1 TO THE HONORABLE SENATE:

2	The Committee on Transportation to which was referred House Bill No.					
3	868 entitled "An act relating to the fiscal year 2025 Transportation Program					
4	and miscellaneous changes to laws related to transportation" respectfully					
5	reports that it has considered the same and recommends that the Senate					
6	propose to the House that the bill be amended by striking out all after the					
7	enacting clause and inserting in lieu thereof the following:					
8	* * * Transportation Program Adopted as Amended; Definitions * * *					
9	Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS					
10	(a) Adoption. The Agency of Transportation's Proposed Fiscal Year 2025					
11	Transportation Program appended to the Agency of Transportation's proposed					
12	fiscal year 2025 budget (revised February 15, 2024), as amended by this act, is					
13	adopted to the extent federal, State, and local funds are available.					
14	(b) Definitions. As used in this act, unless otherwise indicated:					
15	(1) "Agency" means the Agency of Transportation.					
16	(2) "Candidate project" means a project approved by the General					
17	Assembly that is not anticipated to have significant expenditures for					
18	preliminary engineering or right-of-way expenditures, or both, during the					
19	budget year and funding for construction is not anticipated within a predictable					
20	time frame.					

1	(3) "Development and evaluation (D&E) project" means a project						
2	approved by the General Assembly that is anticipated to have preliminary						
3	engineering expenditures or right-of-way expenditures, or both, during the						
4	budget year and that the Agency is committed to delivering to construction on						
5	a timeline driven by priority and available funding.						
6	(4) "Electric vehicle supply equipment (EVSE)" and "electric vehicle						
7	supply equipment available to the public" have the same meanings as in						
8	<u>30 V.S.A. § 201.</u>						
9	(5) "Front-of-book project" means a project approved by the General						
10	Assembly that is anticipated to have construction expenditures during the						
11	budget year or the following three years, or both, with expected expenditures						
12	shown over four years.						
13	(6) "Mileage-based user fee" or "MBUF" means a fee for vehicle use of						
14	the public road system with distance, stated in miles, as the measure of use.						
15	(7) "Secretary" means the Secretary of Transportation.						
16	(8) "TIB funds" means monies deposited in the Transportation						
17	Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.						
18	(9) The table heading "As Proposed" means the Proposed						
19	Transportation Program referenced in subsection (a) of this section; the table						
20	heading "As Amended" means the amendments as made by this act; the table						
21	heading "Change" means the difference obtained by subtracting the "As						

1	Proposed" figure from the "As Amended" figure; the terms "change" or					
2	"changes" in the text refer to the project- and program-specific amendments,					
3	the aggregate sum of which equals the net "Change" in the applicable table					
4	heading; and "State" in any tables amending authorizations indicates that the					
5	source of funds is State monies in the Transportation Fund, unless otherwise					
6	specified.					
7	* * * Summary of Transportation Investments * * *					
8	Sec. 2. FISCAL YEAR 2025 TRANSPORTATION INVESTMENTS					
9	INTENDED TO REDUCE TRANSPORTATION-RELATED					
10	GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL					
11	USE, AND SAVE VERMONT HOUSEHOLDS MONEY					
12	This act includes the State's fiscal year 2025 transportation investments					
13	intended to reduce transportation-related greenhouse gas emissions, reduce					
14	fossil fuel use, and save Vermont households money in furtherance of the					
15	policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive					
16	Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive					
17	and Legislative Branches' commitments to the Paris Agreement climate goals.					
18	In fiscal year 2025, these efforts will include the following:					
19	(1) Park and Ride Program. This act provides for a fiscal year					
20	expenditure of \$1,464,833.00, which will fund one construction project to					
21	create a new park-and-ride facility; the design and construction of					

1	improvements to one existing park-and-ride facility; funding for a municipal
2	park-and-ride grant program; and paving projects for existing park-and-ride
3	facilities. This year's Park and Ride Program will create 60 new State-owned
4	spaces. Specific additions and improvements include:
5	(A) Manchester—construction of 50 new spaces; and
6	(B) Sharon—design and construction of 10 new spaces.
7	(2) Bike and Pedestrian Facilities Program. This act provides for a
8	fiscal year expenditure, including local match, of \$11,648,752.00, which will
9	fund 28 bike and pedestrian construction projects; 21 bike and pedestrian
10	design, right-of-way, or design and right-of way projects for construction in
11	future fiscal years; and eight scoping studies. The construction projects
12	include the creation, improvement, or rehabilitation of walkways, sidewalks,
13	shared-use paths, bike paths, and cycling lanes. Projects are funded in
14	Arlington, Bennington, Bethel, Brattleboro, Burke, Burlington, Castleton,
15	Chester, Enosburg Falls, Fair Haven, Fairfax, Hartford, Hyde Park, Jericho,
16	Manchester, Middlebury, Montpelier, Moretown, Newport City, Northfield,
17	Pawlet, Richford, Royalton, Rutland City, Rutland Town, Shaftsbury,
18	Shelburne, Sheldon, South Burlington, Springfield, St. Albans City, St. Albans
19	Town, Sunderland, Swanton, Tunbridge, Vergennes, Wallingford, Waterbury,
20	and West Rutland. This act also provides funding for:

1	(A) some of Local Motion's operation costs to run the bike ferry on						
2	the Colchester Causeway, which is part of the Island Line Trail;						
3	(B) a small-scale municipal bicycle and pedestrian grant program for						
4	projects to be selected during the fiscal year;						
5	(C) projects funded through the Safe Routes to School Program; and						
6	(D) community grants along the Lamoille Valley Rail Trail (LVRT).						
7	(3) Transportation Alternatives Program. This act provides for a fiscal						
8	year expenditure of \$5,416,614.00, including local funds, which will fund 28						
9	transportation alternatives construction projects; 28 transportation alternatives						
10	design, right-of-way, or design and right-of-way projects; and three studies,						
11	including scoping, historic preservation, and connectivity. Of these 59						
12	projects, 21 involve environmental mitigation related to clean water or						
13	stormwater concerns, or both clean water and stormwater concerns, and 38						
14	involve bicycle and pedestrian facilities. Projects are funded in Athens, Barre						
15	City, Brandon, Bridgewater, Bristol, Burke, Burlington, Cambridge, Castleton,						
16	Colchester, Derby, Enosburg Falls, Fair Haven, Fairfax, Franklin, Hartford,						
17	Hinesburg, Hyde Park, Jericho, Londonderry, Lyndon, Mendon, Middlebury,						
18	Montgomery, Newark, Newfane, Proctor, Richford, Richmond, Rockingham,						
19	Rutland City, Sharon, Shelburne, South Burlington, Springfield, St. Albans						
20	Town, Swanton, Tinmouth, Vergennes, Wardsboro, Warren, Weston,						
21	Williston, Wilmington, and Winooski.						

