

Transportation Bill and Related Bills – Environmental Summary
Section-by-Section Review June 3, 2024
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**Note – transportation policy and funding provisions affecting AOT Divisions are incorporated in five different bills.*

H.868 (An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation)

<https://legislature.vermont.gov/bill/status/2024/H.868> - Bill is 69 Pages long

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS – Authorizes the FY25 Transportation Program and provides definitions for terms appearing in the bill.

Sec. 2. FISCAL YEAR 2025 TRANSPORTATION INVESTMENTS INTENDED TO REDUCE TRANSPORTATION-RELATED GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL USE, AND SAVE VERMONT HOUSEHOLDS MONEY – Includes a summary of transportation investments included in the bill intended to reduce transportation-related greenhouse gas reductions, reduce fossil fuel use, and save households money.

Sec. 3. HEATING SYSTEMS – Directs the Agency to strive to meet not less than 35 percent of its thermal energy needs from non-fossil fuel sources by 2025 and 45 percent by 2035 by using more renewable fuels, such as local wood fuels, to heat its buildings and continue to increase its use of electricity that is generated from renewable sources; prioritize switching to high-efficiency, advanced heating systems, when building new facilities or replacing heating equipment; report to the Department of Buildings and General Services the percentage of the Agency’s thermal energy usage during each of the previous two fiscal years that came from fossil fuels and from non-fossil fuels, and non-fossil fuel percentage by fuel source and shall identify each type and amount of wood fuel used by October 1st every other year.

AOT Unit(s) Impacted: Finance & Administration – Facilities

Sec. 4. PUBLIC TRANSIT; CARBON REDUCTION PROGRAM; ENVIRONMENTAL POLICY AND SUSTAINABILITY PROGRAM; CENTRAL GARAGE; ELECTRIC VEHICLE SUPPLY EQUIPMENT (EVSE) – Makes the following changes to the Governor’s Recommended Budget:

- Removes \$1.1 million in Carbon Reduction Funds for electric buses from the Public Transit Budget and reallocates the funding to the Central Garage Fund for electrification of the Central Garage fleet.
- Removes \$1.1 million in state funds from the Central Garage Fund and reallocates to the Agency of Commerce and Community Development for the purpose of providing grants to increase access to level 1 and 2 EVSE charging ports at workplaces or multiunit dwellings.
- The Agency of Commerce and Community Development charging program will receive \$1.7 million total - \$1.1 million in reallocated Carbon Reduction Funds and \$600k from electric vehicle registration fees.

AOT Unit(s) Impacted: Maintenance & Fleet; Finance & Administration – Budget Office; Policy, Planning & Intermodal Development – Environmental Policy & Sustainability; Policy, Planning & Intermodal Development – Public Transit

Sec. 5-10 HIGHWAY MAINTENANCE; MAINTENANCE PROGRAM; CENTRAL GARAGE; TOWN HIGHWAY AID MONIES; ONE-TIME PUBLIC TRANSIT MONIES; ONE-TIME EBIKE INCENTIVE PROGRAM MONIES –

Reduces the Maintenance Budget by \$2.160 million in state funds and reallocates \$600k to Town Highway Structures, \$860k to Town Highway Aid, \$630k to Green Mountain Transit and \$70k for E-Bikes. Makes restoring the FY 2025 Maintenance Program appropriation and authorization to the level included in the Agency’s Proposed FY 2025 Transportation Program the top fiscal priority.

If there are unexpended State FY 2024 appropriations of Transportation Fund monies, an amount up to \$2.16 million from appropriated fiscal year 2023 is reappropriated for the Agency’s Proposed FY 2025 Transportation Program for Maintenance, and \$1.1 million to Central Garage 30 days after the Agency sends written notification of the request for funds to be reappropriated to the Joint Transportation Oversight Committee, provided that the Joint Transportation Oversight Committee does not send written objection to the Agency. The Agency may also request further amendments to FY 2025 Transportation Program for Maintenance through the FY 2025 budget adjustment act.

If the Agency utilizes available federal monies in lieu of one-time Transportation Fund monies for Green Mountain Transit, then the one-time Transportation Fund monies that are not required for public transit may instead go towards restoring the Maintenance and Central Garage appropriations.

