

## Statement from the Joint Fiscal Committee

### Regarding Vermont Housing and Conservation Board and Potential Federal Funding

We remain committed to the value of the Housing and Conservation Board investment program. It is an effective investment strategy that produces strong benefits for our communities and our economy. We are frustrated that the economic downturn has led to a major reduction in the level of community and economic development VHCB will be able to support in FY09.

During his presentation to the JFC about the impact of the proposed budget rescissions, Commissioner Reardon mentioned there is the potential that some federal money will come here as a result of a home foreclosure bill. However, we understand the federal law may be drawn so narrowly that it may only result in a relatively limited amount of financial support in Vermont. We appreciate the efforts of the federal congressional delegation to urge the federal agencies to implement the law in a way that works for Vermonters. As the federal government develops the implementation guidelines for this law, Vermont should be prepared to maximize its potential benefit.

The Joint Fiscal Committee and the General Assembly will remain interested in Vermont's implementation plans for the federal housing bill. As Vermont agencies develop plans to implement this law, we want to emphasize a few of the key principles, which are:

- Supporting investments in foreclosed properties
- Supporting investments to prevent foreclosures, including investments in counseling for homeowners,
- Supporting investments to reduce long term energy usage in multi -family and single family housing,
- Supporting investments to keep Vermont existing affordable housing stock available and affordable, and
- Supporting investments that are consistent with the consolidated plan which prioritizes investments that will result in permanent affordability for low and moderate income Vermonters.

One of the basic tenants we have established around this rescission plan is to steer clear of major policy changes when the General Assembly is adjourned. We understand that unrelated to the rescissions plan the Agency of Agriculture is adjusting policy on the formulation of primary agricultural soil development mitigation payments. We respectfully request the Agency delay any policy changes in this area until the agriculture committees in the General Assembly are in session to review the matter.