



VERMONT LEGISLATIVE
Joint Fiscal Office

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Fiscal Note

March 22, 2024

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

As Passed by the House of Representatives

Bill Summary

The fiscal year 2025 Transportation Bill (H.868) adopts and amends Vermont’s annual Transportation Program. It contains numerous statutory amendments and funding authorizations related to transportation. The funding authorizations included in H.868 are subject to appropriations in the fiscal year 2025 appropriations bill.

Fiscal Impact

The Joint Fiscal Office (JFO) estimates this bill will have a de minimis impact on State revenues.

Background and Details

Section 12: Emergency Waivers of Certain Right-of-Way Access Permit Application Fees

This section proposes to amend 19 V.S.A. § 1112 to grant the Secretary of the Agency of Transportation (AOT) the authority to waive the \$250 application fee for a right-of-way access permit for a minor commercial development if the Governor has declared a state of emergency under 20 V.S.A. chapter 1 and the Secretary determines that the applicant is facing hardship. The applicant must have applied for the permit during or within six months after the state of emergency.

Given the variability and subjectivity of some of the requirements, JFO cannot determine the exact fiscal impact of this proposed amendment. However, because of the nature of the prerequisites and the limited pool of viable applicant, i.e. minor commercial developments facing hardship during or shortly after a state of emergency, any fiscal impact associated with this proposed amendment is likely to be de minimis.

Section 32: Transportation Funding Study

This section would require AOT to conduct a transportation funding study to determine the viability of alternative transportation funding sources in Vermont. AOT would contract with a third party consultant with expertise in transportation funding and finance at a cost of up to \$100,000. The consultant would be required to consider and evaluate current transportation funding in Vermont; future trends that will impact the multimodal transportation system; funding options and alternative solutions employed by other states; and how a mileage-based user fee could, along with other funding mechanisms, provide sustainable funding. The consultant would provide a report with transportation revenue projection scenarios through 2030, including

new sources. AOT would be required to provide the House and Senate Committees on Transportation, the House Committee on Ways and Means, and the Senate Committee on Finance with a written update on the work, and a draft of the final report if available, on or before December 15, 2024. AOT would be required to submit the final report to those same committees on or before January 15, 2025.

The cost of the study would be absorbed by AOT's fiscal year 2025 budget. While the study is intended to provide the General Assembly with recommendations for future funding options, neither it nor the remainder of Section 32 would directly impact State revenues.