

To: House Commerce Committee  
From: Maura Collins, Executive Director  
Date: February 9, 2026  
Re: Proposed S. 328 Language Changes

## Down Payment Assistance Language Change

Thank you to the committee for hearing from me again, and thank you for including Section 2 in [S.328](#), which extends VHFA's ability to sell state tax credits to support the continuation of VHFA's popular Down Payment Assistance Program. As presented in [my testimony](#) from January 23, 2026, this program has served over 2,100 Vermonters and generated over \$137 million in wealth for them to access thanks to the modest \$5,000 to \$10,000 interest-free loan they received when buying their first home.

I ask the committee to please **change line 18 on page 5** of the introduced draft to increase the amount of the credits **from \$250,000 to \$350,000**, as was recommended in my testimony. The reasoning for the increased amount is to accommodate the larger loan amounts, which were originally envisioned to be \$5,000 per borrower in 2014 when the program began, but now can go up to \$10,000 if needed.

The state's median home price has increased by 96% since 2014, which justifies the 100% increase in maximum loan amount. The impact on the state's budget over the 9-years in which this 5-year tax credit will affect is approximately \$972,000 per year, a very modest investment for the wealth return homebuyers receive. For every \$1 of borrowed state funding (that is fully repaid to the state), homeowners have earned \$15 of equity in their home, which they can tap for a variety of uses.

## Vermont Economic Development Authority Statute Change

I provided [extensive testimony](#) on the pros/cons of expanding VEDA's statute to the House Commerce Committee on January 7, 2026. Section 8 of the bill as introduced has language that I recommend revising to the language below. This language has been agreed to by VEDA and VHFA and acknowledges the good work that VHFA does to provide financing to low- and moderate-income Vermonters, while also ensuring that there is no gap in the market for housing that VHFA may not finance but is needed for the state's economic success.

(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.