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1 TO THE HONORABLE SENATE:

2 The Committee on Transportation to which was referred House Bill No.
3 868 entitled “An act relating to the fiscal year 2025 Transportation Program
4 and miscellaneous changes to laws related to transportation” respectfully
5 reports that it has considered the same and recommends that the Senate
6 propose to the House that the bill be amended by striking out all after the
7 enacting clause and inserting in lieu thereof the following:

8 * * * Transportation Program Adopted as Amended; Definitions * * *

9 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

10 (a) Adoption. The Agency of Transportation’s Proposed Fiscal Year 2025
11 Transportation Program appended to the Agency of Transportation’s proposed
12 fiscal year 2025 budget (Revised February 15, 2024), as amended by this act,
13 is adopted to the extent federal, State, and local funds are available.

14 (b) Definitions. As used in this act, unless otherwise indicated:

15 (1) “Agency” means the Agency of Transportation.

16 (2) “Candidate project” means a project approved by the General
17 Assembly that is not anticipated to have significant expenditures for
18 preliminary engineering or right-of-way expenditures, or both, during the
19 budget year and funding for construction is not anticipated within a predictable
20 time frame.

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1 (3) “Development and evaluation (D&E) project” means a project
2 approved by the General Assembly that is anticipated to have preliminary
3 engineering expenditures or right-of-way expenditures, or both, during the
4 budget year and that the Agency is committed to delivering to construction on
5 a timeline driven by priority and available funding.

6 (4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle
7 supply equipment available to the public” have the same meanings as in
8 30 V.S.A. § 201.

9 (5) “Front-of-book project” means a project approved by the General
10 Assembly that is anticipated to have construction expenditures during the
11 budget year or the following three years, or both, with expected expenditures
12 shown over four years.

13 (6) “Mileage-based user fee” or “MBUF” means a fee for vehicle use of
14 the public road system with distance, stated in miles, as the measure of use.

15 (7) “Secretary” means the Secretary of Transportation.

16 (8) “TIB funds” means monies deposited in the Transportation
17 Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

18 (9) The table heading “As Proposed” means the Proposed
19 Transportation Program referenced in subsection (a) of this section; the table
20 heading “As Amended” means the amendments as made by this act; the table
21 heading “Change” means the difference obtained by subtracting the “As

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1 Proposed” figure from the “As Amended” figure; the terms “change” or
2 “changes” in the text refer to the project- and program-specific amendments,
3 the aggregate sum of which equals the net “Change” in the applicable table
4 heading; and “State” in any tables amending authorizations indicates that the
5 source of funds is State monies in the Transportation Fund, unless otherwise
6 specified.

7 * * * Summary of Transportation Investments * * *

8 Sec. 2. FISCAL YEAR 2025 TRANSPORTATION INVESTMENTS

9 INTENDED TO REDUCE TRANSPORTATION-RELATED

10 GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL

11 USE, AND SAVE VERMONT HOUSEHOLDS MONEY

12 This act includes the State’s fiscal year 2025 transportation investments
13 intended to reduce transportation-related greenhouse gas emissions, reduce
14 fossil fuel use, and save Vermont households money in furtherance of the
15 policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive
16 Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive
17 and Legislative Branches’ commitments to the Paris Agreement climate goals.

18 In fiscal year 2025, these efforts will include the following:

19 (1) Park and Ride Program. This act provides for a fiscal year
20 expenditure of \$1,464,833.00, which will fund one construction project to
21 create a new park-and-ride facility; the design and construction of

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1 improvements to one existing park-and-ride facility; funding for a municipal
2 park-and-ride grant program; and paving projects for existing park-and-ride
3 facilities. This year’s Park and Ride Program will create 60 new State-owned
4 spaces. Specific additions and improvements include:

5 (A) Manchester—construction of 50 new spaces; and

6 (B) Sharon—design and construction of 10 new spaces.

7 (2) Bike and Pedestrian Facilities Program. This act provides for a
8 fiscal year expenditure, including local match, of \$11,648,752.00, which will
9 fund 28 bike and pedestrian construction projects; 21 bike and pedestrian
10 design, right-of-way, or design and right-of way projects for construction in
11 future fiscal years; and eight scoping studies. The construction projects
12 include the creation, improvement, or rehabilitation of walkways, sidewalks,
13 shared-use paths, bike paths, and cycling lanes. Projects are funded in
14 Arlington, Bennington, Bethel, Brattleboro, Burke, Burlington, Castleton,
15 Chester, Enosburg Falls, Fair Haven, Fairfax, Hartford, Hyde Park, Jericho,
16 Manchester, Middlebury, Montpelier, Moretown, Newport City, Northfield,
17 Pawlet, Richford, Royalton, Rutland City, Rutland Town, Shaftsbury,
18 Shelburne, Sheldon, South Burlington, Springfield, St. Albans City, St. Albans
19 Town, Sunderland, Swanton, Tunbridge, Vergennes, Wallingford, Waterbury,
20 and West Rutland. This act also provides funding for:

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1 (A) some of Local Motion’s operation costs to run the bike ferry on
2 the Colchester Causeway, which is part of the Island Line Trail;

3 (B) a small-scale municipal bicycle and pedestrian grant program for
4 projects to be selected during the fiscal year;

5 (C) projects funded through the Safe Routes to School Program; and

6 (D) community grants along the Lamoille Valley Rail Trail (LVRT).

7 (3) Transportation Alternatives Program. This act provides for a fiscal
8 year expenditure of \$5,416,614.00, including local funds, which will fund 28
9 transportation alternatives construction projects; 28 transportation alternatives
10 design, right-of-way, or design and right-of-way projects; and three studies,
11 including scoping, historic preservation, and connectivity. Of these 59
12 projects, 21 involve environmental mitigation related to clean water or
13 stormwater concerns, or both clean water and stormwater concerns, and 38
14 involve bicycle and pedestrian facilities. Projects are funded in Athens, Barre
15 City, Brandon, Bridgewater, Bristol, Burke, Burlington, Cambridge, Castleton,
16 Colchester, Derby, Enosburg Falls, Fair Haven, Fairfax, Franklin, Hartford,
17 Hinesburg, Hyde Park, Jericho, Londonderry, Lyndon, Mendon, Middlebury,
18 Montgomery, Newark, Newfane, Proctor, Richford, Richmond, Rockingham,
19 Rutland City, Sharon, Shelburne, South Burlington, Springfield, St. Albans
20 Town, Swanton, Tinmouth, Vergennes, Wardsboro, Warren, Weston,
21 Williston, Wilmington, and Winooski.

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1 (4) Public Transit Program. This act provides for a fiscal year
2 expenditure of \$54,940,225.00 for public transit uses throughout the State.

3 Included in the authorization are:

4 (A) Go! Vermont, with an authorization of \$405,000.00. This
5 authorization supports transportation demand management (TDM) strategies,
6 including the State’s Trip Planner and commuter services, to promote the use
7 of carpools and vanpools.

8 (B) Mobility and Transportation Innovations (MTI) Grant Program,
9 with an authorization of \$3,500,000.00, which includes \$3,000,000.00 in
10 federal Carbon Reduction Funds. This authorization continues to support
11 projects that improve both mobility and access to services for transit-dependent
12 Vermonters, reduce the use of single-occupancy vehicles, and reduce
13 greenhouse gas emissions.

14 (5) Rail Program. This act provides for a fiscal year expenditure of
15 \$48,746,831.00, including local funds, for intercity passenger rail service,
16 including funding for the Ethan Allen Express and Vermonter Amtrak services,
17 and rail infrastructure that supports freight rail as well. Moving freight by rail
18 instead of trucks lowers greenhouse gas emissions by up to 75 percent, on
19 average.

20 (6) Transformation of the State Vehicle Fleet. The Department of
21 Buildings and General Services, which manages the State Vehicle Fleet,

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1 currently has 14 plug-in hybrid electric vehicles and 15 battery electric
2 vehicles in the State Vehicle Fleet. In fiscal year 2025, the Commissioner of
3 Buildings and General Services will continue to purchase and lease vehicles
4 for State use in accordance with 29 V.S.A. § 903(g), which requires, to the
5 maximum extent practicable, that the Commissioner purchase or lease hybrid
6 or plug-in electric vehicles (PEVs), as defined in 23 V.S.A. § 4(85), with not
7 less than 75 percent of the vehicles purchased or leased being hybrid or PEVs.

