

**FY24 Governor Recommend Budget – Reviewed by the House Committee on Transportation**

Please see the introductory memo from Chair Lanpher for additional guidance for feedback. The B section budget information below does not include specific details yet as House Appropriations has not yet received the budget documents from the respective organizations. However, the B sections are not anticipated to contain funding associated with policy proposals.

Section	Agency/Dept	Appropriation	Proposal	Amount (all funds)	Transportation Position (leave blank if support)	Priority (high, medium, low)	Notes
<b>Other Feedback (including other legislation requested with appropriations):</b>							
<b><i>House Transportation Committee Concurs with the FY 2024 Governor’s Recommended Budget Except Where Otherwise Noted Below:</i></b>							
<b>\$ Sections:</b>							
B.900	VTrans	Finance and Admin					*
B.901	VTrans	Aviation					
B.902	VTrans	Buildings					
B.903	VTrans	Program Development					<b>TECHNICAL CORRECTION NEEDED** – SEE ATTACHMENT 1</b>
B.904	VTrans	Rest Area Construction					
B.905	VTrans	Maintenance State Sys					
B.906	VTrans	Policy and Planning					<b>TECHNICAL CORRECTION NEEDED** – SEE ATTACHMENT 1</b>
B.906.1	VTrans	Environmental Policy and Sustainability Division					

Section	Agency/Dept	Appropriation	Proposal	Amount (all funds)	Transportation Position (leave blank if support)	Priority (high, medium, low)	Notes
B.907	VTrans	Rail					
B.908	VTrans	Public Transit					
B.909	VTrans	Central Garage					
B.910	VTrans	Motor Vehicles					
B.911	VTrans	Town HW Structures					
B.912	VTrans	Town HW Local Tech Asst Program					
B.913	VTrans	Town HW Class 2 Roadway					
B.914	VTrans	Town HW Bridges					
B.915	VTrans	Town HW Aid Program					
B.916	VTrans	Town HW Class 1 Supp					
B.917	VTrans	Town HW: State Aid for nonfederal disasters					
B.918	VTRans	Town HW: State Aid for Federal Disasters					
B.919	VTrans	Municipal Mitigation Asst Program					<b>TECHNICAL CORRECTION NEEDED** – SEE ATTACHMENT 1</b>
B.920	VTrans	Public Asst Grant Program					
B.921	VTrans	Transportation Board					
<p><i>(*) The House Committee on Transportation (HTC) has not yet finished its review of the revised FY 2024 Transportation Program proposed by the Administration and may have additional recommendations to the B.900 sections once the Transportation Bill is finalized for introduction.</i></p> <p><i>(**) Technical corrections are needed to align the originally proposed appropriations to the revised FY 2024 Transportation Program proposed by the Administration. Technical corrections do not reflect programmatic adjustments initiated by HTC.</i></p>							

Section	Agency/Dept	Appropriation	Proposal	Amount (all funds)	Transportation Position (leave blank if support)	Priority (high, medium, low)	Notes
<b>ONE-TIME:</b>							
B.1100(a)(29)	VTrans		Lamoille Valley Rail Trail	\$3,000,000			<p>HTC supports additional investments in the LVRT and other rail trails in Vermont but does not presently prioritize this proposal. HTC notes that VTrans is currently deploying \$2 million from a congressional earmark on similar activities in communities along the LVRT. HTC recommends revisiting the topic during the FY 2024 BAA when the remaining balance of existing funds, and future plans for additional funds, are more clearly understood.</p>

