

1 H.438

2 Introduced by Committee on Transportation

3 Date:

4 Subject: Transportation; transportation program

5 Statement of purpose: This bill proposes to approve, with modifications, the
6 state's transportation program for fiscal year 2010 and to make miscellaneous
7 changes in statutes relating to transportation.

8 An act relating to the state's transportation program

9 It is hereby enacted by the General Assembly of the State of Vermont:

10 Sec. 1. TRANSPORTATION PROGRAM

11 (a) The state's proposed fiscal year 2010 transportation program appended
12 to the agency of transportation's proposed fiscal year 2010 budget, as amended
13 by this act, is adopted to the extent federal, state, and local funds are available.

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

15 (1) the term "agency" means the agency of transportation;

16 (2) the term "secretary" means the secretary of transportation;

17 (3) the table heading "As Proposed" means the transportation program
18 referenced in subsection (a) of this section; the table heading "As Amended"
19 means the amendments as made by this act; the table heading "Change" means
20 the difference obtained by subtracting the "As Proposed" figure from the "As

1 Amended” figure; and the term “change” or “changes” in the text refers to the
2 project- and program-specific amendments, the aggregate sum of which equals
3 the net “Change” in the applicable table heading;

4 (4) the term “ARRA funds” refers to federal funds allocated to the state
5 by the American Recovery and Reinvestment Act of 2009;

6 (5) the term “TIB funds” refers to monies deposited in the transportation
7 infrastructure bond fund in accordance with 19 V.S.A. § 11f (see Sec. 32 of
8 this act); and

9 (6) the term “TIB proceeds” refers to monies received by the state from
10 the issuance of transportation infrastructure bonds issued pursuant to 32 V.S.A.
11 § 972 (see Sec. 39 of this act).

12 Sec. 2. TIB PROCEEDS AND FUNDS

13 (a) All spending of TIB proceeds authorized by this act with respect to an
14 agency program and all appropriations of TIB proceeds shall be limited to
15 eligible projects as defined in 32 V.S.A. § 972(c).

16 (b) All spending of TIB funds authorized by this act with respect to an
17 agency program and all appropriations of TIB funds shall be limited to eligible
18 projects as defined in 19 V.S.A. § 11f(b) and shall further be limited in
19 amounts to the monies deposited in the transportation infrastructure bond fund
20 during the fiscal year in which the spending is authorized and the appropriation
21 is made.

1 * * * Fiscal year 2009 transportation program * * *

2 Sec. 3. FISCAL YEAR 2009 TOWN HIGHWAY AID

3 Fiscal year 2009 spending authority in the town highway aid program shall
4 be in the total amount of \$23,132,744.

5 Sec. 4. Sec. 2.617 of No. 192 of the Acts of the 2007 Adj. Sess. (2008) is
6 amended to read:

7 Sec. 2.617. Transportation - town highway aid program

8 Grants ~~24,982,744~~ 23,132,744

9 Source of funds

10 Transportation fund ~~24,982,744~~ 23,132,744

11 Sec. 5. Sec. 16 of No. 164 of the Acts of the 2007 Adj. Sess. (2008) is
12 amended to read:

13 Sec. 16. Town Highway Class 2 Roadway

14 The following modifications are made to the town highway class 2 roadway
15 program:

16	<u>FY09</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
17	Other	5,748,750	6,448,750 <u>5,748,750</u>	700,000 <u>0</u>
18	Total	5,748,750	6,448,750 <u>5,748,750</u>	700,000 <u>0</u>
19	<u>Source of funds</u>			
20	State	5,748,750	6,448,750 <u>5,748,750</u>	700,000 <u>0</u>
21	Federal	0	0	0

1	Local	0	0	0
2	Total	5,748,750	6,448,750 <u>5,748,750</u>	700,000 <u>0</u>

3 Sec. 6. Sec. 2.615 of No. 192 of the Acts of the 2007 Adj. Sess. (2008) is

4 amended to read:

5 Sec. 2.615. Transportation - town highway class 2 roadway

6 Grants ~~6,448,750~~ 5,748,750

7 Source of funds

8 Transportation fund ~~6,448,750~~ 5,748,750

9 Sec. 7. Sec. 17 of No. 164 of the Acts of the 2007 Adj. Sess. (2008) is

10 amended to read:

11 Sec. 17. Town Highway Structures

12 The following modifications are made to the town highway structures

13 program:

14	<u>FY09</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
15	Other	3,494,500	3,833,500 <u>3,494,500</u>	339,000 <u>0</u>
16	Total	3,494,500	3,833,500 <u>3,494,500</u>	339,000 <u>0</u>
17	<u>Source of funds</u>			
18	State	3,494,500	3,833,500 <u>3,494,500</u>	339,000 <u>0</u>
19	Federal	0	0	0
20	Local	0	0	0
21	Total	3,494,500	3,833,500 <u>3,494,500</u>	339,000 <u>0</u>

1 Sec. 8. Sec. 2.613 of No. 192 of the Acts of the 2007 Adj. Sess. (2008) is
2 amended to read:

3 Sec. 2.613. Transportation - town highway structures

4 Grants ~~3,833,500~~ 3,494,500

5 Source of funds

6 Transportation fund ~~3,833,500~~ 3,494,500

7 Sec. 9. FISCAL YEAR 2009 PROGRAM DEVELOPMENT

8 In addition to any other changes in spending authority in the fiscal year
9 2009 program development budget which may be enacted, such authority is
10 reduced by \$2,347,564 in transportation funds and increased by \$2,347,564 in
11 TIB funds.

12 Sec. 10. Sec. 2.604 of No. 192 of the Acts of the 2007 Adj. Sess. (2008) is
13 amended to read:

14 Sec. 2.604. Transportation - program development

15 Personal services 35,192,941 35,192,941

16 Operating expenses ~~106,514,171~~ 106,754,171

17 Grants 23,370,050 23,370,050

18 Total ~~165,077,162~~ 165,317,162

19 Source of funds

20 Transportation fund ~~28,465,101~~ 25,151,503

21 Local match 1,476,992 1,476,992

1	Federal funds	131,223,819	<u>131,463,819</u>
2	ARRA funds	0	<u>966,034</u>
3	TIB funds	0	<u>2,347,564</u>
4	Interdepartmental transfer	<u>3,911,250</u>	<u>3,911,250</u>
5	Total	165,077,162	165,317,162

6 Sec. 11. Sec. 51(d) of No. 164 of the Acts of the 2007 Adj. Sess. (2008) is
7 amended to read:

8 (d) ~~Any funding not needed to maintain existing services shall remain in~~
9 ~~the capital program. To the extent the funding provided in this section is not~~
10 ~~needed to maintain existing services, the agency is authorized to make grants~~
11 ~~of the unneeded funds to cover unanticipated shortfalls in the funding of elder~~
12 ~~and persons with disabilities (E&D) program services and critical medical care~~
13 ~~transportation services incurred by transit agencies with grant agreements to~~
14 ~~provide such services.~~

15 * * * Town highway programs * * *

16 Sec. 12. TOWN HIGHWAY STATE AID

17 (a) The following modifications are made to the town highway state aid
18 program:

19	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
20	Grants	24,982,744	27,282,744	2,300,000
21	Total	24,982,744	27,282,744	2,300,000

1	<u>Source of funds</u>			
2	State	24,982,744	27,282,744	2,300,000
3	Total	24,982,744	27,282,744	2,300,000

4 (b) Town highway state aid shall be disbursed to towns in four quarterly
5 installments. The first quarterly installment shall be in the total amount of
6 \$8,208,186 and the second, third, and fourth quarterly installments shall each
7 be in the total amount of \$6,358,186.

8 Sec. 13. TOWN HIGHWAY STRUCTURES

9 The following modifications are made to the town highway structures
10 program:

11	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
12	Grants	3,833,500	7,667,000	3,833,500
13	Total	3,833,500	7,667,000	3,833,500

14	<u>Source of funds</u>			
15	State	3,833,500	3,833,500	0
16	TIB proceeds	0	3,833,500	3,833,500
17	Total	3,833,500	7,667,000	3,833,500

18 Sec. 14. TOWN HIGHWAY CLASS 2 ROADWAY

19 The following modifications are made to the town highway class 2 roadway
20 program:

1	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
2	Grants	6,448,750	7,448,750	1,000,000
3	Total	6,448,750	7,448,750	1,000,000
4	<u>Source of funds</u>			
5	State	6,448,750	7,448,750	1,000,000
6	Total	6,448,750	7,448,750	1,000,000

7 Sec. 15. ARRA FUNDING OF TOWN PROJECTS

8 Any town transportation project which as a matter of state law requires a
 9 local match shall retain the local match requirement regardless of the state's
 10 use of ARRA funds to fund the project.

11 * * * Bridge programs * * *

12 Sec. 16. STATE BRIDGE

13 The following modifications are made to the program development state
 14 bridge program:

15	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
16	PE	3,550,576	3,550,576	0
17	Row	1,181,202	1,181,202	0
18	Construction	19,002,022	19,002,022	0
19	Total	23,733,800	23,733,800	0
20	<u>Source of funds</u>			
21	State	5,186,420	0	-5,186,420

1	Federal	18,547,380	18,547,380	0
2	TIB proceeds	0	5,186,420	5,186,420
3	Total	23,733,800	23,733,800	0

4 Sec. 17. INTERSTATE BRIDGE

5 The following modifications are made to the program development
6 interstate bridge program:

7	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
8	PE	607,500	607,500	0
9	Row	26,000	26,000	0
10	Construction	5,315,000	5,315,000	0
11	Total	5,948,500	5,948,500	0

12 Source of funds

13	State	594,850	0	-594,850
14	Federal	5,353,650	5,353,650	0
15	TIB proceeds	0	594,850	594,850
16	Total	5,948,500	5,948,500	0

17 Sec. 18. TOWN BRIDGE

18 The following modifications are made to the town bridge program:

19	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
20	PE	1,663,951	1,663,951	0
21	Row	588,278	588,278	0

1	Construction	18,418,870	18,418,870	0
2	Total	20,671,099	20,671,099	0
3	<u>Source of funds</u>			
4	State	3,040,899	0	-3,040,899
5	Federal	16,273,728	16,273,728	0
6	Local	1,356,472	1,356,472	0
7	TIB proceeds	0	3,040,899	3,040,899
8	Total	20,671,099	20,671,099	0

9 Sec. 19. BRIDGE MAINTENANCE

10 The following modifications are made to the bridge maintenance program:

11	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
12	PE	410,000	410,000	0
13	ROW	21,500	21,500	0
14	Construction	17,192,200	17,192,200	0
15	Other	0	0	0
16	Total	17,623,700	17,623,700	0
17	<u>Source of funds</u>			
18	State	6,844,140	448,300	-6,395,840
19	Federal	10,779,560	10,779,560	0
20	TIB proceeds	0	6,395,840	6,395,840
21	Total	17,623,700	17,623,700	0

1 Sec. 20. STATE, INTERSTATE, AND TOWN BRIDGE PROGRAMS

2 In addition to the changes made to the state bridge, interstate bride, bridge
3 maintenance, and town bridge programs in Secs. 16–19 of this act, total
4 authorized spending in the four programs is increased by the amount of
5 \$10,648,491 in TIB proceeds or such adjusted amount after deducting the
6 spending of TIB proceeds authorized in Secs. 16–19 and Sec. 13 of this act
7 from the net amount of TIB proceeds available as determined by the treasurer.
8 The amount of the increased funding which is allocated to each program shall
9 be determined by the secretary. Within each program, the allocated amount
10 shall be apportioned among eligible projects as defined in 32 V.S.A. § 972(c)
11 in the order of their priority ranking. If the secretary determines that funds
12 would be more efficiently spent advancing a lower-ranking project due to
13 permitting, right-of-way, or other practical constraints that impede the
14 advancement of a higher ranking project, the secretary may reallocate funds
15 from the higher ranking to the lower ranking project in the program or to a
16 different program.

