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H.868

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

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

\* \* \* 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

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

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

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

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

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

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

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

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

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

5 Environmental Policy and Sustainability Program; Central Garage;

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

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

8 ENVIRONMENTAL POLICY AND SUSTAINABILITY

9 PROGRAM; CENTRAL GARAGE; ELECTRIC VEHICLE SUPPLY

10 EQUIPMENT (EVSE)

11 (a) Public Transit.

12 (1) Within the Agency of Transportation’s Proposed Fiscal Year 2025

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

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	4,612,631	4,612,631	0
Operat. Exp.	119,894	119,894	0
Grants	51,907,700	50,207,700	-1,700,000
Total	56,640,225	54,940,225	-1,700,000

20 Sources of funds

State	9,807,525	9,807,525	0
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1	Federal	46,692,700	44,992,700	-1,700,000
2	Interdept.	140,000	140,000	0
3	Total	56,640,225	54,940,225	-1,700,000

4           (2) The amendment set forth in subdivision (1) of this subsection shall  
5 be reflected in a \$1,700,000.00 reduction of Carbon Reduction Funding for the  
6 Capital-CRF CRFP (24) (for Capital Support for E-Vehicles), from  
7 \$4,000,000.00 to \$2,300,000.00.

8           (b) Environmental Policy and Sustainability Program.

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

12	<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
13	Person. Svcs.	6,953,362	6,953,362	0
14	Operat. Exp.	76,411	1,776,411	1,700,000
15	Grants	1,480,000	1,480,000	0
16	Total	8,509,773	10,209,773	1,700,000

17           Sources of funds

18	State	531,909	531,909	0
19	Federal	6,800,327	8,500,327	1,700,000
20	Local	1,177,537	1,177,537	0
21	Total	8,509,773	10,209,773	1,700,000

1           (2) Of the funds authorized by this subsection, the Environmental Policy  
2           and Sustainability Program, in consultation with Central Garage, shall spend  
3           \$1,700,000.00 for electrification of the Central Garage fleet.

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

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

11           Sources of funds

12	Int. Svc.	24,651,235	22,951,235	-1,700,000
13	Total	24,651,235	22,951,235	-1,700,000

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

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\* \* \* 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
<u>Sources of funds</u>			
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 monies

1 appropriated in 2023 Acts and Resolves No. 78, Secs. B.900–B.922, which  
2 would otherwise be authorized to carry forward, is reappropriated for the  
3 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.

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

2           Sec. 4. TOWN HIGHWAY AID MONIES

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

4                   Transportation Program for Town Highway Aid, and notwithstanding the

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

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

9                   Sources of funds

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

12   \* \* \* Town Highway Structures \* \* \*

13           Sec. 5. TOWN HIGHWAY STRUCTURES MONIES

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

15                   Transportation Program for Town Highway Structures, authorized spending is

16                   amended as follows:

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

20                   Sources of funds

21	State	7,416,000	8,416,000	1,000,000
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1 authorized to transact business in this State; The surety bond shall be in such  
2 sum as the Agency shall direct, conditioned for the payment, settlement,  
3 liquidation, and discharge of the claims of all creditors for material,  
4 merchandise, labor, rent, hire of vehicles, power shovels, rollers, concrete  
5 mixers, tools, and other appliances, professional services, premiums, and other  
6 services used or employed in carrying out the terms of the contract between the  
7 contractor and the State and further conditioned for the following accruing  
8 during the term of performance of the contract: the payment of taxes, both  
9 State and municipal, and contributions to the Vermont Commissioner of Labor;  
10 ~~accruing during the term of performance of the contract.~~ However, 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 studies,

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

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

5 \* \* \*

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

12 (d) [Repealed.]

13 (e) Prior expenditures and appropriations carried forward.

14 \* \* \*

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

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

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

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

11           (3) all projects for which the total estimated costs have, for the first  
12 time, increased by more than \$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 ~~require~~ for  
21 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 district  
14 where the affected project is located, the House and Senate Committees on  
15 Transportation, and the Joint Fiscal Office of any change that likely will affect  
16 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 be  
21 advanced or deleted from the Program.



1 (k) Definition. ~~For purposes of As used in~~ subsection (h) 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 Transportation Program prepared pursuant to subsection (f) of this section shall  
2 include the year in which ~~such~~ the projects were first ~~approved by the General~~  
3 ~~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 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; or

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

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

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\* \* \*

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

Sec. 12. 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

1 this chapter for a minor commercial development if the Governor has declared  
2 a state of emergency under 20 V.S.A. chapter 1 and the Secretary has  
3 determined that the permit applicant is facing hardship, provided that the  
4 permit is applied for during the declared state of emergency or within the six  
5 months following the conclusion of the declared state of emergency.

