

1 H.868

2 Introduced by Committee on Transportation

3 Date:

4 Subject: Transportation; annual Transportation Program; surety bonds;

5 transportation planning; appropriations calculations; Central Garage

6 Fund; town highway aid; right-of-way permit fees; vehicle incentive

7 programs; electric vehicle supply equipment (EVSE); beneficial

8 electrification; electric distribution utilities; public transit; mobility

9 services; Mobility and Transportation Innovations (MTI) Grant

10 Program; Vermont Rail Plan; Amtrak; Vermont State Design

11 Standards; complete streets; State-designated centers; emissions

12 Statement of purpose of bill as introduced: This bill proposes to adopt the

13 State's annual Transportation Program and make miscellaneous changes to

14 laws related to transportation.

15 An act relating to the fiscal year 2025 Transportation Program and  
16 miscellaneous changes to laws related to transportation

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

18 ~~\*\*\* Transportation Program Adopted as Amended; Definitions \*\*\*~~

1 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS.

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

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

7 (1) "Agency" means the Agency of Transportation.

8 (2) "Candidate project" means a project approved by the General  
9 Assembly that is not anticipated to have significant expenditures for  
10 preliminary engineering or right-of-way expenditures, or both, during the  
11 budget year and funding for construction is not anticipated within a predictable  
12 time frame.

13 (3) "Development and evaluation (D&E) project" means a project  
14 approved by the General Assembly that is anticipated to have preliminary  
15 engineering expenditures or right-of-way expenditures, or both, during the  
16 budget year and that the Agency is committed to delivering to construction on  
17 a timeline driven by priority and available funding.

18 (4) "Electric vehicle supply equipment (EVSE)" and "electric vehicle  
19 supply equipment available to the public" have the same meanings as in

20 50 V.S.A. § 201.

1 ~~(5) “Front of book project” means a project approved by the General~~  
2 ~~Assembly that is anticipated to have construction expenditures during the~~  
3 ~~budget year or the following three years, or both, with expected expenditures~~  
4 ~~shown over four years.~~

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

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

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

10 ~~(9) The table heading “As Proposed” means the Proposed~~  
11 ~~Transportation Program referenced in subsection (a) of this section; the table~~  
12 ~~heading “As Amended” means the amendments made by this act; the table~~  
13 ~~heading “Change” means the difference obtained by subtracting the “As~~  
14 ~~Proposed” figure from the “As Amended” figure; the terms “change” or~~  
15 ~~“changes” in the text refer to the project- and program-specific amendments,~~  
16 ~~the aggregate sum of which equals the net “Change” in the applicable table~~  
17 ~~heading; and “State” in any tables amending authorizations indicates that the~~  
18 ~~source of funds is State monies in the Transportation Fund, unless otherwise~~  
19 ~~specified.~~

1 \*\*\* Public Transit; Carbon Reduction Program;

2 Environmental Policy and Sustainability Program; Central Garage;

3 Electric Vehicle Supply Equipment (EVSE) \*\*\*

4 Sec. 2. PUBLIC TRANSIT; CARBON REDUCTION PROGRAM;

5 ENVIRONMENTAL POLICY AND SUSTAINABILITY

6 PROGRAM; CENTRAL GARAGE; ELECTRIC VEHICLE SUPPLY

7 EQUIPMENT (EVSE)

8 (a) Public Transit.

9 (1) Within the Agency of Transportation's Proposed Fiscal Year 2025

10 Transportation Program for Public Transit, authorized spending is amended as

11 follows:

12	<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
13	Person. Svcs.	4,612,631	4,612,631	0
14	Operat. Exp.	119,894	119,894	0
15	Grants	51,907,700	50,207,700	-1,700,000
16	Total	56,640,225	54,940,225	-1,700,000
17	<u>Sources of funds</u>			
18	State	9,807,525	9,807,525	0
19	Federal	46,692,700	44,992,700	-1,700,000
20	Interdept.	140,000	140,000	0
21	Total	56,640,225	54,940,225	-1,700,000

1 ~~(2) The amendment set forth in subdivision (1) of this subsection shall~~  
2 ~~be reflected in a \$1,700,000.00 reduction of Carbon Reduction Funding for the~~  
3 ~~Capital CRF CRFP (24) (for Capital Support for E-Vehicles), from~~  
4 ~~\$4,000,000.00 to \$2,300,000.00.~~

5 (b) Environmental Policy and Sustainability Program.

6 (1) Within the Agency of Transportation's Proposed Fiscal Year 2025  
7 Transportation Program for the Environmental Policy and Sustainability  
8 Program, authorized spending is amended as follows:

9	<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
10	Person. Svcs.	6,953,362	6,953,362	0
11	Operat. Exp.	76,411	1,776,411	1,700,000
12	Grants	1,480,000	1,480,000	0
13	Total	8,509,773	10,209,773	1,700,000
14	<u>Sources of funds</u>			
15	State	531,909	531,909	0
16	Federal	6,800,327	8,500,327	1,700,000
17	Local	1,177,537	1,177,537	0
18	Total	8,509,773	10,209,773	1,700,000

19 (2) Of the funds authorized by this subsection, the Environmental Policy  
20 and Sustainability Program, in consultation with Central Garage, shall spend  
21 \$1,700,000.00 for electrification of the Central Garage fleet.

1 ~~(c) Central Garage. Within the Agency of Transportation's Proposed~~  
2 Fiscal Year 2025 Transportation Program for the Central Garage, authorized  
3 spending is amended as follows:

4	<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
5	Person. Svcs.	5,480,920	5,480,920	0
6	Operat. Exp.	19,170,315	17,470,315	-1,700,000
7	Total	24,651,235	22,951,235	-1,700,000
8	<u>Sources of funds</u>			
9	Int. Svc.	24,651,235	22,951,235	-1,700,000
10	Total	24,651,235	22,951,235	-1,700,000

11 (d) Electric vehicle supply equipment (EVSE). Notwithstanding of  
12 19 V.S.A. § 11a or any other provision of law to the contrary, the Agency shall  
13 distribute \$1,700,000.00 in one-time Transportation Fund monies to the  
14 Agency of Commerce and Community Development for the purpose of  
15 providing grants to increase Vermonters' access to level 1 and 2 EVSE  
16 charging ports at workplaces or multiunit dwellings, or both, as those terms are  
17 defined in 2022 Acts and Resolves No. 185, Sec. E.903.

18 ~~(e) Notwithstanding 19 V.S.A. § 13(e), in fiscal year 2025, the amount~~  
19 of \$1,700,000.00 is transferred from the Central Garage Fund, created in  
20 19 V.S.A. § 13, to the Transportation Fund.

~~\*\*\* Highway Maintenance \*\*\*~~

~~Sec. 3. HIGHWAY MAINTENANCE~~

~~(a) Within the Agency of Transportation's Proposed Fiscal Year 2025~~

~~Transportation Program for Maintenance, authorized spending is amended as~~

~~follows:~~

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	42,757,951	42,757,951	0
Operat. Exp.	65,840,546	63,840,546	-2,000,000
Total	108,598,497	106,598,497	-2,000,000

~~Sources of funds~~

State	107,566,483	105,566,483	-2,000,000
Federal	932,014	932,014	0
Inter Unit	100,000	100,000	0
Total	108,598,497	106,598,497	-2,000,000

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

~~(1) If there are unexpended State fiscal year 2024 appropriations of Transportation Fund monies, then, at the close of State fiscal year 2024, an amount up to \$2,000,000.00 of any unencumbered Transportation Fund~~

1 ~~monies appropriated in 2023 Acts and Resolves No. 78, Secs. B 000, B 022,~~  
2 which would otherwise be authorized to carry forward, is reappropriated for  
3 the Agency of Transportation's Proposed Fiscal Year 2025 Transportation  
4 Program for Maintenance 30 days after the Agency sends written notification  
5 of the request for the unencumbered Transportation Fund monies to be  
6 reappropriated to the Joint Transportation Oversight Committee, provided that  
7 the Joint Transportation Oversight Committee does not send written objection  
8 to the Agency.

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

14 (3) Notwithstanding subdivisions (1)–(2) of this subsection, the Agency  
15 may request further amendments to the Agency of Transportation's Proposed  
16 Fiscal Year 2025 Transportation Program for Maintenance through the State  
17 fiscal year 2025 budget adjustment act.



~~\*\*\* Town Highway Aid \*\*\*~~

~~Sec. 4. TOWN HIGHWAY AID MONIES~~

~~Within the Agency of Transportation's Proposed Fiscal Year 2025~~

~~Transportation Program for Town Highway Aid, and notwithstanding the~~

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

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

~~Sources of funds~~

State	28,672,753	29,532,753	860,000
Total	28,672,753	29,532,753	860,000

~~\*\*\* Town Highway Structures \*\*\*~~

~~Sec. 5. TOWN HIGHWAY STRUCTURES MONIES~~

~~(a) Within the Agency of Transportation's Proposed Fiscal Year 2025~~

~~Transportation Program for Town Highway Structures, authorized spending is~~

~~amended as follows:~~

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	7,416,000	8,416,000	1,000,000
Total	7,416,000	8,416,000	1,000,000

~~Sources of funds~~

State	7,416,000	8,416,000	1,000,000
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1           Total                   7,416,000                   8,416,000                   1,000,000

2           (b) In State fiscal year 2025, the Agency shall approve qualifying projects  
3 with a total estimated State share cost that is at least \$1,000,000.00 more than  
4 the minimum set forth in 19 V.S.A. § 306(e)(2).

5           \* \* \* eBike Incentives; Public Transit Programs; Authorization \* \* \*

6           Sec. 6. ONE-TIME EBIKE INCENTIVE PROGRAM MONIES

7           (a) The definitions in 19 V.S.A. § 2901 shall apply to this section.

8           (b) In fiscal year 2025, the Agency is authorized to spend up to  
9 \$140,000.00 in one-time Transportation Fund monies to provide incentives  
10 under the eBike Incentive Program established pursuant to 2021 Acts and  
11 Resolves No. 55, Sec. 28, as amended by 2022 Acts and Resolves No. 184,  
12 Sec. 23.

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

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

15           § 10. DUTIES

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

17   \* \* \*

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

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

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~~\*\*\* Delays; Transportation Program Statute;  
Increased Estimated Costs; Technical Corrections \*\*\*  
Sec. 8. 19 V.S.A. § 10g is amended to read:  
§ 10g. ANNUAL REPORT; TRANSPORTATION PROGRAM;  
ADVANCEMENTS, CANCELLATIONS, AND DELAYS  
(a) Proposed Transportation Program. The Agency of Transportation shall  
annually present to the General Assembly for adoption a multiyear  
Transportation Program covering the same number of years as the Statewide  
Transportation Improvement Program (STIP), consisting of the recommended  
budget for all Agency activities for the ensuing fiscal year and projected  
spending levels for all Agency activities for the following fiscal years. The  
Program shall include a description and year-by-year breakdown of  
recommended and projected funding of all projects proposed to be funded  
within the time period of the STIP and, in addition, a description of all projects  
that are not recommended for funding in the first fiscal year of the proposed  
Program but that are scheduled for construction during the time period covered  
by the STIP. The Program shall be consistent with the planning process  
established by 1988 Acts and Resolves No. 200, as codified in 3 V.S.A.  
chapter 67 and 24 V.S.A. chapter 117, the statements of policy set forth in  
sections 10b–10f of this title, and the long-range systems plan, corridor~~

1 ~~studies, and project priorities developed through the capital planning process~~

2 under section 10i of this title.

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

5 \* \* \*

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

12 (d) [Repealed.]

13 (e) Prior expenditures and appropriations carried forward.

