

1

H.938

2 An act relating to establishing the Vermont Homelessness Response  
3 Continuum

4 The Senate proposes to the House to amend the bill by striking out all after  
5 the enacting clause and inserting in lieu thereof the following:

6 \* \* \* Findings, Legislative Intent, and Purpose \* \* \*

7 Sec. 1. FINDINGS

8 The General Assembly finds that:

9 (1) although an imperfect tool for measuring the true number of  
10 unhoused Vermonters, the Vermont Homeless Management Information  
11 System as of December 2025 indicated that there were 4,022 individuals who  
12 were homeless in the State, 863 of whom were children under 18 years of age;  
13 and

14 (2) the 2024 Vermont Housing Needs Assessment notes that of the  
15 36,000 primary homes needed in Vermont between 2025 and 2029, the number  
16 needed to address homelessness is 3,295.

17 Sec. 2. LEGISLATIVE INTENT

18 It is the intent of the General Assembly that:

19 (1) unsheltered homelessness be eliminated and that homelessness in  
20 Vermont be rare, brief, and nonrecurring;

1           (2) Vermont reduce reliance on the inefficient use of hotel and motel  
2 rooms for emergency housing;

3           (3) utilization of an emergency housing benefit to access hotels and  
4 motels through the General Assistance program end and be replaced by a  
5 continuum of services; and

6           (4) a continuum of supports and services be available and administered  
7 flexibly in a manner that:

8                   (A) provides a stable pathway to permanent housing;

9                   (B) meets the specific needs of households experiencing  
10 homelessness; and

11                   (C) supports community partners.

12 Sec. 3. PURPOSE

13           It is the purpose of this act to:

14                   (1) establish a continuum of supports and services for households who  
15 are experiencing homelessness or who are at risk of experiencing  
16 homelessness;

17                   (2) ensure that tailored, temporary emergency housing assistance is  
18 available to Vermonters in a manner that encourages efficient and accountable  
19 use of taxpayer funds;

- 1       (3) support self-sufficiency and reduce returns to homelessness by  
2 developing personalized housing plans with required participation by  
3 households;
- 4       (4) establish clear eligibility criteria and require active household  
5 participation;
- 6       (5) expand the use of alternative emergency housing models in  
7 partnership with municipalities, nonprofit community-based providers, and  
8 private landlords;
- 9       (6) integrate supportive services to assist households to achieve  
10 permanent housing stability;
- 11       (7) establish transparent accountability measures, reporting  
12 requirements, and oversight mechanisms;
- 13       (8) increase Program efficiency and promote maximum flexibility in  
14 administering services and supports in the continuum;
- 15       (9) empower local communities to administer emergency housing  
16 services with maximum flexibility; and
- 17       (10) create a diversified system of emergency housing options,  
18 including shelters, specialized shelters, shared housing arrangements, host-  
19 home models, master-lease units, and rapid rehousing placements, that provide  
20 cost-effective, sustainable, and supportive outcomes to households.

1       \* \* \* Creation of the Vermont Homelessness Response Continuum \* \* \*

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

3       CHAPTER 22. VERMONT HOMELESSNESS RESPONSE CONTINUUM

4       § 2201. DEFINITIONS

5       As used in this chapter:

6           (1) “Alternative housing options” means housing options including  
7 shelters, specialized shelters, transitional housing, recovery residences, shared  
8 housing arrangements, host-home models, master-lease units, and rapid  
9 rehousing placements.

10          (2) “Applicant” means a household that applies for emergency housing  
11 assistance.

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

14          (4) “Case management services” means individualized supportive  
15 services.

16          (5) “Coordinated entry” means a process that standardizes the way  
17 households at risk of homelessness or experiencing homelessness access and  
18 are assessed for and referred to the housing and services that a household needs  
19 for housing stability.

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

1           (7) “Disability” means a physical, sensory, cognitive, developmental, or  
2 mental health condition or substance use disorder that substantially limits one  
3 or more major life activities, or that requires ongoing support, accommodation,  
4 or treatment to maintain an individual’s health, safety, or independence. The  
5 term includes chronic or episodic conditions that significantly impact daily  
6 functioning, regardless of whether the individual is receiving, or is eligible to  
7 receive, federal disability benefits.

8           (8) “Diversion” means a strategy aimed at preventing homelessness by  
9 helping households find immediate alternative housing options instead of  
10 entering shelters. Diversion focuses on addressing the needs of those who  
11 have recently lost their housing.

12           (9) “Eligible household” means a household that is homeless and is  
13 physically present and intends to reside in Vermont as evidenced by active  
14 participation in a housing, employment, or other Agency of Human Services–  
15 recognized plan.

16           (10) “Emergency cold-weather shelter” means publicly funded shelter  
17 beds made available to households during periods when the National Weather  
18 Service is forecasting temperatures at or below 10 degrees Fahrenheit  
19 including windchill for the majority of the State.

20           (11) “Emergency housing” means temporary shelter, lodging, or other  
21 housing support, or related services provided to eligible households to protect

1 the health, safety, and welfare of an eligible household when no safe housing  
2 option is immediately available.

3 (12) “Highly structured shelter” means a shelter that provides  
4 programming that emphasizes case management, housing stability,  
5 employment, education, or treatment services, as well as other services as  
6 appropriate, in a manner that accommodates an eligible household’s disability,  
7 if any.