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

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

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

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

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

11 \* \* \*

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

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

16 § 2904a. REPLACE YOUR RIDE PROGRAM FLEXIBILITY;

17 EMERGENCIES

18 Notwithstanding subdivisions 2904(d)(2)(A) and (d)(2)(B)(i)(IV)–(VI) of  
19 this chapter, the Agency of Transportation is authorized to waive or modify the  
20 eligibility requirements for the Replace Your Ride Program under subdivisions

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

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

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

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

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

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

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

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

20      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 from  
8 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 \* \* \*

1     § 2906. ELECTRIC VEHICLE SUPPLY EQUIPMENT GOALS

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

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

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

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

13    § 2907. ANNUAL REPORTING; ELECTRIC VEHICLE SUPPLY  
14    EQUIPMENT

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

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

20            (2) file a report on additional efforts to deploy EVSE through any State  
21    EVSE grant programs, including grant programs to increase Vermonters'

1 access to charging at workplaces, multiunit dwellings, and community  
2 attractions with the House and Senate Committees on Transportation not later  
3 than January 15 each year in a year following a calendar year in which a State  
4 EVSE grant program provides funding for EVSE; and

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

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

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

18 GOALS

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



1       Sec. 22. EVSE PLAN; REPORT

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

11       Sec. 23. RECOMMENDATION ON EVSE REGULATION

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

1 penalties, appeals; the number of affected EVSE and trade professionals;  
2 projected revenues and program costs; initial findings regarding EVSE  
3 tolerances and noncompliant EVSE; and plans for education and outreach in  
4 advance of the implementation of any regulations or enforcement. The written  
5 recommendations shall be filed with the House and Senate Committees on  
6 Transportation, the House Committees on Commerce and Economic  
7 Development and on Environment and Energy, and the Senate Committees on  
8 Economic Development, Housing and General Affairs, on Finance, and on  
9 Natural Resources and Energy not later than November 15, 2024.

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

15 \* \* \* Beneficial Electrification \* \* \*

16 Sec. 24. ELECTRIC DISTRIBUTION UTILITY LINE EXTENSION  
17 COSTS; REPORT

18 In the report due not later than January 15, 2025, pursuant to 2021 Acts and  
19 Resolves No. 55, Sec. 33, the Public Utility Commission shall include a  
20 reporting of line extension tariffs across all electric distribution utilities, which

1 shall also include an analysis and comparison of electric distribution utility  
2 practices related to requests for line extensions and service upgrades.

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

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

5 Sec. 25. MOBILITY SERVICES GUIDE; ORAL UPDATE

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

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

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

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

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

5 (3) details of other existing programs that may impact program design,  
6 such as fixed-route public transit service, Medicaid transportation service,  
7 older adults and persons with disability transportation service, job access  
8 transportation service, and other similar programs; and

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

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

13 (B) the service area characteristics;

14 (C) the revenue capture options;

15 (D) technical assistance resources; and

16 (E) existing or potential funding resources.

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

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

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

3               GRANT PROGRAM; EXPANSION

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

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

15           (2) The Agency of Transportation shall expand the application period  
16       for the MTI Grant Program, opening the application process in May of each  
17       year that grants are offered and providing entities requiring technical assistance  
18       or prereview of a draft application direct assistance between the opening of the  
19       application period and August of each year that grants are offered. Final  
20       applications shall be due in early September of each year that grants are  
21       offered.

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

2           Sec. 27. DEVELOPMENT OF NEW VERMONT RAIL PLAN; BICYCLE  
3                                   STORAGE; REPORT

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

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

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

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

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

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

2           Sec. 28. REPLACEMENT FOR THE VERMONT STATE DESIGN

3                       STANDARDS

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

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

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

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

20                      (4) Consult directly, through a series of large-group, specialty focus  
21           groups and one-on-one meetings, with key stakeholders in order to achieve

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

16 (b) The Agency shall provide oral updates on its progress preparing the  
17 replacement to the Vermont State Design Standards, including the process  
18 required under subsection (a) of this section, to the House and Senate  
19 Committees on Transportation not later than February 15, 2025 and February  
20 15, 2026.



