

1 Introduced by Committee on Human Services

2 Date:

3 Subject: Human services; emergency housing

4 Statement of purpose of bill as introduced: This bill proposes to establish a
5 continuum of supports and services to prevent or divert households from
6 homelessness and to address the needs of Vermonters who are homeless.

7 An act relating to establishing the Vermont Homelessness Response
8 Continuum

9 It is hereby enacted by the General Assembly of the State of Vermont:

10 * * * Findings, Legislative Intent, and Purpose * * *

11 Sec. 1. FINDINGS

12 The General Assembly finds that:

13 (1) although an imperfect tool for measuring the true number of
14 unhoused Vermonters, the Vermont Homeless Management Information
15 System as of December 2025 indicated that there were 4,022 individuals who
16 were homeless in the State, 863 of whom were children under 18 years of age;
17 and

18 (2) the 2024 Vermont Housing Needs Assessment notes that of the
19 36,000 primary homes needed in Vermont between 2025 and 2029, the number
20 needed to address homelessness is 3,295.

1 Sec. 2. LEGISLATIVE INTENT

2 It is the intent of the General Assembly that:

3 (1) unsheltered homelessness be eliminated and that homelessness in
4 Vermont be rare, brief, and nonrecurring;

5 (2) Vermont reduce reliance on the inefficient use of hotel and motel
6 rooms for emergency housing;

7 (3) utilization of an emergency housing benefit to access hotels and
8 motels through the General Assistance program end and be replaced by a
9 continuum of services; and

10 (4) a continuum of supports and services be available to provide a stable
11 pathway to permanent housing that meets the specific needs of households
12 experiencing homelessness.

13 Sec. 3. PURPOSE

14 It is the purpose of this act to:

15 (1) establish a continuum of supports and services for households who
16 are experiencing homelessness or who are at risk of experiencing
17 homelessness;

18 (2) ensure that tailored, temporary emergency housing assistance is
19 available to Vermonters in a manner that encourages efficient and accountable
20 use of taxpayer funds;

1 (3) support self-sufficiency and reduce returns to homelessness by
2 developing personalized housing plans with required participation by
3 households;

4 (4) establish clear eligibility criteria and require active household
5 participation;

6 (5) expand the use of alternative emergency housing models in
7 partnership with municipalities, nonprofit community-based providers, and
8 private landlords;

9 (6) integrate supportive services to assist households to achieve
10 permanent housing stability;

11 (7) establish transparent accountability measures, reporting
12 requirements, and oversight mechanisms;

13 (8) increase program efficiency and promote maximum flexibility in
14 administering services and supports in the continuum;

15 (9) empower local communities to administer emergency housing
16 services with maximum flexibility; and

17 (10) create a diversified system of emergency housing options,
18 including shelters, specialized shelters, shared housing arrangements, host-
19 home models, master-lease units, and rapid rehousing placements, that provide
20 cost-effective, sustainable, and supportive outcomes to households.

* * * Creation of the Vermont Homelessness Response Continuum * * *

Sec. 4. 33 V.S.A. chapter 22 is added to read:

CHAPTER 22. VERMONT HOMELESSNESS RESPONSE CONTINUUM

§ 2201. DEFINITIONS

As used in this chapter:

(1) “Alternative housing options” means housing options including shelters, specialized shelters, transitional housing, recovery residences, shared housing arrangements, host-home models, master-lease units, and rapid rehousing placements.

(2) “Applicant” means a household that applies for emergency housing assistance.

(3) “At risk of homelessness” means precariously housed without sufficient income, resources, or support to prevent homelessness.

(4) “Case management services” means individualized supportive services.

(5) “Coordinated entry” means a process that standardizes the way households at risk of homelessness or experiencing homelessness access and are assessed for and referred to the housing and services that a household needs for housing stability.

1 (6) “Department” means the Department for Children and Families.

2 (7) “Disability” means a physical, sensory, cognitive, developmental, or
3 mental health condition or substance use disorder that substantially limits one
4 or more major life activities, or that requires ongoing support, accommodation,
5 or treatment to maintain an individual’s health, safety, or independence. The
6 term includes chronic or episodic conditions that significantly impact daily
7 functioning, regardless of whether the individual is receiving, or is eligible to
8 receive, federal disability benefits.

9 (8) “Diversion” means a strategy aimed at preventing homelessness by
10 helping households find immediate alternative housing options instead of
11 entering shelters. Diversion focuses on addressing the needs of those who
12 have recently lost their housing.

13 (9) “Eligible household” means a household that is homeless and is
14 physically present and intends to reside in Vermont as evidenced by active
15 participation in a housing, employment, or other Agency of Human Services-
16 recognized plan.

17 (10) “Emergency cold-weather shelter” means publicly funded shelter
18 beds made available to households during periods when the National Weather
19 Service is forecasting temperatures at or below 10 degrees Fahrenheit
20 including windchill for the majority of the State.

