

1 H.479

2 Introduced by Committee on Transportation

3 Date:

4 Subject: Transportation; annual Transportation Program; Transportation  
5 Alternatives Grant Program; Central Garage Fund; public transit;  
6 zero-fare service; tiered-fare service; Mobility and Transportation  
7 Innovations (MTI) Grant Program; vehicle incentive programs; plug-  
8 in electric vehicles (PEVs); plug-in hybrid electric vehicles (PHEVs);  
9 battery electric vehicles (BEVs); electric bicycles (eBikes); electric  
10 cargo bicycles; adaptive electric cycles; Incentive Program for New  
11 PEVs; MileageSmart; Replace Your Ride Program; Electrify Your  
12 Fleet Program; eBike Incentive Program; mileage-based user fee  
13 (MBUF); Carbon Reduction Program; PROTECT Formula Program;  
14 complete streets; Vermont State Standards; U.S. Route 5; bicycle  
15 corridors; public-private partnerships (P3s); repeals

16 Statement of purpose of bill as introduced: This bill proposes to adopt the  
17 State's annual Transportation Program and make miscellaneous changes to  
18 laws related to transportation.

19 An act relating to the Transportation Program and miscellaneous changes to  
20 laws related to transportation

1 It is hereby enacted by the General Assembly of the State of Vermont:

2 \* \* \* Transportation Program Adopted as Amended; Definitions;

3 Technical Correction \* \* \*

4 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS;

5 TECHNICAL CORRECTION

6 (a) Adoption. The Agency of Transportation’s Proposed Fiscal Year 2024  
7 Transportation Program appended to the Agency of Transportation’s proposed  
8 fiscal year 2024 budget (Revised January 27, 2023), as amended by this act, is  
9 adopted to the extent federal, State, and local funds are available.

10 (b) Definitions. As used in this act, unless otherwise indicated:

11 (1) “Agency” means the Agency of Transportation.

12 (2) “Candidate project” means a project approved by the General  
13 Assembly that is not anticipated to have significant expenditures for  
14 preliminary engineering or right-of-way expenditures, or both, during the  
15 budget year and funding for construction is not anticipated within a predictable  
16 time frame.

17 (3) “Development and evaluation (D&E) project” means a project  
18 approved by the General Assembly that is anticipated to have preliminary  
19 engineering expenditures or right-of-way expenditures, or both, during the  
20 budget year and that the Agency is committed to delivering to construction on  
21 a timeline driven by priority and available funding.

1           (4) “Front-of-book project” means a project approved by the General  
2           Assembly that is anticipated to have construction expenditures during the  
3           budget year or the following three years, or both, with expected expenditures  
4           shown over four years.

5           (5) “Secretary” means the Secretary of Transportation.

6           (6) “TIB funds” means monies deposited in the Transportation  
7           Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

8           (7) The table heading “As Proposed” means the Proposed  
9           Transportation Program referenced in subsection (a) of this section; the table  
10           heading “As Amended” means the amendments as made by this act; the table  
11           heading “Change” means the difference obtained by subtracting the “As  
12           Proposed” figure from the “As Amended” figure; the terms “change” or  
13           “changes” in the text refer to the project- and program-specific amendments,  
14           the aggregate sum of which equals the net “Change” in the applicable table  
15           heading; and “State” in any tables amending authorizations indicates that the  
16           source of funds is State monies in the Transportation Fund, unless otherwise  
17           specified.

18           (c) Technical correction. In the Agency of Transportation’s Proposed  
19           Fiscal Year 2024 Transportation Program for Municipal Mitigation, the value  
20           “\$7,685,523” is struck and the value “\$10,113,523” is inserted in lieu thereof  
21           to correct a typographic error; the value “\$3,355,523” is struck and the value

1 “\$4,783,523” is inserted in lieu thereof to correct a typographic error; the value  
2 “\$4,000,000” is struck and the value “\$5,000,000” is inserted in lieu thereof to  
3 correct a typographic error; and the value “\$8,060,523” is struck twice and the  
4 value “\$10,488,523” is inserted in lieu thereof twice to correct two typographic  
5 errors.

6 \* \* \* Highway Maintenance \* \* \*

7 Sec. 2. HIGHWAY MAINTENANCE

8 (a) Within the Agency of Transportation’s Proposed Fiscal Year 2024  
9 Transportation Program for Maintenance, authorized spending is amended as  
10 follows:

11	<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
12	Person. Svcs.	42,637,277	42,637,277	0
13	Operat. Exp.	65,893,488	64,893,488	-1,000,000
14	Total	108,530,765	107,530,765	-1,000,000
15	<u>Sources of funds</u>			
16	State	107,784,950	106,784,950	-1,000,000
17	Federal	645,815	645,815	0
18	Inter Unit	100,000	100,000	0
19	Total	108,530,765	107,530,765	-1,000,000

20 (b) Restoring the fiscal year 2024 Maintenance Program appropriation and  
21 authorization to the level included in the Agency of Transportation’s Proposed

1 Fiscal Year 2024 Transportation Program shall be the Agency's top priority if  
2 there are unexpended State fiscal year 2023 appropriations of Transportation  
3 Fund monies. Accordingly:

4 (1) At the close of State fiscal year 2023, an amount up to \$1,000,00.00  
5 of any unencumbered Transportation Fund monies appropriated in 2022 Acts  
6 and Resolves No. 185, Secs. B.900–B.922, as amended by the fiscal year 2023  
7 budget adjustment act, Secs. 43–44a, that would otherwise be authorized to  
8 carry forward is reappropriated for the Agency of Transportation's Proposed  
9 Fiscal Year 2024 Transportation Program for Maintenance 30 days after the  
10 Agency sends written notification of the request for the unencumbered  
11 Transportation Fund monies to be reappropriated to the Joint Transportation  
12 Oversight Committee, provided that the Joint Transportation Oversight  
13 Committee does not send written objection to the Agency.

