

1 H.938

2 Introduced by Committee on Human Services

3 Date:

4 Subject: Human services; emergency housing

5 Statement of purpose of bill as introduced: This bill proposes to establish a
6 continuum of supports and services to prevent or divert households from
7 homelessness and to address the needs of Vermonters who are homeless.

8 An act relating to establishing the Vermont Homelessness Response
9 Continuum

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

11 * * * Findings, Legislative Intent, and Purpose * * *

12 Sec. 1. FINDINGS

13 The General Assembly finds that:

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

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

4 Sec. 2. LEGISLATIVE INTENT

5 It is the intent of the General Assembly that:

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

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

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

13 (4) a continuum of supports and services be available to provide a stable
14 pathway to permanent housing that meets the specific needs of households
15 experiencing homelessness.

16 Sec. 3. PURPOSE

17 It is the purpose of this act to:

18 (1) establish a continuum of supports and services for households who
19 are experiencing homelessness or who are at risk of experiencing
20 homelessness;

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

4 (3) support self-sufficiency and reduce returns to homelessness by
5 developing personalized housing plans with required participation by
6 households;

7 (4) establish clear eligibility criteria and require active household
8 participation;

9 (5) expand the use of alternative emergency housing models in
10 partnership with municipalities, nonprofit community-based providers, and
11 private landlords;

12 (6) integrate supportive services to assist households to achieve
13 permanent housing stability;

14 (7) establish transparent accountability measures, reporting
15 requirements, and oversight mechanisms;

16 (8) increase program efficiency and promote maximum flexibility in
17 administering services and supports in the continuum;

18 (9) empower local communities to administer emergency housing
19 services with maximum flexibility; and

20 (10) create a diversified system of emergency housing options,
21 including shelters, specialized shelters, shared housing arrangements, host-

1 home models, master-lease units, and rapid rehousing placements, that provide
2 cost-effective, sustainable, and supportive outcomes to households.

3 * * * Creation of the Vermont Homelessness Response Continuum * * *

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

5 CHAPTER 22. VERMONT HOMELESSNESS RESPONSE CONTINUUM

6 § 2201. DEFINITIONS

7 As used in this chapter:

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

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

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

16 (4) “Case management services” means individualized supportive
17 services.

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

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

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

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

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

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

1 (11) “Emergency housing” means temporary shelter, lodging, or other
2 housing support, or related services provided to eligible households to protect
3 the health, safety, and welfare of an eligible household when no safe housing
4 option is immediately available.

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

10 (13) “Homeless” means:

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

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

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

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

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

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

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

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

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

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

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

16 (20) “Program” means the Vermont Homelessness Response
17 Continuum.

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

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

3 (23) “Specialized shelter” means a facility that meets the Department’s
4 shelter standards and applicable standards for the delivery of additional
5 services, including health care, mental health services, or services related to
6 substance use disorder.

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

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

10 (B) household needs assessments;

11 (C) case management;

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

13 (E) housing navigation services;

14 (F) assistance obtaining and retaining housing, including financial
15 assistance;

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

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

1 (I) progress monitoring of interventions; and

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

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

6 § 2202. ESTABLISHMENT; VERMONT HOMELESSNESS RESPONSE

7 CONTINUUM

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

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

16 (c) The Program shall:

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

19 (2) reduce reliance on hotels and motels for emergency housing
20 assistance;

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

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

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

7 § 2203. PROGRAM COMPONENTS

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

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

10 (2) level 2: shelter services:

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

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

13 (3) level 3: specialized shelter services;

14 (4) level 4: permanent supportive housing services;

15 (5) level 5: hotels and motels; and

16 (6) other emergency housing services.

17 (b) The Office shall address each of the services in subsection (a) of this
18 section by separate line items in its budget. The Department shall be
19 responsible for any transfers to other Agency of Human Services departments
20 necessary to implement the services listed in subsection (a) of this section.

21 The Department and other departments within the Agency of Human Services

1 shall maximize federal receipts, as applicable, for services listed in subsection
2 (a) of this section.

3 (c) Upon assessing a household's needs, the Office or community partners
4 shall place the household in the appropriate level of care to address the
5 household's specific needs.

6 § 2204. PREVENTION AND DIVERSION SERVICES

7 Level 1: prevention and diversion services.

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

17 (2) Prevention includes activities to avert entry into homelessness.

18 Diversion includes problem-solving interventions and supports that safely
19 resolve a housing crisis without the use of shelter or hotel placements.