17 * * * Roadway * * *

18 Sec. 21. PROGRAM DEVELOPMENT — ROADWAY

19 The following modifications are made to the program development —
20 roadway program:

1 (1) Authorized spending on the Cabot-Danville FEGC F 028-3(26)C/1

2 project is amended to read:

3	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
4	PE	0	0	0
5	ROW	0	0	0
6	Construction	4,000,000	2,500,000	-1,500,000
7	Other	0	0	0
8	Total	4,000,000	2,500,000	-1,500,000

9 Source of funds

10	State	200,000	125,000	-75,000
11	Federal	3,800,000	2,375,000	-1,425,000
12	Local	0	0	0
13	Total	3,800,000	2,500,000	-1,500,000

14 (2) Authorized spending on the Morristown VT 100 STP F 029-1(2)

15 project is amended to read:

16	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
17	PE	200,000	200,000	0
18	ROW	500,000	2,000,000	1,500,000
19	Construction	0	0	0
20	Other	200,000	200,000	0
21	Total	900,000	2,400,000	1,500,000

1	<u>Source of funds</u>			
2	State	182,440	480,000	297,560
3	Federal	717,560	1,920,000	1,202,440
4	Local	0	0	0
5	Total	900,000	2,400,000	1,500,000

6 (A) Subject to unforeseeable delays in the judicial process, to ensure
7 the funds authorized for right-of-way acquisition are expended in fiscal year
8 2010, the agency shall either prioritize staff resources or outsource the work to
9 an independent contractor. The agency shall inform the joint transportation
10 oversight committee at its September 2009 meeting of the status of the project
11 and the agency's decision regarding the execution of the right-of-way work.

12 (3) Authorized spending on the Winooski NH 089-3(65) project is
13 amended to read:

14	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
15	PE	100,000	100,000	0
16	ROW			0
17	Construction	1,000,000	1,000,000	0
18	Other			0
19	Total	1,100,000	1,100,000	0

20	<u>Source of funds</u>			
21	State	110,000	10,000	-100,000

1	Federal	990,000	1,090,000	100,000
2	Local	0	0	0
3	Total	1,100,000	1,100,000	0

4 (4) Including the changes made in subdivisions (1), (2), and (3) of this
5 section, the total budget for the roadway program is amended to read:

6	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
7	PE	5,446,891	5,446,891	0
8	ROW	7,115,000	8,615,000	1,500,000
9	Construction	43,752,270	42,252,270	-1,500,000
10	Other	1,087,500	1,087,500	0
11	Total	57,401,661	57,401,661	0

12 Source of funds

13	State	7,140,342	0	-7,140,342
14	TIB funds	0	7,265,342	7,265,342
15	Federal	48,710,890	48,585,890	-125,000
16	Local	1,550,429	1,550,429	0
17	Total	57,401,661	57,401,661	0

18 * * * Paving * * *

19 Sec. 22. PROGRAM DEVELOPMENT – PAVING

20 The following modifications are made to the program development paving
21 program:

	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
1				
2	PE	2,405,000	2,405,000	0
3	Construction	66,229,802	66,229,802	0
4	Total	68,634,802	68,634,802	0
5	<u>Source of funds</u>			
6	State	13,018,034	4,082,312	-8,935,722
7	TIB funds	0	8,935,722	8,935,722
8	Federal	55,616,768	55,616,768	0
9	Total	68,634,802	68,634,802	0

10 * * * Rail * * *

11 Sec. 23. RAIL PROGRAM

12 The following modifications are made rail program:

13 (1) A new project is added to the rail program for the purchase of
 14 continuously welded rail for installation on the state's western corridor rail
 15 lines as follows:

	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
16				
17	Other	0	4,000,000	4,000,000
18	Total	0	4,000,000	4,000,000
19	<u>Source of funds</u>			
20	State	0	0	0
21	Federal	0	3,200,000	3,200,000

1	TIB funds		800,000	800,000
2	Total	0	4,000,000	4,000,000

3 (2) Authorized spending on the Amtrak contract is amended to read
4 as follows. To the extent the added funding is not required to maintain the
5 Ethan Allen and Vermonter services, the agency shall use the excess to
6 purchase and install automated Amtrak ticketing machines.

7	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
8	Other	3,300,000	3,900,000	600,000
9	Total	3,300,000	3,900,000	600,000
10	<u>Source of funds</u>			
11	State	3,300,000	3,900,000	600,000
12	Total	3,300,000	3,900,000	600,000

13 * * * Passenger rail equipment * * *

14 Sec. 24. PASSENGER RAIL EQUIPMENT

15 In consultation with the joint fiscal office, the agency shall examine the
16 alternatives and relative costs and benefits and service implications available to
17 the state with respect to the purchase of passenger rail equipment to be used in
18 place of the existing Amtrak equipment employed in the Vermonter and Ethan
19 Allen services, including the purchase of refurbished equipment. The agency
20 shall deliver a report of its analysis to the house and senate committees on
21 transportation on or before January 15, 2010.

1 * * * Passenger rail service * * *

2 Sec. 25. PASSENGER RAIL SERVICE; BURLINGTON TO
3 BENNINGTON TO ALBANY

4 (a) The agency of transportation shall prepare a comprehensive detailed
5 project plan to create passenger rail service from Burlington to Bennington to
6 Albany, New York. The plan shall include rail, ties, and rail bed installation
7 and improvement, bridge repair where necessary, and safe on-grade rail
8 crossings where needed.

9 (b) The detailed project plan shall identify each task of the project
10 sequentially with a time schedule for start and completion of each task, a cost
11 estimate for each task, and a time rate of expenditure of cost for the total
12 project, including funding sources. The comprehensive project plan shall be
13 delivered to both the house and senate committees on transportation on or
14 before January 15, 2010.

15 * * * Park & Ride * * *

16 Sec. 26. PROGRAM DEVELOPMENT – PARK & RIDE

17 The following modifications are made to the program development park &
18 ride municipal grant program:

19	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
20	Grants	250,000	300,000	50,000
21	Total	250,000	300,000	50,000

1	<u>Source of funds</u>			
2	State	250,000	300,000	50,000
3	Total	250,000	300,000	50,000

4 * * * Department of Motor Vehicles * * *

5 Sec. 27. DEPARTMENT OF MOTOR VEHICLES

6 Authorized spending by the department of motor vehicles is modified as
7 follows:

8	<u>FY10</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
9	Personal Services	17,063,642	17,063,642	0
10	Operating Expenses	8,176,673	7,502,673	-674,000
11	Grants	50,000	50,000	0
12	Total	25,290,315	24,616,315	-674,000

13	<u>Source of funds</u>			
14	State	23,807,821	23,133,821	-674,000
15	Federal	1,482,494	1,482,494	0
16	Total	25,290,315	24,616,315	-674,000

17 * * * Public Transit * * *

18 Sec. 28. PUBLIC TRANSIT

19 From the funds allocated to the public transit general capital program,
20 \$100,000 in federal funds shall be held by the agency of transportation in
21 reserve to cover shortfalls in the funding of the elders and persons with

1 disabilities program (E&D) that occur as a result of unanticipated demand for
2 non-Medicaid transportation services. Transit agencies that have grant
3 agreements with the agency for the provision of E&D services shall be eligible
4 to receive disbursements from the reserve. The agency shall develop a written
5 policy to govern the evaluation and prioritization of applications for
6 disbursements from the reserve to ensure access to the reserve funds is limited
7 to transit agencies that have administered appropriately constrained E&D
8 programs. The agency shall notify all transit agencies with grant agreements
9 for the provision of E&D services of the policy no later than July 1, 2009, and
10 all disbursements from the reserve shall be in accordance with the policy.

11 * * * Town highway structures program * * *

12 Sec. 29. 19 V.S.A. § 306 is amended to read:

13 § 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

14 * * *

15 (e) State aid for town highway structures. There shall be an annual
16 appropriation for grants to municipalities for maintenance, including actions to
17 extend life expectancy, and construction of bridges, culverts, and other
18 structures, including causeways and retaining walls, intended to preserve the
19 integrity of the traveled portion of class 1, 2, and 3 town highways. Each fiscal
20 year, the agency shall approve qualifying projects with a total estimated state
21 share cost of \$3,490,000.00 at a minimum as new grants. The agency's

1 proposed appropriation for the program shall take into account the estimated
2 amount of qualifying invoices submitted to the agency with respect to project
3 grants approved in prior years but not yet completed as well as with respect to
4 new project grants to be approved in the fiscal year. In a given fiscal year,
5 should expenditures in the town highway structures program exceed the
6 amount appropriated, the agency shall advise the governor of the need to
7 request a supplemental appropriation from the general assembly to fund the
8 additional project cost, provided that the agency has previously committed to
9 completing those projects. Funds received as grants for state aid for town
10 highway structures may be used by a municipality to satisfy a portion of the
11 matching requirements for federal earmarks, subject to subsection 309b(c) of
12 this title. In any particular fiscal year, a grant for a project shall not exceed
13 \$250,000.00.

14 * * *

15 * * * ARRA funds * * *

16 Sec. 30. FEDERAL ECONOMIC RECOVERY FUNDS

17 (a) Division A – Title XII of the American Recovery and Reinvestment Act
18 (ARRA) of 2009 allocates federal funds to the state for transportation-related
19 projects. The allocation is subject to a requirement that 50 percent of a portion
20 of the allocation be obligated by the state within a 120-day time period, and
21 that the remaining funds be obligated by February 2010. To the extent the state

1 needs to obligate ARRA funds to satisfy the February 2010 deadline, subject to
2 the approval of the joint transportation oversight committee, the secretary is
3 authorized to obligate ARRA funds:

4 (1) to eligible projects in the fiscal year 2010 transportation program;
5 and

6 (2) to additional town highway projects that meet federal eligibility and
7 readiness criteria.

8 (b) To the extent ARRA funds are proposed under subsection (a) of this
9 section to be obligated to projects in place of previously authorized state funds
10 or non-ARRA federal funds, the agency shall, subject to the approval of the
11 joint transportation oversight committee, reallocate the authorized funds to
12 advance other projects in the fiscal year 2010 transportation programs in the
13 order of their priority ranking. If the secretary determines that such funds
14 would be more efficiently spent advancing a lower-ranking project due to
15 permitting, right-of-way, or other practical constraints that impede the
16 advancement of a higher ranking project, the secretary may reallocate funds
17 from the higher ranking to the lower ranking project.

18 (c) To the extent ARRA funds have been obligated and appropriated under
19 other authority to projects in the fiscal year 2009 transportation program to
20 projects in place of previously authorized and appropriated state funds or

1 non-ARRA federal funds, the agency is authorized to reallocate the authorized
2 funds to advance other projects in the fiscal year 2009 transportation program.

3 (d) The agency shall submit its proposal regarding the obligation of ARRA
4 funds under subsection (a) of this section and its proposal regarding the
5 reallocation of funds under subsection (b) of this section to the joint
6 transportation oversight committee for approval at the committee's July 2009
7 meeting. The agency shall in addition report to the committee on any
8 reallocation of funds executed under authority of subsection (c) of this section.