8 (7) Electric vehicle supply equipment (EVSE). This act provides for a
9 fiscal year expenditure of \$4,833,828.00 to increase the presence of EVSE in
10 Vermont in accordance with the State’s federally approved National Electric
11 Vehicle Infrastructure (NEVI) Plan, which will lead to the installation of
12 Direct Current Fast Charging (DC/FC) along designated alternative fuel
13 corridors. In addition to monies that were previously appropriated, this act
14 provides for a fiscal year expenditure of \$1,700,000.00 for EVSE at
15 workplaces or multiunit dwellings, or both.

16 (8) Vehicle incentive programs and expansion of the PEV market.

17 (A) Incentive Program for New PEVs, MileageSmart, Replace Your
18 Ride, and Electrify Your Fleet. No additional monies are authorized for the
19 State’s vehicle incentive programs in this act, but it is estimated that prior
20 appropriations of approximately the following amounts will be available in
21 fiscal year 2025:

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- 1 (i) \$2,600,000.00 for the Incentive Program for New PEVs;
- 2 (ii) \$2,000,000.00 for MileageSmart; and
- 3 (iii) \$900,000.00 for the Replace Your Ride Program.

4 ~~(B) eBike Incentive Program. This act authorizes one-time funds of~~
5 ~~up to \$140,000.00 in incentives under the eBike Incentive Program.~~

6 (9) Promoting Resilient Operations for Transformative, Efficient, and
7 Cost-Saving Transportation (PROTECT) Formula Program. This act provides
8 for a fiscal year expenditure of \$3,871,435.00 under the PROTECT Formula
9 Program. This year’s PROTECT Formula Program funds will support
10 increased resiliency at three bridge sites (Coventry, Wilmington, and
11 Shaftsbury) in alignment with the VTrans Resilience Improvement Plan.

12 ~~**Sec. 2. [Deleted.]**~~

13 * * * Highway Maintenance * * *

14 **Sec. 3. HIGHWAY MAINTENANCE**

15 (a) Within the Agency of Transportation’s Proposed Fiscal Year 2025
16 Transportation Program for Maintenance, authorized spending is amended as
17 follows:

	<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
18	Person. Svcs.	42,757,951	42,757,951	0
19	Operat. Exp.	65,840,546	63,980,546	-1,860,000
20				
21	Total	108,598,497	106,738,497	-1,860,000

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1	<u>Sources of funds</u>			
2	State	107,566,483	105,706,483	-1,860,000
3	Federal	932,014	932,014	0
4	Inter Unit	100,000	100,000	0
5	Total	108,598,497	106,738,497	-1,860,000

6 (b) Restoring the fiscal year 2025 Maintenance Program appropriation and
7 authorization to the level included in the Agency of Transportation’s Proposed
8 Fiscal Year 2025 Transportation Program shall be the top fiscal priority of the
9 Agency.

10 (1) If there are unexpended State fiscal year 2024 appropriations of
11 Transportation Fund monies, then, at the close of State fiscal year 2024, an
12 amount up to ~~\$2,000,000.00~~ \$1,860,000.00 of any unencumbered
13 Transportation Fund monies appropriated in 2023 Acts and Resolves No. 78,
14 Secs. B.900–B.922, which would otherwise be authorized to carry forward, is
15 reappropriated for the Agency of Transportation’s Proposed Fiscal Year 2025
16 Transportation Program for Maintenance 30 days after the Agency sends
17 written notification of the request for the unencumbered Transportation Fund
18 monies to be reappropriated to the Joint Transportation Oversight Committee,
19 provided that the Joint Transportation Oversight Committee does not send
20 written objection to the Agency.

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1 **(2) If the Agency utilizes available federal monies in lieu of one-time**
2 **Transportation Fund monies for Green Mountain Transit pursuant to**
3 **Sec. 5(c) of this act, then the one-time Transportation Fund monies**
4 **authorized for expenditure pursuant to Sec. 5(b) of this act that are not**
5 **required for public transit may instead go towards restoring the Highway**
6 **Maintenance budget.**

7 (3) If any unencumbered Transportation Fund monies are reappropriated
8 pursuant to subdivision (1) of this subsection **or made available pursuant to**
9 **subdivision (2) of this subsection**, then, within the Agency of
10 Transportation’s Proposed Fiscal Year 2025 Transportation Program for
11 Maintenance, authorized spending is further amended to increase operating
12 expenses by not more than ~~\$2,000,000.00~~ **\$1,860,000.00** in Transportation
13 Fund monies.

14 (4) Notwithstanding subdivisions (1)–(3) of this subsection, the Agency
15 may request further amendments to the Agency of Transportation’s Proposed
16 Fiscal Year 2025 Transportation Program for Maintenance through the State
17 fiscal year 2025 budget adjustment act.

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*** Town Highway Aid ***

Sec. 4. TOWN HIGHWAY AID MONIES

Within the Agency of Transportation’s Proposed Fiscal Year 2025

Transportation Program for Town Highway Aid, and notwithstanding the

provisions of 19 V.S.A. § 306(a), authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	28,672,753	29,532,753	860,000
Total	28,672,753	29,532,753	860,000
<u>Sources of funds</u>			
State	28,672,753	29,532,753	860,000
Total	28,672,753	29,532,753	860,000

*** One-Time Public Transit Monies ***

**Sec. 5. ONE-TIME PUBLIC TRANSIT MONIES; GREEN MOUNTAIN
 TRANSIT; FARE COLLECTION, EVALUATION, AND
 REORGANIZATION; REPORT**

**(a) Project addition. The following project is added to the Agency of
 Transportation’s Proposed Fiscal Year 2025 Transportation Program:
 Increased One-Time Monies for Public Transit for Fiscal Year 2025.**

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1 **(b) Authorization. Spending authority for Increased One-Time**

2 **Monies for Public Transit for Fiscal Year 2025 is authorized as follows:**

3 **FY25** **As Proposed** **As Amended** **Change**

4 **Other** **0** **1,000,000** **1,000,000**

5 **Total** **0** **1,000,000** **1,000,000**

6 **Sources of funds**

7 **State** **0** **1,000,000** **1,000,000**

8 **Total** **0** **1,000,000** **1,000,000**

9 **(c) Federal monies. The Agency shall utilize available federal monies**
10 **in lieu of the authorization in subsection (b) of this section to the greatest**
11 **extent practicable, provided that there is no negative impact on any local**
12 **public transit providers.**

13 **(d) Implementation. The Agency shall distribute the authorization in**
14 **subsection (b) of this section to Green Mountain Transit as one-time**
15 **bridge funding for fiscal year 2025 while Green Mountain Transit**
16 **stabilizes its finances and transitions to a sustainable funding model.**

17 **(e) Conditions; report. As a condition of receiving the grant funding,**
18 **Green Mountain Transit shall do all of the following:**

19 **(1) begin collecting fares for urban and commuter transit service**
20 **not later than June 1, 2024;**

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1 **(2) in coordination with the Agency of Transportation, Special**
2 **Service Transportation Agency, Rural Community Transportation, and**
3 **Tri-Valley Transit, evaluate alternative options for delivering cost-**
4 **effective urban fixed-route transit service, rural transit service, commuter**
5 **service, and any other specialized services currently provided, and**
6 **prepare a proposed implementation plan, including a three-year cost and**
7 **revenue plan, for recommended service transitions; and**
8 **(3) submit to the House and Senate Committees on Transportation**
9 **an interim report on or before November 15, 2024 and a final report on or**
10 **before February 1, 2025, detailing the findings, recommendations, and**
11 **implementation plan as described in subdivision (2) of this subsection.**

12 **Sec. 6. [Deleted.]**

13 * * * Agency of Transportation Duties; Bonding * * *

14 Sec. 6. 19 V.S.A. § 10 is amended to read:

15 § 10. DUTIES

16 The Agency shall, except where otherwise specifically provided by law:

17 * * *

18 (9) Require any contractor or contractors employed in any project of the
19 Agency for construction of a transportation improvement to file an additional
20 surety bond to the Secretary and the Secretary’s successor in office, for the
21 benefit of labor, materialmen, and others, executed by a surety company

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1 authorized to transact business in this State;. The surety bond shall be in such
2 sum as the Agency shall direct, conditioned for the payment, settlement,
3 liquidation, and discharge of the claims of all creditors for material,
4 merchandise, labor, rent, hire of vehicles, power shovels, rollers, concrete
5 mixers, tools, and other appliances, professional services, premiums, and other
6 services used or employed in carrying out the terms of the contract between the
7 contractor and the State and further conditioned for the following accruing
8 during the term of performance of the contract: the payment of taxes, both
9 State and municipal, and contributions to the Vermont Commissioner of Labor;
10 ~~accruing during the term of performance of the contract. However; provided,~~
11 however, in order to obtain the benefit of the security, the claimant shall file
12 with the Secretary a sworn statement of the claimant’s claim, within 90 days
13 after the final acceptance of the project by the State or within 90 days from the
14 time the taxes or contributions to the Vermont Commissioner of Labor are due
15 and payable, and, within one year after the filing of the claim, shall bring a
16 petition in the Superior Court in the name of the Secretary, with notice and
17 summons to the principal, surety, and the Secretary, to enforce the claim or
18 intervene in a petition already filed. The Secretary may, if the Secretary
19 determines that it is in the best interests of the State, accept other good and
20 sufficient surety in lieu of a bond and, in cases involving contracts for
21 \$100,000.00 or less, may waive the requirement of a surety bond.