20 (3) Funds administered for prevention and diversion services shall have
21 maximum flexibility.

1 § 2205. SHELTER SERVICES

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

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

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

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

18 (4) If an eligible household's needs cannot be met with the level 1
19 prevention and diversion services in section 2204 of this chapter, highly
20 structured shelter services is the preferred initial placement if capacity,
21 staffing, and geographic accessibility are available.

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

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

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

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

17 (4) If an eligible household's needs cannot be met with the level 1
18 prevention and diversion services in section 2204 of this chapter or the highly
19 structured shelter services in subsection (a) of this section, low-barrier shelter
20 services may be utilized if capacity, staffing, and geographic accessibility are
21 available.

1 § 2206. SPECIALIZED SHELTER SERVICES

2 Level 3: specialized services.

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

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

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

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

18 (3) If an eligible household's needs cannot be met with the level 1
19 prevention and diversion services in section 2204 of this chapter or the level 2
20 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. PERMANENT SUPPORTIVE HOUSING

4 Level 4: Permanent supportive housing.

5 (1) The Agency of Human Services or any department within the
6 Agency shall provide or enter an agreement for permanent supportive housing
7 that combines long-term, community-based rental assistance with voluntary,
8 flexible supportive services, such as family supportive housing and other
9 supportive housing services funded in whole or in part by Medicaid, if the
10 household and services are eligible for Medicaid.

11 (2) Eligible households receiving permanent supportive housing services
12 shall participate in case management, planning for housing stability, and other
13 services to the extent of the eligible household's ability.

14 (3) If an eligible household's needs cannot be met with the level 1
15 prevention and diversion services in section 2204 of this chapter, the level 2
16 shelter services in section 2205 of this chapter, or the level 3 specialized
17 shelter services in section 2206 of this chapter, permanent supportive housing
18 may be utilized where capacity, staffing, and geographic accessibility are
19 available.

1 § 2208. HOTELS AND MOTELS

2 Level 5: hotels and motels.

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

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

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

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

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

16 (D) use only hotel and motel rates established by the General
17 Assembly;

18 (E) enter into agreements for the use of blocks of hotel and motel
19 rooms and negotiate conditions of use for those blocks, including access to
20 providers of case management and other supportive services, with space to
21 provide services as negotiated; and

1 (F) ensure that services are not provided pursuant to this subsection
2 on a night-by-night basis.

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

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

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

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

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

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

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

19 (B) Hotel and motel rooms utilized by individuals served under 33
20 V.S.A. § 602 shall not be included in the room caps provided in this
21 subdivision (5).

1 (6) If an eligible household’s needs cannot be met by levels 1–4 of the
2 continuum as described in sections 2204–2207 of this chapter, the Office may
3 utilize hotels and motels if capacity, staffing, and geographic accessibility are
4 available.

5 § 2209. OTHER EMERGENCY HOUSING SERVICES

6 (a) Municipal supports. The Department through the Office shall provide
7 grants to municipalities in areas of the State with a high volume of unsheltered
8 homelessness, including municipalities underserved by traditional funding
9 sources. The use of this aid is at the discretion of the municipality and
10 includes providing access to basic life-sustaining shelter when the National
11 Weather Service declares a cold weather advisory. Shelter provided pursuant
12 to this subsection shall be time limited, shall not require a coordinated entry
13 assessment or case management, and shall have minimal data reporting
14 requirements.

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

1 coordinated entry assessment or case management, and shall have minimal
2 data reporting requirements.

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

13 § 2210. HOUSEHOLD RESPONSIBILITIES

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

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

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

1 (3) engages with a lead case management entity, such as a department of
2 the Agency of Human Services or a community partner, to develop a housing
3 plan and participate in employment, treatment, or other activities as
4 appropriate, unless explicitly exempt from case management requirements
5 under this chapter or by federal law; and

6 (4) abides by program rules and refrains from misconduct.

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

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

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

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

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

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

7 (1) criminal activity; or

8 (2) misconduct that is not related to a disability or to victimization
9 related to abuse, sexual assault, or stalking.

10 (e) As used in this section, “misconduct” means documented behaviors that
11 materially endanger the safety of others, involve the intentional destruction of
12 property, or constitute illegal activity.

