

**H. 868 – FY25 Transportation Bill, as Passed by the House**  
**Section-by-Section Summary (03/20/2024)**

**Sec. 1 – Transportation Program:** Sec. 1 adopts the Agency of Transportation’s (VTrans/Agency/AOT) Proposed Fiscal Year 2025 (FY25) Transportation Program (Revised), except as amended in the T Bill and to the extent that funding is available.

- REMEMBER: This adoption language is why the White Book is “clipped to the back of the T Bill”
- Additional Notes:
  - o Adopts the revised version of the White Book with the replacement pages from February 15, 2024
  - o Includes standard definitions; adds Mileage-Based User Fee definition

**\* \* \* One-Time EVSE Monies \* \* \***

**Sec. 2 – Funds for Electric Vehicle Supply Equipment (EVSE):** Sec. 2 moves \$1.7M in federal Carbon Reduction grant funds through a series of transfers to result in \$1.7M in Transportation Fund monies being available for level 1 and 2 EVSE charging ports at workplaces and multiunit dwellings, as follows:

- Subdivisions (a)(1) and (2) reduces federal Carbon Reduction grant spending for Capital Support for E-vehicles (sprinter vans) by \$1.7M
- Subdivisions (b)(1) and (2) transfers the \$1.7M federal Carbon Reduction grant monies to the AOT’s Environmental Policy & Sustainability Program, to be used for electrification of the Central Garage fleet
- Subsection (c) reduces Central Garage Fund spending by \$1.7M
- Subsection (d) requires the AOT to distribute \$1.7 in one-time Transportation Fund Monies to the Agency of Commerce & Community Development to provide grants for level 1 and 2 EVSE charging ports at workplaces and multiunit dwellings

**\* \* \* Highway Maintenance; Town Highway Aid; Town Highway Structures;  
 One-Time eBike Incentive Program Monies \* \* \***

**Sec. 3 – Highway Maintenance; Spending Reduction:**

- Subsection (a) reduces FY25 Transportation Fund spending for highway maintenance by \$2M, to be divided among three other programs per Secs. 4-6
- Subsection (b) states that restoring the funds “shall be the [Agency’s] top fiscal priority”
  - o Subdivision (b)(1) provides a mechanism to allow the Agency to restore the Highway Maintenance appropriation using unencumbered FY24 Transportation Fund monies, up to \$2M, that would otherwise be authorized to carry forward
  - o Subdivision (b)(2) amends authorized FY25 Maintenance spending accordingly

**Sec. 4 – Town Highway Aid; Spending Increase:** This section amends authorized Town Highway Aid spending by an increase of \$860,000

**Sec. 5 – Town Highway Structures Aid; Spending Increase:** This section amends authorized Town Highway Structures Aid spending by an increase of \$1M

**Sec. 6 – eBike Incentives; One-Time Monies:** This section authorizes one-time spending of up to \$140,000 for eBike incentives in FY25

- SEE ALSO: Sec. 16 & Sec. 18

**\*\*\* AOT Duties; Bonding \*\*\***

**Sec. 7 – AOT Duties; Bonding:** This section amends 19 V.S.A. § 10 by permitting the Secretary to waive the requirement of a surety bond if a contract for construction of a transportation improvement is for \$100,000 or less, and makes other changes to improve readability.

**\*\*\* Delays; Increased Costs \*\*\***

**Sec. 8 – Delays; Increased Estimated Costs; Technical Corrections:**

- This section amends 19 V.S.A. § 10g regarding which projects must be included in the updates found in the Agency’s annual proposed Transportation Program, to include:
  - o Projects for which total estimated costs have increased by more than \$5M or 75% from the estimate in the adopted T Program for the prior FY (changed from \$8M and 100%) (Subdivision (g)(2) (amended)) – “creep”
  - o Projects for which total estimated costs have – for the first time – increased by more than \$8M or 50% from the estimate in the adopted T Program for the FY in which the project first appeared as a “front-of-book” project (Subdivision (g)(3) (new)) – “spike”
- This section provides clarity regarding reallocation of funds when projects are delayed or if additional funding is needed to maintain the schedule in the approved T Program for the current FY (Subsection (h))
- This section also adds headings to each subsection and makes other technical and non-substantive changes

**Sec. 9 – Plan for Reporting Delays; Report:** This section requires the Agency to file a written report by December 15, 2024, containing a plan to provide sufficient notice to the H / S Transportation Committees when there are delays in projects in the adopted Transportation Program.

