

10                   An act relating to legislative approval of leases for continued operation of  
11                   State-owned railroad rights-of-way

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

13                   Sec. 1. 5 V.S.A. § 3405 is amended to read:

14                   § 3405. LEASE FOR CONTINUED OPERATION

15                   (a) The Secretary, as agent for the State, with the approval of the General  
16                   Assembly, or if the General Assembly is not in session, approval of the Joint  
17                   Transportation Oversight Committee, is authorized to lease or otherwise  
18                   arrange for the continued operation of all or any State-owned railroad property  
19                   to any responsible person, provided that approval for the operation, if  
20                   necessary, is granted by the federal Surface Transportation Board under 49

1 C.F.R. Part 1150 (certificate to construct, acquire, or operate railroad lines).

2 The transaction shall be subject to any further terms and conditions as in the  
3 opinion of the Secretary are necessary and appropriate to accomplish the  
4 purpose of this chapter.

5 (b) To preserve continuity of service on State-owned railroads, the  
6 Secretary may enter into a short-term lease or operating agreement, for a term  
7 not to exceed six months, with a responsible railroad operator. The Secretary  
8 shall notify the House and Senate Committees on Transportation within 10  
9 calendar days after entering into any lease or agreement pursuant to this  
10 subsection.

11 (c) The Secretary shall notify the House and Senate Committees on  
12 Transportation or, if the General Assembly is not in session, the Joint  
13 Transportation Oversight Committee when there are 12 months remaining on  
14 the operating lease for any State-owned railroad, and when there are 12 months  
15 remaining on a lease extension for the operating lease for any State-owned  
16 railroad.

17 Sec. 2. EFFECTIVE DATE

18 This act shall take effect on July 1, 2026.