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

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

3       § 2402. STATE POLICY

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

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

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

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

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



1 subdivision then the project manager shall provide a supplemental written  
2 determination with specific details on costs, needs, and probable uses, as  
3 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 (b) Municipal projects. A municipally managed project shall incorporate  
8 complete streets principles unless the municipality managing the project makes  
9 a written determination, supported by documentation, that one or more of the  
10 following circumstances exist:

11 \* \* \*

12 (2) The cost of incorporating complete streets principles is  
13 disproportionate to the need or probable use as determined by factors such as  
14 land use, current and projected user volumes, population density, crash data,  
15 historic and natural resource constraints, and maintenance requirements. The  
16 municipality shall consult local and regional plans, as appropriate, in assessing  
17 these and any other relevant factors. If the municipality managing the project  
18 bases the written determination required under this subsection in whole or in  
19 part on this subdivision then the project manager shall provide a supplemental  
20 written determination with specific details on costs, needs, and probable uses,  
21 as applicable, but shall not need to address, in the supplemental written

1 determination, any design elements desired by the municipality pursuant to  
2 subdivision 2402(b)(4)(B) of this chapter.

3 \* \* \*

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

5 Emissions Reductions \* \* \*

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

7 TRANSPORTATION EMISSIONS REDUCTIONS

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

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

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

19 (3) An addendum to the CAP, supported by a majority of the VCC,  
20 stated that: "The only currently known policy options for which there is strong  
21 evidence from other states, provinces[,] and countries of the ability to

1 confidently deliver the scale and pace of emissions reductions that are required  
2 of the transportation sector by the [Global Warming Solutions Act (GWSA)]  
3 are one or a combination of: a) a cap and invest/cap and reduce policy  
4 covering transportation fuels and/or b) a performance standard/performance-  
5 based regulatory approach covering transportation fuels. Importantly, based on  
6 research associated with their potential implementation, these approaches can  
7 also be designed in a cost-effective and equitable manner.”

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

18 (5) The CRS, which was filed with the FHWA in November 2023,  
19 models that the State may meet its 2025 reduction requirement in the  
20 transportation sector, but that, even with additional investments for  
21 programmatic, policy, and regulatory options, the modeling shows a gap

1 between projected “business as usual” emissions in the transportation sector  
2 and the portion of GWSA emission reduction requirements for 2030 and 2050  
3 that are attributable to the transportation sector.

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

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

12 (b) Written analysis. The Agency of Natural Resources, specifically the  
13 Climate Action Office, and the Agency of Transportation, in consultation with  
14 the State Treasurer; the Departments of Finance and Management, of Motor  
15 Vehicles, and of Taxes; and the VCC, including those councilors appointed by  
16 the General Assembly to provide expertise in energy and data analysis,  
17 expertise and professional experience in the design and implementation of  
18 programs to reduce greenhouse gas emissions, and representation of a  
19 statewide environmental organization as outlined in the adopted January 12,  
20 2024 Transportation Addendum to the Climate Action Plan, shall prepare a  
21 written analysis of policy and investment scenarios to reduce emissions in the

1 transportation sector in Vermont and meet the greenhouse gas reduction  
2 requirements of 10 V.S.A. § 578, as amended by Sec. 3 of the Global Warming  
3 Solutions Act (2020 Acts and Resolves No. 153).

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

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

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

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

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

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

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

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

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

17          (3) The Agencies of Natural Resources and of Transportation, in  
18       consultation with the State Treasurer, shall file the written analysis required  
19       under subsection (b) of this section and the State Treasurer’s written  
20       recommendation to the General Assembly regarding any viable approaches  
21       required under subsection (e) of this section with the House and Senate



1 Committees on Transportation, the House Committees on Environment and  
2 Energy and on Ways and Means, and the Senate Committees on Finance and  
3 on Natural Resources and Energy not later than February 15, 2025.

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

11 (h) Costs.

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

17 (2) The State Treasurer may use funds appropriated in State fiscal year  
18 2025 to complete the work required under subsection (e) of this section,  
19 including administrative costs and third-party consultation.

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

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

3           § 319. BETTER CONNECTIONS GRANT PROGRAM

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

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

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

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

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

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

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

2           Sec. 32. TRANSPORTATION FUNDING STUDY; CONSULTANT;  
3                                   REPORT

4           (a) The General Assembly finds:

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

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

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

16                           (4) Several public transit funding studies have been presented to the  
17                           General Assembly, in 2015, 2021, and 2024, that highlight growing labor  
18                           costs, changed ridership habits, a reduction in federal monies intended to  
19                           minimize person-to-person contact during the COVID-19 pandemic, increased  
20                           service needs, and an anticipated funding cliff just to maintain current levels of  
21                           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 performed  
18 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.

1

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

2

Sec. 33. EFFECTIVE DATES

3

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

5

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