14 (2) If any unencumbered Transportation Fund monies are reappropriated  
15 pursuant to subdivision (1) of this subsection, then, within the Agency of  
16 Transportation's Proposed Fiscal Year 2024 Transportation Program for  
17 Maintenance, authorized spending is further amended to increase operating  
18 expenses by not more than \$1,000,000.00 in Transportation Fund monies.

19 (3) Notwithstanding subdivisions (1) and (2) of this subsection, the  
20 Agency may request further amendments to the Agency of Transportation's

1 Proposed Fiscal Year 2024 Transportation Program for Maintenance through  
2 the State fiscal year budget adjustment act.

3 \* \* \* One-Time Appropriations \* \* \*

4 Sec. 3. ONE-TIME APPROPRIATIONS

5 (a) Within the Agency of Transportation’s Proposed Fiscal Year 2024  
6 Transportation Program for One-Time Appropriations, authorized spending is  
7 amended as follows:

8	<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
9	Operating	3,500,000	0	-3,500,000
10	Grants	3,000,000	0	-3,000,000
11	Total	6,500,000	0	-6,500,000
12	<u>Sources of funds</u>			
13	General	3,000,000	0	-3,000,000
14	Capital	3,500,000	0	-3,500,000
15	Total	6,500,000	0	-6,500,000

16 (b) Within the Agency of Transportation’s Proposed Fiscal Year 2024  
17 Transportation Program for One-Time Appropriations, the following are  
18 struck:

19 (1) “Rail Trail Community Connectivity Grants - \$3M General Fund  
20 Grants”; and

1           (2) “St. Albans District Maintenance Facility - \$3.5M Capital Fund  
2           Operating.”

3                           \* \* \* St. Albans District Maintenance Facility \* \* \*

4           Sec. 4. ST. ALBANS DISTRICT MAINTENANCE FACILITY

5           The following project is added to the Agency of Transportation’s Proposed  
6           Fiscal Year 2024 Transportation Program for Transportation Buildings: St.  
7           Albans District Maintenance Facility.

8                           \* \* \* Project Cancellation; Project Addition \* \* \*

9           Sec. 5. PROJECT CANCELLATION; PROJECT ADDITION

10           (a) Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of  
11           projects), the General Assembly approves cancellation of the following project  
12           within the Town Highway Bridge Program: Sheldon BO 1448(47) – Scoping  
13           for Bridge #20 on TH #22.

14           (b) The following project is added to the Town Highway Bridge Program:  
15           Sheldon BO 1448(48) – Scoping for Bridge #11 on Bridge Street, which will  
16           replace the existing Sheldon BO TRUS(11) as a Development and Evaluation  
17           project.

18                           \* \* \* Transportation Alternatives Grant Program \* \* \*

19           Sec. 6. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

20                           AWARDS IN STATE FISCAL YEARS 2024 TO 2027

1        Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant  
2        Program awards in State fiscal years 2024 to 2027 shall not exceed  
3        \$600,000.00 per grant allocation.

4                                    \* \* \* Central Garage Fund \* \* \*

5        Sec. 7. 19 V.S.A. § 13 is amended to read:

6        § 13. CENTRAL GARAGE FUND

7            (a) There is created the Central Garage Fund, which shall be used to:

8                    (1) ~~to~~ furnish equipment on a rental basis to the districts and other  
9        sections of the Agency for construction, maintenance, and operation of  
10       highways or other transportation activities; and

11                   (2) ~~to~~ provide a general equipment repair and major overhaul service,  
12       inclusive of any assets, supplies, labor, or use of contractors necessary to  
13       provide that service, as well as to furnish necessary supplies for the operation  
14       of the equipment.

15            (b) ~~To~~ In order to maintain a safe; and reliable equipment ~~fleet~~, the Agency  
16       shall use Central Garage Fund monies to acquire new or replacement ~~highway~~  
17       ~~maintenance equipment shall be acquired using Central Garage Fund monies.~~

18       The Agency is authorized to acquire replacement pieces for existing ~~highway~~  
19       equipment or new, additional equipment equivalent to equipment already  
20       owned; ~~however, the Agency shall not increase the total number of~~



1 ~~permanently assigned or authorized motorized or self-propelled vehicles~~  
2 ~~without approval by the General Assembly.~~

3 (c)(1) For the purpose specified in subsection (b) of this section, the  
4 following amount shall be transferred from the Transportation Fund to the  
5 Central Garage Fund:

6 (A) in fiscal year 2021, \$1,355,358.00; and

7 (B) in subsequent fiscal years, at a minimum, the amount specified in  
8 subdivision (A) of this subdivision (1) as adjusted annually by increasing the  
9 previous fiscal year's amount by the percentage increase in the Bureau of  
10 Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U)  
11 during the two most recently closed State fiscal years.

12 (2) Each fiscal year, the sum of the following shall be appropriated from  
13 the Central Garage Fund exclusively for the purpose specified in subsection (b)  
14 of this section:

15 (A) the amount transferred pursuant to subdivision (1) of this  
16 subsection;

17 (B) the amount of the equipment depreciation expense from the prior  
18 fiscal year or, for equipment that is fully depreciated and still actively in  
19 service, an amount equal to the depreciation on that piece of equipment from  
20 the prior year; and

1 (C) the amount of the net equipment sales from the prior fiscal year.