AOT Unit(s) Impacted: Maintenance & Fleet; Finance & Administration – Budget Office; Policy, Planning & Intermodal Development – Public Transit

Sec. 9. GREEN MOUNTAIN TRANSIT; FARE COLLECTION, EVALUATION, AND REORGANIZATION;

REPORT – Conditions the \$630k to Green Mountain Transit on (1) beginning to collect fares for urban and commuter transit service not later than June 1, 2024; (2) in coordination with the Agency of Transportation, Special Service Transportation Agency, Rural Community Transportation, and Tri-Valley Transit, evaluate alternative options for delivering cost-effective urban fixed-route transit service, rural transit service, commuter service, and any other specialized services currently provided, and prepare a proposed implementation plan, including a three-year cost and revenue plan, for recommended service transitions; and (3) submit to the House and Senate Committees on Transportation an interim report on or before November 15, 2024 and a final report on or before February 1, 2025, detailing the findings, recommendations, and implementation plan.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Public Transit

Sec. 11. BONDING – Amends 19 V.S.A. § 10 to provide the Secretary the authority to waive surety bond for contracts of \$100k or lower.

AOT Unit(s) Impacted: Finance & Administration – Contract Administration.

Sec. 12-13. ANNUAL REPORT; TRANSPORTATION PROGRAM; ADVANCEMENTS, CANCELLATIONS, AND DELAYS; PLAN FOR REPORTING DELAYS; REPORT – Amends and adds to the project update reporting

thresholds under 19 V.S.A. § 10g as follows:

- all projects for which total estimated costs have increased by more than \$5 million (down from \$8 million previously) from the estimate in the adopted Transportation Program for the prior fiscal year or by more than 75% (down from 100% previously) from the estimate in the adopted Transportation Program for the prior fiscal year.
- all projects for which the total estimated costs have, for the first time, increased by more than \$10 million from the Preliminary Plan estimate or by more than 100%.

Directs the Agency to file a written report containing a plan for how to provide sufficient notice when projects in the adopted Transportation Program are delayed to the House and Senate Committees on Transportation no later than December 15, 2024.

AOT Unit(s) Impacted: Highways – Asset Management, Project Delivery; Finance & Administration – Budget Office.

Sec. 14. CENTRAL GARAGE FUND CALCULATIONS – Amends 19 V.S.A. § 13(c) to provide inflation-adjusted transfers from the Transportation Fund to the Central Garage Fund (as opposed to an actual budget number annually).

Annual increases are pegged to the percentage change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) if the percentage change is positive; or the amount transferred for the previous fiscal year if the percentage change is zero or negative. The percentage change in the CPI-U is calculated by determining the increase or decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the transfer will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the transfer will be made.

AOT Unit(s) Impacted: Maintenance & Fleet; Finance & Administration – Budget Office

Sec. 15. TOWN HIGHWAY AID CALCULATIONS – Amends 19 V.S.A. § 306(a) to alter the formula for town highway aid calculations. The appropriation shall increase over the previous fiscal year’s appropriation by the same percentage change as the following, whichever is less, or shall remain at the previous fiscal year’s appropriation if either of the following are negative or zero: The percentage change of the Agency’s total appropriations funded by Transportation Fund revenues, excluding appropriations for town highways under this subsection (a), for the most recently closed fiscal year as compared to the fiscal year immediately preceding the most recently closed fiscal year; or the percentage increase change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U)

The percentage change in the CPI-U is calculated by determining the increase or decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the appropriation will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the appropriation will be made.

AOT Unit(s) Impacted: Finance & Administration – Budget Office

Sec. 16. RIGHT-OF-WAY PERMITS; FEES – Amends 19 V.S.A. § 1112 to provide the Secretary the authority to waive the collection of the section 1111 fees for a minor commercial development if the Governor has declared a state of emergency under 20 V.S.A. chapter 1 and the Secretary has

determined that the permit applicant is facing hardship, provided that the permit is applied for during the declared state of emergency or within the six months following the conclusion of the declared state of emergency.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Permitting

Sec. 17-27. VEHICLE INCENTIVE PROGRAMS, SUPPLY EQUIPEMENT & RELATED PROVISIONS – Makes the following changes to vehicle incentive programs:

- Section 17 – For eligibility purposes, defines an “older low-efficiency vehicle” as one that passed the annual inspection required under 23 V.S.A. § 1222 within the prior 18 months for the Replace Your Ride Program.
- Section 18 - Amends 19 V.S.A. § 2904a to authorize the Agency to waive or modify the eligibility requirements for the Replace Your Ride Program under subdivisions (d)(2)(B)(i)(IV)–(VI) that pertain to the removal of an eligible vehicle as required under subdivision 2904(d)(2)(A) of this chapter provided that:
 - the Governor has declared a state of emergency under 20 V.S.A. chapter 1 and, due to the event or events underlying the state of emergency, motor vehicles registered in Vermont have been damaged or totaled;
 - the waived or modified eligibility requirements are prominently posted on any websites maintained by or at the direction of the Agency for purposes of providing information on the vehicle incentive programs;
 - the waived or modified eligibility requirements are only applicable:
 - upon a showing that the applicant for an incentive under the Replace Your Ride Program was a registered owner of a motor vehicle that was damaged or totaled due to the event or events underlying the state of emergency at the time of the event or events underlying the state of emergency; and
 - for six months after the conclusion of the state of emergency; and
 - the waiver or modification of eligibility requirements and resulting impact are addressed in the annual reporting required under section 2905 of this chapter.
- Section 19 – Amends 2023 Acts and Resolves No. 62, Sec. 21 to modify eligible MSRP of electric bicycles and electric cargo bicycles with a base MSRP of \$10k (up from \$6k) or less and adds electric all-terrain vehicles (ATVs), as defined in 23 V.S.A. § 3501 and including electric utility terrain vehicles (UTVs), with a base MSRP of \$50k or less as eligible under the Electrify Your Fleet Program; Provides purchase and lease incentives up to 25 percent of the purchase price, but not to exceed \$2,500 for the Electrify Your Fleet Program.
- Section 20 – Amends 2023 Acts and Resolves No. 62, Sec. 22 to modify the Ebike Incentive Program in order to require a description of the Agency’s post-voucher sampling audits and audit findings, together with any recommendations to improve program design and cost-effectively direct funding to recipients who need it most as part of the annual report.
- Section 21 – Amends 19 V.S.A. § 2905 is amended to add the following to the annual reporting requirements for electric vehicle incentive programs:
 - Effectiveness of the State’s marketing and outreach efforts related to the programs.
 - Any recommendations for how to better conduct outreach and marketing to ensure the greatest possible uptake of incentives under the programs.
 - Replaces Senate Finance with Senate Natural Resources and Energy as one of the

legislative committees to receive the annual report.

- *Section 22* – Authorizes the Secretary to transfer up to \$500,000 from any vehicle incentive program created under 19 V.S.A. §§ 2902–2904 to the eBike Incentive Program. Any funds transferred shall be restored to the program or programs from which they were transferred by a transfer from the fiscal year 2025 appropriations made to the eBike Incentive Program. Any transfers made pursuant to subsections (a) of this section shall be reported to the Joint Transportation Oversight Committee and the Joint Fiscal Office within 30 days after the transfer.
- *Section 23* – Sets the State goal to have, as practicable, level 3 EVSE charging ports available to the public within 3 driving miles of every interstate exit, within 25 driving miles of another level 3 EVSE charging port along state highways, and co-located with or within a safe and both walkable and rollable distance of publicly accessible amenities such as restrooms, restaurants, and convenience stores to provide a safe, consistent, and convenient experience for the traveling public along the State highway system. The Agency is directed to file the following reports:
 - 1) file a report, with a map, on the State’s efforts to meet its federally required Electric Vehicle Infrastructure Deployment Plan, as updated, with the House and Senate Committees on Transportation not later than January 15 each year until the Deployment Plan is met.
 - 2) file a report on additional efforts to deploy EVSE through any State EVSE grant programs, including grant programs to increase Vermonters’ access to charging at workplaces, multiunit dwellings, and community attractions with the House and Senate Committees on Transportation not later than January 15 each year in a year following a calendar year in which a State EVSE grant program provides funding for EVSE; and
 - 3) file a report on the current conditions of EVSE available to the public and deployed through the assistance of State or federal funding; how other states or jurisdictions are addressing broken or unavailable EVSE available to the public; and any recommendations on how best to minimize the frequency that EVSE available to the public is broken or unavailable with the House and Senate Committees on Transportation not later than January 15 each year.

The reports can be combined when filing with the House and Senate Committees on Transportation and shall prominently be posted on the Agency of Transportation and Agency of Commerce and Community Development’s websites, as applicable.

- *Section 24* – The Repeals previous session law (2021 Acts and Resolves No. 55, Sec. 30, as amended by 2022 Acts and Resolves No. 184, Sec. 4) as a conforming amendment for new goals included in Section 23.
- *Section 25* – Directs the Agency, in consultation with the Agencies of Agriculture, Food and Markets and of Commerce and Community Development, to prepare a written plan, which may incorporate other plans that have been prepared to secure federal funding under the National Electric Vehicle Infrastructure Formula Program, for how to fund and maintain the EVSE necessary for Vermont to meet that portion of the goals of the Comprehensive Energy Plan and the Vermont Climate Action Plan. The written plan shall be filed with the House and Senate Committees on Transportation not later than January 15, 2025.
- *Section 26* – Directs the Agency of Agriculture, Food and Markets, in consultation with the Agencies of Transportation and of Commerce and Community Development, the Department of Public Service, the Public Utility Commission, the Office of the Attorney General, Consumer Protection Division, Drive Electric Vermont, and EVSE industry participants, to prepare written

recommendations or before March 1, 2025 which addresses the following:

- (1) what regulations, if any, should be placed on EVSE that is available to the public, both for EVSE that is owned and operated by an electric distribution utility and for EVSE that is not owned and operated by an electric distribution utility;
- (2) how best to ensure that consumers are being charged accurately for the electricity they receive;
- (3) how best to ensure that vendors are properly charging consumers for the electricity they receive and disclosing any additional costs that may apply; and
- (4) any recommendations for legislative action to address State regulation of EVSE.

- *Section 27* – The In the report due not later than January 15, 2025, pursuant to 2021 Acts and Resolves No. 55, Sec. 33, the Public Utility Commission shall include a reporting of line extension tariffs across all electric distribution utilities, which shall also include an analysis and comparison of electric distribution utility practices related to requests for line extensions and service upgrades.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Environmental Policy & Sustainability; Finance & Administration – Budget Office

Sec. 28. MOBILITY SERVICES GUIDE; ORAL UPDATE – Directs the Agency, in consultation with existing nonprofit mobility services organizations incorporated in the State of Vermont for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership, such as through carsharing, and other nonprofit organizations working to achieve the goals of the Comprehensive Energy Plan, the Vermont Climate Action Plan, and the Agency of Transportation’s community engagement plan for environmental justice, to develop a webpage-based guide to outline the different mobility service models that could be considered for deployment in Vermont. At a minimum, the web-page-based guide shall include, at a minimum, the following:

- (1) definitions of program types or options, such as car sharing, mobility for all, micro-transit, bike sharing, and other types of programs that meet the goals identified in this section;
- (2) information related to existing initiatives, including developmental and pilot programs, that meet any of the program types or options defined in this subsection and information related to any pertinent studies or reports, whether completed or ongoing, related to the program types or options defined pursuant to this subsection;
- (3) details of other existing programs that may impact program design, such as fixed-route public transit service, Medicaid transportation service, older adults and persons with disability transportation service, job access transportation service, and other similar programs; and
- (4) for each possible program type or option defined in this subsection, additional details outlining:
 - (A) the range of start-up, capital, facilities, and ongoing operating and maintenance costs;
 - (B) the service area characteristics;
 - (C) the revenue capture options;
 - (D) technical assistance resources; and

(E) existing or potential funding resources.

The Agency shall make itself available to provide an oral update and demonstration of the web-page-based guide to the House and Senate Committees on Transportation not later than February 15, 2025.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Environmental Policy & Sustainability; Public Transit

Sec. 29. MOBILITY AND TRANSPORTATION INNOVATIONS (MTI) GRANT PROGRAM; EXPANSION - Directs the Agency to continue the Mobility and Transportation Innovations (MTI) Grant Program to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions and expand the program to include grant awards, capped at \$250k, shall be made available for both capital and operational costs that expand new or existing programs and result in greenhouse gas emissions reductions. Funding under the MTI Grant Program shall not be used to supplant existing State funding.

In each year in which funding for grants is available, the Agency shall establish an application period of at least four months, provide direct assistance to entities requiring technical assistance or prereview of a draft application during the application period, and distribute grant funding not later than November 30 in each year in which they are offered.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Public Transit

Sec. 30. DEVELOPMENT OF NEW VERMONT RAIL PLAN; BICYCLE STORAGE; REPORT – Directs the Agency to consider the following elements as part of the development of the Vermont Rail Plan Update:

- (1) adding additional daily service on the Vermonter for some or all of the service area; and
- (2) expanding service on the Valley Flyer to provide increased service on the Vermonter route.

The Agency shall consult with Amtrak and the State- Amtrak Intercity Passenger Rail Committee (SAIPRC) on passenger education of and sufficient capacity for bicycle storage on Amtrak trains on the Vermonter and Ethan Allen Express routes. The Agency shall provide an oral update on the development of the Vermont Rail Plan in general and the requirements of this section specifically and the consultation efforts to the House and Senate Committees on Transportation not later than February 15, 2025.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Policy & Planning; Rail & Aviation Bureau

Sec. 31. REPLACEMENT FOR THE VERMONT STATE DESIGN STANDARDS – Directs the Agency to undertake the following activities as part of the update to the Vermont State Design Standards:

- (1) Release a draft of the replacement to the Vermont State Design Standards and related documents not later than January 1, 2026.
- (2) Conduct not less than four public hearings across the State concerning the replacement to the Vermont State Design Standards and related documents.
- (3) Provide a publicly available responsiveness summary detailing the public participation activities conducted in developing the final draft of the replacement for the Vermont State Design Standards and

related documents, as applicable; a description of the matters on which members of the public or stakeholders, or both, were consulted; a summary of the views of the participating members of the public and stakeholders; and significant comments, criticisms, and suggestions received by the Agency and the Agency's specific responses, including an explanation of any modifications made in response.

