

* * * Findings and Legislative Intent * * *

Sec. 1. FINDINGS

The General Assembly finds that:

(1) according to the U.S. Department of Housing and Urban Development's 2024 Annual Homelessness Assessment Report, Vermont had the fourth highest rate of homelessness in 2024 in that 53 of every 10,000 Vermonters are experiencing homelessness, with only Hawaii, New York, and Oregon experiencing higher rates;

(2) in 2023, according to the same Annual Homelessness Assessment Report, 51 of every 10,000 Vermonters were experiencing homelessness;

(3) according to the Vermont 2024 Point-in-Time Count, there were approximately 3,458 unhoused individuals in Vermont, which represents a 300 percent increase over the 1,110 unhoused individuals prior to the COVID-19 pandemic in 2020;

(4) of the 3,458 unhoused individuals in Vermont identified by the Vermont 2024 Point-in-Time Count, 166 experienced unsheltered homelessness, which is the highest count of unsheltered homeless individuals in Vermont within the past decade;

1 (5) according to the Vermont 2024 Point-in-Time Count, over 35
2 percent of those Vermonters experiencing homelessness were unhoused for
3 more than one year and over 72 percent were unhoused for more than 90 days;

4 (6) according to the Vermont 2024 Point-in-Time Count, 737 of those
5 Vermonters experiencing homelessness were children and youth under 18
6 years of age and 646 were 55 years of age or older;

7 (7) according to the Vermont 2024 Point-in-Time Count, Black
8 Vermonters are 5.6 times more likely to be unhoused as compared to white
9 Vermonters;

10 (8) the 2024 Vermont Housing Needs Assessment notes that 36,000
11 primary homes are needed in Vermont between 2025–2029, 3,295 of which are
12 needed to address homelessness; and

13 (9) the 2024 Vermont Housing Needs Assessment notes that “[h]alf of
14 all Vermont renters are cost-burdened, and one-in-four pay more than 50
15 [percent] of their income on housing costs, putting them at high risk of
16 eviction,” which “is heightened by Vermont’s rental vacancy rate of 3
17 [percent], which is well below the 5 [percent] rate of a healthy market.”

18 (10) Vermont’s long-standing General Assistance emergency housing
19 program (also known as the hotel/motel program), was originally intended as a

1 temporary safety net providing hotel rooms to Vermonters with emergency
2 needs for a limited duration; and

3 (11) the hotel/motel program has expanded year after year, undergoing
4 significant changes to eligibility and length of stay each year and will cost
5 Vermont taxpayers an estimated \$40 million for Fiscal Year 2025 and has
6 averaged more than \$50 million per year since 2020; and;

7 (12) the design of the statewide hotel/motel program does not allow for
8 effective delivery of services, wrap around supports, or engagement by service
9 providers, nor does it consistently produce safe and healthy environments for
10 the people it is designed to serve.

11 Sec. 2. LEGISLATIVE INTENT

12 (a) It is the intent of the General Assembly that unsheltered homelessness
13 be eliminated and that homelessness in Vermont be rare, brief, and
14 nonrecurring.

15 (b) It is the intent of the General Assembly that the Vermont Homeless
16 Emergency Assistance and Responsive Transition to Housing Program
17 established in 33 V.S.A. chapter 22 is a step toward ensuring that:

18 (1) homelessness be reduced in Vermont and interim shelter
19 opportunities be available to provide a stable pathway to permanent housing

1 for all Vermonters experiencing homelessness, including safe shelter options
2 for individuals living in unsheltered homelessness;

3 (2) Vermont increase the supply of emergency shelter as well as
4 permanent supportive housing that meets the specific needs of individuals;

5 (3) community components of all shelter types are integrated in a
6 systemic manner;

7 (4) time limits, night-by-night shelter, relocation between interim shelter
8 sites, and other disruptions in housing stability be eliminated to the extent
9 possible;

10 (5) Vermont's emergency housing statutes, rules, policies, procedures,
11 and practices be modeled on Housing First principles; and

12 (6) noncongregate shelter be used to the extent possible.

13 (c) It is the intent of the General Assembly that the Vermont Homeless
14 Emergency Assistance and Responsive Transition to Housing Program
15 established in 33 V.S.A. chapter 22 replaces the provision of emergency
16 housing through the General Assistance Program established in 33 V.S.A.
17 chapter 21 beginning in fiscal year 2027 and the Housing Opportunity Grant
18 Program beginning in fiscal year 2028.

