

## **DRAFT 2012 STATE LEGISLATIVE PRIORITIES**

*[all approved at 11/9/11 VAHC meeting, except as noted;  
wording to be expanded and refined subject to Steering Committee approval]*

### **Budget Priorities**

*[DRAFT] Vermont was devastated by Hurricane Irene. Thousands of Vermonters suffered irreparable harm. Dozens of communities and state infrastructure suffered severe damage. The State's first budgetary priority must be to help Vermont and Vermonters recover. State and federal funding for housing, homelessness and community development must be increased to assist in this effort. Spending on Irene recovery should not take away from the already insufficient resources for these important priorities.*

*Vermont's continued budget shortfall should not be solved by cutting funding to programs critical to the well being of the neediest, most vulnerable Vermonters. The State should use ALL means at its disposal to maintain the safety net and prevent job losses, including rainy day funds and raising revenues. Further program cuts and position reductions at the State level will continue to disassemble the safety net, undermining economic stability and reducing access to necessary services for low-income Vermonters.*

**VT Housing & Conservation Board** – Support statutory funding at approximately \$14.25 million (based on July revenue forecast), with the \$2 million incremental increase over FY 11 dedicated to Irene recovery projects.

### **Homelessness & Homelessness Prevention:**

Emergency Shelter Grant Program – For FY 12, request an as yet unspecified amount through Budget Adjustment for emergency homelessness needs, based on increased levels of need around the state resulting both from Irene AND the continued economic conditions. As per the last VICH meeting, AHS will be gathering information on caseload increases from providers around the state. For FY 13, support level funding at \$792,000.

General & Emergency Assistance – For FY 13, request a \$500K increase for total base funding of \$7 million, with the increase going to continue the new Vermont Rental Subsidy Program. Base funding includes level funding for the Housing Replacement Fund at \$1.7 million. Support continued authorization for AHS to operate the General Assistance “Flexibility Program” authorized by the Legislature since 2007. AHS should work with all stakeholders to formalize program design based on the experience of the last several years. It should loosen restrictions that limit who can be assisted by GA and the type of assistance they can receive.

Governor's Summit – Support recommendations from the Governor's Summit on Housing the Homeless, including the Vermont Rental Subsidy Program, Security Deposit Guarantee Program, AHS Housing Policy, and recommendations on Permanent Supportive Housing, Access to Housing and Housing Models for the Homeless.

**Home Access Program** – Support an overall appropriation level of \$700,000, \$600,000 through VHCB and \$100,000 from DAIL. HAP enables Vermonters living with disabilities to live more independently and avoid the higher expense of living in a nursing home, which costs the state over \$60,000 per person per year.

**Housing and Supportive Services Program** – Level fund HASS at \$351,390. This funding is more important than ever because it leverages \$447,000 in federal funds to allow the Support and Services at Home program (SASH) to expand to 112 sites in every corner of Vermont. Sites include Public Housing Authorities and non-profit housing throughout the state.

**Assistive Community Care Services Program** – Restore funding to the FY 2009 level plus inflation. The reimbursement shortfall has increased from \$11.02 per person per day in FY 09 to \$17.53 this year, bringing the yearly shortfall to \$6,400 per person. Without an increase in the ACCS rate for FY 13, the shortfall will increase further. As this shortfall grows it becomes nearly impossible to provide low income residents with this service.

**Housing for People Living with Mental Illness** – Support funding for the Housing Recovery and Housing Contingency funds at the FY 09 levels of \$495,000 and \$390,000 respectively, for a combined total of \$885,000. These funds have lost \$40,000 in combined funding over the last several years. Support new administration initiative to create 100 housing vouchers as part of the plan to replace the Vermont State Hospital.

**Home Share Vermont & Home Share Now** – Support combined level funding for both programs at \$142,545. These effective, low-cost programs save the State money on high cost nursing home care while helping older and disabled Vermonters sustain their independence.

**First Stop Funding for CVOEO Mobile Home Project** – Support increase of \$10,000 to \$70,000. CVOEO has worked hard to assist mobile home park residents hard hit by Irene. The program has not seen an increase in many years while funding has eroded, having once been over \$100,000 annually.

**Federal Funding** – Replace lost federal funds, especially HUD Housing Counseling dollars. Thanks to CHAPA, Coalition members receive \$250,000 a year. Additional Vermont grantees receive another \$200,000 from HUD. In addition to homeownership counseling, these funds are used to assist mobile home owners, Vermonters facing foreclosure, tenants facing eviction and Vermonters devastated by Irene.

**Weatherization** -- Fully fund the Weatherization Program and increase services to affordable rental housing. For several years, Weatherization funds were redirected from their dedicated revenue source, the gross receipts tax, to the General Fund. This year the State returned to dedicating the full statutory share to Weatherization, which should continue for FY 13.

*[Note from 11/9/11 discussion: Coalition should consider asking for an increase in State funds to meet need for additional energy efficiency improvements for low-income Vermonters, as suggested in draft State Energy Plan. Additional funding could come from an increase in the gross receipts tax on fuels, or expanding the gross receipts tax to all fuels.]*

**Transitional housing for ex-offenders** – Support level funding at \$4.3 million. Without these supports, offenders re-entering society often return to jail, at far greater cost to the State. Many are unable to leave prison in spite of having served their minimum sentences due to lack of affordable housing.

**Other Supportive Housing** -- Provide funding to maintain and expand proven local partnerships. There are many successful examples around the state, including Brattleboro's Pathways to Housing, SASH and Burlington's Housing Resource Center. Provide funding to allow other communities to replicate these models or develop their own solutions.

**AHS Field Services Division Direct Service Funds** – Support funding at FY 2009 level of \$240,000. These funds help individuals and families through short-term interventions needed to avert a crisis, or help with a transition for which no other funding sources are available.

