

1 Sec. 79. HOUSING ASSISTANCE

2 (a) In fiscal year 2026 and fiscal year 2027, while the General Assembly is
3 not in session the Emergency Board shall have the authority to transfer part of
4 the appropriation in 2025 Acts and Resolves No. 27, Sec. B.1101(b)(2) to the
5 Department for Children and Families for the purpose of assisting a housing
6 authority to avoid termination of U.S. Department of Housing and Urban
7 Development (HUD) Section 8 housing choice vouchers that would otherwise
8 be lost as the result of reductions in federal funding.

9 (b) If funds are transferred for this purpose, they may be made available at
10 the request of a housing authority for one of the following purposes:

11 (1) to maintain a current housing assistance payment in use or to prevent
12 the retirement of a housing assistance payment currently in use by the housing
13 authority; or

14 (2) with prior written approval from HUD, to provide funding to a
15 housing authority in order to prevent the termination of assistance to current
16 housing choice voucher participants.

17 (c) If funds are transferred for this purpose, an affirmative vote of the
18 majority of a housing authority's commissioners shall be required prior to a
19 housing authority requesting funds.

20 (d) A housing authority shall notify the Department for Children and
21 Families of its intent to request funds and submit a report on its financial need
22 to the Department on or before April 15, 2026.

1 (e) On or before May 1, 2026, the Department for Children and Families
2 shall:

3 (1) establish procedures for validating that such expenditures conform to
4 applicable HUD requirements and are a necessary and proper expense prior to
5 issuing funds; and

6 (2) establish guidelines to ensure that funds are distributed in an
7 equitable manner.

8 (f) If funds are transferred for this purpose, the Department for Children
9 and Families shall report to the Joint Fiscal Committee at its September 2026
10 meeting and submit a written report on or before January 15, 2027, to the
11 House and Senate Committees on Appropriations on the status of the
12 appropriation.

13 (g) As used in this section, “housing authority” has the same meaning as in
14 24 V.S.A. § 4002.

1 Sec. 83. DEVELOPMENTAL DISABILITIES SERVICES PAYMENT REFORM;
2 IMPLEMENTATION

3 (a)(1) In fiscal year 2026, the Department of Disabilities, Aging, and Independent
4 Living shall adjust the developmental disabilities home- and community-based
5 services payment model to reflect per-member, per-month payments to designated and
6 specialized service agencies that are calculated based on a minimum-assumed
7 utilization rate of 65 percent. Reconciliation shall occur in compliance with the
8 developmental disabilities home- and community-based services payment reform
9 rules and the False Claims Act, 31 U.S.C. § 3729 et seq.

10 (2) Each agency currently below the 65 percent threshold and requiring
11 financial stabilization shall prepare and submit a financial stabilization plan to the
12 Department on or before October 1, 2027. The Department shall review the
13 stabilization plan and work with the proposing agencies toward the goal of
14 stabilization and sustainability.

15 (b) The designated and specialized service agencies shall submit to the
16 Department on or before April 1, 2026, all information deemed necessary by the
17 Department to enable it to perform a comprehensive fiscal analysis and to implement
18 resolutions to address barriers that inhibit an increase in service delivery utilization.

19 (c)(1) On or before April 15, 2026, the Agency of Human Services and the
20 Departments of Disabilities, Aging, and Independent Living and of Vermont Health
21 Access shall convene a meeting with the Chairs of the House and Senate Committees
22 on Appropriations, the House Committee on Human Services, and the Senate
23 Committee on Health and Welfare, or their designees, and with the designated and
24 specialized service agencies and other key members of the developmental disabilities
25 services delivery system. At the meeting, the parties shall discuss efforts that support

1 the growth of a sustainable developmental disabilities services delivery system in
2 which:

3 (A) increased service utilization meets the needs and goals of individuals
4 and families and drives the designated and specialized service agencies' success;

5 (B) Medicaid compliance is assured; and

6 (C) all State and federal rules are adhered to.

7 (2) At the meeting, the parties shall also develop and recommend concrete
8 solutions to mitigate short-term financial impacts and Medicaid compliance
9 risks associated with the implementation of developmental disabilities services
10 payment reform, to the extent permitted under federal Medicaid rules.

11 (d) On or before May 1, 2026, the Department shall submit a written progress
12 report to the House Committee on Human Services and to the Senate Committee on
13 Health and Welfare detailing recommended solutions, anticipated fiscal impacts to the
14 designated and specialized service agencies, implementation timelines, and
15 compliance safeguards, including how measures, such as the transitional utilization
16 methodology, shall ensure continuity of care, prevent service disruption, and mitigate
17 Medicaid compliance risks for providers and the State during the first year of payment
18 reform implementation, to the extent permitted under federal Medicaid rules.

19 (e) If funds previously appropriated to the Agency of Human Services are
20 insufficient to provide the State match needed to make the payment adjustment in
21 subsection (a) of this section, notwithstanding 32 V.S.A. § 308b, the Commissioner of
22 Finance and Management shall unreserve an amount of funds equal to the deficiency
23 from the Human Services Caseload Reserve and, notwithstanding 32 V.S.A. § 706,
24 transfer an amount of funds equal to the deficiency to the Agency of Human Services.