1	(4) Public Transit Program. This act provides for a fiscal year					
2	expenditure of \$54,940,225.00 for public transit uses throughout the State.					
3	Included in the authorization are:					
4	(A) Go! Vermont, with an authorization of \$405,000.00. This					
5	authorization supports transportation demand management (TDM) strategies,					
6	including the State's Trip Planner and commuter services, to promote the use					
7	of carpools and vanpools.					
8	(B) Mobility and Transportation Innovations (MTI) Grant Program,					
9	with an authorization of \$3,500,000.00, which includes \$3,000,000.00 in					
10	federal Carbon Reduction Funds. This authorization continues to support					
11	projects that improve both mobility and access to services for transit-dependent					
12	Vermonters, reduce the use of single-occupancy vehicles, and reduce					
13	greenhouse gas emissions.					
14	(5) Rail Program. This act provides for a fiscal year expenditure of					
15	\$48,746,831.00, including local funds, for intercity passenger rail service,					
16	including funding for the Ethan Allen Express and Vermonter Amtrak services,					
17	and rail infrastructure that supports freight rail as well. Moving freight by rail					
18	instead of trucks lowers greenhouse gas emissions by up to 75 percent, on					
19	average.					
20	(6) Transformation of the State Vehicle Fleet. The Department of					
21	Buildings and General Services, which manages the State Vehicle Fleet,					

1	currently has 14 plug-in hybrid electric vehicles and 15 battery electric
2	vehicles in the State Vehicle Fleet. In fiscal year 2025, the Commissioner of
3	Buildings and General Services will continue to purchase and lease vehicles
4	for State use in accordance with 29 V.S.A. § 903(g), which requires, to the
5	maximum extent practicable, that the Commissioner purchase or lease hybrid
6	or plug-in electric vehicles (PEVs), as defined in 23 V.S.A. § 4(85), with not
7	less than 75 percent of the vehicles purchased or leased being hybrid or PEVs.
8	(7) Electric vehicle supply equipment (EVSE). This act provides for a
9	fiscal year expenditure of \$4,833,828.00 to increase the presence of EVSE in
10	Vermont in accordance with the State's federally approved National Electric
11	Vehicle Infrastructure (NEVI) Plan, which will lead to the installation of
12	Direct Current Fast Charging (DC/FC) along designated alternative fuel
13	corridors.
14	(8) Vehicle incentive programs and expansion of the PEV market.
15	Incentive Program for New PEVs, MileageSmart, Replace Your Ride, and
16	Electrify Your Fleet. No additional monies are authorized for the State's
17	vehicle incentive programs in this act, but it is estimated that prior
18	appropriations of approximately the following amounts will be available in
19	fiscal year 2025:
20	(A) \$2,600,000.00 for the Incentive Program for New PEVs;
21	(B) \$200,000.00 for MileageSmart; and

1	(C) \$900,000.00 for the Replace Your Ride Program.					
2	(9) Promoting Resilient Operations for Transformative, Efficient, and					
3	Cost-Saving Transportation (PROTECT) Formula Program. This act provides					
4	for a fiscal year expenditure of \$3,871,435.00 under the PROTECT Formula					
5	Program. This year's PROTECT Formula Program funds will support					
6	increased resiliency at three bridge sites (Coventry, Wilmington, and					
7	Shaftsbury) in alignment with the VTrans Resilience Improvement Plan.					
8	* * * Heating Systems in Agency of Transportation Buildings * * *					
9	Sec. 2a. 19 V.S.A. § 45 is added to read:					
10	<u>§ 45. HEATING SYSTEMS</u>					
11	(a) In accordance with the renewable energy goals set forth in the State					
12	Comprehensive Energy Plan, the Agency of Transportation shall strive to meet					
13	not less than 35 percent of its thermal energy needs from non-fossil fuel					
14	sources by 2025 and 45 percent by 2035.					
15	(1) In order to meet these goals, the Agency will need to use more					
16	renewable fuels, such as local wood fuels, to heat its buildings and continue to					
17	increase its use of electricity that is generated from renewable sources.					
18	(2) When building new State facilities or replacing heating equipment					
19	that has reached the end of its useful lifespan, the Agency shall prioritize					
20	switching to high-efficiency, advanced wood heating systems that rely on					
21	woody biomass.					

1	(b) On or before October 1 every other year, the Agency shall report to the						
2	Department of Buildings and General Services the percentage of the Agency's						
3	thermal energy usage during each of the previous two fiscal years that came						
4	from fossil fuels and from non-fossil fuels. The Agency shall report its non-						
5	fossil fuel percentage by fuel	fossil fuel percentage by fuel source and shall identify each type and amount of					
6	wood fuel used.	wood fuel used.					
7	***H	* * * Highway Maintenance * * *					
8	Sec. 3. HIGHWAY MAINTH	Sec. 3. HIGHWAY MAINTENANCE					
9	(a) Within the Agency of	Transportation's Proposed	Fiscal Year 2025				
10	Transportation Program for M	Transportation Program for Maintenance, authorized spending is amended as					
11	<u>follows:</u>						
12	<u>FY25</u> <u>As Propos</u>	sed <u>As Amended</u>	Change				
13	Person. Svcs. 42,757,9	42,757,951	0				
14	Operat. Exp. 65,840,5	63,980,546	-1,860,000				
15	Total 108,598,4	106,738,497	-1,860,000				
16	Sources of funds						
17	State 107,566,4	105,706,483	-1,860,000				
18	Federal 932,0	932,014	0				
19	Inter Unit 100,0	Inter Unit 100,000 100,000 0					
20	Total 108,598,4	106,738,497	-1,860,000				

1	(b) Restoring the fiscal year 2025 Maintenance Program appropriation and
2	authorization to the level included in the Agency of Transportation's Proposed
3	Fiscal Year 2025 Transportation Program shall be the top fiscal priority of the
4	Agency.
5	(1) If there are unexpended State fiscal year 2024 appropriations of
6	Transportation Fund monies, then, at the close of State fiscal year 2024, an
7	amount up to \$1,860,000.00 of any unencumbered Transportation Fund monies
8	appropriated in 2023 Acts and Resolves No. 78, Secs. B.900-B.922, which
9	would otherwise be authorized to carry forward, is reappropriated for the
10	Agency of Transportation's Proposed Fiscal Year 2025 Transportation
11	Program for Maintenance 30 days after the Agency sends written notification
12	of the request for the unencumbered Transportation Fund monies to be
13	reappropriated to the Joint Transportation Oversight Committee, provided that
14	the Joint Transportation Oversight Committee does not send written objection
15	to the Agency.
16	(2) If the Agency utilizes available federal monies in lieu of one-time
17	Transportation Fund monies for Green Mountain Transit pursuant to Sec. 5(c)
18	of this act, then the one-time Transportation Fund monies authorized for
19	expenditure pursuant to Sec. 5(b) of this act that are not required for public
20	transit may instead go towards restoring the Highway Maintenance budget.

1	(3) If any unencumbered Transportation Fund monies are reappropriated						
2	pursuant to subdivision (1) of this subsection or made available pursuant to						
3	subdivision (2) of this subsection, then, within the Agency of Transportation's						
4	Proposed Fiscal	Proposed Fiscal Year 2025 Transportation Program for Maintenance,					
5	authorized spend	authorized spending is further amended to increase operating expenses by not					
6	more than \$1,860	more than \$1,860,000.00 in Transportation Fund monies.					
7	<u>(4) Notwit</u>	(4) Notwithstanding subdivisions (1)–(3) of this subsection, the Agency					
8	may request furth	may request further amendments to the Agency of Transportation's Proposed					
9	Fiscal Year 2025	Fiscal Year 2025 Transportation Program for Maintenance through the State					
10	fiscal year 2025	fiscal year 2025 budget adjustment act.					
11		* * * Town Highway Aid * * *					
12	Sec. 4. TOWN H	Sec. 4. TOWN HIGHWAY AID MONIES					
13	Within the Ag	gency of Transporta	tion's Proposed Fiscal	Year 2025			
14	Transportation P	Transportation Program for Town Highway Aid, and notwithstanding the					
15	provisions of 19	V.S.A. § 306(a), au	thorized spending is an	mended as follows:			
16	<u>FY25</u>	As Proposed	As Amended	Change			
17	Grants	28,672,753	29,532,753	860,000			
18	Total	28,672,753	29,532,753	860,000			
19	Sources of fur	<u>ıds</u>					
20	State	28,672,753	29,532,753	860,000			
21	Total	28,672,753	29,532,753	860,000			