8 (13) “Homeless” means:

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

10 (B) facing imminent loss of a primary nighttime residence;

11 (C) fleeing or attempting to flee domestic violence, dating violence,  
12 sexual assault, stalking, and other dangerous or life-threatening conditions that  
13 relate to violence against a household or household member that either takes  
14 place in the primary nighttime residence or causes the household or household  
15 member to be afraid to return to the primary nighttime residence;

16 (D) residing in a place not meant for human habitation, such as cars,  
17 parks, abandoned buildings, or streets; or

18 (E) otherwise defined as homeless under federal law.

19 (14) “Household” means an individual or group of individuals, with or  
20 without children, including individuals who reside together as one economic  
21 unit, who are married, parties to a civil union, or unmarried.

1           (15) “Low-barrier shelter” means a shelter that minimizes barriers to  
2 entry by reducing the rules and programmatic requirements found in highly  
3 structured shelters, while still providing case management and other housing  
4 support services in a manner that accommodates an eligible household’s  
5 disability, if any.

6           (16) “Minor child” means an individual under 18 years of age.

7           (17) “Office” means the Office of Economic Opportunity.

8           (18) “Permanent supportive housing” means long-term housing with  
9 wraparound services for individuals with complex health and social needs.

10           (19) “Prevention” means services intended to prevent a household from  
11 becoming homeless, including housing relocation or stabilization services or  
12 short-term rental assistance, including rental arrearage.

13           (20) “Program” means the Vermont Homelessness Response  
14 Continuum.

15           (21) “Rapid rehousing” means short- to medium-term rental assistance  
16 and supportive services aimed at assisting a household to quickly exit  
17 homelessness.

18           (22) “Shelter” means a facility that meets the Department’s shelter  
19 standards.

20           (23) “Specialized shelter” means a facility that meets the Department’s  
21 shelter standards and applicable standards for the delivery of additional

1 services, including health care, mental health services, or services related to  
2 substance use disorder.

3 (24) “Supportive services” means individualized supports that assist a  
4 household in obtaining and maintaining housing, including:

5 (A) intake assessments and services for diversion from homelessness;

6 (B) household needs assessments;

7 (C) case management;

8 (D) individualized household plans to address identified needs;

9 (E) housing navigation services;

10 (F) assistance obtaining and retaining housing, including financial  
11 assistance;

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

13 (H) navigation to other services and supports as identified in the  
14 household’s housing plan, including economic benefits, peer-supported  
15 services, job training and employment services, services related to disability  
16 and independent living advocacy, and referral to health care assistance,  
17 including treatment for mental health conditions and substance use disorder;

18 (I) progress monitoring of interventions; and

19 (J) services to ensure continuity after a permanent placement.

1           (25) “Unsheltered homelessness” means sleeping in a location not  
2 designed for or ordinarily used as a regular sleeping accommodation, including  
3 cars, parks, abandoned buildings, or streets.

4 § 2202. ESTABLISHMENT; VERMONT HOMELESSNESS RESPONSE

5           CONTINUUM

6           (a) The Vermont Homelessness Response Continuum is established to  
7 create an array of services that prevent and address homelessness in Vermont.  
8 The Program shall be administered by the Department’s Office of Economic  
9 Opportunity.

10          (b) The Office shall maintain a continuum of services that is flexible,  
11 housing focused, and designed to prevent homelessness whenever possible.  
12 The continuum shall prioritize early intervention, rapid resolution of housing  
13 crises, and equitable access to emergency and permanent housing.

14          (c) The Program shall:

15           (1) provide temporary emergency housing to eligible households  
16 experiencing homelessness or at imminent risk of homelessness;

17           (2) reduce reliance on hotels and motels for emergency housing  
18 assistance;

19           (3) expand the use of alternative housing options in partnership with  
20 community organizations, municipalities, and private landlords;

1           (4) integrate case management and individualized housing plans into all  
2 emergency housing placements; and

3           (5) ensure accountability, transparency, and cost efficiency in the use of  
4 public funds.

5           (d) All funding opportunities available under the Program shall be open to  
6 any entity or community partner, including those that did not previously  
7 receive funding.

8 § 2203. PROGRAM COMPONENTS

9           (a) The continuum of services shall consist of the following:

10           (1) level 1: prevention and diversion services;

11           (2) level 2: shelter services:

12           (A) level 2A: highly structured shelter services; and

13           (B) level 2B: low-barrier shelter services;

14           (3) level 3: specialized shelter services;

15           (4) level 4: hotels and motels;

16           (5) permanent supportive housing services; and

17           (6) other emergency housing services.

18           (b) The Office shall address each of the services in subsection (a) of this

19 section by separate line items in its budget. The Department shall be

20 responsible for any transfers to other Agency of Human Services departments

21 necessary to implement the services listed in subsection (a) of this section.

1 The Department and other departments within the Agency of Human Services  
2 shall maximize federal receipts, as applicable, for services listed in subsection  
3 (a) of this section.

4 (c) Upon assessing a household's needs, the Office or community partners  
5 shall offer to place the household in the appropriate level of care to address the  
6 household's specific needs if capacity, staffing, and geographic accessibility  
7 are available.

8 § 2204. PREVENTION AND DIVERSION SERVICES

9 Level 1: prevention and diversion services.

10 (1) Prevention and diversion services shall function as the primary entry  
11 point to the Vermont Homelessness Response Continuum for all households,  
12 although connection may be made at any level. The Office shall ensure that  
13 prevention and diversion services are provided through an agreement with one  
14 or more community partners in each region of the State in a manner that  
15 accommodates an eligible household's disability, if any. All households, upon  
16 request for assistance, shall receive a brief, standardized initial prevention and  
17 diversion assessment to identify safe alternatives to homelessness and resolve  
18 immediate housing barriers.