**\*\*\* Appropriations Calculations \*\*\***

**Secs. 10 & 11 – Appropriations Calculations; Central Garage Fund & Town Highway Aid:** These sections clarify the methodology for performing inflationary

calculations for transfers to the Central Garage Fund (19 V.S.A. § 13(c)) and appropriations for town highway aid (19 V.S.A. § 306(a))

**\*\*\* Right-of-Way Permits \*\*\***

**Sec. 12 – Right-of-Way Permits; Fees; Waiver:** This section amends 19 V.S.A. § 1112, which establishes fees for some permits issued under 19 V.S.A. § 1111 for use of a State or town highway right-of-way. Specifically, the section adds a new subsection (c) to permit the Secretary to waive collection of the permit fee for minor commercial development if the Governor has declared a state of emergency and the Secretary has determined that the applicant is facing hardship. The applicant would be required to apply for the waiver during, or within six months after, the end of the state of emergency.

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

**Sec. 13 – Replace Your Ride Program:** This section amends 19 V.S.A. § 2904, which provides financial incentives to qualifying individuals under the Replace Your Ride Program. Current law requires that an eligible “older low efficiency vehicle” removed from operation must have passed its annual inspection in the prior year. This section requires the vehicle to have passed the safety portion of the annual inspection within the prior year – but not necessarily the emissions or on-board diagnostic systems inspection portions.

**Sec. 14 – Replace Your Ride Program Flexibility; Emergencies:** This section adds a new § 2904a to Title 19 in order to permit the Agency to waive or modify some of the eligibility requirements for the Replace Your Ride Program

- When VT motor vehicles have been damaged or totaled due to the event(s) underlying a state of emergency declared by the Governor (Subdivision (1))
- Waiver would be permitted only upon a showing that the applicant was a registered owner of the damaged or totaled vehicle at the time of the event and for six months after the end of the state of emergency (subdivisions (3)(A) and (B))

**Sec. 15 – Electrify Your Fleet Program:** This section amends session law enacted in 2023, which currently provides \$2,500 purchase and lease incentives for a variety of electric fleet vehicles, by:

- Providing incentives for electric bicycles and electric cargo bicycles if the MSRP is \$10,000 or less – currently it is \$6,000 or less (Subdivision (2)(C))
- Beginning to provide incentives for the purchase or lease of electric ATVs and electric utility terrain vehicles if the MSRP is \$50,000 or less (Subdivision (2)(G))

**Sec. 16 – eBike Incentives; Eligibility:** This section amends session law enacted in 2023 to require that the Agency’s January 2024 report on eBike incentives (i) be provided annually and (ii) include a description of the Agency’s post-voucher sampling audits and audit findings, plus any recommendations to improve the program design and effectiveness in directing funding to recipients who are financially in-need.

**Sec. 17 – Vehicle Incentive Programs; Annual Reporting:** This section amends the Agency’s annual report on the effectiveness of the State’s vehicle incentive programs by requiring the report also (i) to address the effectiveness of the State’s marketing and outreach efforts and (ii) to include recommendations for improvements to those efforts.

