1	TO THE HONORABLE SENATE:
2	The Committee on Transportation to which was referred House Bill No.
3	488 entitled "An act relating to the State's Transportation Program and
4	miscellaneous changes to laws related to transportation" respectfully reports
5	that it has considered the same and recommends that the Senate propose to the
6	House that the bill be amended by striking out all after the enacting clause and
7	inserting in lieu thereof the following:
8	* * * Transportation Program; Definitions * * *
9	Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS
10	(a) The Agency of Transportation's proposed fiscal year 2016
11	Transportation Program appended to the Agency of Transportation's proposed
12	fiscal year 2016 budget, as amended by this act, is adopted to the extent
13	federal, State, and local funds are available.
14	(b) As used in this act, unless otherwise indicated:
15	(1) "Agency" means the Agency of Transportation.
16	(2) "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
21	Amended" figure; and the term "change" or "changes" in the text refers to the

1	project- and program-specific amendments, the aggregate sum of which equals
2	the net "Change" in the applicable table heading.
3	(4) "TIB funds" or "TIB" refers to monies deposited in the
4	Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.
5	* * * Personnel-related Savings * * *
6	Sec. 2. FISCAL YEAR 2016 PERSONNEL-RELATED SAVINGS
7	In addition to all other reductions in spending authority under this act,
8	overall fiscal year 2016 Transportation Program spending is reduced by
9	\$1,500,000.00 in transportation funds, to be achieved through a combination of
10	personnel, labor, or consultant cost savings identified by the Secretary.
11	* * * Program Development – Funding * * *
12	Sec. 3. PROGRAM DEVELOPMENT – FUNDING
13	(a) Spending authority in Program Development in fiscal year 2016 is
14	modified in accordance with this section. Among projects selected in the
15	Secretary's discretion in accordance with subsection (b) of this section, the
16	Secretary shall:
17	(1) increase project spending authority in the total amount of
18	\$3,514,996.00 in transportation funds;
19	(2) reduce project spending authority in the total amount of
20	\$6,600,000.00 in TIB funds;
21	(3) reduce project spending authority in the total amount of

1	\$12,340,016.00 in federal funds.
2	(b) In exercising his or her discretion to select projects on which spending
3	will be reduced, the Secretary shall not delay a project that otherwise would
4	proceed in fiscal year 2016, unless the full amount of the reduction required
5	under subsection (a) of this section cannot be achieved from project savings or
6	unforeseen delays that prevent a project from proceeding in fiscal year 2016.
7	If a project that otherwise would have proceeded in fiscal year 2016 is delayed,
8	the Secretary shall promptly notify:
9	(1) the House and Senate Committees on Transportation when the
10	General Assembly is in session; or
11	(2) the Joint Transportation Oversight Committee and the Joint Fiscal
12	Committee Office when the General Assembly is not in session.
13	* * * Maintenance Program * * *
14	Sec. 4. MAINTENANCE PROGRAM
15	(a) Total authorized spending in the Maintenance Program is amended as
16	<u>follows:</u>
17	FY16 As Proposed As Amended Change
18	Personal services 43,784,445 43,784,445 0
19	Operating expenses 43,890,139 43,190,139 -700,000
20	Grants 95,000 95,000 0
21	Total 87,769,584 87,069,584 -700,000

1	Sources of funds			
2	State	83,169,447	82,469,447	-700,000
3	Federal	4,500,137	4,500,137	0
4	Interdep't transfer	100,000	100,000	0
5	Total	87,769,584	87,069,584	-700,000
6	(b) The reduction in authorized Maintenance Program spending under			
7	subsection (a) of this sec	etion shall be allo	ocated among main	tenance activities
8	as specified by the Secre	etary.		
9	* * * Town Highway Structures * * *			
10	Sec. 5. TOWN HIGHW	AY STRUCTU	RES	
11	Spending authority for	or Town Highwa	y Structures Progra	am is amended
12	to read:			
13	FY16 As Pro	<u>oposed</u>	As Amended	Change
14	Grants 6	,333,500	9,483,500	3,150,000
15	Total 6	,333,500	9,483,500	3,150,000
16	Sources of funds			
17	State 6	,333,500	9,483,500	3,150,000
18	Federal	0	0	0
19	Total 6	,333,500	9,483,500	3,150,000

