

1 H.488

2 An act relating to the fiscal year 2026 Transportation Program and  
3 miscellaneous changes to laws related to transportation

4 It is hereby enacted by the General Assembly of the State of Vermont:

5 \* \* \* Transportation Program Adopted as Amended; Definitions \* \* \*

6 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

7 (a) Adoption. The Agency of Transportation's Proposed Fiscal Year 2026  
8 Transportation Program appended to the Agency of Transportation's proposed  
9 fiscal year 2026 budget, as amended by this act, is adopted to the extent  
10 federal, State, and local funds are available.

11 (b) Definitions. As used in this act, unless otherwise indicated:

12 (1) "Agency" means the Agency of Transportation.

13 (2) "Candidate project" means a project approved by the General  
14 Assembly that is not anticipated to have significant expenditures for  
15 preliminary engineering or right-of-way expenditures, or both, during the  
16 budget year and funding for construction is not anticipated within a predictable  
17 time frame.

18 (3) "Development and evaluation (D&E) project" means a project  
19 approved by the General Assembly that is anticipated to have preliminary  
20 engineering expenditures or right-of-way expenditures, or both, during the  
21 budget year and that the Agency is committed to delivering to construction on  
22 a timeline driven by priority and available funding.

1           (4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle  
2           supply equipment available to the public” have the same meanings as in  
3           30 V.S.A. § 201.

4           (5) “Front-of-book project” means a project approved by the General  
5           Assembly that is anticipated to have construction expenditures during the  
6           budget year or the following three years, or both, with expected expenditures  
7           shown over four years.

8           (6) “Mileage-based user fee” or “MBUF” means a fee for vehicle use of  
9           the public road system with distance, stated in miles, as the measure of use.

10           (7) “Plug-in electric vehicle (PEV),” “plug-in hybrid electric vehicle  
11           (PHEV),” and “battery electric vehicle (BEV)” have the same meanings as in  
12           23 V.S.A. § 4(85).

13           (8) “Secretary” means the Secretary of Transportation.

14           (9) “TIB funds” means monies deposited in the Transportation  
15           Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

16           (10) The table heading “As Proposed” means the Proposed  
17           Transportation Program referenced in subsection (a) of this section; the table  
18           heading “As Amended” means the amendments as made by this act; the table  
19           heading “Change” means the difference obtained by subtracting the “As  
20           Proposed” figure from the “As Amended” figure; the terms “change” or  
21           “changes” in the text refer to the project- and program-specific amendments,

1 the aggregate sum of which equals the net “Change” in the applicable table  
2 heading; and “State” in any tables amending authorizations indicates that the  
3 source of funds is State monies in the Transportation Fund, unless otherwise  
4 specified.

5 \* \* \* Summary of Transportation Investments \* \* \*

6 Sec. 2. FISCAL YEAR 2026 TRANSPORTATION INVESTMENTS

7 INTENDED TO REDUCE TRANSPORTATION-RELATED

8 GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL

9 USE, AND SAVE VERMONT HOUSEHOLDS MONEY

10 This act includes the State’s fiscal year 2026 transportation investments  
11 intended to reduce transportation-related greenhouse gas emissions, reduce  
12 fossil fuel use, and save Vermont households money in furtherance of the  
13 policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive  
14 Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive  
15 and Legislative Branches’ commitments to the Paris Agreement climate goals.

16 In fiscal year 2026, these efforts will include the following:

17 (1) Park and Ride Program. This act provides for a fiscal year  
18 expenditure of \$2,435,740.00, which will fund two construction projects to  
19 create new park-and-ride facilities, the construction of improvements to two  
20 existing park-and-ride facilities, funding for a municipal park-and-ride grant  
21 program, and paving projects for existing park-and-ride facilities. This year’s

1 Park and Ride Program will create 60 new State-owned spaces. Specific  
2 additions and improvements include:

3 (A) Manchester—construction of 50 new spaces; and

4 (B) Sharon—design and construction of 10 new spaces.

5 (2) Bike and Pedestrian Facilities Program. This act provides for a  
6 fiscal year expenditure, including local match, of \$21,879,965.00, which will  
7 fund 33 bike and pedestrian construction projects; 17 bike and pedestrian  
8 design, right-of-way, or design and right-of way projects for construction in  
9 future fiscal years; and 10 scoping studies. The construction projects include  
10 the creation, improvement, or rehabilitation of walkways, sidewalks, shared-  
11 use paths, bike paths, and cycling lanes. Projects are funded in Arlington,  
12 Bakersfield, Bennington, Bethel, Brattleboro, Bristol, Burke, Burlington,  
13 Castleton, Chester, Danville, Enosburg Falls, Fairfax, Greensboro, Hardwick,  
14 Hartford, Highgate, Hinesburg, Huntington, Hyde Park, Irasburg, Jericho,  
15 Lyndonville, Middlebury, Montpelier, Moretown, Newfane, Newport City,  
16 Northfield, Pawlet, Randolph, Royalton, Rutland City, Rutland Town,  
17 Sheffield, Shelburne, Sheldon, South Burlington, Springfield, St. Albans City,  
18 St. Albans Town, Swanton, Wallingford, Waterbury, West Rutland, Williston,  
19 Wilmington, and Windsor. This act also provides funding for:

20 (A) some of Local Motion’s operation costs to run the bike ferry on  
21 the Colchester Causeway, which is part of the Island Line Trail;

1           (B) a small-scale municipal bicycle and pedestrian grant program for  
2           projects to be selected during the fiscal year;

3           (C) projects funded through the Safe Routes to School Program; and

4           (D) community grants along the Lamoille Valley Rail Trail (LVRT).

5           (3) Transportation Alternatives Program. This act provides for a fiscal  
6           year expenditure of \$6,471,054.00, including local funds, which will fund 17  
7           transportation alternatives construction projects; 26 transportation alternatives  
8           design, right-of-way, or design and right-of-way projects; and eight scoping  
9           studies. Of these 51 projects, 20 involve environmental mitigation related to  
10          clean water or stormwater concerns, or both clean water and stormwater  
11          concerns, and 32 involve bicycle and pedestrian facilities. Projects are funded  
12          in Athens, Barre City, Bennington, Brandon, Brattleboro, Bridgewater, Bristol,  
13          Burke, Burlington, Castleton, Derby, Enosburg Falls, Fairfax, Fairlee,  
14          Ferrisburgh, Grafton, Guilford, Hartford, Hinesburg, Hyde Park, Jericho,  
15          Londonderry, Lyndon, Montgomery, Newark, Proctor, Rockingham, Rutland  
16          City, Shoreham, South Burlington, Springfield, St. Albans Town, Swanton,  
17          Tinmouth, Warren, Williston, and Wilmington.

