

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 30 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 as 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.~~

1 * * * Highway Maintenance * * *

2 Sec. 3. HIGHWAY MAINTENANCE

3 (a) Within the Agency of Transportation’s Proposed Fiscal Year 2025

4 Transportation Program for Maintenance, authorized spending is amended as
5 follows:

| 6 | <u>FY25</u> | <u>As Proposed</u> | <u>As Amended</u> | <u>Change</u> |
|----|-------------------------|--------------------|-------------------|---------------|
| 7 | Person. Svcs. | 42,757,951 | 42,757,951 | 0 |
| 8 | Operat. Exp. | 65,840,546 | 63,840,546 | -2,000,000 |
| 9 | Total | 108,598,497 | 106,598,497 | -2,000,000 |
| 10 | <u>Sources of funds</u> | | | |
| 11 | State | 107,566,483 | 105,566,483 | -2,000,000 |
| 12 | Federal | 932,014 | 932,014 | 0 |
| 13 | Inter Unit | 100,000 | 100,000 | 0 |
| 14 | Total | 108,598,497 | 106,598,497 | -2,000,000 |

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

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

1 monies appropriated in 2023 Acts and Resolves No. 78, Secs. B.900–B.922,
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.

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 |
|----|-------|-----------|-----------|-----------|

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 (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~~
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 (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 (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 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 (G) 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 * * *

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.
5 Eisenhower National System of Interstate and Defense Highways within the
6 State;

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

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

14 § 2907. ANNUAL REPORTING; ELECTRIC VEHICLE SUPPLY

15 EQUIPMENT

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

17 (1) file a report, with a map, on the State's efforts to meet its federally
18 required Electric Vehicle Infrastructure Deployment Plan, as updated, with the
19 House and Senate Committees on Transportation not later than January 15
20 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 prereview 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 (3) 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.

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 (MБУF) 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 MБУF, 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. 33. 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.