

H. 488 - Transportation Bill Language Proposals

To: Senate Transportation Committee

From: Agency of Transportation; Jeremy Reed, Michele Boomhower

Vermont League of Cities and Towns; Josh Hanford

Vermont's Regional Planning Commissions; Jason Rassmussen

Date: April 8, 2025

Re: Potential Study Language for Inclusion in the Transportation Bill re: Municipal Transportation Network Assets and Funding Mechanism

The VT Agency of Transportation has identified a number of policy areas related to municipal transportation funding which could benefit from an in-depth review to determine if there are alternative mechanisms which could be implemented to more effectively deliver the desired policy outcomes for the municipal network, while recognizing the need to balance state resources across the entirety of Vermont's transportation network.

Municipal Payback and T-Board Changes

Objective: Evaluate the municipal pay back requirements and appeal process.

The Agency of Transportation, in consultation with the Transportation Board, the Vermont League of Cities and Towns and the Regional Planning Commissions, shall engage a facilitator to engage the parties in an examination of the current requirements under 19 V.S.A. § 309c; *Cancellation of locally managed projects*, to evaluate the risks and benefits to all parties under the current statutory requirements, and identify potential changes to statute which could be considered to assure that state and federal transportation funding resources are appropriately administered. The Agency shall submit a report to the House and Senate Transportation Committees no later than January 15, 2026.

Municipal Asset Management and Funding Needs

Objective: Develop a report on the feasibility of VTrans involvement or assistance in Asset management and data collection related to condition of Town Highways. Concurrent with that, a Two-year funding study to determine the funding needs of Towns to maintain their TH network.

The Agency of Transportation, in consultation with the Vermont League of Cities and Towns and the Regional Planning Commissions, shall engage a consultant to undertake a review of the current practices undertaken by municipalities to plan for the ongoing maintenance, upgrades, and replacement of municipal transportation assets, including but not limited to

pavements, bridges, culverts, signals, signage, highway equipment and highway facilities. The report shall, to the extent possible, quantify future municipal transportation funding needs; identify mechanisms for municipalities to monitor and plan for asset replacement; analyze the risk to municipalities and the state under the current funding mechanisms available to municipalities to meet the future needs; and provide recommendations for potential changes to statute which could be considered to address issues identified within the report regarding funding of the municipal highway network. The Agency shall submit a report to the House and Senate Transportation Committees no later than January 15, 2026.

TH Grant-TH Aid-and Federal TH Programs

Objective: Evaluate the State Town Highway (TH) Aid and the various Municipal Grant Programs administered by the Agency to identify potential efficiencies and improvements related to the administration of Town Highway Aid and Grants. (19 V.S.A. § 306 (a)(b)(c)(e)(h)(i), as well as Municipal Assistance Bureau (MAB) programs, including Bicycle and Pedestrian Grant Program, Transportation Alternatives Program, Municipal Mitigation Program, Municipal Park and Ride Program, Better Roads Program, Municipal Highway and Stormwater Mitigation Program and Grants in Aid.

The Agency of Transportation, in consultation with the Vermont League of Cities and Towns and the Regional Planning Commissions, shall engage a consultant to undertake a review of the State Town Highway (TH) Aid Program and the various Municipal Grant Programs administered by the Agency to identify potential efficiencies and improvements related to the administration of Town Highway Aid and Grants. The evaluation shall include funding outlined within 19 V.S.A. § 306 (a)(b)(c)(e)(h)(i), as well as Municipal Assistance Bureau (MAB) programs, including Bicycle and Pedestrian Grant Program, Transportation Alternatives Program, Municipal Mitigation Program, Municipal Park and Ride Program, Better Roads Program, Municipal Highway and Stormwater Mitigation Program and Grants in Aid. The Agency shall submit a report to the House and Senate Transportation Committees no later than January 15, 2026.