18          (4) Public Transit Program. This act provides for a fiscal year  
19          expenditure of \$52,695,234.00 for public transit uses throughout the State.  
20          Included in the authorization are:

1           (A) Go! Vermont, with an authorization of \$380,000.00. This  
2           authorization supports transportation demand management (TDM) strategies,  
3           including the State's Trip Planner and commuter services, to promote the use  
4           of carpools and vanpools.

5           (B) Mobility and Transportation Innovations (MTI) Grant Program,  
6           with an authorization of \$340,000.00, which includes \$315,000.00 in federal  
7           funds. This authorization continues to support projects that improve both  
8           mobility and access to services for transit-dependent Vermonters, reduce the  
9           use of single-occupancy vehicles, and reduce greenhouse gas emissions.

10          (5) Rail Program. This act provides for a fiscal year expenditure of  
11          \$61,887,348.00, including local funds and \$31,894,436.00 in federal funds, for  
12          intercity passenger rail service, including funding for the Ethan Allen Express  
13          and Vermonter Amtrak services, and rail infrastructure that supports freight  
14          rail as well. Moving freight by rail instead of trucks lowers greenhouse gas  
15          emissions by up to 75 percent, on average.

16                   \* \* \* Rail Program; Technical Correction \* \* \*

17          Sec. 3. RAIL PROGRAM

18          (a) Within the Agency of Transportation's Proposed Fiscal Year 2026  
19          Transportation Program for Rail the following project is deleted: Barre–  
20          Berlin–Montpelier 04-9038–WACR Subsidy.

1        (b) Within the Agency of Transportation's Proposed Fiscal Year 2026  
2        Transportation Program for Rail, the following project is added: Hartford  
3        HRRD(1) 25G002–White River Junction Depot Repairs.

4        (c) Within the Agency of Transportation's Proposed Fiscal Year 2026  
5        Transportation Program for Rail, spending authority for Hartford HRRD(1)  
6        25G002–White River Junction Depot Repairs is authorized as follows:

7	<u>FY26</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
8	Other	0	260,000	260,000
9	Total	0	260,000	260,000

10        Sources of funds

11	State	0	260,000	260,000
12	Total	0	260,000	260,000

13                        \* \* \* Town Highway Non-Federal Disasters \* \* \*

14        Sec. 4. TOWN HIGHWAY NON-FEDERAL DISASTERS

15        (a) Within the Agency of Transportation's Proposed Fiscal Year 2026  
16        Transportation Program for Town Highway Non-Federal Disasters, spending is  
17        authorized as follows:

18	<u>FY26</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
19	Grants	1,150,000	1,150,000	0
20	Total	1,150,000	1,150,000	0

1        Sources of funds

2	State	1,150,000	0	-1,150,000
3	Other	0	1,150,000	1,150,000
4	Total	1,150,000	1,150,000	0

5        (b) Within the Agency of Transportation's Proposed Fiscal Year 2026

6        Transportation Program for Town Highway Non-Federal Disasters, the  
7        following footnote is added: "Other funds of \$1,150,000 are amounts  
8        appropriated from the PILOT Special Fund established pursuant to 32 V.S.A.  
9        § 3709."

10                    \* \* \* State and Federal Funding Updates \* \* \*

11        Sec. 5. STATE AND FEDERAL FUNDING; MILEAGE BASED USER

12                    FEE; UPDATES

13        (a) On or before September 30, 2025 and December 15, 2025, the Secretary  
14        of Transportation shall provide the Joint Transportation Oversight Committee  
15        with a briefing on the status of State Transportation Fund revenues and federal  
16        funding for the fiscal year 2026 Transportation Program, funding-related  
17        impacts on the fiscal year 2026 Transportation Program, and the Agency's  
18        progress in designing the mileage-based user fee. The briefing shall include:

19                    (1) a summary of federal funding that has been received to date, federal  
20        funding that is anticipated later in the State fiscal year, federal funding that is  
21        delayed, and federal funding that has been reduced or subject to rescission;



1           (2) a summary of the Transportation Fund revenues to date in State  
2           fiscal year 2026;

3           (3) a summary of the impacts on the fiscal year 2026 Transportation  
4           Program that are caused by changes in State Transportation Fund revenues  
5           from the consensus forecast or delays or reductions in federal funding;

6           (4) a summary of any legislative action that may be necessary to address  
7           reductions in State revenues or federal funding;

8           (5) a summary of the status of State and federal funding for the design  
9           of the mileage-based user fee pursuant to the provisions of 2023 Acts and  
10          Resolves No. 62, Secs. 27–29, as amended by Sec. 17 of this act; and

11          (6) the Agency’s progress in designing the mileage-based user fee.

12          (b) Upon becoming aware of a significant change in State revenues or a  
13          reduction in federal funding, rescission of federal grants, or delay of  
14          anticipated federal funding that will impact the Agency’s ability to carry out  
15          significant portions of the fiscal year 2026 Transportation Program, the  
16          Secretary of Transportation may request that the Joint Transportation  
17          Oversight Committee meet within 14 days to review the Agency’s plan to  
18          address the reduction in funding.

19          (c) In the event of a decrease in overall State or federal funding for the  
20          fiscal year 2026 Transportation Program that is in excess of four percent, the  
21          Secretary shall submit to the Joint Transportation Oversight Committee a

1 written report detailing the impact of the decrease on projects that are in the  
2 2026 Transportation Program.

3 \* \* \* Relinquishment of Vermont Route 36 in the Town of St. Albans \* \* \*

4 Sec. 6. RELINQUISHMENT OF VERMONT ROUTE 36 IN THE TOWN  
5 OF ST. ALBANS

6 Pursuant to 19 V.S.A. § 15(a)(2), the General Assembly authorizes the  
7 Secretary of Transportation to enter into an agreement with the Town of St.  
8 Albans to relinquish a segment of the State highway in the Town of St. Albans  
9 known as Vermont Route 36. The segment authorized to be relinquished  
10 begins at mile marker 0.00, just east of the “Black Bridge” (B2), and continues  
11 14,963 feet (approximately 2.834 miles) easterly to mile marker 2.834, where  
12 Vermont Route 36 meets the boundary of the City of St. Albans, and includes  
13 the 0.106-mile westbound section of Vermont Route 36 and approaches at the  
14 entrance to the St. Albans Bay Town Park.

15 \* \* \* State-Owned Railroads; Rail Trails \* \* \*

16 Sec. 7. 5 V.S.A. chapter 58 is redesignated to read:

17 CHAPTER 58. ~~STATE ACQUISITION OF~~ STATE-OWNED RAILROADS  
18 AND RAIL TRAILS

1 Sec. 8. 5 V.S.A. § 3408 is amended to read:

2 § 3408. RAILBANKING; NOTIFICATION

3 (a) If the Secretary finds that the continued operation of any State-owned  
4 railroad property is not economically feasible under present conditions, ~~he or~~  
5 ~~she~~ the Secretary may place the line in railbanked status after giving advance  
6 notice of ~~such~~ the planned railbanking to the House and Senate Committees on  
7 Transportation when the General Assembly is in session, and when the General  
8 Assembly is not in session, to the Joint Transportation Oversight Committee.