2 (d) In each fiscal year, net income of the Fund earned during that fiscal  
3 year shall be retained in the Fund.

4 (e) For the purposes of computing net worth and net income, the fiscal year  
5 shall be the year ending June 30.

6 (f) As used in this section, “equipment” means registered motor vehicles  
7 and ~~highway maintenance equipment assigned to~~ necessary assets required by  
8 the Central Garage in order to fulfill the objectives established in subsection  
9 (a) of this section.

10 (g) [Repealed.]

11 \* \* \* Public Transit \* \* \*

12 Sec. 8. ONE-TIME PUBLIC TRANSIT MONIES; REPORT

13 (a) Project addition. The following project is added to the Agency of  
14 Transportation’s Proposed Fiscal Year 2024 Transportation Program:  
15 Increased One-Time Monies for Public Transit for Fiscal Year 2024.

16 (b) Authorization. Spending authority for Increased One-Time Monies for  
17 Public Transit for Fiscal Year 2024 is authorized as follows:

18	<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
19	Other	0	1,000,000	1,000,000
20	Total	0	1,000,000	1,000,000

1        Sources of funds

2            State                            0            1,000,000            1,000,000

3            Total                                    0            1,000,000            1,000,000

4        (c) Implementation. The Agency of Transportation shall distribute the  
5        authorization in subsection (b) of this section to Green Mountain Transit for  
6        the following during fiscal year 2024:

7            (1) to operate routes on a zero-fare basis, with a return to the collection  
8        of fares from some passengers not later than January 1, 2024; and

9            (2) to prepare for the transition to tiered-fare service in accordance with  
10       the plan prepared pursuant to subsection (d) of this section, which may include  
11       the acquisition and maintenance of fare-collection systems.

12        (d) Plan for tiered-fare service.

13            (1) Green Mountain Transit shall, in consultation with community  
14       action agencies and other relevant entities, such as those that represent the  
15       migrant and refugee populations, develop and implement, not later than  
16       January 1, 2024, a plan to establish tiered-fare service on Green Mountain  
17       Transit routes.

18            (2) At a minimum, the plan to establish tiered-fare service shall  
19       incorporate a low-income transit program to provide free or reduced-fare  
20       transit options through digital methods, such as a handheld device, and

1 nondigital methods, such as an electronic benefits transfer (EBT) card or a  
2 transit card.

3 (3) An interim draft of the plan to establish tiered-fare service shall be  
4 submitted to the House and Senate Committees on Transportation on or before  
5 October 1, 2023 and a final version of the plan to establish tiered-fare service  
6 shall be submitted to the House and Senate Committees on Transportation  
7 Committees on or before December 1, 2023.

8 Sec. 9. RECOMMENDATIONS ON FUNDING SOURCE FOR LOCAL  
9 MATCH; PUBLIC TRANSIT; REPORT

10 The Chittenden County Regional Planning Commission, in consultation  
11 with the Vermont Public Transportation Association and the Vermont League  
12 of Cities and Towns, shall provide the House and Senate Committees on  
13 Transportation with a written recommendation on a dedicated funding source  
14 for the local match required of public transit providers operating in the  
15 statewide transit system not later than December 1, 2023. The report shall  
16 consider recommendations developed in the Chittenden County Regional  
17 Planning Commission's December 29, 2021 Transit Financing Study.

18 Sec. 10. SEPARATING THE MOBILITY AND TRANSPORTATION  
19 INNOVATIONS (MTI) GRANT PROGRAM FROM GO!  
20 VERMONT

1           (a) Go! Vermont. Within the Agency of Transportation’s Proposed Fiscal  
2           Year 2024 Transportation Program for Public Transit, authorized spending for  
3           Go! Vermont STPG GOVT( ) is amended as follows:

4	<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
5	Other	905,000	405,000	-500,000
6	Total	905,000	405,000	-500,000

7           Sources of funds

8	State	30,000	30,000	0
9	Federal	875,000	375,000	-500,000
10	Total	905,000	405,000	-500,000

11           (b) Mobility and Transportation Innovations (MTI) Grant Program.

12           (1) Project addition. The following project is added to the Agency of  
13           Transportation’s Proposed Fiscal Year 2024 Transportation Program for Public  
14           Transit: Mobility and Transportation Innovations (MTI) Grant Program.

15           (2) Authorization. Spending authority for MTI Grant Program is  
16           authorized as follows:

17	<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
18	Other	0	500,000	500,000
19	Total	0	500,000	500,000

20           Sources of funds

21	Federal	0	500,000	500,000
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1           Total                           0           500,000           500,000

2                           \* \* \* Vehicle Incentive Programs \* \* \*

3                           \* \* \* Repeal of Existing Vehicle Incentive Programs \* \* \*

4       Sec. 11. REPEALS

5           (a) 2019 Acts and Resolves No. 59, Sec. 34, as amended by 2020 Acts and  
6       Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, 2021  
7       Acts and Resolves No. 3, Sec. 56, 2021 Acts and Resolves No. 55, Secs. 18,  
8       19, and 21–24, and 2022 Acts and Resolves No. 184, Sec. 6, is repealed.

9           (b) 2021 Acts and Resolves No. 55, Sec. 27, as amended by 2022 Acts and  
10       Resolves No. 184, Sec. 22, is repealed.

11                           \* \* \* Codification of Vehicle Incentive Programs \* \* \*

12       Sec. 12. 19 V.S.A. chapter 29 is added to read:

13                           CHAPTER 29. VEHICLE INCENTIVE PROGRAMS

14       § 2901. DEFINITIONS

15           As used in this chapter:

16           (1) “Adaptive electric cycle” means an electric bicycle or an electric  
17       cargo bicycle that has been modified to meet the physical needs or abilities of  
18       the operator or a passenger.