**Sec. 18 – eBike and Vehicle Incentive Programs; Authority to Transfer Money;**

**FY24:** New session law, effective on passage per Sec. 33(a):

- Subsection (a) permits (does not require) the Secretary to transfer up to \$50,000 of FY24 monies from any vehicle incentive program in order fund to eBike incentives in FY24
- Subsection (b) requires the Secretary to restore any monies transferred per (a) by reducing the FY25 eBike incentive program monies authorized in Sec. 6

**Sec. 19 – Vehicle Incentive Programs; Authority to Transfer Money:** This section adds session law permitting the Secretary to transfer up to 50% of any remaining FY25 funds appropriated for the New Plug-In Electrical Vehicle Program, the Mileage Smart Program, or the Replace Your Ride Program to any one of those three programs if the program has less than \$500,000 available for incentive distribution. The Agency is required to report the transfer to JTOC and JFO within 30 days after transfer.

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

**Sec. 20 –Electric Vehicle Supply Equipment (EVSE):** This section adds new language and new statutory sections to 19 V.S.A. chapter 29, addressing electric vehicle supply equipment (defined in 30 V.S.A. § [201\(2\)](#)), including:

- A new § 2906 that declares a State goal of having publicly-available level 3 EVSE charging ports:
  - o Within 3 driving miles of every exit of Interstate Highways 89, 91, and 93
  - o Within 25 25 driving miles of another level 3 EVSE charging port
  - o Co-located with, or within safe and walkable/rollable distance of, publicly accessible amenities
- A new § 2907 that requires the Agency to file:
  - o An annual report, with a map, regarding the State’s effort to meet its federally required Electric Vehicle Infrastructure Deployment Plan
  - o A report regarding additional efforts to deploy EVSE through any state grant programs in each January following a calendar year in which the State provides such funding
  - o An annual report regarding the current conditions of publicly available EVSE deployed with assistance of State or federal funding, how other jurisdictions address broken and unavailable EVSE, and recommendations on how to minimize the frequency that EVSE are broken or unavailable

**Sec. 21 – Repeal of Current EVSE Map Report and Goals:** This section repeals existing session law, which will be replaced by new statutes included in the previous section.

**Sec. 22 – EVSE Plan; Report:** This section requires the Agency to submit a written plan by January 15, 2025 to fund and maintain the EVSE necessary to meet the goals of the Comprehensive Energy Plan and the VT Climate Action Plan. The Agency will prepare the plan in consultation with the Agency of Agriculture, Food & Markets and the Agency of Commerce and Community Development.

**Sec. 23 – Recommendation on EVSE Regulation:** This section adds session law requiring the Agency – in consultation with other named entities – to develop written recommendations on what regulations should be placed on publicly-available EVSE, including both EVSE owned and not owned / operated by an electric distribution utility (EDU). The recommendations are required to address certain specific issues and are due by November 15, 2024. Finally, until the report is filed, this section prohibits the State from enacting any otherwise authorized regulatory program, or enforcing any otherwise authorized regulatory action, involving EVSE not owned and operated by an EDU.

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

**Sec. 24 – Electric Distribution Utility Line Extension Costs:** This section requires the Public Utility Commission to include information regarding line extension tariffs, including an analysis and comparison of electric distribution utility practices related to line extensions and service upgrades, in a report that is already due by January 15, 2025 per 2022 session law.

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

**Sec. 25 – Mobility Services Guide; Oral Update:** This section adds session law requiring the Agency – in consultation with others – to develop a web-based guide outlining the different mobility service models that the State could consider for deployment. The section specifies certain minimum elements to be included in the guide. The Agency must give an oral update and presentation of the web-based guide by February 15, 2025.

**Sec. 26 – Mobility and Transportation Innovation (MTI) Grant Program; Expansion:** This section adds session law to expand the MTI Grant Program – which supports projects that improve mobility and access for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions – by:

- Awarding grants for capital & operational costs to expand new /existing programs that reduce greenhouse gas emissions (Subdivision (1); page 38, lines 6-9)
- Expanding the application period for the MTI Grant Program (Subdivision (2); page 38, lines 10-16)

**Sec. 27 – Vermont Rail Plan; Amtrak:** This section adds session law that, as part of the Agency’s new Vermont Rail Plan, requires the Agency to consider and address adding additional daily service on the Vermonter and expanding Service on the Valley Flyer. The Agency is also required to consult with others regarding bicycle storage on

the trains serving these routes. The Agency must provide an oral update by February 15, 2025.