9 The Agency, on behalf of the State, shall continue to hold the right-of-way of a  
10 railbanked line for reactivation of railroad service or for other public purposes  
11 not inconsistent with future reactivation of railroad service. ~~Such~~ The  
12 railbanking shall not be treated, for purposes of any law or rule of law, as an  
13 abandonment of the use of the rights-of-way for railroad purposes.

14 \* \* \*

15 (c)(1) The Secretary may, after consulting with municipalities, adopt rules  
16 consistent with the provisions of section 3408a of this chapter governing the  
17 interim trail use of State-owned railroad rights-of-way that have been placed in  
18 railbanked status.

19 (2) Signs indicating the rules shall be conspicuously posted in or near all  
20 areas affected.

1           (3) Any person who violates ~~these~~ rules adopted pursuant to this  
2           subsection shall be subject to a penalty of not more than \$300.00.

3           Sec. 9. 5 V.S.A. § 3408a is added to read:

4           § 3408a. USE OF RAIL TRAILS

5           (a) Definitions. As used in this section:

6                 (1) “Rail trail” means the right-of-way of a State-owned railroad line  
7                 that has been authorized for railbanking and interim trail use pursuant to  
8                 16 U.S.C. § 1247(d) or section 3408 of this chapter.

9                 (2) “Trail sponsor” means the Agency of Transportation in the case of a  
10                 rail trail maintained by the Agency or the municipality in the case of a rail trail  
11                 maintained by a municipality.

12           (b) Use of rail trails. The following acts are prohibited within a rail trail  
13           right-of-way:

14                 (1) Throwing, dropping, or discarding bottles, cans, paper, garbage,  
15                 rubbish, sewage, or other material of any kind.

16                 (2) Cutting, mutilating, or removing any tree, shrub, flower, plant, top  
17                 soil, or sod or attempting to do so.

18                 (3) Injury, defacement, removal, or destruction of the surface of the rail  
19                 trail or a rail trail’s structures, appurtenances, recreation facilities, or property.

1           (4) Except as authorized by the trail sponsor, erecting, placing, or  
2           displaying any advertising materials, posters, or placards of any kind. This  
3           prohibition shall not apply to official signs erected by the trail sponsor.

4           (5) Except as authorized by the trail sponsor, entering or remaining on  
5           the rail trail for the purpose of:

6                   (A) selling, hiring, or leasing any goods or services; or

7                   (B) distributing samples, pamphlets, or advertising materials, except  
8           for official information authorized by the trail sponsor.

9           (6) Parades, demonstrations, picnics, games, entertainment, or  
10          organizations, except at times and locations approved by the trail sponsor.

11          (7) Harassing or molesting wildlife, except for fishing.

12          (8) Using or discharging any firearms or other weapons or fireworks,  
13          except by a person authorized by the trail sponsor or as otherwise permitted by  
14          law.

15          (9) Igniting fires for any purpose, except in fireplaces or firepits at  
16          locations designated by the trail sponsor or for trail maintenance purposes.

17          (10) Soliciting alms or contributions.

18          (11) Use of motorized vehicles, except for:

1           (A) maintenance purposes;

2           (B) snowmobiles, subject to applicable State rules, when the  
3           Vermont Association of Snow Travelers, Inc. has declared the Statewide  
4           Snowmobile Trail System officially open;

5           (C) Other Power-Driven Mobility Devices (OPDMD) utilized by an  
6           individual with a disability as permitted by the Agency's Rail Trail  
7           Accessibility Policy;

8           (D) electric bicycles as permitted pursuant to applicable State rules;  
9           and

10           (E) other circumstances that the trail sponsor determines are  
11           appropriate.

12           (12) Overnight camping, except at areas designated for that purpose by  
13           the trail sponsor.

14           (c) Penalty. Any person who violates the provisions of subsection (b) of  
15           this section shall be subject to a civil penalty pursuant to subdivision  
16           3408(c)(3) of this chapter.

17                               \* \* \* Transportation Board \* \* \*

18           Sec. 10. 19 V.S.A. § 3 is amended to read:

19           § 3. TRANSPORTATION BOARD; CREATION; MEMBERS

20           ~~A transportation board~~ The Transportation Board is formed to be attached to  
21           the Agency of Transportation. There shall be seven members of the Board,

1 appointed by the Governor with the advice and consent of the Senate. The  
2 Governor shall so far as is possible appoint Board members whose interests  
3 and expertise lie in various areas of the transportation field. The Governor  
4 shall appoint the ~~chair~~ Chair, and the Board may vote to appoint other officers.

5 The members of the Board shall be appointed for terms of three years. Board  
6 members may be appointed for two additional three-year terms but shall not be  
7 eligible for further reappointment. ~~No~~ Not more than four members of the  
8 Board shall belong to the same political party. No member of the Board shall:

9 \* \* \*

10 Sec. 11. 19 V.S.A. § 5 is amended to read:

11 § 5. TRANSPORTATION BOARD; POWERS AND DUTIES

12 \* \* \*

13 (d) Specific duties and responsibilities. The Board shall:

14 \* \* \*

15 (4) provide appellate review, when requested in writing, regarding legal  
16 disputes in the execution of contracts awarded by the Agency or by  
17 municipalities cooperating with the Agency to advance projects in the State's  
18 Transportation Program, except that the Agency shall provide appellate review  
19 relating to bids and the competitive negotiation process under 19 V.S.A. § 10a;

1 (5) provide appellate review, when requested in writing, of decisions of  
2 the Secretary in administering the provisions of Title 24, relating to ~~junkyards~~  
3 salvage yards;

4 \* \* \*

5 \* \* \* Green Mountain Transit Authority \* \* \*

6 Sec. 12. 24 App. V.S.A. chapter 801 is amended to read:

7 CHAPTER 801. GREEN MOUNTAIN TRANSIT AUTHORITY

8 \* \* \*

9 § 2. AREA OF OPERATION

10 (a) The area of operation shall be the urbanized area of Chittenden,  
11 ~~Franklin, Grand Isle, and Washington Counties and the Towns of Orange,~~  
12 ~~Washington, and Williamstown. The area of operation shall include Addison~~  
13 ~~and Caledonia Counties and the Towns of Orange County other than Orange,~~  
14 ~~Washington, and Williamstown, but only for the provision of commuter~~  
15 ~~services. The area of operation shall include Lamoille County, but only for the~~  
16 ~~provision of published scheduled services~~ County as established by the U.S.  
17 Census Bureau. The Green Mountain Transit Authority may operate service  
18 outside the urbanized area of Chittenden County with approval from the  
19 Agency of Transportation. Nothing in this section shall be construed to  
20 prevent other transit providers from offering transit connecting to the



1 urbanized area of Chittenden County, or providing on demand services in that  
2 area, with the approval of the Agency of Transportation.