19           (2) “Electric bicycle” has the same meaning as in 23 V.S.A. § 4(46)(A).

20           (3) “Electric cargo bicycle” means a motor-assisted bicycle, as defined  
21       in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under 23 V.S.A.

1 § 4(45)(B)(i)(II), that is specifically designed and constructed for transporting  
2 loads, including at least one or more of the following: goods; one or more  
3 individuals in addition to the operator; or one or more animals. A motor-  
4 assisted bicycle that is not specifically designed and constructed for  
5 transporting loads, including a motor-assisted bicycle that is only capable of  
6 transporting loads because an accessory rear or front bicycle rack has been  
7 installed, is not an electric cargo bicycle.

8 (4) “Plug-in electric vehicle (PEV),” “battery electric vehicle (BEV),”  
9 and “plug-in hybrid electric vehicle (PHEV)” have the same meanings as in 23  
10 V.S.A. § 4(85).

11 § 2902. INCENTIVE PROGRAM FOR NEW PLUG-IN ELECTRIC  
12 VEHICLES

13 (a) Creation; administration.

14 (1) There is created the Incentive Program for New Plug-In Electric  
15 Vehicles (PEVs), which shall be administered by the Agency of  
16 Transportation.

17 (2) Subject to State procurement requirements, the Agency may retain a  
18 contractor or contractors to assist with marketing, program development, and  
19 administration of the Program.

20 (b) Program structure. The Incentive Program for New PEVs shall  
21 structure PEV purchase and lease incentive payments by income to help all

1 Vermonters benefit from electric driving, including Vermont's most  
2 vulnerable. Specifically, the Incentive Program for New PEVs:

3 (1) shall apply to both purchases and leases of new PEVs with an  
4 emphasis on incentivizing the purchase and lease of battery electric vehicles  
5 (BEVs) and plug-in hybrid electric vehicles (PHEVs) with an electric range of  
6 20 miles or greater per complete charge as rated by the Environmental  
7 Protection Agency when the vehicle was new;

8 (2) shall provide not more than one incentive of not more than  
9 \$3,000.00 for a PEV, per individual per year, to:

10 (A) an individual domiciled in the State whose federal income tax  
11 filing status is single with an adjusted gross income under the laws of the  
12 United States greater than \$60,000.00 and at or below \$100,000.00;

13 (B) an individual domiciled in the State whose federal income tax  
14 filing status is head of household with an adjusted gross income under the laws  
15 of the United States greater than \$75,000.00 and at or below \$125,000.00;

16 (C) an individual domiciled in the State whose federal income tax  
17 filing status is surviving spouse with an adjusted gross income under the laws  
18 of the United States greater than \$90,000.00 and at or below \$150,000.00;

19 (D) an individual who is part of a married couple with at least one  
20 spouse domiciled in the State whose federal income tax filing status is married



1 filing jointly with an adjusted gross income under the laws of the United States  
2 greater than \$90,000.00 and at or below \$150,000.00; or

3 (E) an individual who is part of a married couple with at least one  
4 spouse domiciled in the State and at least one spouse whose federal income tax  
5 filing status is married filing separately with an adjusted gross income under  
6 the laws of the United States greater than \$60,000.00 and at or below  
7 \$100,000.00;

8 (3) shall provide not more than one incentive of not more than  
9 \$6,000.00 for a PEV, per individual per year, to:

10 (A) an individual domiciled in the State whose federal income tax  
11 filing status is single with an adjusted gross income under the laws of the  
12 United States at or below \$60,000.00;

13 (B) an individual domiciled in the State whose federal income tax  
14 filing status is head of household with an adjusted gross income under the laws  
15 of the United States at or below \$75,000.00;

16 (C) an individual domiciled in the State whose federal income tax  
17 filing status is surviving spouse with an adjusted gross income under the laws  
18 of the United States at or below \$90,000.00;

19 (D) an individual who is part of a married couple with at least one  
20 spouse domiciled in the State whose federal income tax filing status is married

1 filing jointly with an adjusted gross income under the laws of the United States  
2 at or below \$90,000.00; or

3 (E) an individual who is part of a married couple with at least one  
4 spouse domiciled in the State and at least one spouse whose federal income tax  
5 filing status is married filing separately with an adjusted gross income under  
6 the laws of the United States at or below \$60,000.00;

7 (4) shall, as technology progresses, establish a minimum electric range  
8 in order for a PHEV to be eligible for an incentive;

9 (5) shall apply to:

10 (A) manufactured PEVs with any base Manufacturer's Suggested  
11 Retail Price (MSRP) that will be issued a special registration plate by the  
12 Commissioner of Motor Vehicles pursuant to 23 V.S.A. § 304a or will  
13 predominately be used to provide accessible transportation for the incentive  
14 recipient or a member of the incentive recipient's household, provided that the  
15 incentive recipient or the member of the incentive recipient's household has a  
16 removable windshield placard issued by the Commissioner of Motor Vehicles  
17 pursuant to 23 V.S.A. § 304a;

18 (B) manufactured PHEVs with a base MSRP as determined by the  
19 Agency of Transportation and meeting the following requirements:

20 (i) shall not exceed a base MSRP of \$55,000.00;

1           (ii) shall phase out incentives for PHEVs with an electric range of  
2           less than 20 miles as rated by the Environmental Protection Agency when the  
3           vehicle was new; and

4           (iii) shall be benchmarked to a base MSRP of the equivalent of  
5           approximately \$50,000.00 or less in model year 2023; and

6           (C) manufactured BEVs with a base MSRP as determined by the  
7           Agency of Transportation and meeting the following requirements:

8                   (i) shall not exceed a base MSRP of \$55,000.00; and

9                   (ii) shall be benchmarked to a base MSRP of the equivalent of  
10           approximately \$50,000.00 or less in model year 2023; and

11           (6) shall provide incentives that may be in addition to any other  
12           available incentives, including through another program funded by the State,  
13           provided that not more than one incentive under the Incentive Program for  
14           New PEVs is used for the purchase or lease of any one PEV.