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* * * Delays; Transportation Program Statute;

Increased Estimated Costs; Technical Corrections * * *

Sec. 7. 19 V.S.A. § 10g is amended to read:

§ 10g. ANNUAL REPORT; TRANSPORTATION PROGRAM;

ADVANCEMENTS, CANCELLATIONS, AND DELAYS

(a) Proposed Transportation Program. The Agency of Transportation shall annually present to the General Assembly for adoption a multiyear Transportation Program covering the same number of years as the Statewide Transportation Improvement Program (STIP), consisting of the recommended budget for all Agency activities for the ensuing fiscal year and projected spending levels for all Agency activities for the following fiscal years. The Program shall include a description and year-by-year breakdown of recommended and projected funding of all projects proposed to be funded within the time period of the STIP and, in addition, a description of all projects that are not recommended for funding in the first fiscal year of the proposed Program but that are scheduled for construction during the time period covered by the STIP. The Program shall be consistent with the planning process established by 1988 Acts and Resolves No. 200, as codified in 3 V.S.A. chapter 67 and 24 V.S.A. chapter 117, the statements of policy set forth in sections 10b–10f of this title, and the long-range systems plan, corridor studies,

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1 and project priorities developed through the capital planning process under
2 section 10i of this title.

3 (b) Projected spending. Projected spending in future fiscal years shall be
4 based on revenue estimates as follows:

5 * * *

6 (c) Systemwide performance measures. The Program proposed by the
7 Agency shall include systemwide performance measures developed by the
8 Agency to describe the condition of the Vermont transportation network. The
9 Program shall discuss the background and utility of the performance measures,
10 track the performance measures over time, and, where appropriate, recommend
11 the setting of targets for the performance measures.

12 (d) [Repealed.]

13 (e) Prior expenditures and appropriations carried forward.

14 * * *

15 (f) Adopted Transportation Program. Each year following ~~enactment~~
16 adoption of a Transportation Program under this section, the Agency shall
17 prepare and make available to the public the Transportation Program
18 ~~established~~ adopted by the General Assembly. The resulting document shall
19 be entered in the permanent records of the Agency ~~and of the Board~~, and shall
20 constitute the State’s official Transportation Program.

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1 (g) Project updates. The Agency’s annual proposed Transportation
2 Program shall include project updates referencing this section and listing the
3 following:

4 (1) all proposed projects in the Program that would be new to the State
5 Transportation Program ~~if adopted~~;

6 (2) all projects for which total estimated costs have increased by more
7 than ~~\$8,000,000.00~~ \$5,000,000.00 from the estimate in the adopted
8 Transportation Program for the prior fiscal year or by more than ~~100~~
9 75 percent from the estimate in the ~~prior fiscal year’s approved~~ adopted
10 Transportation Program for the prior fiscal year; ~~and~~

11 (3) all projects for which the total estimated costs have, for the first
12 time, increased by more than \$10,000,000.00 from the Preliminary Plan
13 estimate or by more than 100 percent from the Preliminary Plan estimate; and

14 (4) all projects funded for construction in the prior fiscal year’s
15 ~~approved~~ adopted Transportation Program that are no longer funded in the
16 proposed Transportation Program submitted to the General Assembly, the
17 projected costs for such projects in the prior fiscal year’s ~~approved~~ adopted
18 Transportation Program, and the total costs incurred over the life of each such
19 project.

20 (h) ~~Should~~ Project delays; emergency and safety issues; additional funding;
21 cancellations.

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1 (1) If capital projects in the Transportation Program be are delayed
2 because of unanticipated problems with permitting, right-of-way acquisition,
3 construction, local concern, or availability of federal or State funds, the
4 Secretary is authorized to advance other projects in the ~~approved~~ adopted
5 Transportation Program for the current fiscal year.

6 (2) The Secretary is further authorized to undertake projects to resolve
7 emergency or safety issues that are not included in the adopted Transportation
8 Program for the current fiscal year. Upon authorizing a project to resolve an
9 emergency or safety issue, the Secretary shall give prompt notice of the
10 decision and action taken to the Joint Fiscal Office and to the House and
11 Senate Committees on Transportation when the General Assembly is in
12 session, and ~~when the General Assembly is not in session,~~ to the Joint
13 Transportation Oversight Committee, the Joint Fiscal Office, and the Joint
14 Fiscal Committee when the General Assembly is not in session. ~~Should an~~
15 ~~approved~~

16 (3) If a project in the ~~current~~ adopted Transportation Program ~~require~~ for
17 the current fiscal year requires additional funding to maintain the ~~approved~~
18 schedule in the adopted Transportation Program for the current fiscal year, the
19 Agency is authorized to allocate the necessary resources. However, the
20 Secretary shall not delay or suspend work on ~~approved~~ projects in the adopted
21 Transportation Program for the current fiscal year to reallocate funding for

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1 other projects except when other funding options are not available. In such
2 case, the Secretary shall notify the Joint Transportation Oversight Committee,
3 the Joint Fiscal Office, and the Joint Fiscal Committee when the General
4 Assembly is not in session and the House and Senate Committees on
5 Transportation and the Joint Fiscal Office when the General Assembly is in
6 session. With respect to projects in the approved Transportation Program, the
7 Secretary shall notify, ~~in the district affected,~~ the regional planning
8 commission for the district where the affected project is located, the
9 municipality where the affected project is located, the legislators for the district
10 where the affected project is located, the House and Senate Committees on
11 Transportation, and the Joint Fiscal Office of any change that likely will affect
12 the fiscal year in which the project is planned to go to construction.

13 (4) No project shall be canceled without the approval of the General
14 Assembly, except that the Agency may cancel a municipal project upon the
15 request or concurrence of the municipality, provided that notice of the
16 cancellation is included in the Agency’s annual proposed Transportation
17 Program.

18 (i) Economic development proposals. For the purpose of enabling the
19 State, without delay, to take advantage of economic development proposals
20 that increase jobs for Vermonters, a transportation project certified by the
21 Governor as essential to the economic infrastructure of the State economy, or a

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1 local economy, may, if approval is required by law, be approved for
2 construction by a committee comprising the Joint Fiscal Committee meeting
3 with the ~~Chairs~~ chairs of the ~~Transportation~~ House and Senate Committees on
4 Transportation or their designees without explicit project authorization through
5 an ~~enacted~~ adopted Transportation Program, ~~in the event that such~~
6 ~~authorization is otherwise required by law.~~

7 (j) Plan for advancing projects. The Agency of Transportation, in
8 coordination with the Agency of Natural Resources and the Division for
9 Historic Preservation, shall prepare and implement a plan for advancing
10 ~~approved~~ projects contained in the ~~approved~~ adopted Transportation Program
11 for the current fiscal year. The plan shall include the assignment of a project
12 manager from the Agency of Transportation for each project. The Agency of
13 Transportation, the Agency of Natural Resources, and the Division for Historic
14 Preservation shall set forth provisions for expediting the permitting process
15 and establishing a means for evaluating each project during concept design
16 planning if more than one agency is involved to determine whether it should be
17 advanced or deleted from the Program.

18 (k) ~~For purposes of~~ Definition. As used in subsection (h) of this section,
19 “emergency or safety issues” ~~shall mean~~ means:

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1 (m) Inclusion of priority rating. The annual proposed Transportation
2 Program shall include an individual priority rating pursuant to subsection (l) of
3 this section for each highway paving, roadway, safety and traffic operations,
4 and bridge project in the ~~program~~ Program along with a description of the
5 system and methodology used to assign the ratings.