1	* * * On	* * * One-Time Public Transit Monies * * *					
2	Sec. 5. ONE-TIME PUB	Sec. 5. ONE-TIME PUBLIC TRANSIT MONIES; GREEN MOUNTAIN					
3	TRANSIT; FARE	TRANSIT; FARE COLLECTION, EVALUATION, AND					
4	REORGANIZAT	REORGANIZATION; REPORT					
5	(a) Project addition. T	(a) Project addition. The following project is added to the Agency of					
6	Transportation's Proposed	Transportation's Proposed Fiscal Year 2025 Transportation Program:					
7	Increased One-Time Mon	Increased One-Time Monies for Public Transit for Fiscal Year 2025.					
8	(b) Authorization. Spo	(b) Authorization. Spending authority for Increased One-Time Monies for					
9	Public Transit for Fiscal Y	Public Transit for Fiscal Year 2025 is authorized as follows:					
10	<u>FY25</u> <u>As Pr</u>	oposed	As Amended	Change			
11	Other	0	1,000,000	1,000,000			
12	Total	0	1,000,000	1,000,000			
13	Sources of funds						
14	State	0	1,000,000	1,000,000			
15	Total	0	1,000,000	1,000,000			
16	(c) Federal monies. T	(c) Federal monies. The Agency shall utilize available federal monies in					
17	lieu of the authorization in	1 subsection	(b) of this section to	the greatest extent			
18	practicable, provided that	practicable, provided that there is no negative impact on any local public					
19	transit providers.						
20	(d) Implementation. T	(d) Implementation. The Agency shall distribute the authorization in					
21	subsection (b) of this section to Green Mountain Transit as one-time bridge						

1	funding for fiscal year 2025 while Green Mountain Transit stabilizes its
2	finances, adjusts its service levels, and transitions to a sustainable funding
3	model.
4	(e) Conditions; report. As a condition of receiving the grant funding,
5	Green Mountain Transit shall do all of the following:
6	(1) begin collecting fares for urban and commuter transit service not
7	later than June 1, 2024;
8	(2) in coordination with the Agency of Transportation, Special Service
9	Transportation Agency, Rural Community Transportation, and Tri-Valley
10	Transit, evaluate alternative options for delivering cost-effective urban fixed-
11	route transit service, rural transit service, commuter service, and any other
12	specialized services currently provided, and prepare a proposed
13	implementation plan, including a three-year cost and revenue plan, for
14	recommended service transitions; and
15	(3) submit to the House and Senate Committees on Transportation an
16	interim report on or before November 15, 2024 and a final report on or before
17	February 1, 2025, detailing the findings, recommendations, and
18	implementation plan as described in subdivision (2) of this subsection.

1	* * * Agency of Transportation Duties; Bonding * * *
2	Sec. 6. 19 V.S.A. § 10 is amended to read:
3	§ 10. DUTIES
4	The Agency shall, except where otherwise specifically provided by law:
5	* * *
6	(9) Require any contractor or contractors employed in any project of the
7	Agency for construction of a transportation improvement to file an additional
8	surety bond to the Secretary and the Secretary's successor in office, for the
9	benefit of labor, materialmen, and others, executed by a surety company
10	authorized to transact business in this State,. The surety bond shall be in such
11	sum as the Agency shall direct, conditioned for the payment, settlement,
12	liquidation, and discharge of the claims of all creditors for material,
13	merchandise, labor, rent, hire of vehicles, power shovels, rollers, concrete
14	mixers, tools, and other appliances, professional services, premiums, and other
15	services used or employed in carrying out the terms of the contract between the
16	contractor and the State and further conditioned for the following accruing
17	during the term of performance of the contract: the payment of taxes, both
18	State and municipal, and contributions to the Vermont Commissioner of Labor,
19	accruing during the term of performance of the contract. However; provided,
20	however, in order to obtain the benefit of the security, the claimant shall file
21	with the Secretary a sworn statement of the claimant's claim, within 90 days

1	after the final acceptance of the project by the State or within 90 days from the
2	time the taxes or contributions to the Vermont Commissioner of Labor are due
3	and payable, and, within one year after the filing of the claim, shall bring a
4	petition in the Superior Court in the name of the Secretary, with notice and
5	summons to the principal, surety, and the Secretary, to enforce the claim or
6	intervene in a petition already filed. The Secretary may, if the Secretary
7	determines that it is in the best interests of the State, accept other good and
8	sufficient surety in lieu of a bond and, in cases involving contracts for
9	\$100,000.00 or less, may waive the requirement of a surety bond.
10	* * *
11	* * * Delays; Transportation Program Statute;
12	Increased Estimated Costs; Technical Corrections * * *
13	Sec. 7. 19 V.S.A. § 10g is amended to read:
14	§ 10g. ANNUAL REPORT; TRANSPORTATION PROGRAM;
15	ADVANCEMENTS, CANCELLATIONS, AND DELAYS
16	(a) <u>Proposed Transportation Program.</u> The Agency of Transportation shall
17	annually present to the General Assembly for adoption a multiyear
18	Transportation Program covering the same number of years as the Statewide
19	Transportation Improvement Program (STIP), consisting of the recommended
20	budget for all Agency activities for the ensuing fiscal year and projected
21	spending levels for all Agency activities for the following fiscal years. The

1	Program shall include a description and year-by-year breakdown of
2	recommended and projected funding of all projects proposed to be funded
3	within the time period of the STIP and, in addition, a description of all projects
4	that are not recommended for funding in the first fiscal year of the proposed
5	Program but that are scheduled for construction during the time period covered
6	by the STIP. The Program shall be consistent with the planning process
7	established by 1988 Acts and Resolves No. 200, as codified in 3 V.S.A.
8	chapter 67 and 24 V.S.A. chapter 117, the statements of policy set forth in
9	sections 10b–10f of this title, and the long-range systems plan, corridor studies,
10	and project priorities developed through the capital planning process under
11	section 10i of this title.
12	(b) Projected spending. Projected spending in future fiscal years shall be
13	based on revenue estimates as follows:
14	* * *
15	(c) <u>Systemwide performance measures.</u> The Program proposed by the
16	Agency shall include systemwide performance measures developed by the
17	Agency to describe the condition of the Vermont transportation network. The
18	Program shall discuss the background and utility of the performance measures,
19	track the performance measures over time, and, where appropriate, recommend
20	the setting of targets for the performance measures.
21	(d) [Repealed]

21 (d) [Repealed.]

1	(e) <u>Prior expenditures and appropriations carried forward.</u>
2	* * *
3	(f) Adopted Transportation Program. Each year following enactment
4	adoption of a Transportation Program under this section, the Agency shall
5	prepare and make available to the public the Transportation Program
6	established adopted by the General Assembly. The resulting document shall
7	be entered in the permanent records of the Agency and of the Board, and shall
8	constitute the State's official Transportation Program.
9	(g) Project updates. The Agency's annual proposed Transportation
10	Program shall include project updates referencing this section and listing the
11	following:
12	(1) all proposed projects in the Program that would be new to the State
13	Transportation Program if adopted;
14	(2) all projects for which total estimated costs have increased by more
15	than \$8,000,000.00 \$5,000,000.00 from the estimate in the adopted
16	Transportation Program for the prior fiscal year or by more than 100
17	75 percent from the estimate in the prior fiscal year's approved adopted
18	Transportation Program for the prior fiscal year; and
19	(3) all projects for which the total estimated costs have, for the first
20	time, increased by more than \$10,000,000.00 from the Preliminary Plan
21	estimate or by more than 100 percent from the Preliminary Plan estimate; and