15           (c) Administrative costs. Up to 15 percent of any appropriations for the  
16           Incentive Program for New PEVs can be used for any costs associated with  
17           administering and promoting the Incentive Program for New PEVs.

18           (d) Outreach and marketing. The Agency, in consultation with any  
19           retained contractors, shall ensure that there is sufficient outreach and  
20           marketing, including the use of translation and interpretation services, of the  
21           Incentive Program for New PEVs so that Vermonters who are eligible for an

1 incentive can easily learn how to secure as many different incentives as are  
2 available, and such costs shall be considered administrative costs for purposes  
3 of subsection (c) of this section.

4 § 2903. MILEAGESMART

5 (a) Creation; administration.

6 (1) There is created a used high fuel efficiency vehicle incentive  
7 program, which shall be administered by the Agency of Transportation and  
8 known as MileageSmart.

9 (2) Subject to State procurement requirements, the Agency may retain a  
10 contractor or contractors to assist with marketing, program development, and  
11 administration of MileageSmart.

12 (b) Program structure. MileageSmart shall structure high fuel efficiency  
13 purchase incentive payments by income to help all Vermonters benefit from  
14 more efficient driving and reduced greenhouse gas emissions, including  
15 Vermont's most vulnerable. Specifically, MileageSmart shall:

16 (1) apply to purchases of used high fuel-efficient motor vehicles, which  
17 for purposes of this program shall be pleasure cars with a combined  
18 city/highway fuel efficiency of at least 40 miles per gallon or miles-per-gallon  
19 equivalent as rated by the Environmental Protection Agency when the vehicle  
20 was new; and

1           (2) provide not more than one point-of-sale voucher worth up to  
2           \$5,000.00 to an individual who is a member of a household with an adjusted  
3           gross income that is at or below 80 percent of the State median income.

4           (c) Administrative costs. Up to 15 percent of any appropriations for  
5           MileageSmart can be used for any costs associated with administering and  
6           promoting MileageSmart.

7           (d) Outreach and marketing. The Agency, in consultation with any  
8           retained contractors, shall ensure that there is sufficient outreach and  
9           marketing, including the use of translation and interpretation services, of  
10           MileageSmart so that Vermonters who are eligible for an incentive can easily  
11           learn how to secure as many different incentives as are available, and such  
12           costs shall be considered administrative costs for purposes of subsection (c) of  
13           this section.

14           § 2904. REPLACE YOUR RIDE PROGRAM

15           (a) Creation; administration.

16           (1) There is created the Replace Your Ride Program, which shall be  
17           administered by the Agency of Transportation.

18           (2) Subject to State procurement requirements, the Agency may retain a  
19           contractor or contractors to assist with marketing, program development, and  
20           administration of the Program.

1       (b) Program structure. The Replace Your Ride Program shall structure  
2       incentive payments by income to help all Vermonters benefit from replacing  
3       lower efficient modes of transportation with modes of transportation that  
4       reduce greenhouse gas emissions. The Agency may apply a sliding scale  
5       incentive based on electric range, with larger incentives being available for  
6       PEVs with a longer electric range.

7       (c) Incentive amount. The Replace Your Ride Program shall provide up to  
8       a \$2,500.00 incentive for those who qualify under subdivision (d)(1)(A) of this  
9       section and up to a \$5,000.00 incentive for those who qualify under  
10       subdivision (d)(1)(B) of this section, either of which may be in addition to any  
11       other available incentives, including through a program funded by the State, to  
12       individuals who qualify based on both income and the removal of an internal  
13       combustion vehicle. Only one incentive per individual is available under the  
14       Replace Your Ride Program.

15       (d) Eligibility. Applicants must qualify through both income and the  
16       removal of an eligible vehicle with an internal combustion engine.

17               (1) Income eligibility.

18                       (A) The lower incentive amount of up to \$2,500.00 is available to the  
19       following, provided that all other eligibility requirements are met:

1                   (i) an individual domiciled in the State whose federal income tax  
2                   filing status is single with an adjusted gross income under the laws of the  
3                   United States greater than \$60,000.00 and at or below \$100,000.00;

4                   (ii) an individual domiciled in the State whose federal income tax  
5                   filing status is head of household with an adjusted gross income under the laws  
6                   of the United States greater than \$75,000.00 and at or below \$125,000.00;

7                   (iii) an individual domiciled in the State whose federal income tax  
8                   filing status is surviving spouse with an adjusted gross income under the laws  
9                   of the United States greater than \$90,000.00 and at or below \$150,000.00;

10                  (iv) an individual who is part of a married couple with at least one  
11                  spouse domiciled in the State whose federal income tax filing status is married  
12                  filing jointly with an adjusted gross income under the laws of the United States  
13                  greater than \$90,000.00 and at or below \$150,000.00; or

14                  (v) an individual who is part of a married couple with at least one  
15                  spouse domiciled in the State and at least one spouse whose federal income tax  
16                  filing status is married filing separately with an adjusted gross income under  
17                  the laws of the United States greater than \$60,000.00 and at or below  
18                  \$100,000.00.