1 (11) “Emergency housing” means temporary shelter, lodging, or other
2 housing support, or related services provided to eligible households to protect
3 the health, safety, and welfare of an eligible household when no safe housing
4 option is immediately available.

5 (12) “Highly structured shelter” means a shelter that provides
6 programming that emphasizes case management, housing stability,
7 employment, education, or treatment services, as well as other services as
8 appropriate, in a manner that accommodates an eligible household’s disability,
9 if any.

10 (13) “Homeless” means:

11 (A) lacking a fixed, regular, and adequate nighttime residence;

12 (B) facing imminent loss of primary nighttime residence;

13 (C) fleeing or attempting to flee domestic violence, dating violence,
14 sexual assault, stalking, and other dangerous or life-threatening conditions that
15 relate to violence against a household or household member that either takes
16 place in the primary nighttime residence or causes the household or household
17 member to be afraid to return to the primary nighttime residence;

18 (D) residing in a place not meant for human habitation, such as cars,
19 parks, abandoned buildings, or streets; or

20 (E) otherwise defined as homeless under federal law.

1 (14) “Household” means an individual or group of individuals, with or
2 without children, including individuals who reside together as one economic
3 unit, who are married, parties to a civil union, or unmarried.

4 (15) “Low-barrier shelter” means a shelter that minimizes barriers to
5 entry by reducing the rules and programmatic requirements found in highly
6 structured shelters, while still providing case management and other housing
7 support services in a manner that accommodates an eligible household’s
8 disability, if any.

9 (16) “Minor child” means an individual under 18 years of age.

10 (17) “Office” means of the Office of Economic Opportunity.

11 (18) “Permanent supportive housing” means long-term housing with
12 wraparound services for individuals with complex health and social needs.

13 (19) “Prevention” means services intended to prevent a household from
14 becoming homeless, including housing relocation or stabilization services or
15 short-term rental assistance, including rental arrearage.

16 (20) “Program” means the Vermont Homelessness Response
17 Continuum.

18 (21) “Rapid rehousing” means short- to medium-term rental assistance
19 and supportive services aimed at assisting a household to quickly exit
20 homelessness.

1 (22) “Shelter” means a facility that meets the Department’s shelter
2 standards.

3 (23) “Specialized shelter” means a facility that meets the Department’s
4 shelter standards and applicable standards for the delivery of additional
5 services, including health care, mental health services, or services related to
6 substance use disorder.

7 (24) “Supportive services” means individualized supports that assist a
8 household in obtaining and maintaining housing, including:

9 (A) intake assessments and services for diversion from homelessness;

10 (B) household needs assessments;

11 (C) case management;

12 (D) individualized household plans to address identified needs;

13 (E) housing navigation services;

14 (F) assistance obtaining and retaining housing, including financial
15 assistance;

16 (G) landlord-tenant outreach, education, and conflict resolution;

17 (H) navigation to other services and supports as identified in the
18 household’s housing plan, including economic benefits, peer-supported
19 services, job training and employment services, services related to disability
20 and independent living advocacy, and referral to health care assistance,
21 including treatment for mental health conditions and substance use disorder;

1 (I) progress monitoring of interventions; and

2 (J) services to ensure continuity after a permanent placement.

3 (25) “Unsheltered homelessness” means sleeping in a location not
4 designed for or ordinarily used as a regular sleeping accommodation, including
5 cars, parks, abandoned buildings, or streets.

6 § 2202. ESTABLISHMENT; VERMONT HOMELESSNESS RESPONSE
7 CONTINUUM

8 (a) The Vermont Homelessness Response Continuum is established to
9 create an array of services that prevent and address homelessness in Vermont.
10 The Program shall be administered by the Department’s Office of Economic
11 Opportunity.

12 (b) The Office shall maintain a continuum of services that is flexible,
13 housing focused, and designed to prevent homelessness whenever possible.
14 The continuum shall prioritize early intervention, rapid resolution of housing
15 crises, and equitable access to emergency and permanent housing.

16 (c) The Program shall:

17 (1) provide temporary emergency housing to eligible households
18 experiencing homelessness or at imminent risk of homelessness;

19 (2) reduce reliance on hotels and motels for emergency housing
20 assistance;

21 (3) expand the use of alternative housing options in partnership with

community organizations, municipalities, and private landlords;

(4) integrate case management and individualized housing plans into
all emergency housing placements; and

(5) ensure accountability, transparency, and cost efficiency in the use
of public funds.

§ 2203. **PROGRAM** COMPONENTS

(a) The continuum of **services** shall consist of the following:

(1) level 1: prevention and diversion services;

(2) level 2: shelter services:

(A) level 2A: highly structured shelter services; and

(B) level 2B: low-barrier shelter services;

(3) level 3: specialized shelter services;

(4) level 4: permanent supportive housing services;

(5) level 5: hotels and motels;

(6) other emergency housing services.

(b) The Office shall address each of the services in subsection (a) of this
section by separate line items in its budget. The Department shall be
responsible for any transfers to other Agency of Human Services departments
necessary to implement the services listed in subsection (a) of this section.