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* * * Town Highway Bridge Program * * *
Sec. 6. TOWN HIGHWAY BRIDGE PROGRAM; PROJECT
CANCELLATION
Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of
projects), the General Assembly approves cancellation of the following project
from the Town Highway Bridge Program candidate list: Fair Haven BO
1443() (scoping for BR2 on TH45).
* * * Rest Areas * * *
Sec. 7. REST AREAS PROGRAM; PROJECT CANCELLATION
Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of
projects), the General Assembly approves cancellation of the following Rest
Areas Program project: Derby IM 091-3(8) (expansion of Derby I-91 rest
area).
Sec. 8. REST AREAS PROGRAM; PROJECT ADDITION
The following project is added to the candidate list of the Rest Areas
Program within the fiscal year 2016 Transportation Program: Derby IM 091-3
() (rehabilitation of Derby I-91 rest area).

1	* * * Central Garage * * *
2	Sec. 9. TRANSFER TO CENTRAL GARAGE FUND
3	Notwithstanding 19 V.S.A. § 13(c), in fiscal year 2016, the amount of
4	\$162,504.00 is transferred from the Transportation Fund to the Central Garage
5	Fund created in 19 V.S.A. § 13.
6	* * * Transportation Funding Analysis * * *
7	Sec. 10. AGENCY ANALYSIS OF TRANSPORTATION FUNDING
8	(a) The Agency shall identify and evaluate funding sources, other than
9	motor vehicle fuel taxes, that will be sufficient to maintain the State's
10	transportation system, accounting for State and federal policies that have and
11	will continue to reduce motor vehicle fuel consumption. In conducting this
12	analysis, the Agency shall:
13	(1) review current State and federal transportation funding sources and
14	policies, as well as policies and trends that have and will continue to reduce
15	motor vehicle fuel consumption;
16	(2) review and expand on the funding options contained in the report on
17	transportation funding required by 2012 Acts and Resolves No. 153, Sec. 40;
18	<u>and</u>
19	(3) review the actions of other states and provinces that have reduced or
20	eliminated motor vehicle fuel taxes and replaced them with other funding
21	sources.

1	(b) The Agency also shall identify and evaluate funding sources, other than
2	local property taxes, to support the local share of increasing costs or the
3	expansion of public transportation services statewide.
4	(c) The Agency shall deliver a written report of its findings and any
5	recommendations to the House and Senate Committees on Transportation on
6	or before January 15, 2016.
7	* * * Study of Commuter Rail and Bus Service* * *
8	Sec. 11. STUDY OF MONTPELIER TO ST. ALBANS COMMUTER RAIL
9	SERVICE, ALBANY TO BENNINGTON TO MANCHESTER BUS
10	SERVICE
11	(a) The Agency shall study the financial and operational feasibility of a
12	commuter rail service in the corridor between St. Albans, Essex Junction, and
13	Montpelier, with connecting service to Burlington, and shall report its findings
14	and any recommendations to the House and Senate Committees on
15	Transportation on or before January 15, 2017.
16	(b) The Agency shall study the expected benefits and costs to the State of
17	Vermont, implementation steps, and timeline associated with various models
18	for initiating and operating an Albany to Bennington to Manchester bus
19	service, and shall report its findings and any recommendations to the House
20	and Senate Committees on Transportation on or before January 15, 2016.

1	* * * Review of Transportation Service Programs * * *
2	Sec. 12. REVIEW OF TRANSPORTATION SERVICE PROGRAM
3	(a) The Agency, in consultation with the Agency of Human Services and
4	interested stakeholders, shall review the Elders and Persons with Disability
5	Transportation Program (E&D Program). In carrying out its review, the
6	Agency shall analyze:
7	(1) the gap between current and projected E&D Program resources and
8	needs over a 10-year time frame, on regional and statewide levels;
9	(2) regional transportation service delivery models and their adequacy in
10	meeting E&D Program participant needs;
11	(3) opportunities to achieve efficiencies by coordinating E&D Program
12	and other human services transportation programs, and obstacles to achieving
13	such efficiencies;
14	(4) challenges that exist for partner organizations to raise local matching
15	funds for transportation services;
16	(5) the current and expected impact of Medicaid waiver programs on the
17	E&D Program; and
18	(6) existing and emerging technology and the potential role it could play
19	in increasing service to elders and persons with disabilities.