6 (n) Development and evaluation projects; delays. The Agency’s annual
7 proposed Transportation Program shall include a project-by-project description
8 in each program of all proposed spending of funds for the development and
9 evaluation of projects. ~~In the approved annual Transportation Program, these~~
10 These funds shall be reserved to the identified projects subject to the discretion
11 of the Secretary to reallocate funds to other projects within the program when
12 it is determined that the scheduled expenditure of the identified funds will be
13 delayed due to permitting, local decision making, the availability of federal or
14 State funds, or other unanticipated problems.

15 (o) Year of first inclusion. For projects initially ~~approved by the General~~
16 ~~Assembly for inclusion in the State~~ included in a Transportation Program
17 adopted after January 1, 2006, the Agency’s proposed Transportation Program
18 prepared pursuant to subsection (a) of this section and the ~~official~~ adopted
19 Transportation Program prepared pursuant to subsection (f) of this section shall
20 include the year in which ~~such~~ the projects were first ~~approved by the General~~
21 ~~Assembly~~ included in an adopted Transportation Program.

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1 under this subsection (a), for the most recently closed fiscal year as compared
2 to the fiscal year immediately preceding the most recently closed fiscal year; or

3 (B) the percentage ~~increase~~ change in the Bureau of Labor Statistics
4 Consumer Price Index for All Urban Consumers (CPI-U) ~~during the same~~
5 ~~period in subdivision (1)(A) of this subsection.~~

6 (2) ~~If the year over year change in appropriations specified in either~~
7 ~~subdivision (1)(A) or (B) of this subsection is negative, then the appropriation~~
8 ~~to town highways under this subsection shall be equal to the previous fiscal~~
9 ~~year’s appropriation~~ For purposes of subdivision (1)(B) of this subsection, the
10 percentage change in the CPI-U is calculated by determining the increase or
11 decrease, to the nearest one-tenth of a percent, in the CPI-U for the month
12 ending on June 30 in the calendar year one year prior to the first day of the
13 fiscal year for which the appropriation will be made compared to the CPI-U for
14 the month ending on June 30 in the calendar year two years prior to the first
15 day of the fiscal year for which the appropriation will be made.

16 * * *

17 * * * Right-of-Way Permits; Fees * * *

18 Sec. 10. 19 V.S.A. § 1112 is amended to read:

19 § 1112. DEFINITIONS; FEES

20 (a) As used in this section:

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1 (1) “Major commercial development” means a commercial development
2 for which the Agency requires the applicant to submit a traffic impact study in
3 support of its application under section 1111 of this ~~title~~ chapter.

4 (2) “Minor commercial development” means a commercial development
5 for which the Agency does not require the applicant to submit a traffic impact
6 study in support of its application under section 1111 of this ~~title~~ chapter.

7 * * *

8 (b) The Secretary shall collect the following fees for each application for
9 the following types of permits issued pursuant to section 1111 of this ~~title~~
10 chapter:

11 * * *

 (3) minor commercial development: \$250.00

12 * * *

13 (c) Notwithstanding subdivision (b)(3) of this section, the Secretary may
14 waive the collection of the fee for a permit issued pursuant to section 1111 of
15 this chapter for a minor commercial development if the Governor has declared
16 a state of emergency under 20 V.S.A. chapter 1 and the Secretary has
17 determined that the permit applicant is facing hardship, provided that the
18 permit is applied for during the declared state of emergency or within the six
19 months following the conclusion of the declared state of emergency.

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1 * * * Vehicle Incentive Programs * * *
2 * * * Replace Your Ride Program * * *

3 Sec. 11. 19 V.S.A. § 2904(d)(2)(B) is amended to read:

4 (B) For purposes of the Replace Your Ride Program:

5 (i) An “older low-efficiency vehicle”:

6 * * *

7 (VI) passed the annual inspection required under 23 V.S.A. §
8 1222 within the prior ~~year~~ 18 months.

9 Sec. 12. 19 V.S.A. § 2904a is added to read:

10 § 2904a. REPLACE YOUR RIDE PROGRAM FLEXIBILITY;

11 EMERGENCIES

12 Notwithstanding subdivisions 2904(d)(2)(A) and (d)(2)(B)(i)(IV)–(VI) of
13 this chapter, the Agency of Transportation is authorized to waive or modify the
14 eligibility requirements for the Replace Your Ride Program under subdivisions
15 (d)(2)(B)(i)(IV)–(VI) that pertain to the removal of an eligible vehicle as
16 required under subdivision 2904(d)(2)(A) of this chapter provided that:

17 (1) the Governor has declared a state of emergency under 20 V.S.A.
18 chapter 1 and, due to the event or events underlying the state of emergency,
19 motor vehicles registered in Vermont have been damaged or totaled;

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1 (2) the waived or modified eligibility requirements are prominently
2 posted on any websites maintained by or at the direction of the Agency for
3 purposes of providing information on the vehicle incentive programs;

4 (3) the waived or modified eligibility requirements are only applicable:

5 (A) upon a showing that the applicant for an incentive under the
6 Replace Your Ride Program was a registered owner of a motor vehicle that
7 was damaged or totaled due to the event or events underlying the state of
8 emergency at the time of the event or events underlying the state of
9 emergency; and

10 (B) for six months after the conclusion of the state of emergency; and

11 (4) the waiver or modification of eligibility requirements and resulting
12 impact are addressed in the annual reporting required under section 2905 of
13 this chapter.

14 * * * Electrify Your Fleet Program * * *

15 Sec. 13. 2023 Acts and Resolves No. 62, Sec. 21 is amended to read:

16 Sec. 21. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

17 * * *

18 (d) Program structure. The Electrify Your Fleet Program shall reduce the
19 greenhouse gas emissions of persons operating a motor vehicle fleet in
20 Vermont by structuring purchase and lease incentive payments on a first-come,
21 first-served basis to replace vehicles other than a plug-in electric vehicle (PEV)

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1 * * *

2 (d) Reporting. The Agency of Transportation shall address incentives for
3 electric bicycles, electric cargo bicycles, and adaptive electric cycles provided
4 pursuant to this section in the ~~January 31, 2024~~ annual report required under
5 19 V.S.A. § 2905, as added by Sec. 19 of this act, including:

6 (1) the demographics of who received an incentive under the eBike
7 Incentive Program;

8 (2) a breakdown of where vouchers were redeemed;

9 (3) a breakdown, by manufacturer and type, of electric bicycles, electric
10 cargo bicycles, and adaptive electric cycles incentivized;

11 (4) a detailed summary of information provided in the self-certification
12 forms and a description of the Agency’s post-voucher sampling audits and
13 audit findings, together with any recommendations to improve program design
14 and cost-effectively direct funding to recipients who need it most; and

15 (5) a detailed summary of information collected through participant
16 surveys.

17 * * * Annual Reporting * * *

18 Sec. **15.** 19 V.S.A. § 2905 is amended to read:

19 § 2905. ANNUAL REPORTING; VEHICLE INCENTIVE PROGRAMS

20 (a) The Agency shall annually evaluate the programs established under
21 sections 2902–2904 of this chapter to gauge effectiveness and shall submit a

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1 written report on the effectiveness of the programs and the State’s marketing
2 and outreach efforts related to the programs to the House and Senate
3 Committees on Transportation, the House Committee on Environment and
4 Energy, and the Senate Committee on ~~Finance~~ Natural Resources and Energy
5 on or before the 31st day of January in each year following a year that an
6 incentive was provided through one of the programs.

7 (b) The report shall also include:

8 (1) any intended modifications to program guidelines for the upcoming
9 fiscal year along with an explanation for the reasoning behind the
10 modifications and how the modifications will yield greater uptake of PEVs and
11 other means of transportation that will reduce greenhouse gas emissions; ~~and~~

12 (2) any recommendations on statutory modifications to the programs,
13 including to income and vehicle eligibility, along with an explanation for the
14 reasoning behind the statutory modification recommendations and how the
15 modifications will yield greater uptake of PEVs and other means of
16 transportation that will reduce greenhouse gas emissions; and

17 (3) any recommendations for how to better conduct outreach and
18 marketing to ensure the greatest possible uptake of incentives under the
19 programs.

20 (c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this
21 section shall continue to be required if an incentive is provided through one of

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1 the programs unless the General Assembly takes specific action to repeal the
2 report requirement.