(4) Consult directly, through a series of large-group, specialty focus groups and one-on-one meetings, with key stakeholders in order to achieve stakeholder engagement and afford a voice in the development of the replacement for the Vermont State Design Standards and related documents. At a minimum, stakeholders shall include the House and Senate Committees on Transportation, the Federal Highway Administration (FHWA), the Vermont Agency of Commerce and Community Development (ACCD), the Vermont Agency of Natural Resources (ANR), the Vermont Department of Health (VDH), the Vermont Department of Public Service (DPS), the Vermont League of Cities and Towns (VLCT), Vermont's regional planning commissions (RPCs), the Vermont chapter of the American Association of Retired Persons (AARP), Transportation for Vermonters (T4VT), Local Motion, the Sierra Club, Conservation Law Foundation, the Vermont Natural Resources Council, the Vermont Truck and Bus Association, the Vermont Public Transportation Association (VPTA), the American Council of Engineering Companies (ACEC), the Association of General Contractors (AGC), and Vermont Transportation Equity Framework stakeholders.

The Agency shall provide oral updates on its progress preparing the replacement to the Vermont State Design Standards, including the process required under subsection (a) of this section, to the House and Senate Committees on Transportation not later than February 15, 2025 and February 15, 2026.

AOT Unit(s) Impacted: Highways – All Bureaus; Policy, Planning & Intermodal Development – Policy & Planning

Sec. 32. COMPLETE STREETS; TRAFFIC CALMING MEASURES; DESIGNATED CENTERS – Amends 19 V.S.A. §§ 2402 and 2403 are amended to require, when desired by a municipality:

(A) implement street design for purposes of calming and slowing traffic in State-designated centers under 24 V.S.A. chapter 76A; and

(B) support the land uses that develop and evolve in tandem with transit and accessibility, including those that provide enhanced benefits to the public, such as through improved health and access to employment, services, and housing.

This shall be required, except in the case of projects or project components involving unpaved highways, for all transportation projects and project phases managed by the Agency or a municipality, including planning, development, construction, or maintenance.

Clarifies that any supplemental written determination to not include the street design components listed above by a state of municipal project manager based on disproportionate to the need or probable use shall not need to address, in the supplemental written determination, any design elements desired by the municipality pursuant to subdivision 2402(b)(4)(B) of this chapter.

AOT Unit(s) Impacted: Highways – Project Delivery; Asset Management

Sec. 33. ANALYSIS AND REPORT ON SUSTAINABILITY OPTIONS; TRANSPORTATION EMISSIONS

REDUCTIONS – Includes several findings of fact on sustainability by the General Assembly and directs further analysis of policy options to achieve sustainability. Specifically, the Agency of Natural Resources, specifically the Climate Action Office, and the Agency of Transportation, in consultation with the State Treasurer; the Departments of Finance and Management, of Motor Vehicles, and of Taxes; and the VCC, including those councilors appointed by the General Assembly to provide expertise in energy and data analysis, expertise and professional experience in the design and implementation of programs to reduce greenhouse gas emissions, and representation of a statewide environmental organization as outlined in the adopted January 12, 2024 Transportation Addendum to the Climate Action Plan, shall prepare a written analysis of policy and investment scenarios to reduce emissions in the transportation sector in Vermont and meet the greenhouse gas reduction requirements of 10 V.S.A. § 578, as amended by Sec. 3 of the Global Warming Solutions Act (2020 Acts and Resolves No. 153).

At a minimum, the written analysis required under subsection (b) of this section shall address the pros, cons, costs, and benefits of the following scenarios or alternatives:

- (1) Vermont participating in regional or cap-and-invest program, such as the Western Climate Initiative (WCI) and the New York Cap-and-Invest program;
- (2) Vermont adopting a clean transportation fuel standard, which would be a performance standard or performance-based regulatory approach covering transportation fuels; and
- (3) Vermont implementing other potential revenue-raising, carbon pollution reduction strategies.

The written analysis shall include an estimate of the amount of emissions reduction to be generated from a minimum of four scenarios, to include a business-as-usual, low-, medium-, and high-greenhouse gas emissions reduction, analyzed under subsection (c) of this section and a summary of how each proposal analyzed under subsection (c) of this section would be administered.