14 \* \* \*

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

1 ~~(c) Project updates. The Agency's annual proposed Transportation~~  
2 Program shall include project updates referencing this section and listing the  
3 following:  
4 (1) all proposed projects in the Program that would be new to the State  
5 Transportation Program ~~if adopted~~;  
6 (2) all projects for which total estimated costs have increased by more  
7 than ~~\$8,000,000.00~~ \$5,000,000.00 from the estimate in the adopted  
8 Transportation Program for the prior fiscal year or by more than ~~100~~  
9 75 percent from the estimate in the ~~prior fiscal year's approved~~ adopted  
10 Transportation Program for the prior fiscal year; and  
11 (3) all projects for which the total estimated costs have, for the first  
12 time, increased by more than \$8,000,000.00 from the estimate in the adopted  
13 Transportation Program for the fiscal year when the project first appears as a  
14 front-of-book project or by more than 50 percent from the estimate in the  
15 adopted Transportation Program for the fiscal year when the project first  
16 appears as a front-of-book project; and  
17 (4) all projects funded for construction in the prior fiscal year's  
18 approved adopted Transportation Program that are no longer funded in the  
19 proposed Transportation Program submitted to the General Assembly, the  
20 ~~projected costs for such projects in the prior fiscal year's approved~~ adopted

1 ~~Transportation Program, and the total costs incurred over the life of each such~~  
2 ~~project.~~

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

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

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

20 ~~(3) If a project in the current adopted Transportation Program requires~~  
21 ~~for the current fiscal year requires additional funding to maintain the approved~~

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

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



1 ~~(i) Economic development proposals. For the purpose of enabling the~~  
2 State, without delay, to take advantage of economic development proposals  
3 that increase jobs for Vermonters, a transportation project certified by the  
4 Governor as essential to the economic infrastructure of the State economy, or a  
5 local economy, ~~may, if approval is required by law,~~ be approved for  
6 construction by a committee comprising the Joint Fiscal Committee meeting  
7 with the ~~Chairs~~ chairs of the ~~Transportation~~ House and Senate Committees on  
8 Transportation or their designees without explicit project authorization through  
9 an ~~enacted~~ adopted Transportation Program, ~~in the event that such~~  
10 ~~authorization is otherwise required by law.~~

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

1 ~~(k) Definition. For purposes of As used in subsection (b) of this section,~~

2 “emergency or safety issues” ~~shall mean~~ means:

3 (1) serious damage to a transportation facility caused by a natural  
4 disaster over a wide area, such as a flood, hurricane, earthquake, severe storm,  
5 or landslide; ~~or~~

6 (2) catastrophic or imminent catastrophic failure of a transportation  
7 facility from any cause; ~~or~~

8 (3) any condition identified by the Secretary as hazardous to the  
9 traveling public; or

10 (4) any condition evidenced by fatalities or a high incidence of crashes.

11 (l) Numerical grading system; priority rating. The Agency shall develop a  
12 numerical grading system to assign a priority rating to all Program  
13 Development Paving, Program Development Roadway, Program Development  
14 Safety and Traffic Operations, Program Development State and Interstate  
15 Bridge, Town Highway Bridge, and Bridge Maintenance projects. The rating  
16 system shall consist of two separate, additive components as follows:

17 (1) One component shall be limited to asset management- and  
18 performance-based factors that are objective and quantifiable and shall  
19 consider, ~~without limitation,~~ the following:

20

1 ~~(2) The second component of the priority rating system shall consider,~~  
2 ~~without limitation, the following factors:~~

3 \* \* \*

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

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

18 (o) Year of first inclusion. For projects initially ~~approved by the General~~  
19 ~~Assembly for inclusion in the State~~ included in a Transportation Program  
20 adopted after January 1, 2006, the Agency's proposed Transportation Program  
21 ~~prepared pursuant to subsection (a) of this section and the official adopted~~

1 ~~Transportation Program prepared pursuant to subsection (f) of this section~~

2 shall include the year in which such the projects were first approved by the  
3 General Assembly included in an adopted Transportation Program.

4 (p) Lamoille Valley Rail Trail. The Agency shall include the annual  
5 maintenance required for the Lamoille Valley Rail Trail (LVRT), running from  
6 Swanton to St. Johnsbury, in the Transportation Program it presents to the  
7 General Assembly under subsection (a) of this section. The proposed  
8 authorization for the maintenance of the LVRT shall be sufficient to cover:

9 \* \* \*

10 Sec. 9. PLAN FOR REPORTING DELAYS; REPORT

11 The Agency of Transportation shall file a written report containing a plan  
12 for how to provide sufficient notice when projects in the adopted  
13 Transportation Program are delayed to the House and Senate Committees on  
14 Transportation not later than December 15, 2024.

15 \* \* \* Appropriation Calculations \* \* \*

16 \* \* \* Central Garage Fund \* \* \*

17 Sec. 10. 19 V.S.A. § 13(c) is amended to read:

18 (c)(1) For the purpose specified in subsection (b) of this section, the  
19 following amount, at a minimum, shall be transferred from the Transportation  
20 Fund to the Central Garage Fund:

21 ~~(A) in fiscal year 2021, \$1,355,358.00, and~~

1 ~~(B) in subsequent fiscal years, at a minimum, the amount specified in~~  
2 ~~subdivision (A) of this subdivision (1) as adjusted annually by increasing~~  
3 ~~transferred for the previous fiscal year's amount by the percentage increase in~~  
4 ~~the year increased by the percentage change in the Bureau of Labor Statistics~~  
5 ~~Consumer Price Index for All Urban Consumers (CPI-U) during the two most~~  
6 ~~recently closed State fiscal years if the percentage change is positive; or~~

7 ~~(B) the amount transferred for the previous fiscal year if the~~  
8 ~~percentage change is zero or negative.~~

9 \* \* \*

10 (3) For purposes of subdivision (1) of this subsection, the percentage  
11 change in the CPI-U is calculated by determining the increase or decrease, to  
12 the nearest one-tenth of a percent, in the CPI-U for the month ending on June  
13 30 in the calendar year one year prior to the first day of the fiscal year for  
14 which the transfer will be made compared to the CPI-U for the month ending  
15 on June 30 in the calendar year two years prior to the first day of the fiscal  
16 year for which the transfer will be made.

17 \* \* \* Town Highway Aid \* \* \*

18 Sec. 11. 19 V.S.A. § 306(a) is amended to read:

19 (a) General State aid to town highways.

20 (1) An annual appropriation to class 1, 2, and 3 town highways shall be  
21 made. This appropriation shall increase over the previous fiscal year's

1 ~~appropriation by the same percentage change as the following, whichever is~~  
2 ~~less, or shall remain at the previous fiscal year's appropriation if either of the~~  
3 ~~following are negative or zero:~~

4 (A) ~~the year-over-year increase in the two most recently closed fiscal~~  
5 ~~years in percentage change of the Agency's total appropriations funded by~~  
6 ~~Transportation Fund revenues, excluding appropriations for town highways~~  
7 ~~under this subsection (a), for the most recently closed fiscal year as compared~~  
8 ~~to the fiscal year immediately preceding the most recently closed fiscal year;~~  
9 or

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

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

1 ~~for the month ending on June 30 in the calendar year two years prior to the~~  
2 ~~first day of the fiscal year for which the appropriation will be made.~~

3 \* \* \*

4 \* \* \* Right-of-Way Permits; Fees \* \* \*

5 Sec. 12. 19 V.S.A. § 1112 is amended to read:

6 § 1112. DEFINITIONS; FEES

7 (a) As used in this section:

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

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

14 \* \* \*

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

18 \* \* \*

(3) minor commercial development: \$250.00

19

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

8 \* \* \* Vehicle Incentive Programs \* \* \*

9 \* \* \* Replace Your Ride Program \* \* \*

10 Sec. 13. 19 V.S.A. § 2904(d)(2)(B) is amended to read:

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

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

13 \* \* \*

14 (VI) passed the safety inspection portion, but not necessarily  
15 the emissions or on board diagnostic (OBD) systems inspection portion, of the  
16 annual inspection required under 23 V.S.A. § 1222 within the prior year.

17 Sec. 14. 19 V.S.A. § 2904a is added to read:

18 § 2904a. REPLACE YOUR RIDE PROGRAM FLEXIBILITY;

19 EMERGENCIES

20 Notwithstanding subdivisions 2904(d)(2)(A) and (d)(2)(B)(i)(IV)–(VI) of  
21 this chapter, the Agency of Transportation is authorized to waive or modify the



1 ~~eligibility requirements for the Replace Your Ride Program under subdivisions~~

2 ~~(d)(2)(B)(i)(IV)–(VI) that pertain to the removal of an eligible vehicle as~~  
3 ~~required under subdivision 2904(d)(2)(A) of this chapter provided that:~~

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

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

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

11 ~~(A) upon a showing that the applicant for an incentive under the~~  
12 ~~Replace Your Ride Program was a registered owner of a motor vehicle that~~  
13 ~~was damaged or totaled due to the event or events underlying the state of~~  
14 ~~emergency at the time of the event or events underlying the state of~~  
15 ~~emergency; and~~

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

17 ~~(4) the waiver or modification of eligibility requirements and resulting~~  
18 ~~impact are addressed in the annual reporting required under section 2905 of~~  
19 ~~this chapter.~~

1 ~~\*\*\* Electrify Your Fleet Program \*\*\*~~

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

3 Sec. 21. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

4 \*\*\*

5 (d) Program structure. The Electrify Your Fleet Program shall reduce the  
6 greenhouse gas emissions of persons operating a motor vehicle fleet in  
7 Vermont by structuring purchase and lease incentive payments on a first-come,  
8 first-served basis to replace vehicles other than a plug-in electric vehicle (PEV)  
9 cycled out of a motor vehicle fleet or avoid the purchase of vehicles other than  
10 a PEV for a motor vehicle fleet. Specifically, the Electrify Your Fleet Program  
11 shall:

12 \*\*\*

13 (2) provide \$2,500.00 purchase and lease incentives for:

14 \*\*\*

15 (C) electric bicycles and electric cargo bicycles with a base MSRP of  
16 ~~\$6,000.00~~ \$10,000.00 or less;

17 (D) adaptive electric cycles with any base MSRP;

18 (E) electric motorcycles with a base MSRP of \$30,000.00 or less;

19 ~~and~~

20 (F) electric snowmobiles with a base MSRP of \$20,000.00 or less,

21 and

1 ~~(C) electric all-terrain vehicles (ATVs), as defined in 23 V.S.A.~~  
2 ~~§ 3501 and including electric utility terrain vehicles (UTVs), with a base~~  
3 ~~MSRP of \$50,000.00 or less;~~

4 \* \* \*

5 \* \* \* eBike Incentives; Eligibility \* \* \*

6 Sec. 16. 2023 Acts and Resolves No. 62, Sec. 22 is amended to read:

7 Sec. 22. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM;

8 REPORT

9 \* \* \*

10 (d) Reporting. The Agency of Transportation shall address incentives for  
11 electric bicycles, electric cargo bicycles, and adaptive electric cycles provided  
12 pursuant to this section in the ~~January 31, 2024~~ annual report required under  
13 19 V.S.A. § 2905, as added by Sec. 19 of this act, including:

14 (1) the demographics of who received an incentive under the eBike  
15 Incentive Program;

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

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

19 (4) a detailed summary of information provided in the self-certification  
20 ~~forms and a description of the Agency's post-voucher sampling audits and~~

1 ~~audit findings, together with any recommendations to improve program design~~  
2 ~~and cost-effectively direct funding to recipients who need it most; and~~

3 (5) a detailed summary of information collected through participant  
4 surveys.

5 \* \* \* Annual Reporting \* \* \*

6 Sec. 17. 19 V.S.A. § 2905 is amended to read:

7 § 2905. ANNUAL REPORTING; VEHICLE INCENTIVE PROGRAMS

8 (a) The Agency shall annually evaluate the programs established under  
9 sections 2902–2904 of this chapter to gauge effectiveness and shall submit a  
10 written report on the effectiveness of the programs and the State’s marketing  
11 and outreach efforts related to the programs to the House and Senate  
12 Committees on Transportation, the House Committee on Environment and  
13 Energy, and the Senate Committee on Finance Natural Resources and Energy  
14 on or before the 31st day of January in each year following a year that an  
15 incentive was provided through one of the programs.

16 (b) The report shall also include:

17 (1) any intended modifications to program guidelines for the upcoming  
18 fiscal year along with an explanation for the reasoning behind the  
19 modifications and how the modifications will yield greater uptake of PEVs and  
20 ~~other means of transportation that will reduce greenhouse gas emissions, and~~

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

6 (3) any recommendations for how to better conduct outreach and  
7 marketing to ensure the greatest possible uptake of incentives under the  
8 programs.

