

# Vermont Legal Aid: Federal Funding Challenges and Community Impact (SLIDE 1)

## Presentation to House Appropriations Committee

Yasmin Dwedar, Executive Director

[ydwed@vtlegalaid.org](mailto:ydwed@vtlegalaid.org)

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## SLIDE 2: Our Mission

Good morning, and thank you for the opportunity to speak with you today. Vermont Legal Aid provides free civil legal services to vulnerable Vermonters who cannot afford an attorney. Every day, our attorneys and advocates work to ensure fair treatment and access to benefits, housing, healthcare, safety, and economic security for thousands of Vermonters in crisis.

Today, I want to discuss the critical funding challenges we're facing – particularly as federal funding becomes increasingly uncertain and pandemic-era funding ends – and how these challenges will affect our ability to serve Vermonters who rely on us for legal help.

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## SLIDE 3: Statewide Reach, Local Impact

Vermont Legal Aid serves the entire state with offices in Burlington, Montpelier, Rutland, Springfield, and St. Johnsbury. Last year, we provided direct representation, advice, or referrals to over 15,000 Vermonters.

Our services address the most fundamental needs that people have: stable housing, healthcare access, protection from violence, and economic security. Without legal aid, many Vermonters would face these challenges alone, with devastating consequences not just for them, but for their communities and for the state's social service systems.

As you'll see today, what makes our current situation particularly concerning is the combination of increasing legal needs among Vermonters and declining federal resources.

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## SLIDE 4: Current Funding Landscape

- Total annual budget: ~\$12.1 million
- Federal funding: 31.2% (\$3.78 million)
- State funding: 56.3% (\$6.83 million)
- Nonprofit/other: 12.6% (\$1.53 million)

Our annual budget of approximately \$12.1 million is funded through a combination of sources. About 56% comes from state funding, nearly a third from federal grants, and the remainder from nonprofit organizations and other sources.

While state funding provides our foundation, federal funding plays a crucial role – supporting nearly a third of our services. This funding is now at significant risk under the new federal administration, which has targeted many legal services programs for elimination or reduction.

Even before these new federal threats, we were already facing the scheduled end of crucial pandemic-era funding that has supported our housing and homelessness prevention work.

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## SLIDE 5: Federal Funding Breakdown

Federal funding breakdown (\$3.78 million total):

- Direct federal grants: 12%
- State pass-through federal grants: 43%
- Nonprofit pass-through federal grants: 45%

Looking more closely at our federal funding, you can see that it comes to us through three pathways:

12% comes directly from federal agencies like HUD and the IRS. These direct grants are at the highest immediate risk under the current administration.

43% comes through state agencies that receive federal funds and then subcontract with us, such as the VOCA funding that flows through the Center for Crime Victims Services.

45% comes through nonprofit organizations that serve as federal grant recipients and then subcontract with us, such as Disability Rights Vermont.

While different in their channels, all these funding sources originate from federal agencies, making them vulnerable to cuts. The federal funding picture affects not just Vermont Legal Aid but potentially many state agencies and nonprofits that rely on these same funding streams.

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## SLIDE 6: Pandemic Funding Ending

- **Housing for Everyone Law Project (HELP):** \$1.09 million/yr, ending June 2025  
*Helping tenants access rent assistance and works to prevent unfair evictions by assuring due process*
- **Homeownership Assistance (HLAP):** \$436K/yr, ended December 2024  
*Provides legal services to Vermont homeowners who are at risk of losing their homes due to financial hardship and assists homeowners with estate planning (also assists heirs in obtaining deed to home they inherited)*
- **Public Health Workforce:** \$129K, ended December 2024  
*Grant for Disability Law Project, which helps people with civil legal problems related to disability (abuse/neglect/exploitation, disability discrimination, education issues, benefits access)*

**Total pandemic funding loss: \$1.65 million/yr**

The pandemic created extraordinary legal needs, particularly related to housing stability. Federal and state governments responded with temporary funding that allowed us to expand our services to meet the crisis.

As shown here, this pandemic-related funding is ending. The largest program, our Housing for Everyone Law Project, which provides \$1.09 million/yr in funding, will end in June 2025. Two smaller programs have already ended (HLAP/PHW).

