
This act summary is provided for the convenience of the public and members of the General Assembly. It is intended to provide a general summary of the act and may not be exhaustive. It has been prepared by the staff of the Office of Legislative Counsel without input from members of the General Assembly. It is not intended to aid in the interpretation of legislation or to serve as a source of legislative intent.

Act No. 62 (H. 479). An act relating to the Transportation Program and miscellaneous changes to laws related to transportation

Subjects: Transportation; annual Transportation Program; public transit; zero-fare service; tiered-fare service; Mobility and Transportation Innovations (MTI) Grant Program; St. Albans District Maintenance Facility; Lamoille Valley Rail Trail; Rail Trail Community Connectivity Grants; Caledonia County State Airport; Transportation Alternatives Grant Program; Central Garage Fund; plug-in electric vehicles (PEVs); plug-in hybrid electric vehicles (PHEVs); battery electric vehicles (BEVs); electric bicycles; vehicle incentive programs; Incentive Program for New PEVs; MileageSmart; Replace Your Ride Program; Electrify Your Fleet Program; eBike Incentive Program; mileage-based user fee (MBUF); Carbon Reduction Program; PROTECT Formula Program; complete streets; Vermont State Standards; U.S. Route 5; micromobility safety; public-private partnerships (P3s); repeals

This act:

- Transportation Program. Adopts the Agency of Transportation's (Agency) Proposed Fiscal Year 2024 Transportation Program (Revised January 27, 2023) except as amended in the act (Transportation Program), defines terms used throughout the act, and corrects typographic errors.
- Fiscal Year 2024 Transportation Investments Intended to Reduce Transportation-Related Greenhouse Gas Emissions, Reduce Fossil Fuel Use, and Save Vermont Households Money. Summarizes certain transportation investments.
- Highway Maintenance. Reduces the Highway Maintenance authorization by \$850,000.00 (Transportation Fund monies for operating expenses) and establishes a two-prong process for the restoration of the reduction to the Highway Maintenance authorization if there are unexpended fiscal year 2023 appropriations of Transportation Fund monies or if federal monies are used as one-time monies for Green Mountain Transit, or both. Also caps the restoration at the \$850,000.00 reduction and specifies that further increases to the Highway Maintenance authorization for fiscal Year 2024 are to be addressed through the Budget Adjustment Act process.
- Paving; Statewide District Leveling. Swaps \$3,000,000.00 in Transportation Fund monies for \$3,000,000.00 in Cash Fund for Capital and Essential Investments (21952) funds, drawn from the Other Infrastructure, Essential Investments, and Reserves subaccount.
- One-Time Appropriations. Amends the funding source and amount for two one-time appropriations as follows:

- St. Albans District Maintenance Facility: \$3,500,000.00 from the Cash Fund for Capital and Essential Investments (21952) funds, drawn from the Other Infrastructure, Essential Investments, and Reserves subaccount, as opposed to \$3,500,000.00 in Capital Fund monies; and
- Rail Trail Community Connectivity Grants: \$1,000,000.00 from the Cash Fund for Capital and Essential Investments (21952) funds, drawn from the Other Infrastructure, Essential Investments, and Reserves subaccount, as opposed to \$3,000,000.00 in General Fund monies.
- St. Albans District Maintenance Facility. Adds the project to the Transportation Program for Transportation Buildings.
- Rail Trail Community Connectivity Grants. Adds the project, with specified parameters, to the Transportation Program for Rail.
- Caledonia County State Airport. Authorizes the Agency of Transportation to sell or lease the Caledonia County State Airport through a request for proposal (RFP) process (which shall include a request for a business plan) with conditions, including that current leases and lease terms be honored; repairs and investments in the Airport be made; the Airport remain available for public use; the State have a six-month right of first refusal to repurchase the Airport at fair market value if the Airport is sold and then subsequently resold or transferred; and, if the Airport is leased, the lease cannot be assigned or subleased without the written approval of the Vermont Secretary of Transportation. Also requires a fair-market offer and for the Town of Lyndon to be consulted and given an opportunity to comment throughout the process on any RFPs prior to issuance and the terms of the purchase and sales agreement or lease agreement, as applicable. Also repeals the authorization on May 1, 2026.
- Project Cancellations and Project Addition. Cancels the Bennington Bypass project but requires the Agency to engage with the Town of Bennington to understand the planned municipal projects or potential municipal projects, or both, within the acquired right-of-way and cancels a bridge project in Sheldon but also adds a new bridge project in Sheldon to the Transportation Program as a Development and Evaluation project.
- Transportation Alternatives Grant Program. Notwithstanding the State statutory Transportation Alternatives Grant Program grant award cap of \$300,000.00 in State fiscal years 2024 to 2027 to allow for Transportation Alternatives Grant Program awards to be up to \$600,000.00 per award for the anticipated remainder of the doubling of the amount of federal monies available for the Transportation Alternatives Grant Program under the Infrastructure Investment and Jobs Act (IIJA).
- Central Garage Fund. Amends 19 V.S.A. § 13 to clarify what is an allowed repair expenditure (19 V.S.A. § 13(a)(2)); eliminates the prohibition on the Agency increasing the total number of vehicles in the fleet without General Assembly approval and make technical and phrasing changes (19 V.S.A. § 13(b)); and expands the definition of equipment (19 V.S.A. § 13(f)). Also notwithstands 19 V.S.A. § 13(c)(2)(B) for State fiscal years 2024 to 2026 to allow for the amount appropriated from the Central Garage Fund for the purchase of new or replacement equipment to

