



VERMONT LEGISLATIVE
Joint Fiscal Office

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Fiscal Note

April 9, 2024

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H.879 – An act relating to the Emergency Temporary Shelter Program

As passed by the House of Representatives

Bill Summary

The bill proposes to establish the Emergency Temporary Shelter Program to replace the General Assistance Emergency Housing Program. It would also create the Emergency Temporary Shelter Program Advisory Committee and Emergency Temporary Shelter Program Task Force.

Secs. 2 & 3 – Emergency Temporary Shelter Program Advisory Committee

The bill would create the Emergency Temporary Shelter Program Advisory Committee to provide advice and recommendations to the Commissioner of the Department for Children and Families (DCF) regarding the implementation, administration, and operation of the Program. Each coordinated entry lead agency would appoint an individual with lived experience of homelessness to serve on the Committee. Members would be eligible for per diem compensation under 32 V.S.A. § 1010 for not more than 12 meetings annually.¹ Estimated annual per diem costs to DCF range from \$4,000 to \$9,000, depending on the number of per diem eligible members, number of meetings, and in-person attendance rates. The Committee would sunset on July 1, 2029.

Sec. 4 – Emergency Temporary Shelter Program

The bill would establish the Emergency Temporary Shelter Program within DCF for the purpose of temporarily sheltering households in a manner that ensures participant dignity and leads to greater stability. Criteria defining permissible shelters, eligibility requirements, and adverse weather conditions are specified in the bill.

The Governor’s fiscal year 2025 budget includes \$16.5 million in one-time funding and \$7.5 million in base funding for General Assistance emergency temporary shelter, plus a proposed \$839,184 in base funding for security at hotels and motels participating in the program. According to initial estimates provided by the Agency of Human Services (AHS), the bill would cost \$49 to \$51 million “depending on clarification of intent.” When the bill passed the House, the Joint Fiscal Office (JFO) took the current \$7.5 million in base funding for General Assistance emergency housing and the proposed \$839,184 for security into consideration, estimating that the bill would require an additional base appropriation of approximately \$40.6 to \$42.6 million in fiscal year 2026. A more recent AHS estimate put the total cost of the bill at roughly

¹ 32 V.S.A. § 1010

\$54.2 million.² Given this information, the base funding increase in fiscal year 2026 would be higher than JFO estimated.

Sec. 5 – Emergency Temporary Shelter Program Task Force

The bill would create the Emergency Temporary Shelter Program Task Force to examine the statewide and local operation and administration of the Emergency Temporary Shelter Program. The Task Force would have 16 members of which at least two legislators and seven non-legislators would be eligible for per diem compensation under 32 V.S.A. § 1010. Per diem costs could be as much as \$9,500 depending on the number of members, number of meetings, and in-person attendance rates. The Task Force would submit a report to the House Committee on Human Services and the Senate Committee on Health and Welfare with its findings and any recommendations for legislative action by January 15, 2025.

Sunsets

The bill would sunset both the General Assistance Emergency Housing Program and the emergency housing transition established by Act 81 (2023) on July 1, 2025.³

Fiscal Summary

Per diems (estimates)

- Emergency Temporary Shelter Program Advisory Committee = \$4,000 to \$9,000 annually
 - To be covered within DCF’s existing budget.
 - Sunsets on July 1, 2029.
- Emergency Temporary Shelter Program Task Force = \$9,500
 - To be covered within the General Assembly’s existing budget for the two legislative members and within DCF’s existing budget for non-legislative members eligible for per diem compensation.
 - Report due by January 15, 2025.

Emergency Temporary Shelter Program

- At the time of passage, JFO estimated that the bill would require an additional base appropriation of \$40.6 to \$42.6 million. More recent estimates provided by AHS put the estimated need for fiscal year 2026 much higher. JFO is working to revise the funding estimate.
 - Estimates will still take into consideration the existing \$7.5 million in base funding for General Assistance temporary emergency shelter and the additional \$839,184 base funding for hotel and motel security proposed in the Governor’s fiscal year 2025 budget.

² AHS estimates that the General Assistance Emergency Housing Program, as proposed in H.883 (the fiscal year 2025 budget bill), would cost approximately \$63.3 million in fiscal year 2025.

³ 2023 Acts and Resolves No. 81, Secs. 5-9.