19 * * * Vermont Homeless Emergency Assistance and Responsive Transition to
20 Housing Program; Effective July 1, 2025 * * *

1 Sec. 3. 33 V.S.A. chapter 22 is added to read:

2 CHAPTER 22. VERMONT HOMELESS EMERGENCY ASSISTANCE
3 AND RESPONSIVE TRANSITION TO HOUSING PROGRAM

4 § 2201. SHORT TITLE

5 The Program established in this chapter may be cited as “VHEARTH” or
6 the “VHEARTH Program.”

7 § 2202. PURPOSE

8 It is the purpose of the General Assembly to:

9 (1) replace the provision of emergency housing through the General
10 Assistance Program established in chapter 21 of this title and use funds and
11 resources previously attributed to those programs, and any other identified
12 State and federal monies, to fund the Vermont Homeless Emergency
13 Assistance and Responsive Transition to Housing Program established in this
14 chapter; and

15 (2) reduce reliance on the use of hotel and motel rooms to shelter
16 participating households and expand the use of emergency shelters throughout
17 the State for this purpose.

18 § 2203. DEFINITIONS

19 As used in this chapter:

1 (1) “At-risk of homelessness” means in peril of imminently losing a
2 primary, night-time residence or precariously housed.

3 (2) “Community action agency” means an agency designated pursuant
4 to 3 V.S.A. chapter 59.

5 (3) “Community-based shelter” means a shelter that meets the
6 Department’s standards for the operation of shelters.

7 (4) “Department” means the Department for Children and Families.

8 (5) “Extreme weather event” means extreme hot or cold temperatures or
9 weather events, such as hurricanes, flooding, or blizzards, that create
10 hazardous conditions for outdoor habitation by humans.

11 (6) “Homeless” means lacking a fixed, regular, and adequate nighttime
12 residence.

13 (7) “Household” means an individual and any dependents for whom the
14 individual is legally responsible, who is domiciled in Vermont as evidenced by
15 an intent to dwell in Vermont and to return to Vermont if temporarily absent,
16 coupled with an act or acts consistent with that intent. “Household” includes
17 individuals who reside together as one economic unit, including those who are
18 married, parties to a civil union, or unmarried.

19 (8) “Unsheltered homelessness” means sleeping in a location not
20 designed for or ordinarily used as a regular sleeping accommodation.

1 § 2204. REGIONAL ADVISORY COUNCILS

2 (a) Each community action agency shall convene a regional advisory
3 council whose membership reflects the growing diversity among Vermonters,
4 including individuals who are Black, Indigenous, and Persons of Color, as well
5 as with regards to socioeconomic status, geographic location, gender, sexual
6 identity, and disability status. Members of an advisory council shall include
7 organizations providing services in the region. It may collaborate with
8 individuals with lived experience of homelessness, community partners, State
9 partners, housing providers, local housing coalitions, providers of coordinated
10 entry, continuums of care, faith-based organizations, and municipalities in the
11 region served by the community action agency.

12 (b) Each regional advisory council shall provide advice and
13 recommendations to the community action agency in its region regarding the
14 design and implementation of this Program. The work of each regional
15 advisory council shall be informed by regional planning commissions' housing
16 targets.

17 (c) Each regional advisory council shall meet on at least a quarterly basis.

18 (d) The regional advisory councils shall have the legal and technical
19 support of the Department, including Agency of Human Services and
20 departmental representation at regional meetings as needed.

* * * Vermont Homeless Emergency Assistance and Responsive Transition to
Housing Program; Effective July 1, 2026 * * *

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

CHAPTER 22. VERMONT HOMELESS EMERGENCY ASSISTANCE
AND RESPONSIVE TRANSITION TO HOUSING PROGRAM

* * *

§ 2203. DEFINITIONS

As used in this chapter:

* * *

(2) “Community action agency” means an agency designated pursuant
to 3 V.S.A. chapter 59 or the entity or entities otherwise authorized by the
Department pursuant to section 2205 of this chapter to fulfil the duties of a
community action agency under this chapter.

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§ 2204. ESTABLISHMENT; VERMONT HOMELESS EMERGENCY
ASSISTANCE AND RESPONSIVE TRANSITION TO HOUSING
PROGRAM

The Vermont Homeless Emergency Assistance and Responsive Transition
to Housing Program is established in the Department to provide services to

1 households that are homeless or at risk of becoming homeless, to the extent
2 funds exist.

3 (1) The Department shall select and contract with a statewide
4 organization that has population-specific service experience to specifically
5 provide or cause to be provided supportive services and shelter to those
6 households that are experiencing or that have experienced domestic or sexual
7 violence.

8 (2) All other participating households shall be served by or through a
9 community-based action agency responsible for a geographically distinct
10 region of the State. Community action agencies participating in the Program
11 shall provide or cause to be provided supportive services, extreme weather
12 event shelter, and emergency shelter.

