Assembly. If the Department determines that a contractual agreement with a
6 hotel or motel operator to secure temporary emergency shelter capacity is
7 beneficial to improve the quality, cleanliness, or access to services for those
8 households temporarily sheltered in the facility, the Department shall be
9 authorized to enter into such an agreement in accordance with the per-room
10 rate established by the General Assembly; provided, however, that in no event
11 shall such an agreement cause a household to become unhoused. The
12 Department may include provisions to address access to services or related
13 needs within the contractual agreement.

14 (3) The use of hotel and motel rooms shall be contingent on a
15 participating hotel or motel complying with the public accommodation act
16 pursuant to 9 V.S.A. chapter 139, holding a lodging license issued by the
17 Vermont Department of Health, and complying with the Licensed Lodging
18 Establishment Rule and the Vermont Fire and Building Safety Code. The
19 Department may withhold full or partial payment to any hotel or motel
20 operator who violates any law or rule or whose lodging license is suspended,
21 revoked, expired, or otherwise invalid. Specifically, the Department may

1 ~~withhold full or partial payment to hotel or motel operators to whom the~~
2 Department of Health has issued a conditional license, abatement order,
3 warning letter, or other notice of violation. Likewise, the Department may
4 withhold full or partial payment to hotel or motel operators who have received
5 notices from other State agencies that indicate that the hotel or motel operator
6 has violated a law or rule. Once the Department is satisfied that the hotel or
7 motel operator is complying with the law and any corresponding rules, the
8 Department shall begin or resume payments at the contracted rate for lodging
9 once the violation ended. The Department may provide all, some, or none of
10 the payments withheld based on the nature and extent of the legal violations
11 and the effects of those violations on Emergency Temporary Shelter Program
12 households.

13 § 2203. HOUSEHOLD ELIGIBILITY

14 To be eligible for the Program established in this chapter, a household shall
15 attest to lack of a fixed, regular, and adequate nighttime residence and have a
16 member who:

17 (1) is 60 years of age or older;

18 (2) has a disability that can be documented by:

19 (A) written verification of the disability from a professional licensed

20 by the State to diagnose and treat the disability and certification that the

disability is expected to be long continuing or of indefinite duration and

substantially impedes the individual's ability to live independently;

(B) written verification from the Social Security Administration;

(C) receipt of a disability check;

(D) in a staff-recorded observation of a disability that, not later than 45 days after the application for assistance, is confirmed and accompanied by evidence of this; or

(E) other documentation approved by either the Department or the U.S. Department of Housing and Urban Development;

(3) is experiencing a serious short-term medical condition or has been discharged from a health care facility where the individual was being treated for a serious short-term medical condition within the last 30 days;

(4) is a child under 19 years of age;

(5) is in the third trimester of pregnancy or is experiencing an at-risk pregnancy;

(6) has experienced the death of a spouse or domestic partner within the last 30 days;

(7) has experienced a natural disaster, such as a flood, fire, or hurricane, within the last 30 days;

(8) is under a court-ordered eviction or constructive eviction due to

circumstances over which the household has no control, or

~~(2) is experiencing domestic violence, dating violence, sexual assault, stalking, human trafficking, hate violence, or other dangerous or life-threatening conditions that relate to violence against the individual or a household member.~~

§ 2204. MAXIMUM DAYS OF ELIGIBILITY

(a) The maximum number of days that a household receives shelter in a hotel or motel under this Program, per 12-month period, shall be determined by the statewide vacancy rate. If the statewide vacancy rate is:

(1) less than five percent at the household's time of application, the household shall receive a maximum of 90 sheltered days under this Program per 12-month period; or

(2) is equal to or greater than five percent at the household's time of application, the household shall receive a maximum of 45 sheltered days under this Program per 12-month period.

(b) No periods of ineligibility shall be imposed on the use of a household's maximum permitted sheltered days.

§ 2205. HOUSEHOLD PARTICIPATION

Unless the head of the household has a disability as evidenced by subdivision 2203(2) of this chapter that prevents the head of household's ability to participate in coordinated entry and case management processes,

~~participating household sheltered pursuant to this chapter shall participate in~~

~~coordinated entry and case management processes if temporary emergency~~

~~shelter in excess of 14 days is required, including cooperating with the~~

~~Department and service providers on screening and care planning.~~

§ 2206. APPLICATION; NOTICE; APPEALS

(a) All program applications and notices shall use plain language.

(b) The Department shall provide written notice, and notice in the household's preferred form of communication, of appeal rights related to departmental decisions made in the course of administering the Program established in this chapter, including appeal rights related to the denial of an initial application.

(c) A household sheltered in accordance with this Program may continue to remain sheltered while the appeal is pending until the household's maximum sheltered days for the current 12-month period have expired.

§ 2207. MONTHLY REPORTING

Monthly, the Department shall post the following on its website:

(1) the annual total and average monthly number of households participating in the Program by household size, by eligibility category, and by each Agency of Human Services district;

(2) the number of alternative housing placements made during the previous reporting period compared with the targeted number of placements

~~for that period;~~

1 ~~(3) of the households successfully placed in alternative housing during~~
2 the previous month, the number of households whose screening indicated a
3 potential need for services from each department within the Agency of Human
4 Services;

5 (4) the number of beds available for emergency housing in each Agency
6 of Human Services district in the State, with separate reporting on the number
7 of beds available in nursing homes and residential care homes for individuals
8 whose screening indicates they could meet the clinical criteria for those
9 settings and the number of emergency beds available for individuals whose
10 screening indicates they do not meet the clinical criteria, including low-barrier
11 shelters, beds for youth, and beds for individuals who have experienced
12 domestic violence;

13 (5) the number of households that have been successfully transitioned to
14 an alternative housing placement since the previous report was issued and the
15 types of housing settings in which they have been placed;

16 (6) the outlook for transitioning additional households to alternative
17 housing placements in the coming months, including an estimate of the
18 number of households likely to be placed per month;

19 (7) the number of and demographic information for households
20 obtaining shelter due to adverse weather conditions pursuant to section 2203 of
21 this chapter, and

1 ~~(8) the total amount of funds expended during the most recent quarter~~
2 on housing placements and supportive services for households transitioning
3 from the Program established in this chapter.

4 § 2208. WINTER SHELTER

5 To the extent funding and capacity exists and notwithstanding any
6 provisions of this chapter to the contrary, the Department shall provide shelter
7 to households lacking a fixed, regular, adequate, nighttime residence between
8 November 15 and April 15. If there is inadequate community-based shelter
9 space available within the Agency of Human Services district in which the
10 household presents itself, the household shall be provided shelter in a hotel or
11 motel within the district, if available, until adequate community-based shelter
12 space becomes available in the district. Shelter in a hotel or motel provided
13 pursuant to this section shall not count toward the maximum days of eligibility
14 per 12-month period provided in section 2204 of this chapter.

15 * * *

16 Sec. 5. RULEMAKING; EMERGENCY TEMPORARY SHELTER

17 PROGRAM

18 On or before February 15, 2026, the Department for Children and Families
19 shall file an initial permanent proposed rule with the Secretary of State
20 pursuant to 3 V.S.A. § 836(a)(2) for the administration of the Emergency
21 Temporary Shelter Program established pursuant to 33 V.S.A. Chapter 22.

1 ~~Prior to the adoption of the permanent rule, the Department shall file an~~
2 ~~emergency rule, which shall be deemed to have met the emergency rulemaking~~
3 ~~standard in 3 V.S.A. § 844(a), to enable the operation of the Emergency~~
4 ~~Temporary Shelter Program beginning on July 1, 2026.~~

5 * * * Sunset of General Assistance Emergency Housing Program * * *

6 Sec. 6. 33 V.S.A. § 2115 is amended to read:

7 § 2115. ~~GENERAL ASSISTANCE PROGRAM REPORT~~

8 ~~On or before September 1 of each year, the Commissioner for Children and~~
9 ~~Families shall submit a written report to the Joint Fiscal Committee; the House~~
10 ~~Committees on Appropriations, on General, Housing, and Military Affairs, and~~
11 ~~on Human Services; and the Senate Committees on Appropriations and on~~
12 ~~Health and Welfare. The report shall contain the following:~~

13 ~~(1) an evaluation of the General Assistance program during the previous~~
14 ~~fiscal year;~~

15 ~~(2) any recommendations for changes to the program;~~

16 ~~(3) a plan for continued implementation of the program;~~

17 ~~(4) statewide statistics using deidentified data related to the use of~~
18 ~~emergency housing vouchers during the preceding State fiscal year, including~~
19 ~~demographic information, client data, shelter and motel usage rates, clients'~~
20 ~~primary stated cause of homelessness, and average lengths of stay in~~

21 ~~emergency housing by demographic group and by type of housing, and~~

1 ~~(5) other information the Commissioner deems appropriate. [Repealed]~~

2 Sec. 7. SUNSET; GENERAL ASSISTANCE EMERGENCY HOUSING

3 PROGRAM

4 The General Assistance Emergency Housing Program shall cease to exist on

5 July 1, 2026 and all related rules shall become ineffective on that date,

6 including those portions of Department for Children and Families, General

7 Assistance (CVR 13-170.260) as amended by the Department for Children and

8 Families under Secretary of State rule filing number 24-P42 and any future

9 rule adopted by the Department pertaining to emergency housing.

10 * * * Effective Dates * * *

11 Sec. 8. EFFECTIVE DATES

12 This section, Sec. 1 (legislative intent), and Sec. 2 (Emergency Temporary

13 Shelter Program Advisory Committee) shall take effect on passage, and all

14 remaining sections shall take effect on July 1, 2026.

* * * Findings and Legislative Intent * * *

Sec. 1. FINDINGS

The General Assembly finds that:

(1) according to the U.S. Department of Housing and Urban
Development's 2024 Annual Homelessness Assessment Report, Vermont had
the fourth highest rate of homelessness in 2024 in that 55 of every 10,000

Vermonters are experiencing homelessness with only Hawaii, New York, and Oregon experiencing higher rates;

(2) in 2023, according to the same Annual Homelessness Assessment Report, 51 of every 10,000 Vermonters were experiencing homelessness;

(3) according to the Vermont 2024 Point-in-Time Count, there were approximately 3,458 unhoused individuals in Vermont, which represents a 300 percent increase over the 1,110 unhoused individuals prior to the COVID-19 pandemic in 2020;

(4) of the 3,458 unhoused individuals in Vermont identified by the Vermont 2024 Point-in-Time Count, 166 experienced unsheltered homelessness, which is the highest count of unsheltered homeless individuals in Vermont within the past decade;

(5) according to the Vermont 2024 Point-in-Time Count, over 35 percent of those Vermonters experiencing homelessness were unhoused for more than one year and over 72 percent were unhoused for more than 90 days;

(6) according to the Vermont 2024 Point-in-Time Count, 737 of those Vermonters experiencing homelessness were children and youth under 18 years of age and 646 were 55 years of age or older;

(7) according to the Vermont 2024 Point-in-Time Count, Black Vermonters are 5.6 times more likely to be unhoused as compared to white Vermonters,

~~(8) the 2024 Vermont Housing Needs Assessment notes that 36,000 primary homes are needed in Vermont between 2025–2029, 3,295 of which are needed to address homelessness; and~~

~~(9) the 2024 Vermont Housing Needs Assessment notes that “[h]alf of all Vermont renters are cost-burdened, and one-in-four pay more than 50 [percent] of their income on housing costs, putting them at high risk of eviction,” which “is heightened by Vermont’s rental vacancy rate of 3 [percent], which is well below the 5 [percent] rate of a healthy market.”~~

~~Sec. 2. LEGISLATIVE INTENT~~

~~(a) It is the intent of the General Assembly that unsheltered homelessness be eliminated and that homelessness in Vermont be rare, brief, and nonrecurring.~~

~~(b) It is the intent of the General Assembly that the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established in 33 V.S.A. chapter 22 is a step toward ensuring that:~~

~~(1) homelessness be reduced in Vermont and interim shelter opportunities be available to provide a stable pathway to permanent housing for all Vermonters experiencing homelessness, including safe shelter options for individuals living in unsheltered homelessness;~~

~~(2) Vermont increase the supply of emergency shelter as well as permanent supportive housing that meets the specific needs of individuals,~~

~~(3) community components of all shelter types are integrated in a systemic manner;~~

~~(4) time limits, night-by-night shelter, relocation between interim shelter sites, and other disruptions in housing stability be eliminated to the extent possible;~~

~~(5) Vermont's emergency housing statutes, rules, policies, procedures, and practices be modeled on Housing First principles; and~~

~~(6) noncongregate shelter be used to the extent possible.~~

~~(c) It is the intent of the General Assembly that the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established in 33 V.S.A. chapter 22 replaces the provision of emergency housing through the General Assistance Program established in 33 V.S.A. chapter 21 and the Housing Opportunity Grant Program.~~

~~* * * Vermont Homeless Emergency Assistance and Responsive Transition to
Housing Program * * *~~

~~Sec. 3. 33 V.S.A. chapter 22 is added to read:~~

~~CHAPTER 22. VERMONT HOMELESS EMERGENCY ASSISTANCE AND
RESPONSIVE TRANSITION TO HOUSING PROGRAM~~

~~§ 2201. SHORT TITLE~~

~~The Program established in this chapter may be cited as "VHEARTH" or
the "VHEARTH Program."~~

§ 2202. PURPOSE

It is the purpose of the General Assembly to replace the provision of emergency housing through the General Assistance Program established in chapter 21 of this title and the Housing Opportunity Grant Program and use funds and resources previously attributed to those programs, and any other identified State and federal monies, to fund the Vermont Homeless Emergency Assistance and Response Transition to Housing Program established in this chapter.

