

To: House Commerce Committee  
From: Maura Collins, Executive Director  
Date: January 28, 2026  
Re: VEDA Statute Changes

This committee previously heard testimony from the Vermont Economic Development Authority (VEDA) and Vermont Housing Finance Agency (VHFA) about changes to VEDA's statute that would allow VEDA to lend to certain housing developments, when invited into a transaction by a community bank.

As you remember, I had some concerns about how this might impact VHFA's work with borrowers and potentially add costs to housing. But I was pleased that Joan Goldstein and I worked together to find language that we both find workable. The language below allows VHFA to focus on what we do best (financing low and moderate income housing) while allowing VEDA to lend to housing developments VHFA chooses to not finance.

(U) (i) After consultation with, and with deference to, the Vermont Housing Finance Agency on applications that are eligible for financing from both the Authority and the Agency, joint financing with a financing lender for multiunit housing developments of five or more units when requested by a financing lender; provided,

(ii) The foregoing shall not include financing for developments determined by the Vermont Housing Finance Agency as being for occupancy by "persons and families of low and moderate income" as such term is defined in 10 VSA 601(11) or otherwise receiving Federal Low Income Housing Tax Credits, State Affordable Housing Tax Credits or financing with mortgage revenue bonds, multifamily housing bonds or other funding issued by the Vermont Housing Finance Agency.