



**STATE OF VERMONT**  
LEGISLATIVE JOINT FISCAL OFFICE

To: JFC +  
From: Neil Schickner / JFO  
Date: 20 Nov 2013

Re: Western rail corridor Tiger Grant – Special JFC + Trans Chairs procedure

AOT received a Federal Tiger Grant for the installation of welded rail in a specific segment of the western rail corridor. The JFC approved the grant at its September meeting. The grant, however, requires a state match and no such funds exist in the FY14 budget. To start work on the project now, AOT needs authority to re-allocate state funds to satisfy the match. To obtain that authority AOT has invoked this special 19 VSA § 10g(i) procedure. Other key points:

- ▶ The 19 VSA 10g(i) procedure allows the Administration, with the approval of the special JFC+ committee, to add a new project to the state transportation program. This would be problematic if the new project was just the first phase of a very large and expensive project. That, however, is not the case here. Once the project is officially included in the FY14 state transportation plan, AOT will then have statutory authority to re-allocate state funds under certain defined circumstances.
- ▶ My understanding is AOT only needs money in FY-14 for preliminary engineering – around \$50,000 total (\$10,000 state - \$40,000 federal). If that is the case than once the project is authorized by this procedure, AOT will probably be able to find the needed match from a delayed rail project. How much AOT plans to spend in FY-14 and where it intends to get the state match, however, are obviously relevant questions.
- ▶ The FY14 Transportation program includes a project for the installation of welded rail in the western corridor but the Tiger Grant is for a new project along a different section of the line.
- ▶ The Administration has invoked § 10g(i) only once before in 2001 when it sought approval for an “IBM train”. The JFC+ at that time denied the approval on the ground that the project proposal should be considered by the entire legislature and that the 4-6 months delay involved in seeking legislature approval was not prejudicial to the project.