



Date: April 29, 2026

To: Senate Health & Welfare Committee

From: Chad Simmons, Executive Director, Housing & Homelessness Alliance of Vermont (HHAV)

Thank you for the opportunity to provide feedback on [H.938 \(as passed by house\)](#) and for the committee's careful consideration as you move from review to mark up.

We appreciate the work done by the House to codify a statewide policy to prevent and end homelessness. There are several provisions within this bill HHAV finds constructive and we hope they remain in the bill. We also share concerns voiced by other advocates with the level of complexity and bureaucracy this bill creates. Eligibility, prioritization, shelter type caps, linear levels with mandated steps before shelter or services are provided seem counter to the stated intent of the bill and it does not adequately integrate efforts to create and sustain permanent, safe, accessible and affordable housing. Additionally, the bill, as constructed, does not offer many new tools and there is not nearly enough budgeted to meet the current needs of those experiencing homelessness.

What follows builds on HHAV's testimony from April 15<sup>th</sup> and reiterates numerous areas we like and hope remains in the bill as well as offers several suggestions to improve the bill.

### **What we like and would like to see remain in H.938**

- Creates framework for VT to systematically address homelessness
- Creates intent and purpose
- Identifies key priority areas such as:
  - prevention and diversion
  - case management/housing navigation
  - defines a diversity of shelter types
  - Bridge Rental Assistance Program
  - includes specific categories of funding/expenditures required to end homelessness
  - clear, inclusive definition of disability and affirming language in level sections
  - fair appeals process
  - Articulates a clear budgeting process state government must use each year to show how each component of the response system will be resourced

### What we would like to see added/changed in H.938

Immediately below is a short list of the most important additions/changes to H.938 HHAV is seeking. These changes will dramatically increase the effectiveness and efficiency of the proposed homelessness response efforts, as voiced by HHAV members, the very providers who administer and will administer homelessness response shelter options and services. Below this list is a longer table with recommendations for each section of the bill. We ask the committee to consider these recommendations as you move from review to mark-up of H.938. Thank you!

1. State explicitly that VT's homelessness response system must integrate and be connected to efforts to create permanent, safe, affordable, accessible housing. This should be woven in several sections of the bill including Sections 1-3 (Findings, Intent, Purpose), as well as sections defining shelter services, needs assessment and expenditures.
2. Levels. Remove all mentions of levels and need to move linearly from one shelter type to another. In section 4, § 2204 thru § 2209, remove all references/language that require people to move from one level to another, as this is just not realistic or based on any type of evidence. Leave some openness and flexibility for innovation. Specifically, remove language currently included at the end of each level stating "If an eligible household's needs cannot be met with the (level #)..." and instead replace with "Shelter service type shall be applied based on household need and availability and understood by the most recent data available."
3. Hotel/Motel caps. In section 4, § 2208, remove caps for hotel/motel use as this limits a key tool VT has and will increase homelessness and end up costing the state more money. If the caps remain, we ask that the Department use existing data and evidence to show rationale for the cap amounts in relation to regional shelter capacity and household need.
4. Time limits. In section 4, § 2212, time limits are inefficient and costly and put people in unnecessary risk of unsheltered homelessness. If time limits remain, the Department must show the relation between time limits and the availability of adequate shelter service types or permanent housing
5. Rule making. In section 4, § 2216, we request this be made into a longer timeframe and include a more robust stakeholder and public input process. Report back to the legislature on both process and interim rule making (learn from Act 181 process). Should include specific data metrics that inform rules and outcomes.
6. CoC merger. Section 5, delete "Required Merger" from title of section.
7. Bridge Rental Assistance. Section 11, remove the 24 month timeframe. Add language that the program shall remain available to a household "until the household is issued a federally funded permanent rental assistance voucher, or the

household has an increase in income which allows them to afford the gross rent without any assistance.”

8. Payment Rate Structure. Section 12. Change “shall” to a “may” and clarify that this is a report in collaboration with the Department and providers to explore the feasibility of moving to a payment rate structure. Add “shelter providers” to clarify they are one of the partners in exploring this option. We are concerned this moves away from best practice to fund capacity rather than funding per-bed use and creates a more transactional arrangement between the state and providers.