3 \* \* \*

4 § 10. IMPLEMENTATION

5 \* \* \*

6 ~~(c) Immediately upon joining the Authority, the municipality shall appoint~~  
7 ~~two commissioners as provided herein. The initial terms of the commissioners~~  
8 ~~of the initial members shall be arranged by the Chittenden County Regional~~  
9 ~~Planning Commission so that the terms of approximately one-third of the~~  
10 ~~commissioners shall expire in each year. The initial terms of commissioners~~  
11 ~~from municipalities joining after March 7, 1973, shall be set by the Board of~~  
12 ~~Commissioners.~~

13 \* \* \*

14 \* \* \* Town Highways \* \* \*

15 Sec. 13. 19 V.S.A. § 306 is amended to read:

16 § 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

17 (a) General State aid to town highways.

18 (1) An annual appropriation to class 1, 2, and 3 town highways shall be  
19 made. This appropriation shall increase over the previous fiscal year's  
20 appropriation by the same percentage change as the following, whichever is

1 less, or shall remain at the previous fiscal year's appropriation if either of the  
2 following are negative or zero:

3 (A) the percentage change of the Agency's total appropriations  
4 funded by Transportation Fund revenues, excluding appropriations ~~for town~~  
5 ~~highways~~ under this subsection (a) and subsections (e) and (h) of this section,  
6 for the most recently closed fiscal year as compared to the fiscal year  
7 immediately preceding the most recently closed fiscal year; or

8 \* \* \*

9 (e) State aid for town highway structures.

10 (1) There shall be an annual appropriation for grants to municipalities  
11 for maintenance (including actions to extend life expectancy) and for  
12 construction of bridges and culverts; for maintenance and construction of other  
13 structures, including causeways and retaining walls, intended to preserve the  
14 integrity of the traveled portion of class 1, 2, and 3 town highways; and for  
15 alternatives that eliminate the need for a bridge, culvert, or other structure,  
16 such as the construction or reconstruction of a highway, the purchase of parcels  
17 of land that would be landlocked by closure of a bridge, the payment of  
18 damages for loss of highway access, and the substitution of other means of  
19 access. This appropriation shall increase over the previous fiscal year's  
20 appropriation by the same percentage change as the following, whichever is

1 less, or shall remain at the previous fiscal year's appropriation if either of the  
2 following are negative or zero:

3 (A) the percentage change in the Agency's total appropriations  
4 funded by Transportation Fund revenues, excluding appropriations under this  
5 subsection (e) and subsections (a) and (h) of this section, for the most recently  
6 closed fiscal year as compared to the fiscal year immediately preceding the  
7 most recently closed fiscal year; or

8 (B) the percentage change in the Bureau of Labor Statistics  
9 Consumer Price Index for All Urban Consumers (CPI-U).

10 (2) For purposes of subdivision (1)(B) 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 appropriation will be made compared to the CPI-U for the month  
15 ending on June 30 in the calendar year two years prior to the first day of the  
16 fiscal year for which the appropriation will be made.

17 (3) Each fiscal year, the Agency shall approve qualifying projects with a  
18 total estimated State share cost of \$7,200,000.00 at a minimum as new grants.  
19 ~~The Agency's proposed appropriation for the Program shall take into account~~  
20 ~~the estimated amount of qualifying invoices submitted to the Agency with~~  
21 ~~respect to project grants approved in prior years but not yet completed as well~~

1 as with respect to new project grants to be approved in the fiscal year  
2 Beginning with State fiscal year 2027, the minimum total estimated State share  
3 cost for the approved grants shall increase over the prior fiscal year's minimum  
4 total estimated State share cost by the same percentage as the appropriation for  
5 State aid for town highway structures is increased pursuant to subdivision (1)  
6 of this subsection.

7 (4) In a given fiscal year, should expenditures in the Town Highway  
8 Structures Program exceed the amount appropriated, the Agency shall advise  
9 the Governor of the need to request a supplemental appropriation from the  
10 General Assembly to fund the additional project cost, provided that the Agency  
11 has previously committed to completing those projects.

12 ~~(3)~~(5) Funds received as grants for State aid for town highway structures  
13 may be used by a municipality to satisfy a portion of the matching  
14 requirements for federal earmarks, subject to subsection 309b(c) of this title.

15 \* \* \*

16 (h) Class 2 Town Highway Roadway Program.

17 (1) There shall be an annual appropriation for grants to municipalities  
18 for resurfacing, rehabilitation, or reconstruction of paved or unpaved class 2  
19 town highways. ~~However, municipalities~~ Municipalities that have no State  
20 highways or class 1 town highways within their borders may use the grants for  
21 such activities with respect to both class 2 and class 3 town highways. ~~Each~~

1 ~~fiscal year, the Agency shall approve qualifying projects with a total estimated~~  
2 ~~State share cost of \$8,600,000.00 at a minimum as new grants. The Agency's~~  
3 ~~proposed appropriation for the Program shall take into account the estimated~~  
4 ~~amount of qualifying invoices submitted to the Agency with respect to project~~  
5 ~~grants approved in prior years but not yet completed as well as with respect to~~  
6 ~~new project grants to be approved in the fiscal year. This appropriation shall~~  
7 ~~increase over the previous fiscal year's appropriation by the same percentage~~  
8 ~~change as the following, whichever is less, or shall remain at the previous~~  
9 ~~fiscal year's appropriation if either of the following are negative or zero:~~

10 (A) the percentage change in the Agency's total appropriations  
11 funded by Transportation Fund revenues, excluding appropriations under this  
12 subsection (h) and subsections (a) and (e) of this section, for the most recently  
13 closed fiscal year as compared to the fiscal year immediately preceding the  
14 most recently closed fiscal year; or

15 (B) the percentage change in the Bureau of Labor Statistics  
16 Consumer Price Index for All Urban Consumers (CPI-U).

17 (2) For purposes of subdivision (1)(B) of this subsection, the percentage  
18 change in the CPI-U is calculated by determining the increase or decrease, to  
19 the nearest one-tenth of a percent, in the CPI-U for the month ending on June  
20 30 in the calendar year one year prior to the first day of the fiscal year for  
21 which the appropriation will be made compared to the CPI-U for the month

1 ending on June 30 in the calendar year two years prior to the first day of the  
2 fiscal year for which the appropriation will be made.

3 (3) Each fiscal year, the Agency shall approve qualifying projects with a  
4 total estimated State share cost of \$8,600,000.00 at a minimum as new grants.  
5 Beginning with State fiscal year 2027, the minimum total estimated State share  
6 cost for the approved grants shall increase over the prior fiscal year's minimum  
7 total estimated State share cost by the same percentage as the appropriation for  
8 the Class 2 Town Highway Roadway Program is increased pursuant to  
9 subdivision (1) of this subsection.

