

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 30 V.S.A. § 201.

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 § 45. HEATING SYSTEMS

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 source and shall identify each type and amount of
6 wood fuel used.

7 * * * Highway Maintenance * * *

8 Sec. 3. HIGHWAY MAINTENANCE

9 (a) Within the Agency of Transportation’s Proposed Fiscal Year 2025
10 Transportation Program for Maintenance, authorized spending is amended as
11 follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	42,757,951	42,757,951	0
Operat. Exp.	65,840,546	63,980,546	-1,860,000
Total	108,598,497	106,738,497	-1,860,000
<u>Sources of funds</u>			
State	107,566,483	105,706,483	-1,860,000
Federal	932,014	932,014	0
Inter Unit	100,000	100,000	0
Total	108,598,497	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 Year 2025 Transportation Program for Maintenance,
 5 authorized spending is further amended to increase operating expenses by not
 6 more than \$1,860,000.00 in Transportation Fund monies.

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

11 * * * Town Highway Aid * * *

12 Sec. 4. TOWN HIGHWAY AID MONIES

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

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

1 * * * One-Time Public Transit Monies * * *

2 Sec. 5. ONE-TIME PUBLIC TRANSIT MONIES; GREEN MOUNTAIN
3 TRANSIT; FARE COLLECTION, EVALUATION, AND
4 REORGANIZATION; REPORT

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

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

10	<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
11	Other	0	1,000,000	1,000,000
12	Total	0	1,000,000	1,000,000
13	<u>Sources of funds</u>			
14	State	0	1,000,000	1,000,000
15	Total	0	1,000,000	1,000,000

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

20 (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.

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

Sec. 6. 19 V.S.A. § 10 is amended to read:

§ 10. DUTIES

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

* * *

(9) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file an additional surety bond to the Secretary and the Secretary's successor in office, for the benefit of labor, materialmen, and others, executed by a surety company authorized to transact business in this State; The surety bond shall be in such sum as the Agency shall direct, conditioned for the payment, settlement, liquidation, and discharge of the claims of all creditors for material, merchandise, labor, rent, hire of vehicles, power shovels, rollers, concrete mixers, tools, and other appliances, professional services, premiums, and other services used or employed in carrying out the terms of the contract between the contractor and the State and further conditioned for the following accruing during the term of performance of the contract: the payment of taxes, both State and municipal, and contributions to the Vermont Commissioner of Labor; ~~accruing during the term of performance of the contract.~~ However, provided, however, in order to obtain the benefit of the security, the claimant shall file with the Secretary a sworn statement of the claimant's claim, within 90 days

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) Proposed Transportation Program. 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) Systemwide performance measures. 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.]

1 (e) Prior expenditures and appropriations carried forward.

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) Numerical grading system; priority rating. 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) Year of first inclusion. 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.

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

Sec. 10. 19 V.S.A. § 1112 is amended to read:

§ 1112. DEFINITIONS; FEES

(a) As used in this section:

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

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

* * *

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

* * *

(3) minor commercial development: \$250.00

* * *

(c) Notwithstanding subdivision (b)(3) of this section, the Secretary may waive the collection of the fee for a permit issued pursuant to section 1111 of this chapter for a minor commercial development if the Governor has declared

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~~ 18 months.

13 Sec. 12. 19 V.S.A. § 2904a is added to read:

14 § 2904a. REPLACE YOUR RIDE PROGRAM FLEXIBILITY;

15 EMERGENCIES

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 ~~\$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~~ \$10,000.00 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 MSRP of \$50,000.00 or less;

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.

* * * Annual Reporting * * *

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Sec. 15. 19 V.S.A. § 2905 is amended to read:

§ 2905. ANNUAL REPORTING; VEHICLE INCENTIVE PROGRAMS

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

(b) The report shall also include:

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

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

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.

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) “Electric vehicle supply equipment (EVSE)” and “electric vehicle
9 supply equipment available to the public” have the same meanings as in
10 30 V.S.A. § 201.

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 § 2907. ANNUAL REPORTING; ELECTRIC VEHICLE SUPPLY

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 GRANT PROGRAM

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 15, 2026.

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)(A)~~
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
21 supply equipment (EVSE) charging ports through a program or programs

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)~~ (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 ~~(e)~~(e) 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.~~

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* * * Effective Dates * * *

Sec. 35. EFFECTIVE DATES

(a) This section, Sec. 30 (central garage; purchase of real property), and Sec. 31 (railroad leases; 5 V.S.A. § 3405) shall take effect on passage.

(b) Sec. 27 (electric vehicle road usage surcharge; 23 V.S.A. § 361) shall take effect on passage and shall be fully implemented not later than January 1, 2025.

(c) Sec. 29 (amendments to electric vehicle road usage surcharges; 23 V.S.A. § 361) shall take effect on the effective date of a mileage-based user fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A. § 4(85)(A).

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

(Committee vote: _____)

Senator _____

FOR THE COMMITTEE