19 (2) Prevention includes activities to avert entry into homelessness.  
20 Diversion includes problem-solving interventions and supports that safely  
21 resolve a housing crisis without the use of shelter or hotel or motel placements.

1           (3) Funds administered for prevention and diversion services shall have  
2 maximum flexibility.

3 § 2205. SHELTER SERVICES

4           (a) Level 2A: highly structured shelter services.

5           (1) To the extent funds are appropriated for this purpose, the Office shall  
6 determine the need for highly structured shelter services and develop sufficient  
7 highly structured shelter beds to address that need. The Department through  
8 the Office shall enter into agreements for a period of not less than two years at  
9 a time with community partners for the provision of highly structured shelter  
10 services.

11           (2) Highly structured shelters shall offer programming that emphasizes  
12 case management, housing stability, employment, education, or treatment  
13 services, as well as other services as appropriate, in a manner that  
14 accommodates an eligible household's disability, if any. Eligible households  
15 receiving highly structured shelter services shall participate in case  
16 management and other services to the extent of their ability.

17           (3) The Office shall ensure that highly structured shelter services meet  
18 the Department of Public Safety, Vermont Fire and Building Safety Code  
19 (CVR 28-070-001).

20           (4) If an eligible household's needs cannot be met with the level 1  
21 prevention and diversion services in section 2204 of this chapter, highly

1 structured shelter services are the preferred initial placement if capacity,  
2 staffing, and geographic accessibility are available.

3 (b) Level 2B: low-barrier shelter services.

4 (1) To the extent funds are appropriated for this purpose, the Office shall  
5 determine the need for low-barrier shelter services and develop sufficient low-  
6 barrier shelters to address that need. The Department through the Office shall  
7 enter into agreements for a period of not less than two years at a time with  
8 community partners for the provision of low-barrier shelter services.

9 (2) Low-barrier shelters shall minimize barriers to entry by reducing the  
10 rules and programmatic requirements found in highly structured shelters, while  
11 still providing case management and other housing support services in a  
12 manner that accommodates an eligible household's disability, if any. Stays in  
13 low-barrier shelters shall be time limited, and eligible households shall be  
14 transitioned to highly structured shelter services or permanent housing as soon  
15 as feasible.

16 (3) The Office shall ensure that low-barrier shelter services meet the  
17 Department of Public Safety, Vermont Fire and Building Safety Code (CVR  
18 28-070-001).

19 (4) If an eligible household's needs cannot be met with the level 1  
20 prevention and diversion services in section 2204 of this chapter or the highly  
21 structured shelter services in subsection (a) of this section, low-barrier shelter

1 services may be utilized if capacity, staffing, and geographic accessibility are  
2 available.

3 § 2206. SPECIALIZED SHELTER SERVICES

4 Level 3: specialized shelter services.

5 (1) To the extent funds are appropriated for this purpose:

6 (A) the relevant Agency of Human Services departments shall  
7 determine the need for and, to the extent funds permit, develop specialized  
8 shelter services that comply with the Department of Public Safety, Vermont  
9 Fire and Building Safety Code (CVR 28-070-001), as well as any other  
10 applicable standards relevant to the specialty population; and

11 (B) the relevant Agency of Human Services departments shall enter  
12 into agreements for a period of not less than two years at a time with  
13 community partners for the provision of specialized shelter services.

14 (2) Specialized service shelters shall offer services delivered in a highly  
15 structured shelter as well as additional specialty services, such as services for  
16 substance use disorder and mental and physical health conditions. Eligible  
17 households receiving specialized shelter services shall participate in case  
18 management and other services to the extent of their ability.

19 (3) If an eligible household's needs cannot be met with the level 1  
20 prevention and diversion services in section 2204 of this chapter or the level 2  
21 shelter services in section 2205 of this chapter, a specialized service shelter

1 may be utilized if capacity, staffing, and geographic accessibility are available  
2 and the eligible household requires specialized services.

3 § 2207. HOTELS AND MOTELS

4 Level 4: hotels and motels.

5 (1) It is the intent of the General Assembly to decrease reliance on hotel  
6 and motel rooms. However, until sufficient permanent affordable housing or  
7 shelter services are available, the use of hotel and motel services shall be  
8 permitted.

9 (2) If a hotel or motel is utilized pursuant to this section, the Department  
10 shall:

11 (A) enter into an agreement with one or more community partners to  
12 provide relevant supportive services to eligible households;

13 (B) permit a population-specific placement to the extent certain  
14 populations are not isolated from the wider community served through the  
15 Program;

16 (C) propose hotel and motel rates as part of its budget presentation  
17 for the General Assembly's consideration;

18 (D) use only hotel and motel rates established by the General  
19 Assembly;

20 (E) enter into agreements for the use of blocks of hotel and motel  
21 rooms and negotiate conditions of use for those blocks, including access to

1 providers of case management and other supportive services, with space to  
2 provide services as negotiated; and

3 (F) ensure that services are not provided pursuant to this section on a  
4 night-by-night basis.

5 (3) If a hotel or motel is utilized pursuant to this section, the eligible  
6 household shall participate in case management services, planning for housing  
7 stability, and other services to the extent of the eligible household's ability.

8 (4) A hotel or motel used pursuant to this chapter shall comply with  
9 Program rules and the following rules:

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

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

14 (5)(A) To the extent funds are appropriated for this purpose:

15 (i) between April 1 and November 30 of each year, the utilization  
16 of hotel and motel rooms pursuant to this section shall be capped at 700 rooms  
17 per night; and

18 (ii) between December 1 and March 31 of each year, the  
19 utilization of hotel and motel rooms pursuant to this section shall be capped at  
20 1,000 rooms per night.