10 (4) In a given fiscal year, should expenditures in the Class 2 Town  
11 Highway Roadway Program exceed the amount appropriated, the Agency shall  
12 advise the Governor of the need to request a supplemental appropriation from  
13 the General Assembly to fund the additional project cost, provided that the  
14 Agency has previously committed to completing those projects. Funds  
15 received as grants for State aid under the Class 2 Town Highway Roadway  
16 Program may be used by a municipality to satisfy a portion of the matching  
17 requirements for federal earmarks, subject to subsection 309b(c) of this title.

18 \* \* \*

1 Sec. 14. CANCELLATION OF LOCALLY MANAGED PROJECTS;

2 PROCESS; IMPROVEMENTS; REPORT

3 The Agency of Transportation, in consultation with the Transportation  
4 Board, the Vermont League of Cities and Towns, and the Vermont Association  
5 of Planning and Development Agencies, shall engage a consultant to examine  
6 the requirements of 19 V.S.A. § 309c, cancellation of locally managed  
7 projects, to evaluate the obligations, risks, and benefits imposed by the  
8 provisions of that section on the State and the local sponsor of a locally  
9 managed project and to identify potential changes to the provisions of that  
10 section to ensure that State and federal transportation funding resources are  
11 appropriately administered. The Agency shall, on or before January 15, 2026,  
12 submit a written report to the House and Senate Committees on Transportation  
13 regarding the consultant's findings and any recommendations for legislative  
14 action.

15 Sec. 15. MUNICIPAL TRANSPORTATION ASSETS; ASSESSMENT;

16 FUNDING NEEDS; REPORT

17 (a) The Agency of Transportation, in consultation with the Vermont  
18 League of Cities and Towns and the Vermont Association of Planning and  
19 Development Agencies, shall engage a consultant to:

20 (1) review current municipal practices relating to planning for ongoing  
21 maintenance, upgrades, and replacement of municipal transportation assets,

1 including roads, pavement, bridges, culverts, signals, signage, highway  
2 equipment, and highway facilities;

3 (2) develop a framework for a system to assess the current condition of  
4 municipal highway networks and the potential impacts of improvements to or  
5 degradation of those networks on the State's transportation system;

6 (3) develop a prioritization process to direct State funding to the repair,  
7 upgrade, or replacement of specific municipal transportation assets based on  
8 the need for such work in the context of the asset's role in the State and  
9 regional highway networks; and

10 (4) identify and recommend potential statutory changes to implement  
11 the assessment framework developed pursuant to subdivision (2) of this  
12 subsection and the prioritization process developed pursuant to subdivision (3)  
13 of this subsection.

14 (b) The Agency of Transportation shall, not later than January 15, 2027,  
15 submit a written report to the House and Senate Committees on Transportation  
16 regarding the consultant's findings and recommendations for legislative action.

17 Sec. 16. STATE TOWN HIGHWAY AID; MUNICIPAL GRANT

18 PROGRAMS; EFFICIENCIES; IMPROVEMENTS; REPORT

19 (a) The Agency of Transportation, in consultation with the Vermont  
20 League of Cities and Towns and the Vermont Association of Planning and  
21 Development Agencies, shall engage a consultant to evaluate the State's Town



1 Highway Aid and municipal grant programs administered by the Agency to  
2 identify potential efficiencies and improvements related to the administration  
3 of Town Highway Aid and municipal grant programs. The consultant shall  
4 evaluate the various funding streams authorized pursuant to 19 V.S.A. § 306 as  
5 well as programs administered through the Agency's Municipal Assistance  
6 Bureau, including the Bicycle and Pedestrian Grant Program, Transportation  
7 Alternatives Program, Municipal Mitigation Program, Municipal Park and  
8 Ride Program, Better Roads Program, Municipal Highway and Stormwater  
9 Mitigation Program, and Grants in Aid.

10 (b) On or before January 15, 2026, the Agency shall submit a written report  
11 to the House and Senate Committees on Transportation regarding the  
12 consultant's findings and any recommendations for legislative or  
13 administrative actions to improve or increase the efficiency of the Town  
14 Highway Aid and municipal grant programs.

15 \* \* \* Mileage-Based User Fee \* \* \*

16 Sec. 17. 2023 Acts and Resolves No. 62, Secs. 27–29 are amended to read:

17 Sec. 27. MILEAGE-BASED USER FEE LEGISLATIVE INTENT

18 It is the intent of the General Assembly for the State:

19 (1) to start collecting a mileage-based user fee from all battery-electric  
20 vehicles registered in Vermont starting on ~~July 1, 2025, which is expected to~~  
21 ~~be the first day of the first fiscal year when more than 15 percent of new~~

1 ~~pleasure car registrations in the State are plug-in electric vehicles (PEVs) or~~  
2 before January 1, 2027 subject to sufficient funding being available for  
3 implementation;

4 (2) to ~~start subjecting~~ subject plug-in hybrid electric vehicles (PHEVs)  
5 that are a pleasure car to an ~~increased~~ annual or a biennial ~~registration~~ electric  
6 vehicle infrastructure fee starting on ~~July~~ January 1, 2025, and that PHEVs  
7 shall not be subject to a mileage-based user fee;

8 (3) to ~~work towards~~ examine collecting a fee on ~~kWhs~~ electricity that  
9 ~~are~~ is dispensed through certain electric vehicle supply equipment available to  
10 the public so as to supplant lost ~~gas~~ fuel tax revenue from out-of-state PEVs  
11 traveling in Vermont; and

12 (4) to not commence collecting a mileage-based user fee until ~~such~~ the  
13 General Assembly has enacted legislation that establishes the amount of the fee  
14 and codifies any necessary authorizing language ~~is codified~~ in statute and that  
15 legislation becomes effective.

16 Sec. 28. MILEAGE-BASED USER FEE AUTHORIZATION

17 (a) Within the Agency of Transportation's Proposed Fiscal Year 2024  
18 Transportation Program for Environmental Policy and Sustainability, the  
19 Agency of Transportation, including the Department of Motor Vehicles, is  
20 authorized to apply for and accept a competitive federal Strategic Innovation  
21 for Revenue Collection grant established pursuant to the Infrastructure

1 Investment and Jobs Act, Pub. L. No. 117-58 (IIJA), Sec. 13001, with up to  
2 \$350,000.00 in Transportation Fund monies authorized for the nonfederal  
3 match in fiscal year 2024 and ~~a to-be-determined amount for the nonfederal~~  
4 ~~match in subsequent fiscal years~~ up to \$350,000.00 in Transportation Fund  
5 monies authorized for the nonfederal match in fiscal year 2025.