The Department and other departments within the Agency of Human Services

1 shall maximize federal receipts, as applicable, for services listed in subsection
2 (a) of this section.

3 (c) Upon assessing a household's needs, the Office or community partners
4 shall place the household in the appropriate level of care to address the
5 household's specific needs.

6 § 2204. PREVENTION AND DIVERSION SERVICES

7 Level 1: prevention and diversion services.

8 (1) Prevention and diversion services shall function as the primary entry
9 point to the Vermont Homelessness Response Continuum for all households,
10 although connection may be made at any level. The Office shall ensure that
11 prevention and diversion services are provided through an agreement with one
12 or more community partners in each region of the State in a manner that
13 accommodates an eligible household's disability, if any. All households, upon
14 request for assistance, shall receive a brief, standardized initial prevention and
15 diversion assessment to identify safe alternatives to homelessness and resolve
16 immediate housing barriers.

17 (2) Prevention includes activities to avert entry into homelessness.

18 Diversion includes problem-solving interventions and supports that safely
19 resolve a housing crisis without the use of shelter or hotel placements.

20 (3) Funds administered for prevention and diversion services shall have
21 maximum flexibility.

1 § 2205. SHELTER SERVICES

2 (a) Level 2A: highly structured shelter services.

3 (1) To the extent funds are appropriated for this purpose, the Office shall
4 determine the need for highly structured shelter services and develop sufficient
5 highly structured shelter beds to address that need. The Department through
6 the Office shall enter into agreements with community partners for the
7 provision of highly structured shelter services for a period of not less than two-
8 years at a time.

9 (2) Highly structured shelters shall provide programming that
10 emphasizes case management, housing stability, employment, education, or
11 treatment services, as well as other services as appropriate, in a manner that
12 accommodates an eligible household's disability, if any. Eligible households
13 receiving highly structured shelter services shall participate in case
14 management and other services to the extent of the eligible household's ability.

15 (3) The Office shall ensure that highly structured shelter services meet
16 the Department of Public Safety, Vermont Fire and Building Safety Code
17 (CVR 28-070-001).

18 (4) If an eligible household's needs cannot be met with the level 1
19 prevention and diversion services in section 2204 of this chapter, highly
20 structured shelter services is the preferred initial placement if capacity,
21 staffing, and geographic accessibility are available.

1 (b) Level 2B: low-barrier shelter services.

2 (1) To the extent funds are appropriated for this purpose, the Office shall
3 determine the need for low-barrier shelter services and develop sufficient low-
4 barrier shelters to address that need. The Department through the Office shall
5 enter into agreements with community partners for the provision of low-barrier
6 shelters for a period of not less than two years at a time.

7 (2) Low-barrier shelters shall minimize barriers to entry by reducing the
8 rules and programmatic requirements found in highly structured shelters, while
9 still providing case management and other housing support services in a
10 manner that accommodates an eligible household's disability, if any. Stays in
11 low-barrier shelters shall be time limited, and eligible households shall be
12 transitioned to highly structured shelter services or permanent housing as soon
13 as feasible.

14 (3) The Office shall ensure that low-barrier shelter services meet the
15 Department of Public Safety, Vermont Fire and Building Safety Code (CVR
16 28-070-001).

17 (4) If an eligible household's needs cannot be met with the level 1
18 prevention and diversion services in section 2204 of this chapter or the highly
19 structured shelter services in subsection (a) of this section, low-barrier shelter
20 services may be utilized if capacity, staffing, and geographic accessibility are
21 available.

1 § 2206. SPECIALIZED SHELTER SERVICES

2 Level 3: specialized services.

3 (1) To the extent funds are appropriated for this purpose:

4 (A) the relevant Agency of Human Services departments shall
5 determine the need for and, to the extent funds permit, develop specialized
6 shelter services that comply with the Department of Public Safety, Vermont
7 Fire and Building Safety Code (CVR 28-070-001), as well as any other
8 applicable standards relevant to the specialty population; and

9 (B) the relevant Agency of Human Services departments shall enter
10 into agreements with community partners for the provision of specialized
11 shelter services for a period of not less than two years.

12 (2) Specialized service shelters shall provide services delivered in a
13 highly structured shelter as well as additional specialty services, such as
14 services for substance use disorder and mental and physical health conditions.
15 Eligible households receiving specialized shelter services shall participate in
16 case management and other services to the extent of the eligible household's
17 ability.

18 (3) If an eligible household's needs cannot be met with the level 1
19 prevention and diversion services in section 2204 of this chapter or the level 2
20 shelter services in section 2205 of this chapter, a specialized service shelter

1 may be utilized if capacity, staffing, and geographic accessibility are available
2 and the eligible household requires specialized services.