Section	Recommended Changes
<b>Sec 1: Findings (pg 1)</b>	
<b>Sec 2: Legislative Intent (pg 2)</b>	<ol style="list-style-type: none"> <li>1. Add new #2 to state the goal of continuum is to move people out of homelessness and into permeant affordable housing. Recommendation: “Ensure everyone has access to permeant, safe, affordable housing.”</li>   <li>2. Change current #2 and make it #3 to remove subjective language about hotels/motels and instead make it more about using the most effective and efficient use of emergency housing. Recommendation: “Vermont use all available emergency shelter options based on need and availability”</li> </ol>
<b>Sec 3: Purpose (pg 2)</b>	<ol style="list-style-type: none"> <li>1. Remove the word “continuum” from name and replace with “system” This removes confusion of existing federal-recognized “Continuum of Care” (see definition section) and inconsistent/interchangeable use of “program” and “continuum” throughout. Alternatively, add HUD definition of “Continuum of Care” and state explicitly that VT’s response continuum is meant to work in conjunction with and improve upon the existing CoC process (see suggestion 4 below)</li> </ol>

	<ol style="list-style-type: none"> <li>2. Remove # 3. Hotels/motels should be seen as just one of many tools to address emergency shelter needs.</li> <li>3. To #7 add “for participants, providers and state government;” Government should be held to account the same as individuals.</li> <li>4. Add # 11: “Build and improve upon existing federally recognized systems including Continuum of Care and Coordinated Entry and Homelessness Management Information System (HMIS).”</li> </ol>
<p><b>Sec 4: CHAPTER 22. VERMONT HOMELESSNESS RESPONSE CONTINUUM. § 2201. DEFINITIONS (pg 4)</b></p>	<ol style="list-style-type: none"> <li>1. Add and refer to HUD-recognized Continuum of Care</li> <li>2. Add and refer to HUD-recognized Homelessness Management Information System (HMIS)</li> <li>3. Add and refer to HUD-recognized Housing Inventory Count (HIC)</li> <li>4. Edit “Eligible household” by removing everything after “a household that is homeless” By adding subjective and burdensome criteria for receiving shelter and services, you make the system less efficient and more expensive.</li> <li>5. Clarify “Permanent supportive housing” If this is referring to the federally-recognized program, use the following definition (see other notes below regarding placement of PSH): Permanent Supportive Housing (PSH) is permanent, community-based housing without a fixed length of stay, designed for individuals or families experiencing homelessness who have at least one member with a disability. PSH provides long-term leasing or rental assistance paired</li> </ol>

	<p>with supportive services such as case management, healthcare, employment support, and life skills training. The goal is to help residents maintain stable housing, improve well-being, and increase independence.</p>
<p><b>Sec. 4: § 2202. ESTABLISHMENT; VERMONT HOMELESSNESS RESPONSE Program (pg 9)</b></p>	<p>1. Administration through OEO. We understand the desire to move administration to OEO. And, if there are concerns with how state government is currently operating VT’s homelessness response, we should prioritize making government function better for people, rather than moving from one part of state government to another based on current leadership. If this move were to take place, ensure OEO has the funding and resources required to administer this new system effectively.</p>
<p><b>Sec 4: § 2203. Program COMPONENTS (pg 10)</b></p>	<p>1. Remove all mention/references to “levels” Homelessness is not linear and this creates a false sense that people move from one level to another. Focus on just naming/defining the component types here and keep need to budget each as part of the appropriations/budgeting process</p> <p>2. Remove PSH from this list. This is not an emergency, temporary shelter type. See additional notes on PSH</p>
<p><b>Sec 4: § 2204. PREVENTION AND DIVERSION SERVICES (pg 11)</b></p>	<p>1. Clarify these types of interventions are to prevent homelessness from occurring and to divert from emergency shelter, but <b>should not</b> be implemented in a way that delays or restricts access to shelter for households in immediate crisis. Prevention &amp; diversion <b>should not</b> be a gatekeeper to accessing shelter.</p>