1           (B) Hotel and motel rooms utilized by individuals served under  
2 section 602 of this title shall not be included in the room caps provided in this  
3 subdivision (5).

4           (6) If an eligible household's needs cannot be met by levels 1–3 of the  
5 Program as described in sections 2204–2206 of this chapter, the Office may  
6 utilize hotels and motels if capacity, staffing, and geographic accessibility are  
7 available.

8 § 2208. PERMANENT SUPPORTIVE HOUSING SERVICES

9           The Agency of Human Services' departments or their community partners  
10 shall offer to provide permanent supportive housing services to an eligible  
11 household participating in the Program. Permanent supportive housing  
12 services provided pursuant to this section shall combine long-term,  
13 community-based rental assistance with voluntary, flexible supportive services,  
14 such as family supportive housing and other supportive housing services  
15 funded in whole or in part by Medicaid, if the household and services are  
16 eligible for Medicaid. An eligible household receiving permanent supportive  
17 housing services shall participate in case management, planning for housing  
18 stability, and other services to the extent of the eligible household's ability.  
19 Permanent supportive housing services may be utilized by an eligible  
20 household for as long as the eligible household's plan indicates it is necessary.

1 § 2209. OTHER EMERGENCY HOUSING SERVICES

2 (a) Municipal supports. The Department through the Office shall provide  
3 grants to municipalities in areas of the State with a high volume of unsheltered  
4 homelessness, including municipalities underserved by traditional funding  
5 sources. An eligible municipality may submit to the Office a grant application  
6 containing the estimated cost of the municipality's proposal and other  
7 identified funding sources. The use of grant funding awarded pursuant to this  
8 subsection is at the discretion of the municipality and shall include the  
9 provision of basic life-sustaining shelter when the National Weather Service  
10 declares a cold weather advisory. Shelter provided pursuant to this subsection  
11 shall be time limited, shall not require a coordinated entry assessment or case  
12 management, and shall have minimal data reporting requirements.

13 (b) Emergency cold-weather shelters. Emergency cold-weather shelters  
14 shall be managed through an agreement between the Office and one or more  
15 community partners to provide overnight, low-barrier shelter when weather  
16 conditions warrant. The Office and community partners shall ensure equitable  
17 access to emergency cold-weather shelters for communities with a high  
18 number of households experiencing unsheltered homelessness. Shelter  
19 provided pursuant to this subsection shall be time limited, shall not require a  
20 coordinated entry assessment or case management, and shall have minimal  
21 data reporting requirements.

1       (c) Alternative Agency of Human Services housing solutions. The Agency  
2 of Human Services, through its various departments, provides households with  
3 other time-limited or permanent housing. Such services include recovery  
4 housing, various residential supports for individuals with intellectual or  
5 developmental disabilities, home care services for older Vermonters and  
6 individuals with physical disabilities, transitional housing for individuals  
7 exiting correctional custody, and residential options for individuals with  
8 mental health challenges. Emergency housing provided through the Program  
9 is not intended to take the place of any other Agency of Human Services time-  
10 limited or permanent housing.

11       § 2210. HOUSEHOLD RESPONSIBILITIES

12       (a) Within the funds appropriated for this purpose, a household shall  
13 qualify for services under the Program if the household:

14               (1) is physically present and intends to reside in Vermont as evidenced  
15 by active participation in a housing, employment, or other Agency of Human  
16 Services–recognized plan;

17               (2) agrees to a coordinated entry assessment that prioritizes the  
18 household for permanent housing, unless explicitly exempt under this chapter;

19               (3) agrees to engage with a case manager to develop a housing plan,  
20 unless explicitly exempt from case management requirements under this  
21 chapter or by federal law; and

1           (4) abides by Program rules and refrains from misconduct.

2           (b)(1) The Office or a community partner shall provide clear written notice  
3 to all applicants regarding penalties for fraud at the time of application.

4           (2) The Office or a community partner shall not impose a penalty upon a  
5 household for a good faith, immaterial error that was corrected upon notice  
6 within a reasonable period of time.

7           (3) A household that knowingly provides false, misleading, or  
8 incomplete information regarding residency, disability status, household  
9 composition, or other eligibility criteria shall be subject to termination of  
10 services within 30 days after receiving written notice from the Department or a  
11 community partner.

12           (4) Pending the outcome of a relevant Human Services Board hearing,  
13 the Office may refer cases of suspected fraud to the Office of the Attorney  
14 General or a State's Attorney for investigation and prosecution under  
15 applicable State law.

16           (c) A household may be terminated from the Program for repeatedly  
17 refusing suitable placements following documented suitability assessments and  
18 reasonable accommodations.

19           (d) A member or members of an eligible household may be subject to  
20 immediate termination of services as necessary for the safety of others if the  
21 member or members are engaged in:

1           (1) criminal activity; or

2           (2) misconduct that is not related to a disability or to victimization

3 related to abuse, sexual assault, or stalking.

4           (e) As used in this section, “misconduct” means documented behaviors that

5 materially endanger the safety of others, involve the intentional destruction of

6 property, or constitute illegal activity.

7 § 2211. PRIORITIZATION

8           (a) The Office, either directly or through community partners, shall

9 prioritize services within the funds appropriated for this purpose to eligible

10 households who are homeless or at risk of becoming homeless and have a

11 member who:

12           (1) is 65 years of age or older;

13           (2) has a disability;

14           (3) is a minor child;

15           (4) is pregnant;

16           (5) is experiencing domestic violence, dating violence, sexual assault,

17 stalking, human trafficking, or other dangerous or life-threatening conditions;

18 or

19           (6) is under court-ordered eviction or constructive eviction due to

20 circumstances over which the household has no control.