§ 2203. DEFINITIONS

As used in this chapter:

- (1) “At-risk of homelessness” means in peril of imminently losing a primary, night-time residence or precariously housed.
- (2) “Community action agency” means an agency designated pursuant to 3 V.S.A. chapter 59.
- (3) “Community-based shelter” means a shelter that meets the Department’s standards for the operation of shelters.
- (4) “Department” means the Department for Children and Families.
- (5) “Extreme weather event” means extreme hot or cold temperatures or weather events, such as hurricanes, flooding, or blizzards, that create hazardous conditions for outdoor habitation by humans.

~~(6) "Homeless" means lacking a fixed, regular, and adequate nighttime residence.~~

~~(7) "Household" means an individual and any dependents for whom the individual is legally responsible and who live and intend to stay in Vermont. "Household" includes individuals who reside together as one economic unit, including those who are married, parties to a civil union, or unmarried.~~

~~(8) "Unsheltered homelessness" means sleeping in a location not designed for or ordinarily used as a regular sleeping accommodation.~~

~~§ 2204. ESTABLISHMENT; VERMONT HOMELESS EMERGENCY~~

~~ASSISTANCE AND RESPONSIVE TRANSITION TO HOUSING
PROGRAM~~

~~(a) The Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program is established in the Department and shall be operated by community action agencies and a statewide organization serving households that are experiencing or that have experienced domestic or sexual violence, to the extent funds exist.~~

~~(b) Community action agencies shall collaborate with other community partners, including municipalities, the Chittenden County Homeless Alliance, Balance of State Continuum of Care, and local housing coalitions. The Program shall utilize coordinated entry and shall utilize, but not duplicate, the work of the community partners. It shall include the following components.~~

(1) supportive services pursuant to section 2205 of this chapter to assist households experiencing homelessness or those households that are at-risk of homelessness pursuant to section 2205 of this chapter:

(2) extreme weather event shelters operated or caused to be operated by a community action agency pursuant section 2206 of this chapter; and

(3) emergency shelters operated or caused to be operated by a community action agency pursuant to section 2207 of this chapter.

(c) The Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program shall include supportive services and shelters specific to households that are experiencing or that have experienced domestic and sexual violence, which shall be provided or caused to be provided by a statewide organization with population-specific service experience pursuant to section 2208 of this section.

§ 2205. SUPPORTIVE SERVICES

A community action agency, in collaboration with other community partners, shall offer or cause to be offered the following supportive services, which may vary in terms of manner and extent depending on the level of shelter a household utilizes or whether the household is at risk of homelessness or experiencing homelessness:

(1) intake assessments and services for diversion from homelessness;

(2) household needs assessments,

(3) individualized household plans to address identified needs;

(4) assistance obtaining and retaining housing, including financial assistance;

(5) referrals to other services and supports;

(6) peer-supported services;

(7) landlord-tenant outreach, education, and conflict resolution;

(8) housing navigation services;

(9) advocacy; and

(10) progress monitoring and interventions.

§ 2206. EXTREME WEATHER EVENT SHELTER

A community action agency shall operate or cause to be operated shelters in the State that shall be used during extreme weather events to shelter any homeless individual who seeks shelter. The community action agencies, in collaboration with community partners, shall prioritize funding for extreme weather event shelters by utilizing data available under this section and considering geographic access. A shelter offered pursuant to this section during an extreme weather event may include time-limited congregate accommodations and may be provided through agreements to municipalities or other entities.

§ 2207. EMERGENCY SHELTERS

~~(a) Temporary shelter. At a minimum, a community action agency shall serve or cause to be served in a manner that complies with and builds upon the federally required community planning process, households that are prioritized and in need of the services of a temporary shelter. A community action agency may provide or cause to be provided temporary shelter through community-based shelters, temporary use of hotels or motels, lease agreements for full or partial use of an existing building, need-specific shelter arrangements, or other arrangements or combinations of arrangements that comply with the intent of this chapter.~~

~~(b) Transitional shelter. A community action agency shall serve or cause to be served households in its region in need of the services of a transitional shelter in a manner that complies with and builds upon the federally required community planning process. A community action agency may provide or cause to be provided transitional shelter through community-based shelter, master grant leases, developing shelter capacity, or other arrangements or combinations of arrangements that comply with the intent of this chapter.~~

§ 2208. SUPPORTIVE AND SHELTER SERVICES FOR HOUSEHOLDS

IMPACTED BY DOMESTIC AND SEXUAL VIOLENCE

~~As part of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program, the Department shall enter into an agreement with a statewide organization with population-specific experience serving~~

~~households that are experiencing or that have experienced domestic and sexual violence. The organization shall provide or cause to be provided various shelter and case management services that support households.~~

§ 2209. VNEARTH; DUTIES OF COMMUNITY ACTION AGENCIES

~~(a) The community action agencies shall serve or cause to be served households that are experiencing homelessness or that are at risk of homelessness in the State by providing supportive services, extreme weather event shelter, or emergency shelter pursuant to sections 2204–2207 of this chapter. If a community action agency cannot fulfil its responsibilities under this chapter, the Department shall work with other community action agencies or other appropriate community entities to ensure that there is not a gap in services in a community action agency’s region.~~

~~(b) A community action agency providing or causing to provide services in accordance with this chapter shall:~~

~~(1) have existing or planned infrastructure to support households in the region, including an established leadership team, a human resources staff, and the ability to receive grant funding and issue subgrants;~~

~~(2) have the ability to meet the Department’s reporting requirements, including past history of reporting compliance;~~

~~(3) have community connections with other providers in the region, including local housing coalitions, housing providers, providers of coordinated~~

~~entry; and providers of services to individuals who are older Vermonters; individuals who have disabilities, substance use disorder, or a mental health condition; individuals reentering the community after incarceration; individuals transitioning from the care and custody of the Commissioner for Children and Families; and families with children; and~~

~~(4) provide plain language communications to households receiving services.~~

§ 2210. VHEARTH; DUTIES OF THE DEPARTMENT

~~(a) The Agency of Human Services, working with the Department, shall have statewide responsibility for meeting the intent of this chapter, including statewide planning, system development, and the involvement of all the Agency's departments.~~

~~(b) For the purpose of providing administrative oversight and monitoring of the Program established in this chapter, the Department shall:~~

~~(1)(A) adopt guidance regarding when extreme weather event shelters shall be operated, including flexibility for regional weather conditions; and~~

~~(B) maintain a website with the locations of all extreme weather event shelters;~~

~~(2) include as part of any review of a community action agency required pursuant to 3 V.S.A. chapter 59, the community action agency's ability to perform the requirements of this chapter,~~

~~(3)(4) consult with the community action agencies and the statewide organization serving households that are experiencing or that have experienced domestic and sexual violence pursuant to section 2208 of this chapter, to develop appropriate resource allocations and methods for adjustment that take into account available data, the presence of community-based providers, and customary resource allocation methods, economic indicators, rate of homelessness, rental vacancy rates, and other variables, as appropriate; and~~

~~(B) annually, distribute funding to each community action agency and the statewide organization serving households that are experiencing or that have experienced domestic and sexual violence pursuant to section 2208 of this chapter using the allocation formula developed pursuant to subdivision (A) of this subdivision (3), or if the Department and community action agencies agree, disperse a joint allocation for all community action agencies, which the community action agencies shall determine how to distribute amongst themselves;~~

~~(4) consult with the community action agencies and the statewide organization serving households that are experiencing or that have experienced domestic and sexual violence pursuant to section 2208 of this chapter to develop appropriate measures and methods for accountability of the community action agencies and the statewide organization's execution of~~

~~duties under this chapter, including the provision of any previously agreed upon information to enable the Department to evaluate the services provided through grant funds, the effect on households receiving services, and an accounting of expended grant funds;~~

~~(5) provide support and technical assistance to the community action agencies, other community partners, and the statewide organization serving households that are experiencing or that have experienced domestic and sexual violence pursuant to section 2208 of this chapter;~~

~~(6) identify specific administrative resources that could be transitioned to community operations;~~

~~(7) develop and submit standards for the operation of community-based shelters;~~

~~(8) adopt rules pursuant to 3 V.S.A. chapter 25, in consultation with the community action agencies and the statewide organization serving households that are experiencing or that have experienced domestic and sexual violence pursuant to section 2208 of this chapter; as appropriate, for the implementation of this chapter, including accommodations for individuals with a disability.~~

§ 2211. REGIONAL PLANNING; NEEDS ASSESSMENTS

~~(a) As part of the plan required pursuant to 3 V.S.A. chapter 59 and the federally required planning and needs assessments for the continuums of care,~~

~~the community action agencies shall develop a regional needs assessment and planning process, in collaboration with community and State partners, for use in each community action agency's region to inform future plans addressing housing and homelessness in each region of the State. The plans shall include:~~

~~(1) addressing progress in reducing the number of households experiencing homelessness in a region;~~

~~(2) assessing the rate households placed in permanent housing return to homelessness and the underlying reasons;~~

~~(3) identifying resources developed and utilized in the region to address homelessness;~~

~~(4) reporting the rate of household participation with coordinated entry processes and case management services;~~

~~(5) identifying system gaps and the funding needed to address those gaps, including periodic inflationary adjustments; and~~

~~(6) utilizing data, including Vermont's Point-in-Time Count, coordinated entry assessment results, and community conversations.~~

~~(b) Each community action agency shall submit plans developed pursuant to this section to the Department in a format prescribed by the Department. The Department shall aggregate the results of these reports and submit the aggregated report to the House Committee on Human Services and to the Senate Committee on Health and Welfare.~~

~~§ 2212. USE OF HOTEL AND MOTEL ROOMS~~

~~(a) Hotels and motels providing emergency shelter pursuant to this chapter shall comply with Program rules and shall comply with the following:~~

~~(1) Department of Health, Licensed Lodging Establishment Rule (CVR 13-140-023); and~~

~~(2) Department of Public Safety, Vermont Fire and Building Safety Code (CVR 28-070-001).~~

~~(b) Annually, the Department shall propose hotel and motel rates as part of its budget presentation for approval by the General Assembly. A community action agency shall not pay or cause to be paid with State monies a per room, per night basis that exceeds the rate approved by the General Assembly.~~

~~(c) To the extent possible, if a hotel or motel is being utilized:~~

~~(1) a community action agency shall enter into agreements for the use of blocks of hotel and motel rooms and negotiate the conditions of use for those blocks, including access for providers of case management or other supportive services; and~~

~~(2) prioritize the use of hotel and motel room agreements over individual per-room, per-night hotel or motel room use, unless it is not appropriate to a household's needs.~~

~~Sec. 4. VERMONT HOMELESS EMERGENCY ASSISTANCE AND~~

~~RESPONSIVE TRANSITION TO HOUSING PROGRAM~~

IMPLEMENTATION ADVISORY COMMITTEE

(a) Creation. There is created the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program Implementation Advisory Committee to provide advice and recommendations to the Commissioner for Children and Families and to the community action agencies as defined in 33 V.S.A. chapter 22 regarding the design, implementation, and transition to the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established in 33 V.S.A. chapter 22, including advice and recommendations on the implementation plan required pursuant to Sec. 5 of this act.

