



MEMO

TO: Rep. Robin Scheu, Chair, House Committee on Appropriations

CC: Rep. Marc Mihaly, Chair, House Committee on General and Housing
Rep. Theresa Wood, Chair, House Committee on Human Services
Rep. Tiffany Bluemle, House Committee on Appropriations
Kathleen Berk, Executive Director, Vermont State Housing Authority

FR: Chris Donnelly, Director of Community Relations

RE: Support for Public Housing Authorities' BAA request for \$5M contingency fund

DA: January 14, 2026

Thank you for asking for my input yesterday in the House Appropriations committee as you heard from the Joint Fiscal Office.

As you know, Vermont has an affordable housing shortage, affordability challenges with over 50% Vermont renters being cost burdened, and the unenviable position as the fourth highest rate of homelessness in the country. Every resource available – local, state, and federal – is a precious commodity that is used as effectively and efficiently as possible.

This is especially true for federal housing vouchers. Any loss of Housing Choice Vouchers results in fewer Vermonters exiting homelessness, and likely more entering it. Rental subsidy is a lifeline to stability.

More than half of Champlain Housing Trust's tenants, or about 1,350 households, depend on federal vouchers. These residents may be working, or disabled, or newly exiting homelessness.

That's why we support the proposal put forth by the Vermont State Housing Authority by Kathleen Berk on behalf of the public housing authorities across the State for a \$5 million contingency fund. This proposal will prevent an imminent reduction in vouchers – and just as important, will slow down the impact of any future federal reductions. The longer we can put the brakes on that retraction of funding, the better.

It's important to act now. Waiting until July for an appropriation in the State budget means that the PHAs must make immediate plans to reduce the number of households they serve. Acting now allows the PHAs to reset their level to January 2025 levels and carry that level

forward into future years. This gives certainty for both tenants and property owners and draws in additional federal funds.

Not acting means Vermont will lose those future federal funds and will also need to spend additional State general fund dollars to support people living in shelters or General Assistance payments to motels.

Loss of these resources also puts our operations at risk, and the resulting destabilization of PHAs will have a ripple effect on organizations like CHT across the state. That ripple effect will have a direct, and growing, impact on our budgets.

In closing, I just want to express our appreciation to the State agencies and to the Legislature for their support of and understanding of the housing needs of Vermonters. Thank you for considering a funding request in the BAA to stabilize the housing of our vulnerable neighbors.