**Municipal and Regional Planning** – Support level funding at \$3.3 million. Over time return to statutory formula of 17% of transfer tax, which would yield an estimated \$4.85 million in FY 13. Full funding would better enable regional planning commissions and municipalities to plan for

affordable housing, train volunteer board members and provide more timely review of affordable housing and economic development projects.

**Economic Justice Issues** – Support VLIAC priorities (*Note: these are last year's priorities and serve as a temporary placeholder until VLIAC adopts its priorities*):

- Support efforts of the VT Childhood Poverty Council to reduce childhood poverty by 50% in 10 Years by maintaining the safety net, removing barriers to employment, increasing affordable childcare options, improving education and training opportunities, and adjusting Vermont's benefit programs to eliminate "benefit cliffs."
- Support adequate funding for LIHEAP benefits. The State should backfill lost federal funds with State dollars.
- Level fund Individual Development Accounts. Restore base funding for the Micro-Business Development Program to FY 09 level.
- Maintain level funding for Vermont Legal Aid.
- Protect full access to health care and prescription drug programs for low-income Vermonters.
- Protect Reach-Up and Reach-Ahead benefits and appropriately fund caseload increases; increase benefit levels, which have not been increased in years and support less than 50% of actual basic need.
- Protect funding for Aid to the Aged, Blind and Disabled, childcare, youth in transition, community mental health programs, and transportation for vulnerable Vermonters.
- Continue to work towards a livable wage standard for all working Vermonters.

## **Legislative issues**

**Affordable Housing Preservation** – Support compromise bill to preserve existing, federally subsidized housing when an owner decides to sell. Support bill modeled on mobile home statute, giving non-profits a first opportunity to purchase existing affordable housing developments when their owners sell and requiring two years notice to VHFA, the town and residents. Require relocation costs and impact fee if development goes market.

**State Housing Tax Credits** – Increase the Homeownership component of the Vermont Affordable Housing Tax Credit, currently capped at \$100,000 out of the overall \$500,000 cap on the credit. Maintain current funding levels for Charitable Housing Investment Credit, Historic Buildings Tax Credit, Façade Improvement Tax Credit, and Mobile Home Sale Credit.

**Affordable Housing Anti-Discrimination** – Support H.59 to include affordable housing as a protected class in Vermont's Fair Housing law. Following the lead of North Carolina and Florida, this would make it illegal to discriminate in land-use decisions or permitting if a development contains affordable housing for low-income individuals or families.

**Rental Housing Safety** – Increase compliance with the State's Rental Housing Health and Safety Code. In the short term, support a bill incorporating three of the consensus recommendations of the Rental Housing Safety Committee: (1) codify in law basic minimum rental housing guidelines drawn from several existing codes, (2) require that the statewide grand list or similar vehicle indicate whether a property is residential rental property, and (3) create an Office of Rental Housing Code Enforcement, with responsibility for overseeing, adopting and supporting enforcement of rental housing codes.

Over the long term, require that all rental housing be inspected every four years by a state certified inspector, based on basic elements drawn from state health and safety codes, including lead, and paid for by the property owner. In between quadrennial inspections, property owners

would be required to self-certify compliance. No apartment may be rented without a certificate of habitability. Expressly authorize municipalities to charge fees to cover program costs, and enhance ability to enforce compliance at the local level through municipal ticketing or similar mechanisms. Levy a modest statewide fee to pay for centralized collection of inspection and compliance information, as well as supplemental state enforcement.

**Downtown & Village Center Tax Credits** – Support Preservation Trust of Vermont’s request to raise the current \$1.7 million cap by 500K, with that amount being dedicated to Irene impacted communities for the next two years.

**Tax Assessment of Affordable Housing** -- Maintain the current equitable system of assessing affordable rental housing and owner-occupied land trust homes subject to shared equity appreciation restrictions.

**Community Development Priorities** – Maintain long-standing State Community Development priorities, including:

- The creation and retention of affordable housing and jobs as the greatest priority for the use of CDBG funds, with a goal of 45 to 55 percent of CDBG funds for affordable housing;
- Permanent affordability as the over-arching priority for the use of all affordable housing funds;
- Preserving and increasing the supply of affordable family housing, reducing and striving to eliminate childhood homelessness, preserving existing affordable housing developments, and serving families and individuals at or below 30 percent of HUD Area Median Income and people with special needs; and
- Preference to projects that maintain the historic settlement pattern of compact village and downtown centers separated by a rural working landscape.

**Retail Rent-To-Own Regulation** – Support H.188 bringing greater regulation to retail rent-to-own transactions, including capping "interest" rates, and other measures designed to end predatory practices that rob low-income people of their scarce resources.

**Credit Check Bill** (H.42) -- Bans the use of credit checks in employment decisions.

**Fair Tax Policy** – Support efforts to raise new revenues to pay for the basic needs of low-income and vulnerable Vermonters, including housing, by:

- Increasing the personal income tax rates on the highest-income taxpayers
- Taxing the full 100% of capital gains income
- Repealing the corporate income tax cut enacted in 2004
- Capping the mortgage interest owners of high-end homes can deduct.

### **Issues to be Considered at Dec. 14 Meeting**

**Homelessness & Homelessness Prevention** -- Possible additional budget requests for emergency housing needs through GA, ESGP or both.

**Energy Efficiency Disclosure Bill** (H.57) – Support recommendations of Building Energy Disclosure Working Group.

### **On-Bill Financing for Energy Efficiency**

**Weatherization** – Support increase in funding, to be generated through an increase in the gross receipts tax on fuels or by expanding the gross receipts tax to all fuels.

**Building Code Reform** – Support recommendations of Committee to Study Vermont Building Codes.