1	(b) The Agency shall submit a written report of its findings and any
2	recommendations to the House and Senate Committees on Transportation on
3	or before January 15, 2016.
4	* * * Authority of the Agency and Secretary * * *
5	Sec. 13. 5 V.S.A. § 204 is amended to read:
6	§ 204. POWERS OF AGENCY GENERALLY
7	(a) To carry out the purposes of this part, the Agency of Transportation
8	shall have power, subject to subsection (b) of this section:
9	(1) To contract in the name of the State with individuals, firms, or
10	corporations, with officials of a town, city, or village, with officials of a group
11	of either or both of such governmental units, with officials of another state, or
12	with officials or agencies of the federal government to carry out the purposes
13	of this part.
14	(2) To receive, manage, use, or expend, for purposes directed by the
15	donor, gifts, grants, or contributions of any name or nature made to the State
16	for the promotion or development of aeronautics or for aeronautics facilities.
17	The authority granted in this subdivision shall be subject to the provisions of
18	32 V.S.A. § 5.
19	* * *

1	Sec. 14. 5 V.S.A. § 206 is amended to read:
2	§ 206. COOPERATION WITH UNITED STATES; FEDERAL AND
3	OTHER MONEYS MONIES RECEIVED; DEPOSIT,
4	DESIGNATION, APPROPRIATION, AND DISBURSEMENT
5	(a) The agency Agency is authorized to cooperate with the government of
6	the United States in the acquisition, construction, improvement, maintenance,
7	and operation of airports and other navigation facilities in this state State, and
8	to comply with the provisions of the laws or regulations of the United States
9	for the expenditure of federal moneys monies upon airports and other air
10	navigation facilities.
11	(b) It The Agency is authorized to accept, receive, and receipt for federal
12	moneys monies and other moneys monies, either public or private, for and in
13	behalf of this state State, appropriated to the Agency or that have been
14	approved for receipt pursuant to 32 V.S.A. § 5 or 511.
15	(c) All moneys monies accepted for disbursement by the agency Agency
16	pursuant to subsection (b) of this section shall be deposited in the state treasury
17	State Treasury and, unless otherwise prescribed by the authority from which
18	the money is received, kept in separate funds, designated according to the
19	purposes for which the moneys monies were made available, and held by the
20	state State in trust for such purposes. All moneys are hereby appropriated for
21	the purposes for which they were made available, to monies shall be expended

21

1	for the purposes for which they were made available and in accordance with
2	federal laws and regulations and with this chapter. The agency is
3	authorized, whether acting for this state State or as the agent of any of its
4	municipalities, or when requested by the United States U.S. government or any
5	agency or department of the United States U.S. government, to disburse such
6	moneys monies for the designated purposes, but this shall not preclude any
7	other authorized method of disbursement.
8	Sec. 15. 19 V.S.A. § 1502 is amended to read:
9	§ 1502. COOPERATION WITH COMPLIANCE WITH FEDERAL
10	GOVERNMENT LAW; USE OF FEDERAL AID MONEY
11	(a) To effect the purposes of section 1501 of this title, the agency Agency
12	may comply with federal rules and regulations, and may use so much of the
13	funds appropriated to the Agency, or available to it pursuant to 32 V.S.A. § 5
14	or 511, for highway purposes as shall be necessary to secure aid from the
15	federal government under the federal act specified in section 1501; and in
16	addition may use further such sums as may be necessary for surveys, plans,
17	specifications, estimates, and assistance necessary to carry out the provisions
18	of this chapter.
19	(b) To carry out the transportation planning process required by the
20	Intermodal Surface Transportation Efficiency Act of 1991 (the Act), Pub. L.
21	No. 102-240, § 1024, 105 Stat. 1914, 1955 (1991) (now codified at 23 U.S.C.

