

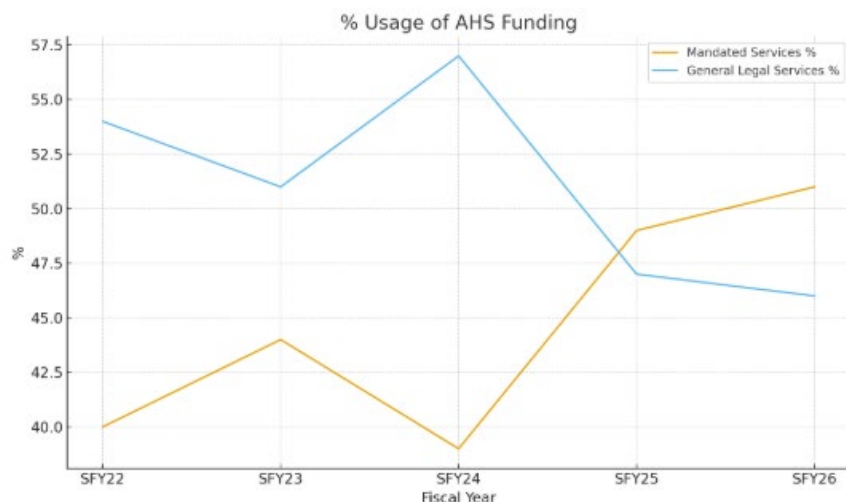
## Vermont Legal Aid: FY 2026 Budget Adjustment Request House Committee on Human Services

### Summary

Vermont Legal Aid respectfully requests an increase to its SFY2026 appropriation through the Budget Adjustment Act. Despite steadily rising operational costs – including inflationary pressures and significant increases in health insurance premiums – Vermont Legal Aid has received no increase in funding from the Agency of Human Services for SFY2026. As a result of level funding for the third consecutive year and significant federal funding losses, VLA has been forced to operate at a structural deficit. **This has necessitated painful staff layoffs and a material reduction in the availability of civil legal services statewide.** At the same time, the percentage of funding required to support mandated services under our AHS contract continues to rise, while the portion available for general legal services continues to diminish during a period when these clients need us more than ever. **This also means less federal match dollars for AHS – since every dollar directed to General Legal Services leverages a 50% federal match for the Agency.** Demand for legal assistance has surged dramatically, increasing by **more than 104% since 2022**. Without an increase, we face further reductions in staffing and service levels at a time of exponential growth in legal need across Vermont.

### Need for Increased Funding

- **AHS currently funds VLA at \$2,617,994 annually.** This amount has remained level while inflation has averaged approximately **3% per year since 2025**, resulting in a substantial gap between the cost of delivering services and the funds received.
- **AHS-mandated services have grown steadily since FY22**, requiring more staff time and resources. As a result, the funding intended to cover “**all other Title XX client civil legal services**” (social security block grant funds) per our contract - continues to diminish at a time when the needs of low-income Vermonters are significantly increasing.

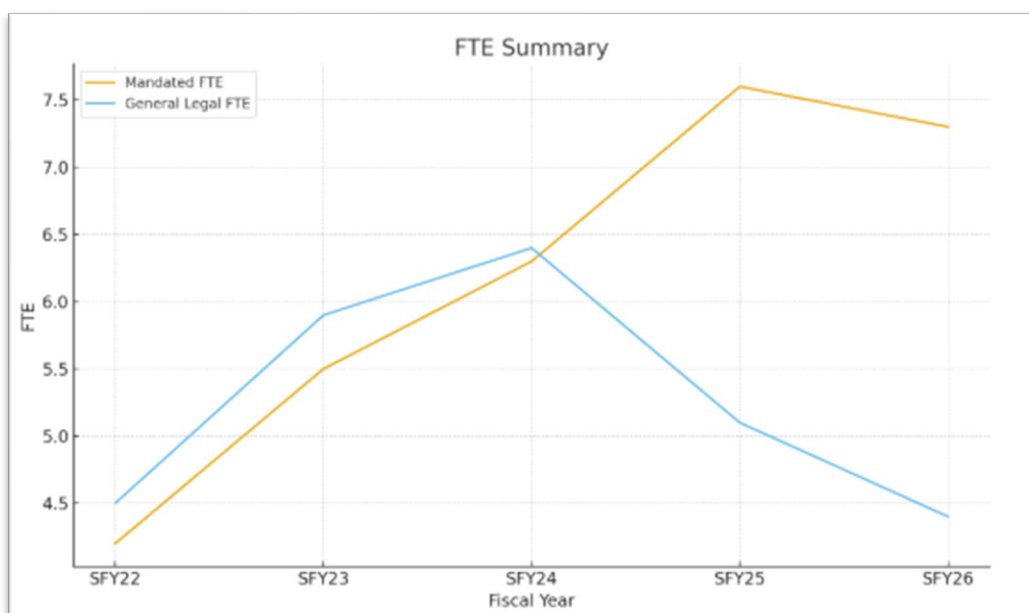


	FTE Summary		
	Mandated Services	General Legal Services	Total
SFY22	4.2	4.5	8.6
SFY23	5.5	5.9	11.3
SFY24	6.3	6.4	12.7
SFY25	7.6	5.1	12.6
SFY26 (Projected)	7.3	4.4	11.8

The **Poverty Law Project (PLP)** - the primary program supported by this flexible portion of the AHS contract - has been significantly impacted by this funding shortfall. **Staffing for the PLP has been greatly reduced since FY22.**

### This impact has meant:

Fewer clients served and a reduction in the level of legal service provided to Vermonters facing housing instability, access-to-benefits issues, and other civil legal crises.



### Current Financial Strain

- VLA is **currently operating with a deficit** directly tied to stagnant funding, growing costs, and federal cuts.
- In the past year, we have had to **reduce staff** and **reduce the level of services provided**.
- This is happening while the number of **Vermonters seeking civil legal help has more than doubled - an increase of 104% since 2022.**

## Legal Helpline

	2022	2023	2024
Total Calls:	10,723	11,160	21,883

## Budget Impact

To restore PLP capacity and maintain statewide access to essential civil legal services, we request funding to support:

Need	Amount
2 FTE attorneys/staff for PLP restoration	\$300,000
Inflationary increase on the \$2,617,994 base at 3% per year since 2025 through 2027	Requested adjustment \$235,620
Helpline Funding	\$100,000
<b>Total Budget Request</b>	<b>\$635,620</b>

## Conclusion

A budget adjustment increase is essential to prevent further erosion of civil legal services and maintain Vermont's commitment to supporting the state's most vulnerable residents. Restoring staffing and aligning funding with inflation will ensure Vermonters are not left without legal help during life-altering crises.

### VLA respectfully requests:

**Base funding increase to reflect 3% annual inflation since 2025 + \$300,000 to restore PLP staffing + \$100,000 to help fund the Helpline.**

*For more information or discussion, we welcome further conversation.*

*Respectfully,*



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