9 (e) Up to \$60,000,000 of ARRA funds are appropriated to the agency in
10 fiscal year 2010 to fund the spending approved by the joint transportation
11 oversight committee under subsection (d) of this section. The agency shall
12 report on the expenditure of ARRA funds to the joint transportation oversight
13 committee at the committee's regular 2009 meetings

14 * * * Inflation indexing of motor fuels taxes * * *

15 Sec. 31. 23 V.S.A. § 3032 is added to read:

16 § 3032. INFLATION INDEX ADJUSTMENT

17 Starting on July 1, 2012 and effective each July 1 thereafter, the tax
18 imposed on fuel shall be annually increased or decreased by the percentage
19 change in the gross domestic product price index during the preceding calendar
20 year as reported by the Bureau of Economic Analysis of the United States
21 Department of Commerce (the GDP price index). The tax rate effective on

1 July 1 of a fiscal year shall be equal to the product of the tax rate effective
2 during the expiring fiscal year and the herein defined index ratio, rounded to
3 the nearest one-tenth of a cent. The index ratio is the ratio of the value of the
4 GDP price index for the fourth quarter of the prior calendar year over the
5 corresponding value of the GDP price index for the fourth quarter one year
6 earlier. Each year in April, the commissioner of motor vehicles shall
7 determine the tax rate to take effect the following July 1 using, relative to the
8 time of determination, the latest gross domestic product report for the fourth
9 quarter of the prior calendar year available from the Bureau of Economic
10 Analysis. Subsequent revisions to gross domestic product data shall not affect
11 a tax rate so determined.

12 Sec. 32. 23 V.S.A. § 3175 is added to read:

13 § 3175. INFLATION INDEX ADJUSTMENT

14 Starting on July 1, 2012 and effective each July 1 thereafter, the tax
15 imposed on motor fuels shall be annually increased or decreased by the
16 percentage change in the gross domestic product price index during the
17 preceding calendar year as reported by the Bureau of Economic Analysis of the
18 United States Department of Commerce (the GDP price index). The tax rate
19 effective on July 1 of a fiscal year shall be equal to the product of the tax rate
20 effective during the expiring fiscal year and the herein defined index ratio,
21 rounded to the nearest one-tenth of a cent. The index ratio is the ratio of the

1 value of the GDP price index for the fourth quarter of the prior calendar year
2 over the corresponding value of the GDP price index for the fourth quarter one
3 year earlier. Each year in April, the commissioner of motor vehicles shall
4 determine the tax rate to take effect the following July 1 using, relative to the
5 time of determination, the latest gross domestic product report for the fourth
6 quarter of the prior calendar year available from the Bureau of Economic
7 Analysis. Subsequent revisions to gross domestic product data shall not affect
8 a tax rate so determined.

9 * * * Motor fuels distributor infrastructure assessments

10 and bond fund * * *

11 Sec. 33. 19 V.S.A. § 11f is added to read:

12 § 11f. TRANSPORTATION INFRASTRUCTURE BOND FUND

13 (a) There is created a special account within the transportation fund known
14 as the transportation infrastructure bond fund to consist of funds raised from
15 the motor fuels distributor infrastructure assessments levied pursuant to
16 23 V.S.A. §§ 3003(a) and 3106(a). Interest from the fund shall be credited
17 annually to the fund, and the amount in the account shall carry forward from
18 year to year.

19 (b)(1) Monies in the fund may be used:

20 (A) to pay principal, interest, and related costs on transportation
21 infrastructure bonds issued pursuant to section 972 of Title 32; and

1 (B) to pay for the rehabilitation, reconstruction, or replacement of:

2 (i) state bridges, culverts, roads, railroads, airports, and necessary
3 buildings which, after such work, have an estimated minimum remaining
4 useful life of 10 years;

5 (ii) municipal bridges, culverts, and highways which, after such
6 work, have an estimated minimum remaining useful life of 10 years; and

7 (iii) for up to \$100,000.00 per year for operating costs associated
8 with administering the capital expenditures.

9 (2) However, in any fiscal year, no payments shall be made under this
10 subsection unless the amount needed to pay for the following items for that
11 fiscal year, to the extent required by the terms of any trust agreement
12 applicable to the transportation infrastructure bonds, is either in the fund and
13 available to pay for those items, or the items have been paid: debt service due
14 on the bonds for that fiscal year; any associated reserve or sinking funds; and
15 any associated costs of the bonds as defined in subsection 972(b) of Title 32.

16 (c) The rate of the motor fuels distributor infrastructure assessments paid
17 pursuant to 23 V.S.A. §§ 3003(a) and 3106(a) shall not be reduced below the
18 rates in effect at the time of issuance of any transportation infrastructure bond
19 until the principal, interest, and all costs which must be paid in order to retire
20 the bond have been paid.

1 Sec. 34. 23 V.S.A. § 3003(a) is amended to read:

2 (a) A tax of ~~25 cents per gallon and \$0.25~~, a fee of ~~one cent per gallon is~~
3 ~~imposed on each gallon of fuel \$0.01~~ established pursuant to the provisions of
4 10 V.S.A. § 1942, and a \$0.05 motor fuels distributor infrastructure
5 assessment, which for purposes of the International Fuel Tax Agreement only
6 shall be deemed to be a surcharge, are imposed on each gallon of fuel:

7 (1) sold or delivered by a distributor; or

8 (2) used by a user.

9 Sec. 35. 23 V.S.A. § 3015(4) is amended to read:

10 (4) ~~All~~ The taxes, interest, user license fees, petroleum distributor
11 licensing fee, motor fuels distributor infrastructure assessment, and penalties
12 collected by the department of motor vehicles under this chapter shall be paid
13 to the state treasurer and credited to the transportation fund as follows:

14 (A) the \$0.01 per-gallon fee imposed by this chapter shall be deemed
15 the petroleum distributor licensing fee and shall be paid to the petroleum
16 cleanup fund established by 10 V.S.A. § 1941.

17 (B) the \$0.05 per-gallon assessment shall be deemed the motor fuels
18 distributor infrastructure assessment and shall be paid to the state treasurer and
19 credited to the transportation infrastructure bond fund established by 19 V.S.A.

20 § 11f.

1 (C) the remaining taxes, interest, fees, and penalties shall be paid
2 forthwith to the state treasurer and credited to the transportation fund.

3 Sec. 36. REPEAL

4 23 V.S.A. § 3015(5) (directing \$0.01 per gallon to the petroleum cleanup
5 fund) is repealed.

6 Sec. 37. 23 V.S.A. § 3106(a) is amended to read:

7 (a) Except for sales of motor fuels between distributors licensed in this
8 state, which sales shall be exempt from the tax and from the motor fuels
9 distributor infrastructure assessment, in all cases not exempt from the tax under
10 the laws of the United States at the time of filing the report required by section
11 3108 of this title, each distributor shall pay to the commissioner a tax of \$0.19
12 per gallon and a motor fuels distributor infrastructure assessment of \$0.05 per
13 gallon upon each gallon of motor fuel sold by the distributor. The distributor
14 shall also pay to the commissioner a tax and a motor fuels distributor
15 infrastructure assessment in the same ~~amount~~ amounts upon each gallon of
16 motor fuel used within the state by him or her.

17 Sec. 38. 23 V.S.A. § 3106(e) is added to read:

18 (e) The \$0.05 motor fuels distributor infrastructure assessment imposed
19 under subsection (a) of this section shall be paid forthwith to the state treasurer
20 and be credited to the transportation infrastructure bond fund established by
21 19 V.S.A. § 11f.

1 Sec. 39. 32 V.S.A. chapter 13, subchapter 4 is added to read:

2 Subchapter 4. Transportation Infrastructure Bonds

3 § 972. TRANSPORTATION INFRASTRUCTURE BONDS

4 (a) The treasurer may issue bonds pursuant to this subchapter from time to
5 time in amounts authorized by the general assembly in its annual transportation
6 bill. Bonds issued under this section shall be referred to as “transportation
7 infrastructure bonds.”

8 (b) Principal and interest on the bonds and associated costs shall be paid
9 from the transportation infrastructure bond fund established in 19 V.S.A. § 11f.
10 Associated costs of bonds include sinking fund payments; reserves; redemption
11 premiums; additional security, insurance, or other form of credit enhancement
12 required or provided for in any trust agreement entered to secure bonds; and
13 related costs of issuance.

14 (c) Funds raised from bonds issued under this section may be used to pay
15 for the rehabilitation, reconstruction, or replacement of:

16 (1) state bridges and culverts; and

17 (2) municipal bridges and culverts.

18 (d) Pursuant to section 953 of this title, interest and the investment return
19 on the bonds shall be exempt from taxation in this state.

20 (e) Bonds issued under this section shall be legal investments for all
21 persons without limit as to the amount held, regardless of whether they are

1 acting for their own account or in a fiduciary capacity. The bonds shall
2 likewise be legal investments for all public officials authorized to invest in
3 public funds.

4 § 973. ISSUANCE OF BONDS

5 (a) Transportation infrastructure bonds may be issued at one time or in a
6 series from time to time in any form permitted by law, in such manner and on
7 such terms and conditions as the state treasurer may determine to be in the best
8 interests of the state, except that the state treasurer shall determine the
9 following with the approval of the governor:

10 (1) date of issuance;

11 (2) place of payment;

12 (3) rate of interest (which may be fixed or variable) or the manner of
13 determining such rate of interest;

14 (4) original stated value;

15 (5) investment returns or manner of determining the investment returns;

16 (6) maturity value, time of maturity, and provisions with respect to
17 redemption prior to maturity;

18 (7) whether to issue the bonds at par, premium, or discount;

19 (8) sinking fund and reserve requirements;

20 (9) amount and manner of issuance; and

1 (10) other particulars as to the form of such bonds within the limitations
2 of this subchapter.

3 (b) The state treasurer shall determine the annual payment schedule for the
4 bonds, including debt service and sinking fund payments, if any, as he or she
5 may deem to be in the best interests of the state. However, any bond issued
6 under this subchapter shall mature not later than 30 years after the date of
7 issuance. Installments on the bonds need not be payable in substantially equal
8 or diminishing amounts. The last bond payment shall be made not later than
9 30 years after the date of issuance.

10 (c) The state treasurer may determine at the time of issuance to apply all or
11 a portion of any net premium to the costs of issuance, other related financing
12 costs, or the payment of the principal or interest to come due. If net premium
13 is applied to costs of issuance, the amount of the premium shall not be included
14 in the net proceeds of the issue. Net premium not applied to costs of issuance
15 shall be included in the net proceeds of the issue and may be used for any of
16 the authorized purposes of the bond proceeds.

17 (d) The principal, interest, investment returns, and maturity value of
18 transportation infrastructure bonds shall be payable in lawful money of the
19 United States or of the country in which the bonds are sold.

20 (e) Transportation infrastructure bonds shall be registered pursuant to
21 section 981 of this title.

1 § 974. SECURITY DOCUMENTS

2 (a) The state treasurer is authorized to secure bonds authorized under this
3 subchapter by a trust agreement which pledges or assigns monies in the
4 transportation infrastructure bond fund; by additional security, insurance, or
5 other forms of credit enhancement which may be secured with the bonds on a
6 parity or subordinate basis or by both.

7 (b) Any trust agreement or credit enhancement agreement entered into
8 pursuant to this section shall be valid and binding from the time of the
9 agreement without any physical delivery or further act and without any filing
10 or recording under the Uniform Commercial Code or otherwise, and the lien of
11 such pledge shall be valid and binding as against all parties having claims of
12 any kind in tort, contract, or otherwise, irrespective of whether such parties
13 have notice thereof.

