
This act summary is provided for the convenience of the public and members of the General Assembly. It is intended to provide a general summary of the act and may not be exhaustive. It has been prepared by the staff of the Office of Legislative Counsel without input from members of the General Assembly. It is not intended to aid in the interpretation of legislation or to serve as a source of legislative intent.

Act No. 43 (H.488). An act relating to the fiscal year 2026 Transportation Program and miscellaneous changes to laws related to transportation

Subjects: Transportation; electric vehicle supply equipment; annual Transportation Program; town highways; Transportation Board; Vermont Route 36; locally managed projects; rail trails; mileage-based user fee; EV infrastructure fee

This act:

- Transportation Program. Adopts the Agency of Transportation's (Agency or AOT) Proposed Fiscal Year 2026 Transportation Program except as amended in the act and defines terms used throughout the act.
- Fiscal Year 2026 Transportation Investments Intended to Reduce Transportation-Related Greenhouse Gas Emissions, Reduce Fossil Fuel Use, and Save Vermont Households Money. Summarizes certain transportation investments.
- Rail Program. Removes the \$260,000.00 subsidy for the Barre-Berlin-Montpelier Washington County Railroad (WACR) rail line and authorizes \$260,000.00 for repairs to the White River Junction Depot.
- Town Highway Non-Federal Disasters. Replaces the \$1,150,000.00 in Transportation Fund monies authorized to provide grants for town highway repairs following non-federal disasters for \$1,150,000.00 in PILOT Special Fund monies.
- State and Federal Funding; Mileage-Based User Fee; Updates. Requires the Secretary of Transportation to provide two briefings to update the Joint Transportation Oversight Committee regarding federal funding for the Fiscal Year 2026 State Transportation Program, including any changes to federal funding that will require modifications to the Transportation Program or legislative action, and work to design a mileage-based user fee program.
- Relinquishment of Vermont Route 36 in the Town of St. Albans. Authorizes the Secretary of Transportation to relinquish a portion of Vermont Route 36 to the Town of St. Albans.
- State-Owned Railroads; Rail Trails. Establishes a list of activities that are prohibited on State-owned rail trails and permits the Agency of Transportation to adopt rules governing activities on State-owned rail trails.
- Transportation Board. Permits the Transportation Board to appoint officers other than the Chair, who is appointed by the Governor, and clarifies the Board's authority to hear appeals related to certain contract disputes.

- Green Mountain Transit Authority. Amends the Green Mountain Transit Authority's charter to change its required area of operation and to repeal obsolete language related to the initial appointment of commissioners.
- Town Highways. Provides that the appropriations and approved grant amounts for State aid for town highway structures and the Class 2 Town Highway Roadway Program will annually increase by an amount equal to the percentage increase in the Consumer Price Index or the percentage increase in Agency of Transportation appropriations funded by the Transportation Fund, whichever is less. Requires the Agency of Transportation, in consultation with stakeholders, to examine and report on requirements related to the recovery of funding for canceled locally managed projects and potential changes related to those requirements. Requires the Agency of Transportation, in consultation with stakeholders, to develop a framework for assessing the current condition of municipal highways and prioritizing State funding based on need and the highway's role in the State's road network. Requires the Agency of Transportation, in consultation with stakeholders, to identify potential efficiencies and improvements related to the administration of Town Highway Aid and municipal grant programs.
- Mileage-Based User Fee. Updates provisions of 2023 Acts and Resolves No. 62 to reflect developments since the adoption of that act and to provide additional guidance for the design of a mileage-based user fee during State fiscal year 2026.
- Authorization to Transfer Monies in State Fiscal Year 2026. Permits the Secretary of Transportation to use up to \$325,000.00 in monies appropriated to the Electrify Your Fleet Program in State Fiscal Year 2024 to continue the Agency of Transportation's partnership with Drive Electric Vermont.
- Consideration of Vehicle Miles Traveled in Project Planning. Provides that the Agency of Transportation shall consider opportunities to reduce vehicle miles traveled and greenhouse gas emissions as factors in various parts of the transportation planning process.
- Medical Transports. Authorizes the Agency of Transportation to provide up to \$600,000.00 in grants to public transit agencies to hire coordinators to be responsible for the identification, recruitment, and retention of volunteers providing transportation services for the State's demand response transportation programs. Requires the Department of Vermont Health Access to provide the Joint Fiscal Committee with analysis of certain anticipated impacts on transportation services of a new contract for Medicaid Non-Emergency Transportation services. Also requires an examination of certain opportunities to expand the pool of volunteer drivers for the Medicaid Non-Emergency Transportation program, and additional outreach and publicity related to opportunities to volunteer as a driver for the State's demand response transportation programs. Creates a working group to examine potential ways to improve the coordination of health care and transportation services for individual enrolled in the State's demand response transportation programs.