3 ~~Sec. 18.~~ **[Deleted.]**

4 * * * Authority to Transfer Monies in State Fiscal Year 2025 * * *

5 Sec. 16. TRANSFER OF MONIES BETWEEN VEHICLE INCENTIVE
6 PROGRAMS IN STATE FISCAL YEAR 2025

7 (a) Notwithstanding 32 V.S.A. § 706 and any appropriations or
8 authorizations of monies for vehicle incentive programs created under
9 19 V.S.A. §§ 2902–2904, in State fiscal year 2025 the Secretary of
10 Transportation may transfer up to 50 percent of any remaining monies for a
11 vehicle incentive program created under 19 V.S.A. §§ 2902–2904 to any other
12 vehicle incentive program created under 19 V.S.A. §§ 2902–2904 that has less
13 than \$500,000.00 available for distribution as a vehicle incentive.

14 (b) Any transfers made pursuant to subsection (a) of this section shall be
15 reported to the Joint Transportation Oversight Committee and the Joint Fiscal
16 Office within 30 days after the transfer.

17 * * * Electric Vehicle Supply Equipment (EVSE) * * *

18 Sec. 17. 19 V.S.A. chapter 29 is amended to read:

19 CHAPTER 29. VEHICLE INCENTIVE PROGRAMS; ELECTRIC

20 VEHICLE SUPPLY EQUIPMENT

21 § 2901. DEFINITIONS

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1 As used in this chapter:

2 * * *

3 (4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle
4 supply equipment available to the public” have the same meanings as in
5 30 V.S.A. § 201.

6 (5) “Plug-in electric vehicle (PEV),” “battery electric vehicle (BEV),”
7 and “plug-in hybrid electric vehicle (PHEV)” have the same meanings as in
8 23 V.S.A. § 4(85).

9 * * *

10 § 2906. ELECTRIC VEHICLE SUPPLY EQUIPMENT GOALS

11 It shall be the goal of the State to have, as practicable, level 3 EVSE
12 charging ports available to the public:

13 (1) within three driving miles of every exit of the Dwight D. Eisenhower
14 National System of Interstate and Defense Highways within the State;

15 (2) within 25 driving miles of another level 3 EVSE charging port
16 available to the public along a State highway, as defined in subdivision 1(20)
17 of this title; and

18 (3) co-located with or within a safe and both walkable and rollable
19 distance of publicly accessible amenities such as restrooms, restaurants, and
20 convenience stores to provide a safe, consistent, and convenient experience for
21 the traveling public along the State highway system.

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1 § 2907. ANNUAL REPORTING; ELECTRIC VEHICLE SUPPLY

2 EQUIPMENT

3 (a) Notwithstanding 2 V.S.A. § 20(d), the Agency of Transportation shall:

4 (1) file a report, with a map, on the State’s efforts to meet its federally
5 required Electric Vehicle Infrastructure Deployment Plan, as updated, and the
6 goals set forth in section 2906 of this chapter with the House and Senate
7 Committees on Transportation not later than January 15 each year until the
8 Deployment Plan is met; and

9 (2) file a report on the current operability of EVSE available to the
10 public and deployed through the assistance of Agency funding with the House
11 and Senate Committees on Transportation not later than January 15 each year.

12 (b) The reports required under subsection (a) of this section can be
13 combined when filing with the House and Senate Committees on
14 Transportation and shall prominently be posted on the Agency of
15 Transportation’s website.

16 Sec. 18. REPEAL OF CURRENT EVSE MAP REPORT AND EXISTING

17 GOALS

18 2021 Acts and Resolves No. 55, Sec. 30, as amended by 2022 Acts and
19 Resolves No. 184, Sec. 4 (EVSE network in Vermont goals; report of annual
20 map) is repealed.

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1 ~~Sec. 22.~~ [Deleted.]

2 ~~Sec. 23.~~ [Deleted.]

3 * * * Beneficial Electrification Report * * *

4 Sec. 19. ELECTRIC DISTRIBUTION UTILITIES; EVSE-RELATED
5 SERVICE UPGRADES; REPORT

6 In the report due not later than January 15, 2025, pursuant to 2021 Acts and
7 Resolves No. 55, Sec. 33, the Public Utility Commission shall include a
8 reporting of service upgrade practices related to the installation of electric
9 vehicle supply equipment (EVSE) across all electric distribution utilities,
10 including a comparison of EVSE-related service upgrade practices, a
11 description of the frequency and typical costs of EVSE-related service
12 upgrades, and rate-payer impact.

13 * * * Expansion of Public Transit Service * * *

14 * * * Mobility Services Guide; Car Share * * *

15 Sec. 20. MOBILITY SERVICES GUIDE; ORAL UPDATE

16 (a) The Agency of Transportation, in consultation with existing nonprofit
17 mobility services organizations incorporated in the State of Vermont for the
18 purpose of providing Vermonters with transportation alternatives to personal
19 vehicle ownership, such as through carsharing, and other nonprofit
20 organizations working to achieve the goals of the Comprehensive Energy Plan,
21 the Vermont Climate Action Plan, and the Agency of Transportation’s

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1 community engagement plan for environmental justice, shall develop a web-
2 page-based guide to outline the different mobility service models that could be
3 considered for deployment in Vermont.

4 (b) At a minimum, the web-page-based guide required under subsection (a)
5 of this section shall include the following:

6 (1) definitions of program types or options, such as car sharing, mobility
7 for all, micro-transit, bike sharing, and other types of programs that meet the
8 goals identified in subsection (a) of this section;

9 (2) information related to existing initiatives, including developmental
10 and pilot programs, that meet any of the program types or options defined
11 pursuant to subdivision (1) of this subsection and information related to any
12 pertinent studies or reports, whether completed or ongoing, related to the
13 program types or options defined pursuant to subdivision (1) of this
14 subsection;

15 (3) details of other existing programs that may provide a foundation for
16 or complement a new program in a manner that is not duplicative or
17 competitive; and

18 (4) for each possible program type or option defined pursuant
19 subdivision (1) of this subsection, additional details outlining:

20 (A) the range of start-up, capital, facilities, and ongoing operating
21 and maintenance costs;

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1 (B) the service area characteristics;

2 (C) the revenue capture options;

3 (D) technical assistance resources; and

4 (E) existing or potential funding resources.

5 (c) The Agency of Transportation shall make itself available to provide an
6 oral update and demonstration of the web-page-based guide required under
7 subsection (a) of this section to the House and Senate Committees on
8 Transportation not later than February 15, 2025.

9 * * * Mobility and Transportation Innovations (MTI) Grant Program * * *

10 Sec. 21. 19 V.S.A. § 10n is added to read:

11 § 10n. MOBILITY AND TRANSPORTATION INNOVATIONS (MTI)

12 GRANT PROGRAM

13 (a) The Mobility and Transportation Innovations (MTI) Grant Program is
14 created within the Public Transit Section of the Agency. The MTI Grant
15 Program shall support innovative transportation demand management
16 programs and transit initiatives that improve mobility and access to services for
17 transit-dependent Vermonters, reduce the use of single-occupancy vehicles,
18 reduce greenhouse gas emissions, and complement existing mobility
19 investments.

20 (b) Grant awards of not more than \$100,000.00 per recipient for capital or
21 operational costs, or both, may be used to create new or expand existing

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1 programs for one or more of the following: matching funds for other grant
2 awards; program delivery costs; or the extension of existing programs.

3 (c) Funding under the MTI Grant Program shall not be used to supplant
4 existing State funding for the same project or program.

5 (d) In each year in which funding for grants is available:

6 (1) The Agency shall establish an application period of at least four
7 months.

8 (2) The Agency shall provide direct assistance to entities requiring
9 technical assistance or prereview of a draft application during the application
10 period.

11 (3) Grant awards shall be distributed not later than November 30 in each
12 year in which they are offered.

13 * * * Vermont Rail Plan; Amtrak * * *

14 Sec. 22. DEVELOPMENT OF NEW VERMONT RAIL PLAN; BICYCLE
15 STORAGE; REPORT

16 (a) As the Agency of Transportation develops the new Vermont Rail Plan,
17 it shall consider and address the following:

18 (1) adding additional daily service on the Vermonter for some or all of
19 the service area; and

20 (2) expanding service on the Valley Flyer to provide increased service
21 on the Vermonter route.

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1 (b) The Agency of Transportation shall consult with Amtrak and the State-
2 Amtrak Intercity Passenger Rail Committee (SAIPRC) on passenger education
3 of and sufficient capacity for bicycle storage on Amtrak trains on the
4 Vermont and Ethan Allen Express routes.