21           (b)(1) Proof of an eligible household’s disability shall be verified by:

1           (A) a health care provider licensed or certified and practicing in  
2 Vermont;

3           (B) a determination or certification from a State- or federally  
4 recognized agency or program that provides services to individuals with  
5 disabilities; or

6           (C) self-attestation by the eligible household, subject to verification  
7 by the State or community partner within 30 days when other documentation is  
8 not reasonably available at the time of application.

9           (2) The presence of an eligible household member's disability shall be  
10 verified by the Office or a community partner during the household's initial  
11 application process and shall be redetermined annually if the household is still  
12 receiving services. An eligible household with a member who has a lifelong  
13 disability, such as an intellectual or developmental disability, shall not be  
14 required to have the disability redetermined.

15           (c) The Office and community partners shall comply with the Americans  
16 with Disabilities Act, 42 U.S.C. § 12101–12213, and section 504 of the  
17 Rehabilitation Act of 1973, 29 U.S.C. § 794, for the purposes of providing  
18 reasonable modifications, effective communication, and accessible placements.  
19 Program rules and case management requirements shall be reasonably  
20 modified, including with the use of plain language, as necessary to avoid  
21 discrimination against eligible households with a member who has a disability.

1 § 2212. TIME LIMITS FOR PROGRAM PARTICIPATION

2 (a) Time limits for Program participation shall be governed by the level of  
3 service provided as follows:

4 (1) Level 1: Any temporary housing that is not provided in the form of  
5 temporary rental assistance through the Program's prevention and diversion  
6 services shall not exceed 30 days per rolling 12-month period.

7 (2) Level 2: The Office, in collaboration with shelter providers, shall  
8 establish the maximum length of stay in highly structured shelters and low-  
9 barrier shelters in rule or shelter standards.

10 (3) Level 3: The Department, in collaboration with other relevant  
11 Agency of Human Services departments, shall establish the maximum length  
12 of stay in specialized shelters in rule or shelter standards.

13 (4) Level 4: Hotels and motels:

14 (A) Between April 1 and November 30 of each year, eligible  
15 households may receive housing at hotels and motels with supportive services  
16 for not more than 70 days per rolling 12-month period as calculated from the  
17 date of the eligible household's application through the same day of the month  
18 12 months later.

19 (B) Between December 1 and March 31 of each year, eligible  
20 households may receive continuous services in cold-weather-use hotels and

1 motels, which shall not be applied toward the time limit established in  
2 subdivision (A) of this subdivision (4).

3 (b) The Department may grant extensions to the time limits established in  
4 subsection (a) of this section pursuant to criteria adopted in rule, including for:

5 (1) an eligible household actively awaiting a placement in housing,  
6 treatment, or other services;

7 (2) medical necessity;

8 (3) lack of reasonable alternative accessible placements for a member of  
9 the eligible household with a disability; and

10 (4) imminent risk to the health or safety of one or more of the eligible  
11 household's members.

12 § 2213. CASE MANAGEMENT SERVICES

13 Each eligible household shall be assigned a case manager, except where  
14 specifically exempted for certain services, which may be from any Agency of  
15 Human Services department or a community partner. Case management  
16 services provided pursuant to this chapter shall be informed by the acuity level  
17 of the eligible household and include individualized supports that connect an  
18 eligible household to public assistance, health care, employment, permanent  
19 housing, and other services. A household may request, but is not guaranteed, a  
20 specific case manager or change in case manager.

1 § 2214. NEEDS ASSESSMENT

2 The Office and community partners shall provide advice and consultation to  
3 the Department of Housing and Community Development in its completion of  
4 a needs assessment that identifies gaps in services for households that are  
5 homeless in the State and includes recommendations to ensure the provision of  
6 equitable services throughout the State.

7 § 2215. NOTICE; APPEALS; RIGHT TO FAIR HEARING

8 (a) The Office or a community partner shall provide written notice to any  
9 applicant or household whose participation in the Program is denied, reduced,  
10 suspended, or terminated. Notice shall include:

11 (1) the specific factual and legal basis for the Office or community  
12 partner's decision;

13 (2) the effective date of the action, which in the case of termination,  
14 reduction, or suspension of services shall provide timely written notice by  
15 email or U.S. mail;

16 (3) a statement of the right to request a fair hearing pursuant to this  
17 section; and

18 (4) clear instructions, in plain language, on the process and deadlines for  
19 filing an appeal.

1       (b) An applicant for or a recipient of assistance pursuant to this chapter  
2       may file a request for a fair hearing with the Human Services Board pursuant  
3       to 3 V.S.A. § 3091 when:

4           (1) an application for assistance under the Program is denied in whole or  
5       part;

6           (2) a household's benefits are terminated, reduced, or suspended; or

7           (3) the household believes that benefits have not been provided in  
8       accordance with applicable rules or policies.

9       (c) An applicant or household shall file a request for a fair hearing with the  
10       Human Services Board within 60 days after the date of the written notice  
11       pursuant to subsection (a) of this section.

12       (d) If a household files a request for a fair hearing within 14 days after  
13       receiving notice pursuant to subsection (a) of this section, the Office or  
14       community partner providing notice shall continue to provide services under  
15       the Program without interruption until a decision is issued by the Human  
16       Services Board, unless:

17           (1) the household voluntarily waives continued services; or

18           (2) a household or household member's continued receipt of services  
19       poses a risk of safety to others.