14 (c) Any trust agreement or credit enhancement agreement may establish
15 provisions defining defaults and establishing remedies and other matters
16 relating to the rights and security of the holders of the bonds or other secured
17 parties as determined by the state treasurer, including provisions relating to the
18 establishment of reserves; the issuance of additional or refunding bonds,
19 whether or not secured on a parity basis; the application of receipts, monies, or
20 funds pledged pursuant to the agreement; and other matters deemed necessary

1 or desirable by the state treasurer for the security of the bonds, and may also
2 regulate the custody, investment, and application of monies.

3 (d) For payment of principal, interest, investment returns, and maturity
4 value of transportation infrastructure bonds, the full faith and credit of the state
5 is hereby pledged. However:

6 (1) if pledging of full faith and credit of the state is not necessary to
7 market a transportation infrastructure bond in the best interest of the state, the
8 treasurer shall enter into an agreement which establishes that the full faith and
9 credit of the state is not pledged for payment of principal, interest, investment
10 returns, and maturity value of the bond. In determining whether to pledge the
11 full faith and credit of the state, the state treasurer shall consider the anticipated
12 effect of such a pledge on the credit standing of the state, the marketability of
13 the transportation infrastructure bond, and other factors he or she deems
14 appropriate; and

15 (2) the treasurer shall only use other revenues to pay for debt service and
16 associated costs as defined in section 972 of this title on transportation
17 infrastructure bonds to which the full faith and credit of the state has been
18 pledged in the event that monies in the transportation infrastructure bond fund
19 are insufficient to pay for it.

1 § 975. PROCEEDS

2 (a) Proceeds from the sale of bonds may be expended for the authorized
3 purposes of the bonds; including the expenses of preparing, issuing, and
4 marketing the bonds; any notes issued under section 976 of this title; and
5 amounts for any reserves. However, no purchasers of the bonds shall be bound
6 to see to the proper application of the proceeds thereof.

7 (b) The treasurer may pay for the interest on, principal of, investment
8 return on, maturity value of, and associated costs as defined in subsection
9 972(b) of this title of bonds issued under this subchapter from the
10 transportation infrastructure bond fund as they fall due without further order or
11 authority.

12 (c) The general assembly shall appropriate the amount necessary to pay the
13 maturing principal and interest of, investment return and maturity value of, and
14 sinking fund installments on transportation infrastructure bonds then
15 outstanding in the annual appropriations bill and the principal and interest on,
16 investment return and maturity value of, and sinking fund installments on the
17 transportation infrastructure bonds as may come due before appropriations for
18 payment have been made shall be paid from the transportation infrastructure
19 bond fund, or with respect to bonds to which the full faith and credit of the
20 state has been pledged and in accordance with subdivision 974(d)(2) of this
21 title, from the general fund or other applicable fund.

1 § 976. ANTICIPATION OF PROCEEDS

2 (a) Pending the issue of transportation infrastructure bonds, the state
3 treasurer with the approval of the governor may use any available cash in the
4 transportation infrastructure bond fund for the purposes for which the bonds
5 were authorized, and shall restore the borrowed funds from the proceeds of the
6 bonds.

7 (b) The state treasurer, with the approval of the governor, may borrow upon
8 notes of the state sums of money in anticipation of the proceeds of the bonds.
9 Notes issued under this subsection shall be issued on such terms and at such
10 times as the treasurer and governor may determine, and shall mature not more
11 than three years from the date of issuance, provided that notes issued for a
12 shorter period may be refunded from time to time by the issue of other such
13 notes maturing within the required period of three years.

14 (c) The authority granted under this section is in addition to and not in
15 limitation of any other authority.

16 § 977. REFUNDING BONDS

17 The state treasurer with the approval of the governor is hereby authorized to
18 issue transportation infrastructure bonds in order to refund all or any portion of
19 outstanding transportation bonds at any time after the issuance of the bonds to
20 be refunded pursuant to subsections 961(b), (c), and (d) of this title.

1 § 978. PLEDGE

2 The general assembly hereby pledges and covenants with holders of the
3 bonds issued under this subchapter that the state will fulfill the terms of any
4 agreement made with the holders of transportation infrastructure bonds and
5 will not in any way impair the rights or remedies of the holders of the bonds
6 until the bonds, interest, and all costs associated with the bonds are fully paid.

7 § 979. AUTHORITIES

8 In addition to the provisions of this subchapter, the following provisions of
9 this title shall apply to transportation infrastructure bonds:

10 (1) sections 953, 956, 958, and 960;

11 (2) subsection 954(c), except that transfers shall be made only among
12 projects to be funded with transportation infrastructure bonds; and

13 (3) section 957, except that consolidation may be only among
14 transportation infrastructure bonds, and the bonds shall be the lawful obligation
15 of the transportation infrastructure bond fund and not of the remaining
16 revenues of the state unless the treasurer has agreed to pledge the full faith and
17 credit of the state pursuant to subdivision 974(e)(2) of this title.

18 Sec. 40. 32 V.S.A. § 1001(b) is amended to read:

19 (b)(1) Committee duties. The committee shall review annually the size and
20 affordability of the net state tax-supported indebtedness; and submit to the
21 governor and to the general assembly an estimate of the maximum amount of

1 new long-term net state tax-supported debt that prudently may be authorized
2 for the next fiscal year. The estimate of the committee shall be advisory and in
3 no way bind the governor or the general assembly.

4 (2) The committee shall conduct ongoing reviews of the amount and
5 condition of bonds, notes, and other obligations of instrumentalities of the state
6 for which the state has a contingent or limited liability or for which the state
7 legislature is permitted to replenish reserve funds, and, when deemed
8 appropriate, recommend limits on the occurrence of such additional obligations
9 to the governor and to the general assembly.

10 (3) The committee shall conduct ongoing reviews of the amount and
11 condition of the transportation infrastructure bond fund established in section
12 11f of Title 19 and of bonds and notes issued against the fund for which the
13 state has a contingent or limited liability.

14 Sec. 41. 32 V.S.A. § 1001a is amended to read:

15 § 1001a. REPORTS

16 The capital debt affordability advisory committee shall prepare and submit,
17 consistent with 2 V.S.A. § 20(a), a report on:

18 (1) general obligation debt, pursuant to subsection 1001(c) of this title;
19 and

20 (2) how many, if any, transportation infrastructure bonds have been
21 issued and under what conditions.

1 Sec. 42. TRANSPORTATION INFRASTRUCTURE FUNDING;

2 APPROPRIATION

3 (a) The amount of \$30,000,000.00 from the issuance of transportation
4 infrastructure bonds is appropriated in fiscal year 2010 to the agency of
5 transportation for eligible projects as defined in 32 V.S.A. § 972(c) in the state
6 bridge, interstate bridge, bridge maintenance, town bridge, and town highway
7 structures programs of the state's fiscal year 2010 transportation program in
8 accordance with the spending authority defined in Sec. 13 and Secs. 16–20 of
9 this act.

10 (b) Pursuant to 19 V.S.A. § 11f(b)(2), after the amount necessary to pay the
11 fiscal year 2010 debt service and other costs on any bonds secured by monies
12 in the transportation infrastructure bond fund have been deposited into the fund
13 or the debt service and other costs have been paid, up to the following amounts
14 are appropriated from any other amounts which may be in the transportation
15 infrastructure bond fund to the agency of transportation in fiscal year 2010 for
16 the projects in order of priority listed in this subsection. With respect to
17 amounts appropriated to the roadway and paving programs, the funds shall be
18 apportioned among eligible projects in the state's fiscal year 2010
19 transportation program in the order of their priority ranking. If the secretary of
20 transportation determines that such funds would be more efficiently spent
21 advancing a lower-ranking project due to permitting, right-of-way, or other

1 practical constraints that impede the advancement of a higher ranking project,
2 the secretary may reallocate funds from the higher ranking to the lower ranking
3 project.

4	<u>(1) For the purchase of continuously weld rail to be installed on the</u>	
5	<u>state's western corridor rail lines:</u>	<u>\$ 800,000</u>
6	<u>(2) For projects in the roadway program:</u>	<u>\$ 7,265,342</u>
7	<u>(3) For projects in the paving program:</u>	<u>\$ 8,935,722</u>
8	<u>Total appropriation</u>	<u>\$17,001,064</u>

9 Sec. 43. AUTHORITY TO ISSUE TRANSPORTATION

10 INFRASTRUCTURE BONDS

11 (a) The state treasurer is authorized to issue transportation infrastructure
12 bonds pursuant to 32 V.S.A. § 972 for the purpose of funding the
13 appropriations of Sec. 42(a) of this act and associated costs of the
14 transportation infrastructure bonds as defined in 32 V.S.A. § 972(b) in the
15 amount of \$30,000,000.00 in fiscal year 2010.

16 (b) The state treasurer is authorized to issue transportation infrastructure
17 bonds pursuant to 32 V.S.A. §972 for the purpose of funding future
18 appropriations to be made in the amount of :

19 (1) \$30,000,000.00 in fiscal year 2011; and

20 (2) \$60,000,000.00 in fiscal year 2012.

1 * * * State highway law; definitions * * *

2 Sec. 44. 19 V.S.A. § 1 is amended to read:

3 § 1. DEFINITIONS

4 For the purposes of this title:

5 (1) “Agency” means the agency of transportation.

6 (2) “Board” means the transportation board.

7 (3) “Branch” means a major component of a division of a department or
8 major unit of a department with staff functions.

9 (4) “Chair” means the chair of the transportation board, unless otherwise
10 specified.

11 (5) “Commissioner” means the commissioner of the department of
12 motor vehicles responsible to the secretary for the administration of the
13 department.

14 (6) “Department” means the department of motor vehicles.

15 (7) “Develop” means the partition or division of any tract of land of any
16 size by a person through sale, lease, transfer or any other means by which any
17 interest in or to the land or a portion of the land is conveyed to another person
18 which will require the construction of permanent new or enlarged points of
19 access to a state or town highway other than a limited access facility pursuant
20 to subsection (a) of section 1702a of this title; excluding however, tracts of
21 land located entirely within a city or incorporated village.

1 (8) "Director" means the head of a division.

2 (9) "District" means a geographic subdivision of the state primarily
3 established for maintenance purposes.

4 (10) "District transportation administrator" means the person in charge
5 of a district.

6 (11) "Division" means a major unit of the agency engaged in line
7 functions other than the department of motor vehicles.

8 (12) "Highways" are only such as are laid out in the manner prescribed
9 by statute; or roads which have been constructed for public travel over land
10 which has been conveyed to and accepted by a municipal corporation or to the
11 state by deed or a fee or easement interest; or roads which have been dedicated
12 to the public use and accepted by the city or town in which such roads are
13 located; or such as may be from time to time laid out by the agency or town.
14 The term "highway" includes rights-of-way, bridges, drainage structures,
15 signs, guardrails, areas to accommodate utilities authorized by law to locate
16 within highway limits, areas used to mitigate the environmental impacts of
17 highway construction, vegetation, scenic enhancements, and structures. The
18 term "highway" does not include state forest highways, management roads,
19 easements, or rights-of-way owned by or under the control of the agency of
20 natural resources, the department of forests, parks and recreation, the

1 department of fish and wildlife, or the department of environmental
2 conservation.