LANGUAGE:						
C.106	Transportation	Finance and Admin	Calculation of TF Reserve			This language is expected to be incorporated into the BAA.
C.107	Transportation	Finance and Admin	Calculation of TF Reserve			This language is expected to be incorporated into the BAA.
D.101(a)(1)	Transfer		From General Fund to Transportation Fund	\$10,925,980		High This was not included in the Budget Memorandum to HTC. However, HTC most strongly supports this transfer, which the FY 2024 transportation budget relies upon to maximize federal funding opportunities. Reducing or removing this transfer will necessitate significant reductions in proposed project activity. <b>SEE ATTACHMENT 2</b>
D.101(a)(3)	Transfer		From TF to the Downtown Transportation and Related Capital Improvement Fund	\$523,966		High HTC supports this annual transfer, which is level funded with FY 2023.
D.101(d)(2)	NEW GF Reserve		Reserves GF for transfer to the TF in FY '25 & '26 to match IJA funds.	\$68,221,667.46		High HTC strongly supports optimizing opportunities presented in the IJA and providing the necessary funding for the nonfederal match in order to meet future federal match

							requirements under the IIIA. <i>SEE ATTACHMENT 2</i>
E.100			Establishes three new <u>permanent classified</u> Motor Vehicle Inspector positions.			High	HTC supports the three new positions requested by DMV, which are primarily funded through a federal formula grant. However, per DMV, these positions should be <u>permanent classified, not limited service</u> .
E. 900	Transportation	Finance and Admin	Calculation of TF Reserve	<u>\$20,727,011</u>			HTC supports the proposed technical language <u>with a modification to align it to the \$20,727,011 actual reversion total</u> (see H.145).

Relevant links:

- [FY24 Governor Recommend Web Report](#)
- [FY24 Governor Recommend Language](#)
- [FY24 Executive Budget Summary](#)

**Attachment 1:**  
**FY 2024 House Transportation Committee Recommended Appropriation Adjustments**

3/1/2023	FY24 Govrec	House	Change	Comments
<b>B.903 - Program Development</b>				
Personal	65,810,461	65,810,461		Technical correction per Administration revision of FY24 White Book.
Operating	311,229,747	311,158,635	(71,112)	
Grants	25,916,923	25,916,923		
<b>Total</b>	<b>402,957,131</b>	<b>402,886,019</b>	<b>(71,112)</b>	
Transportation	53,411,002	53,411,002		
TIB	22,129,870	22,129,870		
Federal	321,560,449	321,560,449		
InterDept Transfer	1,411,518	1,411,518		
Local	4,444,292	4,373,180	(71,112)	
<b>Total</b>	<b>402,957,131</b>	<b>402,886,019</b>	<b>(71,112)</b>	
<b>B.906 - Policy &amp; Planning</b>				
Personal	4,984,735	4,984,735		Technical correction per Administration revision of FY24 White Book.
Operating	1,099,716	1,099,716		
Grants	11,227,544	7,227,544	(4,000,000)	
<b>Total</b>	<b>17,311,995</b>	<b>13,311,995</b>	<b>(4,000,000)</b>	
Transportation	3,260,534	3,260,534		
Federal	13,989,315	9,989,315	(4,000,000)	
IDT	62,146	62,146		
<b>Total</b>	<b>17,311,995</b>	<b>13,311,995</b>	<b>(4,000,000)</b>	
<b>B.919 - Municipal Mitigation Assistance</b>				
Personal Services	100,000	100,000		Change made per the Administration. Federal fund increase related to a Congressional earmark. Increase in Clean Water Funds aligns with the budget approved by the Clean Water Board and matches Congressional earmark.
Operating	275,000	275,000		
Grants	6,075,498	10,113,523	4,038,025	
<b>Total</b>	<b>6,450,498</b>	<b>10,488,523</b>	<b>4,038,025</b>	
Transportation	705,000	705,000		
Special	4,317,498	5,000,000	682,502	
Federal	1,428,000	4,783,523	3,355,523	
<b>Total</b>	<b>6,450,498</b>	<b>10,488,523</b>	<b>4,038,025</b>	
<b>B.922 - TOTAL TRANSPORTATION</b>				
Personal	198,767,980	198,767,980	-	
Operating	490,902,810	490,831,698	(71,112)	
Grants	162,177,594	162,215,619	38,025	
<b>Total</b>	<b>851,848,384</b>	<b>851,815,297</b>	<b>(33,087)</b>	
Transportation	307,753,571	307,753,571	-	
TIB	25,229,215	25,229,215	-	
Special	4,367,498	5,050,000	682,502	
Federal	476,659,376	476,014,899	(644,477)	
Internal Service	23,956,385	23,956,385	-	
InterDept Transfer	2,706,360	2,706,360	-	
Local	11,175,979	11,104,867	(71,112)	
<b>Total</b>	<b>851,848,384</b>	<b>851,815,297</b>	<b>(33,087)</b>	



