



VERMONT LEGISLATIVE  
**Joint Fiscal Office**

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**Fiscal Note**

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**H.938 – An act relating to establishing the Vermont Homelessness Response Continuum**

As introduced by the House Committee on Human Services<sup>1,i</sup>

**Bill Summary**

The bill proposes to establish a continuum of supports and services to prevent or divert households from homelessness and to address the needs of Vermonters who are homeless. While the bill provides for the fiscal year 2027 expenditure of \$82,634,153 for provisions of services, implementation of the Vermont Homelessness Response Continuum, shelter development and operation, rental assistance, and supportive services, including case management, the bill contains no appropriations.

**Background and Details**

The Governor’s fiscal year 2027 budget recommendation included \$82,634,153 for the purpose of addressing homelessness in Vermont.<sup>2</sup> The recommended budget includes money for General Assistance Emergency Housing (hotels and motels), shelter funding, permanent supportive housing, rental assistance, outreach, and case management services.

The Governor’s Recommended Fiscal Year 2027 Homelessness and Housing Initiative, by fund source and budget section

Funding Source	One-time		Base			TOTAL
	General Assistance	Shelter Funding	Economic Services Div. Admin	General Assistance	Office of Economic Opportunity	
	Sec. B.1100	Sec. B.1100	Sec. B.316	Sec. B.321	Sec. B.325	
One-time General Funds	\$15,183,809	\$6,000,000				\$21,183,809
Base General Funds			\$2,531,794	\$1,301,093	\$52,848,916	\$56,681,803
Federal Funds					\$1,145,040	\$1,145,040
Global Commitment					\$3,623,501	\$3,623,501
<b>TOTAL</b>	<b>\$15,183,809</b>	<b>\$6,000,000</b>	<b>\$2,531,794</b>	<b>\$1,301,093</b>	<b>\$57,617,457</b>	<b>\$82,634,153</b>

The bill would repurpose this money for the provisions of the Vermont Homelessness Response Continuum.

<sup>1</sup> The Joint Fiscal Office (JFO) is a nonpartisan legislative office dedicated to producing unbiased fiscal analysis – this fiscal note is meant to provide information for legislative consideration, not to provide policy recommendations.

<sup>2</sup> Addressing Homelessness in Vermont. AHS Housing Initiative – DCF Budget Items. Presentation to the House Committee on Human Services, February 5, 2026.

## Vermont Homelessness Response Continuum

The bill would establish the Vermont Homelessness Response Continuum to create an array of services that prevent and address homelessness in Vermont. The program would be administered by the Department for Children and Families' Office of Economic Opportunity (DCF- OEO). The program would:

- provide temporary emergency housing to eligible households experiencing homelessness or at imminent risk of homelessness;
- reduce reliance on hotels and motels for emergency housing assistance;
- expand the use of alternative housing options in partnership with community organizations, municipalities, and private landlords;
- integrate case management and individualized housing plans into all emergency housing placements; and
- ensure accountability, transparency, and cost efficiency in the use of public funds.

The continuum of services would consist of the following:

1. Level 1: prevention and diversion services
2. Level 2: shelter services
  - a. Level 2A: highly structured shelter services
  - b. Level 2B: low-barrier shelter services
3. Level 3: specialized shelter services
4. Level 4: permanent supportive housing services
5. Level 5: hotels and motels
6. Other emergency housing services

## Transition to the Vermont Homelessness Response Continuum

While the bill acknowledges that DCF and community partners do not have the capacity to fully implement the Vermont Homelessness Response Continuum to the fullest extent on July 1, 2026, it directs DCF and community partners to implement the program to the fullest extent of their abilities in fiscal year 2027 while developing the capacity to fully implement the program in fiscal year 2028.

## Fiscal Impact

While the bill provides for the fiscal year 2027 expenditure of \$82,634,153 for the provision of services, implementation of the Vermont Homelessness Response Continuum, shelter development and operations, rental assistance, and supportive services, the bill itself contains no appropriations.

Finally, the bill directs that any funds appropriated for General Assistance Emergency Housing or the Housing Opportunity Grant Program (HOP) that remain unspent at the end of fiscal year 2026 be carried forward for investment in the Vermont Homelessness Response Continuum in fiscal year 2027.

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<sup>i</sup> The full fiscal note history is available on the fiscal tab of the bill page on the General Assembly website and can be pulled up through a bill number search on the JFO page.