(b) Membership. The Advisory Committee's membership shall reflect the growing diversity among Vermonters, including individuals who are Black, Indigenous, and Persons of Color; as well as with regard to socioeconomic status, geographic location, gender, sexual identity, and disability status and shall be composed of:

(1) five representatives with lived experience of homelessness, appointed by the Chittenden County Homeless Alliance and the Balance of State Continuum of Care;

(2) five representatives, one appointed by each of the community action agencies,

~~(3) one representative, appointed by the Chittenden County Homeless Alliance;~~

~~(4) one representative, appointed by the Balance of State Continuum of Care;~~

~~(5) five representatives of local housing coalitions, including at least two of whom are shelter providers, appointed jointly by the Chittenden County Homeless Alliance and the Balance of State Continuum of Care;~~

~~(6) the Deputy Commissioner of the Department for Children and Families' Economic Services Division or designee; and~~

~~(7) the Director of the Department for Children and Families' Office of Economic Opportunity or designee.~~

~~(c) Assistance. The Advisory Committee shall have the administrative, technical, and legal assistance of the Department for Children and Families.~~

~~(d) Meetings.~~

~~(1) The Commissioner shall call the first meeting of the Advisory Committee to occur on or before July 15, 2025.~~

~~(2) The Committee shall select co-chairs from among its members at the first meeting at least one of whom is not a State employee.~~

~~(3) A majority of the membership shall constitute a quorum.~~

~~(4) The Advisory Committee may divide into subcommittees to carry out its duties under this section and subcommittees may include individuals not~~

~~appointed to the Advisory Committee pursuant to subsection (b) of this section, including representatives of individuals who are older Vermonters, individuals who have disabilities, substance use disorder, or a mental health condition; individuals reentering the community after incarceration; individuals transitioning from the care and custody of the Commissioner for Children and Families; and families with children.~~

~~(e) Compensation and reimbursement. Members of the Advisory Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 12 meetings annually. These payments shall be made from monies appropriated to the Department.~~

~~(f) Sunset. The Advisory Committee shall cease to exist on July 1, 2029.~~

Sec. 5. IMPLEMENTATION PLAN

~~On or before February 1, 2026, the Department for Children and Families, in collaboration with community action agencies and in consultation with the departments of the Agency of Human Services and the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program Implementation Advisory Committee established pursuant to Sec. 4 of this act, shall submit a plan to the House Committee on Human Services and to the Senate Committee on Health and Welfare for the implementation of the Vermont Homeless Emergency Assistance and Responsive Transition to~~

~~Housing Program established by 22 V.S. 4, chapter 22 that ensures maximum flexibility for the use of resources and streamlines processes for Program participants. Specifically, the implementation plan shall address:~~

~~(1) funding allocations among the community action agencies and other providers, including for services specific to households that are experiencing or that have experienced domestic or sexual violence;~~

~~(2) additional State and federal funding and other resources identified for the Program;~~

~~(3) appropriate measures and methods of accountability in fulfilling the intent of this act for community action agencies, the organization serving households that are experiencing or that have experienced domestic and sexual violence, and community partners;~~

~~(4) appropriate supportive services specific to the level of shelter a household utilizes, or whether the household is at risk of homelessness, or experiencing unsheltered homelessness;~~

~~(5) establishing an appeals process that includes a hearing before the Human Services Board and an option for an expedited appeals process;~~

~~(6) expanded use of 211 within the intake system;~~

~~(7) whether continuation in emergency shelter should include an expectation regarding household participation in case management services or other expectations such as night limits on the use of hotels and motels, and if~~

~~so, what elements and in what circumstances participation in case management services or other expectations should be applied;~~

~~(8) whether the use of emergency shelter should include financial participation, and if so, what that participation should include;~~

~~(9) how prioritization should occur for emergency temporary shelter and what priority categories should exist within those parameters;~~

~~(10) how to best ensure that there is equitable access to shelter and supportive services for households experiencing homelessness;~~

~~(11) the appropriate level of required intake and assessment processes for each of the various levels of shelter that a household may utilize for households that are at risk of homelessness and for households experiencing unsheltered homelessness; and~~

~~(12) any anticipated challenges requiring a legislative solution.~~

~~*** Community Action Agencies ***~~

~~Sec. 6. 3 V.S.A. chapter 59 is amended to read:~~

~~CHAPTER 59. COMMUNITY SERVICES ACTION AGENCIES~~

~~§ 3901. FINDINGS AND PURPOSE~~

~~(a) Recognizing that the economic well-being and social equity of every Vermonter has long been a fundamental concern of the State, it remains evident that poverty continues to be the lot of a substantial number of Vermont's population continues to experience poverty. It is the policy of this~~

~~the State to help develop the full potential of each of its citizens so they can contribute to the fullest extent possible to the life of our communities and the State as a whole.~~

~~(b) It is the purpose of this chapter to strengthen, supplement, and coordinate efforts that further this policy through:~~

~~(1) the strengthening of community capabilities for planning, coordinating, and managing federal, State, and other sources of assistance related to the problem of poverty;~~

~~(2) the better organization and utilization of a range of services related to the needs of ~~the poor~~ individuals with low income; and~~

~~(3) the broadening of the resource base of programs to secure a more active role in assisting ~~the poor~~ individuals with low income from business, labor, and other groups from the private sector.~~

~~§ 3902. OFFICE OF ECONOMIC OPPORTUNITY~~

~~(a) The Director of the Office of Economic Opportunity is hereby authorized to allocate available financial assistance for community ~~services~~ action agencies and programs in accordance with State and federal law and regulation.~~

~~(b) The Director may provide financial assistance to community ~~services~~ action agencies for the planning, conduct, administration, and evaluation of community service action programs to provide a range of services and~~

~~activities having a measurable and potentially major impact on causes of poverty in the community or in areas of the community where poverty is a particularly acute problem. Components of those services and activities may involve, without limitation of other activities and supporting facilities designed to assist low-income participants with low income:~~

- ~~(1) to secure and retain meaningful employment;~~
- ~~(2) to obtain adequate education;~~
- ~~(3) to make better use of available income;~~
- ~~(4) to provide and maintain adequate housing and a suitable living environment have access to safe, secure, permanent housing;~~
- ~~(5) to obtain prevention, intervention, treatment, and recovery services for the prevention of narcotics addiction, alcoholism, and for the rehabilitation of narcotic addicts and alcoholics individuals with substance use disorder;~~
- ~~(6) to obtain emergency assistance through loans and grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and unemployment-related assistance;~~
- ~~(7) to remove obstacles and solve personal and family problems which that block achievement of self-sufficiency;~~
- ~~(8) to achieve greater participation in the affairs of the community;~~

~~(9) to make more frequent and effective use of other programs related to the purposes of this chapter; and~~

~~(10) to coordinate and establish linkages between governmental and other social service programs to assure ensure the effective delivery of such services to ~~low-income~~ persons; with low income and to encourage the use of entities in the private sector of the community in efforts to ameliorate poverty in the community.~~

~~(c) The Director is authorized to adopt rules pursuant to chapter 25 of this title appropriate to the carrying out of this chapter and the purposes thereof.~~

~~§ 3903. DESIGNATION OF AGENCIES TO PROVIDE SERVICES AND
ACTIVITIES TO AMELIORATE OR ELIMINATE POVERTY~~

~~The Director shall designate private nonprofit community based organizations ~~who~~ that have demonstrated or ~~who~~ that can demonstrate the ability to provide services and activities as defined in subsection 3902(b) of this title as community ~~services~~ action agencies.~~

~~§ 3904. COMMUNITY ~~SERVICES~~ ACTION AGENCY PLAN~~

~~Each designated community ~~services~~ action agency shall determine the need for activities and services within the area served by the agency and shall thereafter prepare a community services plan ~~which~~ that describes the method by which the agency will provide those services. The plan shall include a schedule for the anticipated provision of new or additional services and shall~~

~~specify the resources which that are needed by and available to the agency to~~
~~implement the plan. The community services plan shall be completed every~~
~~three years and updated annually. The plan shall include the regional needs~~
~~assessment required under 33 V.S.A. § 2211.~~

§ 3905. COMMUNITY SERVICES ACTION AGENCIES;

ADMINISTRATION

~~(a) Each community services action agency shall administer its programs~~
~~as set out in the community services plan and as approved by its board of~~
~~directors.~~

~~(b) Each board of a nonprofit community-based organization that is~~
~~designated a community services action agency under section 3903 of this~~
~~chapter shall have an executive committee of not more than seven members~~
~~who shall be representative of the composition of the board and the board shall~~
~~be so constituted that:~~

~~* * *~~

~~(2) one-third of the members of the board are persons chosen in~~
~~accordance with election procedures adequate to ~~assure~~ ensure that they are~~
~~representative of ~~the poor~~ individuals with low income in the area served; and~~

~~(3) the remainder of the members of the board are officials or members~~
~~of business, industry, labor, religious, welfare, education, or other major~~
~~groups and interests in the community.~~

~~(e) Each member of the a board selected to represent a specific geographic area within a community shall reside in the area he or she the member represents. No person selected under subdivisions (2) or (3) of subsection (b) as a member of a board shall serve on such board for more than five consecutive years, or more than a total of 10 years. Each board shall adopt term limits to govern its members.~~

~~*** Appropriations ***~~

~~Sec. 7. APPROPRIATION; TRANSITION PLANNING~~

~~In fiscal year 2026, \$10,000,000.00 of one-time funding is appropriated from the General Fund as follows:~~

~~(1) \$6,500,000.00 to the Department for Children and Families for distribution to the community action agencies and the statewide organization serving households experiencing or who have experienced domestic and sexual violence;~~

~~(2) \$500,000.00 to the Department for Children and Families for contractual and other system transformation assistance; and~~

~~(3) \$3,000,000.00 to the Department for Children and Families for the continued development of shelter capacity in the State.~~

~~Sec. 8. FUTURE APPROPRIATIONS; LEGISLATIVE INTENT~~

~~It is the intent of the General Assembly that in fiscal year 2027 and thereafter, equivalent funds and resources, base and one-time, used in fiscal~~

~~year 2025, for General Assistance, emergency housing, and the Housing Opportunity Grant Program be redesignated for the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program pursuant to 33 V.S.A. chapter 22.~~

~~*** Effective Dates ***~~

~~Sec. 9. EFFECTIVE DATES~~

~~This act shall take effect on July 1, 2025, except that Sec. 3 (Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program) shall take effect on July 1, 2026.~~

~~*** Findings and Legislative Intent ***~~

~~Sec. 1. FINDINGS~~

~~The General Assembly finds that:~~

~~(1) according to the U.S. Department of Housing and Urban Development's 2024 Annual Homelessness Assessment Report, Vermont had the fourth highest rate of homelessness in 2024 in that 53 of every 10,000 Vermonters are experiencing homelessness, with only Hawaii, New York, and Oregon experiencing higher rates;~~

~~(2) in 2023, according to the same Annual Homelessness Assessment Report, 51 of every 10,000 Vermonters were experiencing homelessness;~~

~~(3) according to the Vermont 2024 Point-in-Time Count, there were approximately 5,458 unhoused individuals in Vermont, which represents a 300~~

~~percent increase over the 1,110 unhoused individuals prior to the COVID-19 pandemic in 2020;~~

~~(4) of the 3,458 unhoused individuals in Vermont identified by the Vermont 2024 Point-in-Time Count, 166 experienced unsheltered homelessness, which is the highest count of unsheltered homeless individuals in Vermont within the past decade;~~

~~(5) according to the Vermont 2024 Point-in-Time Count, over 35 percent of those Vermonters experiencing homelessness were unhoused for more than one year and over 72 percent were unhoused for more than 90 days;~~

~~(6) according to the Vermont 2024 Point-in-Time Count, 737 of those Vermonters experiencing homelessness were children and youth under 18 years of age and 646 were 55 years of age or older;~~

~~(7) according to the Vermont 2024 Point-in-Time Count, Black Vermonters are 5.6 times more likely to be unhoused as compared to white Vermonters;~~

~~(8) the 2024 Vermont Housing Needs Assessment notes that 36,000 primary homes are needed in Vermont between 2025–2029, 3,295 of which are needed to address homelessness;~~

~~(9) the 2024 Vermont Housing Needs Assessment notes that “[h]alf of all Vermont renters are cost-burdened, and one-in-four pay more than 50 [percent] of their income on housing costs, putting them at high risk of~~

eviction,” which “is heightened by Vermont’s rental vacancy rate of 2 [percent], which is well below the 5 [percent] rate of a healthy market”; and
(10) since 2020, the Vermont Housing and Conservation Board has constructed 170 new single-family homeownership units and 269 new shelter beds.