**STATE OF VERMONT**  
GENERAL ASSEMBLY  
HOUSE COMMITTEE ON  
TRANSPORTATION

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**MEMORANDUM**

To: Representative Diane Lanpher,  
Chair, House Committee on Appropriations

Cc: Representative Emilie Kornheiser,  
Chair, House Committee on Ways and Means

From: Representative Sara Coffey,  
Chair, House Committee on Transportation

Date: March 1, 2023

Subject: State Fiscal Year 2024 Budget

**Introduction**

This will serve as Attachment 2 to the House Committee on Transportation's response to the State Fiscal Year (SFY) 2024 Governor's Recommended Budget as it relates to transportation matters, specifically Secs. D.101(a)(1) and D.101(d)(2) in the Governor's Recommend Budget. The House Committee on Transportation (Committee) provides this memorandum as elaboration for its position on these two items in the Governor's Recommended Budget.

**Transportation Funding Gap**

The Committee shares the Governor's concerns over the anticipated future transportation funding gap. The Committee feels very strongly that Vermont should maximize every available opportunity to use federal funds to have a maximum impact on the State's transportation system.

As you know, the Administration has projected an approximately \$79 million shortfall between forecasted Transportation Fund revenues and anticipated nonfederal match needs to maximize federal funding from the Infrastructure Investment and Jobs Act (IIJA) from SFY 2024 through SFY 2026. The Governor's Recommended Budget proposes to close this gap by (1) transferring \$10,925,980.00 from the General Fund to the Transportation Fund to meet SFY 2024 needs and (2) holding \$68,221,667.46 of General Fund monies in reserve to meet the match needs in SFY 2025 and SFY 2026.

Transfer of \$10,925,980.00 from General Fund to Transportation Fund (State Fiscal Year 2024)

The Committee respectfully urges the House Committee on Appropriations to concur with the proposed transfer of \$10,925,980.00 in General Fund monies to the Transportation Fund in SFY 2024. This funding is an integral component of the Agency's proposed SFY 2024 Transportation Program, which the Committee intends to recommend be adopted through the Transportation Bill, with only limited amendments. Absent the transfer of these General Fund monies, the Agency of Transportation will likely have to significantly reduce the number of projects scheduled for delivery in SFY 2024.

Reserve of \$68,221,667.46 in General Fund Monies for Transportation Fund (State Fiscal Years 2025 and 2026)

While the Committee acknowledges the many competing demands for General Fund monies, it would also like to stress the importance of finding a path to closing the funding gap in SFY 2025 and SFY 2026. The Committee strongly supports identifying revenue sources to enable the State to meet future nonfederal match needs and acknowledges that there are other alternatives to the Governor's Recommended Budget that would address the underlying structural gap facing Vermont's transportation systems and meet the Agency's needs in SFY 2025 and SFY 2026 (and beyond).

To deal with the underlying structural deficit, the Committee suggests that the House Committees on Appropriations and on Ways and Means, as appropriate, reconsider the Transportation Fund's \$20,250,000.00 annual support of the State Police (the "JTOC appropriation") in future fiscal years. The Committee also suggests that, in a time of high inflation and an unprecedented level of federal investment, the House Committees on Appropriations and on Ways and Means, as appropriate, consider both the impact of Vermont's relatively stagnant motor vehicle fee revenues and the one-third of the revenue from the motor vehicles purchase and use tax (approximately \$50 million per year) that is currently transferred to the Education Fund pursuant to statute. State Transportation Fund revenues are not keeping up with the expected nonfederal match needs or growth in base costs.

**Committee Vote**

Members of the House Committee on Transportation appreciate being asked to provide a response to the State Fiscal Year 2024 Governor's Recommended Budget and support the response to the House Committee on Appropriations, including Attachments 1 and 2, on a vote of 10-0-1.