5 (c) The Agency of Transportation shall provide an oral update on the
6 development of the Vermont Rail Plan in general and the requirements of
7 subsection (a) of this section specifically and the consultation efforts required
8 under subsection (b) of this section to the House and Senate Committees on
9 Transportation not later than February 15, 2025.

10 * * * Replacement for the Vermont State Design Standards * * *

11 Sec. 23. REPLACEMENT FOR THE VERMONT STATE DESIGN
12 STANDARDS

13 (a) In preparing the replacement for the Vermont State Design Standards,
14 the Agency of Transportation shall do all of the following:

15 (1) Release a draft of the replacement to the Vermont State Design
16 Standards and related documents not later than January 1, 2026.

17 (2) Conduct not fewer than four public hearings across the State
18 concerning the replacement to the Vermont State Design Standards and related
19 documents.

20 (3) Provide a publicly available responsiveness summary detailing the
21 public participation activities conducted in developing the final draft of the

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1 replacement for the Vermont State Design Standards and related documents, as
2 applicable; a description of the matters on which members of the public or
3 stakeholders, or both, were consulted; a summary of the views of the
4 participating members of the public and stakeholders; and significant
5 comments, criticisms, and suggestions received by the Agency and the
6 Agency’s specific responses, including an explanation of any modifications
7 made in response.

8 (4) In alignment with the Vermont Transportation Equity Framework,
9 consult directly, through a series of large-group, specialty focus groups and
10 one-on-one meetings, with key stakeholders in order to achieve stakeholder
11 engagement and afford a voice in the development of the replacement for the
12 Vermont State Design Standards and related documents. At a minimum,
13 stakeholders shall include the House and Senate Committees on
14 Transportation, the Federal Highway Administration (FHWA), the Vermont
15 Agency of Commerce and Community Development (ACCD), the Vermont
16 Agency of Natural Resources (ANR), the Vermont Department of Health
17 (VDH), the Vermont Department of Public Service (DPS), the Vermont
18 League of Cities and Towns (VLCT), Vermont’s regional planning
19 commissions (RPCs), the Vermont chapter of the American Association of
20 Retired Persons (AARP), Transportation for Vermonters (T4VT), Local
21 Motion, the Sierra Club, Conservation Law Foundation, the Vermont Natural

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1 Resources Council, the Vermont Truck and Bus Association, the Vermont
2 Public Transportation Association (VPTA), the American Council of
3 Engineering Companies (ACEC), the Association of General Contractors
4 (AGC), and other stakeholders.

5 (b) The Agency shall provide oral updates on its progress preparing the
6 replacement to the Vermont State Design Standards, including the process
7 required under subsection (a) of this section, to the House and Senate
8 Committees on Transportation not later than February 15, 2025 and February
9 15, 2026.

10 * * * Complete Streets; Traffic Calming Measures; Designated Centers * * *

11 Sec. 24. 19 V.S.A. §§ 2402 and 2403 are amended to read:

12 § 2402. STATE POLICY

13 (a) Agency of Transportation funded, designed, or funded and designed
14 projects shall seek to increase and encourage more pedestrian, bicycle, and
15 public transit trips, with the State goal to promote intermodal access to the
16 maximum extent feasible, which will help the State meet the transportation-
17 related recommendations outlined in the Comprehensive Energy Plan (CEP)
18 issued under 30 V.S.A. § 202b and the recommendations of the Vermont
19 Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

20 (b) Except in the case of projects or project components involving unpaved
21 highways, for all transportation projects and project phases managed by the

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1 Agency or a municipality, including planning, development, construction, or
2 maintenance, it is the policy of this State for the Agency and municipalities, as
3 applicable, to incorporate complete streets principles that:

4 (1) serve individuals of all ages and abilities, including vulnerable users
5 as defined in 23 V.S.A. § 4(81);

6 (2) follow state-of-the-practice design guidance; ~~and~~

7 (3) are sensitive to the surrounding community, including current and
8 planned buildings, parks, and trails and current and expected transportation
9 needs; and

10 (4) when desired by the municipality:

11 (A) implement street design for purposes of calming and slowing
12 traffic in State-designated centers under 24 V.S.A. chapter 76A; and

13 (B) support the land uses that develop and evolve in tandem with
14 transit and accessibility, including those that provide enhanced benefits to the
15 public, such as through improved health and access to employment, services,
16 and housing.

17 § 2403. PROJECTS NOT INCORPORATING COMPLETE STREETS

18 PRINCIPLES

19 (a) State projects. A State-managed project shall incorporate complete
20 streets principles unless the project manager makes a written determination,

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1 supported by documentation, that one or more of the following circumstances
2 exist:

3 * * *

4 (2) The cost of incorporating complete streets principles is
5 disproportionate to the need or probable use as determined by factors including
6 land use, current and projected user volumes, population density, crash data,
7 historic and natural resource constraints, and maintenance requirements. The
8 Agency shall consult local and regional plans, as appropriate, in assessing
9 these and any other relevant factors. If the project manager bases the written
10 determination required under this subsection in whole or in part on this
11 subdivision then the project manager shall provide a supplemental written
12 determination with specific details on costs, needs, and probable uses, as
13 applicable, but shall not need to address, in the supplemental written
14 determination, any design elements desired by the municipality pursuant to
15 subdivision 2402(b)(4)(B) of this chapter.

16 * * *

17 (b) Municipal projects. A municipally managed project shall incorporate
18 complete streets principles unless the municipality managing the project makes
19 a written determination, supported by documentation, that one or more of the
20 following circumstances exist:

21 * * *

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1 (2) The cost of incorporating complete streets principles is
2 disproportionate to the need or probable use as determined by factors such as
3 land use, current and projected user volumes, population density, crash data,
4 historic and natural resource constraints, and maintenance requirements. The
5 municipality shall consult local and regional plans, as appropriate, in assessing
6 these and any other relevant factors. If the municipality managing the project
7 bases the written determination required under this subsection in whole or in
8 part on this subdivision then the project manager shall provide a supplemental
9 written determination with specific details on costs, needs, and probable uses,
10 as applicable, but shall not need to address, in the supplemental written
11 determination, any design elements desired by the municipality pursuant to
12 subdivision 2402(b)(4)(B) of this chapter.

13 * * *

14 * * * Sustainability of Vermont’s Transportation System;

15 Emissions Reductions * * *

16 Sec. 25. ANALYSIS AND REPORT ON SUSTAINABILITY OPTIONS;

17 TRANSPORTATION EMISSIONS REDUCTIONS

18 (a) Findings of fact. The General Assembly finds:

19 (1) A majority of the Vermont Climate Council (VCC) voted to
20 recommend participation in the Transportation & Climate Initiative Program
21 (TCI-P), a regional cap-and-invest program, as a lead policy and regulatory

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1 approach to reduce emissions from the transportation sector in the Vermont
2 Climate Action Plan (CAP), adopted in December 2021.

3 (2) Shortly before adoption of the CAP in December 2021, participating
4 in TCI-P became unviable and the VCC agreed to include in the CAP that the
5 VCC would continue work on an alternative recommendation to reduce
6 emissions from the transportation sector in Vermont and pursue participating
7 in TCI-P if it again became viable.

8 (3) An addendum to the CAP, supported by a majority of the VCC,
9 stated that: “The only currently known policy options for which there is strong
10 evidence from other states, provinces[,] and countries of the ability to
11 confidently deliver the scale and pace of emissions reductions that are required
12 of the transportation sector by the [Global Warming Solutions Act (GWSA)]
13 are one or a combination of: a) a cap and invest/cap and reduce policy
14 covering transportation fuels and/or b) a performance standard/performance-
15 based regulatory approach covering transportation fuels. Importantly, based on
16 research associated with their potential implementation, these approaches can
17 also be designed in a cost-effective and equitable manner.”

18 (4) The development of the State’s Carbon Reduction Strategy (CRS),
19 which is required by the Federal Highway Administration (FHWA) pursuant to
20 the federal Infrastructure Investment and Jobs Act (IIJA) for states to access
21 federal monies under the Carbon Reduction Program and required by the

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1 General Assembly pursuant to 2023 Acts and Resolves No. 62, Sec. 31, and
2 the accompanying planning and public engagement process provided the Cross
3 Section Mitigation Subcommittee of the VCC a timely opportunity to
4 undertake additional analysis required for a potential preferred
5 recommendation or recommendations to fill the gap in reductions of
6 transportation emissions.