9 (c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this  
10 section shall continue to be required if an incentive is provided through one of  
11 the programs unless the General Assembly takes specific action to repeal the  
12 report requirement.

13 \* \* \* Authority to Transfer Monies in State Fiscal Year 2024 \* \* \*

14 Sec. 18. TRANSFER OF MONIES FROM VEHICLE INCENTIVE  
15 PROGRAMS TO EBIKE INCENTIVE PROGRAM IN STATE  
16 FISCAL YEAR 2024

17 (a) Notwithstanding 32 V.S.A. § 706 and any appropriations or  
18 authorizations of monies for vehicle incentive programs created under  
19 19 V.S.A. §§ 2902–2904, in State fiscal year 2024 the Secretary of  
20 Transportation may transfer up to \$50,000.00 from any vehicle incentive  
21 program created under 19 V.S.A. §§ 2902–2904 to the eBike incentive

1 ~~Program established pursuant to 2021 Acts and Resolves No. 55, Sec. 28, as~~  
2 ~~amended by 2022 Acts and Resolves No. 184, Sec. 23.~~

3 (b) Any funds transferred pursuant to this section are intended to advance  
4 funding to the eBike Incentive Program in State fiscal year 2024 to continue  
5 the program pending the appropriation of additional funds effective in State  
6 fiscal year 2025. Any funds transferred by the Secretary pursuant to  
7 subsection (a) of this section shall be restored to the program or programs  
8 from which they were transferred by a transfer from the fiscal year 2025  
9 appropriations made to the eBike Incentive Program.

10 (c) Any transfers made pursuant to subsections (a) of this section shall be  
11 reported to the Joint Transportation Oversight Committee and the Joint Fiscal  
12 Office within 30 days after the transfer.

13 \* \* \* Authority to Transfer Monies in State Fiscal Year 2025 \* \* \*

14 Sec. 19. TRANSFER OF MONIES BETWEEN VEHICLE INCENTIVE  
15 PROGRAMS IN STATE FISCAL YEAR 2025

16 (a) Notwithstanding 32 V.S.A. § 706 and any appropriations or  
17 authorizations of monies for vehicle incentive programs created under  
18 19 V.S.A. §§ 2902–2904, in State fiscal year 2025 the Secretary of  
19 Transportation may transfer up to 50 percent of any remaining monies for a  
20 vehicle incentive program created under 19 V.S.A. §§ 2902–2904 to any other

1 ~~vehicle incentive program created under 19 V.S.A. §§ 2902, 2904 that has less~~  
2 ~~than \$500,000.00 available for distribution as a vehicle incentive.~~

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

6 \* \* \* Electric Vehicle Supply Equipment (EVSE) \* \* \*

7 Sec. 20. 19 V.S.A. chapter 29 is amended to read:

8 CHAPTER 29. VEHICLE INCENTIVE PROGRAMS; ELECTRIC

9 VEHICLE SUPPLY EQUIPMENT

10 § 2901. DEFINITIONS

11 As used in this chapter:

12 \* \* \*

13 (4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle  
14 supply equipment available to the public” have the same meanings as in  
15 30 V.S.A. § 201.

16 (5) “Plug-in electric vehicle (PEV),” “battery electric vehicle (BEV),”  
17 and “plug-in hybrid electric vehicle (PHEV)” have the same meanings as in  
18 23 V.S.A. § 4(85).

19

§ 2906. ELECTRIC VEHICLE SUPPLY EQUIPMENT GOALS

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

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

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

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

§ 2907. ANNUAL REPORTING; ELECTRIC VEHICLE SUPPLY

EQUIPMENT

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

(1) file a report, with a map, on the State's efforts to meet its federally required Electric Vehicle Infrastructure Deployment Plan, as updated, with the House and Senate Committees on Transportation not later than January 15 each year until the Deployment Plan is met,



1 ~~(2) file a report on additional efforts to deploy EVSE through any State~~  
2 ~~EVSE grant programs, including grant programs to increase Vermonters'~~  
3 ~~access to charging at workplaces, multiunit dwellings, and community~~  
4 ~~attractions with the House and Senate Committees on Transportation not later~~  
5 ~~than January 15 each year in a year following a calendar year in which a State~~  
6 ~~EVSE grant program provides funding for EVSE; and~~

7 ~~(3) file a report on the current conditions of EVSE available to the~~  
8 ~~public and deployed through the assistance of State or federal funding; how~~  
9 ~~other states or jurisdictions are addressing broken or unavailable EVSE~~  
10 ~~available to the public; and any recommendations on how best to minimize the~~  
11 ~~frequency that EVSE available to the public is broken or unavailable with the~~  
12 ~~House and Senate Committees on Transportation not later than January 15~~  
13 ~~each year.~~

14 ~~(b) The reports required under subsection (a) of this section can be~~  
15 ~~combined when filing with the House and Senate Committees on~~  
16 ~~Transportation and shall prominently be posted on the Agency of~~  
17 ~~Transportation and Agency of Commerce and Community Development's~~  
18 ~~websites, as applicable.~~

19 Sec. 21. REPEAL OF CURRENT EVSE MAP REPORT AND EXISTING

20 ~~GOALS~~

1 ~~2021 Acts and Resolves No. 55, Sec. 30, as amended by 2022 Acts and~~  
2 ~~Resolves No. 184, Sec. 4 (EVSE network in Vermont goals; report of annual~~  
3 ~~map) is repealed.~~

4 Sec. 22. EVSE PLAN; REPORT

5 The Agency of Transportation, in consultation with the Agencies of  
6 Agriculture, Food and Markets and of Commerce and Community  
7 Development, shall prepare a written plan, which may incorporate other plans  
8 that have been prepared to secure federal funding under the National Electric  
9 Vehicle Infrastructure Formula Program, for how to fund and maintain the  
10 EVSE necessary for Vermont to meet that portion of the goals of the  
11 Comprehensive Energy Plan and the Vermont Climate Action Plan. The  
12 written plan shall be filed with the House and Senate Committees on  
13 Transportation not later than January 15, 2025.

14 Sec. 23. RECOMMENDATION ON EVSE REGULATION

15 (a) The Agency of Agriculture, Food and Markets, in consultation with the  
16 Agencies of Transportation and of Commerce and Community Development,  
17 the Department of Public Service, the Public Utility Commission, the Office of  
18 the Attorney General, Consumer Protection Division, Drive Electric Vermont,  
19 and EVSE industry participants, shall prepare written recommendations on  
20 what regulations, if any, should be placed on EVSE available to the public that  
21 is not owned and operated by an electric distribution utility and on EVSE

1 ~~available to the public that is owned and operated by an electric distribution~~  
2 utility. The written recommendations shall include clear explanations for  
3 regulatory recommendations regarding EVSE, trade professionals, fees,  
4 penalties, appeals; the number of affected EVSE and trade professionals;  
5 projected revenues and program costs; initial findings regarding EVSE  
6 tolerances and noncompliant EVSE; and plans for education and outreach in  
7 advance of the implementation of any regulations or enforcement. The written  
8 recommendations shall be filed with the House and Senate Committees on  
9 Transportation, the House Committees on Commerce and Economic  
10 Development and on Environment and Energy, and the Senate Committees on  
11 Economic Development, Housing and General Affairs, on Finance, and on  
12 Natural Resources and Energy not later than November 15, 2024.

13 (b) Notwithstanding 9 V.S.A. chapter 73 and any State law or rule that may  
14 authorize regulation of EVSE not owned by an electric distribution utility, the  
15 State shall not implement an EVSE regulatory program or take any  
16 enforcement action related to EVSE regulation before the report required  
17 under subsection (a) of this section is filed.

18 \* \* \* Beneficial Electrification \* \* \*

19 Sec. 24. ELECTRIC DISTRIBUTION UTILITY LINE EXTENSION

20 ~~COSTS, REPORT~~

1 ~~In the report due not later than January 15, 2025, pursuant to 2021 Acts and~~  
2 Resolves No. 55, Sec. 33, the Public Utility Commission shall include a  
3 reporting of line extension tariffs across all electric distribution utilities, which  
4 shall also include an analysis and comparison of electric distribution utility  
5 practices related to requests for line extensions and service upgrades.

6 \* \* \* Expansion of Public Transit Service \* \* \*

7 \* \* \* Mobility Services Guide; Car Share \* \* \*

8 Sec. 25. MOBILITY SERVICES GUIDE; ORAL UPDATE

9 (a) The Agency of Transportation, in consultation with existing nonprofit  
10 mobility services organizations incorporated in the State of Vermont for the  
11 purpose of providing Vermonters with transportation alternatives to personal  
12 vehicle ownership, such as through carsharing, and other nonprofit  
13 organizations working to achieve the goals of the Comprehensive Energy Plan,  
14 the Vermont Climate Action Plan, and the Agency of Transportation's  
15 community engagement plan for environmental justice, shall develop a web-  
16 page-based guide to outline the different mobility service models that could be  
17 considered for deployment in Vermont.

18 (b) At a minimum, the web-page-based guide required under subsection (a)  
19 of this section shall include the following.

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

4 ~~(2) information related to existing initiatives, including developmental~~  
5 ~~and pilot programs, that meet any of the program types or options defined~~  
6 ~~pursuant to subdivision (1) of this subsection and information related to any~~  
7 ~~pertinent studies or reports, whether completed or ongoing, related to the~~  
8 ~~program types or options defined pursuant to subdivision (1) of this~~  
9 ~~subsection;~~

10 ~~(3) details of other existing programs that may impact program design,~~  
11 ~~such as fixed-route public transit service, Medicaid transportation service,~~  
12 ~~older adults and persons with disability transportation service, job access~~  
13 ~~transportation service, and other similar programs; and~~

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

16 ~~(A) the range of start-up, capital, facilities, and ongoing operating~~  
17 ~~and maintenance costs;~~

18 ~~(B) the service area characteristics;~~

19 ~~(C) the revenue capture options;~~

20 ~~(D) technical assistance resources; and~~

21 ~~(E) existing or potential funding resources.~~

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

5 \* \* \* Mobility and Transportation Innovations (MTI) Grant Program \* \* \*

6 Sec. 26. MOBILITY AND TRANSPORTATION INNOVATIONS (MTI)

7 GRANT PROGRAM; EXPANSION

8 The Mobility and Transportation Innovations (MTI) Grant Program, which  
9 was created pursuant to 2020 Acts and Resolves No. 121, Sec. 16 (identified in  
10 that act as a transportation demand management and micro-transit innovations  
11 grant program), shall continue to support projects that improve both mobility  
12 and access to services for transit-dependent Vermonters, reduce the use of  
13 single-occupancy vehicles, and reduce greenhouse gas emissions but shall be  
14 expanded as follows:

15 (1) Grant awards shall be made available for both capital and  
16 operational costs that expand new or existing programs and result in  
17 greenhouse gas emissions reductions. Funding under the MTI Grant Program  
18 shall not be used to supplant existing State funding.

19 (2) The Agency of Transportation shall expand the application period  
20 for the MTI Grant Program, opening the application process in May of each  
21 year that grants are offered and providing entities requiring technical

1 ~~assistance or preresview of a draft application direct assistance between the~~  
2 opening of the application period and August of each year that grants are  
3 offered. Final applications shall be due in early September of each year that  
4 grants are offered.

5 \* \* \* Vermont Rail Plan; Amtrak \* \* \*

6 Sec. 27. DEVELOPMENT OF NEW VERMONT RAIL PLAN; BICYCLE  
7 STORAGE; REPORT

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

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

12 (2) expanding service on the Valley Flyer to provide increased service  
13 on the Vermonter route.

14 (b) The Agency of Transportation shall consult with Amtrak and the State-  
15 Amtrak Intercity Passenger Rail Committee (SAIPRC) on passenger education  
16 of and sufficient capacity for bicycle storage on Amtrak trains on the  
17 Vermonter and Ethan Allen Express routes.