13 § 2211. PRIORITIZATION

14 (a) The Office, either directly or through community partners, shall
15 prioritize services within the funds appropriated for this purpose to eligible
16 households who are homeless or at risk of becoming homeless and have a
17 member who:

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

19 (2) has a disability;

20 (3) is a minor child;

21 (4) is pregnant;

1 (5) is experiencing domestic violence, dating violence, sexual assault,
2 stalking, human trafficking, or other dangerous or life-threatening conditions;

3 or

4 (6) is under court-ordered eviction or constructive eviction due to
5 circumstances over which the household has no control.

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

7 (A) a health care provider licensed or certified and practicing in
8 Vermont;

9 (B) a determination or certification from a State- or federally-
10 recognized agency or program that provides services to individuals with
11 disabilities; or

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

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

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

8 § 2212. TIME LIMITS FOR PROGRAM PARTICIPATION

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

11 (1) level 1: any temporary housing that is not provided in the form of
12 temporary rental assistance through the Program’s prevention and diversion
13 services shall not exceed 30 days per rolling 12-month period;

14 (2) level 2: the Office, in collaboration with shelter providers, shall
15 establish the maximum length of stay in highly structured shelters and low-
16 barrier shelters in rule or shelter standards;

17 (3) level 3: the Department, in collaboration with other relevant Agency
18 of Human Services’ departments, shall establish the maximum length of stay in
19 specialized shelters in rule or shelter standards;

1 (4) level 4: permanent supportive housing services may be utilized by
2 an eligible household for as long as the eligible household's plan indicates it is
3 necessary; and

4 (5) level 5: hotels and motels:

5 (A) between April 1 and November 30 of each year, eligible
6 households may receive housing at hotels and motels with supportive services
7 for not more than 70 days per rolling 12-month period; and

8 (B) between December 1 and March 31 of each year, eligible
9 households may receive continual services in cold-weather-use hotels and
10 motels, which shall not be applied toward the time limit established in
11 subdivision (A) of this subdivision (5).

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

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

16 (2) medical necessity;

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

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

1 § 2213. CASE MANAGEMENT SERVICES

2 Each eligible household shall be assigned a lead case manager, except
3 where specifically exempted for certain services, which may be from any
4 Agency of Human Services department or a community partner. Case
5 management services provided pursuant to this chapter shall be informed by
6 the acuity level of the eligible household and include individualized supports
7 that connect an eligible household to public assistance, health care,
8 employment, permanent housing, and other services. A household may request
9 a specific case manager or a change in case manager.

10 § 2214. NEEDS ASSESSMENT

11 The Office and community partners shall provide advice and consultation to
12 the Department of Housing and Community Development in its completion of
13 a needs assessment that identifies gaps in services for households that are
14 homeless in the State and includes recommendations to ensure the provision of
15 equitable services throughout the State.

16 § 2215. NOTICE; APPEALS; RIGHT TO FAIR HEARING

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

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

1 (2) the effective date of the action, which in the case of termination,
2 reduction, or suspension of services shall not be sooner than 30 days after the
3 date of the written notice, in the household's preferred method of
4 communication;

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

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

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

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

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

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

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

20 (d) If a household files a request for a fair hearing within 14 days after
21 receiving notice pursuant to subsection (a) of this section, the Office or

1 community partner providing notice shall continue to provide services under
2 the Program without interruption until a decision is issued by the Human
3 Services Board, unless:

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

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

7 (e) The hearing shall be conducted in accordance with due process
8 standards, including the right to present evidence, cross-examine witnesses,
9 and be represented by counsel or another authorized representative.

10 (f) The Human Services Board shall issue a written decision that sets forth
11 findings of fact, conclusions of law, and the basis for its decision, and the
12 process for appealing the decision to the Vermont Supreme Court.

13 (g) If the Human Services Board issues 20 substantially identical decisions
14 brought by Vermont Homelessness Response Continuum applicants or
15 recipients, the Department and community partners shall adopt the Board's
16 interpretation as part of its administration of the Program and the Department
17 shall revise the Program rules accordingly.

18 § 2216. RULEMAKING

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

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

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

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

5 (4) required elements for supportive services, including case
6 management;

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

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

11 (7) a process for issuing advanced notice to households when the
12 household is being terminated from the program;

13 (8) applicant and household appeal procedures;

14 (9) time limits for Program participation, including procedures for
15 extensions;

16 (10) expectations for the Office's oversight and quality monitoring; and

17 (11) other subjects as deemed necessary.