7 (5) The CRS, which was filed with the FHWA in November 2023,
8 models that the State may meet its 2025 reduction requirement in the
9 transportation sector, but that, even with additional investments for
10 programmatic, policy, and regulatory options, the modeling shows a gap
11 between projected “business as usual” emissions in the transportation sector
12 and the portion of GWSA emission reduction requirements for 2030 and 2050
13 that are attributable to the transportation sector.

14 (6) The CRS reaffirms that, without adoption of additional polices, the
15 portion of GWSA emission reduction requirements for 2030 and 2050 that are
16 attributable to the transportation sector will not be met and states that: “Of the
17 additional programs, a cap-and-invest and/or Clean Transportation Standard
18 program are likely the two most promising options to close the gap in projected
19 emissions vs. required emissions levels for the transportation sector. . . .”

20 (7) There remains a need for further, more detailed analysis of policy
21 options.

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1 (b) Written analysis. The Agency of Natural Resources, specifically the
2 Climate Action Office, and the Agency of Transportation, in consultation with
3 the State Treasurer; the Departments of Finance and Management, of Motor
4 Vehicles, and of Taxes; and the VCC, including those councilors appointed by
5 the General Assembly to provide expertise in energy and data analysis,
6 expertise and professional experience in the design and implementation of
7 programs to reduce greenhouse gas emissions, and representation of a
8 statewide environmental organization as outlined in the adopted January 12,
9 2024 Transportation Addendum to the Climate Action Plan, shall prepare a
10 written analysis of policy and investment scenarios to reduce emissions in the
11 transportation sector in Vermont and meet the greenhouse gas reduction
12 requirements of 10 V.S.A. § 578, as amended by Sec. 3 of the Global Warming
13 Solutions Act (2020 Acts and Resolves No. 153).

14 (c) Scenario development. At a minimum, the written analysis required
15 under subsection (b) of this section shall address the pros, cons, costs, and
16 benefits of the following:

17 (1) Vermont participating in regional or cap-and-invest program, such as
18 the Western Climate Initiative (WCI) and the New York Cap-and-Invest
19 program;

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1 (2) Vermont adopting a clean transportation fuel standard, which would
2 be a performance standard or performance-based regulatory approach covering
3 transportation fuels; and

4 (3) Vermont implementing other potential revenue-raising, carbon-
5 pollution reduction strategies.

6 (d) Emission reduction scenarios; administration. The written analysis
7 shall include an estimate of the amount of emissions reduction to be generated
8 from a minimum of four scenarios, to include a business-as-usual, low-,
9 medium-, and high-greenhouse gas emissions reduction, analyzed under
10 subsection (c) of this section and a summary of how each proposal analyzed
11 under subsection (c) of this section would be administered.

12 (e) Revenue and cost estimate; timeline. The written analysis completed
13 pursuant to subsections (b)–(d) of this section shall be provided to the State
14 Treasurer to review cost and revenue projections for each scenario. The State
15 Treasurer shall make a written recommendation to the General Assembly
16 regarding any viable approaches.

17 (f) Public access; committees; due date.

18 (1) The Climate Action Office shall maintain a publicly accessible
19 website with information related to the development of the written analysis
20 required under subsection (b) of this section.

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1 (2) The Agencies of Natural Resources and of Transportation, in
2 consultation with the State Treasurer, shall file a status update on the
3 development of the written analysis required under subsection (b) of this
4 section with the House and Senate Committees on Transportation, the House
5 Committees on Environment and Energy and on Ways and Means, and the
6 Senate Committees on Finance and on Natural Resources and Energy not later
7 than November 15, 2024.

8 (3) The Agencies of Natural Resources and of Transportation, in
9 consultation with the State Treasurer, shall file the written analysis required
10 under subsection (b) of this section and the State Treasurer’s written
11 recommendation to the General Assembly regarding any viable approaches
12 required under subsection (e) of this section with the House and Senate
13 Committees on Transportation, the House Committees on Environment and
14 Energy and on Ways and Means, and the Senate Committees on Finance and
15 on Natural Resources and Energy not later than February 15, 2025.

16 (g) Use of consultant. The Agencies of Natural Resources and of
17 Transportation shall retain a consultant that is an expert in comprehensive
18 transportation policy with a core focus on emission reductions and economic
19 modeling to undertake the analysis and to provide the State Treasurer with any
20 additional information needed to inform the State Treasurer’s

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1 recommendations regarding any viable approaches required under subsections
2 (b)–(e) of this section.

3 (h) Costs.

4 (1) If the costs of the consultant required under subsection (g) of this
5 section are eligible expenditures under the U.S. Environmental Protection
6 Agency’s (EPA) Climate Pollution Reduction Grants (CPRG) program, then
7 that shall be the source of funding to cover the costs of the consultant required
8 under subsection (g) of this section.

9 (2) The State Treasurer may use funds appropriated in State fiscal year
10 2025 to complete the work required under subsection (e) of this section,
11 including administrative costs and third-party consultation.

12 * * * Better Connections Grant Program * * *

13 Sec. 26. 19 V.S.A. § 319 is added to read:

14 § 319. BETTER CONNECTIONS GRANT PROGRAM

15 (a) The Better Connections Grant Program is created and shall be
16 administered and staffed by the Policy, Planning and Research Bureau of the
17 Agency in collaboration with the Agency of Commerce and Community
18 Development and the Agency of Natural Resources.

19 (b) The Program shall be funded through appropriations to the Agency for
20 policy, planning, and research.

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1 (c) The Program shall provide planning grants to aid municipalities to
2 coordinate municipal land use decisions with transportation investments that
3 build community resilience to:

4 (1) provide a safe, multimodal, and resilient transportation system that
5 supports the Vermont economy;

6 (2) support downtown and village economic development and
7 revitalization efforts; and

8 (3) lead directly to project implementation demonstrated by municipal
9 capacity and readiness to implement.

10 ~~Sec. 32. [Deleted.]~~

11 * * * Electric and Plug-In Hybrid Vehicles; Road Usage Surcharge * * *

12 Sec. 27. 23 V.S.A. § 361 is amended to read:

13 § 361. PLEASURE CARS

14 (a) The annual registration fee for a pleasure car, as defined in subdivision
15 4(28) of this title, and including a pleasure car that is a plug-in electric vehicle,
16 as defined in subdivision 4(85) of this title, shall be \$89.00, and the biennial
17 fee shall be \$163.00.

18 (b) The Commissioner shall collect an annual road usage surcharge for a
19 pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A)
20 of this title, equal to the amount of the annual fee collected in subsection (a) of

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1 this section, or a biennial road usage surcharge equal to two times the annual
2 fee collected in subsection (a) of this section.

3 (c) The Commissioner shall collect an annual road usage surcharge for a
4 pleasure car that is a plug-in hybrid electric vehicle, as defined in subdivision
5 4(85)(B) of this title, equal to one-half the amount of the annual fee collected
6 in subsection (a) of this section, or a biennial road usage surcharge equal to the
7 annual fee collected in subsection (a) of this section.

8 (d) The annual and biennial road usage surcharges collected in subsections
9 (b) and (c) of this section shall be allocated to the Transportation Fund for the
10 purpose of increasing Vermonters’ access to electric vehicle supply equipment
11 (EVSE) charging ports through a program or programs selected by the
12 Secretary, which may include programs administered by the Agency of
13 Commerce and Community Development.

14 Sec. 28. ROAD USAGE SURCHARGE; ELECTRIC VEHICLES

15 The Department of Motor Vehicles shall implement a public outreach
16 campaign regarding road usage surcharges for battery electric vehicles and
17 plug-in electric hybrid vehicles not later than October 1, 2024. The campaign
18 shall disseminate information on the Department’s web page and through other
19 outreach methods.

20 Sec. 29. 23 V.S.A. § 361 is amended to read:

21 § 361. PLEASURE CARS

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~~(b) The Commissioner shall collect an annual road usage surcharge for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial road usage surcharge equal to two times the annual fee collected in subsection (a) of this section.~~[Repealed.]

(d) The annual and biennial road usage surcharges collected in subsections (b) and subsection (c) of this section shall be allocated to the Transportation Fund for the purpose of increasing Vermonters’ access to electric vehicle supply equipment (EVSE) charging ports through a program or programs selected by the Secretary, which may include programs administered by the Agency of Commerce and Community Development.