18 (c) The Agency of Transportation shall provide an oral update on the  
19 development of the Vermont Rail Plan in general and the requirements of

20 ~~subsection (a) of this section specifically and the consultation efforts required~~

1 ~~under subsection (b) of this section to the House and Senate Committees on~~  
2 ~~Transportation not later than February 15, 2025.~~

3 ~~\*\*\* Replacement for the Vermont State Design Standards \*\*\*~~

4 ~~Sec. 28. REPLACEMENT FOR THE VERMONT STATE DESIGN~~  
5 ~~STANDARDS~~

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

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

10 ~~(2) Conduct not less than four public hearings across the State~~  
11 ~~concerning the replacement to the Vermont State Design Standards and related~~  
12 ~~documents.~~

13 ~~(3) Provide a publicly available responsiveness summary detailing the~~  
14 ~~public participation activities conducted in developing the final draft of the~~  
15 ~~replacement for the Vermont State Design Standards and related documents, as~~  
16 ~~applicable; a description of the matters on which members of the public or~~  
17 ~~stakeholders, or both, were consulted; a summary of the views of the~~  
18 ~~participating members of the public and stakeholders; and significant~~  
19 ~~comments, criticisms, and suggestions received by the Agency and the~~  
20 ~~Agency's specific responses, including an explanation of any modifications~~  
21 ~~made in response.~~



1 ~~(4) Consult directly, through a series of large group, specialty focus~~  
2 ~~groups and one-on-one meetings, with key stakeholders in order to achieve~~  
3 ~~stakeholder engagement and afford a voice in the development of the~~  
4 ~~replacement for the Vermont State Design Standards and related documents.~~  
5 ~~At a minimum, stakeholders shall include the House and Senate Committees~~  
6 ~~on Transportation, the Federal Highway Administration (FHWA), the Vermont~~  
7 ~~Agency of Commerce and Community Development (ACCD), the Vermont~~  
8 ~~Agency of Natural Resources (ANR), the Vermont Department of Health~~  
9 ~~(VDH), the Vermont Department of Public Service (DPS), the Vermont~~  
10 ~~League of Cities and Towns (VLCT), Vermont's regional planning~~  
11 ~~commissions (RPCs), the Vermont chapter of the American Association of~~  
12 ~~Retired Persons (AARP), Transportation for Vermonters (T4VT), Local~~  
13 ~~Motion, the Sierra Club, Conservation Law Foundation, the Vermont Natural~~  
14 ~~Resources Council, the Vermont Truck and Bus Association, the Vermont~~  
15 ~~Public Transportation Association (VPTA), the American Council of~~  
16 ~~Engineering Companies (ACEC), the Association of General Contractors~~  
17 ~~(AGC), and Vermont Transportation Equity Framework stakeholders.~~

18 (b) The Agency shall provide oral updates on its progress preparing the  
19 replacement to the Vermont State Design Standards, including the process  
20 required under subsection (a) of this section, to the House and Senate

1 ~~Committees on Transportation not later than February 15, 2025 and February~~  
2 ~~15, 2026.~~

3 \* \* \* Complete Streets; Traffic Calming Measures; Designated Centers \* \* \*

4 Sec. 29. 19 V.S.A. §§ 2402 and 2403 are amended to read:

5 § 2402. STATE POLICY

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

13 (b) Except in the case of projects or project components involving unpaved  
14 highways, for all transportation projects and project phases managed by the  
15 Agency or a municipality, including planning, development, construction, or  
16 maintenance, it is the policy of this State for the Agency and municipalities, as  
17 applicable, to incorporate complete streets principles that:

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

20 ~~(2) follow state-of-the-practice design guidance, and~~

1 ~~(3) are sensitive to the surrounding community, including current and~~  
2 ~~planned buildings, parks, and trails and current and expected transportation~~  
3 ~~needs; and~~

4 ~~(4) when desired by the municipality:~~

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

7 ~~(B) support the land uses that develop and evolve in tandem with~~  
8 ~~transit and accessibility, including those that provide enhanced benefits to the~~  
9 ~~public, such as through improved health and access to employment, services,~~  
10 ~~and housing.~~

11 § 2403. PROJECTS NOT INCORPORATING COMPLETE STREETS

12 PRINCIPLES

13 (a) State projects. A State-managed project shall incorporate complete  
14 streets principles unless the project manager makes a written determination,  
15 supported by documentation, that one or more of the following circumstances  
16 exist:

17 \* \* \*

18 (2) The cost of incorporating complete streets principles is  
19 disproportionate to the need or probable use as determined by factors including  
20 land use, current and projected user volumes, population density, crash data,  
21 ~~historic and natural resource constraints, and maintenance requirements. The~~

1 ~~Agency shall consult local and regional plans, as appropriate, in assessing~~  
2 these and any other relevant factors. If the project manager bases the written  
3 determination required under this subsection in whole or in part on this  
4 subdivision then the project manager shall provide a supplemental written  
5 determination with specific details on costs, needs, and probable uses, as  
6 applicable, but shall not need to address, in the supplemental written  
7 determination, any design elements desired by the municipality pursuant to  
8 subdivision 2402(b)(4)(B) of this chapter.

9 \* \* \*

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

14 \* \* \*

15 (2) The cost of incorporating complete streets principles is  
16 disproportionate to the need or probable use as determined by factors such as  
17 land use, current and projected user volumes, population density, crash data,  
18 historic and natural resource constraints, and maintenance requirements. The  
19 municipality shall consult local and regional plans, as appropriate, in assessing  
20 these and any other relevant factors. If the municipality managing the project  
21 ~~bases the written determination required under this subsection in whole or in~~

1 ~~part on this subdivision then the project manager shall provide a supplemental~~  
2 written determination with specific details on costs, needs, and probable uses,  
3 as applicable, but shall not need to address, in the supplemental written  
4 determination, any design elements desired by the municipality pursuant to  
5 subdivision 2402(b)(4)(B) of this chapter.

6 \* \* \*

7 \* \* \* Sustainability of Vermont's Transportation System;

8 Emissions Reductions \* \* \*

9 Sec. 30. ANALYSIS AND REPORT ON SUSTAINABILITY OPTIONS;

10 TRANSPORTATION EMISSIONS REDUCTIONS

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

12 (1) A majority of the Vermont Climate Council (VCC) voted to  
13 recommend participation in the Transportation & Climate Initiative Program  
14 (TCI-P), a regional cap-and-invest program, as a lead policy and regulatory  
15 approach to reduce emissions from the transportation sector in the Vermont  
16 Climate Action Plan (CAP), adopted in December 2021.

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

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

11 ~~(4) The development of the State’s Carbon Reduction Strategy (CRS),~~  
12 ~~which is required by the Federal Highway Administration (FHWA) pursuant to~~  
13 ~~the federal Infrastructure Investment and Jobs Act (IIJA) for states to access~~  
14 ~~federal monies under the Carbon Reduction Program and required by the~~  
15 ~~General Assembly pursuant to 2023 Acts and Resolves No. 62, Sec. 31, and~~  
16 ~~the accompanying planning and public engagement process provided the Cross~~  
17 ~~Section Mitigation Subcommittee of the VCC a timely opportunity to~~  
18 ~~undertake additional analysis required for a potential preferred~~  
19 ~~recommendation or recommendations to fill the gap in reductions of~~  
20 ~~transportation emissions.~~

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

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

15 ~~(7) There remains a need for further, more detailed analysis of policy~~  
16 ~~options.~~

17 ~~(b) Written analysis. The Agency of Natural Resources, specifically the~~  
18 ~~Climate Action Office, and the Agency of Transportation, in consultation with~~  
19 ~~the State Treasurer; the Departments of Finance and Management, of Motor~~  
20 ~~Vehicles, and of Taxes; and the VCC, including those councilors appointed by~~  
21 ~~the General Assembly to provide expertise in energy and data analysis,~~

1 ~~expertise and professional experience in the design and implementation of~~  
2 programs to reduce greenhouse gas emissions, and representation of a  
3 statewide environmental organization as outlined in the adopted January 12,  
4 2024 Transportation Addendum to the Climate Action Plan, shall prepare a  
5 written analysis of policy and investment scenarios to reduce emissions in the  
6 transportation sector in Vermont and meet the greenhouse gas reduction  
7 requirements of 10 V.S.A. § 578, as amended by Sec. 3 of the Global Warming  
8 Solutions Act (2020 Acts and Resolves No. 153).

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

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

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

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

20 (d) Emission reduction scenarios; administration. The written analysis  
21 shall include an estimate of the amount of emissions reduction to be generated



1 ~~from a minimum of four scenarios, to include a business as usual, low-~~  
2 ~~medium-, and high-greenhouse gas emissions reduction, analyzed under~~  
3 ~~subsection (c) of this section and a summary of how each proposal analyzed~~  
4 ~~under subsection (c) of this section would be administered.~~

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

10 ~~(f) Public access; committees; due date.~~

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

14 ~~(2) The Agencies of Natural Resources and of Transportation, in~~  
15 ~~consultation with the State Treasurer, shall file a status update on the~~  
16 ~~development of the written analysis required under subsection (b) of this~~  
17 ~~section with the House and Senate Committees on Transportation, the House~~  
18 ~~Committees on Environment and Energy and on Ways and Means, and the~~  
19 ~~Senate Committees on Finance and on Natural Resources and Energy not later~~  
20 ~~than November 15, 2024.~~

1 ~~(2) The Agencies of Natural Resources and of Transportation, in~~  
2 consultation with the State Treasurer, shall file the written analysis required  
3 under subsection (b) of this section and the State Treasurer's written  
4 recommendation to the General Assembly regarding any viable approaches  
5 required under subsection (e) of this section with the House and Senate  
6 Committees on Transportation, the House Committees on Environment and  
7 Energy and on Ways and Means, and the Senate Committees on Finance and  
8 on Natural Resources and Energy not later than February 15, 2025.

9 (g) Use of consultant. The Agencies of Natural Resources and of  
10 Transportation shall retain a consultant that is an expert in comprehensive  
11 transportation policy with a core focus on emission reductions and economic  
12 modeling to undertake the analysis and to provide the State Treasurer with any  
13 additional information needed to inform the State Treasurer's  
14 recommendations regarding any viable approaches required under subsections  
15 (b)–(e) of this section.

16 (h) Costs.

17 (1) If the costs of the consultant required under subsection (g) of this  
18 section are eligible expenditures under the U.S. Environmental Protection  
19 Agency's (EPA) Climate Pollution Reduction Grants (CPRG) program, then  
20 that shall be the source of funding to cover the costs of the consultant required  
21 under subsection (g) of this section.

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

4 \* \* \* Better Connections Grant Program \* \* \*

5 Sec. 31. 19 V.S.A. § 319 is added to read:

6 § 319. BETTER CONNECTIONS GRANT PROGRAM

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

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

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

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

18 (2) support downtown and village economic development and  
19 revitalization efforts; and

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

~~\*\*\* Transportation Funding Study \*\*\*~~

~~Sec. 32. TRANSPORTATION FUNDING STUDY; CONSULTANT;~~

~~REPORT~~

~~(a) The General Assembly finds:~~

~~(1) Vermont's transportation system is crucial to every resident, student, worker, visitor, and business located in Vermont; serves as the backbone of the economy; and is a critical component of Vermont's economic competitiveness.~~

~~(2) The State must continue to pursue an equitable transportation network in which communities have improved access to all modes of transportation, enhancing access to jobs, housing, and other services.~~

~~(3) In order to keep up with the maintenance, repair, and construction necessary to maintain the State's transportation infrastructure, additional State revenue needs to be raised in order to meet the nonfederal match for all federal monies for which Vermont is eligible and that is awarded to Vermont through competitive federal grants.~~

~~(4) Several public transit funding studies have been presented to the General Assembly, in 2015, 2021, and 2024, that highlight growing labor costs, changed ridership habits, a reduction in federal monies intended to minimize person-to-person contact during the COVID-19 pandemic, increased service needs, and an anticipated funding cliff just to maintain current levels of service and operation in State fiscal year 2026.~~

1 ~~(5) Vermont will continue to contend with transportation funding~~  
2 shortfalls due to decreased motor fuel tax revenue, on both gasoline and diesel,  
3 due to increasing vehicle fuel efficiency and the continued adoption of plug-in  
4 electric vehicles.

5 (6) The Agency of Transportation is studying and seeking federal  
6 competitive grant funding to implement, possibly as early as July 1, 2025, a  
7 mileage-based user fee (MBUF) as a way to supplant lost motor fuel tax  
8 revenue from Vermonters who own a battery electric vehicle that is charged at  
9 home.

10 (7) While motor fuels represent a significant source of funding for the  
11 Transportation Fund, they are only one component of the State's overall  
12 transportation funding.