20       (e) Fair hearings held pursuant to this section shall be conducted in  
21       accordance with 3 V.S.A. §§ 3090–3091.

1 § 2216. RULEMAKING

2 The Department shall adopt rules pursuant to 3 V.S.A. chapter 25 for the  
3 implementation of the Vermont Homelessness Response Continuum,  
4 addressing at a minimum:

5 (1) requirements for community providers participating in the Program;

6 (2) standards for highly structured, low-barrier, and specialized shelters;

7 (3) documentation requirements for household eligibility, including  
8 disability;

9 (4) required elements for supportive services, including case  
10 management;

11 (5) the creation of a brief, standardized initial assessment form that may  
12 be completed by hand, electronically, or by telephone;

13 (6) a process for issuing timely, written approval or denial notifications  
14 to applicants;

15 (7) a process for issuing advance notice to households when the  
16 household is being terminated from the Program;

17 (8) applicant and household appeal procedures;

18 (9) time limits for Program participation, including procedures for  
19 extensions;

20 (10) a process for reinstatement of services after a household's  
21 termination from the Program;

1           (11) expectations for the Office’s oversight and quality monitoring,  
2 including performance measurements applicable to all community partners and  
3 grantees; and

4           (12) other subjects as deemed necessary.

5 § 2217. REPORTING

6           (a) Annually, as part of the Department’s budget presentation, the  
7 Department shall provide a status report addressing each level of the Vermont  
8 Homelessness Response Continuum. Minimally, the status report shall  
9 address:

10           (1) the number of households served within each level of the Program;

11           (2) the average length of participation for households within each level  
12 of the Program and the rate at which households successfully transition to  
13 permanent housing;

14           (3) the number of households diverted from entering shelters or hotel  
15 and motel placements through prevention and diversion services;

16           (4) the utilization of hotels and motels, including:

17           (A) the average nightly number of rooms used;

18           (B) the average and median length of stay;

19           (C) the extent to which hotel and motel usage has decreased relative  
20 to the prior fiscal year; and

- 1           (D) the number of eligible households denied a hotel or motel room  
2 due to authorized rooms being fully occupied;
- 3           (5) housing stability outcomes, including rates of return to homelessness  
4 within six and 12 months following exit from the Program;
- 5           (6) an assessment of regional capacity and access to services, including  
6 identification of geographic areas with unmet needs or disproportionate  
7 utilization of emergency housing resources;
- 8           (7) total expenditures by Program level and funding source, including  
9 State, federal, and other funds, and an analysis of cost efficiency across  
10 housing models; and
- 11           (8) any operational barriers to implementation of the Program, along  
12 with recommendations for administrative or legislative action.
- 13           (b) Annually, as part of the Department’s budget presentation, the  
14 Department shall set goals for increased housing capacity, including permanent  
15 supportive housing, permanent affordable housing, and shelter beds. The  
16 Department shall provide data pertaining to the increased shelter capacity and  
17 the extent to which shelter capacity meets the needs of eligible households  
18 experiencing homelessness each year.
- 19           (c) On or before the last day of each month, the Office, or other relevant  
20 agency or department, shall post on its website a substantially similar report to

1 that due pursuant to 2023 Acts and Resolves No. 81, Sec. 6(b), including the  
2 Office's monthly expenditure on the Program by level.

3 \* \* \* Continuums of Care; Required Merger \* \* \*

4 Sec. 5. MERGER OF CONTINUUMS OF CARE

5 (a) In order to promote the effective use of resources and continuity of care,  
6 the Department for Children and Families' Office of Economic Opportunity  
7 shall work in collaboration with the Chittenden County Homeless Alliance, the  
8 Balance of State Continuum of Care, and the U.S. Department of Housing and  
9 Urban Development to establish a single continuum of care in the State on or  
10 before October 1, 2028.

11 (b) On or before January 15, 2028, the Office shall submit a written report  
12 to the House Committee on Human Services and to the Senate Committee on  
13 Health and Welfare summarizing efforts to establish a single continuum of care  
14 pursuant to this section.

15 \* \* \* Effective October 1, 2028, Requirements of Grantees \* \* \*

16 Sec. 6. 33 V.S.A. § 2218 is added to read:

17 § 2218. GRANT REQUIREMENTS

18 Any grant or other agreement executed by the Agency of Human Services  
19 or its departments shall require a community partner, as appropriate, to:

20 (1) participate in the local housing coalition or other group established  
21 to assist eligible households who are homeless;



1       Recognizing that the Department and community partners do not have the  
2       capacity to fully implement the Vermont Homelessness Response Continuum  
3       established in 33 V.S.A. chapter 22 on July 1, 2026, the Department through  
4       the Office and community partners shall implement the Program to the fullest  
5       extent of their ability in fiscal year 2027 while developing the capacity to fully  
6       implement the Program in fiscal year 2028.

7       Sec. 8. INTERIM EMERGENCY RULEMAKING; DEADLINE FOR  
8               ADOPTION OF PERMANENT RULES

9       (a)(1) Pending the adoption of permanent rules on the Vermont  
10       Homelessness Response Continuum, the Commissioner for Children and  
11       Families shall adopt and maintain emergency rules pursuant to 3 V.S.A. § 844,  
12       which shall be deemed to meet the standard for emergency rulemaking  
13       pursuant to 3 V.S.A. § 844(a). Emergency rules required by this subsection  
14       shall take effect on September 1, 2026, and shall, at a minimum, address the  
15       required topics listed in 33 V.S.A. § 2216.