13 § 2205. AUTHORIZATION PROCESS; REAUTHORIZATION REVIEW

14 (a) The Department shall authorize a community-action agency to serve or
15 cause to be served households that are homeless or at risk of becoming
16 homeless in a geographically distinct region of the State if it meets the criteria
17 in this section. If a community action agency cannot fulfil its responsibilities
18 under this chapter, the Department shall work with other community action
19 agencies or other appropriate community entities to ensure that there is not a
20 gap in services in a community action agency's region.

1 (b) A community action agency providing or causing to provide services in
2 accordance with this chapter shall have:

3 (1) existing or planned infrastructure to support households in the
4 region, including an established leadership team, a human resources staff, and
5 the ability to receive grant funding and issue subgrants;

6 (2) the ability to meet the Department’s reporting requirements,
7 including having a past history of reporting compliance;

8 (3) the ability to perform the services required pursuant to section 2206
9 of this chapter;

10 (4) any outcome measures established in this chapter;

11 (5) community connections with other providers in the region, including
12 local housing coalitions, housing providers, providers of coordinated entry,
13 continuums of care, faith-based organizations, and providers of services to
14 individuals who are older Vermonters; individuals who have disabilities,
15 substance use disorder, or a mental health condition; individuals reentering the
16 community after incarceration; individuals transitioning from the care and
17 custody of the Commissioner for Children and Families; and families with
18 children; and

19 (6) the ability to provide plain language communications to households
20 receiving services.

1 (c) Not less than every three years, the Department shall conduct a
2 reauthorization review of each community action agency providing or causing
3 to provide services pursuant to this chapter. An organization that no longer
4 meets the requirements in subsection (b) of this section or that has failed to
5 adequately meet the needs of households in its region that are homeless or at
6 risk of homelessness within the constraints of the budget and other resources
7 provided may be subject to remedial assistance appropriate corrective action
8 measures from identified by the Department. Failure to achieve compliance
9 may lead or the Department may not choose to not reauthorize the community
10 action agency. This section does not prohibit the Department from reviewing
11 community action agency performance in between reauthorization periods or
12 requiring corrective action measures to ensure duties under this chapter are
13 consistently being met.

14 § 2206. VHEARTH SERVICES

15 (a) The Department shall enter into an agreement with a statewide
16 organization with population-specific experience serving households that are
17 experiencing or that have experienced domestic and sexual violence. The
18 organization shall provide or cause to be provided various shelter and case
19 management services that support households.

1 (b) Each community-based organization shall offer or cause to be offered,
2 in collaboration with community partners, each of the following services
3 within its region:

4 (1) supportive services, including:

5 (A) intake assessments and services for diversion from homelessness,
6 which may include regional intake shelters;

7 (B) household needs assessments;

8 (C) individualized household plans to address identified needs;

9 (D) assistance obtaining and retaining housing, including financial
10 assistance;

11 (E) referrals navigation to other services and supports, including
12 economic benefits;

13 (F) peer-supported services;

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

15 (H) housing navigation services;

16 (I) health care assistance, including treatment for mental health
17 conditions and substance use disorder;

18 (J) job training and employment services;

19 (K) services related to disability and independent living;

20 (L) advocacy; and

1 (M) progress monitoring and interventions; and
2 (2) the operation of extreme weather event shelters, which may include
3 time-limited congregate accommodations and may be provided through
4 agreements with municipalities or other entities, utilizing available data and
5 considering geographic access to prioritize funding for this purpose; and
6 (3) the operation of emergency shelters in manner that builds upon the
7 federally required community planning process and prioritizes households in
8 need of the services of an emergency shelter, which may include community-
9 based shelters, temporary use of hotels or motels, lease agreements for full or
10 partial use of an existing building, need-specific shelter arrangements, master
11 grant leases, the development of shelter capacity, or other arrangements or
12 combinations of arrangements that comply with the intent of this chapter.

13 § 2207. USE OF HOTEL AND MOTEL ROOMS

14 (a) It is the intent of the General Assembly to decrease reliance on hotel
15 and motel rooms for emergency housing. Annually, as shelter capacity
16 increases in each region of the State, the use of hotel and motel rooms for
17 emergency housing in that region shall decrease by the same percentage as the
18 increase in shelter capacity. Annually, as part of the Department's budget
19 presentation, the Department shall set goals for increases in shelter beds and
20 other housing such as permanent supportive housing and permanent affordable

1 housing units dedicated to those exiting homelessness, along with related
2 decreases in the use of hotel and motel rooms and incorporate those goals into
3 regional planning and expectations. The Department ~~it~~ shall provide data
4 pertaining to the percentage of increased shelter capacity from the previous
5 fiscal year in each region and how that increase impacts the corresponding
6 hotel and motel room usage for emergency housing in each region pursuant to
7 this subsection.