In total, we're losing \$1.65/yr million in pandemic funding that has supported critical housing stability work. This alone would force significant cutbacks in services. But combining this scheduled loss with new threats to our federal funding creates a potential funding cliff that would be devastating for our clients.

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## SLIDE 7: Federal Grants at Immediate Risk

- **Housing Discrimination Law Project (HDLP):** \$4088K

*Works to stop housing discrimination and to protect Vermonters' right to choose where they live*

- HUD grant expired December 2024
- 2.5 FTE attorneys handling discrimination cases

- **Low-Income Taxpayer Clinic (LITC):** \$68K

*Helps Vermonters address debilitating tax debt or disputes so they can move forward with their lives*

- IRS program with 25% staff reductions

- **Client Assistance Program (CAP):** \$132K

*Funding for Disability Rights Project: Helps people with disabilities who have problems applying for or getting independent living services or vocational services (related to work)*

- Department of Education program facing cuts

Looking first at direct federal grants, these three programs are at immediate risk.

The Housing Discrimination Law Project, funded by HUD, expired in December. We've applied for renewal, but given the current climate at HUD, renewal is unlikely. This would eliminate 2.5 staff positions and end fair housing enforcement work that prevents discrimination against protected classes.

Last year alone, this project provided housing discrimination services to over 100 Vermonters, including successful litigation on behalf of a Mexican-American family subjected to racial harassment by neighbors, and obtaining reasonable accommodations for numerous Vermonters with disabilities.

The Low-Income Taxpayer Clinic and Client Assistance Program face similar challenges, with their federal funding agencies facing significant cuts.

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## SLIDE 8: Pass-Through Federal Funding Threatened

- **Vermont Ombudsman Project (VOP):** Potential loss of \$700K+ (60% of funding)

*Protects the health, welfare and rights of people who receive long-term care*

- Would eliminate 5 of 8 full-time positions
- Cannot fulfill mandate to visit long-term care facilities

- **Disability Law Project (DLP)**

*Helps people with civil legal problems related to their disability*

*(abuse/neglect/exploitation, disability discrimination, education issues, benefits access)*

- Protection and Advocacy funds (PADD): \$415K

- Would end work for children with disabilities
- **Elder Law Project**  
*Focuses on the legal issues of Vermonters aged 60 and up*
  - Administration for Community Living being dismantled
  - Impact on services for Vermonters over 60

The threats extend beyond direct grants to our federal pass-through funding as well.

The Vermont Ombudsman Project, which monitors and advocates for residents in long-term care facilities, receives over 60% of its funding from federal sources. The administration has proposed eliminating these programs entirely, which would force us to cut 5 of 8 positions and make it impossible to fulfill our mandate to regularly visit facilities.

Last year, our ombudsmen helped elderly Vermonters like Martha, whose nursing home attempted to discharge her with nowhere to go. Our intervention ensured she could remain in her home with appropriate care.

Similarly, our Disability Law Project could lose \$415,000 in Protection and Advocacy funding, ending our ability to represent children with disabilities in special education and Medicaid services cases.

The Elder Law Project is funded under the Older Americans Act (OAA) that was administered by the Administration on Community Living (ACL). The elimination of the ACL threatens funding for Vermont residents over the age of 60, including for critical legal services (The Administration for Community Living (ACL) is being dismantled as part of a broader reorganization within the Department of Health and Human Services (HHS)).

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## SLIDE 9: The Housing Crisis: By the Numbers

### From our 2024 Legal Needs Assessment:

- 45% increase in evictions over five years
- Housing calls increased by 43% since 2019
- No-cause evictions surged from 10% to 25% of housing cases

These funding challenges come at a time when Vermonters' needs for legal help have never been greater. Our 2024 Legal Needs Assessment documents an alarming increase in housing instability across Vermont.

Evictions have increased by 45% over the past five years. Calls to our offices about eviction have jumped by 43%. And particularly concerning, no-cause evictions – where landlords can evict without stating a reason – have more than doubled, from 10% to 25% of all housing cases.

These numbers represent real Vermonters facing homelessness, like the family in White River Junction we represented who faced eviction from their apartment of 17 years, or the single mother in Burlington who was illegally locked out of her apartment in the middle of winter.

Without our housing attorneys, many of these Vermonters would have nowhere to turn.