1	(4) all projects funded for construction in the prior fiscal year's
2	approved adopted Transportation Program that are no longer funded in the
3	proposed Transportation Program submitted to the General Assembly, the
4	projected costs for such projects in the prior fiscal year's approved adopted
5	Transportation Program, and the total costs incurred over the life of each such
6	project.
7	(h) Should Project delays; emergency and safety issues; additional funding;
8	cancellations.
9	(1) If capital projects in the Transportation Program be are delayed
10	because of unanticipated problems with permitting, right-of-way acquisition,
11	construction, local concern, or availability of federal or State funds, the
12	Secretary is authorized to advance other projects in the approved adopted
13	Transportation Program for the current fiscal year.
14	(2) The Secretary is further authorized to undertake projects to resolve
15	emergency or safety issues that are not included in the adopted Transportation
16	Program for the current fiscal year. Upon authorizing a project to resolve an
17	emergency or safety issue, the Secretary shall give prompt notice of the
18	decision and action taken to the Joint Fiscal Office and to the House and
19	Senate Committees on Transportation when the General Assembly is in
20	session, and when the General Assembly is not in session, to the Joint
21	Transportation Oversight Committee, the Joint Fiscal Office, and the Joint

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

1	(4) No project shall be canceled without the approval of the General
2	Assembly, except that the Agency may cancel a municipal project upon the
3	request or concurrence of the municipality, provided that notice of the
4	cancellation is included in the Agency's annual proposed Transportation
5	Program.
6	(i) Economic development proposals. For the purpose of enabling the
7	State, without delay, to take advantage of economic development proposals
8	that increase jobs for Vermonters, a transportation project certified by the
9	Governor as essential to the economic infrastructure of the State economy, or a
10	local economy, may, if approval is required by law, be approved for
11	construction by a committee comprising the Joint Fiscal Committee meeting
12	with the Chairs chairs of the Transportation House and Senate Committees on
13	Transportation or their designees without explicit project authorization through
14	an enacted adopted Transportation Program, in the event that such
15	authorization is otherwise required by law.
16	(j) Plan for advancing projects. The Agency of Transportation, in
17	coordination with the Agency of Natural Resources and the Division for
18	Historic Preservation, shall prepare and implement a plan for advancing
19	approved projects contained in the approved adopted Transportation Program
20	for the current fiscal year. The plan shall include the assignment of a project
21	manager from the Agency of Transportation for each project. The Agency of

1	Transportation, the Agency of Natural Resources, and the Division for Historic
2	Preservation shall set forth provisions for expediting the permitting process
3	and establishing a means for evaluating each project during concept design
4	planning if more than one agency is involved to determine whether it should be
5	advanced or deleted from the Program.
6	(k) For purposes of Definition. As used in subsection (h) of this section,
7	"emergency or safety issues" shall mean means:
8	(1) serious damage to a transportation facility caused by a natural
9	disaster over a wide area, such as a flood, hurricane, earthquake, severe storm,
10	or landslide; or
11	(2) catastrophic or imminent catastrophic failure of a transportation
12	facility from any cause; or
13	(3) any condition identified by the Secretary as hazardous to the
14	traveling public; or
15	(4) any condition evidenced by fatalities or a high incidence of crashes.
16	(l) <u>Numerical grading system; priority rating.</u> The Agency shall develop a
17	numerical grading system to assign a priority rating to all Program
18	Development Paving, Program Development Roadway, Program Development
19	Safety and Traffic Operations, Program Development State and Interstate
20	Bridge, Town Highway Bridge, and Bridge Maintenance projects. The rating
21	system shall consist of two separate, additive components as follows:

1	(1) One component shall be limited to asset management- and
2	performance-based factors that are objective and quantifiable and shall
3	consider, without limitation, the following:
4	* * *
5	(2) The second component of the priority rating system shall consider,
6	without limitation, the following factors:
7	* * *
8	(m) Inclusion of priority rating. The annual proposed Transportation
9	Program shall include an individual priority rating pursuant to subsection (l) of
10	this section for each highway paving, roadway, safety and traffic operations,
11	and bridge project in the program Program along with a description of the
12	system and methodology used to assign the ratings.
13	(n) Development and evaluation projects; delays. The Agency's annual
14	proposed Transportation Program shall include a project-by-project description
15	in each program of all proposed spending of funds for the development and
16	evaluation of projects. In the approved annual Transportation Program, these
17	These funds shall be reserved to the identified projects subject to the discretion
18	of the Secretary to reallocate funds to other projects within the program when
19	it is determined that the scheduled expenditure of the identified funds will be
20	delayed due to permitting, local decision making, the availability of federal or
21	State funds, or other unanticipated problems.

1	(o) <u>Year of first inclusion</u> . For projects initially approved by the General
2	Assembly for inclusion in the State included in a Transportation Program
3	adopted after January 1, 2006, the Agency's proposed Transportation Program
4	prepared pursuant to subsection (a) of this section and the official adopted
5	Transportation Program prepared pursuant to subsection (f) of this section shall
6	include the year in which such the projects were first approved by the General
7	Assembly included in an adopted Transportation Program.
8	(p) Lamoille Valley Rail Trail. The Agency shall include the annual
9	maintenance required for the Lamoille Valley Rail Trail (LVRT), running from
10	Swanton to St. Johnsbury, in the Transportation Program it presents to the
11	General Assembly under subsection (a) of this section. The proposed
12	authorization for the maintenance of the LVRT shall be sufficient to cover:
13	* * *
14	* * * Appropriation Calculations * * *
15	* * * Central Garage Fund * * *
16	Sec. 8. 19 V.S.A. § 13(c) is amended to read:
17	(c)(1) For the purpose specified in subsection (b) of this section, the
18	following amount, at a minimum, shall be transferred from the Transportation
19	Fund to the Central Garage Fund:
20	(A) in fiscal year 2021, \$1,355,358.00; and

1	(B) in subsequent fiscal years, at a minimum, the amount specified in
2	subdivision (A) of this subdivision (1) as adjusted annually by increasing
3	transferred for the previous fiscal year's amount by the percentage increase in
4	the year increased by the percentage change in the Bureau of Labor Statistics
5	Consumer Price Index for All Urban Consumers (CPI-U) during the two most
6	recently closed State fiscal years if the percentage change is positive; or
7	(B) the amount transferred for the previous fiscal year if the
8	percentage change is zero or negative.
9	* * *
10	(3) For purposes of subdivision (1) of this subsection, the percentage
11	change in the CPI-U is calculated by determining the increase or decrease, to
12	the nearest one-tenth of a percent, in the CPI-U for the month ending on June
13	30 in the calendar year one year prior to the first day of the fiscal year for
14	which the transfer will be made compared to the CPI-U for the month ending
15	on June 30 in the calendar year two years prior to the first day of the fiscal year
16	for which the transfer will be made.
17	* * * Town Highway Aid * * *
18	Sec. 9. 19 V.S.A. § 306(a) is amended to read:
19	(a) General State aid to town highways.
20	(1) An annual appropriation to class 1, 2, and 3 town highways shall be
21	made. This appropriation shall increase over the previous fiscal year's

1	appropriation by the same percentage change as the following, whichever is
2	less, or shall remain at the previous fiscal year's appropriation if either of the
3	following are negative or zero:
4	(A) the year-over-year increase in the two most recently closed fiscal
5	years in percentage change of the Agency's total appropriations funded by
6	Transportation Fund revenues, excluding appropriations for town highways
7	under this subsection (a), for the most recently closed fiscal year as compared
8	to the fiscal year immediately preceding the most recently closed fiscal year; 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.