8 (b) If hotels and motels are used to provide emergency shelter pursuant to
9 this chapter, the hotel and motel operators shall comply with Program rules and
10 the following rules:

11 (1) Department of Health, Licensed Lodging Establishment Rule (CVR
12 13-140-023); and

13 (2) Department of Public Safety, Vermont Fire and Building Safety
14 Code (CVR 28-070-001).

15 (c) Annually, the Department shall propose hotel and motel rates as part of
16 its budget presentation for approval by the General Assembly. A community
17 action agency shall not pay or cause to be paid with State monies a per room,
18 per night basis that exceeds the rate approved by the General Assembly.

1 (d) If a hotel or motel is being utilized:

2 (1) a community action agency shall enter into agreements for the use of
3 blocks of hotel and motel rooms and negotiate the conditions of use for those
4 blocks, including strategic placement of households to increase access for
5 providers of case management or other supportive services to the populations
6 they serve; and

7 (2) prioritize the use of hotel and motel room agreements over
8 individual per room, per night hotel or motel room use, unless it is not
9 appropriate to a household's needs.

10 § 2208. VHEARTH; DUTIES OF THE DEPARTMENT

11 (a) The Department, with oversight from and the Agency of Human
12 Services, shall have statewide responsibility for meeting the intent of this
13 chapter, including statewide planning, system development, and the
14 involvement of all the Agency's departments.

15 (b) For the purpose of providing administrative oversight and monitoring of
16 the Program established in this chapter, the Department shall:

17 (1)(A) maintain guidance regarding when extreme weather event
18 shelters shall be operated, including flexibility for regional weather conditions;
19 and

1 (B) maintain a website with the locations of all extreme weather
2 event shelters;

3 (2) include as part of any review of a community action agency required
4 pursuant to 3 V.S.A. chapter 59, the community action agency's ability to
5 perform the requirements of this chapter;

6 (3)(A) consult with the community action agencies and the statewide
7 organization serving households that are experiencing or that have experienced
8 domestic and sexual violence, to develop appropriate resource allocations and
9 methods for adjustment that take into account available data, the presence of
10 community-based providers, and customary resource allocation methods,
11 economic indicators, rate of homelessness, rental vacancy rates, and other
12 variables, as appropriate; and

13 (B) annually, distribute funding to each community action agency
14 and the statewide organization serving households that are experiencing or that
15 have experienced domestic and sexual violence using the allocation formula
16 developed pursuant to subdivision (A) of this subdivision (b)(3), or if the
17 Department and community action agencies agree, disperse a joint allocation
18 for all community action agencies, which the community action agencies shall
19 determine how to distribute amongst themselves;

1 (4) provide support and technical assistance to the community action
2 agencies, other community partners, and the statewide organization serving
3 households that are experiencing or that have experienced domestic and sexual
4 violence;

5 (5) identify specific administrative resources that could be transitioned
6 to community operations;

7 (6) develop and maintain standards for the operation of community-
8 based shelters and the provision of all VEARTH services; and

9 (7) adopt rules pursuant to 3 V.S.A. chapter 25, in consultation with the
10 community action agencies and the statewide organization serving households
11 that are experiencing or that have experienced domestic and sexual violence, as
12 appropriate, for the implementation of this chapter, including accommodations
13 for individuals with a disability.

14 § 2209. REGIONAL PLANNING; NEEDS ASSESSMENTS

15 (a) As part of the plan required every three years pursuant to 3 V.S.A.
16 § 3904 and the federally required planning and needs assessments for the
17 continuum of care, the community action agencies shall develop a regional
18 needs assessment and planning process, in collaboration with community and
19 State partners, for use in each community action agency's region to inform

1 future plans addressing housing and homelessness in each region of the State.

2 The **regional needs assessment and planning process** plans shall include:

3 (1) addressing progress in reducing the number of households

4 experiencing homelessness in a region;

5 (2) assessing the rate households placed in permanent housing return to

6 homelessness and the underlying reasons;

7 (3) identifying resources developed and utilized in the region to address

8 homelessness **and efforts to improve the equitable distribution of these**

9 **resources in the region;**

10 (4) reporting the rate of household participation with coordinated entry

11 processes and case management services;

12 (5) identifying system gaps and the funding needed to address those

13 gaps, including periodic inflationary adjustments; and

14 (6) utilizing data, including Vermont's Point-in-Time Count,

15 coordinated entry assessment results, and community conversations.