1	§ 134), as <u>may be</u> amended, the governor <u>Governor</u> shall designate a
2	metropolitan planning organization for any urbanized area of more than 50,000
3	population and may take other action necessary to ensure the state's State's
4	compliance with the federal act Act and any federal regulations pertaining to
5	the act Act. A designation of a metropolitan planning organization shall
6	remain in effect until revoked by the governor Governor.
7	Sec. 16. 19 V.S.A. chapter 1 is amended to read:
8	CHAPTER 1. STATE HIGHWAY LAW; GENERAL
9	TRANSPORTATION PROVISIONS
10	* * *
11	§ 7. SECRETARY; POWERS AND DUTIES
12	(a) The Agency shall be under the direction and supervision of a Secretary,
13	who shall be appointed by the Governor with the advice and consent of the
14	Senate and shall serve at the pleasure of the Governor.
15	(b) The Secretary shall be responsible to the Governor and shall plan,
16	coordinate, and direct the functions vested in the Agency in accord with the
17	transportation policies established by the Agency under section 10b of this
18	title.
19	(c) The Secretary may, with the approval of the Governor, transfer
20	classified positions between the Department, Divisions, and other components
21	of the Agency, subject only to personnel laws and rules.

1	(d) The Secretary shall determine the administrative, operational, and
2	functional policies of the Agency and be accountable to the Governor for these
3	determinations. The Secretary shall exercise the powers and shall perform the
4	duties required for the Agency's effective administration.
5	(e) In addition to other duties imposed by law, the Secretary shall:
6	(1) administer the laws assigned to the Agency;
7	(2) coordinate and integrate the work of the Agency;
8	(3) supervise and control all staff functions; and
9	(4) whenever the Agency is developing preliminary plans for a new or
10	replacement maintenance facility or salt shed, first conduct a review of all
11	previously developed building plans and give priority to utilizing a common,
12	uniform, preexisting design.
13	(f) The Secretary may, within the authority of relevant State and federal
14	statutes and regulations:
15	(1) within the authority of relevant State and federal statutes and
16	regulations, transfer appropriations or parts of appropriations within or
17	between the department, divisions, and sections;
18	(2) cooperate with the appropriate federal agencies and receive federal
19	funds in support of programs within the Agency;
20	(3) submit plans and reports, and in other respects comply with federal
21	laws and regulations which pertain to programs administered by the Agency;

1	(4) make rules consistent with the law for the internal administration of
2	the Agency and its programs;
3	(5) create advisory councils or committees as he or she deems necessary
4	within the Agency, and appoint the members for a term not exceeding his or
5	hers. Councils or committees created pursuant to this subdivision may include
6	persons who are not officers or employees of the Agency;
7	(6) provide training and instruction for any employees of the Agency at
8	the expense of the Agency, and provide training and instruction for employees
9	of Vermont municipalities. Where appropriate, the Secretary may provide
10	training and instruction for municipal employees at the expense of the Agency;
11	(7) organize, reorganize, transfer, or abolish sections and staff function
12	sections within the Agency; except however, the Secretary may not alter the
13	number of highway districts without legislative approval.
14	(8) [Deleted.]
15	* * *
16	* * * Railroad Standards * * *
17	Sec. 17. 5 V.S.A. § 3670 is amended to read:
18	§ 3670. CLEARANCE STANDARDS; VARIANCE
19	(a) No Except as provided in this section, a person shall not construct, alter,
20	or permit construction or alteration of a railroad track, railroad bridge, or
21	structure over or adjacent to any railroad track unless the clearances provided

