

**TO: House Transportation Committee**  
**FROM: Vermont Association of Planning and Development Agencies**  
**DATE: 2/24/2025**  
**RE: Comments on Payback Provisions, Transportation Bill, Draft 1.1**

The Vermont Association of Planning and Development Agencies (VAPDA) and the Vermont League of Cities and Towns (VLCT) have concerns with the proposed changes in Section 3 of draft 1.1 of the T-Bill, which requires payback for most canceled municipally managed projects funded through VTrans. The existing language has been problematic. It is vague, leaves discretion to VTrans as to payback amounts and process, and provides no clear guidelines for project sponsors. Additionally, the existing language was tied to a required Federal Highway Administration payback provision, which has been eliminated for Preliminary Engineering funds.

VTrans' proposed changes exacerbate the existing issues. By eliminating the tie to FHWA requirements, the scope of required payback is expanded, and the point at which payback might apply is unclear.

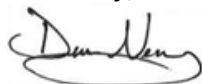
**VAPDA/VLCT Proposal:**

VAPDA respectfully requests that the payback provision amendment is put on hold until January 15, 2026, so that specific criteria can be developed. We suggest that a committee composed of VTrans, VLCT and VAPDA work together to develop mutually agreed upon criteria. The Committee will submit its report no later than January 15, 2026. At a minimum the report should address:

- Criteria for determining when payback is warranted,
- Criteria for determining the amount of payback,
- Details on a more transparent process for VTrans decisions,
- Appropriate timelines for decisions by project sponsors on project cancellation,
- Appropriate timelines for VTrans decisions making, project sponsor appeals, and T Board decisions.

Until this time, we suggest that VTrans be directed to utilize the new federal guidelines for determining any required payback.

Sincerely,



Devon Neary  
Vermont Association of Planning and Development Agencies