16 (b) **Every three years, each** community action agency shall submit plans

17 developed pursuant to this section to the Department in a format prescribed by

18 the Department. **Upon receipt of the plans, the** Department shall **consolidate**

19 the results of these reports and submit the **consolidated** report to the House

1 Committee on Human Services and to the Senate Committee on Health and
2 Welfare.

3 § 2210. REPORTING REQUIREMENTS

4 On or before the last day of ~~each~~ every third month, the Department shall
5 submit a report to the House Committee on Human Services, the Senate
6 Committee on Health and Welfare, and the Joint Fiscal Committee addressing:

7 (1) the number of households served through the Program, by household
8 size; eligibility category, if applicable; region; service provider; and type of
9 service;

10 (2) changes in shelter capacity since the previous reporting period;

11 (3) the number of diversions made during the previous reporting period;

12 (4) the number of households whose intake assessment indicated a
13 potential need for services from each department within the Agency;

14 (5) the number of beds available for emergency housing in each region
15 of the State, with separate reporting on the number of beds available in nursing
16 homes and residential care homes for individuals whose screening indicates
17 they could meet the clinical criteria for those settings and the number of
18 emergency beds available for individuals whose screening indicates they do
19 not meet the clinical criteria, including low-barrier shelters, beds for youth, and
20 beds for individuals who have experienced domestic violence;

1 (6) the number of households that have been successfully transitioned to
2 permanent housing since the previous reporting period, the types of housing
3 settings in which they have been placed, and the supportive services they are
4 receiving in conjunction with their housing;

5 ~~(7) the outlook for transitioning additional households to permanent~~
6 ~~housing in the coming months, including an estimate of the number of~~
7 ~~households likely to be placed per month;~~

8 ~~(8) any State rules and local regulations and ordinances that are~~
9 ~~impeding the timely development of safe, decent, affordable housing in~~
10 ~~Vermont communities in order to;~~

11 ~~(A) identify areas in which flexibility or discretion are available; and~~
12 ~~(B) advise whether the temporary suspension of relevant State rules~~
13 ~~and local regulations and ordinances, or the adoption or amendment of State~~
14 ~~rules, would facilitate faster and less costly revitalization of existing housing~~
15 ~~and construction of new housing units;~~

16 (9) an inventory of all subgrants issued by the statewide organization
17 serving households experiencing or who have experienced domestic or sexual
18 violence and by each community action agency; and

19 (10) gaps in services.

1 ~~§ 2204 2011. REGIONAL ADVISORY COUNCILS~~

2 ~~(a) Each community action agency shall convene a regional advisory~~
3 ~~council whose membership reflects the growing diversity among Vermonters,~~
4 ~~including individuals who are Black, Indigenous, and Persons of Color, as well~~
5 ~~as with regards to socioeconomic status, geographic location, gender, sexual~~
6 ~~identity, and disability status. Members of an advisory council shall include~~
7 ~~organizations providing services in the region pursuant to section 2206 of this~~
8 ~~chapter. It may collaborate with individuals with lived experience of~~
9 ~~homelessness, community partners, State partners, housing providers, local~~
10 ~~housing coalitions, providers of coordinated entry, continuums of care, faith-~~
11 ~~based organizations, and municipalities in the region served by the community~~
12 ~~action agency.~~

13 * * *

14 * * * Vermont Homeless Emergency Assistance and Responsive Transition to
15 Housing Program; Effective July 1, 2027 * * *

16 Sec. 5. 33 V.S.A. § 2202 is amended to read:

17 § 2202. PURPOSE

18 It is the purpose of the General Assembly to:

19 (1) replace the provision of emergency housing through the General
20 Assistance Program established in chapter 21 of this title and the Housing

1 Opportunity Grant Program and use funds and resources previously attributed
2 to those programs, and any other identified State and federal monies, to fund
3 the Vermont Homeless Emergency Assistance and Responsive Transition to
4 Housing Program established in this chapter; and

5 (2) reduce reliance on the use of hotel and motel rooms to shelter
6 participating households and expand the use of emergency shelters throughout
7 the State for this purpose.

8 * * * Vermont Homeless Emergency Assistance and Responsive Transition to
9 Housing Program; Effective July 1, 2030 * * *

10 Sec. 6. 33 V.S.A. § 2210 is amended to read:

11 § 2210. REPORTING REQUIREMENTS

12 On or before the last day of each ~~every third~~ month, the Department shall
13 submit a report to the House Committee on Human Services, ~~and the Senate~~
14 Committee on Health and Welfare, and the Joint Fiscal Committee addressing:

15 * * *

16 * * * Implementation Planning and Initial Regional Assessments * * *

17 Sec. 7. VHEARTH IMPLEMENTATION PLANNING

18 (a) On or before October 1, 2025, the Department for Children and
19 Families, in collaboration with the community action agencies, ~~regional~~
20 advisory councils established pursuant to 33 V.S.A. § 2204, and the statewide

1 organization serving households that are experiencing or that have experienced
2 domestic or sexual violence, shall submit the first of two written
3 implementation plans to the House Committee on Human Services, the Senate
4 Committee on Health and Welfare, and the Joint Fiscal Committee outlining its
5 initial plans for the implementation of the Vermont Homeless Emergency
6 Assistance and Responsive Transition to Housing Program established by 33
7 V.S.A. chapter 22 by July 1, 2026. Specifically, the first implementation plan
8 shall include:

9 (1) a process that community action agencies, in coordination with the
10 Department, shall use to conduct regularly occurring regional needs
11 assessments and develop future regional plans;

12 (2) recommended performance measures to evaluate the community
13 action agencies and the statewide organization serving households that are
14 experiencing or that have experienced domestic or sexual violence in carrying
15 out their duties under 33 V.S.A. chapter 22, including:

16 (A) the provision of any previously agreed upon information to
17 enable the Department to evaluate the services provided through grant funds,
18 the effect on households receiving services, and an accounting of expended
19 grant fund; and

1 (B) performance measures that may be specific to an individual
2 region of the State or provider;

3 (3) recommended eligibility for each of the services offered through 33
4 V.S.A. chapter 22;

5 (4) a recommendation on whether statewide or regional coordination
6 and operation of extreme weather shelters is more effective, and guidance
7 regarding when extreme weather event shelters shall be operated, including
8 flexibility for regional weather conditions; and

9 (5) a recommendation for core services including the requirements for
10 the the appropriate level of required intake and assessment processes to
11 determine need and prioritization, for each type of shelter that a household may
12 utilize, including intake shelters, as well as a timeline for implementation of
13 each service in the first quarter of state fiscal year 2027.

14 (b) On or before January 15, 2026, the Department for Children and
15 Families, in collaboration with the community action agencies, regional
16 advisory councils established pursuant to 33 V.S.A. § 2204, and the statewide
17 organization serving households that are experiencing or that have experienced
18 domestic or sexual violence, shall submit the second of two written
19 implementation plans to the House Committee on Human Services and the
20 Senate Committee on Health and Welfare outlining its initial plans for the

1 implementation of the Vermont Homeless Emergency Assistance and
2 Responsive Transition to Housing Program established by 33 V.S.A. chapter
3 22 on or before July 1, 2026. Specifically, the second implementation plan
4 shall include recommendations on the following:

5 (1) funding allocations among the community action agencies and other
6 providers, including for services specific to households that are experiencing or
7 that have experienced domestic or sexual violence;

8 (2) additional State and federal funding and other resources identified
9 for the Program;

10 (3) appropriate supportive services specific to the level of shelter a
11 household utilizes or whether the household is at risk of homelessness or
12 experiencing unsheltered homelessness;

13 (4) establishing an appeals process that includes a hearing before the
14 Human Services Board and an option for an expedited appeals process;

15 (5) expanded use the role of 211 within the intake system;

16 (6) whether continuation in emergency shelter access to all or some
17 services, including shelter, should include an expectation regarding household
18 participation in case management services or other expectations such as night
19 limits on the use of hotels and motels, and, if so, what elements and in what

1 circumstances participation in case management services or other expectations
2 should be applied;

3 (7) whether the use of emergency shelter should include financial
4 participation, and, if so, what that participation should include;

5 (x) whether to include verification of residency, income, or
6 homelessness as part of the intake process; and

7 (8) how to best ensure that there is equitable access to shelter and
8 supportive services for households experiencing homelessness; and

9 (9) any anticipated challenges requiring a legislative solution.

10 **Sec. 8. INTERIM AND FINAL VEARTH IMPLEMENTATION PLANS**

11 Prior to the enactment of the Vermont Homeless Emergency Assistance and
12 Responsive Transition to Housing Program on July 1, 2026, the community
13 action agencies shall conduct initial regional needs assessments in accordance
14 with the process developed in Sec. 7(a)(1) of this act. On or before January 15,
15 2026, the community action agencies shall submit one comprehensive progress
16 report, including estimated fiscal year 2027 budget needs and estimated
17 administrative costs. On or before April 1, 2026, the community action
18 agencies shall submit one comprehensive report detailing the results of each
19 region's regional needs assessment and implementation plans, which shall not

1 exceed the budgetary estimates provided in the progress report. The initial
2 regional needs assessment conducted pursuant to this section shall include:

3 (1) addressing progress in reducing the number of households
4 experiencing homelessness in a region;

5 (2) assessing the rate households placed in permanent housing return to
6 homelessness and the underlying reasons;

7 (3) identifying resources developed and utilized in the region to address
8 homelessness and efforts to improve the equitable distribution of these
9 resources in the region;

10 (4) reporting the rate of household participation with coordinated entry
11 processes and case management services;

12 (5) identifying system gaps and the funding needed to address those
13 gaps, including periodic inflationary adjustments; and

14 (6) utilizing data, including Vermont's Point-in-Time Count,
15 coordinated entry assessment results, and community conversations.