6 (b) ~~As permitted under federal regulations and grant terms, the~~ The Agency  
7 ~~shall utilize grant monies to design~~ State or federal funding, or both, authorized  
8 to be used for the purpose of designing a mileage-based user fee that is  
9 consistent with Secs. 27 and 29 of this act.

10 (c) Subject to State procurement requirements and the availability of  
11 sufficient funding, the Agency may retain one or more contractors or  
12 consultants, or both, to assist with the design of a process to commence  
13 collecting a mileage-based user fee on ~~July 1, 2025~~ January 1, 2027.

14 Sec. 29. MILEAGE-BASED USER FEE DESIGN

15 (a) Definitions. As used in Secs. 27–30 of this act:

16 (1) “Account manager” means a person under contract with the Agency  
17 of Transportation or Department of Motor Vehicles to administer and manage  
18 the mileage-based user fee.

19 (2) “Annual vehicle miles traveled” means the total number of miles that  
20 a BEV is driven between annual inspections as reported ~~by an inspection~~  
21 ~~mechanic~~ to the Department of Motor Vehicles.

1           (3) “Mileage-based user fee” means the total amount that an owner or  
2           lessee of a BEV registered in Vermont owes the State and is calculated by:

3                 (A) multiplying the mileage-based user fee rate by the annual vehicle  
4           miles traveled ~~or~~;

5                 (B) in the case of a terminating event, by multiplying the mileage-  
6           based user fee rate by the vehicle miles traveled between the last Vermont  
7           annual inspection and the terminating event; or

8                 (C) in the absence of a recorded odometer reading during the mileage  
9           reporting period, by multiplying the mileage-based user fee by the 98th  
10          percentile of estimated annual vehicle miles traveled for a pleasure car in  
11          Vermont.

12           (4) “Mileage-based user fee rate” means the per-mile usage fee charged  
13          to the owner or lessee of a BEV registered in Vermont.

14           (5) “Mileage reporting period” means the time between annual  
15          inspections or the time between ~~an~~ the most recent annual inspection and a  
16          terminating event.

17           (6) “Pleasure car” has the same meaning as in 23 V.S.A. § 4(28).

18           (7) “Plug-in electric vehicle (PEV)” has the same meaning as in  
19          23 V.S.A. § 4(85) and includes battery electric vehicles (BEVs) and plug-in  
20          hybrid electric vehicles (PHEVs), which have the same meaning as in  
21          23 V.S.A. § 4(85)(A) and (B).

1 (8) "Terminating event" means either the registering of a BEV that had  
2 been registered in Vermont in a different state or a change in ownership or  
3 lesseeship of the BEV, or both.

4 (b) Commencement date. The Agency shall design a process to collect a  
5 mileage-based user fee for miles driven by a BEV registered in Vermont to  
6 commence collecting revenue on ~~July 1, 2025~~ January 1, 2027.

7 (c) Covered vehicles. The Agency shall design a process to collect a  
8 mileage-based user fee based on the annual vehicle miles traveled by BEVs  
9 registered in the State.

10 (d) Imposition of a mileage-based user fee. The Agency shall design a  
11 process to collect a mileage-based user fee from the owner or lessee of a BEV  
12 registered in Vermont for each mileage reporting period ~~within 60 days after~~  
13 ~~the Vermont annual inspection~~ on an annual, quarterly, or monthly basis  
14 selected by the owner or lessee and reconciled upon renewal of the vehicle  
15 registration or within 60 days after a terminating event that closes the mileage  
16 reporting period.

17 Sec. 18. INTENT

18 It is the intent of the General Assembly that:

19 (1) the mileage-based user fee for a BEV pleasure car be approximately  
20 equivalent to the average amount collected by the State in fuel tax revenue  
21 from the use of a non-PEV pleasure car registered in Vermont and the average

1 amount collected by the State in fuel tax revenue and Electric Vehicle

2 Infrastructure fee from the use of a PHEV pleasure car; and

3 (2) that the mileage-based user fee for BEV pleasure cars will be an  
4 interim step towards gradually expanding the mileage-based user fee to all  
5 motor vehicles upon elimination of the State fuel taxes for motor vehicles.

6 \* \* \* Authority to Transfer Monies in State Fiscal Year 2026 \* \* \*

7 Sec. 19. AUTHORIZATION TO USE MONIES TO CONTINUE

8 PARTNERSHIP WITH DRIVE ELECTRIC VERMONT IN STATE

9 FISCAL YEAR 2026

10 In State fiscal year 2026, the Secretary of Transportation is authorized to  
11 spend up to \$325,000.00 in remaining monies appropriated to the Electrify  
12 Your Fleet Program in State Fiscal Year 2024 to continue the Agency of  
13 Transportation's partnership with Drive Electric Vermont. The monies shall  
14 be used for programs and activities that support increased ownership and use  
15 of PEVs in the State through:

16 (1) stakeholder coordination;

17 (2) consumer education and outreach;

18 (3) infrastructure development; and

19 (4) the provision of technical assistance and support to Vermont  
20 municipalities and Vermont businesses desiring to electrify their vehicle fleets.

21 \* \* \* Consideration of Vehicle Miles Traveled in Project Planning \* \* \*

1 Sec. 20. 19 V.S.A. § 1 is amended to read:

2 § 1. DEFINITIONS

3 As used in this title:

4 \* \* \*

5 (26) “Vehicle miles traveled” means the estimated sum of the miles  
6 traveled by all motor vehicle trips within a specific area during a calendar year.

7 Sec. 21. 19 V.S.A. § 10b is amended to read:

8 § 10b. STATEMENT OF POLICY; GENERAL

9 (a) The Agency shall be the responsible agency of the State for the  
10 development of transportation policy. It shall develop a mission statement to  
11 reflect:

12 (1) that State transportation policy shall be to encompass, coordinate,  
13 and integrate all modes of transportation and to consider complete streets, as  
14 defined in section 2401 of this title, principles; and

15 (2) the need for transportation projects that will improve the State’s  
16 economic infrastructure; ~~as well as the use of resources in efficient,~~  
17 ~~coordinated, integrated, cost-effective, and environmentally sound ways;~~  
18 reduce vehicle miles traveled within the State when feasible; and that will be  
19 consistent with the recommendations of the Comprehensive Energy Plan  
20 (CEP) issued under 30 V.S.A. § 202b.

21 \* \* \*

1       Sec. 22. 19 V.S.A. § 10c is amended to read:

2       § 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES

3                               \* \* \*

4               (c) In choosing between the improvement of an existing highway and  
5       complete reconstruction, the Agency shall weigh the following factors:

6                               \* \* \*

7               (9) the impact on the historic, scenic, and aesthetic values of the  
8       municipality, as interpreted by the municipality, in which the highway is  
9       located; ~~and~~

10              (10) if it is a forest highway under federal jurisdiction; and

11              (11) opportunities to reduce vehicle miles traveled or otherwise reduce  
12       greenhouse gas emissions related to the highway.