be based on the prior year depreciation of fully depreciated, but still actively in service, equipment as a temporary solution to current supply chain issues.

- Public Transit.
 - Authorizes \$850,000.00 in one-time Transportation Fund monies for public transit for the Agency to provide to Green Mountain Transit: (1) for zero-fare service through January 1, 2024, with a resumption of the collection of fares from some passengers not later than January 1, 2024, and (2) to prepare for the transition to tiered-fare service (including the acquisition and maintenance of fare-collection systems) pursuant to a required plan, but directs the Agency to utilize available federal monies to the greatest extent practicable, provided that there is no negative impact on any local public transit providers. Also requires Green Mountain Transit to prepare a plan, which must be filed with the House and Senate Committees on Transportation by December 1, 2023, for the transition to tiered-fare service on urban routes with certain parameters, including providing certain passengers with service at no cost or a reduced cost to the passenger and being designed, based on reasonable revenue estimates, to generate fare revenue of at least 10 percent of projected operational costs on urban Green Mountain Transit routes.
 - Requires the Vermont Public Transportation Association, in consultation with the Agency of Transportation and the Vermont League of Cities and Towns, to provide the House and Senate Committees on Transportation with a written recommendation by January 15, 2024, on one or more funding sources for the nonfederal match required of public transit providers.
 - Requires the Agency of Transportation, in consultation with the Agency of Human Services, Division of Vermont Health Access, and the Vermont Public Transportation Association, to conduct a benefit and risk assessment of the current system for delivering public transit and nonemergency medical transportation services (known as the “braided service model”) and file that assessment with the House and Senate Committees on Transportation, the House Committee on Human Services, and the Senate Committee on Health and Welfare by January 15, 2024. Also requires that the assessment include a review of other approaches in the United States and make recommendations on modifications to Vermont’s statewide mobility service design in order to make Vermont’s public transit system as efficient, robust, and resilient as possible while fully maximizing available federal funding.
- Vehicle Incentive Programs.
 - Repeals existing session law related to the Incentive Program for New Plug-In Electric Vehicles (PEVs), MileageSmart, and Replace Your Ride Program.
 - Codifies the Incentive Program for New PEVs, MileageSmart, and Replace Your Ride Program in 19 V.S.A. chapter 29, with some changes to allow more flexibility in implementation.