Page 26 of 60

1	* * *
2	* * * Right-of-Way Permits; Fees * * *
3	Sec. 10. 19 V.S.A. § 1112 is amended to read:
4	§ 1112. DEFINITIONS; FEES
5	(a) As used in this section:
6	(1) "Major commercial development" means a commercial development
7	for which the Agency requires the applicant to submit a traffic impact study in
8	support of its application under section 1111 of this title chapter.
9	(2) "Minor commercial development" means a commercial development
10	for which the Agency does not require the applicant to submit a traffic impact
11	study in support of its application under section 1111 of this title chapter.
12	* * *
13	(b) The Secretary shall collect the following fees for each application for
14	the following types of permits issued pursuant to section 1111 of this title
15	<u>chapter</u> :
16	* * *
	(3) minor commercial development: \$250.00
17	* * *
18	(c) Notwithstanding subdivision (b)(3) of this section, the Secretary may
19	waive the collection of the fee for a permit issued pursuant to section 1111 of
20	this chapter for a minor commercial development if the Governor has declared

1	a state of emergency under 20 V.S.A. chapter 1 and the Secretary has
2	determined that the permit applicant is facing hardship, provided that the
3	permit is applied for during the declared state of emergency or within the six
4	months following the conclusion of the declared state of emergency.
5	* * * Vehicle Incentive Programs * * *
6	* * * Replace Your Ride Program * * *
7	Sec. 11. 19 V.S.A. § 2904(d)(2)(B) is amended to read:
8	(B) For purposes of the Replace Your Ride Program:
9	(i) An "older low-efficiency vehicle":
10	* * *
11	(VI) passed the annual inspection required under 23 V.S.A.
12	§ 1222 within the prior year <u>18 months</u> .
13	Sec. 12. 19 V.S.A. § 2904a is added to read:
14	§ 2904a. REPLACE YOUR RIDE PROGRAM FLEXIBILITY;
15	<u>EMERGENCIES</u>
16	Notwithstanding subdivisions 2904(d)(2)(A) and (d)(2)(B)(i)(IV)-(VI) of
17	this chapter, the Agency of Transportation is authorized to waive or modify the
18	eligibility requirements for the Replace Your Ride Program under subdivisions
19	(d)(2)(B)(i)(IV)–(VI) that pertain to the removal of an eligible vehicle as
20	required under subdivision 2904(d)(2)(A) of this chapter provided that:

1	(1) the Governor has declared a state of emergency under 20 V.S.A.
2	chapter 1 and, due to the event or events underlying the state of emergency,
3	motor vehicles registered in Vermont have been damaged or totaled;
4	(2) the waived or modified eligibility requirements are prominently
5	posted on any websites maintained by or at the direction of the Agency for
6	purposes of providing information on the vehicle incentive programs;
7	(3) the waived or modified eligibility requirements are only applicable:
8	(A) upon a showing that the applicant for an incentive under the
9	Replace Your Ride Program was a registered owner of a motor vehicle that
10	was damaged or totaled due to the event or events underlying the state of
11	emergency at the time of the event or events underlying the state of
12	emergency; and
13	(B) for six months after the conclusion of the state of emergency; and
14	(4) the waiver or modification of eligibility requirements and resulting
15	impact are addressed in the annual reporting required under section 2905 of
16	this chapter.
17	* * * Electrify Your Fleet Program * * *
18	Sec. 13. 2023 Acts and Resolves No. 62, Sec. 21 is amended to read:
19	Sec. 21. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION
20	* * *

1	(d) Program structure. The Electrify Your Fleet Program shall reduce the
2	greenhouse gas emissions of persons operating a motor vehicle fleet in
3	Vermont by structuring purchase and lease incentive payments on a first-come,
4	first-served basis to replace vehicles other than a plug-in electric vehicle (PEV)
5	cycled out of a motor vehicle fleet or avoid the purchase of vehicles other than
6	a PEV for a motor vehicle fleet. Specifically, the Electrify Your Fleet Program
7	shall:
8	* * *
9	(2) provide $\frac{2,500.00}{2,500.00}$ purchase and lease incentives up to 25 percent of
10	the purchase price, but not to exceed \$2,500.00, for:
11	* * *
12	(C) electric bicycles and electric cargo bicycles with a base MSRP of
13	\$6,000.00 <u>\$10,000.00</u> or less;
14	(D) adaptive electric cycles with any base MSRP;
15	(E) electric motorcycles with a base MSRP of \$30,000.00 or less; and
16	(F) electric snowmobiles with a base MSRP of \$20,000.00 or less;
17	and
18	(G) electric all-terrain vehicles (ATVs), as defined in 23 V.S.A.
19	§ 3501 and including electric utility terrain vehicles (UTVs), with a base
20	<u>MSRP of \$50,000.00 or less;</u>
21	* * *

1	* * * eBike Incentives; Eligibility * * *
2	Sec. 14. 2023 Acts and Resolves No. 62, Sec. 22 is amended to read:
3	Sec. 22. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM;
4	REPORT
5	* * *
6	(d) Reporting. The Agency of Transportation shall address incentives for
7	electric bicycles, electric cargo bicycles, and adaptive electric cycles provided
8	pursuant to this section in the January 31, 2024 annual report required under
9	19 V.S.A. § 2905, as added by Sec. 19 of this act, including:
10	(1) the demographics of who received an incentive under the eBike
11	Incentive Program;
12	(2) a breakdown of where vouchers were redeemed;
13	(3) a breakdown, by manufacturer and type, of electric bicycles, electric
14	cargo bicycles, and adaptive electric cycles incentivized;
15	(4) a detailed summary of information provided in the self-certification
16	forms and a description of the Agency's post-voucher sampling audits and
17	audit findings, together with any recommendations to improve program design
18	and cost-effectively direct funding to recipients who need it most; and
19	(5) a detailed summary of information collected through participant
20	surveys.

1	* * * Annual Reporting * * *
2	Sec. 15. 19 V.S.A. § 2905 is amended to read:
3	§ 2905. ANNUAL REPORTING; VEHICLE INCENTIVE PROGRAMS
4	(a) The Agency shall annually evaluate the programs established under
5	sections 2902–2904 of this chapter to gauge effectiveness and shall submit a
6	written report on the effectiveness of the programs and the State's marketing
7	and outreach efforts related to the programs to the House and Senate
8	Committees on Transportation, the House Committee on Environment and
9	Energy, and the Senate Committee on Finance Natural Resources and Energy
10	on or before the 31st day of January in each year following a year that an
11	incentive was provided through one of the programs.
12	(b) The report shall also include:
13	(1) any intended modifications to program guidelines for the upcoming
14	fiscal year along with an explanation for the reasoning behind the
15	modifications and how the modifications will yield greater uptake of PEVs and
16	other means of transportation that will reduce greenhouse gas emissions; and
17	(2) any recommendations on statutory modifications to the programs,
18	including to income and vehicle eligibility, along with an explanation for the
19	reasoning behind the statutory modification recommendations and how the
20	modifications will yield greater uptake of PEVs and other means of
21	transportation that will reduce greenhouse gas emissions; and

1	(3) any recommendations for how to better conduct outreach and
2	marketing to ensure the greatest possible uptake of incentives under the
3	programs.
4	(c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this
5	section shall continue to be required if an incentive is provided through one of
6	the programs unless the General Assembly takes specific action to repeal the
7	report requirement.
8	* * * Authority to Transfer Monies in State Fiscal Year 2025 * * *
9	Sec. 16. TRANSFER OF MONIES BETWEEN VEHICLE INCENTIVE
10	PROGRAMS IN STATE FISCAL YEAR 2025
11	(a) Notwithstanding 32 V.S.A. § 706 and any appropriations or
12	authorizations of monies for vehicle incentive programs created under
13	19 V.S.A. §§ 2902–2904, in State fiscal year 2025 the Secretary of
14	Transportation may transfer up to 50 percent of any remaining monies for a
15	vehicle incentive program created under 19 V.S.A. §§ 2902–2904 to any other
16	vehicle incentive program created under 19 V.S.A. §§ 2902–2904 that has less
17	than \$500,000.00 available for distribution as a vehicle incentive.
18	(b) Any transfers made pursuant to subsection (a) of this section shall be
19	reported to the Joint Transportation Oversight Committee and the Joint Fiscal
20	Office within 30 days after the transfer.