Sec. 2. LEGISLATIVE INTENT

(a) It is the intent of the General Assembly that unsheltered homelessness be eliminated and that homelessness in Vermont be rare, brief, and nonrecurring.

(b) It is the intent of the General Assembly that the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established in 33 V.S.A. chapter 22 is a step toward ensuring that:

(1) homelessness be reduced in Vermont and interim shelter opportunities be available to provide a stable pathway to permanent housing for all Vermonters experiencing homelessness, including safe shelter options for individuals living in unsheltered homelessness;

(2) Vermont increase the supply of emergency shelter as well as permanent supportive housing that meets the specific needs of individuals;

(3) community components of all shelter types are integrated in a systemic manner,

(4) time limits, night by night shelter, relocation between interim shelter sites, and other disruptions in housing stability be eliminated to the extent possible;

(5) Vermont's emergency housing statutes, rules, policies, procedures, and practices be modeled on Housing First principles where appropriate;

(6) noncongregate shelter be used to the extent possible; and

(7) Vermont reduce reliance on the inefficient use of hotel and motel rooms to shelter participating households and expand the use of emergency shelters throughout the State for this purpose.

(c) It is the intent of the General Assembly that the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established in 33 V.S.A. chapter 22 replaces the provision of emergency housing through the General Assistance Program established in 33 V.S.A. chapter 21 beginning in fiscal year 2027 and the Housing Opportunity Grant Program beginning in fiscal year 2028.

** * * Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program; Effective July 1, 2025 * * **

Sec. 3. 33 V.S.A. chapter 22 is added to read:

*CHAPTER 22. VERMONT HOMELESS EMERGENCY ASSISTANCE AND
RESPONSIVE TRANSITION TO HOUSING PROGRAM*

§ 2201. SHORT TITLE

The Program established in this chapter may be cited as “VHEARTH” or the “VHEARTH Program.”

§ 2202. PURPOSE

It is the purpose of the General Assembly to:

(1) replace the provision of emergency housing through the General Assistance Program established in chapter 21 of this title and use funds and resources previously attributed to this program, and any other identified State and federal monies, to fund the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established in this chapter;

(2) reduce reliance on the inefficient use of hotel and motel rooms to shelter participating households and expand the use of emergency shelters throughout the State for this purpose; and

(3) assist in maintaining housing for households at-risk of homelessness and transition households experiencing homelessness to permanent housing.

§ 2203. DEFINITIONS

As used in this chapter:

(1) “At-risk of homelessness” means precariously housed without sufficient income, resources, or support to prevent homelessness.

(2) “Community action agency” means an agency designated pursuant to 5 V.S.A. Chapter 59.

~~(3) “Community-based shelter” means a shelter that meets the Department’s standards for the operation of shelters.~~

~~(4) “Department” means the Department for Children and Families.~~

~~(5) “Extreme weather event” means extreme hot or cold temperatures or weather events, such as hurricanes, flooding, or blizzards, that create hazardous conditions for outdoor habitation by humans.~~

~~(6) “Homeless” means:~~

~~(A) lacking a fixed, regular, and adequate nighttime residence;~~

~~(B) facing imminent loss of primary nighttime residence;~~

~~(C) fleeing or attempting to flee domestic violence; or~~

~~(D) otherwise defined as homeless under federal law.~~

~~(7) “Household” means an individual and any dependents for whom the individual is legally responsible who are domiciled in Vermont as evidenced by an intent to dwell in Vermont and to return to Vermont if temporarily absent, coupled with an act or acts consistent with that intent. “Household” includes individuals who reside together as one economic unit, including those who are married, parties to a civil union, or unmarried.~~

~~(8) “Unsheltered homelessness” means sleeping in a location not designed for or ordinarily used as a regular sleeping accommodation.~~

~~(a) Each community action agency shall convene a regional advisory council whose membership reflects, to the extent possible, the growing diversity among Vermonters, including individuals who are Black, Indigenous, and Persons of Color, as well as with regards to socioeconomic status, geographic location, gender, sexual identity, and disability status. Members of an advisory council shall include organizations providing services in the region, the Department, and representatives of the Agency and each department of the Agency as needed. A regional advisory council may collaborate with individuals with lived experience of homelessness, community partners, State partners, housing providers, local housing coalitions, statewide homelessness organizations, providers of coordinated entry, continuums of care, faith-based organizations, and municipalities in the region served by the community action agency.~~

~~(b) Each regional advisory council shall provide advice and recommendations to the community action agency in its region regarding the design and implementation of the Program. The work of each regional advisory council shall be informed by regional planning commissions' housing targets.~~

~~(c) Each regional advisory council shall meet on at least a quarterly basis.~~

~~(d) The regional advisory councils shall have the legal and technical support of the Department.~~

~~*** Vermont Homeless Emergency Assistance and Responsive Transition to~~

~~Housing Program; Effective July 1, 2026 ***~~

~~Sec. 4. 33 V.S.A. chapter 22 is amended to read:~~

~~CHAPTER 22. VERMONT HOMELESS EMERGENCY ASSISTANCE AND
RESPONSIVE TRANSITION TO HOUSING PROGRAM~~

~~***~~

~~§ 2203. DEFINITIONS~~

~~As used in this chapter:~~

~~***~~

~~(2) "Community action agency" means an agency designated pursuant
to 3 V.S.A. chapter 59 or the entity or entities otherwise authorized by the
Department pursuant to section 2205 of this chapter to fulfill the duties of a
community action agency under this chapter.~~

~~***~~

~~§ 2204. ESTABLISHMENT; VERMONT HOMELESS EMERGENCY~~

~~ASSISTANCE AND RESPONSIVE TRANSITION TO HOUSING~~

~~PROGRAM~~

~~The Vermont Homeless Emergency Assistance and Responsive Transition to
Housing Program is established in the Department to provide services to
households that are homeless or at risk of becoming homeless, to the extent
funds exist.~~

~~(1) The Department shall select and enter into an agreement with a statewide organization that has population-specific service experience to provide or cause to be provided supportive services and shelter to those households that are experiencing or that have experienced domestic or sexual violence.~~

~~(2) All other participating households shall be served by or through a community action agency responsible for a geographically distinct region of the State. Community action agencies participating in the Program shall provide or cause to be provided supportive services, extreme weather event shelter, and emergency shelter.~~

§ 2205. AUTHORIZATION PROCESS, REAUTHORIZATION REVIEW

~~(a) The Department shall select and enter into an agreement with a statewide organization to provide or cause to be provided supportive services and shelter to those households that are experiencing or that have experienced domestic or sexual violence. The Department shall conduct regular reviews of the statewide organization to ensure compliance with this chapter. The statewide organization may be subject to corrective actions by the Department if, within the constraint of appropriated resources, it no longer meets the requirements of this chapter or has failed to adequately meet the needs of households that are experiencing or that have experienced domestic or sexual violence. If the statewide organization cannot fulfill its responsibilities under~~

~~this chapter, the Department shall work with another entity to ensure that there is not a gap in services.~~

~~(b)(1) The Department shall authorize a community action agency to serve or cause to be served households that are homeless or at risk of becoming homeless in a geographically distinct region of the State if it meets the criteria in this section. If a community action agency cannot fulfill its responsibilities under this chapter, the Department shall work with other community action agencies or other appropriate community entities to ensure that there is not a gap in services in a community action agency's region.~~

~~(2) A community action agency providing or causing to provide services in accordance with this chapter shall have:~~

~~(A) existing or planned infrastructure to support households in the region, including an established leadership team, a human resources staff, and the ability to receive grant funding and issue subgrants;~~

~~(B) the ability to meet the Department's reporting requirements, including having a past history of reporting compliance;~~

~~(C) the capacity to perform the core services required pursuant to section 2206 of this chapter,~~

~~(D) the capacity to seek and accept charitable contributions, grants, and services of volunteers, including money, clothing, and furniture;~~

~~(E) any outcome measures established in this chapter;~~

~~(F) community connections with other providers in the region, including local housing coalitions, housing providers, providers of coordinated entry, continuums of care, faith-based organizations, and providers of services to individuals who are older Vermonters; individuals who have disabilities, a substance use disorder, or a mental health condition; individuals reentering the community after incarceration; individuals transitioning from the care and custody of the Commissioner for Children and Families; and families with children; and~~

~~(G) the ability to provide plain language communications to households receiving services.~~

~~(3) Not less than every three years, the Department shall conduct a reauthorization review of each community action agency providing or causing to provide services pursuant to this chapter. An organization may be subject to corrective actions by the Department if, within the constraint of appropriated resources, it no longer meets the requirements in subdivision (2) of this subsection or has failed to adequately meet the needs of households in its region that are homeless or at risk of homelessness. Lack of compliance may result in the Department deciding not to reauthorize the community action~~

~~agency. The Department may review progress of any previously required
corrective actions and may review community action agency performance
between reauthorization reviews.~~

§ 2206. VHEARTH CORE SERVICES

~~(a) The Department shall enter into an agreement with a statewide
organization with population-specific experience serving households that are
experiencing or that have experienced domestic or sexual violence. The
organization shall provide or cause to be provided various shelter and case
management services that support households.~~

~~(b) Each community action agency shall offer or cause to be offered, in
collaboration with community partners, each of the following services within
its region:~~

~~(1) supportive services, including:~~

~~(A) intake assessments and services for diversion from homelessness,
which shall include regional intake shelters;~~

~~(B) household needs assessments;~~

~~(C) individualized household plans to address identified needs;~~

~~(D) housing navigation and retention services;~~

~~(E) assistance obtaining and retaining housing, including financial
assistance;~~

~~(F) landlord-tenant outreach, education, and conflict resolution,~~

(C) navigation to other services and supports as identified in the household's housing plan, including economic benefits, peer-supported services, job training and employment services, services related to disability and independent living, and referral to health care assistance such as treatment for mental health conditions and substance use disorder as provided by the designated and specialized services agencies and preferred providers, respectively;

(H) advocacy; and

(I) progress monitoring and interventions; and

(2) the operation of extreme weather event shelters, which may include time-limited congregate accommodations and may be provided through agreements with municipalities or other entities, utilizing available data and considering geographic access to prioritize funding for this purpose; and

(3) the operation of emergency shelters in a manner that builds upon the federally required community planning process and prioritizes households in need of the services of an emergency shelter, which may include community-based shelters, temporary use of hotels or motels, lease agreements for full or partial use of an existing building, need-specific shelter arrangements, master grant leases, the development of shelter capacity, or other arrangements or combinations of arrangements that comply with the intent of this chapter.