16 * * * Designated Agencies * * *

17 Sec. 9. 18 V.S.A. § 8907 is amended to read:

18 § 8907. DESIGNATION OF AGENCIES TO PROVIDE MENTAL

19 HEALTH AND DEVELOPMENTAL DISABILITY SERVICES

1 (a) Except as otherwise provided in this chapter, the Commissioners of
2 Mental Health and of Disabilities, Aging, and Independent Living shall, within
3 the limits of funds designated by the General Assembly for this purpose,
4 ensure that community services to persons with a mental condition or
5 psychiatric disability and persons with a developmental disability throughout
6 the State are provided through designated community mental health agencies,
7 including community services to persons participating in the Vermont
8 Homeless Emergency Assistance and Responsive Transition to Housing
9 Program pursuant to 33 V.S.A. chapter 22. The Commissioners shall
10 designate public or private nonprofit agencies to provide or arrange for the
11 provision of these services.

12 (b) Within the limits of available resources, each designated community
13 mental health or developmental disability agency shall plan, develop, and
14 provide or otherwise arrange for those community mental health or
15 developmental disability services that are not assigned by law to the exclusive
16 jurisdiction of another agency and that are needed by and not otherwise
17 available to persons with a mental condition or psychiatric disability or a
18 developmental disability or children and adolescents with a severe emotional
19 disturbance in accordance with the provisions of 33 V.S.A. chapter 43 who
20 reside within the geographic area served by the agency.

* * * Community Action Agencies * * *

Sec. 10. 3 V.S.A. chapter 59 is amended to read:

CHAPTER 59. COMMUNITY ~~SERVICES~~ ACTION AGENCIES

§ 3901. FINDINGS AND PURPOSE

(a) Recognizing that the economic well-being and social equity of every Vermonter has long been a fundamental concern of the State, it remains evident that ~~poverty continues to be the lot of~~ a substantial number of Vermont's population continues to experience poverty. It is the policy of ~~this~~ the State to help develop the full potential of each of its citizens so they can contribute to the fullest extent possible to the life of our communities and the State as a whole.

(b) It is the purpose of this chapter to strengthen, supplement, and coordinate efforts that further this policy through:

(1) the strengthening of community capabilities for planning, coordinating, and managing federal, State, and other sources of assistance related to the problem of poverty;

(2) the better organization and utilization of a range of services related to the needs of ~~the poor~~ individuals with low income; and

1 (3) the broadening of the resource base of programs to secure a more
2 active role in assisting ~~the poor~~ individuals with low income from business,
3 labor, and other groups from the private sector.

4 § 3902. OFFICE OF ECONOMIC OPPORTUNITY

5 (a) The Director of the Office of Economic Opportunity is hereby
6 authorized to allocate available financial assistance for community ~~services~~
7 action agencies and programs in accordance with State and federal law and
8 regulation.

9 (b) The Director may provide financial assistance to community ~~services~~
10 action agencies for the planning, conduct, administration, and evaluation of
11 community ~~service~~ action programs to provide a range of services and
12 activities having a measurable and potentially major impact on causes of
13 poverty in the community or in areas of the community where poverty is a
14 particularly acute problem. Components of those services and activities may
15 involve, without limitation of other activities and supporting facilities designed
16 to assist ~~low income~~ participants with low income:

17 (1) to secure and retain meaningful employment;

18 (2) to obtain adequate education;

19 (3) to make better use of available income;

1 (4) to ~~provide and maintain adequate housing and a suitable living~~
2 ~~environment~~ have access to safe, secure, permanent housing;

3 (5) to obtain prevention, intervention, treatment, and recovery services
4 ~~for the prevention of narcotics addiction, alcoholism, and for the rehabilitation~~
5 ~~of narcotic addicts and alcoholics~~ individuals with substance use disorder;

6 (6) to obtain emergency assistance through loans and grants to meet
7 immediate and urgent individual and family needs, including the need for
8 health services, nutritious food, housing, and unemployment-related assistance;

9 (7) to remove obstacles and solve personal and family problems ~~which~~
10 that block achievement of self-sufficiency;

11 (8) to achieve greater participation in the affairs of the community;

12 (9) to make more frequent and effective use of other programs related to
13 the purposes of this chapter; and

14 (10) to coordinate and establish linkages between governmental and
15 other social service programs to ~~assure~~ ensure the effective delivery of such
16 services to ~~low-income~~ persons; with low income and to encourage the use of
17 entities in the private sector of the community in efforts to ameliorate poverty
18 in the community.

19 (c) The Director is authorized to adopt rules pursuant to chapter 25 of this
20 title appropriate to the carrying out of this chapter and the purposes thereof.

