

11 An act relating to nonprofit public transit systems

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

13 Sec. 1. 24 V.S.A. § 5088(3) is amended to read:

14 (3) “Nonprofit public transit system” means a domestic corporation

15 organized in accordance with Title 11B having:

16 (A) the majority of its governing board appointed by the legislative

17 body of the municipality or municipalities served; ;

18 (B) its governing board membership be proportional to the

19 population of the municipalities served if more than one municipality is served;

1 (C) the Secretary of Transportation or designee as an ex officio

2 nonvoting member; and

3 (D) a function of providing a public transit service or a foreign
4 nonprofit corporation located in a state which that borders Vermont and
5 provides public transit services in both Vermont and the bordering state.

6 Sec. 2. NONPROFIT PUBLIC TRANSIT SYSTEMS; GOVERNING
7 BOARD; AGENCY OF TRANSPORTATION OVERSIGHT

8 (a) Legislative intent. It is the intent of the General Assembly that:

9 (1) all nonprofit public transit systems in Vermont fully comply with
10 24 V.S.A. chapter 126; and

11 (2) 24 V.S.A. § 5088(3), as amended by Sec. 1 of this act, require that a
12 majority of the governing board of each nonprofit public transit system in
13 Vermont be appointed by the legislative body of the municipality or
14 municipalities served by the nonprofit public transit system.

15 (b) Bylaws.

16 (1) Any governing boards for a nonprofit public transit system in
17 Vermont where a majority of the governing board is not appointed by the
18 legislative body of the municipality or municipalities served by the nonprofit
19 public transit system shall:

1 (A) adopt amendments to the governing board's bylaws to fully
2 comply with 24 V.S.A. chapter 126 and subsection (a) of this section on or
3 before July 31, 2026; and

4 (B) file a copy of the amended bylaws with the House and Senate
5 Committees on Transportation on or before November 15, 2026.

6 (2) The present members of the governing board of a nonprofit public
7 transit system that amends its bylaws as required under subdivision (1) of this
8 subsection shall remain on the governing board of the nonprofit public transit
9 system through their present terms, and the legislative body of the municipality
10 or municipalities served by the nonprofit public transit system shall follow the
11 process dictated by the bylaws of the nonprofit public transit system in effect at
12 the time a term of office expires.

13 (c) Agency of Transportation oversight. The Agency of Transportation
14 shall ensure that all nonprofit public transit systems in Vermont are aware of
15 all applicable State and federal laws, including 24 V.S.A. chapter 126, and
16 shall, as part of the annual meetings required pursuant to 24 V.S.A. § 5091(a),
17 provide the oversight necessary to ensure compliance with applicable State and
18 federal laws.

19 Sec. 3. EFFECTIVE DATES

20 (a) This section and Sec. 2 (governing board compliance) shall take effect
21 on passage.

1 (b) Sec. 1 (24 V.S.A. § 5088(3); definition of nonprofit public transit
2 system) shall take effect on July 1, 2026.