3 (13) “Management road” means a road not designated as a “state forest
4 highway” used for the long-term management of lands owned by or under the
5 control of the department of forests, parks and recreation, the department of
6 fish and wildlife, or the department of environmental conservation to meet the
7 responsibilities and purposes set forth in chapter 83 of Title 10, part 4 of Title
8 10, and regulations promulgated under those statutes. The term “management
9 road” includes associated easements and rights-of-way. A “management road”
10 is not a “highway” or a “town highway” as defined in this title, is not a public
11 road, and the public has no common law or statutory right of access or use of
12 such a road. A “management road” may be open for temporary, seasonal uses
13 by the public or may be closed temporarily or seasonally at the discretion of
14 the agency of natural resources, the department of forests, parks and recreation,
15 the department of fish and wildlife, or the department of environmental
16 conservation. A “management road” may be closed permanently upon 30
17 days’ notice to the governing body of the municipality in which the road is
18 located and any affected user groups. Designation of a road as a “management
19 road” shall not diminish any deeded rights of way or easements of private
20 landowners on lands owned or controlled by the agency of natural resources,

1 the department of forests, parks and recreation, the department of fish and
2 wildlife, or the department of environmental conservation.

3 ~~(13)~~(14) “Person” includes a municipality or state agency.

4 ~~(14)~~(15) “Scenic road” means any road designated pursuant to this title.

5 ~~(15)~~(16) “Secretary” means the head of the agency who shall be a
6 member of the governor’s cabinet responsible directly to the governor for the
7 administration of the agency.

8 ~~(16)~~(17) “Section” means a major component of a division or
9 department or major unit of the agency.

10 ~~(17)~~(18) “Selectboard” includes village trustees and city councils.

11 (19) “State forest highway” means a road used for the long-term
12 management of lands owned by or under the control of the department of
13 forests, parks and recreation to meet the responsibilities and purposes set forth
14 in 10 V.S.A. § 2601, et seq. and regulations promulgated under that statute.

15 The term “state forest highway” includes easements and rights-of-way. A
16 “state forest highway” is not a “highway” or “town highway” as defined in this
17 title, is not a public road, and the public has no common law or statutory right
18 of access or use of such road. A “state forest highway” may be open for
19 temporary, seasonal uses by the public or may be closed temporarily or
20 seasonally for any reason at the discretion of the agency of natural resources or
21 the department of forests, parks and recreation. A “state forest highway” may

1 be closed permanently upon 30 days' notice to the governing body of the
2 municipality in which the road is located and to any affected user groups.
3 Designation of a road as a "state forest highway" shall not diminish any deeded
4 rights of way or easements of private landowners on lands owned or controlled
5 by the agency of natural resources or the department of forests, parks and
6 recreation.

7 ~~(18)~~(20) "State highways" are those highways maintained exclusively by
8 the agency of transportation.

9 ~~(19)~~(21) "Throughway" means a highway specially designated giving
10 traffic traveling on the throughway the right-of-way at all intersections.

11 ~~(20)~~(22) "Town" includes incorporated villages and cities.

12 ~~(21)~~(23) "Town highways" are those highways exclusively maintained
13 by the towns and those highways maintained by the towns except for
14 scheduled surface maintenance performed by the agency pursuant to section
15 306a of this title.

16 ~~(22)~~(24) "Traffic committee" consists of the secretary of transportation
17 or his or her designee, the commissioner of motor vehicles or his or her
18 designee, and the commissioner of public safety or his or her designee and is
19 responsible for establishing speed zones, parking and no parking areas,
20 regulations for use of limited access highways, and other traffic control
21 procedures.

1 ~~(23)~~(25) “Limited access highway” means a highway where the right of
2 owners or occupants of abutting land or other persons to access, light, aire, or
3 view in connection with the highway is fully or partially controlled by public
4 authority, in accordance with chapter 17 of this title. The term “highway” does
5 not include state forest highways, management roads, easements, or
6 rights-of-way owned by or under the control of the agency of natural resources,
7 the department of forests, parks and recreation, the department of fish and
8 wildlife, or the department of environmental conservation.

9 * * * Cancellation of projects * * *

10 Sec. 45. CANCELLATION OF PROJECTS

11 Pursuant to 19 V.S.A. § 10g(f) (legislative approval for cancellation of
12 projects), the general assembly approves cancellation of the following projects:

13 (1) Town highway bridges:

14 (A) Albany BRO 1449(23) (BR 30 on TH 25/Poor Farm Road, over
15 Black River) (town has requested termination);

16 (B) Chester BRO 1442(31) (BR 63 on TH 9/First Avenue, over
17 Williams River) (town has requested termination);

18 (C) Richford TH3 0305 (BR 28 on TH 18/Noyes Street, over
19 Loveland Brook) (town has requested termination); and

20 (D) Woodstock BRO 1444(33) (BR 37 on TH 66, over Kedron
21 Brook) (town has requested termination).

1 (2) Bicycle and pedestrian facilities:

2 (A) Irasburg STP WALK(16) (installation of sidewalks and curbs
3 along VT 58) (town has requested termination);

4 (B) Ludlow STP BIKE(44)S (bike/ped path along Black River)
5 (agency has requested termination); and

6 (C) Ludlow STP WALK () (adaptive re-use of historic truss bridge
7 on bike/ped path, over Black River) (agency has requested termination).

8 * * * Transportation fund; sales of surplus property * * *

9 Sec. 46. 19 V.S.A. § 11(8) is amended to read:

10 (8) other miscellaneous sources including the sale of maps, plans and
11 reports, fees collected by the travel information council, ~~and~~ leases for property
12 at state-owned airports and railroads, proceeds from the sale of state surplus
13 property under the provisions of 29 V.S.A. §§ 1556 and 1557, and proceeds
14 from the sale of recycled materials.

15 Sec. 47. 29 V.S.A. § 1557(b) is amended to read:

16 (b) Transfer charges and credits shall be made against the appropriation of
17 the respective department or agency. Funds credited shall be classified as
18 special funds, and managed in accordance with subchapter 5 of chapter 7 of
19 Title 32, provided, however, that any funds credited to the agency of
20 transportation shall be transferred to the transportation fund.

1 * * * Relinquishments of state highway segments
2 to municipal control * * *

3 Sec. 48. RELINQUISHMENT OF VERMONT ROUTE 15 IN THE
4 VILLAGE OF ESSEX JUNCTION

5 (a) Under the authority of 19 V.S.A. § 15(2), approval is granted for the
6 secretary of transportation to enter into an agreement with the village of Essex
7 Junction to relinquish to the village's jurisdiction a segment of the state
8 highway known as Vermont Route 15 (Pearl Street) in the village of Essex
9 Junction starting at the Essex Junction village boundary, near the intersection
10 with Susie Wilson Road (TH #4), and extending in an easterly direction for
11 1.004 miles, connecting to existing class 1 town highway TH #1 at a point
12 0.261 miles west of West Hillcrest Road (TH #551). The relinquishment shall
13 include the Vermont Route 15 approaches to West Street Extension (TH #5).
14 Upon relinquishment, the former state highway shall become a class 1 town
15 highway.

16 (b) Control of the highway, not including ownership of the lands or
17 easements within the highway right-of-way, shall be relinquished to the village
18 of Essex Junction. The village of Essex Junction shall not sell or abandon any
19 portion of the relinquishment areas or allow any encroachments within the
20 relinquishment areas without written permission of the agency of
21 transportation.

1 * * Transportation enhancement grants * * *

2 Sec. 49. ENHANCEMENT GRANTS FISCAL YEAR 2009

3 Notwithstanding 19 V.S.A. § 38, enhancement grants in the fiscal year 2009
4 program shall be awarded prior to April 30, 2009. No grants in the fiscal year
5 2009 program shall be made with respect to federal funds made available to the
6 state under the American Recovery and Reinvestment Act of 2009.

7 Sec. 50. ENHANCEMENT GRANTS FISCAL YEAR 2010

8 (a) Notwithstanding 19 V.S.A. § 38, the secretary shall increase the size of
9 the fiscal year 2010 enhancement grant program by an amount equal to the
10 federal funds made available to the state under the American Recovery and
11 Reinvestment Act of 2009 (ARRA) which are exclusively reserved for
12 enhancement projects as defined in 23 U.S.C. § 101(a)(35). The transportation
13 enhancement grant committee shall award grants of ARRA enhancement funds
14 in a separate grant round before June 30, 2009. The agency shall notify
15 potential applicants of the separate grant round and fix a deadline for the filing
16 of applications of May 15, 2009. All enhancement grant awards of ARRA
17 enhancement project funds shall require a local match in accordance with the
18 same rules that apply to enhancement grants not funded with ARRA funds.

19 (b) Notwithstanding 19 V.S.A. § 38, the fiscal year 2010 enhancement
20 grant program shall include a second grant round with respect to non-ARRA

1 funds in the amount of \$2,227,000. The provisions of 19 V.S.A. § 38 shall
2 otherwise apply to such grants.

3 (c) Notwithstanding 19 V.S.A. § 38, the fiscal year 2011 enhancement
4 grant program shall be in the amount of \$2,227,000, with the provisions of
5 19 V.S.A. § 38 otherwise applying to the awarding of such grants.

6 * * * Town highways * * *

7 Sec. 51. 19 V.S.A. § 305(g) is amended to read:

8 (g) The agency shall provide each town with a map of all of the highways
9 in that town together with the mileage of each class 1, 2, ~~and 3,~~ and 4 highway,
10 as well as each trail, and such other information as the agency deems
11 appropriate.

12 Sec. 52. 19 V.S.A. § 305(i) is amended to read:

13 (i)(1) Prior to a vote to discontinue town highways provided in subsection
14 (h) of this section, the legislative body shall hold a public informational
15 hearing on the question by posting warnings at least 30 days prior to the
16 hearing in at least two public places within the municipality and in the town
17 clerk's office. The notice shall include the most recently available map of all
18 town highways prepared by the agency of transportation pursuant to subsection
19 (g) of this section. At least 30 days prior to the hearing, the legislative body
20 shall also deliver the warning and map together with proof of receipt or mail
21 by certified mail, return receipt requested, to each of the following:

1 (A) The chair of any municipal planning commission in the
2 municipality;

3 (B) The chair of a conservation commission, established under
4 chapter 118 of Title 24, in the municipality;

5 (C) The chair of the legislative body of each abutting municipality;

6 (D) The executive director of the regional planning commission of
7 the area in which the municipality is located; ~~and~~

8 (E) The commissioner of forests, parks and recreation; and

9 (F) The secretary of transportation.

10 (2) The hearing shall be held within the 10 days preceding the meeting
11 at which the legislative body will vote whether to discontinue all town
12 highways as provided in subsection (h) of this section.

13 * * * Trucks and buses; use of tire chains * * *

14 Sec. 53. 23 V.S.A. § 1006c is added to read:

15 § 1006c. TRUCKS AND BUSES; CHAINS AND TIRE REQUIREMENTS

16 (a) The traffic committee may require the use of tire chains or winter tires
17 on specified portions of state highways during periods of winter weather for
18 motor coaches, truck-tractor-semitrailer combinations, and truck-tractor-trailer
19 combinations.

20 (b) When tire chains or winter tires are required, advance notice shall be
21 given to the traveling public through signage and, whenever possible, through

1 public service announcements. In areas where tire chains or winter tires are
2 required, there shall be an adequate area for vehicles to pull off the traveled
3 way to affix any chains that might be required.

4 (c) Under chapter 25 of Title 3, the traffic committee may promulgate such
5 rules as are necessary to administer this section and may delegate this authority
6 to the secretary.

7 Sec. 54. USE OF CHAINS; IMPLEMENTATION

8 The use of chains shall not be required until signage and designated areas
9 are available for vehicles to affix tire chains before proceeding further.

10 Advanced public notice of these requirements shall be given to interested
11 parties in the most feasible manner possible.