3 § 2207. PERMANENT SUPPORTIVE HOUSING

4 Level 4: Permanent supportive housing.

5 (1) The Agency of Human Services or any department within the
6 Agency shall provide or enter an agreement for permanent supportive housing
7 that combines long-term, community-based rental assistance with voluntary,
8 flexible supportive services, such as family supportive housing and other
9 supportive housing services funded in whole or in part by Medicaid, if the
10 household and services are eligible for Medicaid.

11 (2) Eligible households receiving permanent supportive housing services
12 shall participate in case management, planning for housing stability, and other
13 services to the extent of the eligible household's ability.

14 (3) If an eligible household's needs cannot be met with the level 1
15 prevention and diversion services in section 2204 of this chapter, the level 2
16 shelter services in section 2205 of this chapter, or the level 3 specialized
17 shelter services in section 2206 of this chapter, permanent supportive housing
18 may be utilized where capacity, staffing, and geographic accessibility are
19 available.

20 § 2208. HOTELS AND MOTELS

21 Level 5: Hotels and motels.

1 (1) It is the intent of the General Assembly to decrease reliance on hotel
2 and motel rooms. However, until sufficient permanent affordable housing or
3 shelter services are available, the use of hotel and motel services shall be
4 permitted.

5 (2) If a hotel or motel is utilized pursuant to this section, the Department
6 shall:

7 (A) enter into an agreement with one or more community partners to
8 provide relevant supportive services to eligible households;

9 (B) permit a population-specific placement to the extent certain
10 populations are not isolated from the wider community served through the
11 Program;

12 (C) propose hotel and motel rates as part of its budget presentation
13 for the General Assembly’s consideration;

14 (D) use only hotel and motel rates established by the General
15 Assembly;

16 (E) enter into agreements for the use of blocks of hotel and motel
17 rooms and negotiate conditions of use for those blocks, including access to
18 providers of case management and other supportive services, with space to
19 provide services as negotiated; and

20 (F) ensure that services are not provided pursuant to this subsection
21 on a night-by-night basis.

1 (3) If a hotel or motel is utilized pursuant to this section, the eligible
2 household shall participate in case management services, planning for housing
3 stability, and other services to the extent of the eligible household's ability.

4 (4) A hotel or motel used pursuant to this chapter shall comply with
5 Program rules and the following rules:

6 (A) Department of Health, Licensed Lodging Establishment Rule
7 (CVR 13-140-023); and

8 (B) Department of Public Safety, Vermont Fire and Building Safety
9 Code (CVR 28-070-001).

10 (5) To the extent funds are appropriated for this purpose:

11 (A) between April 1 and November 30 of each year, the utilization of
12 hotel and motel rooms pursuant to this section shall be capped at 700 rooms
13 per night; and

14 (B) between December 1 and March 31 of each year, the utilization
15 of hotel and motel rooms pursuant to this section shall be capped at 1,000
16 rooms per night.

17 (6) If an eligible household's needs cannot be met by levels 1–4 of the
18 continuum as described in sections 2204–2207 of this chapter, the Office may
19 utilize hotels and motels if capacity, staffing, and geographic accessibility are
20 available.

1 § 2209. OTHER EMERGENCY HOUSING SERVICES

2 (a) Municipal supports. The Department through the Office shall provide
3 grants to municipalities in areas of the State with a high volume of unsheltered
4 homelessness, including municipalities underserved by traditional funding
5 sources. The use of this aid is at the discretion of the municipality and
6 includes providing access to basic life-sustaining shelter when the National
7 Weather Service declares a cold weather advisory. Shelter provided pursuant
8 to this subsection shall be time limited, shall not require a coordinated entry
9 assessment or case management, and shall have minimal data reporting
10 requirements.

11 (b) Emergency cold-weather shelters. Emergency cold-weather shelters
12 shall be managed through an agreement between the Office and one or more
13 community partners to provide overnight, low-barrier shelter when weather
14 conditions warrant. The Office and community partners shall ensure equitable
15 access to emergency cold-weather shelters for communities with a high
16 number of households experiencing unsheltered homelessness. Shelter
17 provided pursuant to this subsection shall be time limited, shall not require a
18 coordinated entry assessment or case management, and shall have minimal
19 data reporting requirements.

20 (c) Alternative Agency of Human Services housing solutions. The Agency
21 of Human Services, through its various departments, provides households with

1 other time-limited or permanent housing. Such services include recovery
2 housing, various residential supports for individuals with intellectual or
3 developmental disabilities, home care services for older Vermonters and
4 individuals with physical disabilities, transitional housing for individuals
5 exiting correctional custody, and residential options for individuals with
6 mental health challenges. Emergency housing provided through the Program
7 is not intended in lieu of access to any other Agency of Human Services time-
8 limited or permanent housing.

9 § 2210. HOUSEHOLD RESPONSIBILITIES

10 (a) Within the funds appropriated for this purpose, a household shall
11 qualify for services under the Program if the household:

12 (1) is physically present and intends to reside in Vermont as evidenced
13 by active participation in a housing, employment, or other Agency of Human
14 Services–recognized plan;

15 (2) agrees to a coordinated entry assessment that prioritizes the
16 household for permanent housing, unless explicitly exempt under this chapter;

17 (3) engages with a lead case management entity, such as a department of
18 the Agency of Human Services or a community partner, to develop a housing
19 plan and participate in employment, treatment, or other activities as
20 appropriate, unless explicitly exempt from case management requirements
21 under this chapter or by federal law; and

1 (4) abides by program rules and refrains from misconduct.