18 § 2217. REPORTING

19 (a) Annually, as part of the Department's budget presentation, the
20 Department shall provide a status report addressing each level of the Vermont
21 Homeless Response Continuum. Minimally, the status report shall address:

- 1 (1) the number of households served within each level of the continuum;
- 2 (2) the average length of participation for households within each level
3 of the continuum and the rate at which households successfully transition to
4 permanent housing;
- 5 (3) the number of households diverted from entering shelters or hotel
6 and motel placements through prevention and diversion services;
- 7 (4) the utilization of hotels and motels, including:
- 8 (A) the average nightly number of rooms used;
- 9 (B) the average and median length of stay; and
- 10 (C) the extent to which hotel and motel usage has decreased relative
11 to the prior fiscal year;
- 12 (5) housing stability outcomes, including rates of return to homelessness
13 within six and 12 months following exit from the Program;
- 14 (6) an assessment of regional capacity and access to services, including
15 identification of geographic areas with unmet needs or disproportionate
16 utilization of emergency housing resources;
- 17 (7) total expenditures by continuum level and funding source, including
18 State, federal, and other funds, and an analysis of cost efficiency across
19 housing models; and
- 20 (8) any operational barriers to implementation of the continuum, along
21 with recommendations for administrative or legislative action.

1 (b) Annually, as part of the Department’s budget presentation, the
2 Department shall set goals for increased housing capacity, including permanent
3 supportive housing, permanent affordable housing, and shelter beds. The
4 Department shall provide data pertaining to the increased shelter capacity and
5 the extent to which shelter capacity meets the needs of eligible households
6 experiencing homelessness each year.

7 (c) On or before the last day of each month, the Office, or other relevant
8 agency or department, shall post on its website a substantially similar report to
9 that due pursuant to 2023 Acts and Resolves No. 81, Sec. 6(b), including the
10 Office’s monthly expenditure on the Program by level.

11 * * * Continuums of Care; Required Merger * * *

12 Sec. 5. MERGER OF CONTINUUMS OF CARE

13 (a) In order to promote the effective use of resources and continuity of care,
14 the Department for Children and Families’ Office of Economic Opportunity
15 shall work in collaboration with the Chittenden County Homeless Alliance, the
16 Balance of State Continuum of Care, and the U.S. Department of Housing and
17 Urban Development to establish a single continuum of care in the State on or
18 before October 1, 2028.

19 (b) On or before January 15, 2028, the Office shall submit a written report
20 to the House Committee on Human Services and to the Senate Committee on

1 Health and Welfare summarizing efforts to establish a single continuum of care
2 pursuant to this section.

3 * * * Effective October 1, 2028, Requirements of Grantees * * *

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

5 § 2218. GRANT REQUIREMENTS

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

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

10 (2) utilize the coordinated entry assessment for eligible households who
11 are homeless or at risk of homelessness;

12 (3) utilize the appropriate planning process and options for an eligible
13 household transitioning into permanent housing, including for eligible
14 households with an individual who has an intellectual or developmental
15 disability, older Vermonters, or individuals transitioning from a correctional
16 facility or hospital; and

17 (4) measure performance outcomes, including diversion success, time-
18 to-housing, and housing retention.

1 * * * Transition; Vermont Homelessness Response Continuum * * *

2 Sec. 7. TRANSITION TO THE VERMONT HOMLESSNESS RESPONSE
3 CONTINUUM

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

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

12 (a) Pending the adoption of permanent rules on the Vermont Homelessness
13 Response Continuum, the Commissioner for Children and Families shall adopt
14 and maintain emergency rules pursuant to 3 V.S.A. § 844, which shall be
15 deemed to meet the standard for emergency rulemaking pursuant to 3 V.S.A.
16 § 844(a). Emergency rules required by this subsection shall take effect on July
17 1, 2026, and shall, at a minimum, address the required topics listed in 33
18 V.S.A. § 2216.

19 (b) Unless extended by the Legislative Committee on Administrative Rules
20 pursuant to 3 V.S.A. § 843(c), the Department shall, on or before October 1,

1 2027, adopt permanent rules pursuant to 3 V.S.A. chapter 25 on the Vermont
2 Homelessness Response Continuum as required by 33 V.S.A. § 2216.

3 Sec. 9. IMPLEMENTATION STATUS REPORT; VERMONT

4 HOMELESSNESS RESPONSE CONTINUUM

5 On or before February 15, 2027, the Department for Children and Families'
6 Office of Economic Opportunity shall present a progress report to the House
7 Committee on Human Services and to the Senate Committee on Health and
8 Welfare the Office's implementation of the Vermont Homelessness Response
9 Continuum established pursuant to 33 V.S.A. chapter 22. The Office's
10 presentation shall include an initial draft of the Department's permanent rules
11 for implementation of the Vermont Homelessness Response Continuum and
12 any recommendations for legislative action.