§ 2207. USE OF HOTEL AND MOTEL ROOMS

~~(a) It is the intent of the General Assembly to decrease reliance on hotel and motel rooms for emergency housing. Annually, as shelter capacity increases in each region of the State, the use of hotel and motel rooms for emergency housing in that region shall decrease. Annually, as part of the Department's budget presentation, the Department shall set goals for increased housing capacity, including shelter beds, permanent supportive housing, and permanent affordable housing, in addition to proposed corresponding decreases in the use of hotel and motel rooms. The Department shall provide data pertaining to the percentage of increased shelter capacity from the previous fiscal year in each region and how that increase impacts the corresponding hotel and motel room usage for emergency housing in each region pursuant to this subsection for the purpose of informing regional planning and expectations.~~

~~(b) If hotels and motels are used to provide emergency shelter pursuant to this chapter, the hotel and motel operators shall comply with Program rules and the following rules:~~

~~(1) Department of Health, Licensed Lodging Establishment Rule (CVR 13-140-023); and~~

~~(2) Department of Public Safety, Vermont Fire and Building Safety Code (CVR 28-070-001).~~

~~(c) Annually, the Department shall propose hotel and motel rates as part of its budget presentation for approval by the General Assembly. A community action agency shall not pay or cause to be paid with State monies a per room, per night basis that exceeds the rate approved by the General Assembly.~~

~~(d) If a hotel or motel is being utilized, a community action agency:~~

~~(1) shall enter into agreements for the use of blocks of hotel and motel rooms and negotiate the conditions of use for those blocks, including access for providers of case management or other supportive services;~~

~~(2) shall prioritize the use of hotel and motel room agreements over individual per room, per night hotel or motel room use, unless it is not appropriate to a household's needs; and~~

~~(3) may use strategic placements to the extent certain populations are not isolated from the wider community served through the Program.~~

§ 2208. VHEARTH; DUTIES OF THE DEPARTMENT

~~(a) The Department and the Agency of Human Services shall have statewide responsibility for meeting the intent of this chapter, including statewide planning, system development, proposing adequate funding, and the involvement of all the Agency's departments.~~

~~(b) For the purpose of providing administrative oversight and monitoring of the Program established in this Chapter, the Department shall.~~

~~(1)(A) maintain guidance regarding when extreme weather event shelters shall be operated, including flexibility for regional weather conditions; and~~

~~(B) maintain a website with the locations of all extreme weather event shelters;~~

~~(2) include as part of any review of a community action agency required pursuant to 3 V.S.A. chapter 59 the community action agency's ability to perform the requirements of this chapter;~~

~~(3)(A) consult with the community action agencies and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence to develop appropriate resource allocations and methods for adjustment that take into account available data, the presence of community-based providers, and customary resource allocation methods, economic indicators, rate of homelessness, rental vacancy rates, and other variables, as appropriate; and~~

~~(B) annually, distribute funding to each community action agency and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence using the allocation formula developed pursuant to subdivision (A) of this subdivision (b)(3), or if the Department and community action agencies agree, disperse a joint allocation~~

~~for all community action agencies, which the community action agencies shall determine how to distribute amongst themselves;~~

~~(4) provide support and technical assistance to the community action agencies, other community partners, and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence;~~

~~(5) identify specific administrative resources that could be transitioned to community operations;~~

~~(6) develop and maintain standards for the core services listed in section 2206 of this chapter, including the operation of community-based shelters; and~~

~~(7) adopt rules pursuant to 3 V.S.A. chapter 25, in consultation with the community action agencies and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence, as appropriate, for the implementation of this chapter, including accommodations for individuals with a disability.~~

§ 2209. REGIONAL PLANNING; NEEDS ASSESSMENTS

~~(a) As part of the plan required every three years pursuant to 3 V.S.A. § 3904 and the federally required planning and needs assessments for the continuums of care, the community action agencies shall develop a regional needs assessment and planning process, in collaboration with community and state partners, for use in each community action agency's region to inform~~

~~future plans addressing housing and homelessness in each region of the State.~~

~~The regional needs assessment and planning process plans shall include:~~

~~(1) addressing progress in reducing the number of households experiencing homelessness in a region;~~

~~(2) assessing the rate households placed in permanent housing return to homelessness and the underlying reasons;~~

~~(3) identifying resources developed and utilized in the region to address homelessness and efforts to improve the equitable distribution of these resources in the region;~~

~~(4) reporting the rate of household participation with coordinated entry processes and case management services;~~

~~(5) identifying system gaps and the funding needed to address those gaps, including periodic inflationary adjustments; and~~

~~(6) utilizing data, including Vermont's Point-in-Time Count, coordinated entry assessment results, and community conversations.~~

~~(b) Every three years, each community action agency shall submit plans developed pursuant to this section to the Department in a format prescribed by the Department. Upon receipt of the plans, the Department shall consolidate the results of these reports and submit the consolidated report to the House Committee on Human Services and to the Senate Committee on Health and Welfare.~~

~~§ 2210. REPORTING REQUIREMENTS~~

~~On or before the last day of every third month, the Department shall submit a report, in consultation with the community action agencies and the statewide organization serving households experiencing domestic or sexual violence, to the House Committee on Human Services, the Senate Committee on Health and Welfare, and the Joint Fiscal Committee addressing:~~

~~(1) the number of households served through the Program, by household size and, if applicable, by eligibility category, region, service provider, and type of service;~~

~~(2) the number of household members employed on a part-time and full-time basis and the number of household members receiving Supplemental Security Income or Social Security disability insurance;~~

~~(3) changes in capacity for shelter beds, nursing homes, and residential care homes since the previous reporting period;~~

~~(4) the number of diversions made during the previous reporting period;~~

~~(5) the number of households whose intake assessment indicated a potential need for services from each department within the Agency;~~

~~(6) the number of households that have been successfully transitioned to permanent housing since the previous reporting period, the types of housing settings in which they have been placed, and any supportive services they are receiving in conjunction with their housing.~~

(7) the number of households that may be transitioned to permanent housing in the coming months;

(8) any State rules and local regulations and ordinances that are impeding the timely development of safe, decent, affordable housing in Vermont communities in order to:

(A) identify areas in which flexibility or discretion are available; and

(B) advise whether the temporary suspension of relevant State rules and local regulations and ordinances, or the adoption or amendment of State rules, would facilitate faster and less costly revitalization of existing housing and construction of new housing units; and

(9) an inventory of all subgrants issued by the statewide organization serving households experiencing or who have experienced domestic or sexual violence and by each community action agency.

§ 2204 2211. REGIONAL ADVISORY COUNCILS

(a) Each community action agency shall convene a regional advisory council whose membership reflects, to the extent possible, the growing diversity among Vermonters, including individuals who are Black, Indigenous, and Persons of Color, as well as with regards to socioeconomic status, geographic location, gender, sexual identity, and disability status. Members of an advisory council shall include organizations providing services in the region, the Department, and representatives of the Agency and each

~~department of the Agency, as needed. A regional advisory council may collaborate with individuals with lived experience of homelessness, community partners, State partners, housing providers, local housing coalitions, statewide homelessness organizations, providers of coordinated entry, continuums of care, faith-based organizations, and municipalities in the region served by the community action agency.~~

~~* * *~~

~~* * * Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program; Effective July 1, 2027 * * *~~

~~Sec. 5. 33 V.S.A. § 2202 is amended to read:~~

~~§ 2202. PURPOSE~~

~~It is the purpose of the General Assembly to:~~

~~(1) replace the provision of emergency housing through the General Assistance Program established in chapter 21 of this title and the Housing Opportunity Grant Program and use funds and resources previously attributed to those programs, and any other identified State and federal monies, to fund the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established in this chapter; and~~

~~(2) reduce reliance on the use of hotel and motel rooms to shelter participating households and expand the use of emergency shelters throughout the State for this purpose.~~

~~*** Implementation Planning and Initial Regional Assessments ***~~

~~Sec. 6. VHEARTH IMPLEMENTATION PLANNING~~

~~(a) On or before October 1, 2025, the Department for Children and Families, in collaboration with the community action agencies, and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence, shall submit the first of two written implementation plans to the House Committee on Human Services, the Senate Committee on Health and Welfare, and the Joint Fiscal Committee outlining its initial plans for the implementation of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established by 33 V.S.A. chapter 22 on or before July 1, 2026. Specifically, the first implementation plan shall include:~~

~~(1) a process that community action agencies, in coordination with the Department, shall use to conduct regularly occurring regional needs assessments and develop future regional plans, including consideration of municipal needs;~~

~~(2) recommended performance measures to evaluate the community action agencies and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence in carrying out their duties under 33 V.S.A. Chapter 22, including.~~

~~(4) the provision of any previously agreed upon information to enable the Department to evaluate the services provided through grant funds, the effect on households receiving services, and an accounting of expended grant funds; and~~

~~(B) performance measures that may be specific to an individual region of the State or provider;~~

~~(3) recommended eligibility for each of the services offered through 33 V.S.A. chapter 22;~~

~~(4) guidance regarding when extreme weather event shelters shall be operated, including flexibility for regional weather conditions;~~

~~(5) a timeline for the implementation of core services listed in 33 V.S.A. § 2206 for the first six months of fiscal year 2027;~~

~~(6) recommended intake and assessment processes to determine appropriate shelter and services for households based on Program eligibility; and~~

~~(7) a recommended process to enable an unwilling community action agency to opt-out of participation in the Program in a manner that gives the State adequate notice.~~

~~(b) On or before January 15, 2026, the Department for Children and Families, in collaboration with the community action agencies, regional advisory councils established pursuant to 33 V.S.A. § 2204, and the statewide~~

~~organization serving households that are experiencing or that have experienced domestic or sexual violence, shall submit the second of two written implementation plans to the House Committee on Human Services and the Senate Committee on Health and Welfare outlining its initial plans for the implementation of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established by 33 V.S.A. chapter 22 on or before July 1, 2026. Specifically, the second implementation plan shall include recommendations on the following:~~

~~(1) funding allocations among the community action agencies and other providers, including for services specific to households that are experiencing or that have experienced domestic or sexual violence;~~

~~(2) additional State and federal funding and other resources identified for the Program;~~

~~(3) establishing an appeals process that includes a hearing before the Human Services Board and an option for an expedited appeals process;~~

~~(4) the role of 211 within the intake system;~~

~~(5) whether access to all or some services should include an expectation regarding household participation in case management services or other expectations such as night limits on the use of hotels and motels, and if so, what elements and in what circumstances participation in case management services or other expectations should be applied.~~

~~(6) whether the use of emergency shelter should include financial participation, and, if so, what that participation should include;~~

~~(7) whether intake and assessment processes should include verification of residency, homelessness, and household income;~~

~~(8) how to best ensure that there is equitable access to shelter and supportive services for households experiencing homelessness;~~

~~(9) the number of housing vouchers that Vermont lost in the past year, if the data is available; and~~

~~(10) any anticipated challenges requiring a legislative solution.~~

Sec. 7. INTERIM AND FINAL NEEDS ASSESSMENT PLANS

~~Prior to the enactment of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program on July 1, 2026, the statewide organization serving households experiencing or that have experienced domestic or sexual violence and community action agencies shall conduct initial needs assessments in accordance with the process developed in Sec. 6(a)(1) of this act. On or before January 15, 2026, the community action agencies shall submit one comprehensive progress report and the statewide organization shall submit a separate report to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare, including estimated fiscal year 2027 budget proposals, estimated costs of administering the Program, and an~~

~~analysis of any barriers to generating additional shelter and permanent housing in the region. On or before April 1, 2026, the statewide organization shall submit a report and the community action agencies shall submit a separate comprehensive report detailing the results of each region's needs assessment and implementation plans, which shall not exceed the budgetary proposals provided in the January 15, 2026 progress report, to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare. The initial needs assessment conducted pursuant to this section shall include:~~

~~(1) addressing progress in reducing the number of households experiencing homelessness in a region;~~

~~(2) assessing the rate households placed in permanent housing return to homelessness and the underlying reasons;~~

~~(3) identifying resources developed and utilized in the region to address homelessness and efforts to improve the equitable distribution of these resources in the region;~~

~~(4) reporting the rate of household participation with coordinated entry processes and case management services;~~

~~(5) identifying system gaps and the funding needed to address those gaps, including periodic inflationary adjustments, and~~

~~(6) utilizing data, including Vermont's Point in Time Count coordinated entry assessment results, and community conversations.~~

Sec. 8. ACCELERATED IMPLEMENTATION PATHWAY

~~*On or before November 1, 2025, the Department for Children and Families shall submit for consideration a detailed written plan, including a timeline, to accelerate implementation of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program as part of the fiscal year 2026 budget adjustment process to the Joint Fiscal Committee, to the House Committees on Appropriations and on Human Services, and to the Senate Committees on Appropriations and on Health and Welfare. The plan shall address the readiness of community providers to implement the Program prior to July 1, 2026, fiscal estimates for the remainder of fiscal year 2026, and an assessment as to whether the Program is anticipated to be operable on or before July 1, 2026.*~~

~~** * * Community Action Agencies * * **~~

Sec. 9. 3 V.S.A. chapter 59 is amended to read:

CHAPTER 59. COMMUNITY SERVICES ACTION AGENCIES

§ 3901. FINDINGS AND PURPOSE

(a) Recognizing that the economic well-being and social equity of every Vermonter has long been a fundamental concern of the State, it remains evident that poverty continues to be the lot of a substantial number of

~~Vermont's population continues to experience poverty. It is the policy of this~~
~~the State to help develop the full potential of each of its citizens so they can~~
~~contribute to the fullest extent possible to the life of our communities and the~~
~~State as a whole.~~

~~(b) It is the purpose of this chapter to strengthen, supplement, and~~
~~coordinate efforts that further this policy through:~~

