

Madam Speaker,

H938 An Act Relating To Establishing the Vermont Homeless Response Continuum represents a careful and thoughtful effort to bring greater clarity, structure, and consistency to Vermont's emergency housing system. Over time, our response to homelessness has grown in ways that were never intended, and communities across the state have expressed the need for a more coordinated and predictable approach. This legislation provides a clear framework that strengthens early intervention, supports the work of local partners, and ensures that emergency housing is delivered in a safe, organized, and accountable manner.

At its core, the bill is about improving how we respond when Vermonters experience a housing crisis. It respects the need for timely assistance while also creating the conditions for longer-term stability. It reflects the thoughtful input of providers, municipalities, and community members, and aims to support both the individuals seeking help and the communities working to assist them. This is a

practical, balanced, and forward-looking step toward a more effective system that can better meet the needs of Vermont today and in the years ahead.

Findings, Legislative Intent, and Purpose

The initial sections of the bill outline Vermont's current homelessness landscape and the reasons for updating the State's approach. As documented in the Vermont Homeless Management Information System, approximately 4,022 Vermonters were experiencing homelessness as of December 2025, including 863 children, and statewide assessments indicate a need for an estimated 3,295 additional housing units to address homelessness effectively.¹ These findings help establish the context for considering new strategies and improvements to current systems. The Legislature expresses its intent to work toward conditions in which homelessness is rare, brief, and nonrecurring, and to gradually reduce reliance on hotel and motel placements as a primary form of emergency shelter. The purpose section

emphasizes creating a more coordinated, transparent, and supportive framework that can assist households in stabilizing their housing situations, encourage efficient use of public resources, and provide an organized pathway to longer-term housing options.

Establishment of the Vermont Homelessness Response

Continuum

The bill next establishes the Vermont Homelessness Response Continuum within the Office of Economic Opportunity. This structure is intended to bring together emergency housing, shelter programs, supportive services, and coordinated entry processes under a more unified administrative approach. By placing these responsibilities within a single office, the State aims to strengthen consistency and improve communication across regions. The Continuum is designed to be flexible and centered on housing outcomes, with an emphasis on early intervention and equitable access to available resources. This structural shift acknowledges

feedback over recent years that Vermont's emergency housing system has evolved in ways that sometimes created regional differences or operational challenges, and the bill seeks to provide clearer expectations and shared standards across the State.

Definitions and Program Terminology

A substantial portion of the bill is dedicated to defining key terms that will guide implementation of the Continuum. These definitions clarify what is meant by terms such as homelessness, diversion, low-barrier shelter, highly structured shelter, supportive services, rapid rehousing, and alternative housing models. Establishing these definitions in statute is intended to promote clarity, reduce uncertainty for applicants and providers, and support consistent decision-making across regions. Past experience has shown that variations in interpretation can lead to uneven outcomes or inconsistencies in service delivery. By setting clear definitions at the

outset, the bill supports a shared understanding among all partners, which will be especially important during rulemaking and future fair-hearing processes. These definitions also help ensure that program expectations are understandable and predictable for households seeking assistance.

Program Structure and Levels of Service

The bill organizes the Continuum into a tiered model consisting of five levels of service that range from early prevention efforts to more intensive forms of emergency shelter. This structure is intended to allow households to access the type of support that best matches their situation. The bill also requires that each level have a separate budget category, which provides greater transparency for policymakers and helps inform future decisions about resource needs. By clearly defining the levels of service, the State can better track how households move through the system, evaluate how well each level is functioning, and identify where additional capacity may

be beneficial. The tiered model reflects an effort to balance immediate needs with long-term housing goals and to ensure that responses are proportional to household circumstances.

Level 1: Prevention and Diversion

Level 1 serves as the primary entry point for most households. It consists of a brief, standardized assessment to identify whether safe alternative housing options exist, and it allows for flexible, short-term assistance that may help a household avoid shelter altogether. Many communities nationally have found that modest early interventions can help households resolve a housing crisis before it escalates. The bill incorporates this approach in a way that aims to reduce pressure on shelters and hotels, maintain available space for households with no alternatives, and improve overall system flow. This level is also designed to accommodate households with disabilities by ensuring that assessments and supports can be tailored to individual needs.

