



State of Vermont  
Division of Policy, Planning and  
Intermodal Development  
Barre City Place, Suite  
219 North Main Street  
Barre, VT 05641  
[vtrans.vermont.gov](http://vtrans.vermont.gov)

*Agency of Transportation*

[phone] 802-505-3480  
[ttd] 800-253-0191

## Memo

To: Senate Transportation Committee  
From: Michele Boomhower, Director  
Cc: Dan Delabruere, Rail & Aviation Bureau Director  
Date: March 20, 2024  
Re: Railroad Lease Renewals

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In reviewing statute related to the renewal of the Washington County Railroad lease, staff evaluated other leases activities the Agency undertakes and found that renewal of railroad leases is an exception to the broad authority granted the Administration to engage in leases. The Agency would like to open a conversation regarding the following proposal:

\* \* \* State-owned Railroads \* \* \*

Sec. xx. 5 V.S.A. § 3405 is amended to read;

§ 3405. LEASE FOR CONTINUED OPERATION

(a) The Secretary, as agent for the State, ~~with the approval of the Governor and the General Assembly or, if the General Assembly is not in session, approval of a special committee consisting of the Joint Fiscal Committee and the Chairs of the House and Senate Committees on Transportation,~~ is authorized to lease or otherwise arrange for the continued operation of all or any State-owned railroad property to any responsible person, provided that approval for the operation, if necessary, is granted by the federal Surface Transportation Board. The transaction shall be subject to ~~any further~~ terms and conditions as in the opinion of the Secretary are necessary and appropriate to accomplish the purpose of this chapter.

(b) To preserve continuity of service on State-owned railroads, the Secretary may enter into a short-term lease or operating agreement, for a term not to exceed six months, with a responsible railroad operator. ~~Within 10 days of entering into any lease or agreement, the Secretary shall report the details of the transaction to the members of the House and Senate Committees on Transportation.~~