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TO: Senate Health & Welfare Committee

Testimony of Jenna O'Farrell, Executive Director of Northeast Kingdom Community Action (on behalf of the Vermont Community Action Partnership)

April 15, 2026

Thank you for the opportunity to testify today on H.938, the Homelessness Response Continuum bill. The Community Action Agencies have been following this bill closely as it has progressed through the House and we have appreciated the opportunities there to offer feedback. We hope to continue our engagement as you work to finish the bill in this committee.

I'd like to share some overall positive things we see in the bill, as well as some strong concerns. I have also submitted a longer document that has some specific suggestions for some of the sections in the bill.

On the positive side, the bill clarifies what Vermont's identifies as housing services and creates a vision for a formal statewide continuum that utilizes prevention supports, sheltering, and housing rather than fragmented programs. We support the bill's efforts to create a range of housing pathways that recognize that no single approach will meet the diverse needs of individuals and families. The inclusion of shelters, permanent supportive housing (PSH), rapid rehousing, shared housing, and other models are essential to a responsive system.

Is it a Continuum or Program?

Regarding terminology, the bill refers to both a "continuum" and a "program," at times using these terms interchangeably. We believe these are distinct concepts. A "continuum" suggests a coordinated system of services and supports, while a "program" implies a more discrete, defined intervention. *As written, this inconsistency creates confusion, and we respectfully request clarification. Should this be understood as a continuum or a program?*

In that same vein, the bill describes homelessness services as a linear continuum. In practice, the system does not function in a strictly linear way. It is most effective when it offers multiple pathways and entry points, allowing individuals and families to move toward stable housing in ways that reflect their unique circumstances.

Emergency shelters play a critical role as a safety net. They provide immediate stabilization and "catching" people in times of crisis. A well-functioning system requires a range of these safety nets, alongside coordinated supports that help people move forward.

We strongly agree that the most effective approach includes robust investment in prevention and diversion strategies, helping people avoid entering homelessness whenever possible. At the same time, ensuring that a full range of options remains available is essential to achieving the best outcomes for all individuals and families.

Our primary concern is that, as written, the bill is likely to increase unsheltered homelessness in the near term. The most acute pressure is unsheltered homelessness. This represents the most resource-intensive point along the continuum and requires significant expansion of the state's shelter capacity to effectively respond. Communities such as Burlington are already at or beyond capacity. Motels currently serve as a critical safety valve and, in many cases, are a more cost-effective option than shelter. When used strategically, they save lives and reduce overall system costs.

This is particularly true for single adults without high medical vulnerability, who often have limited access to other pathways. The combination of motel caps (700/1000) and limits on shelter or hotel stays (70 nights total) will result in more individuals being forced outside at a time when unsheltered homelessness is already too high. Our Community Action shelters and Community Resource Centers are experiencing this strain firsthand.

While the bill emphasizes cost containment and a reduction in motel use, it risks shifting costs into more expensive emergency responses—such as increased emergency room utilization and greater involvement from law enforcement during crisis situations. Absent a fully funded and resourced housing continuum, these impacts will not be absorbed by the system; they will be borne at the community level, where providers, municipalities, and first responders are already operating at capacity.

Further, we do not see anything in the bill that will guarantee geographic equity in terms of services and funding, and also the issues the bill is trying to address are capacity issues, yet nothing in the bill increases capacity across the service continuum.

Community Providers and Adequate Funding

If the intent of this bill is to allow the State to contract with community providers in a flexible manner to enable organizations to determine the most effective ways to meet both the requirements of the bill and the needs of the people we serve, then that approach has the potential to be very powerful. We believe that is the intent, and we would appreciate clarifying language to make that explicit.

We also appreciate the bill's recognition of the need for dedicated investment in case management and housing navigation. It is critical that this focus remains. However, we are concerned that the current appropriation is not sufficient to meet the requirement that all individuals seeking services be assigned a case manager.

We strongly support the Rental Assistance Bridge Program, which provides a direct pathway from homelessness to permanent housing. Ensuring that individuals who are ready to transition have access to this funding is essential to system flow and long-term stability.

We are also supportive of increased accountability and data reporting for community providers, particularly tracking long-term outcomes, such as returns to homelessness, and overall system flow. At the same time, we want to acknowledge that these requirements will increase administrative and operational costs for providers, which are not currently accounted for in the bill.

There are also important implementation questions that remain. For example: What happens when an individual or household completes a needs assessment but no services or housing options are available? Will they still receive case management? Will there be waiting lists? What are the expectations for individuals who are unsheltered but have engaged in the assessment process?

Ultimately, this bill will define the role of community partners within the system. We appreciate the strong emphasis on prevention and diversion, as Community Action Agencies know that upstream investments can significantly reduce crises and lower long-term costs for the State.

Finally, we support the requirement for a minimum of two-year contracts for providers. This will promote staff stability, strengthen long-term planning, and ultimately improve the quality and consistency of services for the individuals and families we serve.

In closing, I want to draw your attention to our longer document, with specific suggestions for certain sections of the bill. With time limitations for this testimony, my comments here have been high-level with the specifics submitted in writing. Thank you for your time and thoughtful consideration.