19                  (B) The higher incentive amount of up to \$5,000.00 is available to  
20                  the following, provided that all other eligibility requirements are met:

1                   (i) an individual domiciled in the State whose federal income tax  
2                   filing status is single with an adjusted gross income under the laws of the  
3                   United States at or below \$60,000.00;

4                   (ii) an individual domiciled in the State whose federal income tax  
5                   filing status is head of household with an adjusted gross income under the laws  
6                   of the United States at or below \$75,000.00;

7                   (iii) an individual domiciled in the State whose federal income tax  
8                   filing status is surviving spouse with an adjusted gross income under the laws  
9                   of the United States at or below \$90,000.00;

10                  (iv) an individual who is part of a married couple with at least one  
11                  spouse domiciled in the State whose federal income tax filing status is married  
12                  filing jointly with an adjusted gross income under the laws of the United States  
13                  at or below \$90,000.00;

14                  (v) an individual who is part of a married couple with at least one  
15                  spouse domiciled in the State and at least one spouse whose federal income tax  
16                  filing status is married filing separately with an adjusted gross income under  
17                  the laws of the United States at or below \$60,000.00; or

18                  (vi) an individual who is a member of a household with an  
19                  adjusted gross income that is at or below 80 percent of the State median  
20                  income.



1           (2) Vehicle removal.

2           (A) In order for an individual to qualify for an incentive under the  
3 Replace Your Ride Program, the individual must remove an older low-  
4 efficiency vehicle from operation and switch to a mode of transportation that  
5 produces fewer greenhouse gas emissions. The entity that administers the  
6 Replace Your Ride Program, in conjunction with the Agency of  
7 Transportation, shall establish Program guidelines that specifically provide for  
8 how someone can show that the vehicle removal eligibility requirement has  
9 been, or will be, met.

10           (B) For purposes of the Replace Your Ride Program:

11           (i) An “older low-efficiency vehicle”:

12           (I) is currently registered, and has been for two years prior to  
13 the date of application, with the Vermont Department of Motor Vehicles;

14           (II) is currently titled in the name of the applicant and has been  
15 for at least one year prior to the date of application;

16           (III) has a gross vehicle weight rating of 10,000 pounds or less;

17           (IV) is at least 10 model years old;

18           (V) has an internal combustion engine; and

19           (VI) passed the annual inspection required under 23 V.S.A.

20           § 1222 within the prior year.

1                   (ii) Removing the older low-efficiency vehicle from operation  
2                   must be done by disabling the vehicle's engine from further use and fully  
3                   dismantling the vehicle for either donation to a nonprofit organization to be  
4                   used for parts or destruction.

5                   (iii) The following qualify as a switch to a mode of transportation  
6                   that produces fewer greenhouse gas emissions:

7                               (I) purchasing or leasing a new or used PEV;

8                               (II) purchasing a new or used bicycle, electric bicycle, electric  
9                   cargo bicycle, adaptive electric cycle, or motorcycle that is fully electric, and  
10                   the necessary safety equipment; and

11                               (III) utilizing shared-mobility services.

12                   (e) Administrative costs. Up to 15 percent of any appropriations for the  
13                   Replace Your Ride Program can be used for any costs associated with  
14                   administering and promoting the Replace Your Ride Program.

15                   (f) Outreach and marketing. The Agency, in consultation with any retained  
16                   contractors, shall ensure that there is sufficient outreach and marketing,  
17                   including the use of translation and interpretation services, of the Replace Your  
18                   Ride Program so that Vermonters who are eligible for an incentive can easily  
19                   learn how to secure as many different incentives as are available and such costs  
20                   shall be considered administrative costs for purposes of subsection (e) of this  
21                   section.

1     § 2905. ANNUAL REPORTING

2           (a) The Agency shall annually evaluate the programs established under this  
3     chapter to gauge effectiveness and shall submit a written report on the  
4     effectiveness of the programs to the House and Senate Committees on  
5     Transportation, the House Committee on Environment and Energy, and the  
6     Senate Committee on Finance on or before the 31st day of January in each year  
7     following a year that an incentive was provided through one of the programs.

8           (b) The report shall also include:

9           (1) any intended modifications to program guidelines for the upcoming  
10     fiscal year along with an explanation for the reasoning behind the  
11     modifications and how the modifications will yield greater uptake of PEVs and  
12     other means of transportation that will reduce greenhouse gas emissions; and

13           (2) any recommendations on statutory modifications to the programs,  
14     including to income and vehicle eligibility, along with an explanation for the  
15     reasoning behind the statutory modification recommendations and how the  
16     modifications will yield greater uptake of PEVs and other means of  
17     transportation that will reduce greenhouse gas emissions.

18           (c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this  
19     section shall continue to be required if an incentive is provided through one of  
20     the programs unless the General Assembly takes specific action to repeal the  
21     report requirement.

1           \* \* \* Vehicle Incentive Program; Fiscal Year 2023 Authorizations \* \* \*

2           Sec. 13. 2022 Acts and Resolves No. 184, Sec. 5 is amended to read:

3           Sec. 5. VEHICLE INCENTIVE PROGRAMS

4           (a) Incentive Program for New PEVs. The Agency is authorized to spend  
5           up to \$12,000,000.00 as appropriated in the fiscal year 2023 budget on the  
6           Incentive Program for New PEVs established in 2019 Acts and Resolves No.  
7           59, Sec. 34, as amended, and subsequently codified in 19 V.S.A. chapter 29.

8           (b) MileageSmart. The Agency is authorized to spend up to \$3,000,000.00  
9           as appropriated in the fiscal year 2023 budget on MileageSmart as established  
10           in 2019 Acts and Resolves No. 59, Sec. 34, as amended, and subsequently  
11           codified in 19 V.S.A. chapter 29.