13 * * * Supportive and Shelter Services for Households Experiencing Domestic
14 or Sexual Violence * * *

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

16 CHAPTER 6. PREVENTION AND TREATMENT OF SEXUAL ABUSE
17 AND DOMESTIC AND SEXUAL VIOLENCE

18 * * *

1 § 602. SUPPORTIVE SERVICES AND SHELTER FOR HOUSEHOLDS
2 EXPERIENCING DOMESTIC OR SEXUAL VIOLENCE

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

9 * * * Vermont Rental Assistance Bridge Program * * *

10 Sec. 11. VERMONT RENTAL ASSISTANCE BRIDGE PROGRAM

11 (a) The Vermont Rental Assistance Bridge Program is established within
12 the Vermont State Housing Authority for the purpose of linking households
13 who require rental assistance to permanent housing when the household does
14 not otherwise have access to relevant U.S. Department of Housing and Urban
15 Development rental assistance. The Program shall be accessible to eligible
16 clients served by each of the Agency of Human Services' departments.

17 (b) The Program shall be available to a household for not more than 24
18 months and shall not provide the full amount of the household's rental
19 payment. Program payments shall be made directly from the Vermont State
20 Housing Authority to a household's landlord.

1 (c) Program priority shall be given to current recipients of the HOME
2 Program, established pursuant to 10 V.S.A. § 321(b)(2), who have not yet
3 reached 24 months of rental assistance.

4 (d) The Vermont State Housing Authority and relevant departments of the
5 Agency of Human Services shall jointly work to:

6 (1) incorporate any existing rental assistance funded by the Agency and
7 its department into the Program established in this section; and

8 (2) establish eligibility criteria and any prioritization that may be
9 necessary for this use of funds appropriated for this Program.

10 (e) It is the intent of the General Assembly that funds are appropriated for
11 the Vermont Rental Assistance Bridge Program through fiscal year 2030.

12 * * * Payment Rate Structure and Fiscal Year 2027 Expenditures * * *

13 Sec. 12. PAYMENT RATE STRUCTURE; SHELTER SERVICES

14 The Department for Children and Families, in collaboration with the
15 Agency of Human Services and relevant community partners, shall establish a
16 payment rate structure, including periodic rate reviews, for all shelter services
17 required by this act. The structure shall include a base rate and potential for
18 supplemental payment to the base if necessary and appropriate. On or before
19 April 1, 2027, the Department shall submit a report to the House Committee on
20 Human Services and to the Senate Committee on Health and Welfare regarding

1 the implementation of the payment rate structure and the Department's
2 proposed timeline for implementation.

3 Sec. 13. FISCAL YEAR 2027 CAPPED ROOM RATES

4 In fiscal year 2027, the Department for Children and Families or
5 community partners shall not pay a hotel or motel establishment providing
6 emergency housing more than the hotel's lowest advertised room rate and not
7 more than \$80 a day per room to shelter a household participating in the
8 Vermont Homelessness Response Continuum. The Department for Children
9 and Families or community partners may shelter a household in more than one
10 hotel or motel room depending on the household's size and composition.

11 Sec. 14. EXPENDITURES; VERMONT HOMELESSNESS RESPONSE

12 CONTINUUM

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

17 (b) Any funds that remain unspent at the end of fiscal year 2027 shall be
18 carried forward for the same purpose for which they were originally
19 appropriated in this section.

20 (c) Any funds appropriated for General Assistance emergency housing or
21 the Housing Opportunity Grant Program that remain unspent at the end of

1 fiscal year 2026 shall be carried forward for investment in the Vermont
2 Homelessness Response Continuum in fiscal year 2027.

3 * * * Removing General Assistance Annual Report * * *

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

5 § 2115. ~~GENERAL ASSISTANCE PROGRAM REPORT~~

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

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

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

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

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

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

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* * * Effective Dates * * *

Sec. 16. EFFECTIVE DATES

- (a) This section and Sec. 8 (deadline for adoption of permanent rules; interim emergency rulemaking) shall take effect on passage.
- (b) Sec. 6 (grant requirements) shall take effect on October 1, 2028.
- (c) All remaining sections shall take effect on July 1, 2026.