13 (8) In addition to an MBUF, the State must identify new and innovative  
14 funding and policy options needed to adequately maintain Vermont's  
15 transportation system and support future growth.

16 (b) The Agency of Transportation shall invest not more than \$100,000.00  
17 to contract with an independent third-party consultant with expertise in  
18 transportation funding and finance.

19 (c) The consultant shall consider and evaluate issues related to  
20 transportation funding in order to identify mechanisms to sufficiently fund

1 ~~transportation projects and operations through appropriations by the General~~  
2 Assembly. Specifically, the consultant shall:

3 (1) evaluate current transportation funding in Vermont, taking into  
4 account the viability of existing revenue sources and funding distributions;

5 (2) consider future trends that will impact the multimodal transportation  
6 system, including inflation, safety needs, racial equity, electric vehicles, and  
7 climate change;

8 (3) consider new and innovative funding options and alternative  
9 solutions employed by other states;

10 (4) consider how an MBUF can, along with other new and traditional  
11 funding mechanisms, provide sustainable transportation funding; and

12 (5) provide a report of transportation revenue projection scenarios  
13 through 2030, including new sources.

14 (d) The Agency shall send to the House and Senate Committees on  
15 Transportation, the House Committee on Ways and Means, and the Senate  
16 Committee on Finance:

17 (1) on or before December 15, 2024, a written update of work  
18 performed and, if available, a draft of the final report; and

19 (2) on or before January 15, 2025, the final written report and  
20 recommendations required by this section.

21 ~~Effective Dates~~

1 ~~Sec. 23. EFFECTIVE DATES~~

2 ~~(a) This section and Sec. 18 (vehicle incentive programs transfers; fiscal~~  
3 ~~year 2024) shall take effect on passage.~~

4 ~~(b) All other sections shall take effect on July 1, 2024.~~

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

*Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS*

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

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

*(1) "Agency" means the Agency of Transportation.*

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

*(3) "Development and evaluation (D&E) project" means a project  
approved by the General Assembly that is anticipated to have preliminary  
engineering expenditures or right-of-way expenditures, or both, during the*

budget year and that the Agency is committed to delivering to construction on a timeline driven by priority and available funding.

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

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

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

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

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

(9) The table heading “As Proposed” means the Proposed Transportation Program referenced in subsection (a) of this section; the table heading “As Amended” means the amendments as made by this act; the table heading “Change” means the difference obtained by subtracting the “As Proposed” figure from the “As Amended” figure; the terms “change” or “changes” in the text refer to the project- and program-specific amendments, the aggregate sum of which equals the net “Change” in the applicable table



heading; and “State” in any tables amending authorizations indicates that the source of funds is State monies in the Transportation Fund, unless otherwise specified.

*\* \* \* Summary of Transportation Investments \* \* \**

*Sec. 2. FISCAL YEAR 2025 TRANSPORTATION INVESTMENTS*

*INTENDED TO REDUCE TRANSPORTATION-RELATED  
GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL  
USE, AND SAVE VERMONT HOUSEHOLDS MONEY*

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

*(1) Park and Ride Program. This act provides for a fiscal year expenditure of \$1,464,833.00, which will fund one construction project to create a new park-and-ride facility; the design and construction of improvements to one existing park-and-ride facility; funding for a municipal park-and-ride grant program; and paving projects for existing park-and-ride*

facilities. This year's Park and Ride Program will create 60 new State-owned spaces. Specific additions and improvements include:

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

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

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

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

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

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

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

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

(4) Public Transit Program. This act provides for a fiscal year expenditure of \$56,170,225.00 for public transit uses throughout the State.

Included in the authorization are:

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

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

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

(6) Transformation of the State Vehicle Fleet.

(A) This act authorizes \$1,100,000.00 of federal Carbon Reduction funds in the Environmental Policy and Sustainability program in fiscal year 2025 for the Agency of Transportation's Central Garage for fleet electrification.

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

(7) Electric vehicle supply equipment (EVSE).

(A) This act provides for a fiscal year expenditure of \$4,833,828.00 to increase the presence of EVSE in Vermont in accordance with the State's federally approved National Electric Vehicle Infrastructure (NEVI) Plan, which will lead to the installation of Direct Current Fast Charging (DC/FC) along designated alternative fuel corridors.

(B) This act also authorizes \$1,700,000.00 to be distributed to the Agency of Commerce and Community Development in fiscal year 2025 for grants to increase Vermonters' access to level 1 and 2 EVSE charging ports at workplaces or multiunit dwellings, or both.

(8) Vehicle incentive programs and expansion of the PEV market. Incentive Program for New PEVs, MileageSmart, Replace Your Ride, and Electrify Your Fleet. It is estimated that prior appropriations of approximately the following amounts will be available for the State's vehicle incentive programs in fiscal year 2025:

(A) \$2,600,000.00 for the Incentive Program for New PEVs;

(B) \$200,000.00 for MileageSmart; and

(C) \$900,000.00 for the Replace Your Ride Program.

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

*\* \* \* Heating Systems in Agency of Transportation Buildings \* \* \**

*Sec. 3. 19 V.S.A. § 45 is added to read:*

*§ 45. HEATING SYSTEMS*

*(a) In accordance with the renewable energy goals set forth in the State Comprehensive Energy Plan, the Agency of Transportation shall strive to meet not less than 35 percent of its thermal energy needs from non-fossil fuel sources by 2025 and 45 percent by 2035.*

*(1) In order to meet these goals, the Agency will need to use more renewable fuels, such as local wood fuels, to heat its buildings and continue to increase its use of electricity that is generated from renewable sources.*

*(2) When building new Agency facilities or replacing heating equipment that has reached the end of its useful lifespan, the Agency shall prioritize switching to high-efficiency, advanced heating systems.*

*(b) On or before October 1 every other year, the Agency shall report to the Department of Buildings and General Services the percentage of the Agency's thermal energy usage during each of the previous two fiscal years that came from fossil fuels and from non-fossil fuels. The Agency shall report its non-fossil fuel percentage by fuel source and shall identify each type and amount of wood fuel used.*

*\* \* \* Public Transit; Carbon Reduction Program;*

*Environmental Policy and Sustainability Program; Central Garage;*

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

*Sec. 4. PUBLIC TRANSIT; CARBON REDUCTION PROGRAM;*

*ENVIRONMENTAL POLICY AND SUSTAINABILITY*

*PROGRAM; CENTRAL GARAGE; ELECTRIC VEHICLE SUPPLY*

*EQUIPMENT (EVSE)*

*(a) Public Transit.*

*(1) Within the Agency of Transportation's Proposed Fiscal Year 2025*

*Transportation Program for Public Transit, authorized spending is amended as follows:*

<i><u>FY25</u></i>	<i><u>As Proposed</u></i>	<i><u>As Amended</u></i>	<i><u>Change</u></i>
<i>Person. Svcs.</i>	<i>4,612,631</i>	<i>4,612,631</i>	<i>0</i>
<i>Operat. Exp.</i>	<i>119,894</i>	<i>119,894</i>	<i>0</i>
<i>Grants</i>	<i>51,907,700</i>	<i>50,807,700</i>	<i>-1,100,000</i>
<i>Total</i>	<i>56,640,225</i>	<i>55,540,225</i>	<i>-1,100,000</i>

*Sources of funds*

<i>State</i>	<i>9,807,525</i>	<i>9,807,525</i>	<i>0</i>
<i>Federal</i>	<i>46,692,700</i>	<i>45,592,700</i>	<i>-1,100,000</i>
<i>Interdept.</i>	<i>140,000</i>	<i>140,000</i>	<i>0</i>
<i>Total</i>	<i>56,640,225</i>	<i>55,540,225</i>	<i>-1,100,000</i>



(2) The amendment set forth in subdivision (1) of this subsection shall be reflected in a \$1,100,000.00 reduction of Carbon Reduction Funding for the Capital-CRF CRFP (24) (for Capital Support for E-Vehicles), from \$4,000,000.00 to \$2,900,000.00.

(b) Environmental Policy and Sustainability Program.

(1) Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for the Environmental Policy and Sustainability Program, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
<i>Person. Svcs.</i>	6,953,362	6,953,362	0
<i>Operat. Exp.</i>	76,411	1,176,411	1,100,000
<i>Grants</i>	1,480,000	1,480,000	0
<i>Total</i>	8,509,773	9,609,773	1,100,000

Sources of funds

<i>State</i>	531,909	531,909	0
<i>Federal</i>	6,800,327	7,900,327	1,100,000
<i>Local</i>	1,177,537	1,177,537	0
<i>Total</i>	8,509,773	9,609,773	1,100,000

(2) Of the funds authorized by this subsection, the Environmental Policy and Sustainability Program, in consultation with Central Garage, shall spend \$1,100,000.00 for electrification of the Central Garage fleet.

(c) Central Garage. Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for the Central Garage, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
<i>Person. Svcs.</i>	5,480,920	5,480,920	0
<i>Operat. Exp.</i>	19,170,315	18,070,315	-1,100,000
<i>Total</i>	24,651,235	23,551,235	-1,100,000

Sources of funds

<i>Int. Svc.</i>	24,651,235	23,551,235	-1,100,000
<i>Total</i>	24,651,235	23,551,235	-1,100,000

(d) Electric vehicle supply equipment (EVSE). Notwithstanding of 19 V.S.A. § 11a or any other provision of law to the contrary, the Agency shall distribute \$1,700,000.00 in one-time Transportation Fund monies to the Agency of Commerce and Community Development for the purpose of providing grants to increase Vermonters' access to level 1 and 2 EVSE charging ports at workplaces or multiunit dwellings, or both, as those terms are defined in 2022 Acts and Resolves No. 185, Sec. E.903.

*\* \* \* Highway Maintenance \* \* \**

*Sec. 5. HIGHWAY MAINTENANCE*

*Within the Agency of Transportation's Proposed Fiscal Year 2025  
Transportation Program for Maintenance, authorized spending is amended as  
follows:*

<u><i>FY25</i></u>	<u><i>As Proposed</i></u>	<u><i>As Amended</i></u>	<u><i>Change</i></u>
<i>Person. Svcs.</i>	<i>42,757,951</i>	<i>42,757,951</i>	<i>0</i>
<i>Operat. Exp.</i>	<i>65,840,546</i>	<i>63,680,546</i>	<i>-2,160,000</i>
<i>Total</i>	<i>108,598,497</i>	<i>106,438,497</i>	<i>-2,160,000</i>

*Sources of funds*

<i>State</i>	<i>107,566,483</i>	<i>105,406,483</i>	<i>-2,160,000</i>
<i>Federal</i>	<i>932,014</i>	<i>932,014</i>	<i>0</i>
<i>Inter Unit</i>	<i>100,000</i>	<i>100,000</i>	<i>0</i>
<i>Total</i>	<i>108,598,497</i>	<i>106,438,497</i>	<i>-2,160,000</i>

*\* \* \* Maintenance Program; Central Garage; Restoration  
of Appropriations \* \* \**

*Sec. 6. MAINTENANCE PROGRAM; CENTRAL GARAGE;*

*RESTORATION OF APPROPRIATIONS*

*Restoring the fiscal year 2025 Maintenance Program and Central Garage  
appropriations and authorizations to the levels included in the Agency of*

Transportation's Proposed Fiscal Year 2025 Transportation Program shall be the top fiscal priorities of the Agency.

(1) If there are unexpended State fiscal year 2024 appropriations of Transportation Fund monies, then, at the close of State fiscal year 2024, an amount up to \$3,260,000.00 of any unencumbered Transportation Fund monies appropriated in 2023 Acts and Resolves No. 78, Secs. B.900–B.922, which would otherwise be authorized to carry forward, is reappropriated for the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program, with up to \$2,160,000.00 directed to Maintenance and up to \$1,100,000.00 directed to the Central Garage, 30 days after the Agency sends written notification of the request for the unencumbered Transportation Fund monies to be reappropriated to the Joint Transportation Oversight Committee, provided that the Joint Transportation Oversight Committee does not send written objection to the Agency.

(2) If the Agency utilizes available federal monies in lieu of one-time Transportation Fund monies for Green Mountain Transit pursuant to Sec. 9(c) of this act, then the one-time Transportation Fund monies authorized for expenditure pursuant to Sec. 9(b) of this act that are not required for public transit may instead go towards restoring the Maintenance and Central Garage appropriations.