1	equal or exceed the minimum standards set forth in the American Railway
2	Engineering and Maintenance-of-Way Association's Manual for Railway
3	Engineering, as in effect at the time work begins.
4	(b) Subject to the approval of the transportation board, a A variance from
5	the standards established by this section may be established by written
6	agreement of the agency of transportation Agency of Transportation, all
7	involved railroad companies, and any affected municipality.
8	(c) If the parties are unable to agree on a variance request, the
9	transportation board Transportation Board, after notice and hearing, may grant
10	a variance from the standards established by this section if the board Board
11	determines that:
12	(1) the agency of transportation Agency of Transportation, all involved
13	railroad companies, and any affected municipality have had an opportunity to
14	review and comment on the variance request;
15	(2) granting the variance will not significantly impair the safe, efficient,
16	continuous movement of freight, passengers, and railroad equipment on the
17	state's State's railroad system or the safe, efficient performance of railroad
18	maintenance operations; and
19	(3) the costs and impacts associated with meeting the clearance
20	standards established by this section would exceed any public benefits
21	reasonably likely to flow from adhering to such standards.

1	(d) Notwithstanding this section, tracks, bridges, and structures lawfully in
2	existence (or already under construction) on the effective date of this act on
3	July 1, 1990, may continue to be used and repaired, provided that clearances
4	are not further reduced.
5	* * * Potable Water Supply and Wastewater Systems Permits;
6	Exemption * * *
7	Sec. 18. 10 V.S.A. § 1974 is amended to read:
8	§ 1974. EXEMPTIONS
9	Notwithstanding any other requirements of this chapter, the following
10	projects and actions are exempt:
11	* * *
12	(7) the subdivision of an unimproved or improved lot or campground
13	where the subdivision results from a transfer of property for a highway or other
14	transportation project that is authorized under the State's enacted
15	Transportation Program or is an emergency project within the meaning of
16	19 V.S.A. § 10g(h), regardless of whether the State or the municipality has
17	commenced any condemnation proceedings in connection with the project.
18	* * * Highway Division Director * * *
19	Sec. 19. 19 V.S.A. § 9(a) is amended to read:
20	(a) A director shall administer each division created within the agency
21	Agency. The secretary Secretary shall appoint the directors, who shall be

1	exempt from the classified service. The Director of the Highway Division
2	shall be licensed as a professional engineer.
3	* * * Clean Water * * *
4	Sec. 20. 19 V.S.A. § 38 is amended to read:
5	§ 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM
6	* * *
7	(f) Each year, \$200,000.00 \$1,100,000.00 of the Grant Program funds, or
8	such lesser sum if all eligible applications amount to less than \$200,000.00
9	\$1,100,000.00, shall be reserved for municipalities for environmental
10	mitigation projects relating to stormwater and highways, including eligible salt
11	and sand shed projects. Grant awards for eligible projects shall not exceed
12	\$50,000.00 per project. Regarding the balance of Grant Program funds, in
13	evaluating applications for Transportation Alternatives grants, the
14	Transportation Alternatives Grant Committee shall give preferential weighting
15	to projects involving as a primary feature a bicycle or pedestrian facility. The
16	degree of preferential weighting and the circumstantial factors sufficient to
17	overcome the weighting shall be in the complete discretion of the
18	Transportation Alternatives Grant Committee.
19	* * *

1	Options for consideration
2	* * * Option 1 - statute
3	Sec. 21. 19 V.S.A. § 306(i) is added to read:
4	(i) Monies disbursed from the Clean Water Fund established in 10 V.S.A.
5	§ 1388 for municipalities for environmental mitigation projects related to
6	stormwater and highways shall be administered by the Agency [through the
7	Municipal Mitigation Grant Program. Grants provided to municipalities unde
8	the Program shall be matched by local funds sufficient to cover 20 percent of
9	the project costs].
10	* * * Option 2 - session law
11	Sec. 21. MONIES DISBURSED FROM CLEAN WATER FUND FOR
12	MUNICIPAL HIGHWAY PROJECTS
13	Monies disbursed from the Clean Water Fund established in 10 V.S.A.
14	§ 1388 for municipalities for environmental mitigation projects related to
15	stormwater and highways shall be administered by the Agency through the
16	Municipal Mitigation Grant Program. [Grants provided to municipalities
17	under the Program shall be matched by local funds sufficient to cover 20
18	percent of the project costs].