12           (c) Replace Your Ride Program. The Agency is authorized to spend up to  
13           \$3,000,000.00 as appropriated in the fiscal year 2023 budget on the Replace  
14           Your Ride Program established in 2021 Acts and Resolves No. 55, Sec. 27, as  
15           amended, and subsequently codified in 19 V.S.A. chapter 29.

16   \* \* \*

17           \* \* \* Electrify Your Fleet Program and eBike Incentive Program \* \* \*

18           \* \* \* Creation of Electrify Your Fleet Program and Authorization \* \* \*

19           Sec. 14. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

20           (a) Creation; administration.

1           (1) There is created the Electrify Your Fleet Program, which shall be  
2           administered by the Agency of Transportation.

3           (2) Subject to State procurement requirements, the Agency may retain a  
4           contractor or contractors to assist with marketing, program development, and  
5           administration of the Program.

6           (b) Authorization. The Agency is authorized to spend up to \$500,000.00 in  
7           one-time General Fund monies on the Electrify Your Fleet Program  
8           established pursuant to subsection (a)(1) of this section.

9           (c) Definitions. The definitions in 19 V.S.A. § 2901, as added by Sec. 12  
10          of this act, shall apply to this section.

11          (d) Program structure. The Electrify Your Fleet Program shall structure  
12          purchase and lease incentive payments to replace vehicles other than a plug-in  
13          electric vehicle cycled out of a motor vehicle fleet and reduce the greenhouse  
14          gas emissions of persons operating a motor vehicle fleet in Vermont.

15          Specifically, the Electrify Your Fleet Program shall:

16               (1) provide incentives to Vermont municipalities and business entities  
17               registered in Vermont that maintain a fleet of motor vehicles that are registered  
18               in Vermont with no single applicant being eligible for more than 20 incentives  
19               over the existence of the Program;

20               (2) provide \$2,500.00 purchase and lease incentives for:

1           (A) BEVs with a base Manufacturer’s Suggested Retail Price  
2           (MSRP) of \$60,000.00 or less;

3           (B) PHEVs with an electric range of 20 miles or greater per complete  
4           charge as rated by the Environmental Protection Agency when the vehicle was  
5           new and a base MSRP of \$60,000.00 or less;

6           (C) electric bicycles and electric cargo bicycles with a base MSRP of  
7           \$6,000.00 or less;

8           (D) adaptive electric cycles with any base MSRP;

9           (E) electric motorcycles with a base MSRP of \$30,000.00 or less; and

10          (F) electric snowmobiles with a base MSRP of \$20,000.00 or less;

11          and

12          (3) require a showing that the incentive will be used to electrify the  
13          applicant’s motor vehicle fleet.

14          (e) Administrative costs. Up to 15 percent of any appropriations for the  
15          Electrify Your Fleet Program can be used for any costs associated with  
16          administering and promoting the Electrify Your Fleet Program.

17          (f) Outreach and marketing. The Agency, in consultation with any retained  
18          contractors, shall ensure that there is sufficient outreach and marketing,  
19          including the use of translation and interpretation services, of the Electrify  
20          Your Fleet Program so that persons who are eligible for an incentive can easily

1 learn how to secure an incentive and such costs shall be considered  
2 administrative costs for purposes of subsection (e) of this section.

3 (g) Reporting. The reporting requirements of 19 V.S.A. § 2905, as added  
4 by Sec. 12 of this act, shall, notwithstanding 2 V.S.A. § 20(d), apply to the  
5 Electrify Your Fleet Program if an incentive is provided through the Electrify  
6 Your Fleet Program unless the General Assembly takes specific action to  
7 repeal the report requirement.

8 \* \* \* eBike Incentive Program; Authorization \* \* \*

9 Sec. 15. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM;

10 REPORT

11 (a) Definitions. The definitions in 19 V.S.A. § 2901, as added by Sec. 12  
12 of this act, shall apply to this section.

13 (b) Authorization and modifications. The Agency is authorized to spend up  
14 to \$50,000.00 in one-time General Fund monies on the continuation of the  
15 eBike Incentive Program established pursuant to 2021 Acts and Resolves No.  
16 55, Sec. 28, as amended by 2022 Acts and Resolves No. 184, Sec. 23, with the  
17 following modifications:

18 (1) incentives shall be provided in the form of a voucher redeemable as  
19 a point-of-sale rebate at participating retail shops;

20 (2) vouchers shall be provided to applicants that self-certify as to both:

1           (A) meeting income eligibility requirements under 19 V.S.A.  
2           § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs),  
3           as added by Sec. 12 of this act; and

4           (B) that the incentivized electric bicycle, electric cargo bicycle, or  
5           adaptive electric cycle shall be used in a way that reduces greenhouse gas  
6           emissions, such as a substitute for trips that would have been taken in a vehicle  
7           other than a plug-in electric vehicle;

8           (3) only electric bicycles with a base Manufacturer's Suggested Retail  
9           Price (MSRP) between \$800.00 and \$4,000.00 shall be eligible for an  
10          incentive;

11          (4) only electric cargo bicycles with a base MSRP of \$5,000.00 or less  
12          shall be eligible for an incentive; and

13          (5) an adaptive electric cycle with any base MSRP shall be eligible for  
14          an incentive.

15          (c) Administrative costs. Up to 15 percent of the authorization in  
16          subsection (a) of this section may be used for any costs associated with  
17          administering and promoting the eBike Incentive Program.