(3) If any unencumbered Transportation Fund monies are reappropriated pursuant to subdivision (1) of this subsection or made available pursuant to subdivision (2) of this subsection, then, within the Agency of Transportation’s Proposed Fiscal Year 2025 Transportation Program for Maintenance, authorized spending is further amended to increase operating expenses by not more than \$2,160,000.00 in Transportation Fund monies and, within the Agency’s Proposed Fiscal Year 2025 Transportation Program for the Central Garage, authorized spending is further amended to increase operating expenses by not more than \$1,100,000.00 in Transportation Fund monies.

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

*\* \* \* Town Highway Aid \* \* \**

*Sec. 7. TOWN HIGHWAY AID MONIES*

Within the Agency of Transportation’s Proposed Fiscal Year 2025 Transportation Program for Town Highway Aid, and notwithstanding the provisions of 19 V.S.A. § 306(a), authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	28,672,753	29,532,753	860,000

<i>Total</i>	<i>28,672,753</i>	<i>29,532,753</i>	<i>860,000</i>
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Sources of funds

<i>State</i>	<i>28,672,753</i>	<i>29,532,753</i>	<i>860,000</i>
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<i>Total</i>	<i>28,672,753</i>	<i>29,532,753</i>	<i>860,000</i>
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*\* \* \* Town Highway Structures \* \* \**

*Sec. 8. TOWN HIGHWAY STRUCTURES MONIES*

(a) Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Town Highway Structures, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
<i>Grants</i>	<i>7,416,000</i>	<i>8,016,000</i>	<i>600,000</i>
<i>Total</i>	<i>7,416,000</i>	<i>8,016,000</i>	<i>600,000</i>

Sources of funds

<i>State</i>	<i>7,416,000</i>	<i>8,016,000</i>	<i>600,000</i>
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<i>Total</i>	<i>7,416,000</i>	<i>8,016,000</i>	<i>600,000</i>
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(b) In State fiscal year 2025, the Agency shall approve qualifying projects with a total estimated State share cost that is at least \$600,000.00 more than the minimum set forth in 19 V.S.A. § 306(e)(2).

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

*Sec. 9. ONE-TIME PUBLIC TRANSIT MONIES; GREEN MOUNTAIN  
TRANSIT; FARE COLLECTION, EVALUATION, AND  
REORGANIZATION; REPORT*

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

*(b) Authorization. Spending authority for Increased One-Time Monies for  
Public Transit for Fiscal Year 2025 is authorized as follows:*

<i><u>FY25</u></i>	<i><u>As Proposed</u></i>	<i><u>As Amended</u></i>	<i><u>Change</u></i>
<i>Other</i>	<i>0</i>	<i>630,000</i>	<i>630,000</i>
<i>Total</i>	<i>0</i>	<i>630,000</i>	<i>630,000</i>
<i><u>Sources of funds</u></i>			
<i>State</i>	<i>0</i>	<i>630,000</i>	<i>630,000</i>
<i>Total</i>	<i>0</i>	<i>630,000</i>	<i>630,000</i>

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

*(d) Implementation. The Agency shall distribute the authorization in  
subsection (b) of this section to Green Mountain Transit as one-time bridge*

funding for fiscal year 2025 while Green Mountain Transit stabilizes its finances, adjusts its service levels, and transitions to a sustainable funding model.

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

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

(2) in coordination with the Agency of Transportation, Special Service Transportation Agency, Rural Community Transportation, and Tri-Valley Transit, evaluate alternative options for delivering cost-effective urban fixed-route transit service, rural transit service, commuter service, and any other specialized services currently provided, and prepare a proposed implementation plan, including a three-year cost and revenue plan, for recommended service transitions; and

(3) submit to the House and Senate Committees on Transportation an interim report on or before November 15, 2024 and a final report on or before February 1, 2025, detailing the findings, recommendations, and implementation plan as described in subdivision (2) of this subsection.



*\* \* \* eBike Incentives; Public Transit Programs; Authorization \* \* \**

*Sec. 10. ONE-TIME EBIKE INCENTIVE PROGRAM MONIES*

*(a) The definitions in 19 V.S.A. § 2901 shall apply to this section.*

*(b) In fiscal year 2025, the Agency is authorized to spend up to \$70,000.00 in one-time Transportation Fund monies to provide incentives under the eBike Incentive Program established pursuant to 2021 Acts and Resolves No. 55, Sec. 28, as amended by 2022 Acts and Resolves No. 184, Sec. 23.*

*\* \* \* Agency of Transportation Duties; Bonding \* \* \**

*Sec. 11. 19 V.S.A. § 10 is amended to read:*

*§ 10. DUTIES*

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

*\* \* \**

*(9) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file an additional surety bond to the Secretary and the Secretary's successor in office, for the benefit of labor, materialmen, and others, executed by a surety company authorized to transact business in this State; The surety bond shall be in such sum as the Agency shall direct, conditioned for the payment, settlement, liquidation, and discharge of the claims of all creditors for material, merchandise, labor, rent, hire of vehicles, power shovels, rollers, concrete mixers, tools, and other appliances, professional services, premiums, and other*

*services used or employed in carrying out the terms of the contract between the contractor and the State and further conditioned for the following accruing during the term of performance of the contract: the payment of taxes, both State and municipal, and contributions to the Vermont Commissioner of Labor, ~~accruing during the term of performance of the contract.~~ However; provided, however, in order to obtain the benefit of the security, the claimant shall file with the Secretary a sworn statement of the claimant's claim, within 90 days after the final acceptance of the project by the State or within 90 days from the time the taxes or contributions to the Vermont Commissioner of Labor are due and payable, and, within one year after the filing of the claim, shall bring a petition in the Superior Court in the name of the Secretary, with notice and summons to the principal, surety, and the Secretary, to enforce the claim or intervene in a petition already filed. The Secretary may, if the Secretary determines that it is in the best interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for \$100,000.00 or less, may waive the requirement of a surety bond.*

\* \* \*

*\* \* \* Delays; Transportation Program Statute;*

*Increased Estimated Costs; Technical Corrections \* \* \**

*Sec. 12. 19 V.S.A. § 10g is amended to read:*

*§ 10g. ANNUAL REPORT; TRANSPORTATION PROGRAM;*

*ADVANCEMENTS, CANCELLATIONS, AND DELAYS*

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

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

*\* \* \**

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

(d) *[Repealed.]*

(e) Prior expenditures and appropriations carried forward.

\* \* \*

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

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

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

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

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

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

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

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

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

*(3) If a project in the current adopted Transportation Program require for the current fiscal year requires additional funding to maintain the approved schedule in the adopted Transportation Program for the current fiscal year, the Agency is authorized to allocate the necessary resources. However, the Secretary shall not delay or suspend work on ~~approved~~ projects in the adopted Transportation Program for the current fiscal year to reallocate funding for other projects except when other funding options are not available. In such case, the Secretary shall notify the Joint Transportation Oversight Committee, the Joint Fiscal Office, and the Joint Fiscal Committee when the General Assembly is not in session and the House and Senate Committees on Transportation and the Joint Fiscal Office when the General Assembly is in*

*session. With respect to projects in the approved Transportation Program, the Secretary shall notify, ~~in the district affected,~~ the regional planning commission for the district where the affected project is located, the municipality where the affected project is located, the legislators for the district where the affected project is located, the House and Senate Committees on Transportation, and the Joint Fiscal Office of any change that likely will affect the fiscal year in which the project is planned to go to construction.*

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

*(i) Economic development proposals. For the purpose of enabling the State, without delay, to take advantage of economic development proposals that increase jobs for Vermonters, a transportation project certified by the Governor as essential to the economic infrastructure of the State economy, or a local economy, may, if approval is required by law, be approved for construction by a committee comprising the Joint Fiscal Committee meeting with the ~~Chairs~~ chairs of the ~~Transportation~~ House and Senate Committees on Transportation or their designees without explicit project authorization*

*through an enacted adopted Transportation Program, in the event that such authorization is otherwise required by law.*

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

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

*(1) serious damage to a transportation facility caused by a natural disaster over a wide area, such as a flood, hurricane, earthquake, severe storm, or landslide; ~~or~~*

*(2) catastrophic or imminent catastrophic failure of a transportation facility from any cause; ~~or~~*



(3) *any condition identified by the Secretary as hazardous to the traveling public; or*

(4) *any condition evidenced by fatalities or a high incidence of crashes.*

(l) Numerical grading system; priority rating. *The Agency shall develop a numerical grading system to assign a priority rating to all Program Development Paving, Program Development Roadway, Program Development Safety and Traffic Operations, Program Development State and Interstate Bridge, Town Highway Bridge, and Bridge Maintenance projects. The rating system shall consist of two separate, additive components as follows:*

(1) *One component shall be limited to asset management- and performance-based factors that are objective and quantifiable and shall consider, ~~without limitation,~~ the following:*

\* \* \*

(2) *The second component of the priority rating system shall consider, ~~without limitation,~~ the following factors:*

\* \* \*

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

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

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

*(p) Lamoille Valley Rail Trail. The Agency shall include the annual maintenance required for the Lamoille Valley Rail Trail (LVRT), running from Swanton to St. Johnsbury, in the Transportation Program it presents to the*

*General Assembly under subsection (a) of this section. The proposed authorization for the maintenance of the LVRT shall be sufficient to cover:*

*\* \* \**

*Sec. 13. PLAN FOR REPORTING DELAYS; REPORT*

*The Agency of Transportation shall file a written report containing a plan for how to provide sufficient notice when projects in the adopted Transportation Program are delayed to the House and Senate Committees on Transportation not later than December 15, 2024.*

*\* \* \* Appropriation Calculations \* \* \**

*\* \* \* Central Garage Fund \* \* \**

*Sec. 14. 19 V.S.A. § 13(c) is amended to read:*

*(c)(1) For the purpose specified in subsection (b) of this section, the following amount, at a minimum, shall be transferred from the Transportation Fund to the Central Garage Fund:*

*(A) ~~in fiscal year 2021, \$1,355,358.00; and~~*

*~~(B) in subsequent fiscal years, at a minimum, the amount specified in subdivision (A) of this subdivision (1) as adjusted annually by increasing transferred for the previous fiscal year's amount by the percentage increase in the year increased by the percentage change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) during the two most recently closed State fiscal years if the percentage change is positive; or~~*

(B) the amount transferred for the previous fiscal year if the percentage change is zero or negative.

\* \* \*

(3) For purposes of subdivision (1) of this subsection, the percentage change in the CPI-U is calculated by determining the increase or decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the transfer will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the transfer will be made.

\* \* \* Town Highway Aid \* \* \*

Sec. 15. 19 V.S.A. § 306(a) is amended to read:

(a) General State aid to town highways.