The written analysis shall be provided to the State Treasurer to review cost and revenue projections for each scenario. The State Treasurer shall make a written recommendation to the General Assembly regarding any viable approaches.

The Climate Action Office shall maintain a publicly accessible website with information related to the development of the written analysis.

The Agencies of Natural Resources and of Transportation, in consultation with the State Treasurer, shall file a status update on the development of the written analysis required under subsection (b) of this section with the House and Senate Committees on Transportation, the House Committees on Environment and Energy and on Ways and Means, and the Senate Committees on Finance and on Natural Resources and Energy not later than November 15, 2024.

The Agencies of Natural Resources and of Transportation, in consultation with the State Treasurer, shall file the written analysis required under subsection (b) of this section and the State Treasurer's written recommendation to the General Assembly regarding any viable approaches required under subsection (e) of this section with the House and Senate Committees on Transportation, the House Committees on Environment and Energy and on Ways and Means, and the Senate Committees on Finance and on Natural Resources and Energy not later than February 15, 2025.

The Agencies of Natural Resources and of Transportation shall retain a consultant that is an expert in comprehensive transportation policy with a core focus on emission reductions and economic modeling to undertake the analysis and to provide the State Treasurer with any additional information needed to inform the State Treasurer’s recommendations regarding any viable approaches required under subsections

If the costs of the consultant required under subsection (g) of this section are eligible expenditures under the U.S. Environmental Protection Agency’s (EPA) Climate Pollution Reduction Grants (CPRG) program then that shall be the source of funding to cover the costs of the consultant required under subsection (g) of this section.

The State Treasurer may use funds appropriated in State fiscal year 2025 to complete the work required under subsection (e) of this section, including administrative costs and third-party consultation.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Environmental Policy & Sustainability

Sec. 34. BETTER CONNECTIONS GRANT PROGRAM – Creates the Better Connections Grant Program in 19 V.S.A. § 319 to be administered and staffed by the Policy, Planning and Research Bureau of the Agency in collaboration with the Agency of Commerce and Community Development and the Agency of Natural Resources, and funded through appropriations to the Agency for policy, planning, and research. The Program shall provide planning grants to aid municipalities to coordinate municipal land use decisions with transportation investments that build community resilience to:

- (1) provide a safe, multimodal, and resilient transportation system that supports the Vermont economy;
- (2) support downtown and village economic development and revitalization efforts; and
- (3) lead directly to project implementation demonstrated by municipal capacity and readiness to implement.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Policy & Planning

Sec. 35. TRANSPORTATION FUNDING STUDY; CONSULTANT; REPORT – Directs the Agency to invest not more than \$100,000 to contract with an independent third-party consultant with expertise in transportation funding and finance. The consultant shall consider and evaluate issues related to transportation funding in order to identify mechanisms to sufficiently fund transportation projects and operations. Specifically, the consultant shall:

- (1) evaluate current transportation funding in Vermont, taking into account the viability of existing revenue sources and funding distributions;
- (2) consider future trends that will impact the multimodal transportation system, including inflation, safety needs, racial equity, electric vehicles, and climate change;
- (3) consider new and innovative funding options and alternative solutions employed by other states;
- (4) consider how an MBUF can, along with other new and traditional funding mechanisms, provide sustainable transportation funding; and
- (5) provide a report of transportation revenue projection scenarios through 2030, including new

sources.

The Agency shall send to the House and Senate Committees on Transportation, the House Committee on Ways and Means, and the Senate Committee on Finance:

(1) on or before December 15, 2024, a written update of work performed and, if available, a draft of the final report; and

(2) on or before January 15, 2025, the final written report and recommendations required by this section.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Policy & Planning; Highways – Asset Management; Finance & Administration – Budget Office

Sec. 36-39. PLEASURE CARS REGISTRATION FEES FOR EVs – Amends 23 V.S.A. § 361 create EVSE fee for plug in hybrids (\$44.50) and all electric (\$89.00) starting January 1, 2025. The fee anticipated to raise \$600K in FY25 and \$1.7M in FY26. Fees collected will be allocated to programs administered by the Agency of Commerce and Community Development to increase Vermonters’ access to level 1 and 2 electric vehicle supply equipment EVSE charging ports at workplaces or multiunit dwellings, or both.

The Department of Motor Vehicles shall implement a public outreach campaign regarding EV infrastructure fees for battery electric vehicles and plug-in electric hybrid vehicles not later than October 1, 2024. The campaign shall disseminate information on the Department’s web page and through other outreach methods.