1 * * * State Highway Bridge Program; Causeway Study & Scoping * * * 2 Sec. 22. STATE HIGHWAY BRIDGE PROGRAM 3 (a) The following project is added to the State Highway Bridge Program: 4 Missisquoi Bay Causeway Study & Scoping Project. 5 (b) Spending authority for the Missisquoi Bay Causeway Study & Scoping 6 Project is authorized as follows: 7 As Amended FY16 As Proposed Change 8 PE 0 125,000 125,000 9 Construction 0 0 10 Total 125,000 125,000 Sources of funds 11 12 State 0 0 0 13 TIB 0 0 0 0 14 100,000 100,000 Federal 15 Special 0 25,000 25,000 16 Total 125,000 125,000 * * * Motor Fuel Transportation Infrastructure Assessment * * * 17 18 Sec. 23. 23 V.S.A. § 3106 is amended to read: § 3106. IMPOSITION, RATE, AND PAYMENT OF TAX 19 20 (a)(1) Except for sales of motor fuels between distributors licensed in this 21 State, which sales shall be exempt from the taxes and assessments authorized

1	under this section, unless exempt under the laws of the United States at the
2	time of filing the report required by section 3108 of this title, each distributor
3	shall pay to the Commissioner:
4	(A) a tax of \$0.121 upon each gallon of motor fuel sold by the
5	distributor; and
6	(B) the following assessments, which shall be levied on the
7	tax-adjusted retail price of gasoline as defined herein:
8	(i) a motor fuel transportation infrastructure assessment in the
9	amount of that is the greater of:
10	(I) \$0.0415; or
11	(II) two percent of the tax-adjusted retail price upon each
12	gallon of motor fuel sold by the distributor; and
13	(ii) a fuel tax assessment, which shall be used exclusively for
14	transportation purposes and not be transferred from the Transportation Fund,
15	that is the greater of:
16	(I) \$0.134 per gallon; or
17	(II) four percent of the tax-adjusted retail price or \$0.18 per
18	gallon, whichever is less, upon each gallon of motor fuel sold by the
19	distributor.
20	* * *

1	* * * Welcome Center and Airport Namings * * *
2	Sec. 24. 29 V.S.A. § 821(a) is amended to read:
3	(a) State buildings.
4	(1) "Asa Bloomer State Office Building" shall be the name of the
5	building now known as the "Hulett" office building in the city of Rutland.
6	* * *
7	(11) "Northeast Kingdom International Airport" shall be the name of the
8	Newport State Airport in Coventry.
9	* * * Property Transfer Tax Return; Exemption * * *
10	Sec. 25. 32 V.S.A. § 9606(d) is amended to read:
11	(d) The property transfer tax return shall not be required of properties
12	qualified for the exemption stated in subdivision 9603(17) of this title, or
13	qualified for the exemption stated in subdivision 9603(2) of this title if the
14	transfer is of an interest in property for highway purposes and the
15	consideration for the transfer is \$10,000.00 or less. A public utility An entity
16	acquiring such properties shall notify the listers of a municipality of the
17	grantors, grantees, consideration, date of execution, and location of the
18	easement property when it files for recording a deed transferring a utility line
19	easement that does not require a transfer tax return under this subsection.

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1	* * * Tax on Gains from the Sale or Exchange of Land; Exemption * * *
2	Sec. 26. 32 V.S.A. § 10002(q) is added to read:
3	(q) Also excluded from the definition of "land" is a transfer of property to
4	the State of Vermont or a municipality for a project that is authorized under the
5	State's enacted Transportation Program or for an emergency project within the
6	meaning of 19 V.S.A. § 10g(h), regardless of whether the State or the
7	municipality has commenced any condemnation proceedings.
8	* * * Effective Dates * * *
9	Sec. 27. EFFECTIVE DATES
10	This act shall take effect on July 1, 2015, [except that Sec. 21 shall take
11	effect if and when the Clean Water Fund is established].
12	
13	
14	
15	(Committee vote:)
16	
17	Senator
18	FOR THE COMMITTEE