16       (2) Between July 1, 2026, and August 31, 2026, the Commissioner for  
17       Children and Families shall administer the Vermont Homelessness Response  
18       Continuum by applying the General Assistance Emergency Housing rules  
19       approved by the Legislative Committee on Administrative Rules on March 13,  
20       2025, for the administration of this act.

1       (b)(1) Unless extended by the Legislative Committee on Administrative  
2       Rules pursuant to 3 V.S.A. § 843(c), the Department shall, on or before  
3       October 1, 2027, adopt permanent rules pursuant to 3 V.S.A. chapter 25 on the  
4       Vermont Homelessness Response Continuum as required by 33 V.S.A. § 2216.

5       (2) Prior to filing the permanent rule with the Secretary of State  
6       pursuant to 3 V.S.A. § 838, the Department shall:

7               (A) work in collaboration with stakeholders to develop the rule,  
8       including holding at least five regional stakeholder hearings throughout the  
9       State; and

10              (B) on or before April 1, 2027, submit a draft of the rules to the  
11       House Committee on Human Services and the Senate Committee on Health  
12       and Welfare for review and consideration of Committee comments.

13       Sec. 9. IMPLEMENTATION STATUS REPORT; VERMONT

14                       HOMELESSNESS RESPONSE CONTINUUM

15       On or before February 15, 2027, the Department for Children and Families'  
16       Office of Economic Opportunity shall present a progress report to the House  
17       Committee on Human Services and to the Senate Committee on Health and  
18       Welfare on the Office's implementation of the Vermont Homelessness  
19       Response Continuum established pursuant to 33 V.S.A. chapter 22. The  
20       Office's presentation shall include an initial draft of the Department's

1 permanent rules for the implementation of the Vermont Homelessness  
2 Response Continuum and any recommendations for legislative action.

3 \* \* \* Supportive and Shelter Services for Households Experiencing Domestic  
4 or Sexual Violence \* \* \*

5 Sec. 10. 33 V.S.A. chapter 6 is amended to read:

6 CHAPTER 6. PREVENTION AND TREATMENT OF SEXUAL ABUSE  
7 AND DOMESTIC AND SEXUAL VIOLENCE

8 \* \* \*

9 § 602. SUPPORTIVE SERVICES AND SHELTER FOR HOUSEHOLDS  
10 EXPERIENCING DOMESTIC OR SEXUAL VIOLENCE

11 The Department shall select and enter into an agreement with a statewide  
12 organization to provide or cause to be provided supportive services and shelter  
13 to those households that are experiencing or that have experienced domestic or  
14 sexual violence. If the statewide organization cannot fulfill its responsibilities  
15 under this section, the Department shall work with another entity to ensure that  
16 there is not a gap in services.

17 \* \* \* Vermont Rental Assistance Bridge Program \* \* \*

18 Sec. 11. VERMONT RENTAL ASSISTANCE BRIDGE PROGRAM

19 (a) The Vermont Rental Assistance Bridge Program is established within  
20 the Vermont State Housing Authority for the purpose of linking households  
21 who require rental assistance to permanent housing when the household does

1 not otherwise have access to relevant U.S. Department of Housing and Urban  
2 Development rental assistance.

3 (b)(1) The Agency shall collaborate with the Vermont State Housing  
4 Authority to develop a framework for establishing a unified housing voucher  
5 program that consolidates the voucher assistance currently provided though the  
6 Agency's departments. In developing this framework, the Agency and the  
7 Vermont State Housing Authority shall:

8 (A) analyze the fiscal implications of consolidating existing voucher  
9 programs into a unified program, including projected costs, potential  
10 efficiencies, and impacts on funding sources;

11 (B) assess the projected impact on the total number of individuals  
12 served and on distinct populations, including:

13 (i) individuals exiting homelessness;

14 (ii) individuals facing eviction;

15 (iii) individuals with mental health challenges;

16 (iv) individuals with disabilities; and

17 (v) any other population served by the department-administered  
18 voucher programs;

19 (C) identify administrative, operational, and statutory changes  
20 required to implement a unified program; and

1           (D) propose options and recommendations for the structure,  
2 governance, and implementation of the unified program.

3           (2) The Agency and the Vermont State Housing Authority shall report  
4 their findings and recommendations to the House Committee on Human  
5 Services and to the Senate Committee on Health and Welfare on or before  
6 January 15, 2027.

7           (c) The Vermont State Housing Authority and relevant departments of the  
8 Agency of Human Services shall jointly work to:

9           (1) incorporate existing rental assistance that is funded by the Agency  
10 and its departments and designated for Vermonters exiting homelessness into  
11 the Program established in this section; and

12           (2) establish eligibility criteria, any prioritization that may be necessary  
13 for this use of funds appropriated for this Program, and the appropriate length  
14 of assistance under this section.

15           (d) The Program shall not provide the full amount of a household's rental  
16 payment and shall not be a permanent voucher. Program priority shall be  
17 given to current recipients of the HOME Program, established pursuant to  
18 10 V.S.A. § 321(b)(2), who have not yet reached 24 months of rental  
19 assistance. Program payments shall be made directly from the Vermont State  
20 Housing Authority to a household's landlord.

1       (e) The Program shall be accessible to eligible households served by each  
2       of the Agency's departments, with priority given to those exiting homelessness  
3       and not to the exclusion of other eligible populations.

4       \* \* \* Payment Rate Structure and Fiscal Year 2027 Expenditures \* \* \*

5       Sec. 12. PAYMENT RATE STRUCTURE; SHELTER SERVICES

6       The Department for Children and Families, in collaboration with the  
7       Agency of Human Services and relevant community partners, shall propose a  
8       payment rate structure, including periodic rate reviews, for all shelter services  
9       required by this act. The structure shall include a base rate and potential for  
10       supplemental payment to the base if necessary and appropriate.