12 * * * Public transportation planning * * *

13 Sec. 55. 24 V.S.A. § 5089 is amended to read:

14 § 5089. PLANNING

15 ~~(a) By January 31, 1996, all public transit systems shall have completed a~~
16 ~~short range public transit plan. In the meantime, the agency of transportation~~
17 ~~may continue to provide funding for capital, statewide operating and new~~
18 ~~services.~~

19 ~~(b) The short range public transit plans must be coordinated with the efforts~~
20 ~~of the regional planning commission under the transportation plan.~~

1 (e) The agency of transportation's public transit plan for the state shall be
2 ~~updated~~ amended no less frequently than every five years ~~so as to include, and~~
3 ~~incorporate the public transportation elements of regional plans that have not~~
4 ~~been disapproved under the provisions of chapter 117 of this title. The~~
5 development of the state public transit plan shall include consultation with
6 public transit providers, the metropolitan planning organization, and the
7 regional planning commissions and their transportation advisory committees to
8 ensure the integration of transit planning with the transportation planning
9 initiative as well as conformance with chapter 117 of Title 24, (municipal and
10 regional planning and development). Regional plans, together with the agency
11 of transportation's public transit plan shall function to coordinate the provision
12 of public, private nonprofit, and private for-profit regional public transit
13 services, in order to ensure effective local, regional and statewide delivery of
14 services.

15 (b) Recognizing that the growing demand for new regional and commuter
16 services must be considered within the context of the continuing need for local
17 transit services that meet basic mobility needs, the agency of transportation
18 shall consult annually with the regional planning commissions and public
19 transit providers in advance of the award of available planning funds. The
20 agency shall maintain a working list of both short- and long-term planning
21 needs, goals, and objectives that balances the needs for regional service with

1 the need for local service. Available planning funds shall be awarded in
2 accordance with state and federal law and as deemed necessary and appropriate
3 by the agency following consultation with the regional planning commissions
4 and the public transit providers. The agency shall report annually to the
5 general assembly on planning needs, expenditures, and cooperative planning
6 efforts.

7 * * * Budget surplus; towns of Glastenbury and Somerset * * *

8 Sec. 56. FISCAL YEAR 2009 FUND TRANSFERS

9 Notwithstanding the provisions of 24 V.S.A. § 1406, in fiscal year 2009, the
10 following amounts shall be transferred to the transportation fund from the
11 funds indicated:

12 (1) 21345 Unorganized town—Bennington (Glastenbury) \$241,652.

13 (2) 21355 Unorganized towns—Windham (Somerset) \$121,180.

14 Sec. 57. 32 V.S.A. § 4961 is amended to read:

15 § 4961. ASSESSMENT OF TAX

16 (a) A state tax determined pursuant to this section is hereby annually
17 assessed upon the grand list of the Gore in Chittenden County. ~~A state tax of~~
18 ~~\$0.50 is hereby annually assessed on~~ and upon the grand list of the town of
19 Glastenbury in the county of Bennington and of the unorganized town of
20 Somerset in the county of Windham.

1 (b) Annually, on or before August 1, the supervisor of Buel's Gore, shall
2 call a meeting of the residents of the Gore for the purpose of presenting the
3 proposed budget and tax rate for the Gore for the ensuing year and inviting
4 discussion thereon. Notice of the meeting shall be sent by first class mail to all
5 residents of the Gore at least 14 days before the meeting. The meeting shall be
6 held at a place within the Gore or within a town that adjoins the Gore.
7 Included with the notice shall be an itemized proposed budget which shall, in
8 the judgment of the supervisor, cover the education, road maintenance and
9 general government costs within the Gore. Also included with the notice shall
10 be proposed tax rates consistent with the budget. Annually, on or before
11 September 10, the supervisor shall adopt a budget and tax rate and notify the
12 residents and appraisers for the Gore.

13 (c) Annually, on or before August 1, the supervisors of Glastenbury and
14 Somerset shall each present the proposed budget and tax rate for the town for
15 the ensuing year. Upon a finding by the commissioner of taxes before
16 September 10 that the budget and tax rate are reasonable and show no obvious
17 irregularities, the commissioner shall approve the budget and tax rate, and the
18 supervisor shall then adopt the budget and tax rate and notify the residents of
19 the town. If the commissioner does not approve the budget and tax rate by
20 September 10, the budget and tax rate shall remain the same as the budget and

1 tax rate for the prior year, and the supervisor shall so notify the residents of the
2 town.

3 Sec. 58. 24 V.S.A. § 1406 is amended to read:

4 § 1406. TAXES EXPENDED; HOW

5 Upon allowance of the accounts of supervisors and appraisers for
6 unorganized towns and gores, the commissioner of finance and management
7 shall certify forthwith the amount as allowed to the state treasurer and the
8 balance, if any, of the moneys received from any supervisor, after deducting
9 the amount of the county tax and regional planning costs, if any. The amount
10 of such supervisors' and appraisers' accounts, so certified, shall be used for the
11 laying out, construction and maintenance of highways and bridges in the
12 unorganized towns and gores for which the supervisor is appointed, to be
13 expended by and under the direction of the secretary of transportation, in the
14 same manner as state transportation appropriations. The portion of the money
15 which remains unexpended for more than one year may be ~~used~~ carried
16 forward in the supervisors' accounts for like purposes ~~and expended in a like~~
17 ~~manner in towns adjoining unorganized towns and gores.~~

1 * * * Transportation funds for the support of general government * * *

2 Sec. 59. 19 V.S.A. § 11a is amended to read:

3 § 11a. TRANSPORTATION FUNDS APPROPRIATED FOR SUPPORT OF
4 GOVERNMENT

5 The maximum amount of transportation funds that may be appropriated for
6 the support of government, other than for the agency of transportation, the
7 transportation board, transportation pay act funds, construction of
8 transportation capital facilities used by the agency of transportation, and
9 transportation debt service shall in fiscal 2010 and thereafter not exceed
10 ~~\$32,852,807~~ \$28,352,807.

11 * * * Distinctive registration plates * * *

12 Sec. 60. 23 V.S.A. § 304 is amended to read:

13 § 304. REGISTRATION CERTIFICATES; NUMBER PLATES

14 * * *

15 (b) The authority to issue special motor vehicle number plates or receive
16 applications or petitions for special number plates for ~~safety organizations and~~
17 ~~service organizations~~ shall reside with the commissioner. Determination of
18 compliance with the criteria contained in this subsection shall be within the
19 discretion of the commissioner. Series of number plates for ~~safety and service~~
20 organizations which are authorized by the commissioner shall be issued in
21 order of approval, subject to the operating considerations in the department as

1 determined by the commissioner. The commissioner shall issue special
2 number plates marked with initials, letters, or combination of numerals and
3 letters, in the following manner:

4 (1) Except as otherwise provided, at the request of the registrant of any
5 motor vehicle, upon application and upon payment of an annual fee of \$35.00
6 in addition to the annual fee for registration. He or she may not issue two sets
7 of special number plates bearing the same initials or letters unless the plates
8 also contain a distinguishing number. Special number plates are subject to
9 reassignment if not renewed within 60 days of expiration of the registration.

10 (2) For the purposes of this subdivision, “organizations” ~~shall include~~
11 means groups which have at least 100 instate members in good standing and
12 ~~provide police and fire protection, rescue squads, national guard, together with~~
13 ~~those organizations required to respond to public emergencies. It shall include~~
14 amateur radio operators licensed by the U.S. Federal Communications
15 Commission. ~~For purposes of this subdivision, “service organization” includes~~
16 ~~any group which (i) has as a primary purpose, service to the community~~
17 ~~through specific programs for the improvement of public health, education, or~~
18 ~~environmental awareness and conservation, and are not limited to social~~
19 ~~activities; (ii) has nonprofit status under Section 50 (c)(3) or (10) of the United~~
20 ~~States Internal Revenue Code, as amended; (iii) is registered as a nonprofit~~
21 ~~corporation with the office of the secretary of state; and (iv) except for a~~

1 ~~military veterans group, has at least 100 instate members in good standing.~~

2 ~~“Service organization” also includes congressionally chartered and~~

3 ~~noncongressionally chartered United States military service veterans group.~~

4 (A) At the request of the leader of a ~~safety organization or service~~ an
5 organization, upon application and payment of a fee of \$15.00 for each set of
6 plates in addition to the annual fee for registration, special plates indicating
7 membership in one of the ~~“safety organizations” or “service organizations”~~
8 “organizations” may be issued to registrants of vehicles registered at the
9 pleasure car rate and of trucks registered for less than 26,001 pounds and
10 excluding vehicles registered under the International Registration Plan, who
11 are members of these organizations. The applicant must provide a written
12 statement from the appropriate official of the organization, authorizing the
13 issuance of the plates.

14 (B) At the time that an organization requests the plates, it shall
15 deposit ~~\$1,000.00~~ \$2,000.00 with the commissioner. Notwithstanding section
16 502 of Title 32, the commissioner may charge the actual costs of production of
17 the plates against the fees collected and the balance shall be deposited in the
18 transportation fund. For ~~each set~~ the first 100 sets of plates issued, ~~\$10.00~~
19 \$15.00 of this deposit shall be deemed to be the ~~safety organization or service~~
20 organization special plate fee for each authorized applicant. \$500.00 of this
21 deposit shall be retained by the department to recover costs of developing the

1 organization plate. When the initial deposit of ~~\$1,000.00~~ \$1,500.00 is
2 depleted, applicants shall be required to pay the ~~\$10.00~~ \$15.00 fee as provided
3 for in subdivision (1) of this subsection. Notwithstanding section 502 of Title
4 32, the commissioner may charge the actual costs of production of the plates
5 against the fees collected and shall remit the balance to the transportation fund.
6 No organization shall charge its members any additional fee or premium
7 charge for the authorization, right or privilege to display these special number
8 plates. This provision shall not prevent any organization from recovering up to
9 ~~\$1,000.00~~ \$1,500.00 from applicants for the special plates.

10 (C) After consulting with representatives of the ~~safety or service~~
11 organization, the commissioner shall determine the design of the special plates,
12 on the basis that the primary purpose of motor vehicle number plates is vehicle
13 identification. An organization applying for a special plate under this
14 subsection shall present the commissioner with a name and emblem that is not
15 obscene, offensive or confusing to the general public and does not promote,
16 advertise or endorse a product, brand, or service provided for sale, or promote
17 any specific religious belief or political party. The organization's name and
18 emblem must not infringe or violate trademarks, trade names, service marks,
19 copyrights, or other proprietary or property rights and the organization must
20 have the right to use the name and emblem. The organization shall designate
21 an officer or member to act as the principal contact and to submit a distinctive

1 emblem for use on a special number plate, if authorized. An organization may
2 have only one design, regardless of the number of individual organizational
3 units within the state that may provide the same or substantially similar
4 services. Nothing herein shall be construed as authorizing any individual
5 squad, department, or unit to request a unique or specially designed plate
6 different than the plate designed by the commissioner.