13                               \* \* \*

14       Sec. 23. 19 V.S.A. § 10i is amended to read:

15       § 10i. TRANSPORTATION PLANNING PROCESS

16                               \* \* \*

17              (c) Transportation Program. The Transportation Program shall be  
18       developed in a fiscally responsible manner to accomplish the following  
19       objectives:

20                               \* \* \*



(3) strengthening the economy, protecting the quality of the natural environment, and improving Vermonters' quality of life; ~~and~~

(4) achieving the recommendations of the CEP; and

(5) striving to reduce vehicle miles traveled and greenhouse gas emissions.

\* \* \*

\* \* \* Medical Transports \* \* \*

Sec. 24. PUBLIC TRANSIT DEMAND RESPONSE VOLUNTEER

COORDINATORS; GRANTS; APPROPRIATION

(a) The Agency of Transportation is authorized to utilize up to \$600,000.00 in one-time funds appropriated from the Transportation Fund to the Agency of Transportation in fiscal year 2026 for the purpose of providing grants to public transit agencies to hire volunteer coordinators. Volunteer coordinators hired with grants provided pursuant to this section shall be responsible for the identification, recruitment, and retention of volunteers to provide transportation services to individuals enrolled in the State's demand response transportation programs.

(b) The Agency shall, to the extent possible, seek to provide grants to public transit providers in a manner that is geographically balanced and ensures the distribution of volunteer coordinators throughout the State.

1       (c) Not later than December 15, 2026, the Agency, in consultation with  
2       public transit agencies that receive grants pursuant to this section, shall submit  
3       a written report the House and Senate Committees on Transportation regarding  
4       the extent to which grants issued pursuant to this section resulted in an increase  
5       in volunteer capacity in the State.

6       Sec. 25. MEDICAID NON-EMERGENCY TRANSPORTATION

7       (a) In fiscal year 2026, prior to executing a contract to provide Medicaid  
8       Non-Emergency Transportation services, the Department of Vermont Health  
9       Access shall provide to the Joint Fiscal Committee a detailed analysis  
10      outlining:

11       (1) any potential degradation or expansion of service to eligible  
12      individuals under a new contract to provide Medicaid Non-Emergency  
13      Transportation services;

14       (2) any federal requirements contained in the request for proposals for  
15      the new contract; and

16       (3) the outcome of the consultation between the Department and the  
17      Agency of Transportation pursuant to subsection (b) of this section.

18       (b) The Department shall consult with the Agency of Transportation prior  
19      to developing the request for proposals for a new contract to provide Medicaid  
20      Non-Emergency Transportation services.

1     Sec. 26. VOLUNTEERS PROVIDING TRANSPORTATION SERVICES;  
2             BACKGROUND CHECKS; EXPANSION OF VOLUNTEER  
3             POOL; REPORT

4             (a) On or before July 15, 2025, the Department of Vermont Health Access  
5             shall commence meeting with the Vermont Public Transit Association, the  
6             Agency of Transportation, and, in the discretion of the Commissioner of  
7             Vermont Health Access, other stakeholders to identify potential, federally  
8             permissible opportunities to expand the Medicaid Non-Emergency  
9             Transportation program's pool of volunteer drivers. As part of this work, the  
10            Department and Association shall collaborate to determine if there are specific  
11            classes of offenses that currently prevent volunteer drivers from providing  
12            transportation services through the Medicaid Non-Emergency Transportation  
13            program.

14            (1) The Vermont Public Transit Association shall, to the extent possible,  
15            gather and provide to the Department anonymized information from its  
16            members regarding:

17            (A) the number of potential volunteers who were barred from  
18            providing transportation services through the Medicaid Non-Emergency  
19            Transportation program due to a background check during the past year;

20            (B) which of the background checks currently required by the  
21            Medicaid Non-Emergency Transportation program resulted in potential

1 volunteers being barred from providing transportation services, broken out by  
2 percentage; and

3 (C) a summary of the offenses that resulted in potential volunteers  
4 being barred from providing transportation services through the Medicaid Non-  
5 Emergency Transportation program, broken out by:

6 (i) the type of offense;

7 (ii) whether the offense was a felony or misdemeanor;

8 (iii) whether the offense was under State or federal law;

9 (iv) the percentage of potential volunteers who were barred from  
10 providing transportation services through the Medicaid Non-Emergency  
11 Transportation program for each type of offense; and

12 (v) to the extent that it is possible to determine, the number of  
13 rides that could have been provided by the individuals barred under each type  
14 of offense.

15 (2) The Department shall utilize the information provided by the  
16 Association pursuant to subdivision (1) of this subsection to determine, to the  
17 extent possible, whether the identified offenses are:

18 (A) fraud-based or otherwise implicate potential Medicaid fraud,  
19 waste, and abuse;

1           (B) an offense that otherwise bars an individual from providing  
2           transportation services through the Medicaid Non-Emergency Transportation  
3           program; or

4           (C) an offense that caused harm to an individual other than the  
5           offender, or otherwise negatively impacted the safety of the general public.

6           (b) The Department of Vermont Health Access and the Vermont Public  
7           Transit Association shall, on or before January 30, 2026, make themselves  
8           available to provide an update to the House Committees on Transportation and  
9           on Health Care and to the Senate Committees on Transportation and on Health  
10           and Welfare regarding the work performed pursuant to this section and  
11           opportunities that were identified to expand the Medicaid Non-Emergency  
12           Transportation program's pool of volunteer drivers.

13       Sec. 27. VOLUNTEER DRIVERS; PUBLICITY; OUTREACH

14           (a) The Commissioner of Motor Vehicles, in consultation with the Vermont  
15           Public Transit Association, shall identify and pursue opportunities to  
16           communicate with the Vermont driving public regarding volunteer and  
17           community driver participation in the State's demand response transportation  
18           programs, including the Older Adults and Persons with Disabilities program  
19           and the Medicaid Non-Emergency Transportation program. Outreach  
20           conducted pursuant to this section may include:

1           (1) invitations for individuals to voluntarily indicate their interest  
2           through the operator licensing and vehicle registration processes, subject to any  
3           data privacy requirements under State or federal law;

4           (2) notices or other public outreach placed on the Department's website  
5           or other internet-based platforms; and

6           (3) messaging by the Agency of Transportation on social media  
7           platforms, including providing links to informational resources provided by the  
8           Vermont Public Transit Association.

9           (b) The Department of Vermont Health Access shall develop informational  
10          materials related to eligibility for the Medicaid Non-Emergency Transportation  
11          program. The Department shall, in consultation with the Agency of  
12          Transportation and other relevant stakeholders, make the materials available to  
13          the public on the Department's website and other internet-based platforms.