11       (1) On or before April 1, 2027, the Department shall submit an interim  
12       report to the House Committee on Human Services and to the Senate  
13       Committee on Health and Welfare regarding the implementation of the  
14       payment rate structure and the Department's proposed timeline for  
15       implementation.

16       (2) On or before November 1, 2027, the Department shall submit a final  
17       report to the Joint Fiscal Committee regarding the implementation of the  
18       payment rate structure and the Department's proposed timeline for  
19       implementation.

1 Sec. 13. FISCAL YEAR 2027 CAPPED ROOM RATES

2 In fiscal year 2027, the Department for Children and Families or  
3 community partners shall pay a hotel or motel establishment providing  
4 emergency housing not more than the hotel's lowest advertised room rate and  
5 not more than \$80.00 a day per room to shelter a household participating in the  
6 Vermont Homelessness Response Continuum. The Department for Children  
7 and Families or community partners may shelter a household in more than one  
8 hotel or motel room depending on the household's size and composition.

9 Sec. 14. EXPENDITURES; VERMONT HOMELESSNESS RESPONSE

10 CONTINUUM

11 (a) This act provides for the fiscal year 2027 expenditure of \$82,634,153.00  
12 for the provision of services, implementation of the Vermont Homelessness  
13 Response Continuum, shelter development and operation, rental assistance,  
14 and supportive services, including case management, as follows:

15 (1) \$39,284,606.00 for the Housing Opportunity Grant Program  
16 operations, of which \$38,251,696.00 is base funding from the General Fund,  
17 \$830,422.00 is federal funding, and \$202,488.00 is from the Global  
18 Commitment Fund;

19 (2) \$4,400,000.00 for the shelter development, of which \$1,400,000.00  
20 is base funding from the General Fund and \$3,000,000.00 is one-time funding  
21 from the General Fund;

1           (3) \$23,370,000.00 for emergency housing in hotels and motels, of  
2           which \$9,251,120.00 is base funding from the General Fund and  
3           \$14,118,880.00 is one-time funding from the General Fund;

4           (4) \$2,400,000.00 for case management, of which \$2,400,000.00 is base  
5           funding from the General Fund;

6           (5) \$4,200,000.00 for permanent supportive housing and family  
7           supportive housing, of which \$778,987.00 is base funding from the General  
8           Fund and \$3,421,013.00 is from the Global Commitment Fund;

9           (6) \$3,000,000.00 for rental assistance, of which \$3,000,000.00 is base  
10          funding from the General Fund;

11          (7) \$500,000.00 for grants to municipalities pursuant to 33 V.S.A.  
12          § 2209(a), of which \$500,000.00 is one-time funding from the General Fund;

13          (8) \$1,500,000.00 for emergency cold-weather shelters, of which  
14          \$1,500,000.00 is one-time funding from the General Fund;

15          (9) \$314,618.00 for other expenses, of which \$314,618.00 is from  
16          federal funding;

17          (10) \$3,164,929.00 for staffing, grants, and contracts, of which  
18          \$1,100,000.00 is base funding from the General Fund and \$2,064,929.00 is  
19          one-time funding from the General Fund; and

20          (11) \$500,000.00 for the Community Resource Center, of which  
21          \$500,000.00 is base funding from the General Fund.

1       (b) Any funds that remain unspent at the end of fiscal year 2027 shall be  
2       carried forward for the same purpose for which they were originally  
3       appropriated.

4       (c) Any funds appropriated for General Assistance emergency housing or  
5       the Housing Opportunity Grant Program that remain unspent at the end of  
6       fiscal year 2026 shall be carried forward for investment in the Vermont  
7       Homelessness Response Continuum in fiscal year 2027.

8       (d) On or before October 1, 2026; January 1, 2027; and April 1, 2027, the  
9       Office shall submit a written report to the House Committees on  
10       Appropriations and on Human Services and to the Senate Committee on  
11       Appropriations and on Health and Welfare describing how the funds  
12       referenced in subsection (a) of this section have been utilized to date, including  
13       whether expended funds were one-time or base General Fund, federal funds, or  
14       Global Commitment funds.

15               \* \* \* Removing General Assistance Annual Report \* \* \*

16       Sec. 15. 33 V.S.A. § 2115 is amended to read:

17       § 2115. ~~GENERAL ASSISTANCE PROGRAM REPORT~~

18       ~~On or before September 1 of each year, the Commissioner for Children and~~  
19       ~~Families shall submit a written report to the Joint Fiscal Committee; the House~~  
20       ~~Committees on Appropriations, on General, Housing, and Military Affairs, and~~

1 ~~on Human Services; and the Senate Committees on Appropriations and on~~  
2 ~~Health and Welfare. The report shall contain the following:~~

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

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

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

7 ~~(4) statewide statistics using deidentified data related to the use of~~  
8 ~~emergency housing vouchers during the preceding State fiscal year, including~~  
9 ~~demographic information, client data, shelter and motel usage rates, clients'~~  
10 ~~primary stated cause of homelessness, and average lengths of stay in~~  
11 ~~emergency housing by demographic group and by type of housing; and~~

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

13 \* \* \* Effective Dates \* \* \*

14 Sec. 16. EFFECTIVE DATES

15 (a) This section and Sec. 8 (deadline for adoption of permanent rules;

16 interim emergency rulemaking) shall take effect on passage.

17 (b) Sec. 6 (grant requirements) shall take effect on October 1, 2028.

18 (c) All remaining sections shall take effect on July 1, 2026.