1 § 3903. DESIGNATION OF AGENCIES TO PROVIDE SERVICES AND
2 ACTIVITIES TO AMELIORATE OR ELIMINATE POVERTY

3 The Director shall designate private nonprofit ~~community-based~~
4 community-based organizations ~~who~~ that have demonstrated or ~~who~~ that can
5 demonstrate the ability to provide services and activities as defined in
6 subsection 3902(b) of this title as community ~~services~~ action agencies.

7 § 3904. COMMUNITY ~~SERVICES~~ ACTION AGENCY PLAN

8 Each designated community ~~services~~ action agency shall determine the need
9 for activities and services within the area served by the agency and shall
10 thereafter prepare a community services plan ~~which~~ that describes the method
11 by which the agency will provide those services. The plan shall include a
12 schedule for the anticipated provision of new or additional services and shall
13 specify the resources ~~which~~ that are needed by and available to the agency to
14 implement the plan. The community services plan shall be completed every
15 three years and updated annually. The plan shall include the regional needs
16 assessment required under 33 V.S.A. § 2211.

1 § 3905. COMMUNITY ~~SERVICES~~ ACTION AGENCIES;

2 ADMINISTRATION

3 (a) Each community ~~services~~ action agency shall administer its programs as
4 set out in the community services plan and as approved by its board of
5 directors.

6 (b) Each board of a nonprofit ~~community-based~~ community-based
7 organization that is designated a community ~~services~~ action agency under
8 section 3903 of this chapter shall have an executive committee of not more
9 than seven members who shall be representative of the composition of the
10 board and the board shall be so constituted that:

11 * * *

12 (2) one-third of the members of the board are persons chosen in
13 accordance with election procedures adequate to ~~assure~~ ensure that they are
14 representative of ~~the poor~~ individuals with low income in the area served; and

15 (3) the remainder of the members of the board are officials or members
16 of business, industry, labor, religious, welfare, education, or other major
17 groups and interests in the community.

18 (c) Each member of ~~the~~ a board selected to represent a specific geographic
19 area within a community shall reside in the area ~~he or she~~ the member
20 represents. ~~No person selected under subdivisions (2) or (3) of subsection (b)~~

1 ~~as a member of a board shall serve on such board for more than five~~
2 ~~consecutive years, or more than a total of 10 years~~ Each board shall adopt term
3 limits to govern its members.

4 * * * Appropriations * * *

5 Sec. 11. APPROPRIATION; TRANSITION PLANNING

6 In fiscal year 2026, \$10,000,000.00 of one-time funding is appropriated
7 from the General Fund as follows:

8 (1) \$6,500,000.00 to the Department for Children and Families for
9 distribution to the community action agencies and the statewide organization
10 serving households experiencing or who have experienced domestic and sexual
11 violence;

12 (2) \$500,000.00 to the Department for Children and Families for
13 contractual and other system transformation assistance; and

14 (3) \$3,000,000.00 to the Department for Children and Families for the
15 continued development of shelter capacity in the State.

16 Sec. 12. FUTURE APPROPRIATIONS; LEGISLATIVE INTENT

17 It is the intent of the General Assembly that:

18 (1) in fiscal year 2027 and thereafter, equivalent funds and resources,
19 base and one-time, used in fiscal year 2025 for General Assistance emergency
20 housing be redesignated for the Vermont Homeless Emergency Assistance and

1 Responsive Transition to Housing Program pursuant to 33 V.S.A. chapter 22;

2 and

3 (2) in fiscal year 2028 and thereafter, equivalent funds and resources,
4 base and one-time, used in fiscal year 2025 for the Housing Opportunity Grant
5 program be redesignated for the Vermont Homeless Emergency Assistance and
6 Responsive Transition to Housing Program pursuant to 33 V.S.A. chapter 22.

7 **Sec. 13. TRANSITION; HOUSING OPPORTUNITY GRANT PROGRAM**

8 As part of its fiscal year 2028 budget presentation, the Department for
9 Children and Families shall present a plan for transitioning Housing
10 Opportunity Grant Program funding and duties to the Vermont Homeless
11 Emergency Assistance and Responsive Transition to Housing Program
12 established in 33 V.S.A. chapter 22.

13 * * * Effective Dates * * *

14 **Sec. 14. EFFECTIVE DATES**

15 This act shall take effect on July 1, 2025, except that:

16 (1) Secs. 4 (Vermont Homeless Emergency Assistance and Responsive
17 Transition to Housing Program), 9 (designated agencies to provide mental and
18 development disability services), and 10 (community action agencies) shall
19 take effect on July 1, 2026;

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- 1 (2) Sec. 5 (Vermont Homeless Emergency Assistance and Responsive
- 2 Transition to Housing Program) shall take effect on July 1, 2027; and
- 3 (3) Sec. 6 (reporting requirements) shall take effect on July 1, 2030.

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