Directs the Agency’s Transportation’s Proposed Fiscal Year 2026 Transportation Program include a project that provides the estimated fiscal year 2026 revenue from the EV infrastructure fee to the Agency of Commerce and Community Development for the purpose of providing grants to increase Vermonters’ access to level 1 and 2 EVSE charging ports at workplaces or multiunit dwellings, or both.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Environmental Policy & Sustainability; Finance & Administration – Budget Office; Department of Motor Vehicles

Sec. 40. CENTRAL GARAGE; REAL PROPERTY; FACILITY DESIGN; AUTHORITY – Authorizes the Secretary to use up to \$2,000,000 in Central Garage Fund reserve funds for the purpose of purchasing real property of approximately 23.5 acres on the Paine Turnpike in Berlin, adjacent to State-owned property, on which to site a new Central Garage. If another site is selected, the Secretary is authorized to use up to \$2,000,000 in Central Garage Fund reserve funds to purchase the property, but only after obtaining the specific prior approval of the Joint Transportation Oversight Committee to purchase the identified property.

Central Garage Fund reserve funds maybe for design services necessary to construct a new Central Garage on the Berlin site or, following the Joint Transportation Oversight Committee’s approval, on another site; provided, however, that the Secretary shall collaborate with the municipality in which the new Central Garage is to be located regarding the design and construction of the facility.

AOT Unit(s) Impacted: Maintenance & Fleet; Finance & Administration – Budget Office; Finance & Administration – Facilities

Sec. 41. RAILROAD LEASES – Amends V.S.A. § 3405 to require that the Secretary notify the House and Senate Committees on Transportation or, if the General Assembly is not in session, the Joint Transportation Oversight Committee when there are 12 months remaining on the operating lease for any State-owned railroad, and when there are 12 months remaining on a lease extension for the operating lease for any State-owned railroad.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Rail & Aviation

Sec. 42. MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES – Amends Sec. 42. 23 V.S.A. § 1025 to bring the statute in conformance to revisions included as part of the update to the Manual on Uniform Traffic Control Devices.

AOT Unit(s) Impacted: Highways – Asset Management; Highways – Project Delivery

Sec. 43. MILEAGESMART; INCOME ELIGIBILITY – Authorizes the Agency to reduce the income eligibility threshold based on available funding or applicant volume, or both, in order to prioritize vouchers for households with lower income. Requires that for the first year that a plug-in electric vehicle is subject to the EV infrastructure fee pursuant or the amount of the fee shall be an eligible expense under MileageSmart; provided, however, that this expense eligibility shall expire at such time as a mileage-based user fee for pleasure cars that are battery electric vehicles takes effect in Vermont.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Environmental Policy & Sustainability

Sec. 44. EFFECTIVE DATES

- Secs. 9(e) (conditions for Green Mountain Transit one-time monies), 22 (transfer of monies between vehicle incentive programs in FY 2025), 40 (Central Garage; purchase of real property), and 41 (railroad leases; 5 V.S.A. § 3405) take effect on passage.
- Sec. 36 (EV infrastructure fee; 23 V.S.A. § 361) take effect on January 1, 2025.
- Sec. 38 (amendments to EV infrastructure fee; 23 V.S.A. § 361) take effect on the effective date of a mileage-based user fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A. § 4(85)(A).
- All other sections take effect on July 1, 2024.

S.309 (An act relating to miscellaneous changes to laws related to the Department of Motor Vehicles, motor vehicles, and vessels)

<https://legislature.vermont.gov/bill/status/2024/S.309>

Sec. 43. USE OF ROADWAY BY PEDESTRIANS, BICYCLE OPERATORS, AND VULNERABLE USERS –

Amends Sec. 43. 23 V.S.A. § 4(67) to expand the definition of “pedestrian” to encompass individuals operating a wheelchair or other personal mobility device, whether motorized or not.

AOT Unit(s) Impacted: Highways – Asset Management; Highways – Project Delivery; Policy, Planning & Intermodal Development – Policy & Planning

Sec. 46. AGENCY OF TRANSPORTATION; DEPARTMENT OF PUBLIC SAFETY; IDAHO STOP STUDY;

REPORT – Directs the Agency, in collaboration with the Department of Public Safety and in consultation with bicycle safety organizations and other relevant stakeholders, to study the potential effects of implementing a statewide policy that grants an individual operating a bicycle rights and responsibilities at traffic-control devices and traffic-control signals that differ from those applicable to operators of motor vehicles. The study shall include consideration of the potential effects of allowing individuals operating bicycles to treat stop signs as yield signs and red lights at traffic signals as stop signs, also known as an “Idaho Stop,” and of allowing individuals operating bicycles to cross intersections during a pedestrian phase at pedestrian-control devices and pedestrian-control signals. On or before December 15, 2024, the Agency shall report to the House and Senate Committees on Transportation with its findings and recommendations.