(Draft No. 3.2 – H.868)
4/9/2024 – JGC/DRS – 07:54 AM

1	* * * Electric Vehicle Supply Equipment (EVSE) * * *
2	Sec. 17. 19 V.S.A. chapter 29 is amended to read:
3	CHAPTER 29. VEHICLE INCENTIVE PROGRAMS; ELECTRIC
4	VEHICLE SUPPLY EQUIPMENT
5	§ 2901. DEFINITIONS
6	As used in this chapter:
7	* * *
8	(4) <u>"Electric vehicle supply equipment (EVSE)</u> " and "electric vehicle
9	supply equipment available to the public" have the same meanings as in
10	<u>30 V.S.A. § 201.</u>
11	(5) "Plug-in electric vehicle (PEV)," "battery electric vehicle (BEV),"
12	and "plug-in hybrid electric vehicle (PHEV)" have the same meanings as in
13	23 V.S.A. § 4(85).
14	* * *
15	§ 2906. ELECTRIC VEHICLE SUPPLY EQUIPMENT GOALS
16	It shall be the goal of the State to have, as practicable, level 3 EVSE
17	charging ports available to the public:
18	(1) within three driving miles of every exit of the Dwight D. Eisenhower
19	National System of Interstate and Defense Highways within the State;

1	(2) within 25 driving miles of another level 3 EVSE charging port
2	available to the public along a State highway, as defined in subdivision 1(20)
3	of this title; and
4	(3) co-located with or within a safe and both walkable and rollable
5	distance of publicly accessible amenities such as restrooms, restaurants, and
6	convenience stores to provide a safe, consistent, and convenient experience for
7	the traveling public along the State highway system.
8	<u>§ 2907. ANNUAL REPORTING; ELECTRIC VEHICLE SUPPLY</u>
9	EQUIPMENT
10	(a) Notwithstanding 2 V.S.A. § 20(d), the Agency of Transportation shall:
11	(1) file a report, with a map, on the State's efforts to meet its federally
12	required Electric Vehicle Infrastructure Deployment Plan, as updated, and the
13	goals set forth in section 2906 of this chapter with the House and Senate
14	Committees on Transportation not later than January 15 each year until the
15	Deployment Plan is met; and
16	(2) file a report on the current operability of EVSE available to the
17	public and deployed through the assistance of Agency funding with the House
18	and Senate Committees on Transportation not later than January 15 each year.
19	(b) The reports required under subsection (a) of this section can be
20	combined when filing with the House and Senate Committees on

1	Transportation and shall prominently be posted on the Agency of
2	Transportation's website.
3	Sec. 18. REPEAL OF CURRENT EVSE MAP REPORT AND EXISTING
4	GOALS
5	2021 Acts and Resolves No. 55, Sec. 30, as amended by 2022 Acts and
6	Resolves No. 184, Sec. 4 (EVSE network in Vermont goals; report of annual
7	map) is repealed.
8	* * * Beneficial Electrification Report * * *
9	Sec. 19. ELECTRIC DISTRIBUTION UTILITIES; EVSE-RELATED
10	SERVICE UPGRADES; REPORT
11	In the report due not later than January 15, 2025, pursuant to 2021 Acts and
12	Resolves No. 55, Sec. 33, the Public Utility Commission shall include a
13	reporting of service upgrade practices related to the installation of electric
14	vehicle supply equipment (EVSE) across all electric distribution utilities,
15	including a comparison of EVSE-related service upgrade practices, a
16	description of the frequency and typical costs of EVSE-related service
17	upgrades, and rate-payer impact.

1	* * * Expansion of Public Transit Service * * *
2	* * * Mobility Services Guide; Car Share * * *
3	Sec. 20. MOBILITY SERVICES GUIDE; ORAL UPDATE
4	(a) The Agency of Transportation, in consultation with existing nonprofit
5	mobility services organizations incorporated in the State of Vermont for the
6	purpose of providing Vermonters with transportation alternatives to personal
7	vehicle ownership, such as through carsharing, and other nonprofit
8	organizations working to achieve the goals of the Comprehensive Energy Plan,
9	the Vermont Climate Action Plan, and the Agency of Transportation's
10	community engagement plan for environmental justice, shall develop a web-
11	page-based guide to outline the different mobility service models that could be
12	considered for deployment in Vermont.
13	(b) At a minimum, the web-page-based guide required under subsection (a)
14	of this section shall include the following:
15	(1) definitions of program types or options, such as car sharing, mobility
16	for all, micro-transit, bike sharing, and other types of programs that meet the
17	goals identified in subsection (a) of this section;
18	(2) information related to existing initiatives, including developmental
19	and pilot programs, that meet any of the program types or options defined
20	pursuant to subdivision (1) of this subsection and information related to any
21	pertinent studies or reports, whether completed or ongoing, related to the

1	program types or options defined pursuant to subdivision (1) of this
2	subsection;
3	(3) details of other existing programs that may provide a foundation for
4	or complement a new program in a manner that is not duplicative or
5	competitive; and
6	(4) for each possible program type or option defined pursuant
7	subdivision (1) of this subsection, additional details outlining:
8	(A) the range of start-up, capital, facilities, and ongoing operating
9	and maintenance costs;
10	(B) the service area characteristics;
11	(C) the revenue capture options;
12	(D) technical assistance resources; and
13	(E) existing or potential funding resources.
14	(c) The Agency of Transportation shall make itself available to provide an
15	oral update and demonstration of the web-page-based guide required under
16	subsection (a) of this section to the House and Senate Committees on
17	Transportation not later than February 15, 2025.

1	* * * Mobility and Transportation Innovations (MTI) Grant Program * * *
2	Sec. 21. 19 V.S.A. § 10n is added to read:
3	§ 10n. MOBILITY AND TRANSPORTATION INNOVATIONS (MTI)
4	<u>GRANT PROGRAM</u>
5	(a) The Mobility and Transportation Innovations (MTI) Grant Program is
6	created within the Public Transit Section of the Agency. The MTI Grant
7	Program shall support innovative transportation demand management
8	programs and transit initiatives that improve mobility and access to services for
9	transit-dependent Vermonters, reduce the use of single-occupancy vehicles,
10	reduce greenhouse gas emissions, and complement existing mobility
11	investments.
12	(b) Grant awards of not more than \$100,000.00 per recipient for capital or
13	operational costs, or both, may be used to create new or expand existing
14	programs for one or more of the following: matching funds for other grant
15	awards; program delivery costs; or the extension of existing programs.
16	(c) Funding under the MTI Grant Program shall not be used to supplant
17	existing State funding for the same project or program.
18	(d) In each year in which funding for grants is available:
19	(1) The Agency shall establish an application period of at least four
20	months.