~~(1) the strengthening of community capabilities for planning,~~
~~coordinating, and managing federal, State, and other sources of assistance~~
~~related to the problem of poverty;~~

~~(2) the better organization and utilization of a range of services related~~
~~to the needs of the poor individuals with low income; and~~

~~(3) the broadening of the resource base of programs to secure a more~~
~~active role in assisting the poor individuals with low income from business,~~
~~labor, and other groups from the private sector.~~

~~§ 3902. OFFICE OF ECONOMIC OPPORTUNITY~~

~~(a) The Director of the Office of Economic Opportunity is hereby~~
~~authorized to allocate available financial assistance for community services~~
~~action agencies and programs in accordance with State and federal law and~~
~~regulation.~~

~~(b) The Director may provide financial assistance to community services~~
~~action agencies for the planning, conduct, administration, and evaluation of~~

~~community service action programs to provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or in areas of the community where poverty is a particularly acute problem. Components of those services and activities may involve, without limitation of other activities and supporting facilities designed to assist low-income participants with low income:~~

- ~~(1) to secure and retain meaningful employment;~~
- ~~(2) to obtain adequate education;~~
- ~~(3) to make better use of available income;~~
- ~~(4) to provide and maintain adequate housing and a suitable living environment have access to safe, secure, permanent housing;~~
- ~~(5) to obtain prevention, intervention, treatment, and recovery services for the prevention of narcotics addiction, alcoholism, and for the rehabilitation of narcotic addicts and alcoholics individuals with substance use disorder;~~
- ~~(6) to obtain emergency assistance through loans and grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and unemployment-related assistance;~~
- ~~(7) to remove obstacles and solve personal and family problems which that block achievement of self-sufficiency;~~
- ~~(8) to achieve greater participation in the affairs of the community;~~

~~(9) to make more frequent and effective use of other programs related to the purposes of this chapter; and~~

~~(10) to coordinate and establish linkages between governmental and other social service programs to assure ensure the effective delivery of such services to ~~low-income~~ persons; with low income and to encourage the use of entities in the private sector of the community in efforts to ameliorate poverty in the community.~~

~~(c) The Director is authorized to adopt rules pursuant to chapter 25 of this title appropriate to the carrying out of this chapter and the purposes thereof.~~

~~§ 3903. DESIGNATION OF AGENCIES TO PROVIDE SERVICES AND
ACTIVITIES TO AMELIORATE OR ELIMINATE POVERTY~~

~~The Director shall designate private nonprofit ~~community-based~~ community-based organizations ~~who that~~ have demonstrated or ~~who that~~ can demonstrate the ability to provide services and activities as defined in subsection 3902(b) of this title as community services action agencies.~~

~~§ 3904. COMMUNITY SERVICES ACTION AGENCY PLAN~~

~~Each designated community services action agency shall determine the need for activities and services within the area served by the agency and shall thereafter prepare a community services plan ~~which that~~ describes the method by which the agency will provide those services. The plan shall include a schedule for the anticipated provision of new or additional services and shall~~

~~specify the resources which that are needed by and available to the agency to~~
~~implement the plan. The community services plan shall be completed every~~
~~three years and updated annually. The plan shall include the regional needs~~
~~assessment required under 33 V.S.A. § 2209.~~

§ 3905. COMMUNITY SERVICES ACTION AGENCIES;

ADMINISTRATION

~~(a) Each community services action agency shall administer its programs~~
~~as set out in the community services plan and as approved by its board of~~
~~directors.~~

~~(b) Each board of a nonprofit community-based community-based~~
~~organization that is designated a community services action agency under~~
~~section 3903 of this chapter shall have an executive committee of not more~~
~~than seven members who shall be representative of the composition of the~~
~~board and the board shall be so constituted that:~~

~~* * *~~

~~(2) one-third of the members of the board are persons chosen in~~
~~accordance with election procedures adequate to assure ensure that they are~~
~~representative of the poor individuals with low income in the area served; and~~

~~(3) the remainder of the members of the board are officials or members~~
~~of business, industry, labor, religious, welfare, education, or other major~~
~~groups and interests in the community.~~

~~(e) Each member of the a board selected to represent a specific geographic area within a community shall reside in the area he or she the member represents. No person selected under subdivisions (2) or (3) of subsection (b) as a member of a board shall serve on such board for more than five consecutive years, or more than a total of 10 years. Each board shall adopt term limits to govern its members.~~

~~*** Appropriations ***~~

~~Sec. 10. APPROPRIATION, TRANSITION PLANNING~~

~~In fiscal year 2026, \$10,000,000.00 of one-time funding is appropriated from the General Fund as follows:~~

~~(1) \$5,085,000.00 to the Department for Children and Families to plan for the implementation of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program as needed, which may be distributed to entities such as the community action agencies;~~

~~(2) \$400,000.00 to the Department for Children and Families for distribution to the statewide organization serving households experiencing or who have experienced domestic or sexual violence;~~

~~(3) \$515,000.00 to the Department of Health for distribution to Bridges to Health for services to individuals who are experiencing homelessness or at risk of becoming homeless,~~

(4) \$1,000,000.00 to the Department for Children and Families for the distribution of grants to municipalities planning and implementing services for households that are at risk of homelessness or experiencing homelessness, in collaboration with the community action agency serving a municipality's region; and

(5) \$3,000,000.00 to the Department for Children and Families to enhance capacity for the creation and expansion of emergency shelters and permanent supportive housing capacity, a subset of which shall be distributed to the Vermont Housing and Conservation Board for infrastructure investments and administered in consultation with the Department to ensure new investments are paired with appropriate support services.

Sec. 11. FUTURE APPROPRIATIONS; LEGISLATIVE INTENT

It is the intent of the General Assembly that:

(1) in fiscal year 2027 and thereafter, funds and resources previously appropriated for General Assistance emergency housing be redesignated for the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program pursuant to 33 V.S.A. chapter 22; and

(2) in fiscal year 2028 and thereafter, funds and resources previously appropriated for the Housing Opportunity Grant program be redesignated for the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program pursuant to 33 V.S.A. chapter 22.

~~Sec. 12. TRANSITION: HOUSING OPPORTUNITY GRANT PROGRAM~~

~~As part of its fiscal year 2028 budget presentation, the Department for Children and Families shall present a plan for transitioning Housing Opportunity Grant Program funding and duties to the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established in 33 V.S.A. chapter 22.~~

~~*** Effective Dates ***~~

~~Sec. 13. EFFECTIVE DATES~~

~~This act shall take effect on July 1, 2025, except that:~~

~~(1) Secs. 4 (Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program) and 9 (community action agencies) shall take effect on July 1, 2026;~~

~~(2) Sec. 5 (Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program) shall take effect on July 1, 2027; and~~

~~(3) the Department for Children and Families shall commence the rulemaking process prior July 1, 2026 in order to have rules in place on that date.~~

~~*** Findings and Legislative Intent ***~~

~~Sec. 1. FINDINGS~~

~~The General Assembly finds that:~~

(1) according to the U.S. Department of Housing and Urban Development's 2024 Annual Homelessness Assessment Report, Vermont had the fourth highest rate of homelessness in 2024 in that 53 of every 10,000 Vermonters are experiencing homelessness, with only Hawaii, New York, and Oregon experiencing higher rates;

(2) according to the Vermont Homeless Management Information System, as of March 2025 there were 4,971 individuals who were homeless in the State, 1,105 of whom were children;

(3) according to the Vermont 2024 Point-in-Time Count, there were approximately 3,458 unhoused individuals in Vermont, which represents a 300 percent increase over the 1,110 unhoused individuals prior to the COVID-19 pandemic in 2020;

(4) according to the Vermont 2024 Point-in-Time Count, over 35 percent of those Vermonters experiencing homelessness were unhoused for more than one year and over 72 percent were unhoused for more than 90 days;

(5) according to the Vermont 2024 Point-in-Time Count, Black Vermonters are 5.6 times more likely to be unhoused as compared to white Vermonters;

(6) the 2024 Vermont Housing Needs Assessment notes that 36,000 primary homes are needed in Vermont between 2025–2029, 3,295 of which are needed to address homelessness;

(7) the 2024 Vermont Housing Needs Assessment notes that “[h]alf of all Vermont renters are cost-burdened, and one-in-four pay more than 50 [percent] of their income on housing costs, putting them at high risk of eviction,” which “is heightened by Vermont’s rental vacancy rate of 3 [percent], which is well below the 5 [percent] rate of a healthy market”;

(8) since 2020, the Vermont Housing and Conservation Board has facilitated construction of 170 new single-family homeownership units and 269 new shelter beds; and

(9) the 2024 Vermont Housing Needs Assessment notes that “[h]alf of all Vermont renters are cost-burdened, and one-in-four pay more than 50 [percent] of their income on housing costs, putting them at high risk of eviction,” which “is heightened by Vermont’s rental vacancy rate of 3 [percent], which is well below the 5 [percent] rate of a healthy market”.

Sec. 2. LEGISLATIVE INTENT

(a) It is the intent of the General Assembly that unsheltered homelessness be eliminated and that homelessness in Vermont be rare, brief, and nonrecurring.

(b) It is the intent of the General Assembly that the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established in 33 V.S.A. chapter 22 is a step toward ensuring that:

(1) homelessness be reduced in Vermont and interim shelter opportunities be available to provide a stable pathway to permanent housing for all Vermonters experiencing homelessness, including safe shelter options for individuals living in unsheltered homelessness;

(2) Vermont increase the supply of emergency shelter as well as permanent supportive housing that meets the specific needs of individuals;

(3) community components of all shelter types are integrated in a systemic manner;

(4) night-by-night shelter, relocation between interim shelter sites, and other disruptions in housing stability be eliminated to the extent possible;

(5) Vermont's emergency housing statutes, rules, policies, procedures, and practices be modeled on Housing First principles where appropriate;

(6) noncongregate shelter be used to the extent possible; and

(7) Vermont reduce reliance on the inefficient use of hotel and motel rooms to shelter participating households and expand the use of emergency shelters throughout the State for this purpose.

(c) It is the intent of the General Assembly that:

(1) the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established in 33 V.S.A. chapter 22 replaces the provision of emergency housing through the General Assistance Program

established in 33 V.S.A. chapter 21 and the Housing Opportunity Grant Program beginning in fiscal year 2027 and on an ongoing basis; and

(2) in fiscal years 2027 and 2028, emergency shelter services funded through the Housing Opportunity Grant Program in fiscal year 2025 be funded at a level equivalent to or greater than fiscal year 2025 expenditures.

** * * Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program; Effective July 1, 2025 * * **

Sec. 3. 33 V.S.A. chapter 22 is added to read:

CHAPTER 22. VERMONT HOMELESS EMERGENCY ASSISTANCE AND
RESPONSIVE TRANSITION TO HOUSING PROGRAM

§ 2201. SHORT TITLE

The Program established in this chapter may be cited as “VHEARTH” or the “VHEARTH Program.”

§ 2202. PURPOSE

It is the purpose of the General Assembly to:

(1) replace the provision of emergency housing through the General Assistance Program established in chapter 21 of this title and the Housing Opportunity Grant Program and use funds and resources previously attributed to these programs, and any other identified State and federal monies, to fund the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established in this chapter;

(2) reduce reliance on the inefficient use of hotel and motel rooms to shelter participating households and expand the use of emergency shelters throughout the State for this purpose; and

(3) assist in maintaining housing for households at risk of homelessness and transition households experiencing homelessness to permanent housing.

§ 2203. DEFINITIONS

As used in this chapter:

(1) “At risk of homelessness” means precariously housed without sufficient income, resources, or support to prevent homelessness.

(2) “Community action agency” means an agency designated pursuant to 3 V.S.A. chapter 59.

(3) “Community-based shelter” means a shelter that meets the Department’s standards for the operation of shelters.

(4) “Department” means the Department for Children and Families.

(5) “Extreme weather event” means extreme hot or cold temperatures or weather events, such as hurricanes, flooding, or blizzards, that create hazardous conditions for outdoor habitation by humans.

(6) “Homeless” means:

(A) lacking a fixed, regular, and adequate nighttime residence;

(B) facing imminent loss of primary nighttime residence;

(C) fleeing or attempting to flee domestic violence; or

(D) otherwise defined as homeless under federal law.

(7) “Household” means an individual and any dependents for whom the individual is legally responsible who are domiciled and intend to stay in Vermont as evidenced by an intent to dwell in Vermont and to return to Vermont if temporarily absent, coupled with an act or acts consistent with that intent. “Household” includes individuals who reside together as one economic unit, including those who are married, parties to a civil union, or unmarried.