- Amends prior session law to explicitly specify that the prior authorizations for the Incentive Program for New PEVs, MileageSmart, and Replace Your Ride Program from State fiscal year 2023 can be used for the codified versions of the programs in addition to the versions in session law that are repealed.
- Creates the Electrify Your Fleet Program in session law with an initial authorization of \$500,000.00, less administrative costs.
- Makes changes to the eBike Incentive Program in session law, authorizes an additional \$50,000.00, less administrative costs, for the Program, and directs the Agency to distribute the \$100,000.00, less administrative costs, from 2023 Acts and Resolves No. 3 (Budget Adjustment Act), Secs. 83 and 85 expeditiously but to distribute the balance and the new \$50,000.00, less administrative costs, under the Program as modified once that is implemented, which shall be by July 1, 2023.
- Reauthorizes \$550,000.00 for the Replace Your Ride Program to the Electrify Your Fleet Program and the modified eBike Incentive Program, combined.
- Mileage-Based User Fee.
 - Provides legislative intent for plans to implement a mileage-based user fee (MBUF), specifically to:
 - start collecting an MBUF from all battery electric vehicles (BEVs) starting on July 1, 2025, which is expected to be the first day of the first fiscal year when more than 15% of new pleasure car vehicles are plug-in electric vehicles;
 - start subjecting pleasure car plug-in hybrid electric vehicles (PHEVs) to an increased annual or biennial registration fee on July 1, 2025, but not an MBUF;
 - work towards collecting a fee on kWhs dispensed through certain electric vehicle supply equipment (EVSE); and
 - not commence collecting an MBUF until authorizing language is codified and effective.
 - Adds the design of an MBUF to the Transportation Program and authorizes the Agency to apply for a federal grant for the design of an MBUF, the nonfederal match for State fiscal year 2024, and the use of contractors and consultants to design an MBUF.
 - Provides the skeletal design parameters for an MBUF, which include that an MBUF is collected within 60 days of the closure of the mileage reporting period, which is usually the period between annual inspections but could be a different period if there is a terminating event (transfer of vehicle and/or registering the vehicle in another state).
 - Requires reporting back to the House and Senate Committees on Transportation, House Committee on Ways and Means, and Senate Committee on Finance by January 31, 2024, with an implementation plan, language required for codification, annual reporting requirements, an outline of what is expected to be

adopted through rule, and an update on what is happening on a national level and with other states.

- Agency Efforts to Implement the Federal Carbon Reduction Program and PROTECT Formula Program and Address Prioritization and Equity. Elaborates upon what will be prepared as part of the State’s development of a Carbon Reduction Program (required to get certain federal formula funds under the Infrastructure Investment and Jobs Act (IIJA)) and the State’s Resilience Improvement Plan to establish how it will use federal monies available under the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Formula Program established under the IIJA and requires the Agency to develop recommendations for the integration of carbon reduction, resilience, and equity factors into its project prioritization system.
- Report on Transportation Policy Statutes. Requires the Agency to provide a written report summarizing the work completed to implement the Federal Carbon Reduction Program and PROTECT Formula Program and address prioritization and equity and recommendations on how to amend codified law to reflect that work to the House and Senate Committees on Transportation by November 15, 2023.
- Complete Streets.
 - Makes technical changes and removes the language on what is required related to complete streets for certain State-managed projects from 19 V.S.A. § 10b.
 - Repeals the section on what is required related to complete streets for certain municipally managed projects (19 V.S.A. § 309d).
 - Adds a new chapter on complete streets (19 V.S.A. chapter 24) that:
 - adds a definition for “complete streets” (19 V.S.A. § 2401);
 - adds a section on the State’s policy related to complete streets (19 V.S.A. § 2402);
 - specifies what is required if certain State- or municipally managed projects do not incorporate complete streets principles; that the Agency or municipality determination is final and shall not be subject to further review; and requires, for State-managed projects, that the written determinations be posted and, for municipally managed projects, be available for public inspection at the office of the municipal clerk (19 V.S.A. § 2403); and
 - requires annual reporting on complete streets and the maintenance of a web-accessible and web-searchable public data source of information related to certain State-managed projects (19 V.S.A. § 2404).
 - Establishes a timeline for the implementation of the public data source by January 1, 2024.
 - Requires the Agency, in consultation with the Vermont League of Cities and Towns and regional planning commissions, to design and implement a program to provide training on complete streets to municipalities.

- Vermont State Standards. States that the Agency will be preparing replacements to the current Vermont State Standards and related documents in accordance with the last Transportation Bill and requires that the Agency provide an oral update on the replacement process to the House and Senate Committees on Transportation by February 15, 2024.
- Survey on Support for a Route 5 Bicycle Corridor. Requires the Agency, in partnership with regional planning commissions, to conduct a survey of municipal support for the creation of a bicycle corridor that is roughly adjacent to U.S. Route 5 (border to border). Also specifies that the survey needs to address the level of interest of municipalities and regional planning commissions in prioritizing the bicycle corridor, including looking at the costs of creation and the benefits to the tourism industry, and requires that the report on the outcome of the survey be filed with the House and Senate Committees on Transportation by January 15, 2024.
- Micromobility Safety Education Program. Requires the Agency, in consultation with stakeholders identified by the Agency, to develop a comprehensive micromobility safety education program, with an emphasis on bicycle safety. Also defines what is included in micromobility and requires the Agency to provide an oral update on the program design and any recommended modifications to current efforts to increase micromobility safety and to statute, including how, if at all, the State's driving under the influence statutes should be amended to address utilizing micromobility while under the influence, to the House and Senate Committees on Transportation by January 31, 2024.
- Public-Private Partnerships. Extends the sunset of the authority for the Agency to enter into public-private partnerships (P3s) by three years, until July 1, 2026, and makes other technical changes.
- Repeals. Repeals obsolete and preempted law on the authority of the Transportation Board to determine connection of passenger trains (5 V.S.A. § 3616) and obsolete law related to municipal authority to restrict the use of covered bridges that is now addressed in Titles 23 and 24 (19 V.S.A. § 314).