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## SLIDE 10: The Human Impact: Client Stories

Behind these statistics are real Vermonters whose lives are transformed by Vermont Legal Aid.

Last month, our attorneys represented an elderly couple in Franklin County who faced eviction after their landlord attempted to raise their rent by 100%. They had lived in their apartment for 11 years and had nowhere else to go. Through our representation, they were able to remain in their home with a fair rent increase.

Our ombudsmen helped a nursing home resident who had been left in dirty clothes and bedding, with staff failing to properly feed him. Our intervention ensured proper care and restored his dignity.

A mother with severe disabilities called us when her landlord refused to allow her to have a live-in aide. Through negotiation, we secured not only approval for the aide but also a transfer to an accessible apartment.

Without Vermont Legal Aid, these Vermonters and thousands like them would face these life-altering challenges alone.

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## SLIDE 11: Cost to Vermonters Without Legal Aid

### **When legal aid is unavailable:**

- Increased homelessness and emergency housing costs
- Higher public assistance costs
- Increased risk of crime and family instability
- Increased burden on our court system already grappling with docket backlogs

When we cannot provide legal representation, the costs to Vermonters and to the state are profound.

For every dollar invested in Vermont's civil legal aid programs, there is an estimated \$11 return in economic activity. This includes generating additional income for low-income households and reducing the burden on courts and social services.

Unrepresented tenants are far more likely to be evicted, increasing homelessness and emergency housing costs. Families without legal assistance are more likely to need public benefits for longer periods and when they do not have access to legal services support, they face greater instability. Moreover, we are spending more in tax dollars and resources trying to address a judicial backlog impacting our justice system. Pro Se litigants take up an exorbitant amount of court time and are at risk of victimization, homelessness, and/or poverty without legal guidance and/or representation. Providing our most vulnerable constituents with access to legal services, courts, and resources contributes to addressing the root of the problem and improving our justice system. It also allows us to take a more preventative and collaborative approach to finding solutions to legal issues. An ounce of prevention is worth a pound of cure. Supporting access to justice for Vermonters is integral to stabilizing families and bringing greater safety to our communities. This is a sound investment for Vermont from a financial and social justice perspective.

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## SLIDE 12: Our Response: Internal Measures

### **Cost-saving measures:**

- Not filling vacant positions
- Operational efficiencies
- Examining office space
- Internal staff reassignments

### **Despite these efforts:**

- Average cost per position: \$180,000
- Potential staff reductions due to insufficient funding
- Areas at risk: Housing, disability, elder law, victims rights, healthcare advocacy

We are not coming to you before taking our own steps to address these challenges. We have implemented several cost-saving measures, including leaving vacant positions unfilled, finding operational efficiencies, and considering office space consolidation to reduce expenses.

However, these measures alone cannot bridge the funding gap we face. The average cost of a staff position, including benefits and overhead, is \$180,000. Without replacement funding for the federal losses and ending pandemic grants, reduction in staffing and services (at a time of heightened need) is inevitable.

These cuts would fall most heavily on housing, victims rights, disability, elder law, and healthcare advocacy – areas where Vermonters are already facing significant challenges accessing legal help.

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## SLIDE 13: Funding Request: \$1.6 Million

- **\$500,000** - Maintain Housing Projects (HLAP and HELP)
- **\$180,000** - Staff Attorney for Mental Health Legal Project
- **\$180,000** - Staff Attorney for Victims' Rights Project
- **\$540,000** - Restore Poverty Law Project staffing
- **\$200,000** - Eviction Protection Support for Legal Services Vermont

To maintain critical services for Vermonters, we're requesting a \$1.6 million increase to our base funding. This request is targeted to specific high-need areas:

\$500,000 to maintain our housing projects that are losing pandemic funding, allowing us to continue eviction defense and homeowner assistance work.

\$180,000 for a staff attorney in our Mental Health Legal Project, where we've seen increasing demand.

\$180,000 for a staff attorney in our Victims' Rights Project, as family law remains the second highest unmet legal need in Vermont.

\$540,000 to restore staffing in our Poverty Law Project, which assists Vermont's most vulnerable populations but is currently operating at reduced capacity.

\$200,000 for eviction protection support at Legal Services Vermont, our partner organization that provides the initial screening and advice for many Vermonters facing housing crises.