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

**Sec. 28 – Replacement for the Vermont State Design Standards:** This section requires the Agency to release a draft of the replacement for the VT State Design Standards by January 1, 2026; conduct at least 4 public hearings across the State; provide a publicly-available summary of public engagement activities and public responses to the final draft of the replacement; consult key stakeholders; and provide oral updates to the H / S Transportation Committees by February 15, 2025 and 2026.

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

**Sec. 29 – Complete Streets; Traffic Calming Measures, Designated Centers:** This section amends 19 V.S.A. §§ 2402 and 2403, which concern the State’s policy that Agency projects will increase and encourage pedestrian, bicycle, and public transit use of public streets.

- The amendments to § 2402 (Policy) support an expanded understanding of the “complete streets principles” that, when desired by a municipality (page 42, line 14), would include designing streets to calm and slow traffic in State-designated centers (Subdivision (b)(4)(A)) and support land uses that develop and evolve in tandem with transit and accessibility (Subdivision(b)(4)(B))
- As currently enacted, § 2403 requires State- and municipally managed projects to incorporate “complete streets principles” unless the project manager determines that the cost of incorporating the principles is disproportionate to the need or probable use – in which case, the project manager is required to provide a detailed supplemental written determination. The amendments to this statute permit the project manager to exclude information regarding the elements desired by the municipality that support land uses that develop and evolve in tandem with transit and accessibility (see also § 2402(b)(4)(B))

**\*\*\* Sustainability of VT’s Transportation System; Emissions Reductions \*\*\***

**Sec. 30 – Analysis & Report on Sustainability Options; Transportation Emissions Reductions:**

- Subsection (a) states findings in support of the section.
- Subsection (b) requires the Agencies of Transportation and of Natural Resources, in consultation with other named entities, to prepare a written analysis of policy and investment scenarios to reduce transportation-related emissions and meet State greenhouse gas reduction standards.
- Subsection (c) identifies the minimum analysis required, including the pros, costs, costs, and benefits of the State: participating in a regional cap-and-invest program; adopting a clean transportation fuel standard; and implementing other potential revenue-raising, carbon-pollution reduction strategies.

- Subsection (d) requires the written analysis in (c) to include an estimate of the amount of emissions reduction from a minimum of four scenarios and a summary of how each analyzed proposal would be administered.
- Subsection (e) requires the State Treasurer to review the written analysis and make written recommendations to the General Assembly.
- Subsection (f) requires maintenance of a publicly accessible website regarding development of the written analysis and the filing of a status update with key legislative committees by November 15, 2024. It requires that both the Agencies' written analysis and the Treasurer's recommendations be filed with the legislative committees by February 15, 2025.
- Subsection (g) requires the Agencies to retain a consultant who is an expert in comprehensive transportation policy with a focus on emissions reductions and economic modeling.
- Subsection (h) enables funds received under the EPA's Climate Pollution Reduction Grants to pay for the consultant, if such costs are eligible. It authorizes the Treasurer to use funds appropriated in FY2025.

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

**Sec. 31 – Better Connections Grant Program:** This section creates a new § 319 in Title 19 to codify the Better Connections Grant Program, an existing program that provides planning grants to municipalities to coordinate municipal land use decisions with transportation investments.

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

**Sec. 32 – Transportation Funding Study; Consultant; Report:** This section requires the Agency to spend not more than \$100,000 to contract with an independent third-party consultant with expertise in transportation funding and finance to consider and evaluate (i) current and potential future funding issues and (ii) potential new and innovative funding options. The Agency is required to file with H / S Transportation, H Ways & Means, and S Finance: (i) a written update of work performed by December 15, 2024; and (ii) the final report and recommendations by January 15, 2025.

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

**Sec. 33 – Effective Dates:** July 1, 2024 for all sections except Secs 18 and 33, which are on passage.