7 * * *

8 Sec. 61. 23 V.S.A. § 304b is amended to read:

9 § 304b. CONSERVATION MOTOR VEHICLE REGISTRATION PLATES

10 (a) The commissioner shall, upon application, issue conservation
11 registration plates for use only on vehicles registered at the pleasure car rate,
12 ~~and~~ on trucks registered for less than 26,001 pounds, on vehicles registered to
13 state agencies under section 376 of this title, and excluding vehicles registered
14 under the International Registration Plan. Plates so acquired shall be mounted
15 on the front and rear of the vehicle. The commissioner of motor vehicles and
16 the commissioner of fish and wildlife shall determine the graphic design of the
17 special plates in a manner which serves to enhance the public awareness of the
18 state's interest in restoring and protecting its wildlife and major watershed
19 areas. The commissioner of motor vehicles and the commissioner of fish and
20 wildlife may alter the graphic design of these special plates provided that
21 plates in use at the time of a design alteration shall remain valid subject to the

1 operator's payment of the annual registration fee. Applicants shall apply on
2 forms prescribed by the commissioner and shall pay an initial fee of ~~\$20.00~~
3 \$23.00 in addition to the annual fee for registration. In following years, in
4 addition to the annual registration fee, the holder of a conservation plate shall
5 pay a renewal fee of ~~\$20.00~~ \$23.00. The commissioner shall adopt rules under
6 3 V.S.A. chapter 25 to implement the provisions of this subsection. The
7 commissioner of motor vehicles and the commissioner of fish and wildlife
8 shall annually submit to the members of the house committees on
9 transportation and fish, wildlife and water resources, and the members of the
10 senate committees on transportation and natural resources and energy a report
11 detailing, over a three-year period, the revenue generated, the number of new
12 conservation plates sold and the number of renewals, and recommendations for
13 program enhancements.

14 (b) Initial fees collected under subsection (a) of this section shall be
15 allocated as follows:

16 (1) ~~\$10.00~~ \$11.00 to the transportation fund.

17 (2) ~~\$5.00~~ \$6.00 to the department of fish and wildlife for deposit into the
18 nongame wildlife account created in 10 V.S.A. § 4048.

19 (3) ~~\$5.00~~ \$6.00 to the department of fish and wildlife for deposit into the
20 watershed management account created in 10 V.S.A. § 4050.

1 (c) Renewal fees collected under subsection (a) of this section shall be
2 allocated as follows:

3 (1) ~~\$9.00~~ \$10.00 to the department of fish and wildlife for deposit into
4 the nongame wildlife account created in 10 V.S.A. § 4048.

5 (2) ~~\$9.00~~ \$10.00 to the department of fish and wildlife for deposit into
6 the watershed management account created in 10 V.S.A. § 4050.

7 (3) ~~\$2.00~~ \$3.00 to the transportation fund.

8 Sec. 62. 23 V.S.A. § 304c is amended to read:

9 § 304c. MOTOR VEHICLE REGISTRATION PLATES: BUILDING

10 BRIGHT SPACES FOR BRIGHT FUTURES FUND

11 (a) The commissioner shall, upon application, issue “building bright spaces
12 for bright futures fund,” hereinafter referred to as “the bright futures fund,”
13 registration plates for use only on vehicles registered at the pleasure car rate,
14 ~~and~~ on trucks registered for less than 26,001 pounds, on plates registered to
15 state agencies under section 376 of this title, and excluding vehicles registered
16 under the International Registration Plan. Plates so acquired shall be mounted
17 on the front and rear of the vehicle. The commissioner of motor vehicles shall
18 utilize the graphic design recommended by the commissioner of social and
19 rehabilitation services for the special plates to enhance the public awareness of
20 the state’s Interest in supporting children’s services. Applicants shall apply on
21 forms prescribed by the commissioner of motor vehicles, and shall pay an

1 initial fee of \$20.00 in addition to the annual fee for registration. In following
2 years, in addition to the annual registration fee, the holder of a bright futures
3 fund plate shall pay a renewal fee of \$20.00. The commissioner shall adopt
4 rules under 3 V.S.A. chapter 25 to implement the provisions of this subsection.

5 * * *

6 * * * Sidewalks; landowner liability * * *

7 Sec. 63. Chapter 23 of Title 19 is redesignated to read:

8 CHAPTER 23. BICYCLE ROUTES AND SIDEWALKS

9 Sec. 64. 19 V.S.A. § 2301 is amended to read:

10 § 2301. DEFINITIONS

11 * * *

12 (6) "Sidewalk" means the portion of a street or highway right-of-way
13 designated for primary or exclusive pedestrian use.

14 Sec. 65. 19 V.S.A. § 2309 is amended to read:

15 § 2309. LIABILITY OF LANDOWNER

16 No landowner shall be liable for any property damage or personal injury
17 sustained by any person who is using, for any purpose permitted by state law
18 or by a municipal ordinance, bicycle routes or sidewalks constructed on the
19 landowner's property pursuant to this chapter, unless the landowner charges a
20 fee for the use of the property.

1 manufacture or sale of snowmobiles shall obtain registration certificates and
2 identifying number plates subject to such rules as may be adopted by the
3 commissioner which shall be valid for the following purposes only: testing;
4 adjusting; demonstrating; temporary use of customers for a period not to
5 exceed 14 days; private business or pleasure use of such person or members of
6 his or her immediate family; and use at fairs, shows or races when no charge is
7 made for such use.

8 (2) Fees. Fees for dealer registration certificates shall be \$40.00 for the
9 first certificate issued to any person and \$5.00 for any additional certificate
10 issued to the same person within the current registration period. Fees for
11 temporary number plates shall be \$1.00 for each plate issued.

12 (c) Temporary registration pending issuance of permanent registration.
13 provide for the issuance of temporary registrations of snowmobiles pending
14 issuance of the permanent registration. VAST shall be an agent of the
15 commissioner for the issuance of such temporary registrations. The fees for
16 the temporary registrations shall be ~~\$15.00~~ \$25.00 for residents and ~~\$22.00~~
17 \$32.00 for nonresidents and shall also constitute payment of the registration
18 fee required by subsection (a) of this section. Temporary registrations shall be
19 kept with the snowmobile while being operated and shall authorize operation
20 without the registration decal being affixed for a period not to exceed 60 days
21 from the date of issue.

1 * * *

2 Sec. 68. 23 V.S.A. § 3214 is amended to read:

3 § 3214. ALLOCATION OF FEES AND PENALTIES; LIABILITY
4 INSURANCE; AUTHORITY TO CONTRACT FOR LAW
5 ENFORCEMENT SERVICES

6 (a) The amount of \$5.00 from the sale of every resident and nonresident
7 snowmobile registration shall be allocated to the agency of transportation. The
8 balance of fees and penalties collected under this subchapter, except interest,
9 are is hereby allocated to the agency of natural resources for use by VAST for
10 development and maintenance of the statewide snowmobile trail program
11 (SSTP), for trails' liability insurance, and an amount equal to \$5.00 from the
12 sale of every resident and non-resident snowmobile registration shall be
13 allocated to contract for law enforcement services with any constable, sheriff's
14 department, municipal police department, the department of public safety, and
15 the department of fish and wildlife for purposes of trail compliance pursuant to
16 this chapter; the allocation for snowmobile law enforcement shall be included
17 as a part of the annual expenditure plan required by section 3215 of this
18 chapter. The departments of public safety and fish and wildlife are authorized
19 to contract with VAST to provide these law enforcement services. The agency
20 of natural resources may retain for its use up to \$11,500.00 during each fiscal
21 year to be used for the oversight of the state snowmobile trail program.

1 * * *

2 Sec. 69. 23 V.S.A. § 3305(b) is amended to read:

3 (b) Annually, the owner of each motorboat required to be registered by this
4 state shall file an application for a number with the commissioner of motor
5 vehicles on forms approved by him or her. The application shall be signed by
6 the owner of the motorboat and shall be accompanied by a fee of ~~\$17.00~~
7 \$22.00 and a surcharge of \$5.00 for a motorboat in class A; by a fee of ~~\$28.00~~
8 \$33.00 and a surcharge of \$10.00 for a motorboat in class 1; by a fee of
9 ~~\$55.00~~ \$60.00 and a surcharge of \$10.00 for a motorboat in class 2; by a fee of
10 ~~\$121.00~~ \$126.00 and a surcharge of \$10.00 for a motorboat in class 3. Upon
11 receipt of the application in approved form, the commissioner shall enter the
12 application upon the records of the department of motor vehicles and issue to
13 the applicant a registration certificate stating the number awarded to the
14 motorboat and the name and address of the owner. The owner shall paint on or
15 attach to each side of the bow of the motorboat the identification number in
16 such manner as may be prescribed by rules of the commissioner in order that it
17 may be clearly visible. The registration shall be void one year from the first
18 day of the month following the month of issue. A vessel of less than 10
19 horsepower used as a tender to a registered vessel shall be deemed registered,
20 at no additional cost, and shall have painted or attached to both sides of the
21 bow, the same registration number as the registered vessel with the number “1”

1 after the number. The number shall be maintained in legible condition. The
2 registration certificate shall be pocket size and shall be available at all times for
3 inspection on the motorboat for which issued, whenever the motorboat is in
4 operation. A duplicate registration may be obtained upon payment of a fee of
5 \$2.00 to the commissioner. Notwithstanding section 3319 of this chapter,
6 \$5.00 of each registration fee shall be allocated to the transportation fund. The
7 remainder of the fee shall be allocated in accordance with section 3319 of this
8 chapter.

9 * * * All-terrain vehicles * * *

10 Sec. 70. 23 V.S.A. § 3502 is amended to read:

11 § 3502. REGISTRATION

12 (a) An all-terrain vehicle may not be operated unless registered pursuant to
13 this chapter or any other section of this title; by the state of Vermont and unless
14 the all-terrain vehicle displays a valid Vermont ATV Sportsman's Association
15 (VASA) Trail Access Decal (TAD), except when operated:

16 * * *

17 Sec. 71. 23 V.S.A. § 3506 is amended to read:

18 § 3506. OPERATION

19 * * *

20 (b) An all-terrain vehicle may not be operated:

21 * * *

1 (3) On any privately owned land or body of private water unless:

2 * * *

3 (B) the operator has, on his or her person, the written consent of the
4 owner or lessee of the land to operate an all-terrain vehicle in the specific area
5 and during specific hours and/or days in which the operator is operating, ~~or~~
6 ~~proof that he or she is a member of a club or association to which consent has~~
7 ~~been given orally or in writing;~~ or the all-terrain vehicle displays a valid TAD
8 decal as required by subsection 3502(a) of this title that serves as proof that the
9 all-terrain vehicle and its operator, by virtue of the TAD, are members of a
10 VASA-affiliated club to which such consent has been given orally or in writing
11 to operate an all-terrain vehicle in the area in which the operator is operating;

12 * * *

13 Sec. 72. 23 V.S.A. § 3513 is amended to read:

14 § 3513. LIABILITY INSURANCE; AUTHORITY TO CONTRACT FOR
15 LAW ENFORCEMENT SERVICES

16 (a) The amount of 85 percent of the fees and penalties collected under this
17 subchapter, except interest, is hereby allocated to the agency of natural
18 resources for use by the Vermont ATV sportsman's association (VASA) for
19 development and maintenance of a statewide ATV trail program ~~on private~~
20 ~~property~~, for trail liability insurance, and to contract for law enforcement
21 services with any constable, sheriff's department, municipal police department,

1 the department of public safety, and the department of fish and wildlife for
2 purposes of trail compliance pursuant to this chapter. The departments of
3 public safety and fish and wildlife are authorized to contract with VASA to
4 provide these law enforcement services. The agency of natural resources may
5 retain for its use up to \$7,000.00 during each fiscal year to be used for
6 administration of the state grant that supports this program.