This request represents the minimum needed to maintain critical services as federal funding becomes increasingly uncertain.

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## SLIDE 14: Return on Investment

### For every dollar invested in legal aid:

- \$11 dollar return for every dollar
- Prevention of emergency housing expenses
- Fewer court resources required
- Crime reduction
- Long-term family stability

Investing in legal aid is not just the right thing to do for vulnerable Vermonters – it's fiscally responsible.

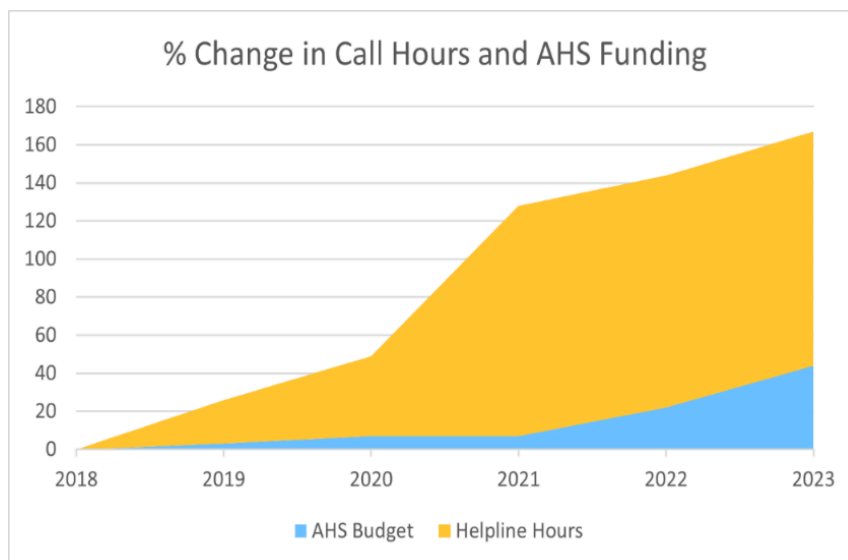
Representation in court proceedings reduces the time judges and court staff must spend explaining procedures to unrepresented litigants.

And the long-term stability we help create for families reduces their need for ongoing state services across multiple systems.

Your investment in Vermont Legal Aid pays dividends throughout the state budget and in communities across Vermont.

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## SLIDE 15: The Justice Gap: Current Reality



**2024 Legal Needs  
Assessment Findings:**

- Housing problems have reached crisis levels
- Legal needs increased substantially in 5 years
- Call volume up 14% from 2022 to 2023 alone
- Family law remains a high unmet legal need
- Healthcare navigation is increasingly complex

Our 2024 Legal Needs Assessment, completed just a few months ago, documents the growing "justice gap" in Vermont – the difference between the legal needs of low-income people and the resources available to meet those needs.

This gap is widening at an alarming rate. Call volume increased 14% from 2022 to 2023 alone. Housing problems have reached crisis proportions. Family law, especially for survivors of domestic violence, remains a high unmet need. And healthcare navigation continues to be extraordinarily complex for many Vermonters.

The 2024 assessment concludes: "any meaningful efforts to meet the broad and persistent legal needs of Vermonters will only be met by expanding resources substantially beyond current levels."

At this critical juncture, as federal resources become more uncertain, state investment is essential to prevent this gap from becoming an unbridgeable chasm.

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## SLIDE 16: Our Request: Bridge the Justice Gap

### **\$1.6 Million Investment to:**

- Maintain critical housing stability services
- Protect vulnerable Vermonters
- Prevent greater downstream costs
- Ensure access to justice for all Vermonters

In closing, Vermont Legal Aid is facing unprecedented challenges at a time when Vermonters' need for our services has never been greater. The combination of ending pandemic funding and new threats to federal grants could force devastating cuts to services that protect our most vulnerable neighbors.

Our request for a \$1.6 million increase to our base funding represents a strategic investment that will allow us to maintain critical services and prevent much larger downstream costs to Vermont communities and state resources.

More importantly, it will ensure that Vermonters facing life-altering legal problems – eviction, domestic violence, disability discrimination, healthcare denials – will not have to face these challenges alone.

Thank you for your consideration. I'm happy to answer any questions you may have.