(1) An annual appropriation to class 1, 2, and 3 town highways shall be made. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

(A) ~~the year-over-year increase in the two most recently closed fiscal years in~~ percentage change of the Agency's total appropriations funded by Transportation Fund revenues, excluding appropriations for town highways

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

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

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

\* \* \*

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

*Sec. 16. 19 V.S.A. § 1112 is amended to read:*

*§ 1112. DEFINITIONS; FEES*

*(a) As used in this section:*

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

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

*\* \* \**

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

*\* \* \**

*(3) minor commercial development: \$250.00*

*\* \* \**

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

*\* \* \* Vehicle Incentive Programs \* \* \**

*\* \* \* Replace Your Ride Program \* \* \**

*Sec. 17. 19 V.S.A. § 2904(d)(2)(B) is amended to read:*

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

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

*\* \* \**

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

*\* \* \**

*Sec. 18. 19 V.S.A. § 2904a is added to read:*

*§ 2904a. REPLACE YOUR RIDE PROGRAM FLEXIBILITY;*

*EMERGENCIES*

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

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

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

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

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

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

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

*\* \* \* Electrify Your Fleet Program \* \* \**

*Sec. 19. 2023 Acts and Resolves No. 62, Sec. 21 is amended to read:*

*Sec. 21. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION*

*\* \* \**

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



*(PEV) cycled out of a motor vehicle fleet or avoid the purchase of vehicles other than a PEV for a motor vehicle fleet. Specifically, the Electrify Your Fleet Program shall:*

*\* \* \**

*(2) provide ~~\$2,500.00~~ purchase and lease incentives up to 25 percent of the purchase price, but not to exceed \$2,500.00, for:*

*\* \* \**

*(C) electric bicycles and electric cargo bicycles with a base MSRP of ~~\$6,000.00~~ \$10,000.00 or less;*

*(D) adaptive electric cycles with any base MSRP;*

*(E) electric motorcycles with a base MSRP of \$30,000.00 or less;*

*and*

*(F) electric snowmobiles with a base MSRP of \$20,000.00 or less;*

*and*

*(G) electric all-terrain vehicles (ATVs), as defined in 23 V.S.A. § 3501 and including electric utility terrain vehicles (UTVs), with a base MSRP of \$50,000.00 or less;*

*\* \* \**

*\* \* \* eBike Incentives; Eligibility \* \* \**

*Sec. 20. 2023 Acts and Resolves No. 62, Sec. 22 is amended to read:*

*Sec. 22. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM;*

*REPORT*

\* \* \*

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

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

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

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

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

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

*\* \* \* Annual Reporting \* \* \**

*Sec. 21. 19 V.S.A. § 2905 is amended to read:*

*§ 2905. ANNUAL REPORTING; VEHICLE INCENTIVE PROGRAMS*

*(a) The Agency shall annually evaluate the programs established under sections 2902–2904 of this chapter to gauge effectiveness and shall submit a written report on the effectiveness of the programs and the State’s marketing and outreach efforts related to the programs to the House and Senate Committees on Transportation, the House Committee on Environment and Energy, and the Senate Committee on Finance Natural Resources and Energy on or before the 31st day of January in each year following a year that an incentive was provided through one of the programs.*

*(b) The report shall also include:*

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

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

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

*(c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section shall continue to be required if an incentive is provided through one of the programs unless the General Assembly takes specific action to repeal the report requirement.*

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

*Sec. 22. TRANSFER OF MONIES BETWEEN VEHICLE INCENTIVE*

*PROGRAMS IN STATE FISCAL YEAR 2025*

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

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

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

*Sec. 23. 19 V.S.A. chapter 29 is amended to read:*

*CHAPTER 29. VEHICLE INCENTIVE PROGRAMS; ELECTRIC VEHICLE*

*SUPPLY EQUIPMENT*

§ 2901. DEFINITIONS

*As used in this chapter:*

\* \* \*

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

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

\* \* \*

§ 2906. ELECTRIC VEHICLE SUPPLY EQUIPMENT GOALS

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

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

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

(3) co-located with or within a safe and both walkable and rollable distance of publicly accessible amenities such as restrooms, restaurants, and

*convenience stores to provide a safe, consistent, and convenient experience for the traveling public along the State highway system.*

*§ 2907. ANNUAL REPORTING; ELECTRIC VEHICLE SUPPLY*

*EQUIPMENT*

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

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

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

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

*Sec. 24. REPEAL OF CURRENT EVSE MAP REPORT AND EXISTING*

*GOALS*

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

*Sec. 25. EVSE PLAN; REPORT*

*The Agency of Transportation, in consultation with the Agencies of Agriculture, Food and Markets and of Commerce and Community Development, shall prepare a written plan, which may incorporate other plans that have been prepared to secure federal funding under the National Electric Vehicle Infrastructure Formula Program, for how to fund and maintain the EVSE necessary for Vermont to meet that portion of the goals of the Comprehensive Energy Plan and the Vermont Climate Action Plan. The written plan shall be filed with the House and Senate Committees on Transportation not later than January 15, 2025.*

*Sec. 26. REGULATION OF EVSE; RECOMMENDATIONS; REPORT*

*On or before March 1, 2025, the Agency of Transportation, in consultation with the Agencies of Agriculture, Food and Markets and of Commerce and Community Development; the Department of Public Service; the Public Utility Commission; the Office of the Attorney General, Consumer Protection Division; Drive Electric Vermont; and EVSE industry participants, shall*

provide testimony to the House and Senate Committees on Transportation, and to other legislative committees upon request, regarding:

(1) what regulations, if any, should be placed on EVSE that is available to the public, both for EVSE that is owned and operated by an electric distribution utility and for EVSE that is not owned and operated by an electric distribution utility;

(2) how best to ensure that consumers are being charged accurately for the electricity they receive;

(3) how best to ensure that vendors are properly charging consumers for the electricity they receive and disclosing any additional costs that may apply;  
and

(4) any recommendations for legislative action to address State regulation of EVSE.

*\* \* \* Beneficial Electrification Report \* \* \**

*Sec. 27. ELECTRIC DISTRIBUTION UTILITIES; EVSE-RELATED*

*SERVICE UPGRADES; REPORT*

In the report due not later than January 15, 2025, pursuant to 2021 Acts and Resolves No. 55, Sec. 33, the Public Utility Commission shall include a reporting of service upgrade practices related to the installation of electric vehicle supply equipment (EVSE) across all electric distribution utilities, including a comparison of EVSE-related service upgrade practices, a



description of the frequency and typical costs of EVSE-related service upgrades, and rate-payer impact.

*\* \* \* Expansion of Public Transit Service \* \* \**

*\* \* \* Mobility Services Guide; Car Share \* \* \**

*Sec. 28. MOBILITY SERVICES GUIDE; ORAL UPDATE*

(a) The Agency of Transportation, in consultation with existing nonprofit mobility services organizations incorporated in the State of Vermont for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership, such as through carsharing, and other nonprofit organizations working to achieve the goals of the Comprehensive Energy Plan, the Vermont Climate Action Plan, and the Agency of Transportation's community engagement plan for environmental justice, shall develop a web-page-based guide to outline the different mobility service models that could be considered for deployment in Vermont.

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

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

(2) information related to existing initiatives, including developmental and pilot programs, that meet any of the program types or options defined

pursuant to subdivision (1) of this subsection and information related to any pertinent studies or reports, whether completed or ongoing, related to the program types or options defined pursuant to subdivision (1) of this subsection;

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

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

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

(B) the service area characteristics;

(C) the revenue capture options;

(D) technical assistance resources; and

(E) existing or potential funding resources.

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

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

*Sec. 29. 19 V.S.A. § 10n is added to read:*

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

*GRANT PROGRAM*

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

~~*(b) Grant awards of not more than \$100,000.00 per recipient for capital or operational costs, or both, may be used to create new or expand existing programs for one or more of the following: matching funds for other grant awards, program delivery costs, or the extension of existing programs.*~~

*(b) Grant awards of not more than \$250,000.00 per recipient for capital or operational costs, or both, may be used to create new or expand existing programs for one or more of the following: matching funds for other grant awards, program delivery costs, or the extension of existing programs.*

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

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

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

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

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

*\* \* \* Vermont Rail Plan; Amtrak \* \* \**

*Sec. 30. DEVELOPMENT OF NEW VERMONT RAIL PLAN; BICYCLE STORAGE; REPORT*

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

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

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

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

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

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

*Sec. 31. REPLACEMENT FOR THE VERMONT STATE DESIGN  
STANDARDS*

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

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

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

(3) Provide a publicly available responsiveness summary detailing the public participation activities conducted in developing the final draft of the replacement for the Vermont State Design Standards and related documents, as applicable; a description of the matters on which members of the public or stakeholders, or both, were consulted; a summary of the views of the participating members of the public and stakeholders; and significant

comments, criticisms, and suggestions received by the Agency and the Agency's specific responses, including an explanation of any modifications made in response.

(4) In alignment with the Vermont Transportation Equity Framework, consult directly, through a series of large-group, specialty focus groups and one-on-one meetings, with key stakeholders in order to achieve stakeholder engagement and afford a voice in the development of the replacement for the Vermont State Design Standards and related documents. At a minimum, stakeholders shall include the House and Senate Committees on Transportation, the Federal Highway Administration (FHWA), the Vermont Agency of Commerce and Community Development (ACCD), the Vermont Agency of Natural Resources (ANR), the Vermont Department of Health (VDH), the Vermont Department of Public Service (DPS), the Vermont League of Cities and Towns (VLCT), Vermont's regional planning commissions (RPCs), the Vermont chapter of the American Association of Retired Persons (AARP), Transportation for Vermonters (T4VT), Local Motion, the Sierra Club, Conservation Law Foundation, the Vermont Natural Resources Council, the Vermont Truck and Bus Association, the Vermont Public Transportation Association (VPTA), the American Council of Engineering Companies (ACEC), the Association of General Contractors (AGC), and other stakeholders.

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

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

*Sec. 32. 19 V.S.A. §§ 2402 and 2403 are amended to read:*

*§ 2402. STATE POLICY*

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

*(b) Except in the case of projects or project components involving unpaved highways, for all transportation projects and project phases managed by the Agency or a municipality, including planning, development, construction, or maintenance, it is the policy of this State for the Agency and municipalities, as applicable, to incorporate complete streets principles that:*

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

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

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

*(4) when desired by the municipality or specifically identified in the regional plan, implement street design for purposes of calming and slowing traffic in State-designated centers under 24 V.S.A. chapter 76A.*

*§ 2403. PROJECTS NOT INCORPORATING COMPLETE STREETS*

*PRINCIPLES*

*(a) State projects. A State-managed project shall incorporate complete streets principles unless the project manager makes a written determination, supported by documentation, that one or more of the following circumstances exist:*

*\* \* \**

*(2) The cost of incorporating complete streets principles is disproportionate to the need or probable use as determined by factors including land use, current and projected user volumes, population density, crash data, historic and natural resource constraints, and maintenance requirements. The Agency shall consult local and regional plans, as*



*appropriate, in assessing these and any other relevant factors. If the project manager bases the written determination required under this subsection in whole or in part on this subdivision then the project manager shall provide a supplemental written determination with specific details on costs, needs, and probable uses, as applicable. The supplemental written determination shall also address any design elements that were desired by the municipality or specifically identified in the regional plan pursuant to subdivision 2402(b)(4) of this chapter but were not incorporated.*

\* \* \*

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

\* \* \*

*(2) The cost of incorporating complete streets principles is disproportionate to the need or probable use as determined by factors such as land use, current and projected user volumes, population density, crash data, historic and natural resource constraints, and maintenance requirements. The municipality shall consult local and regional plans, as appropriate, in assessing these and any other relevant factors. If the municipality managing the project bases the written determination required under this subsection in*

*whole or in part on this subdivision then the project manager shall provide a supplemental written determination with specific details on costs, needs, and probable uses, as applicable. The supplemental written determination shall also address any design elements that were desired by the municipality or specifically identified in the regional plan pursuant to subdivision 2402(b)(4) of this chapter but were not incorporated.*

\* \* \*

\* \* \* *Sustainability of Vermont's Transportation System; Emissions Reductions*

\* \* \*

*Sec. 33. ANALYSIS AND REPORT ON SUSTAINABILITY OPTIONS;*

*TRANSPORTATION EMISSIONS REDUCTIONS*

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

*(1) A majority of the Vermont Climate Council (VCC) voted to recommend participation in the Transportation & Climate Initiative Program (TCI-P), a regional cap-and-invest program, as a lead policy and regulatory approach to reduce emissions from the transportation sector in the Vermont Climate Action Plan (CAP), adopted in December 2021.*

*(2) Shortly before adoption of the CAP in December 2021, participating in TCI-P became unviable and the VCC agreed to include in the CAP that the VCC would continue work on an alternative recommendation to reduce*

emissions from the transportation sector in Vermont and pursue participating in TCI-P if it again became viable.

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

(4) The development of the State’s Carbon Reduction Strategy (CRS), which is required by the Federal Highway Administration (FHWA) pursuant to the federal Infrastructure Investment and Jobs Act (IIJA) for states to access federal monies under the Carbon Reduction Program and required by the General Assembly pursuant to 2023 Acts and Resolves No. 62, Sec. 31, and the accompanying planning and public engagement process provided the Cross Section Mitigation Subcommittee of the VCC a timely opportunity to undertake additional analysis required for a potential preferred recommendation or recommendations to fill the gap in reductions of transportation emissions.