	<p>2. Clarify that in practice, the system should allow to stabilize first, then assess prevention/diversion needs.</p> <p>3. Clarify that initial assessment process is for stability and that the Coordinated Entry assessment is separate.</p>
<p><b>Sec 4: § 2205. SHELTER SERVICES (pg 12)</b></p>	<p>1. Levels/Shelter Types. As stated above, define only. Remove any language that requires people to move from one level to another, as this is just not realistic or based on any type of evidence. Leave some openness and flexibility for innovation.</p> <p>2. Add direction for the office to utilize data in making shelter type availability decisions. Refer to HMIS, CE and HIC data. Specifically, remove language currently included at the end of each level stating “If an eligible household’s needs cannot be met with the..(level #) and instead replace with “Shelter type shall be applied based on household need and availability and understood by the most recent data available.”</p> <p>3. 2-year agreements between OEO and providers. Add details that take into account need for inflationary factors and flexibility needed to meet household needs and long-term housing availability. Concern this implies a performance-based model with no recognition of limited specialized shelter type and permanent housing availability.</p> <p>4. 2B: Low-barrier shelter services. Delete “time-limited” as this is not realistic if highly-structured shelter services or permanent housing are not available. It is also extremely inefficient and costly to put a household back into homelessness only to have to start the process over again.</p>

<p><b>Sec 4: § 2206. SPECIALIZED SHELTER SERVICES (pg 14)</b></p>	<p>1. As stated above, define only. Remove any language that requires people to move from one level to another.</p>
<p><b>Sec 4: § 2207. PERMANENT SUPPORTIVE HOUSING (pg 15)</b></p>	<p>1. As stated above, remove PSH from the level construct. Use definition from above. This should be a stand-alone section with other permanent housing solutions and not be time-limited.</p>
<p><b>Sec 4: § 2208 Hotels/Motels (pg 16)</b></p>	<p>1. Remove caps to hotel/motel use. Instead, state that it is state policy to use all shelter types possible to keep people sheltered, acknowledging some are better than others to keeping people out of homelessness and more efficient use of state resources. Use of hotel/motel should first be based on need. The budget line item will determine the limit. State statute should not limit the use of one type of shelter or another. Additionally, by limiting this tool knowing there is not nearly enough of other shelter types, we are intentionally creating more homelessness and costing the state more or shifting the cost burden to other parts of our health and human services system.</p> <p>2. If hotel/motel caps remain, the Department use existing data to provide evidence and rationale for the monthly or annual caps and should be applied regionally, based on need and capacity.</p> <p>3. Clarify who (Department? Service providers?) enters into hotel/motel use agreements.</p>
<p><b>Sec 4: § 2209. OTHER EMERGENCY HOUSING SERVICES (pg 18)</b></p>	

<p><b>Sec 4: § 2210. HOUSEHOLD RESPONSIBILITIES (pg 19)</b></p>	<ol style="list-style-type: none"> <li>1. Clarify what level/shelter service type this refers to. All of them? This may be difficult to administer for certain shelter types like low-barrier</li>   <li>2. Clarify what happens if someone is terminated? This seems inefficient. We would prefer to utilize restorative practices rather than ending a household’s shelter access.</li> </ol>
<p><b>Sec 4: Prioritization (pg 21)</b></p>	<ol style="list-style-type: none"> <li>1. Clarify who is responsible for administering and enforcing limits and prioritization. Ensure adequate clarity, guidance.</li>   <li>2. While we understand some need to prioritize, this adds an unnecessary administrative burden and creates inefficiencies to providing shelter and services. We request decreasing/minimizing limits and prioritization in order to allow as many people to receive homelessness support/services as possible.</li>   <li>3. This responsibility ultimately should rest with state government</li> </ol>
<p><b>Sec 4: § 2212. TIME LIMITS FOR PROGRAM PARTICIPATION (pg 23)</b></p>	<ol style="list-style-type: none"> <li>1. Time limits are inefficient and costly and put people in unnecessary risk of unsheltered homelessness. If time limits remain, the Department must show the relation between time limits and the availability of adequate shelter service types or permanent housing</li>   <li>2. Clarify what the 30 day limit pertain to?</li> </ol>
<p><b>Sec. 4: § 2213. CASE MANAGEMENT SERVICES (pg 25)</b></p>	<ol style="list-style-type: none"> <li>1. Clarify that case management can happen anywhere and that a lead is based on where the household is sheltered and them having choice. There is not enough case management capacity based on the proposed budget and cannot require case management if there is not enough budgeted for case management services</li> </ol>