2 (b)(1) The Office or a community partner shall provide clear written notice
3 to all applicants regarding penalties for fraud at the time of application.

4 (2) The Office or a community partner shall not impose a penalty upon a
5 household for a good faith, immaterial error that was corrected upon notice
6 within a reasonable period of time.

7 (3) A household that knowingly provides false, misleading, or
8 incomplete information regarding residency, disability status, household
9 composition, or other eligibility criteria shall be subject to termination of
10 services within 30 days after receiving written notice from the Department or a
11 community partner.

12 (4) Pending the outcome of a relevant Human Services Board hearing,
13 the Office may refer cases of suspected fraud to the Office of the Attorney
14 General or a State's Attorney for investigation and prosecution under
15 applicable State law.

16 (c) A household may be terminated from the Program for repeatedly
17 refusing suitable placements following documented suitability assessments and
18 reasonable accommodations.

19 (d) A member or members of an eligible household may be subject to
20 immediate termination of services as necessary for the safety of others if the
21 member or members are engaged in:

1 (1) criminal activity; or

2 (2) misconduct that is not related to a disability or victimization related
3 to abuse, sexual assault, or stalking.

4 (e) As used in this section, “misconduct” means documented behaviors that
5 materially endanger the safety of others, involve the intentional destruction of
6 property, or constitute illegal activity.

7 § 2211. PRIORITIZATION

8 (a) The Office, either directly or through community partners, shall
9 prioritize services within the funds appropriated for this purpose to eligible
10 households who are homeless or at risk of becoming homeless and have a
11 member who:

12 (1) is 65 years of age or older;

13 (2) has a disability;

14 (3) is a minor child;

15 (4) is pregnant;

16 (5) is experiencing domestic violence, dating violence, sexual assault,
17 stalking, human trafficking, or other dangerous or life-threatening conditions;

18 or

19 (6) is under court-ordered eviction or constructive eviction due to
20 circumstances over which the household has no control.

21 (b)(1) Proof of an eligible household’s disability shall be verified by:

1 (A) a health care provider licensed or certified and practicing in
2 Vermont;

3 (B) a determination or certification from a State- or federally-
4 recognized agency or program that provides services to individuals with
5 disabilities; or

6 (C) self-attestation by the eligible household, subject to verification
7 by the State or community partner within 30 days when other documentation is
8 not reasonably available at the time of application.

9 (2) The presence of an eligible household member’s disability shall be
10 verified by the Office or a community partner during the household’s initial
11 application process and shall be redetermined annually if the household is still
12 receiving services. An eligible household with a member who has a lifelong
13 disability, such as an intellectual or developmental disability, shall not be
14 required to have the disability redetermined.

15 (c) The Office and community partners shall comply with the Americans
16 with Disabilities Act, 42 U.S.C. § 12101–12213, and section 504 of the
17 Rehabilitation Act of 1973, 29 U.S.C. § 794, for the purposes of providing
18 reasonable modifications, effective communication, and accessible placements.
19 Program rules and case management requirements shall be reasonably
20 modified, including the use of plain language, as necessary to avoid
21 discrimination against eligible households with a member who has a disability.

1 § 2212. TIME LIMITS FOR PROGRAM PARTICIPATION

2 (a) Time limits for Program participation shall be governed by the level of
3 service provided as follows:

4 (1) level 1: any temporary housing that is not provided in the form of
5 temporary rental assistance through the Program's prevention and diversion
6 services shall not exceed 30 days per rolling 12-month period;

7 (2) level 2: the Office, in collaboration with shelter providers, shall
8 establish the maximum length of stay in highly structured shelters and low-
9 barrier shelters in rule or shelter standards;

10 (3) level 3: the Department, in collaboration with other relevant Agency
11 of Human Services' departments, shall establish the maximum length of stay in
12 specialized shelters in rule or shelter standards;

13 (4) level 4: permanent supportive housing services may be utilized by
14 an eligible household for as long as the eligible household's plan indicates it is
15 necessary; and

16 (5) level 5: hotels and motels:

17 (A) between April 1 and November 30 of each year, eligible
18 households may receive housing at hotels and motels with supportive services
19 for not more than 70 days per rolling 12-month period; and

1 (B) between December 1 and March 31 of each year, eligible
2 households may receive continual services in cold-weather-use hotels and
3 motels.

4 (b) The Department may grant extensions to the time limits established in
5 subsection (a) of this section pursuant to criteria adopted in rule, including for:

6 (1) an eligible household actively awaiting a placement in housing,
7 treatment, or other services;

8 (2) medical necessity;

9 (3) lack of reasonable alternative accessible placements for a member of
10 the eligible household with a disability; and

11 (4) imminent risk to the health or safety of one or more of the eligible
12 household's members.

