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STATE OF VERMONT AGENCY OF HUMAN SERVICES

MEMORANDUM

TO: Chair Lyons, Senate Committee on Health and Welfare

FROM: Secretary Jenney Samuelson, Agency of Human Services

DATE: May 15th, 2025

SUBJECT: H.91 Change Requests - An act relating to the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program

Chair Lyons,

We greatly appreciate the effort you and your committee have made to improve H.91 over the past several weeks. It is encouraging to hear a consensus around the need to move away from the expensive and ineffective General Assistance Emergency Housing Program as it is currently operated and transition to something that is both more affordable and serves Vermont more effectively.

We appreciate the Senate Health and Welfare Committee's time and attention on this critical shelter and housing bill. Your work reflects a strong commitment to addressing Vermont's housing and homelessness crisis, and we're encouraged to see this issue receiving the focus it deserves.

As we consider how to move forward, we must be more cautious with how we spend public funds and ensure the program delivers meaningful outcomes.

There are three key areas where the proposal needs substantial revision:

- 1. Fiscal Sustainability:
 - The program must operate within a clearly defined and sustainable budget. The \$10M in transition funds must be greatly reduced.
 - The bill currently resets annual emergency housing spending expectations at an unsustainable \$82M baseline. FY26 budgeted spending is closer to \$70M (with \$32M for HOP and \$38M for GA) and that figure should be the upper limit, with expectations that it will decrease annually as shelter and housing units come online.
- 2. GA Program Reform in FY26 (Not 2027):

- We cannot defer all reform until FY27. Key changes must occur in FY26. These include verification of residency, homelessness, and income; improved intake processes; the ability to prioritize when capacity is limited; and a shift in eligibility to better target the most vulnerable.
- Without these near-term adjustments, we risk repeating this year's April 1 crisis.
- 3. Improved Client Outcomes and System Accountability:
 - The current program is not adequately serving clients many of whom are among the most vulnerable Vermonters. Future design must focus on improved service delivery, such as population-specific placements (e.g., specialized and dedicated hotel/motels to medically vulnerable individuals, those in recovery, and families with children), stronger coordination of on-site services in motels, and measurable outcomes.
 - Stronger statutory language is needed to ensure GA hotel/motel use declines as alternative emergency housing options expand through the CAAs.

We are committed to working collaboratively to strengthen this program so it is not only fiscally responsible but also more effective in meeting the real needs of our communities. However, if these critical changes are not incorporated, the administration will have a hard time supporting the bill in its current form. We owe it to Vermonters to ensure that any investment in emergency housing is both effective and financially sustainable.

Again, we thank you for your efforts and share the hope that a local approach could be more successful in solving problems for people experiencing homelessness, rather than continuing to throw money at private hotels without accountability for owners or the individuals we aim to serve.

We would be happy to provide draft language to support these changes.

CC:

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