14          Sec. 28. COORDINATION OF HEALTH CARE AND TRANSPORTATION  
15                  SERVICES; WORKING GROUP; REPORT

16          (a) The Secretary of Transportation, in consultation with the Commissioner  
17          of Vermont Health Access, shall convene a working group to improve the  
18          coordination of health care and transportation services in relation to individuals  
19          enrolled in the State's demand response transportation programs. The working  
20          group shall be composed of stakeholders identified by the Secretary in  
21          consultation with the Commissioner of Vermont Health Access, including

1 representatives of the Vermont Association of Hospitals and Health Systems,  
2 independent dialysis and methadone facilities, and the Vermont Public  
3 Transportation Association.

4 (b) The working group shall examine various options for improving the  
5 coordination of health care and transportation services, including:

6 (1) opportunities to coordinate the scheduling of health care  
7 appointments and treatments to maximize the use of shared rides; and

8 (2) opportunities to improve communication between the public transit  
9 agencies and health care providers to facilitate coordination of health care and  
10 transportation services for individuals enrolled in the State's demand response  
11 transportation programs.

12 (c) On or before January 15, 2026, the Secretary and Commissioner shall  
13 submit a written report to the House Committees on Transportation and on  
14 Health Care and the Senate Committees on Transportation and on Health and  
15 Welfare with the working group's findings and any recommendations for  
16 legislative action.

17 \* \* \* Vehicle Identification Numbers for Certain Vehicles \* \* \*

1     Sec. 29. ULTRA-LOW VOLUME VEHICLE MANUFACTURING; KIT-  
2                   CARS; HOMEBUILT MOTOR VEHICLES; VEHICLE  
3                   IDENTIFICATION NUMBER; REPORT

4           (a)(1) The Commissioner of Motor Vehicles, in consultation with the  
5           Secretary of Natural Resources and representatives of the ultra-low volume  
6           vehicle manufacturing industry in Vermont, shall examine processes for  
7           issuing vehicle identification numbers to ultra-low volume motor vehicles, kit-  
8           cars, and homebuilt motor vehicles and opportunities to facilitate the  
9           registration of such vehicles.

10          (2) As used in this section:

11           (A) “Homebuilt motor vehicle” means a motor vehicle that is  
12           constructed or assembled by an individual from new or used parts, or both, and  
13           is not a kit-car.

14           (B) “Kit-car” means a motor vehicle that is constructed by an  
15           individual from a manufactured kit that includes some or all parts and  
16           components necessary to construct the motor vehicle.

17           (C) “Ultra-low volume motor vehicle” means a vehicle that is  
18           manufactured for sale by a manufacturer whose annual worldwide production  
19           is not more than 325 motor vehicles.



1       **(b) In preparing the report, the Commissioner shall:**

2               **(1) examine how other states address motor vehicle emissions**  
3       **requirements for ultra-low volume motor vehicles, kit-cars, and homebuilt**  
4       **motor vehicles;**

5               **(2) identify a cost-effective process for certifying the safety of ultra-low**  
6       **volume motor vehicles, kit-cars, and homebuilt motor vehicles; and**

7               **(3) develop a streamlined process to provide State Vehicle Identification**  
8       **Numbers to ultra-low volume motor vehicles, kit-cars, and homebuilt motor**  
9       **vehicles.**

10       **(c) On or before January 15, 2026, the Commissioner shall submit a written**  
11       **report to the House and Senate Committees on Transportation regarding the**  
12       **Commissioner's findings and identifying any legislative action necessary to**  
13       **enable the issuance of vehicle identification numbers to and registration of**  
14       **ultra-low volume motor vehicles, kit-cars, and homebuilt motor vehicles.**

15                               \* \* \* Railroad Rights-of-Way \* \* \*

16       Sec. 30. 5 V.S.A. § 3410 is added to read:

17       **§ 3410. RAILROAD RIGHTS-OF-WAY; COMMUNICATIONS LEASES;**

18               **ANNUAL REPORT**

19       **Annually, on or before December 15, the Secretary shall report to the House**  
20       **and Senate Committees on Transportation regarding the most recent fiscal**  
21       **year's lease revenues for State-owned railroad rights-of-way related to:**

- 1           (1) wired or wireless telephone infrastructure located in the rights-of-  
2           way;  
3           (2) broadband infrastructure located in the rights-of-way; and  
4           (3) leases of the rights-of-way for purposes other than the operation of  
5           the railroads within the rights-of-way.

6           Sec. 31. AVAILABILITY OF STATE-OWNED RAILROAD RIGHT-OF-  
7                               WAY FOR COMMUNICATIONS LEASES

8           In order to expand the use of State-owned railroad rights-of-way, the  
9           Secretary of Transportation, in consultation with the Commissioner of Public  
10          Service, shall provide information to communications companies regarding the  
11          availability for lease of property located in State-owned railroad rights-of-way.

12                               \* \* \* Dig Safe \* \* \*

13          Sec. 32. 30 V.S.A. § 7006 is amended to read:

14          § 7006. MARKING OF UNDERGROUND UTILITY FACILITIES

15               A company notified in accordance with section 7005 of this title shall,  
16               within ~~48~~ 72 hours, exclusive of Saturdays, Sundays, and legal holidays, ~~of~~  
17               after the receipt of the notice, mark the approximate location of its  
18               underground utility facilities in the area of the proposed excavation activities;  
19               provided, however, if the company advises the person that the proposed  
20               excavation area is of such length or size that the company cannot reasonably  
21               mark all of the underground utility facilities within ~~48~~ 72 hours, the person

1 shall notify the company of the specific locations in which the excavation  
2 activities will first occur and the company shall mark facilities in those  
3 locations within ~~48~~ 72 hours and the remaining facilities within a reasonable  
4 time thereafter. A company and an excavator may by agreement fix a later  
5 time for the company's marking of the facilities, provided the marking is made  
6 prior to excavation activities. For the purposes of this chapter, the approximate  
7 location of underground facilities shall be marked with stakes, paint, or other  
8 physical means as designated by the Commission.

9 Sec. 33. 30 V.S.A. § 7006a is amended to read:

10 § 7006a. MAINTENANCE OF UNDERGROUND UTILITY FACILITY

11 MARKINGS

12 After a company has marked its underground facilities in accordance with  
13 section 7006 of this title, the excavator shall be responsible for maintenance of  
14 the designated markings. In the event said markings are obliterated, destroyed,  
15 or removed, the person engaged in excavation activities shall notify the System  
16 referred to in section 7002 of this title that remarking is needed. The System  
17 shall then notify all member companies whose facilities may be affected. ~~The~~  
18 Each applicable company shall within ~~48~~ 72 hours, exclusive of Saturdays,  
19 Sundays, and legal holidays, following receipt of the notice, remark the  
20 location of its underground utility facilities.

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

1     Sec. 34. EFFECTIVE DATES

2         (a) This section and Secs. 32 and 33 (dig safe) shall take effect on passage.

3         (b) The remaining sections shall take effect on July 1, 2025.