7 * * *

8 * * * Vintage registration plates * * *

9 Sec. 73. 23 V.S.A. § 304d is added to read:

10 § 304d. YEAR OF MANUFACTURE REGISTRATION PLATES

11 The commissioner shall permit the use of Vermont registration plates
12 manufactured by the state of Vermont and issued prior to 1939 that are
13 determined to be legible and serviceable by the commissioner. These plates, to
14 be known as year of manufacture (YOM) registration plates, may be assigned
15 by the commissioner in lieu of regular registration plates to a vehicle of a
16 model year older than 1939 registered at the pleasure car rate and on trucks
17 registered for less than 26,001 pounds and excluding vehicles registered under
18 the International Registration Plan. YOM plates so acquired shall be mounted
19 on the front and rear of the vehicle, unless vehicle style precludes mounting on
20 one end of the vehicle, in which case one plate shall be mounted on the
21 vehicle. The year of the YOM registration plate must correspond with the year

1 of vehicle manufacture. Kit cars or replicas of pre-1939 vehicles are not
2 eligible for YOM registration plates. Applicants shall apply for YOM
3 registration plates on forms prescribed by the commissioner of motor vehicles.
4 The commissioner shall adopt rules under 3 V.S.A. chapter 25 to implement
5 the provisions of this subsection.

6 * * * Design-build contracts * * *

7 Sec. 74. 19 V.S.A. chapter 26 is added to read:

8 CHAPTER 26. DESIGN-BUILD CONTRACTS

9 § 2601. DEFINITIONS

10 As used in this chapter, unless the context otherwise indicates, the following
11 terms have the following meanings.

12 (1) “Best value” means the highest overall value to the state, considering
13 quality and cost.

14 (2) “Design-build contracting” means a method of project delivery
15 whereby a single entity is contractually responsible to perform design,
16 construction, and related services.

17 (3) “Major participant” means any entity that would have a major role in
18 the design or construction of the project as specified by the agency in the
19 request for proposals.

20 (4) “Project” means the highway, bridge, railroad, airport, trail,
21 transportation, building, or other improvement being constructed or

1 rehabilitated, including all professional services, labor, equipment, materials,
2 tools, supplies, warranties, and incidentals needed for a complete and
3 functioning product.

4 (5) "Proposal" means an offer by the proposer to design and construct
5 the project in accordance with all request-for-proposals provisions for the price
6 contained in the proposal.

7 (6) "Proposer" means an individual, firm, corporation, limited-liability
8 company, partnership, joint venture, sole proprietorship, or other entity that
9 submits a proposal. After contract execution, the successful proposer is the
10 design-builder.

11 (7) "Quality" means those features that the agency determines are most
12 important to the project. Quality criteria may include quality of design,
13 constructability, long-term maintenance costs, aesthetics, local impacts,
14 traveler and other user costs, service life, time to construct, and other factors
15 that the agency considers to be in the best interest of the state.

16 § 2602. AUTHORIZATION

17 (a) Notwithstanding section 10 of this title or any other provision of law,
18 the agency may use design-build contracting to deliver projects. The agency
19 may evaluate and select proposals on either a best-value or a low-bid basis. If
20 the scope of work requires substantial engineering judgment, the quality of

1 which may vary significantly as determined by the agency, then the basis of
2 award shall be best-value.

3 (b) The agency shall identify those projects it believes are candidates for
4 design-build contracting, including but not limited to those involving
5 extraordinary circumstances, such as emergency work, unscheduled projects,
6 or loss of funding.

7 (c) The agency retains the authority to terminate the contracting process at
8 any time, to reject any proposal, to waive technicalities, or to advertise for new
9 proposals if the agency determines that it is in the best interest of the state.

10 § 2603. PREQUALIFICATION

11 (a) The agency may require that entities be prequalified to submit
12 proposals. If the agency requires prequalification, it shall give public notice
13 requesting qualifications from interested entities electronically through the
14 agency's publicly accessible website or through advertisements in newspapers.
15 The agency shall issue a request-for-qualifications package to all entities
16 requesting one in accordance with the notice.

17 (b) Interested entities shall supply for themselves and for all major
18 participants all information required by the agency. The agency may
19 investigate and verify all information received. All financial information, trade
20 secrets, or other information customarily regarded as confidential business
21 information submitted to the agency shall be confidential.

1 (c) The agency shall evaluate and rate all entities submitting a conforming
2 statement of qualifications and select the most qualified entities to receive a
3 request for proposals. The agency may select any number of entities, except
4 that if the agency fails to prequalify at least two entities, the agency shall
5 readvertise the project.

6 § 2604. REQUEST FOR PROPOSALS

7 The agency may issue a request for proposals, which shall set forth the
8 scope of work, design parameters, construction requirements, time constraints,
9 and all other requirements that have a substantial impact on the cost or quality
10 of the project and the project development process, as determined by the
11 agency. The request for proposals shall include the criteria for acceptable
12 proposals. For projects to be awarded on a best-value basis, the scoring
13 process and quality criteria must also be contained in the request for proposals.
14 In the agency's discretion, the request for proposals may provide for a process,
15 including the establishment of a team to review proposals, for the agency to
16 review conceptual technical elements of each proposal before full proposal
17 submittal for the purposes of identifying defects that would cause rejection of
18 the proposal as nonresponsive. All such conceptual submittals and responses
19 shall be confidential until award of the contract. The request for proposals
20 may also provide for a stipend upon specified terms to unsuccessful proposers
21 that submit proposals conforming to all request-for-proposals requirements.

1 § 2605. LOW-BID AWARD

2 If the basis of the award of responsive proposals is low-bid, then each
3 proposal, including the price or prices, shall be sealed by the proposer and
4 submitted to the agency as one complete package. The agency shall award the
5 design-build contract to the proposer that submits a responsive proposal with
6 the lowest cost, if the proposal meets all request-for-proposals requirements.

7 § 2606. BEST-VALUE AWARD

8 (a) If the basis of the award of responsive proposals is best-value, then each
9 proposal shall be submitted by the proposer to the agency in two separate
10 components: a sealed technical proposal and a sealed price proposal. These
11 two components shall be submitted simultaneously. The agency shall first
12 open, evaluate, and score each responsive technical proposal, based on the
13 quality criteria contained in the request for proposals. The request for
14 proposals may provide that the range between the highest and lowest quality
15 score of responsive technical proposals must be limited to an amount certain.
16 During this evaluation process, the price proposals shall remain sealed and all
17 technical proposals shall be confidential.

18 (b) After completion of the evaluation of the technical proposals, the
19 agency shall open and review each price proposal. The agency shall develop a
20 system for assessing the cost and quality criteria. The agency shall award the

1 contract to the proposer of the project representing the best value to the
2 agency.

3 * * * Sign theft * * *

4 Sec. 75. 23 V.S.A. § 1028 is amended to read:

5 § 1028. INTERFERENCE WITH DEVICES OR SIGNALS

6 (a) No person shall, without lawful authority, alter or attempt to alter,
7 deface, injure, knock down, ~~or~~ remove, or possess any official traffic-control
8 sign, signal, or device, or any railroad sign or signal or any inscription, shield
9 or insignia thereon, or any part thereof, or any municipal sign erected pursuant
10 to section 1029 of this title, or any official directional sign erected pursuant to
11 section 486 of Title 10.

12 (b) A person found to be in violation of this section may be required to pay
13 a fine of no more than \$238.00.

14 * * * Aviation maintenance equipment * * *

15 Sec. 76. REPORT; AVIATION MAINTENANCE EQUIPMENT

16 The agency of transportation shall, by January 15, 2010, submit to the house
17 and senate transportation committees a report regarding the agency's current
18 inventory of aviation maintenance equipment. The report shall set forth
19 equipment type, cost, funding source, and useful life. The report also shall
20 contain a five-year plan for future equipment purchases.

1 * * * State-owned railroad property * * *

2 Sec. 77. Sec. 17(e) of No. 175 of the Acts of the 2005 Adj. Sess. (2006), as
3 amended by Sec. 31 of No. 164 of the Acts of the 2007 Adj. Sess. (2008), is
4 further amended to read:

5 (e) The authority granted by this section shall expire on ~~June 30~~
6 December 31, 2009.

7 * * * Transportation buildings * * *

8 Sec. 78. TRANSPORTATION BUILDINGS

9 The following modifications are made to the transportation buildings
10 program:

11 (1) Consistent with the recommendations of the January 15, 2009
12 legislative report (Sec. 8(2) of No. 164 of the Acts of 2008) titled "VTrans'
13 Plans for Maintenance Facilities in Chittenden and Addison Counties," the
14 agency of transportation shall proceed with Option A (Stay at "Fort) for the
15 Colchester "Fort" Facility project and shall proceed with Option B (Truck
16 Inspection / Motorcycle Training Facility only) for the North Ferrisburgh
17 Facility project.

18 (2) As part of the Colchester "Fort" Facility renovation project, the
19 agency of transportation shall sell the 25 +/- acre property located off VT
20 Route 117 and owned by the agency of transportation in the Town of Essex.
21 Pursuant to 19 V.S.A. § 26, the proceeds from this sale shall be credited to the

1 transportation buildings appropriation to be used for the Colchester "Fort"
2 Facility renovation project.

3 * * * Signs on state bridge projects * * *

4 Sec. 79. 19 V.S.A. § 10c(n) is added to read:

5 (n) Commencing in fiscal year 2010, on all state, interstate, and town
6 bridge projects with a total cost in excess of \$1,000,000, the agency shall erect
7 signage at the project for the duration of the project's construction identifying
8 the project and its total cost, provided the total cost of acquiring and installing
9 the signs does not exceed \$2,000. The signs shall be designed in accordance
10 with the agency's recommendations regarding size and lettering contained in
11 the agency's 2009 report on the issue.

12 * * * Town local match requirements * * *

13 Sec. 80. 19 § 309b is amended to read:

14 § 309b. LOCAL MATCH; CERTAIN TOWN HIGHWAY PROGRAMS

15 * * *

16 (c) Notwithstanding subsections 309a(a), (b), and (c) of this title, a
17 municipality may use a grant awarded under the town highway structures
18 program or the class 2 town highway roadway program to provide the
19 nonfederal matching funds required to draw down a federal earmark or to
20 match grants provided to towns under the American Recovery and
21 Reinvestment Act of 2009. In all such cases, the grant shall be matched by

1 local funds as provided in this section. The intended use of a town highway
2 grant as matching funds for a federal earmark or for grants provided to towns
3 under the American Recovery and Reinvestment Act of 2009 shall not entitle a
4 municipal grant applicant to any priority for a grant award in any fiscal year.
5 When grants awarded under the town highway structures program or the class
6 2 town highway roadway program are used to satisfy nonfederal matching
7 requirements for federal earmarks or for grants provided to towns under the
8 American Recovery and Reinvestment Act of 2009, the term “project costs” in
9 subsections (a) and (b) of this section shall refer only to the nonfederal match
10 for the federal earmark or for a grant provided to towns under the American
11 Recovery and Reinvestment Act 2009.

12 * * * Central garage * * *

13 Sec. 81. TRANSFER TO CENTRAL GARAGE FUND

14 Notwithstanding 19 V.S.A. § 13(c), the amount of \$1,345,255 is transferred
15 from the transportation fund to the central garage fund created in 19 V.S.A.
16 § 13.

17 Sec. 82. EFFECTIVE DATES

18 (a) The following sections of this act shall take effect from passage:

19 (1) Secs. 3–11 (changes to fiscal year 2009 program)

20 (2) Secs. 33, 37, and 38 (transportation infrastructure bond fund and
21 motor fuels distributor infrastructure assessment on gasoline).

- 1 (3) Sec. 30 (ARRA funds).
- 2 (4) Sec. 50 (enhancement grants, fiscal year 2010).
- 3 (b) Secs. 34–36 (motor fuels distributor infrastructure assessment on diesel)
4 shall take effect on October 1, 2009:
- 5 (c) All other sections of this act not specifically enumerated in subsections
6 (a) and (b) of this section shall take effect on July 1, 2009.