

# Vermont Legislative Joint Fiscal Office

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

## *FISCAL NOTE*

Date: February 24, 2021

Revised: March 15, 2021

Revised: April 27, 2021

Prepared by: Chris Rupe

### **H.433 - An act relating to the Transportation Program and miscellaneous changes to laws related to transportation - As Recommended by the Senate Committee on Transportation**

<https://legislature.vermont.gov/Documents/2022/WorkGroups/Senate%20Transportation/Bills/H.433/Drafts,%20Amendments%20and%20Legal%20Documents/H.433~Anthea%20Dexter-Cooper~As%20Recommended%20By%20Senate%20Transportation%20Committee~4-21-2021.pdf>

#### **Bill Summary**

Section 31 of the strike-all amendment to the FY22 Transportation Bill, as recommended by the Senate Transportation Committee, amends 19 V.S.A. § 1112(b) to exempt highway access permit amendments issued pursuant to 19 V.S.A. § 1111 from paying an additional application fee. This provision would take effect on July 1, 2021.

19 V.S.A § 1111 requires that permits be obtained by anyone or any corporation wishing to use any part of the highway right-of-way. These permits are typically issued for utility relocations or adjustments or connecting driveways or roads that link development sites to state highways.

The Agency of Transportation is proposing to eliminate Section 1111 amendment fees because amended applications are a small subsection of Section 1111 permits for which an initial application fee is already collected. Frequently, there are delays due to unforeseen issues that require a Section 1111 permit amendment. In response to the COVID-19 pandemic the Agency proposed, and the General Assembly supported, giving the Secretary of Transportation the authority to waive all Section 1111 permit fees “for any reason associated with the response and recover to the COVID-19 pandemic.” This authorization continues in effect until six months after the conclusion of the declared state of emergency. [See 2020 Acts and Resolves No. 121, Sec. 20](#). The Agency’s proposal to eliminate fees for permit amendments would be permanent and is not related to the Secretary’s temporary authority to waive permit fees during the state of emergency. The Agency expects that applicants for a Section 1111 permit will benefit from the elimination of amendment fees.

#### **Fiscal Impacts**

19 V.S.A. § 1111 permit application fees are assessed according to a schedule established in 19 V.S.A. § 1112(b). Revenues from Section 1111 permit application fees are deposited into the Transportation Fund.

According to the Agency of Transportation, the following fees were collected for Section 1111 permit amendments over the three pre-pandemic fiscal years:

FY17: \$5,350

FY18: \$3,950

FY19: \$1,900

Average: \$3,733

Actual fee collections vary based on the demands for Section 1111 permits from construction and development activity. Based on recent collections from permit amendment fees, this provision will produce an estimated revenue loss of \$2,500-\$5,000 to the Transportation Fund annually, starting in FY22.