

1 S.260

2 Introduced by Senator Harrison

3 Referred to Committee on

4 Date:

5 Subject: Surface transportation; State-owned railroads; leases for continued
6 operation; legislative approval

7 Statement of purpose of bill as introduced: This bill proposes to require
8 approval of the General Assembly for any new lease or renewal of an existing
9 lease for the continued operation of a State-owned railroad right-of-way.

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.