1	(2) The Agency shall provide direct assistance to entities requiring
2	technical assistance or prereview of a draft application during the application
3	period.
4	(3) Grant awards shall be distributed not later than November 30 in each
5	year in which they are offered.
6	* * * Vermont Rail Plan; Amtrak * * *
7	Sec. 22. DEVELOPMENT OF NEW VERMONT RAIL PLAN; BICYCLE
8	STORAGE; REPORT
9	(a) As the Agency of Transportation develops the new Vermont Rail Plan,
10	it shall consider and address the following:
11	(1) adding additional daily service on the Vermonter for some or all of
12	the service area; and
13	(2) expanding service on the Valley Flyer to provide increased service
14	on the Vermonter route.
15	(b) The Agency of Transportation shall consult with Amtrak and the State-
16	Amtrak Intercity Passenger Rail Committee (SAIPRC) on passenger education
17	of and sufficient capacity for bicycle storage on Amtrak trains on the
18	Vermonter and Ethan Allen Express routes.
19	(c) The Agency of Transportation shall provide an oral update on the
20	development of the Vermont Rail Plan in general and the requirements of
21	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. 23. 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 fewer 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) In alignment with the Vermont Transportation Equity Framework,
2	consult directly, through a series of large-group, specialty focus groups and
3	one-on-one meetings, with key stakeholders in order to achieve stakeholder
4	engagement and afford a voice in the development of the replacement for the
5	Vermont State Design Standards and related documents. At a minimum,
6	stakeholders shall include the House and Senate Committees on
7	Transportation, the Federal Highway Administration (FHWA), the Vermont
8	Agency of Commerce and Community Development (ACCD), the Vermont
9	Agency of Natural Resources (ANR), the Vermont Department of Health
10	(VDH), the Vermont Department of Public Service (DPS), the Vermont
11	League of Cities and Towns (VLCT), Vermont's regional planning
12	commissions (RPCs), the Vermont chapter of the American Association of
13	Retired Persons (AARP), Transportation for Vermonters (T4VT), Local
14	Motion, the Sierra Club, Conservation Law Foundation, the Vermont Natural
15	Resources Council, the Vermont Truck and Bus Association, the Vermont
16	Public Transportation Association (VPTA), the American Council of
17	Engineering Companies (ACEC), the Association of General Contractors
18	(AGC), and other stakeholders.
19	(b) The Agency shall provide oral updates on its progress preparing the
20	replacement to the Vermont State Design Standards, including the process
21	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	<u>15, 2026.</u>
3	* * * Complete Streets; Traffic Calming Measures; Designated Centers * * *
4	Sec. 24. 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. 25. 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
21	in 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 strong
3	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 on
9	research associated with their potential implementation, these approaches can
10	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 projected
13	emissions vs. required emissions levels for the transportation sector "
14	(7) There remains a need for further, more detailed analysis of policy
15	options.
16	(b) Written analysis. The Agency of Natural Resources, specifically the
17	Climate Action Office, and the Agency of Transportation, in consultation with
18	the State Treasurer; the Departments of Finance and Management, of Motor
19	Vehicles, and of Taxes; and the VCC, including those councilors appointed by
20	the General Assembly to provide expertise in energy and data analysis,
21	expertise and professional experience in the design and implementation of

1	programs to reduce greenhouse gas emissions, and representation of a
2	statewide environmental organization as outlined in the adopted January 12,
3	2024 Transportation Addendum to the Climate Action Plan, shall prepare a
4	written analysis of policy and investment scenarios to reduce emissions in the
5	transportation sector in Vermont and meet the greenhouse gas reduction
6	requirements of 10 V.S.A. § 578, as amended by Sec. 3 of the Global Warming
7	Solutions Act (2020 Acts and Resolves No. 153).
8	(c) Scenario development. At a minimum, the written analysis required
9	under subsection (b) of this section shall address the pros, cons, costs, and
10	benefits of the following:
11	(1) Vermont participating in regional or cap-and-invest program, such as
12	the Western Climate Initiative (WCI) and the New York Cap-and-Invest
13	program;
14	(2) Vermont adopting a clean transportation fuel standard, which would
15	be a performance standard or performance-based regulatory approach covering
16	transportation fuels; and
17	(3) Vermont implementing other potential revenue-raising, carbon-
18	pollution reduction strategies.
19	(d) Emission reduction scenarios; administration. The written analysis
20	shall include an estimate of the amount of emissions reduction to be generated
21	from a minimum of four scenarios, to include a business-as-usual, low-,

1	medium-, and high-greenhouse gas emissions reduction, analyzed under
2	subsection (c) of this section and a summary of how each proposal analyzed
3	under subsection (c) of this section would be administered.
4	(e) Revenue and cost estimate; timeline. The written analysis completed
5	pursuant to subsections (b)-(d) of this section shall be provided to the State
6	Treasurer to review cost and revenue projections for each scenario. The State
7	Treasurer shall make a written recommendation to the General Assembly
8	regarding any viable approaches.
9	(f) Public access; committees; due date.
10	(1) The Climate Action Office shall maintain a publicly accessible
11	website with information related to the development of the written analysis
12	required under subsection (b) of this section.
13	(2) The Agencies of Natural Resources and of Transportation, in
14	consultation with the State Treasurer, shall file a status update on the
15	development of the written analysis required under subsection (b) of this
16	section with the House and Senate Committees on Transportation, the House
17	Committees on Environment and Energy and on Ways and Means, and the
18	Senate Committees on Finance and on Natural Resources and Energy not later
19	than November 15, 2024.
20	(3) The Agencies of Natural Resources and of Transportation, in
21	consultation with the State Treasurer, shall file the written analysis required

1	under subsection (b) of this section and the State Treasurer's written
2	recommendation to the General Assembly regarding any viable approaches
3	required under subsection (e) of this section with the House and Senate
4	Committees on Transportation, the House Committees on Environment and
5	Energy and on Ways and Means, and the Senate Committees on Finance and
6	on Natural Resources and Energy not later than February 15, 2025.
7	(g) Use of consultant. The Agencies of Natural Resources and of
8	Transportation shall retain a consultant that is an expert in comprehensive
9	transportation policy with a core focus on emission reductions and economic
10	modeling to undertake the analysis and to provide the State Treasurer with any
11	additional information needed to inform the State Treasurer's
12	recommendations regarding any viable approaches required under subsections
13	(b)–(e) of this section.
14	(h) Costs.
15	(1) If the costs of the consultant required under subsection (g) of this
16	section are eligible expenditures under the U.S. Environmental Protection
17	Agency's (EPA) Climate Pollution Reduction Grants (CPRG) program, then
18	that shall be the source of funding to cover the costs of the consultant required
19	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. 26. 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	* * * Electric and Plug-In Hybrid Vehicles; Road Usage Surcharge * * *
2	Sec. 27. 23 V.S.A. § 361 is amended to read:
3	§ 361. PLEASURE CARS
4	(a) The annual registration fee for a pleasure car, as defined in subdivision
5	4(28) of this title, and including a pleasure car that is a plug-in electric vehicle,
6	as defined in subdivision 4(85) of this title, shall be \$89.00, and the biennial
7	fee shall be \$163.00.
8	(b) The Commissioner shall collect an annual road usage surcharge for a
9	pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A)
10	of this title, equal to the amount of the annual fee collected in subsection (a) of
11	this section, or a biennial road usage surcharge equal to two times the annual
12	fee collected in subsection (a) of this section.
13	(c) The Commissioner shall collect an annual road usage surcharge for a
14	pleasure car that is a plug-in hybrid electric vehicle, as defined in subdivision
15	4(85)(B) of this title, equal to one-half the amount of the annual fee collected
16	in subsection (a) of this section, or a biennial road usage surcharge equal to the
17	annual fee collected in subsection (a) of this section.
18	(d) The annual and biennial road usage surcharges collected in subsections
19	(b) and (c) of this section shall be allocated to the Transportation Fund for the
20	purpose of increasing Vermonters' access to electric vehicle supply equipment
21	(EVSE) charging ports through a program or programs selected by the

1	Secretary, which may include programs administered by the Agency of
2	Commerce and Community Development.
3	Sec. 28. ROAD USAGE SURCHARGE; ELECTRIC VEHICLES
4	The Department of Motor Vehicles shall implement a public outreach
5	campaign regarding road usage surcharges for battery electric vehicles and
6	plug-in electric hybrid vehicles not later than October 1, 2024. The campaign
7	shall disseminate information on the Department's web page and through other
8	outreach methods.
9	Sec. 29. 23 V.S.A. § 361 is amended to read:
10	§ 361. PLEASURE CARS
11	* * *
12	(b) The Commissioner shall collect an annual road usage surcharge for a
13	pleasure car that is a battery electric vehicle, as defined in subdivision $4(85)(\Lambda)$
14	of this title, equal to the amount of the annual fee collected in subsection (a) of
15	this section, or a biennial road usage surcharge equal to two times the annual
16	fee collected in subsection (a) of this section. [Repealed.]
17	* * *
18	(d) The annual and biennial road usage surcharges collected in subsections
19	(b) and subsection (c) of this section shall be allocated to the Transportation
20	Fund for the purpose of increasing Vermonters' access to electric vehicle