13 § 2213. CASE MANAGEMENT SERVICES

14 Each eligible household shall be assigned a lead case manager, except
15 where specifically exempted for certain services, which may be from any
16 Agency of Human Services department or a community partner. Case
17 management services provided pursuant to this chapter shall be informed by
18 the acuity level of the eligible household and include individualized supports
19 that connect an eligible household to public assistance, health care,
20 employment, permanent housing, and other services. A household may request
21 a specific case manager or a change in case manager.

1 § 2214. NEEDS ASSESSMENT

2 The Office and community partners shall provide advice and consultation to
3 the Department of Housing and Community Development in its completion of
4 a needs assessment that identifies gaps in services for households that are
5 homeless in the State and includes recommendations to ensure the provision of
6 equitable services throughout the State.

7 § 2215. NOTICE; APPEALS; RIGHT TO FAIR HEARING

8 (a) The Office or a community partner shall provide written notice to any
9 applicant or household whose participation in the Program is denied, reduced,
10 suspended, or terminated. Notice shall include:

11 (1) the specific factual and legal basis for the Office or community
12 partner's decision;

13 (2) the effective date of the action, which in the case of termination,
14 reduction, or suspension of services shall not be sooner than 30 days after the
15 date of the written notice, in the household's preferred method of
16 communication;

17 (3) a statement of the right to request a fair hearing pursuant to this
18 section; and

19 (4) clear instructions, in plain language, on the process and deadlines for
20 filing an appeal.

1 (b) An applicant for or a recipient of assistance pursuant to this chapter
2 may file a request for a fair hearing with the Human Services Board pursuant
3 to 3 V.S.A. § 3091 when:

4 (1) an application for assistance under the Program is denied in whole or
5 part;

6 (2) a household's benefits are terminated, reduced, or suspended; or

7 (3) the household believes that benefits have not been provided in
8 accordance with applicable rules or policies.

9 (c) An applicant or household shall file a request for a fair hearing with the
10 Human Services Board within 60 days after the date of the written notice
11 pursuant to subsection (a) of this section.

12 (d) If a household files a request for a fair hearing within 14 days after
13 receiving notice pursuant to subsection (a) of this section, the Office or
14 community partner providing notice shall continue to provide services under
15 the Program without interruption until a decision is issued by the Human
16 Services Board, unless:

17 (1) the household voluntarily waives continued services; or

18 (2) a household or household's member's continued receipt of services
19 poses a risk of safety to others.

1 (e) The hearing shall be conducted in accordance with due process
2 standards, including the right to present evidence, cross-examine witnesses,
3 and be represented by counsel or another authorized representative.

4 (f) The Human Services Board shall issue a written decision that sets forth
5 findings of fact, conclusions of law, and the basis for its decision, and the
6 process for appealing the decision to the Vermont Supreme Court.

7 (g) If the Human Services Board issues 20 substantially identical decisions
8 brought by Vermont Homelessness Response Continuum applicants or
9 recipients, the Department and community partners shall adopt the Board's
10 interpretation as part of its administration of the Program and the Department
11 shall revise the Program rules accordingly.

12 § 2216. RULEMAKING

13 The Department shall adopt rules pursuant to 3 V.S.A. chapter 25 for the
14 implementation of the Vermont Homelessness Response Continuum,
15 addressing at a minimum:

16 (1) requirements for community providers participating in the Program;

17 (2) standards for highly structured, low-barrier, and specialized shelters;

18 (3) documentation requirements for household eligibility, including
19 disability;

20 (4) required elements for supportive services, including case
21 management;

1 (5) the creation of a brief, standardized initial assessment form that may
2 be completed by hand, electronically, or by telephone;

3 (6) a process for issuing timely, written approval or denial notifications
4 to applicants;

5 (7) a process for issuing advanced notice to households when the
6 household is being terminated from the program;

7 (8) applicant and household appeal procedures;

8 (9) time limits for Program participation, including procedures for
9 extensions;

10 (10) expectations for the Office's oversight and quality monitoring; and

11 (11) other subjects as deemed necessary.

12 § 2217. REPORTING

13 (a) Annually, as part of the Office's budget presentation, the Office shall
14 provide a status report addressing each level of the Vermont Homeless
15 Response Continuum. Minimally, the status report shall address:

16 (1) the number of households served within each level of the continuum;

17 (2) the average length of participation for households within each level
18 of the continuum and the rate at which households successfully transition to
19 permanent housing;

20 (3) the number of households diverted from entering shelters or hotel
21 and motel placements through prevention and diversion services;