Level 2A and 2B: Highly Structured and Low-Barrier Shelters

The bill distinguishes between highly structured shelters and low-barrier shelters to reflect the different needs of Vermont households. Highly structured shelters offer programming that includes case management, employment and housing navigation, and other supports that may assist households working toward longer-term stability. Low-barrier shelters provide a more flexible environment with fewer entry requirements, serving individuals who may need additional time or support before engaging in structured expectations. This two-tier shelter approach is intended to acknowledge the diverse needs within the homeless population while maintaining safety and accessibility. Both types of shelters are required to meet applicable fire and safety standards, and both

operate under multi-year agreements that aim to support stability for providers and consistency for households.

Level 3: Specialized Shelters

Level 3 reflects the recognition that some households may need shelter settings with more specialized supports, including services related to health conditions, mental health needs, or substance use. Vermont has at times struggled to identify appropriate placements for individuals with these more complex needs, leading to challenges for both households and service providers. This section of the bill creates a mechanism for developing specialized shelter capacity that is equipped to support these individuals safely and effectively. Specialized shelters would be utilized when the needs of a household cannot reasonably be met within Levels 1 or 2, ensuring that placements remain appropriate and responsive to individual circumstances.

Level 4: Permanent Supportive Housing

Level 4 incorporates permanent supportive housing into the Continuum as a recognized component of Vermont's response system. This model combines long-term rental assistance with voluntary supportive services, often funded in part through Medicaid. Permanent supportive housing is widely used across the country for households experiencing chronic homelessness or those who need ongoing support to maintain housing. The bill clarifies that supportive housing is voluntary and can be provided for as long as necessary based on a household's plan. This section emphasizes stability and long-term outcomes, recognizing that for some Vermonters, consistent supportive services are a key factor in remaining successfully housed.

Level 5: Hotels and Motels

The bill allows hotels and motels to continue serving as part of Vermont's emergency housing system, but it places clearer limits and expectations around their use. This approach acknowledges that Vermont's current shelter capacity is insufficient to meet demand, particularly in the short term, while also recognizing concerns about cost, predictability, and the limitations of hotel settings. The bill includes provisions such as statewide room caps, negotiated rates, case management requirements, and compliance with safety standards. These requirements are intended to make hotel use more structured and predictable while the State works toward expanding shelter capacity and other housing options. This section aims to balance the practical need for hotel rooms with efforts to create a more sustainable long-term system.

Municipal and Cold-Weather Supports

Section 2209 describes the responsibilities and opportunities for municipalities during cold-weather conditions and establishes

parameters for emergency cold-weather shelters. Municipal supports provide flexibility for communities experiencing higher levels of unsheltered homelessness, allowing them to respond quickly during severe weather events without imposing full program requirements such as coordinated entry assessments. Emergency cold-weather shelters remain available when temperatures are dangerously low and are designed to offer a temporary, low-barrier option that prioritizes safety. This section also clarifies that other forms of housing operated by the Agency of Human Services—including recovery residences, transitional housing for individuals leaving correctional custody, and residential supports for Vermonters with disabilities—remain separate from the Continuum and are not replaced by it.

STATEMENT DEFER TO JUBILEE

COMMITTEE REPORT -

Madam Speaker

I want to reflect on the truly collaborative work that brought us to this moment. This bill was not shaped by one person, one party, or one viewpoint. It grew from many hours of thoughtful discussion, open-minded problem-solving, and at times difficult but deeply constructive conversations. Members came forward with sincere concerns, lived experiences from their communities, and a genuine desire to strengthen a system that has been under strain for far too long. Through it all, the committee worked with professionalism and heart, listening carefully to testimony, weighing operational realities, and striving to build something that could earn broad trust and support.

What stands before us today is the product of that shared effort. It offers a clearer, more consistent framework for emergency housing, one that brings structure to early intervention, strengthens local partnerships, and improves accountability for public resources—all

while maintaining our commitment to ensuring Vermonters in crisis have safe and dignified options. It reflects compassion and practicality working together, acknowledging that our responsibility is both to the individuals seeking help and to the communities working to support them.

I believe this bill demonstrates what is possible when we approach a challenging issue with respect for one another and a shared commitment to good governance. It reflects the best of this body's ability to work collaboratively, even when perspectives differ, and to focus on solutions that serve the common good. In appreciation for the thoughtful and cooperative work that brought it forward, I respectfully ask for the body's support and for your vote in favor of passage.