(8) “Unsheltered homelessness” means sleeping in a location not designed for or ordinarily used as a regular sleeping accommodation.

§ 2204. REGIONAL ADVISORY COUNCILS

(a) Each community action agency shall convene a regional advisory council composed of individuals and organizations in the community action agency’s region. The membership of each regional advisory council shall reflect, to the extent possible, the growing diversity among Vermonters, including individuals who are Black, Indigenous, and Persons of Color, as well as with regards to socioeconomic status, geographic location, gender, sexual identity, and disability status.

(1) Members of an advisory council shall include individuals with lived experience of homelessness, local housing coalitions or a local continuum of care serving as a local housing coalition, other organizations providing

services in the region, municipalities, statewide homelessness organizations, the Agency of Human Services' Field Services Director, and any other representatives of the Agency as needed.

(2) Members of a regional advisory council may include community and State partners, housing providers, providers of coordinated entry, continuums of care, faith-based organizations, and other individuals or organizations as needed.

(b) Each regional advisory council shall provide advice and recommendations to the community action agency in its region regarding the design and implementation of the Program.

(c) Each regional advisory council shall meet on at least a quarterly basis.

(d) Members of a regional advisory council who are not participating in their professional capacity shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings annually. These payments shall be made from monies distributed to the relevant community action agency by the Department.

** * * Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program; Effective July 1, 2026 * * **

Sec. 4. 33 V.S.A. chapter 22 is amended to read:

*CHAPTER 22. VERMONT HOMELESS EMERGENCY ASSISTANCE AND
RESPONSIVE TRANSITION TO HOUSING PROGRAM*

* * *

§ 2203. *DEFINITIONS*

As used in this chapter:

* * *

(2) “Community action agency” means an agency designated pursuant to 3 V.S.A. chapter 59 or the entity or entities otherwise authorized by the Department pursuant to section 2205 of this chapter to fulfill the duties of a community action agency under this chapter.

* * *

§ 2204. *ESTABLISHMENT; VERMONT HOMELESS EMERGENCY*

*ASSISTANCE AND RESPONSIVE TRANSITION TO HOUSING
PROGRAM*

The Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program is established in the Department to provide services to households that are homeless or at risk of becoming homeless, to the extent funds exist.

(1) The Department shall select and enter into an agreement with a statewide organization that has population-specific service experience to provide or cause to be provided supportive services and shelter to those households that are experiencing or that have experienced domestic or sexual violence.

(2) All other participating households shall be served by or through a community action agency responsible for a geographically distinct region of the State. Community action agencies participating in the Program shall provide or cause to be provided supportive services, extreme weather event shelter, and emergency shelter.

§ 2205. AUTHORIZATION PROCESS; REAUTHORIZATION REVIEW

(a) The Department shall select and enter into an agreement with a statewide organization to provide or cause to be provided supportive services and shelter to those households that are experiencing or that have experienced domestic or sexual violence. The Department shall conduct regular reviews of the statewide organization to ensure compliance with this chapter. The statewide organization may be subject to corrective actions by the Department if, within the constraint of appropriated resources, it no longer meets the requirements of this chapter or has failed to adequately meet the needs of households that are experiencing or that have experienced domestic or sexual violence. If the statewide organization cannot fulfill its responsibilities under this chapter, the Department shall work with another entity to ensure that there is not a gap in services.

(b)(1) The Department shall authorize a community action agency to serve or cause to be served households that are homeless or at risk of becoming homeless in a geographically distinct region of the State if it meets the criteria

in this section. If a community action agency cannot fulfill its responsibilities under this chapter, the Department shall work with other community action agencies or other appropriate community entities to ensure that there is not a gap in services in a community action agency's region.

(2) A community action agency providing or causing to provide services in accordance with this chapter shall have:

(A) existing or planned infrastructure to support households in the region, including an established leadership team, a human resources staff, and the ability to receive grant funding and issue subgrants;

(B) the ability to meet the Department's reporting requirements, including having a past history of reporting compliance;

(C) the capacity to perform or cause to be performed the core services required pursuant to section 2206 of this chapter;

(D) the capacity to seek and accept charitable contributions, grants, and services of volunteers, including money, clothing, and furniture;

(E) any outcome measures established in this chapter;

(F) community connections with other providers in the region, including local housing coalitions, housing providers, providers of coordinated entry, continuums of care, faith-based organizations, and providers of services to individuals who are older Vermonters; individuals who have disabilities, a substance use disorder, or a mental health condition; individuals reentering the

community after incarceration; individuals transitioning from the care and custody of the Commissioner for Children and Families; and families with children; and

(G) the ability to provide plain language communications to households receiving services.

(3) Not less than every three years, the Department shall conduct a reauthorization review of each community action agency providing or causing to provide services pursuant to this chapter. An organization may be subject to corrective actions by the Department if, within the constraint of appropriated resources, it no longer meets the requirements in subdivision (2) of this subsection or has failed to adequately meet the needs of households in its region that are homeless or at risk of homelessness. Lack of compliance may result in the Department deciding not to reauthorize the community action agency. The Department may review progress of any previously required corrective actions and may review community action agency performance between reauthorization reviews.

§ 2206. VHEARTH CORE SERVICES

(a) The Department shall enter into an agreement with a statewide organization with population-specific experience serving households that are experiencing or that have experienced domestic or sexual violence. The

organization shall provide or cause to be provided various shelter and case management services that support households.

(b) Each community action agency shall offer or cause to be offered, in collaboration with community partners, each of the following services within its region:

(1) supportive services, including:

(A) intake assessments and services for diversion from homelessness, which shall include regional intake shelters unless the Department and community action agencies agree otherwise;

(B) household needs assessments;

(C) individualized household plans to address identified needs;

(D) housing navigation services;

(E) assistance obtaining and retaining housing, including financial assistance;

(F) landlord-tenant outreach, education, and conflict resolution;

(G) navigation to other services and supports as identified in the household's housing plan, including economic benefits, peer-supported services, job training and employment services, services related to disability and independent living advocacy, and referral to health care assistance such as treatment for mental health conditions and substance use disorder as provided

by the designated and specialized services agencies and preferred providers, respectively, or other providers; and

(H) progress monitoring and interventions;

(2) the operation of extreme weather event shelters, which may include time-limited congregate accommodations and may be provided through agreements with municipalities or other entities, utilizing available data and considering geographic access to prioritize funding for this purpose; and

(3) the operation of emergency shelters in a manner that builds upon the federally required community planning process and prioritizes households in need of the services of an emergency shelter, which may include community-based shelters, temporary use of hotels or motels, lease agreements for full or partial use of an existing building, need-specific shelter arrangements, master grant leases, the development of shelter capacity, or other arrangements or combinations of arrangements that comply with the intent of this chapter.

§ 2207. USE OF HOTEL AND MOTEL ROOMS

(a) It is the intent of the General Assembly to decrease reliance on hotel and motel rooms for emergency housing. Annually, as shelter capacity increases and the number of households experiencing homelessness decreases in each region of the State, the use of hotel and motel rooms for emergency housing in that region shall decrease. Annually, as part of the Department's budget presentation, the Department shall set goals for increased housing

capacity, including permanent supportive housing, permanent affordable housing, and shelter beds, some of which may be population-specific, in addition to proposed corresponding decreases in the use of hotel and motel rooms. The Department shall provide data pertaining to the percentage of increased shelter capacity from the previous fiscal year in each region and how that increase impacts the corresponding hotel and motel room usage for emergency housing in each region pursuant to this subsection for the purpose of informing regional planning and expectations.

(b) If hotels and motels are used to provide emergency shelter pursuant to this chapter, the hotel and motel operators shall comply with Program rules and the following rules:

(1) Department of Health, Licensed Lodging Establishment Rule (CVR 13-140-023); and

(2) Department of Public Safety, Vermont Fire and Building Safety Code (CVR 28-070-001).

(c) Annually, the Department shall propose hotel and motel rates as part of its budget presentation for approval by the General Assembly. A community action agency shall not pay or cause to be paid with State monies a per-room, per-night basis that exceeds the rate approved by the General Assembly.

(d) If a hotel or motel is being utilized, a community action agency or entity under contract with a community action agency:

(1) shall ensure relevant support services established pursuant to subdivision 2206(b)(1) of this chapter;

(2) shall enter into agreements for the use of blocks of hotel and motel rooms and negotiate the conditions of use for those blocks, including access for providers of case management or other supportive services;

(3) shall prioritize the use of hotel and motel room agreements over individual per-room, per-night hotel or motel room use, unless it is not appropriate to a household's needs;

(4) may use population-specific placements to the extent certain populations are not isolated from the wider community served through the Program; and

(5) shall not utilize hotels and motels outside the community action agency or entity's region, unless approved by the Department or in a written memorandum of understanding between community action agencies.

§ 2208. VHEARTH; DUTIES OF THE DEPARTMENT

(a) The Department and the Agency of Human Services shall have statewide responsibility for meeting the intent of this chapter, including statewide planning, system development, and the involvement of all the Agency's departments.

(b) For the purpose of providing administrative oversight and monitoring of the Program established in this chapter, the Department shall:

(1)(A) maintain guidance regarding when extreme weather event shelters shall be operated, including flexibility for regional weather conditions; and

(B) maintain a website with the locations of all extreme weather event shelters;

(2) include as part of any review of a community action agency required pursuant to 3 V.S.A. chapter 59 the community action agency's ability to perform the requirements of this chapter;

(3)(A) consult with the community action agencies and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence to develop appropriate resource allocations and methods for adjustment that take into account available data, the presence of community-based providers, and customary resource allocation methods, economic indicators, rate of homelessness, rental vacancy rates, and other variables, as appropriate; and

(B) annually, distribute funding to each community action agency and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence using the allocation formula developed pursuant to subdivision (A) of this subdivision (b)(3), or if the

Department and community action agencies agree, disperse a joint allocation for all community action agencies, which the community action agencies shall determine how to distribute amongst themselves;

(4) consult with the community action agencies and the statewide organization serving households that are experiencing or that have experienced domestic and sexual violence to develop appropriate measures and methods for accountability of the community action agencies' and the statewide organization's execution of duties under this chapter, including the provision of any previously agreed upon information to enable the Department to evaluate the services provided through grant funds, the effect on households receiving services, and an accounting of expended grant funds;

(5) provide support and technical assistance to the community action agencies, other community partners, and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence;

(6) identify specific administrative resources that could be transitioned to community operations;

(7) develop and maintain standards for the core services listed in section 2206 of this chapter, including the operation of community-based shelters; and

(8) adopt rules pursuant to 3 V.S.A. chapter 25, in consultation with the community action agencies and the statewide organization serving households

that are experiencing or that have experienced domestic or sexual violence, as appropriate, for the implementation of this chapter, including rules that address reauthorization standards under subsection 2205(a) and subdivision 2205(b)(3) of this chapter and accommodations for individuals with a disability.

§ 2209. REGIONAL PLANNING; NEEDS ASSESSMENTS

(a) As part of the plan required every three years pursuant to 3 V.S.A. § 3904 and the federally required planning and needs assessments for the continuums of care, the community action agencies shall develop a regional needs assessment and planning process, in collaboration with community and State partners, for use in each community action agency's region to inform future plans addressing housing and homelessness in each region of the State. The regional needs assessment and planning process plans shall include:

(1) addressing progress in reducing the number of households experiencing homelessness in a region;

(2) assessing the rate households placed in permanent housing return to homelessness and the underlying reasons;

(3) identifying resources developed and utilized in the region to address homelessness and efforts to improve the equitable distribution of these resources in the region;

(4) reporting the rate of household participation with coordinated entry processes and case management services;

(5) identifying system gaps and the funding needed to address those gaps, including periodic inflationary adjustments; and

(6) utilizing data, including Vermont's Point-in-Time Count, coordinated entry assessment results, and community conversations.

(b) Every three years, each community action agency shall submit plans developed pursuant to this section to the Department in a format prescribed by the Department and to the regional planning committees in the region. Upon receipt of the plans, the Department shall consolidate the results of these reports and submit the consolidated report to the House Committee on Human Services and to the Senate Committee on Health and Welfare.