VT LEG #375281 v.2

1	selected by the Secretary, which may include programs administered by the
2	Agency of Commerce and Community Development.
3	* * * Central Garage; Authority to Purchase Real Property * * *
4	Sec. 30. CENTRAL GARAGE; REAL PROPERTY; FACILITY DESIGN;
5	AUTHORITY
6	(a) Pursuant to 19 V.S.A. § 26(b), the Secretary of Transportation is
7	authorized to use up to \$2,000,000.00 in Central Garage Fund reserve funds for
8	the purpose of purchasing real property of approximately 23.5 acres on the
9	Paine Turnpike in Berlin, adjacent to State-owned property, on which to site a
10	new Central Garage.
11	(b) Notwithstanding 19 V.S.A. § 13(a), the Secretary may use Central
12	Garage Fund reserve funds for design services necessary to construct a new
13	Central Garage on the Berlin site.
14	* * * Railroad Leases * * *
15	Sec. 31. 5 V.S.A. § 3405 is amended to read:
16	§ 3405. LEASE FOR CONTINUED OPERATION
17	(a) The Secretary, as agent for the State, with the approval of the Governor
18	and the General Assembly or, if the General Assembly is not in session,
19	approval of a special committee consisting of the Joint Fiscal Committee and
20	the Chairs of the House and Senate Committees on Transportation, is
21	authorized to lease or otherwise arrange for the continued operation of all or

1	any State-owned railroad property to any responsible person, provided that
2	approval for the operation, if necessary, is granted by the federal Surface
3	Transportation Board under 49 C.F.R. Part 1150 (certificate to construct,
4	acquire, or operate railroad lines). The transaction shall be subject to any
5	further terms and conditions as in the opinion of the Secretary are necessary
6	and appropriate to accomplish the purpose of this chapter.
7	(b) To preserve continuity of service on State-owned railroads, the
8	Secretary may enter into a short-term lease or operating agreement, for a term
9	not to exceed six months, with a responsible railroad operator. Within 10 days
10	of entering into any lease or agreement, the Secretary shall report the details of
11	the transaction to the members of the House and Senate Committees on
12	Transportation.
13	* * * Traffic Control Devices; Adoption of MUTCD Revisions * * *
14	Sec. 32. 23 V.S.A. § 1025 is amended to read:
15	§ 1025. STANDARDS
16	(a) The U.S. Department of Transportation Federal Highway
17	Administration's Manual on Uniform Traffic Control Devices for Streets and
18	Highways (MUTCD) for streets and highways, as amended, shall be the
19	standards for all traffic control signs, signals, and markings within the State.
20	Revisions to the MUTCD shall be adopted according to the implementation or
21	compliance dates established in federal rules.

1	(b) The latest revision of the MUTCD shall be adopted upon its effective
2	date except in the case of To the extent consistent with federal law, projects
3	beyond a preliminary state of design that are anticipated to be constructed
4	within two years of the otherwise applicable effective date; such projects may
5	be constructed according to the MUTCD standards applicable at the design
6	stage.
7	(c) Existing signs, signals, and markings shall be valid until such time as
8	they are replaced or reconstructed. When new traffic control devices are
9	erected or placed or existing traffic control devices are replaced or repaired, the
10	equipment, design, method of installation, placement, or repair shall conform
11	with the MUTCD.
12	(b)(d) The standards of the MUTCD shall apply for both State and local
13	authorities as to traffic control devices under their respective jurisdiction.
14	(c)(c) Traffic and control signals at intersections with exclusive pedestrian
15	walk cycles shall be of sufficient duration to allow a pedestrian to leave the
16	curb and travel across the roadway before opposing vehicles receive a green
17	light. Determination of the length of the signal shall take into account the
18	circumstances of persons with ambulatory disabilities.

1	* * * Reporting Requirements; Repeal * * *
2	Sec. 33. 19 V.S.A. § 7(k) is amended to read:
3	(k) Upon being apprised of the enactment of a federal law that makes
4	provision for a federal earmark or the award of a discretionary federal grant for
5	a transportation project within the State of Vermont, the Agency shall
6	promptly notify the members of the House and Senate Committees on
7	Transportation and the Joint Fiscal Office. Such notification shall include all
8	available summary information regarding the terms and conditions of the
9	federal earmark or grant. As used in this section, "federal earmark" means a
10	congressional designation of federal aid funds for a specific transportation
11	project or program. When the General Assembly is not in session, upon
12	obtaining the approval of the Joint Transportation Oversight Committee, the
13	Agency is authorized to add new projects to the Transportation Program in
14	order to secure the benefits of federal earmarks or discretionary grants.
15	[Repealed.]
16	Sec. 34. 19 V.S.A. § 42 is amended to read:
17	§ 42. REPORTS PRESERVED ; CONSOLIDATED TRANSPORTATION
18	REPORT
19	(a) Notwithstanding 2 V.S.A. § 20(d), the reports or reporting requirements
20	of this section, sections 10g and 12a, and subsections 7(k), 10b(d), 11f(i), and

1	12b(d) of this title shall be preserved absent specific action by the General
2	Assembly repealing the reports or reporting requirements.
3	(b) Annually, on or before January 15, the Agency shall submit a
4	consolidated transportation system and activities report to the House and
5	Senate Committees on Transportation. The report shall consist of:
6	(1) Financial and performance data of all public transit systems, as
7	defined in 24 V.S.A. § 5088(6), that receive operating subsidies in any form
8	from the State or federal government, including subsidies related to the Elders
9	and Persons with Disabilities Transportation Program for service and capital
10	equipment. This component of the report shall:
11	(A) be developed in cooperation with the Public Transit Advisory
12	Council;
13	(B) be modeled on the Federal Transit Administration's National
14	Transit Database Program with such modifications as appropriate for the
15	various services and guidance found in the most current State policy plan; and
16	(C) show as a separate category financial and performance data on
17	the Elders and Persons with Disabilities Transportation Program.
18	(2) Data on pavement conditions of the State highway system.
19	(3) A description of the conditions of bridges, culverts, and other
20	structures on the State highway system and on town highways.

1	(4) Department of Motor Vehicles data, including the number of
2	vehicle registrations and licenses issued, revenues by category, transactions by
3	category, commercial motor vehicle statistics, and any other information the
4	Commissioner deems relevant.
5	(5) A summary of updates to the Agency's strategic plans and
6	performance measurements used in its strategic plans.
7	(6) A summary of the statuses of aviation, rail, and public transit
8	programs.
9	(7) Data and statistics regarding highway safety, including trends in
10	vehicle crashes and fatalities, traffic counts, and trends in vehicle miles
11	traveled.
12	(8) An overview of operations and maintenance activities, including
13	winter maintenance statistics.
14	(9) A list of projects for which the construction phase was completed
15	during the most recent construction season.
16	(10) Such other information that the Secretary determines the
17	Committees on Transportation need to perform their oversight role.

1	* * * Effective Dates * * *
2	Sec. 35. EFFECTIVE DATES
3	(a) This section, Sec. 30 (central garage; purchase of real property), and
4	Sec. 31 (railroad leases; 5 V.S.A. § 3405) shall take effect on passage.
5	(b) Sec. 27 (electric vehicle road usage surcharge; 23 V.S.A. § 361) shall
6	take effect on passage and shall be fully implemented not later than January 1,
7	<u>2025.</u>
8	(c) Sec. 29 (amendments to electric vehicle road usage surcharges;
9	23 V.S.A. § 361) shall take effect on the effective date of a mileage-based user
10	fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A.
11	<u>§ 4(85)(A).</u>
12	(d) All other sections shall take effect on July 1, 2024.
13	
14	
15	
16	
17	
18	(Committee vote:)
19	
20	Senator
21	FOR THE COMMITTEE