- 1 (4) the utilization of hotels and motels, including:
- 2 (A) the average nightly number of rooms used;
- 3 (B) the average and median length of stay; and
- 4 (C) the extent to which hotel and motel usage has decreased relative
- 5 to the prior fiscal year;
- 6 (5) housing stability outcomes, including rates of return to homelessness
- 7 within six and 12 months following exit from the Program;
- 8 (6) an assessment of regional capacity and access to services, including
- 9 identification of geographic areas with unmet needs or disproportionate
- 10 utilization of emergency housing resources;
- 11 (7) total expenditures by continuum level and funding source, including
- 12 State, federal, and other funds, and an analysis of cost efficiency across
- 13 housing models; and
- 14 (8) any operational barriers to implementation of the continuum, along
- 15 with recommendations for administrative or legislative action.
- 16 (b) Annually, as part of the Department’s budget presentation, the
- 17 Department shall set goals for increased housing capacity, including permanent
- 18 supportive housing, permanent affordable housing, and shelter beds. The
- 19 Department shall provide data pertaining to the increased shelter capacity and
- 20 the extent to which shelter capacity meets the needs of eligible households
- 21 experiencing homelessness each year.

1 (c) On or before the last day of each month, the Office, or other relevant
2 agency or department, shall post on its website a substantially similar report to
3 that due pursuant to 2023 Acts and Resolves No. 81, Sec. 6(b), including the
4 Office's monthly expenditure on the Program by level.

5 * * * Continuums of Care; Required Merger * * *

6 Sec. 5. MERGER OF CONTINUUMS OF CARE

7 (a) In order to promote the effective use of resources and continuity of care,
8 the Department for Children and Families' Office of Economic Opportunity
9 shall work in collaboration with the Chittenden County Homeless Alliance, the
10 Balance of State Continuum of Care, and the U.S. Department of Housing and
11 Urban Development to establish a single continuum of care in the State on or
12 before October 1, 2028.

13 (b) On or before January 15, 2028, the Office shall submit a written report
14 to the House Committee on Human Services and to the Senate Committee on
15 Health and Welfare summarizing efforts to establish a single continuum of care
16 pursuant to this section.

17 * * * Effective October 1, 2028, Requirements of Grantees * * *

18 Sec. 6. 33 V.S.A. § 2218 is added to read:

19 § 2218. GRANT REQUIREMENTS

20 Any grant or other agreement executed by the Agency of Human Services
21 or its departments shall require a community partner, as appropriate, to:

1 (1) participate in the local housing coalition or other group established
2 to assist eligible households who are homeless;

3 (2) utilize the coordinated entry assessment for eligible households who
4 are homeless or at risk of homelessness;

5 (3) utilize the appropriate planning process and options for an eligible
6 household transitioning into permanent housing, including for eligible
7 households with an individual who has an intellectual or developmental
8 disability, older Vermonters, or individuals transitioning from a correctional
9 facility or hospital; and

10 (4) measure performance outcomes, including diversion success, time-
11 to-housing, and housing retention.

12 * * * Transition; Vermont Homelessness Response Continuum * * *

13 Sec. 7. TRANSITION TO THE VERMONT HOMLESSNESS RESPONSE
14 CONTINUUM

15 Recognizing that the Department and community partners do not have the
16 capacity to fully implement the Vermont Homelessness Response Continuum
17 established in 33 V.S.A. chapter 22 on July 1, 2026, the Department through
18 the Office and community partners shall implement the Program to the fullest
19 extent of their ability in fiscal year 2027 while developing the capacity to fully
20 implement the Program in fiscal year 2028.

21 Sec. 8. INTERIM EMERGENCY RULEMAKING; DEADLINE FOR

ADOPTION OF PERMANENT RULES

(a) Pending the adoption of permanent rules on the Vermont Homelessness Response Continuum, the Commissioner for Children and Families shall adopt and maintain emergency rules pursuant to 3 V.S.A. § 844, which shall be deemed to meet the standard for emergency rulemaking pursuant to 3 V.S.A. § 844(a). Emergency rules required by this subsection shall take effect on July 1, 2026 and shall, at a minimum, address the required topics listed in 33 V.S.A. § 2216.

(b) Unless extended by the Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 843(c), the Department shall, on or before October 1, 2027, adopt permanent rules pursuant to 3 V.S.A. chapter 25 on the Vermont Homelessness Response Continuum as required by 33 V.S.A. § 2216.

Sec. 9. STATUS REPORT; VERMONT HOMELESSNESS RESPONSE

CONTINUUM

On or before February 15, 2027, the Department for Children and Families' Office of Economic Opportunity shall present to the House Committee on Human Services and to the Senate Committee on Health and Welfare describing the Office's implementation process for the Vermont Homelessness Response Continuum established pursuant to 33 V.S.A. chapter 22. The Office's presentation shall include an initial draft of the Department's

permanent rules for implementation of the Vermont Homelessness Response
Continuum and any recommendations for legislative action.