AOT Unit(s) Impacted: Highways – Safety & Operations

Sec. 47. AGENCY OF TRANSPORTATION; ACTIVE TRANSPORTATION POLICY REPORT – Directs the Agency to prepare an Active Transportation Policy Report that provides a comprehensive review of Vermont statutes, including those in Titles 19 and 23, relating to the rights and responsibilities of vulnerable road users, in order to inform best practices and policy outcomes. Stakeholders to be identified, which shall include bicycle safety organizations. Report due to House and Senate Committees on Transportation by January 15, 2025.

AOT Unit(s) Impacted: Highways – Safety & Operations

S.184 (An act relating to the temporary use of automated traffic law enforcement (ATLE) systems)

Directs the Agency to establish an automated traffic law enforcement (ATLE) pilot program that uses radar and cameras to enforce speeding violations against the registered owner of the violating motor vehicle.

Staff Notes: This legislation is very detailed and should be reviewed in its entirety - <https://legislature.vermont.gov/bill/status/2024/S.184>

AOT Unit(s) Impacted: Highways – Safety & Operations; Department of Motor Vehicles

H.657 (An act relating to the modernization of Vermont’s communications taxes and fees)

<https://legislature.vermont.gov/bill/status/2024/H.657>

Sec. 14. STUDY; COMMUNICATIONS INFRASTRUCTURE; RIGHT-OF-WAY – Directs the Secretary, in consultation with the Commissioner of Public Service and the Secretary of Digital Services, to conduct a study concerning access to and use of the public right-of-way in Vermont by telephone (wired and wireless) and broadband companies. Specifically, the study shall determine how the ROW is currently being accessed and used by such companies in Vermont and, in addition, shall review and assess how other jurisdictions outside Vermont manage and charge for such access and use. A report of findings is due to the Senate Committees on Finance and on Transportation and the House Committees on Ways and Means, on Transportation, and on Environment and Energy by October 15, 2025.

AOT Unit(s) Impacted: Highways – Project Delivery

H. 687 (An act relating to community resilience and biodiversity protection through land use)

<https://legislature.vermont.gov/bill/status/2024/H.687>

Sec. 37a. TRANSPORTATION SUPPORT STUDY – Directs the Agency, after consultation with the Department of Housing and Community Development, the Vermont League of Cities and Towns, the Vermont Association of Planning and Development Agencies, and the Natural Resources Board, to review the revenue received by the State, both current and projected, for transit support through Act 250 and the revenue and benefits to developers, to the State, and to the community received through transportation impact fees, and shall suggest processes to preserve these revenues, requirements, and benefits. Report due to the Senate Committees on Economic Development, Housing and General Affairs, on Natural Resources and Energy, and on Transportation and the House Committees on Transportation and on Environment and Energy with its findings and recommendations, on or before December 15, 2025.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Development Review; Public Transit

Section 65 (b) repeals the Downtown Development Board and replaces it with the Vermont Community Investment Board – “24 V.S.A. § 2792 (Vermont Downtown Development Board) is repealed on July 1, 2024”.

The only difference I see between the DDB and VCIB is that the VCIB will include additional members compared to the DDB under 24 V.S.A. § 2792 (i.e. Director of Racial Equity, Executive Director of the Vermont Bond Bank, State Treasurer, Regional Development Corporations representative). The duties of the VCIB under H.687 are similar to the DDB ones included under various 24 V.S.A Chapter 76A subtitles - <https://legislature.vermont.gov/statutes/chapter/24/076A>

Sec. 66. STATE COMMUNITY INVESTMENT PROGRAM – Amends Sec. 66. 24 V.S.A. chapter 139 to create the Vermont Community Investment Board to administer the newly created State Community Investment Program. The Board will include the participation of the Secretary of Transportation among other Secretaries of state government and other appointments. The Board shall meet at least quarterly and in addition to any other duties confirmed by law, the Board will serve as the funding and benefits coordination body for the State Community Investment Program, review and comment on proposed regional plan future land use maps prepared by the regional planning commission for designated center

and designated neighborhood recognition, award tax credits under the 32 V.S.A. § 5930aa et seq.; manage the Downtown Transportation and Related Capital Improvement Fund Program established by section 5808 of this title; and review and comment on guidelines, rules, or procedures for the regional plan future land use maps as they relate to the designations.

AOT Unit(s) Impacted: Policy, Planning & Intermodal Development – Policy & Planning; Office of the Secretary