* * * Central Garage; Authority to Purchase Real Property * * *

Sec. 30. CENTRAL GARAGE; REAL PROPERTY; FACILITY DESIGN;

AUTHORITY
(a) Pursuant to 19 V.S.A. § 26(b), the Secretary of Transportation is authorized to use up to \$2,000,000.00 in Central Garage Fund reserve funds for the purpose of purchasing real property of approximately 23.5 acres on the Paine Turnpike in Berlin, adjacent to State-owned property, on which to site a new Central Garage.

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1 (b) Notwithstanding 19 V.S.A. § 13(a), the Secretary may use Central
2 Garage Fund reserve funds for design services necessary to construct a new
3 Central Garage on the Berlin site.

4 * * * Railroad Leases * * *

5 Sec. 31. 5 V.S.A. § 3405 is amended to read:

6 § 3405. LEASE FOR CONTINUED OPERATION

7 (a) The Secretary, as agent for the State, ~~with the approval of the Governor~~
8 ~~and the General Assembly or, if the General Assembly is not in session,~~
9 ~~approval of a special committee consisting of the Joint Fiscal Committee and~~
10 ~~the Chairs of the House and Senate Committees on Transportation,~~ is
11 authorized to lease or otherwise arrange for the continued operation of all or
12 any State-owned railroad property to any responsible person, provided that
13 approval for the operation, if necessary, is granted by the federal Surface
14 Transportation Board under 49 C.F.R. Part 1150 (certificate to construct,
15 acquire, or operate railroad lines). The transaction shall be subject to any
16 further terms and conditions as in the opinion of the Secretary are necessary
17 and appropriate to accomplish the purpose of this chapter.

18 (b) To preserve continuity of service on State-owned railroads, the
19 Secretary may enter into a short-term lease or operating agreement, for a term
20 not to exceed six months, with a responsible railroad operator. ~~Within 10 days~~
21 ~~of entering into any lease or agreement, the Secretary shall report the details of~~

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1 ~~the transaction to the members of the House and Senate Committees on~~
2 ~~Transportation.~~

3 * * * Traffic Control Devices; Adoption of MUTCD Revisions * * *

4 Sec. 32. 23 V.S.A. § 1025 is amended to read:

5 § 1025. STANDARDS

6 (a) The U.S. Department of Transportation Federal Highway
7 Administration’s Manual on Uniform Traffic Control Devices for Streets and
8 Highways (MUTCD) ~~for streets and highways~~, as amended, shall be the
9 standards for all traffic control signs, signals, and markings within the State.
10 Revisions to the MUTCD shall be adopted according to the implementation or
11 compliance dates established in federal rules.

12 ~~(b) The latest revision of the MUTCD shall be adopted upon its effective~~
13 ~~date except in the case of~~ To the extent consistent with federal law, projects
14 beyond a preliminary state of design that are anticipated to be constructed
15 within two years of the otherwise applicable effective date; **such projects** may
16 be constructed according to the MUTCD standards applicable at the design
17 stage.

18 (c) Existing signs, signals, and markings shall be valid until such time as
19 they are replaced or reconstructed. When new traffic control devices are
20 erected or placed or existing traffic control devices are replaced or repaired, the

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1 equipment, design, method of installation, placement, or repair shall conform
2 with the MUTCD.

3 ~~(b)~~(d) The standards of the MUTCD shall apply for both State and local
4 authorities as to traffic control devices under their respective jurisdiction.

5 ~~(e)~~(e) Traffic and control signals at intersections with exclusive pedestrian
6 walk cycles shall be of sufficient duration to allow a pedestrian to leave the
7 curb and travel across the roadway before opposing vehicles receive a green
8 light. Determination of the length of the signal shall take into account the
9 circumstances of persons with ambulatory disabilities.

10 * * * Reporting Requirements; Repeal * * *

11 Sec. 33. 19 V.S.A. § 7(k) is amended to read:

12 ~~(k) Upon being apprised of the enactment of a federal law that makes~~
13 ~~provision for a federal earmark or the award of a discretionary federal grant for~~
14 ~~a transportation project within the State of Vermont, the Agency shall~~
15 ~~promptly notify the members of the House and Senate Committees on~~
16 ~~Transportation and the Joint Fiscal Office. Such notification shall include all~~
17 ~~available summary information regarding the terms and conditions of the~~
18 ~~federal earmark or grant. As used in this section, “federal earmark” means a~~
19 ~~congressional designation of federal aid funds for a specific transportation~~
20 ~~project or program. When the General Assembly is not in session, upon~~
21 ~~obtaining the approval of the Joint Transportation Oversight Committee, the~~

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1 ~~Agency is authorized to add new projects to the Transportation Program in~~
2 ~~order to secure the benefits of federal earmarks or discretionary grants.~~

3 [Repealed.]

4 Sec. 34. 19 V.S.A. § 42 is amended to read:

5 § 42. ~~REPORTS PRESERVED; CONSOLIDATED TRANSPORTATION~~
6 ~~REPORT~~

7 ~~(a) Notwithstanding 2 V.S.A. § 20(d), the reports or reporting requirements~~
8 ~~of this section, sections 10g and 12a, and subsections 7(k), 10b(d), 11f(i), and~~
9 ~~12b(d) of this title shall be preserved absent specific action by the General~~
10 ~~Assembly repealing the reports or reporting requirements.~~

11 ~~(b) Annually, on or before January 15, the Agency shall submit a~~
12 ~~consolidated transportation system and activities report to the House and~~
13 ~~Senate Committees on Transportation. The report shall consist of:~~

14 ~~(1) Financial and performance data of all public transit systems, as~~
15 ~~defined in 24 V.S.A. § 5088(6), that receive operating subsidies in any form~~
16 ~~from the State or federal government, including subsidies related to the Elders~~
17 ~~and Persons with Disabilities Transportation Program for service and capital~~
18 ~~equipment. This component of the report shall:~~

19 ~~(A) be developed in cooperation with the Public Transit Advisory~~
20 ~~Council;~~

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1 ~~(B) be modeled on the Federal Transit Administration’s National~~
2 ~~Transit Database Program with such modifications as appropriate for the~~
3 ~~various services and guidance found in the most current State policy plan; and~~

4 ~~(C) show as a separate category financial and performance data on~~
5 ~~the Elders and Persons with Disabilities Transportation Program.~~

6 ~~(2) Data on pavement conditions of the State highway system.~~

7 ~~(3) A description of the conditions of bridges, culverts, and other~~
8 ~~structures on the State highway system and on town highways.~~

9 ~~(4) Department of Motor Vehicles data, including the number of~~
10 ~~vehicle registrations and licenses issued, revenues by category, transactions by~~
11 ~~category, commercial motor vehicle statistics, and any other information the~~
12 ~~Commissioner deems relevant.~~

13 ~~(5) A summary of updates to the Agency’s strategic plans and~~
14 ~~performance measurements used in its strategic plans.~~

15 ~~(6) A summary of the statuses of aviation, rail, and public transit~~
16 ~~programs.~~

17 ~~(7) Data and statistics regarding highway safety, including trends in~~
18 ~~vehicle crashes and fatalities, traffic counts, and trends in vehicle miles~~
19 ~~traveled.~~

20 ~~(8) An overview of operations and maintenance activities, including~~
21 ~~winter maintenance statistics.~~

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1 ~~(9) A list of projects for which the construction phase was completed~~
2 ~~during the most recent construction season.~~

3 ~~(10) Such other information that the Secretary determines the~~
4 ~~Committees on Transportation need to perform their oversight role.~~

5 * * * Effective Dates * * *

6 Sec. . EFFECTIVE DATES

7 (a) This section, **Sec. 18** ~~(vehicle incentive programs transfers; fiscal year~~
8 ~~2024)~~, **Sec. 30** (central garage; purchase of real property), and **Sec. 31** (railroad
9 leases; 5 V.S.A. § 3405) shall take effect on passage.

10 (b) **Sec. 27** (electric vehicle road usage surcharge; 23 V.S.A. § 361) shall
11 take effect on passage and shall be fully implemented not later than January 1,
12 **2025**.

13 (c) **Sec. 29** (amendments to electric vehicle road usage surcharges; 23
14 V.S.A. § 361) shall take effect on the effective date of a mileage-based user fee
15 for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A.
16 **§ 4(85)(A))**

17 (d) All other sections shall take effect on July 1, 2024.
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(Committee vote: _____)

Senator _____

FOR THE COMMITTEE