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

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

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

(b) Written analysis. The Agency of Natural Resources, specifically the Climate Action Office, and the Agency of Transportation, in consultation with the State Treasurer; the Departments of Finance and Management, of Motor Vehicles, and of Taxes; and the VCC, including those councilors appointed by the General Assembly to provide expertise in energy and data analysis,

expertise and professional experience in the design and implementation of programs to reduce greenhouse gas emissions, and representation of a statewide environmental organization as outlined in the adopted January 12, 2024 Transportation Addendum to the Climate Action Plan, shall prepare a written analysis of policy and investment scenarios to reduce emissions in the transportation sector in Vermont and meet the greenhouse gas reduction requirements of 10 V.S.A. § 578, as amended by Sec. 3 of the Global Warming Solutions Act (2020 Acts and Resolves No. 153).

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

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

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

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

(d) Emission reduction scenarios; administration. The written analysis shall include an estimate of the amount of emissions reduction to be generated

from a minimum of four scenarios, to include a business-as-usual, low-, medium-, and high-greenhouse gas emissions reduction, analyzed under subsection (c) of this section and a summary of how each proposal analyzed under subsection (c) of this section would be administered.

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

(f) Public access; committees; due date.

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

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

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

(g) Use of consultant. The Agencies of Natural Resources and of Transportation shall retain a consultant that is an expert in comprehensive transportation policy with a core focus on emission reductions and economic modeling to undertake the analysis and to provide the State Treasurer with any additional information needed to inform the State Treasurer's recommendations regarding any viable approaches required under subsections (b)–(e) of this section.

(h) Costs.

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

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

*\* \* \* Better Connections Grant Program \* \* \**

*Sec. 34. 19 V.S.A. § 319 is added to read:*

§ 319. BETTER CONNECTIONS GRANT PROGRAM

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

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

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

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

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

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



*\* \* \* Transportation Funding Study \* \* \**

*Sec. 35. TRANSPORTATION FUNDING STUDY; CONSULTANT;*

*REPORT*

*(a) The General Assembly finds:*

*(1) Vermont's transportation system is crucial to every resident, student, worker, visitor, and business located in Vermont; serves as the backbone of the economy; and is a critical component of Vermont's economic competitiveness.*

*(2) The State must continue to pursue an equitable transportation network in which communities have improved access to all modes of transportation, enhancing access to jobs, housing, and other services.*

*(3) In order to keep up with the maintenance, repair, and construction necessary to maintain the State's transportation infrastructure, additional State revenue needs to be raised in order to meet the nonfederal match for all federal monies for which Vermont is eligible and that is awarded to Vermont through competitive federal grants.*

*(4) Several public transit funding studies have been presented to the General Assembly, in 2015, 2021, and 2024, that highlight growing labor costs, changed ridership habits, a reduction in federal monies intended to minimize person-to-person contact during the COVID-19 pandemic, increased service needs, and an anticipated funding cliff just to maintain current levels of service and operation in State fiscal year 2026.*

(5) Vermont will continue to contend with transportation funding shortfalls due to decreased motor fuel tax revenue, on both gasoline and diesel, due to increasing vehicle fuel efficiency and the continued adoption of plug-in electric vehicles.

(6) The Agency of Transportation is studying and seeking federal competitive grant funding to implement, possibly as early as July 1, 2025, a mileage-based user fee (MБУF) as a way to supplant lost motor fuel tax revenue from Vermonters who own a battery electric vehicle that is charged at home.

(7) While motor fuels represent a significant source of funding for the Transportation Fund, they are only one component of the State's overall transportation funding.

(8) In addition to an MБУF, the State must identify new and innovative funding and policy options needed to adequately maintain Vermont's transportation system and support future growth.

(b) The Agency of Transportation shall invest not more than \$100,000.00 to contract with an independent third-party consultant with expertise in transportation funding and finance.

(c) The consultant shall consider and evaluate issues related to transportation funding in order to identify mechanisms to sufficiently fund

transportation projects and operations through appropriations by the General Assembly. Specifically, the consultant shall:

(1) evaluate current transportation funding in Vermont, taking into account the viability of existing revenue sources and funding distributions;

(2) consider future trends that will impact the multimodal transportation system, including inflation, safety needs, racial equity, electric vehicles, and climate change;

(3) consider new and innovative funding options and alternative solutions employed by other states;

(4) consider how an MBUF can, along with other new and traditional funding mechanisms, provide sustainable transportation funding; and

(5) provide a report of transportation revenue projection scenarios through 2030, including new sources.

(d) The Agency shall send to the House and Senate Committees on Transportation, the House Committee on Ways and Means, and the Senate Committee on Finance:

(1) on or before December 15, 2024, a written update of work performed and, if available, a draft of the final report; and

(2) on or before January 15, 2025, the final written report and recommendations required by this section.

*\* \* \* Electric and Plug-In Hybrid Vehicles; EV Infrastructure Fee \* \* \**

*Sec. 36. 23 V.S.A. § 361 is amended to read:*

*§ 361. PLEASURE CARS*

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

*(b) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section.*

*(c) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual EV infrastructure fee for a pleasure car that is a plug-in hybrid electric vehicle, as defined in subdivision 4(85)(B) of this title, equal to one-half the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to the annual fee collected in subsection (a) of this section.*

*(d) The annual and biennial EV infrastructure fees collected in subsections (b) and (c) of this section shall be allocated to the Transportation Fund for*

programs administered by the Agency of Commerce and Community Development to increase Vermonters' access to level 1 and 2 electric vehicle supply equipment (EVSE) charging ports at workplaces or multiunit dwellings, or both.

*Sec. 37. EV INFRASTRUCTURE FEE; ELECTRIC VEHICLES*

The Department of Motor Vehicles shall implement a public outreach campaign regarding EV infrastructure fees for battery electric vehicles and plug-in electric hybrid vehicles not later than October 1, 2024. The campaign shall disseminate information on the Department's web page and through other outreach methods.

*Sec. 38. 23 V.S.A. § 361 is amended to read:*

*§ 361. PLEASURE CARS*

\* \* \*

~~(b) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section. [Repealed.]~~

\* \* \*

*(d) The annual and biennial EV infrastructure fees collected in ~~subsections (b) and subsection~~ (c) of this section shall be allocated to the Transportation Fund for programs administered by the Agency of Commerce and Community Development to increase Vermonters' access to level 1 and 2 electric vehicle supply equipment (EVSE) charging ports at workplaces or multiunit dwellings, or both.*

*Sec. 39. PROPOSED FISCAL YEAR 2026 TRANSPORTATION  
PROGRAM; EVSE CHARGING PORTS PROJECT*

*The Agency of Transportation's Proposed Fiscal Year 2026 Transportation Program shall include a project that provides the estimated fiscal year 2026 revenue from the EV infrastructure fee to the Agency of Commerce and Community Development for the purpose of providing grants to increase Vermonters' access to level 1 and 2 EVSE charging ports at workplaces or multiunit dwellings, or both.*

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

*Sec. 40. CENTRAL GARAGE; REAL PROPERTY; FACILITY DESIGN;  
AUTHORITY*

*(a)(1) Pursuant to 19 V.S.A. § 26(b), the Secretary of Transportation is authorized to use up to \$2,000,000.00 in Central Garage Fund reserve funds for the purpose of purchasing real property of approximately 23.5 acres on the*

Paine Turnpike in Berlin, adjacent to State-owned property, on which to site a new Central Garage.

(2) If the Secretary identifies real property other than the Berlin site described in subdivision (1) of this subsection on which the Secretary wishes to site a new Central Garage, the Secretary is authorized to use up to \$2,000,000.00 in Central Garage Fund reserve funds to purchase the property, but only after obtaining the specific prior approval of the Joint Transportation Oversight Committee to purchase the identified property.

(b) Notwithstanding 19 V.S.A. § 13(a), the Secretary may use Central Garage Fund reserve funds for design services necessary to construct a new Central Garage on the Berlin site described in subdivision (a)(1) of this section or, following the Joint Transportation Oversight Committee's approval as set forth in subdivision (a)(2) of this section, on another site; provided, however, that the Secretary shall collaborate with the municipality in which the new Central Garage is to be located regarding the design and construction of the facility.

*\* \* \* Railroad Leases \* \* \**

*Sec. 41. 5 V.S.A. § 3405 is amended to read:*

*§ 3405. LEASE FOR CONTINUED OPERATION*

*(a) The Secretary, as agent for the State, ~~with the approval of the Governor and the General Assembly or, if the General Assembly is not in session,~~*

~~approval of a special committee consisting of the Joint Fiscal Committee and the Chairs of the House and Senate Committees on Transportation, is authorized to lease or otherwise arrange for the continued operation of all or any State-owned railroad property to any responsible person, provided that approval for the operation, if necessary, is granted by the federal Surface Transportation Board under 49 C.F.R. Part 1150 (certificate to construct, acquire, or operate railroad lines). The transaction shall be subject to any further terms and conditions as in the opinion of the Secretary are necessary and appropriate to accomplish the purpose of this chapter.~~

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

~~(c) The Secretary shall notify the House and Senate Committees on Transportation or, if the General Assembly is not in session, the Joint Transportation Oversight Committee when there are 12 months remaining on the operating lease for any State-owned railroad, and when there are 12 months remaining on a lease extension for the operating lease for any State-owned railroad.~~



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

*Sec. 42. 23 V.S.A. § 1025 is amended to read:*

*§ 1025. STANDARDS*

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

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

*(c) Existing signs, signals, and markings shall be valid until such time as they are replaced or reconstructed. When new traffic control devices are erected or placed or existing traffic control devices are replaced or repaired, the equipment, design, method of installation, placement, or repair shall conform with the MUTCD.*

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

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

*\* \* \* MileageSmart; Income Eligibility \* \* \**

*Sec. 43. 19 V.S.A. § 2903 is amended to read:*

*§ 2903. MILEAGESMART*

*(a) Creation; administration.*

*(1) There is created a used high fuel efficiency vehicle incentive program, which shall be administered by the Agency of Transportation and known as MileageSmart.*

*(2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of MileageSmart.*

*(b) Program structure. MileageSmart shall structure high fuel efficiency purchase incentive payments by income to help all Vermonters benefit from more efficient driving and reduced greenhouse gas emissions, including Vermont's most vulnerable. Specifically, MileageSmart shall:*

*(1) apply to purchases of used high fuel-efficient motor vehicles, which for purposes of this program shall be pleasure cars with a combined city/highway fuel efficiency of at least 40 miles per gallon or miles-per-gallon equivalent as rated by the Environmental Protection Agency when the vehicle was new; and*

*(2) provide not more than one point-of-sale voucher worth up to \$5,000.00 to an individual who is a member of a household with an adjusted gross income that is at or below 80 percent of the State median income; provided, however, that the Agency of Transportation may reduce the income eligibility threshold based on available funding or applicant volume, or both, in order to prioritize vouchers for households with lower income.*

*(c) EV infrastructure fees. For the first year that a plug-in electric vehicle, as defined in 23 V.S.A. § 4(85), purchased through MileageSmart is subject to the EV infrastructure fee pursuant to 23 V.S.A. § 361(b) or (c), the amount of the fee shall be an eligible expense under MileageSmart; provided, however, that this expense eligibility shall expire at such time as a mileage-based user fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A. § 4(85)(A), takes effect in Vermont.*

*(e)(d) Administrative costs. Up to 15 percent of any appropriations for MileageSmart may be used for any costs associated with administering and promoting MileageSmart.*

~~(d)~~(e) *Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of MileageSmart so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available, and such costs shall be considered administrative costs for purposes of subsection ~~(e)~~(d) of this section.*

*\* \* \* Effective Dates \* \* \**

*Sec. 44. EFFECTIVE DATES*

*(a) This section and Secs. 9(e) (conditions for Green Mountain Transit one-time monies), 22 (transfer of monies between vehicle incentive programs in FY 2025), 40 (Central Garage; purchase of real property), and 41 (railroad leases; 5 V.S.A. § 3405) shall take effect on passage.*

*(b) Sec. 36 (EV infrastructure fee; 23 V.S.A. § 361) shall take effect on January 1, 2025.*

*(c) Sec. 38 (amendments to EV infrastructure fee; 23 V.S.A. § 361) shall take effect on the effective date of a mileage-based user fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A. § 4(85)(A).*

*(d) All other sections shall take effect on July 1, 2024.*