



STATE OF VERMONT
AGENCY OF HUMAN SERVICES

MEMORANDUM

TO: House Committee on Human Services

FROM: Jenney Samuelson, Secretary, Agency of Human Services

DATE: February 13, 2026

SUBJECT: HHS Committee Bill DR 26-0766 Draft 2.1

The Agency of Human Services (AHS) does not support DR 26-0766 draft 2.1, an act relating to establishing the Vermont Homeless Response Continuum.

Over the summer and fall, following Representative Maguire's request, AHS worked with him and other partners to develop a comprehensive legislative proposal reflecting a coordinated, sustainable redesign of Vermont's homelessness response system. The proposal was developed across Agency departments, informed by service providers and community partners, and co-sponsored by the Chair of House Human Services. However, the proposal was not advanced, and the bill currently before the Committee does not reflect the coordinated framework or system redesign that had been developed.

AHS's proposal was designed to strengthen Vermont's housing, shelter, and service continuum by improving service delivery, ensuring individuals receive the care and supports necessary for stability, enhancing cross-system coordination, and expanding access to stable, service-supported housing. Its focus was on advancing long-term housing and health outcomes rather than prolonging emergency placements.

DR 26-0766 draft 2.1 does not align with that approach and, in key respects, would move the State backward rather than forward. While we appreciate the Committee's willingness to engage on this issue, we are disappointed that the current draft does not reflect the extensive work undertaken in H. 594 to achieve a coordinated strategy paired with identified funding, service alignment, and clear implementation parameters.

Several significant barriers in the current draft warrant careful consideration. First and most importantly, the bill does not adequately serve the best interests of Vermonters or protect those who are most vulnerable. By largely maintaining reliance on hotel and motel placements without

strengthening service intensity or long-term housing pathways, the proposal risks perpetuating instability rather than promoting meaningful progress toward improved housing and health outcomes.

In addition, the bill does not meaningfully reduce overall reliance on hotel and motel use and may further entrench that model, limiting the State's ability to invest in alternatives that better meet the complex health and social needs of Vermonters. It broadly expands eligibility without defined limits, increasing demand without establishing corresponding fiscal or programmatic guardrails. Further, despite proposing major structural changes, the bill does not identify the appropriations, staffing, administrative capacity, or system redesign necessary to implement and sustain these changes responsibly.

Finally, the operational timeline and implementation framework are not realistic given the scale of change contemplated. Implementation between May and July would require new rulemaking, staffing transitions, procurement processes, IT updates, staff training, interdepartmental budget transfers, and a comprehensive review and revision of existing procurement and grant structures. The proposed rate-setting transition within one year is particularly ambitious and could create unintended consequences, including destabilization of providers and disruption of services.

For these reasons, while the proposal reflects a significant redesign of the State's homelessness response system, it requires substantial refinement. A sustainable path forward must first improve and better align services for Vermonters, particularly those with the most complex needs; significantly reduce reliance on hotel and motel placements; establish explicit fiscal guardrails; invest in the most critical and effective components of the homelessness response system; and provide clearer statutory definitions and implementation structure to ensure effective and accountable implementation. Without these refinements, the bill presents significant operational and fiscal risk to the State and to the Vermonters we serve.