§ 2210. REPORTING REQUIREMENTS

On or before the last day of every third month, the Department shall post a report on its website, in consultation with the community action agencies and the statewide organization serving households experiencing domestic or sexual violence, addressing:

(1) the number of households served through the Program, by household size and, if applicable, by eligibility category, region, service provider, and core service category;

(2) cash income and noncash benefits by source;

(3) changes in capacity for shelter beds, nursing homes, and residential care homes since the previous reporting period;

(4) the number of diversions from homelessness made during the previous reporting period;

(5) the number of households whose intake assessment indicated a potential need for services from each department within the Agency;

(6) the number of households that have been successfully transitioned to permanent housing since the previous reporting period, the types of housing settings in which they have been placed, and any supportive services they are receiving in conjunction with their housing;

(7) the number of households returning to homelessness after placement in permanent housing; and

(8) an inventory, by amount and purpose, of all subgrants issued by the statewide organization serving households experiencing or who have experienced domestic or sexual violence and by each community action agency.

§ 2204 2211. REGIONAL ADVISORY COUNCILS

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* * * Implementation Planning and Initial Regional Assessments * * *

Sec. 5. VHEARTH IMPLEMENTATION PLANNING

(a) On or before October 1, 2025, the Department for Children and Families, in collaboration with the community action agencies and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence, shall submit the first of two written implementation plans to the House Committee on Human Services, the Senate Committee on Health and Welfare, and the Joint Fiscal Committee outlining its initial plans for the implementation of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established by 33 V.S.A. chapter 22 on or before July 1, 2026. Specifically, the first implementation plan shall include:

(1) a process that community action agencies, in coordination with the Department, shall use to conduct regularly occurring regional needs assessments and develop future regional plans, including consideration of municipal needs;

(2) recommended performance measures to evaluate the community action agencies and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence in carrying out their duties under 33 V.S.A. chapter 22, including:

(A) the provision of any previously agreed upon information to enable the Department to evaluate the services provided through grant funds,

the effect on households receiving services, and an accounting of expended grant funds; and

(B) performance measures that may be specific to an individual region of the State or provider;

(3) recommended eligibility for each of the core services listed in 33 V.S.A. § 2206;

(4) guidance regarding when extreme weather event shelters shall be operated, including flexibility for regional weather conditions;

(5) a timeline for the implementation of core services listed in 33 V.S.A. § 2206 for the first six months of fiscal year 2027;

(6) recommended intake and assessment processes to determine appropriate shelter and services for households based on Program eligibility; and

(7) a recommended process to enable an unwilling community action agency to opt-out of participation in the Program in a manner that gives the State adequate notice.

(b) On or before January 15, 2026, the Department for Children and Families, in collaboration with the community action agencies, regional advisory councils established pursuant to 33 V.S.A. § 2204, any other relevant department of the Agency, and the statewide organization serving households that are experiencing or that have experienced domestic or sexual violence,

shall submit the second of two written implementation plans to the House Committee on Human Services and the Senate Committee on Health and Welfare outlining its initial plans for the implementation of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program established by 33 V.S.A. chapter 22 on or before July 1, 2026. Specifically, the second implementation plan shall include recommendations and information on the following:

(1)(A) funding allocations among the community action agencies and other providers, including for services specific to households that are experiencing or that have experienced domestic or sexual violence; and

(B) the distribution of fiscal year 2026 appropriations pursuant to Sec. 8 of this act;

(2) additional State and federal funding and other resources identified for the Program;

(3) establishing an appeals process that includes a hearing before the Human Services Board and an option for an expedited appeals process;

(4) the role of 211 within the intake system;

(5) whether access to all or some services should include an expectation regarding household participation in case management services or other expectations such as night limits on the use of hotels and motels, and, if so,

what elements and in what circumstances participation in case management services or other expectations should be applied;

(6) whether the use of emergency shelter should include financial participation, and, if so, what that participation should include;

(7) appropriate intake and assessment processes for verification of residency, homelessness, and household income;

(8) how to best ensure that there is equitable access to shelter and supportive services for households experiencing homelessness;

(9) the number of housing vouchers that Vermont lost in the past year, if the data is available; and

(10) any anticipated challenges requiring a legislative solution.

Sec. 6. INTERIM AND FINAL NEEDS ASSESSMENT PLANS

Prior to the enactment of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program on July 1, 2026, the statewide organization serving households experiencing or that have experienced domestic or sexual violence and community action agencies shall conduct initial needs assessments in accordance with the process developed in Sec. 5(a)(1) of this act. On or before January 15, 2026, the community action agencies shall submit one comprehensive progress report and the statewide organization shall submit a separate report to the House Committees on Appropriations and on Human Services and the Senate Committees on

Appropriations and on Health and Welfare, including estimated fiscal year 2027 budget proposals, estimated costs of administering the Program, and an analysis of any barriers to generating additional shelter and permanent housing in the region. On or before April 1, 2026, the statewide organization shall submit a report and the community action agencies shall submit a separate comprehensive report detailing the results of each region's needs assessment and implementation plans, which shall not exceed the budgetary proposals provided in the January 15, 2026 progress report, to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare and to the regional planning committees in the region. The initial needs assessment conducted pursuant to this section shall include:

(1) addressing progress in reducing the number of households experiencing homelessness in a region;

(2) assessing the rate households placed in permanent housing return to homelessness and the underlying reasons;

(3) identifying resources developed and utilized in the region to address homelessness and efforts to improve the equitable distribution of these resources in the region;

(4) reporting the rate of household participation with coordinated entry processes and case management services;

(5) identifying system gaps and the funding needed to address those gaps, including periodic inflationary adjustments; and

(6) utilizing data, including Vermont's Point-in-Time Count, coordinated entry assessment results, and community conversations.

* * * Community Action Agencies * * *

Sec. 7. 3 V.S.A. chapter 59 is amended to read:

CHAPTER 59. COMMUNITY ~~SERVICES~~ ACTION AGENCIES

§ 3901. FINDINGS AND PURPOSE

(a) Recognizing that the economic well-being and social equity of every Vermonter has long been a fundamental concern of the State, it remains evident that ~~poverty continues to be the lot of~~ a substantial number of Vermont's population continues to experience poverty. It is the policy of ~~this~~ the State to help develop the full potential of each of its citizens so they can contribute to the fullest extent possible to the life of our communities and the State as a whole.

(b) It is the purpose of this chapter to strengthen, supplement, and coordinate efforts that further this policy through:

(1) the strengthening of community capabilities for planning, coordinating, and managing federal, State, and other sources of assistance related to the problem of poverty;

(2) *the better organization and utilization of a range of services related to the needs of ~~the poor~~ individuals with low income; and*

(3) *the broadening of the resource base of programs to secure a more active role in assisting ~~the poor~~ individuals with low income from business, labor, and other groups from the private sector.*

§ 3902. OFFICE OF ECONOMIC OPPORTUNITY

(a) *The Director of the Office of Economic Opportunity is hereby authorized to allocate available financial assistance for community ~~services~~ action agencies and programs in accordance with State and federal law and regulation.*

(b) *The Director may provide financial assistance to community ~~services~~ action agencies for the planning, conduct, administration, and evaluation of community ~~service~~ action programs to provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or in areas of the community where poverty is a particularly acute problem. Components of those services and activities may involve, without limitation of other activities and supporting facilities designed to assist ~~low-income~~ participants with low income:*

(1) *to secure and retain meaningful employment;*

(2) *to obtain adequate education;*

(3) *to make better use of available income;*

(4) ~~to provide and maintain adequate housing and a suitable living environment~~ have access to safe, secure, and permanent housing;

(5) ~~to obtain prevention, intervention, treatment, and recovery services for the prevention of narcotics addiction, alcoholism, and for the rehabilitation of narcotic addicts and alcoholics~~ individuals with substance use disorder;

(6) ~~to obtain emergency assistance through loans and grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and unemployment-related assistance~~;

(7) ~~to remove obstacles and solve personal and family problems which~~ that ~~block achievement of self-sufficiency~~;

(8) ~~to achieve greater participation in the affairs of the community~~;

(9) ~~to make more frequent and effective use of other programs related to the purposes of this chapter~~; and

(10) ~~to coordinate and establish linkages between governmental and other social service programs to assure~~ ensure ~~the effective delivery of such services to low-income persons; with low income~~ and to encourage the use of entities in the private sector of the community in efforts to ameliorate poverty in the community.

(c) ~~The Director is authorized to adopt rules pursuant to chapter 25 of this title appropriate to the carrying out of this chapter and the purposes thereof.~~

§ 3903. DESIGNATION OF AGENCIES TO PROVIDE SERVICES AND
ACTIVITIES TO AMELIORATE OR ELIMINATE POVERTY

*The Director shall designate private nonprofit ~~community—based~~
community-based organizations ~~who~~ that have demonstrated or ~~who~~ that can
demonstrate the ability to provide services and activities as defined in
subsection 3902(b) of this title as community ~~services~~ action agencies.*

§ 3904. COMMUNITY ~~SERVICES~~ ACTION AGENCY PLAN

*Each designated community ~~services~~ action agency shall determine the
need for activities and services within the area served by the agency and shall
thereafter prepare a community services plan ~~which~~ that describes the method
by which the agency will provide those services. The plan shall include a
schedule for the anticipated provision of new or additional services and shall
specify the resources ~~which~~ that are needed by and available to the agency to
implement the plan. The community services plan shall be completed every
three years and updated annually. The plan shall include the regional needs
assessment required under 33 V.S.A. § 2209.*

§ 3905. COMMUNITY ~~SERVICES~~ ACTION AGENCIES;

ADMINISTRATION

*(a) Each community ~~services~~ action agency shall administer its programs
as set out in the community services plan and as approved by its board of
directors.*

(b) Each board of a nonprofit ~~community-based~~ community-based organization that is designated a community services action agency under section 3903 of this chapter shall have an executive committee of not more than seven members who shall be representative of the composition of the board and the board shall be so constituted that:

** * **

(2) one-third of the members of the board are persons chosen in accordance with election procedures adequate to ~~assure~~ ensure that they are representative of ~~the poor~~ individuals with low income in the area served; and

(3) the remainder of the members of the board are officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community.

(c) Each member of ~~the~~ a board selected to represent a specific geographic area within a community shall reside in the area ~~he or she~~ the member represents. ~~No person selected under subdivisions (2) or (3) of subsection (b) as a member of a board shall serve on such board for more than five consecutive years, or more than a total of 10 years~~ Each board shall adopt term limits to govern its members.

** * * Appropriations * * **

Sec. 8. APPROPRIATION; TRANSITION PLANNING

(a) In fiscal year 2026, \$7,000,000.00 of one-time funding is appropriated from the General Fund as follows:

(1) \$5,085,000.00 to the Department for Children and Families to plan for the implementation of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program, which shall be distributed to the community action agencies on a mutually agreed upon schedule, as needed,;

(2) \$400,000.00 to the Department for Children and Families for distribution to the statewide organization serving households experiencing or who have experienced domestic or sexual violence; and

(3) \$515,000.00 to the Department of Health for distribution to Bridges to Health for services to individuals who are experiencing homelessness or at risk of becoming homeless;

(4) \$1,000,000.00 to the Department for Children and Families for the distribution of grants to municipalities planning and implementing services for households that are at risk of homelessness or experiencing homelessness, in collaboration with the community action agency serving a municipality's region.

(b) The Department shall report on the distribution of appropriations made in this section pursuant to Sec. 5(b)(1)(B) of this act.

** * * VHEARTH Transition * * **

Sec. 9. VHEARTH TRANSITION

Between July 1, 2025 and July 1, 2026, pursuant to a mutual agreement between the Department and a community action agency or the statewide organization serving households experiencing domestic or sexual violence, specific elements of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program may take effect prior to July 1, 2026 subject to:

(1) 30-day notice to affected households;

(2) 30-day notice to the Joint Fiscal Committee, House Committee on Human Services, and Senate Committee on Health and Welfare; and

(3) posted notice on the Department's website.

** * * Effective Dates * * **

Sec.10. EFFECTIVE DATES

This act shall take effect on July 1, 2025, except that:

(1) Sec. 4 (Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program) shall take effect on July 1, 2026; however, specific elements of the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program may be implemented prior to that date pursuant to Sec. 9;

(2) Sec. 7 (community action agencies) shall take effect on July 1, 2026;

and

(3) the Department for Children and Families shall commence the rulemaking process prior to July 1, 2026 in order to have rules in place on that date.