<b>Sec 4: § 2214. NEEDS ASSESSMENT (pg 25)</b>	
<b>Sec 4: § 2215. NOTICE; APPEALS; RIGHT TO FAIR HEARING (pg 25)</b>	<ol style="list-style-type: none"> <li>1. If eligibility caps and prioritization components are removed or dramatically lifted above, the need for appeals will be less</li> <li>2. We ask for most accessible, clear process as possible</li> </ol>
<b>Sec 4: § 2216. RULEMAKING (pg 27)</b>	<ol style="list-style-type: none"> <li>1. We request this be made into a longer timeframe and include a more robust stakeholder and public input process. Report back to the legislature on both process and interim rule making (learn from Act 181 process).</li> <li>2. Should include specific data metrics that inform rules and outcomes</li> </ol>
<b>Sec 4: § 2217. REPORTING (pg 28)</b>	
<b>Sec 4: § 2218. GRANT REQUIREMENTS (pg 31)</b>	
<b>Sec. 5. MERGER OF CONTINUUMS OF CARE (pg 30)</b>	<ol style="list-style-type: none"> <li>1. Delete "Required Merger" from title of section</li> </ol>
<b>Sec 6 33 V.S.A. § 2218 is added to read: § 2218. GRANT REQUIREMENTS (pg 31)</b>	
<b>Sec. 7. TRANSITION TO THE VERMONT HOMELESSNESS RESPONSE CONTINUUM (pg 32)</b>	
<b>Sec. 8. INTERIM EMERGENCY RULEMAKING; DEADLINE FOR ADOPTION OF PERMANENT RULES (pg 32)</b>	

<p><b>Sec. 9. IMPLEMENTATION STATUS REPORT; VERMONT HOMELESSNESS RESPONSE CONTINUUM (pg 33)</b></p>	
<p><b>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 (pg 33)</b></p>	
<p><b>Sec. 11. VERMONT RENTAL ASSISTANCE BRIDGE PROGRAM (pg 34)</b></p>	<ol style="list-style-type: none"> <li>1. Remove 24 month timeframe</li> <li>2. Add language that the program shall remain available to a household “until the household is issued a federally funded permanent rental assistance voucher, or the household has an increase in income which allows them to afford the gross rent without any assistance.”</li> </ol>
<p><b>Sec. 12. PAYMENT RATE STRUCTURE; SHELTER SERVICES (pg 35)</b></p>	<ol style="list-style-type: none"> <li>1. Change “shall” to a “may” and clarify that this is a report in collaboration with the Department and providers to explore the feasibility of moving to a payment rate structure. Add “shelter providers” to clarify they are one of the partners in exploring this option. We are concerned this moves away from best practice to fund capacity rather than funding per-bed use and creates a more transactional arrangement between the state and providers.</li> </ol>
<p><b>Sec. 13. FISCAL YEAR 2027 CAPPED ROOM RATES (pg 36)</b></p>	
<p><b>Sec. 14. EXPENDITURES; VERMONT HOMELESSNESS RESPONSE CONTINUUM (pg 36)</b></p>	<ol style="list-style-type: none"> <li>1. Define how case management is different from what is proposed in HOP. Address discrepancy in the hotel/motel between two proposals and how they are staffed</li> </ol>

<p><b>Sec. 15 * * * Removing General Assistance Annual Report * * * (pg 37)</b></p>	
<p><b>Sec. 15. EFFECTIVE DATES (pg 38)</b></p>	<p>1. We encourage the effective dates be adjust to more adequately reflect how this will functionally be developed and realistically be administered. Align with funding cycles that start well before the end of the fiscal year. R</p>