- Vehicle Identification Numbers for Certain Vehicles. Requires the Department of Motor Vehicles to examine options to facilitate registration and inspection of ultra-low volume manufactured and home-built vehicles.
- Railroad Rights-of-Way. Requires an annual report to the General Assembly regarding the lease of State-owned railroad rights-of-way for communications infrastructure and other purposes that do not relate to the operation of a railroad in the right-of-way and requires the State to provide information to communications companies regarding the availability of State-owned railroad rights-of-way for lease.
- Dig Safe. Amends timeline for marking of underground utilities to require that they be marked by a utility company within 72 hours after receiving notice.

Multiple effective dates, beginning on June 2, 2025

See budget chart on following page.

TRANSPORTATION APPROPRIATIONS OVERVIEW FY 2026 Budget By Fund							
	All Funds	T-Fund	Federal	Local/Other	InterDept	TIB	Int Svc Fund
DEPT. OF MOTOR VEHICLES	49,518,301	46,709,524	2,687,081		121,696		
FINANCE & ADMINISTRATION	26,545,463	25,152,473	1,392,990				
PROGRAM DEVELOPMENT							
Paving	102,907,857	22,386,726	80,519,688	1,443			
Interstate Bridge	45,544,891		42,215,402			3,329,489	
State Highway Bridge	77,872,921		61,832,165	1,125,203	4,630,106	10,285,447	
Roadway	67,659,113	6,959,316	52,193,961	925,834	6,091,921	1,488,081	
Traffic & Safety	45,834,796	331,082	43,420,917	2,082,797			
Park & Ride	2,435,740	189,207	2,236,731	9,802			
Bike & Pedestrian Facilities	21,879,965	1,169,905	16,628,728	4,081,332			
Transportation Alternatives	6,471,054		5,176,843	1,294,211			
Multi-Modal Facilities	0						
Program Development Administration	40,704,263	30,969,198	4,455,065	280,000	5,000,000		
Total Program Development	411,310,600	62,005,434	308,679,500	9,800,622	15,722,027	15,103,017	0
REST AREAS	1,190,246	119,025	1,071,221				
POLICY & PLANNING	15,047,615	3,742,314	11,223,301		82,000		
ENVIRONMENTAL POLICY & SUSTAINABILITY	9,514,007	389,377	8,150,226	952,544	21,860		
MAINTENANCE	117,227,043	110,349,507	932,014		5,945,522		
PUBLIC TRANSIT PROGRAM	52,695,234	10,007,534	42,547,700		140,000		
AVIATION	13,417,465	7,474,433	5,943,032				
RAIL	61,887,348	15,067,669	31,894,435	6,696,881	8,226,363		
CENTRAL GARAGE	25,654,553						25,654,553
TRANSPORTATION BUILDINGS	2,500,000	2,200,000				300,000	
Total "VTrans" Programs	786,507,875	283,217,290	414,521,500	17,450,047	30,261,468	15,403,017	25,654,553
TOWN HIGHWAY BRIDGES	37,793,406		31,716,311	2,480,112		3,596,983	
TH STRUCTURES	7,200,000	7,200,000					
TH CLASS 2 ROADWAY PROGRAM	8,600,000	8,600,000					
TH - NONFEDERAL DISASTERS - PILOT FUNDS	1,150,000			1,150,000			
TH - FEDERAL DISASTERS	4,000,000		4,000,000				
TH AID PROGRAM	30,418,736	30,418,736					
TH CLASS 1 SUPPLEMENTAL GRANTS	128,750	128,750					
TH VERMONT LOCAL ROADS	481,452	121,452	360,000				
MUNICIPAL MITIGATION ASSISTANCE PROGRAM	6,893,000	715,000	1,428,000	4,750,000			
TH PUBLIC ASSISTANCE GRANTS	0						
Total "Town Highway" Programs	96,665,344	47,183,938	37,504,311	8,380,112	0	3,596,983	0
TRANSPORTATION BOARD	204,171	204,171					
TOTAL AOT PROGRAMS	883,377,390	330,605,399	452,025,811	25,830,159	30,261,468	19,000,000	25,654,553
One-Time Appropriations	All Funds	T-Fund	Federal	Local/Other	InterDept	TIB	Int Svc Fund
ACCD EVSE Funding	1,400,000	1,400,000					
Demand Response Volunteer Coordinators	600,000	600,000					
Transportation Fund Appropriations Not in AOT Budget or T-Bill							
BGS for Info Center Operations	4,420,913						
JTOC Appropriation to DPS	0						
Pay Act	3,000,000						
TOTAL OTHER TF APPROPRIATIONS	7,420,913						
TOTAL T-FUND APPROPRIATIONS	340,026,312						
Other Transfers and Adjustments to Transportation Fund							
Revenue (into) TF							
From Other Funds to TF	(12,640,000)						
Transfers from TF							
Transfer from TF for transp-related debt service	306,825						
Transfer from TF to Downtown Fund	523,966						
Transfer from TF to Rec Trails Fund (10 VSA 446)	370,000						
Transfer from TF to Central Garage (19 VSA 13)	1,650,731						
Transfer from TF to Stabilization Reserve	1,886,970						
TOTAL NET TRANSFERS	(7,902,508)						

Logan Mooberry 8/25/2025 JFO