* * * Supportive and Shelter Services for Households Experiencing Domestic
or Sexual Violence * * *

Sec. 10. 33 V.S.A. chapter 6 is amended to read:

CHAPTER 6. PREVENTION AND TREATMENT OF SEXUAL ABUSE
AND DOMESTIC AND SEXUAL VIOLENCE

* * *

§ 602. SUPPORTIVE SERVICES AND SHELTER FOR HOUSEHOLDS
EXPERIENCING DOMESTIC OR SEXUAL VIOLENCE

The Department shall select and enter into an agreement with a statewide
organization to provide or cause to be provided supportive services and shelter
to those households that are experiencing or that have experienced domestic or
sexual violence. If the statewide organization cannot fulfill its responsibilities
under this section, the Department shall work with another entity to ensure that
there is not a gap in services.

* * * Vermont Rental Assistance Bridge Program * * *

Sec. 11. VERMONT RENTAL ASSISTANCE BRIDGE PROGRAM

(a) The Vermont Rental Assistance Bridge Program is established within
the Vermont State Housing Authority for the purpose of linking households
who require rental assistance to permanent housing when the household does

1 not otherwise have access to relevant U.S. Department of Housing and Urban
2 Development rental assistance. The Program shall be accessible to eligible
3 clients served by each of the Agency of Human Services' departments.

4 (b) The Program shall be available to a household for not more than 24
5 months and shall not provide the full amount of the household's rental
6 payment. Program payments shall be made directly from the Vermont State
7 Housing Authority to a household's landlord.

8 (c) Program priority shall be given to current recipients of the HOME
9 Program, established pursuant to 10 V.S.A. § 321(b)(2), who have not yet
10 reached 24 months of rental assistance.

11 (d) The Vermont State Housing Authority and relevant departments of the
12 Agency of Human Services shall jointly work to:

13 (1) incorporate any existing rental assistance funded by the Agency and
14 its department into the Program established in this section; and

15 (2) establish eligibility criteria and any prioritization that may be
16 necessary for this use of funds appropriated for this Program.

17 (e) It is the intent of the General Assembly that funds are appropriated for
18 the Vermont Rental Assistance Bridge Program through fiscal year 2030.

19 * * * Payment Rate Structure and Fiscal Year 2027 Expenditures * * *

20 Sec. 12. PAYMENT RATE STRUCTURE; SHELTER SERVICES

1 The Department for Children and Families, in collaboration with the
2 Agency of Human Services and relevant community partners, shall establish a
3 payment rate structure, including periodic rate reviews, for all shelter services
4 required by this act. The structure shall include a base rate and potential for
5 supplemental payment to the base if necessary and appropriate. On or before
6 April 1, 2027, the Department shall submit a report to the House Committee on
7 Human Services and to the Senate Committee on Health and Welfare regarding
8 the implementation of the payment rate structure and the Department's
9 proposed timeline for implementation.

10 **Sec. 13. FISCAL YEAR 2027 CAPPED ROOM RATES**

11 In fiscal year 2027, the Department for Children and Families shall not pay
12 a hotel or motel establishment providing emergency housing more than the
13 hotel's lowest advertised room rate and not more than \$80 a day per room to
14 shelter a household participating in the Vermont Homelessness Response
15 Continuum. The Department for Children and Families may shelter a
16 household in more than one hotel or motel room depending on the household's
17 size and composition.

18 **Sec. 14. EXPENDITURES; VERMONT HOMELESSNESS RESPONSE**

19 CONTINUUM

20 (a) This act provides for the fiscal year 2027 expenditure of \$82,634,153.00
21 for the provision of services, implementation of the Vermont Homelessness

1 Response Continuum, shelter development and operation, rental assistance,
2 and supportive services, including case management.

3 (b) Any funds that remain unspent at the end of fiscal year 2027 shall be
4 carried forward for the same purpose for which they were originally
5 appropriated in this section.

6 (c) Any funds appropriated for General Assistance emergency housing or
7 the Housing Opportunity Grant Program that remain unspent at the end of
8 fiscal year 2026 shall be carried forward for investment in the Vermont
9 Homelessness Response Continuum in fiscal year 2027.

10 * * * Removing General Assistance Annual Report * * *

11 Sec. 15. 33 V.S.A. § 2115 is amended to read:

12 § 2115. ~~GENERAL ASSISTANCE PROGRAM REPORT~~

13 ~~On or before September 1 of each year, the Commissioner for Children and~~
14 ~~Families shall submit a written report to the Joint Fiscal Committee; the House~~
15 ~~Committees on Appropriations, on General, Housing, and Military Affairs, and~~
16 ~~on Human Services; and the Senate Committees on Appropriations and on~~
17 ~~Health and Welfare. The report shall contain the following:~~

18 ~~(1) an evaluation of the General Assistance program during the previous~~
19 ~~fiscal year;~~

20 ~~(2) any recommendations for changes to the program;~~

21 ~~(3) a plan for continued implementation of the program;~~

* * * Effective Dates * * *

(a) This section and section 8 (deadline for adoption of permanent rules; interim emergency rulemaking) act shall take effect on passage.

(b) Sec. 6 (grant requirements) shall take effect on October 1, 2028.

(c) All remaining sections shall take effect on July 1, 2026.