Effective Date: Multiple effective dates, beginning on June 12, 2023

See chart on following page.

H.479 - FY 2024 Transportation Program				
Line #	All Funding Sources	FY 2023 As Passed	FY 2024 As Passed	FY 2024 vs. FY 2023
1	Administration-Finance-Planning			
2	Central Admin & Finance	19,890,141	21,978,504	2,088,363
3	Policy & Planning	16,587,610	13,311,995	(3,275,615)
4	Environmental Policy & Sustainability		27,974,248	27,974,248
5	Transportation Board	190,962	193,480	2,518
6	Department of Motor Vehicles	39,741,834	44,910,685	5,168,851
7	Sub-total	76,410,547	108,368,912	31,958,365
8	Facilities			
9	Rest Areas	418,416	1,646,444	1,228,028
10	AOT Buildings	2,050,000	1,525,000	(525,000)
11	Sub-total	2,468,416	3,171,444	703,028
12	Alternate Modes			
13	Public Transit	44,539,278	48,795,330	4,256,052
14	Aviation	9,498,994	17,274,406	7,775,412
15	Pedestrian & Bike Facilities	19,793,776	13,039,521	(6,754,255)
16	Park & Ride	4,043,060	2,266,045	(1,777,015)
17	Multi-Modal Facilities	0	0	0
18	Rail infrastructure	26,613,183	33,908,320	7,295,137
19	Amtrak	8,750,000	9,100,000	350,000
20	Sub-total	113,238,291	124,383,622	11,145,331
21	State Highway Infrastructure			
22	Maintenance	104,446,031	107,680,765	3,234,734
23	Paving	158,820,094	141,635,658	(17,184,436)
24	Roadway	51,346,705	53,850,502	2,503,797
25	State Bridges	57,838,207	57,403,086	(435,121)
26	Interstate Bridges	36,731,681	50,323,324	13,591,643
27	Traffic & Safety	45,645,895	46,578,037	932,142
28	Program Dev. Admin & Tech Services	33,024,893	32,594,500	(430,393)
29	Sub-total	487,853,506	490,065,872	2,212,366
30	Town Programs			
31	Town Highway Aid (Formula)	27,837,624	28,672,753	835,129
32	Town Bridges	30,314,187	37,201,775	6,887,588
33	TH Class 2	8,600,000	8,858,000	258,000
34	TH Structures	7,200,000	7,416,000	216,000
35	TH Class 1 supplemental grants	128,750	128,750	0
36	Trans. Alternatives/Enhancements	5,665,880	5,195,346	(470,534)
37	TH State aid nonfederal disasters	1,150,000	1,150,000	0
38	TH State aid federal disasters	180,000	180,000	0
39	FEMA grant program	1,250,000	1,250,000	0
40	TH VT Local Roads	414,481	477,915	63,434
41	Municipal Mitigation Assistance Program	6,450,498	10,488,523	4,038,025
42	Sub-total	89,191,420	101,019,062	11,827,642
43	One-Time and Other Investments			
44	LVRT Community Connectivity Grants	-	1,000,000	
45	St Albans District Maintenance Facility		3,500,000	
46	E-Bike Incentives	150,000	50,000	
47	Electrify Your Fleet		500,000	
48	Public Transit and MTI Grants	2,700,000	850,000	
49	Incentive Program for New PEVs	12,000,000		
50	EV Charging Infrastructure (one-time)	2,000,000		
51	Replace Your Ride	2,350,000		
52	MileageSmart	3,000,000		
53	Drive Electric VT	2,000,000		
54	DMV IT System	20,250,000		
55	Grants to VAST	800,000		
56	Franklin County Airport Soil Mitigation	400,000		
57	Sub-total	42,800,000	5,900,000	(36,900,000)
58	Total All Programs	811,962,180	832,908,912	20,946,732
59	Central Garage Internal Service Funds	22,754,095	23,956,385	1,202,290
60	Total Authorizations	834,716,275	856,865,297	22,149,022

FY23 Includes BAA Adjustments and adjustments from H.479