18          (d) Reporting. The Agency of Transportation shall address incentives for  
19          electric bicycles, electric cargo bicycles, and adaptive electric cycles provided  
20          pursuant to this section in the January 31, 2024 report required under 19  
21          V.S.A. § 2905, as added by Sec. 12 of this act, including a:



- 1           (1) breakdown of who received an incentive under the eBike Incentive  
2           Program;  
3           (2) breakdown of where vouchers were redeemed;  
4           (3) breakdown, by manufacturer and type, of electric bicycles, electric  
5           cargo bicycles, and adaptive electric cycles incentivized;  
6           (4) detailed summary of information provided in the self-certification  
7           forms; and  
8           (5) detailed summary information collected through participant surveys.

9           Sec. 16. AGENCY OF TRANSPORTATION AUTHORITY TO MODIFY  
10                           INCOME ELIGIBILITY REQUIREMENTS FOR EBIKE  
11                           INCENTIVE PROGRAM ON PASSAGE

12           Notwithstanding 2022 Acts and Resolves No. 55, Sec. 28(a)(3), the Agency  
13           of Transportation may choose to only provide incentives to individuals who  
14           self-certify as to meeting income eligibility requirements under 19 V.S.A.  
15           § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs),  
16           as added by Sec. 12 of this act.

17   \* \* \* Reallocation of Funding \* \* \*

18           Sec. 17. 2022 Acts and Resolves No. 184, Sec. 2(8)(C), as amended by the  
19           fiscal year 2023 budget adjustment act, Sec. 83, is further amended to read:

20                           (C) Replace Your Ride Program. Sec. 5(c) of this act authorizes  
21           ~~\$2,900,000.00~~ \$2,350,000.00 for incentives under Replace Your Ride, which

1 will be the State's program to incentivize Vermonters to remove older low-  
2 efficiency vehicles from operation and switch to modes of transportation that  
3 produce fewer greenhouse gas emissions, and capped administrative costs.

4 Sec. 18. 2022 Acts and Resolves No. 184, Sec. 5(c), as amended by the fiscal  
5 year 2023 budget adjustment act, Sec. 84, is further amended to read:

6 (c) Replace Your Ride Program. The Agency is authorized to spend up to  
7 ~~\$2,900,000.00~~ \$2,350,000.00 as appropriated in the fiscal year 2023 budget on  
8 the Replace Your Ride Program established in 2021 Acts and Resolves No. 55,  
9 Sec. 27, as amended.

10 Sec. 19. 2022 Acts and Resolves No. 185, Sec. G.600(b)(5), as amended by  
11 the fiscal year 2023 budget adjustment act, Sec. 85, is further amended to read:

12 (5) ~~\$2,900,000.00~~ \$2,350,000.00 to the Agency of Transportation for the  
13 Replace Your Ride Program, established in 2021 Acts and Resolves No. 55,  
14 Sec. 27, as amended.

15 \* \* \* Mileage-Based User Fee (MBUF) \* \* \*

16 Sec. 20. MILEAGE-BASED USER FEE LEGISLATIVE INTENT

17 It is the intent of the General Assembly for the State:

18 (1) to start collecting a mileage-based user fee from all battery-electric  
19 vehicles registered in Vermont starting on July 1, 2025, which is expected to  
20 be the first day of the first fiscal year where more than 15 percent of new  
21 pleasure car registrations in the State are plug-in electric vehicles (PEVs);

1           (2) to start subjecting plug-in hybrid electric vehicles (PHEVs) that are a  
2           pleasure car to an annual or a biennial registration fee that is one and three-  
3           quarters times the amount of the annual or biennial fee for a pleasure car  
4           pursuant to 23 V.S.A. § 361 starting on July 1, 2025, and that PHEVs shall not  
5           be subject to a mileage-based user fee;

6           (3) to work towards collecting a fee on kWhs that are dispensed through  
7           certain electric vehicle supply equipment available to the public so as to  
8           supplant lost gas tax revenue from PEVs that are not registered in Vermont but  
9           utilize highways in Vermont; and

10           (4) to not commence collecting a mileage-based user fee until such  
11           authorizing language is codified in statute and becomes effective.

12       Sec. 21. MILEAGE-BASED USER FEE AUTHORIZATION

13           (a) Within the Agency of Transportation’s Proposed Fiscal Year 2024  
14           Transportation Program for Environmental Policy and Sustainability, the  
15           Agency of Transportation, including the Department of Motor Vehicles, is  
16           authorized to apply for and accept a competitive federal Strategic Innovation  
17           for Revenue Collection grant established pursuant to the Infrastructure  
18           Investment and Jobs Act, Pub. L. No. 117-58 (IIJA), Sec. 13001 in an amount  
19           not to exceed \$3,500,000.00 in federal monies, with up to \$350,000.00 in  
20           Transportation Fund monies authorized for the nonfederal match in fiscal year  
21           2024.

1       (b) As permitted under federal regulations and grant terms, the Agency  
2       shall utilize grant monies to design a mileage-based user fee that is consistent  
3       with Secs. 20 and 22 of this act.

4       (c) Subject to State procurement requirements, the Agency may retain one  
5       or more contractors or consultants, or both, to assist with the design of a  
6       process to commence collecting a mileage-based user fee on July 1, 2025.

7       Sec. 22. MILEAGE-BASED USER FEE DESIGN

8       (a) Definitions. As used in this section and Secs. 21 and 23 of this act:

9           (1) “Account manager” means a person under contract with the Agency  
10          of Transportation or Department of Motor Vehicles to administer and manage  
11          the mileage-based user fee.

12          (2) “Annual vehicle miles traveled” means the total number of miles that  
13          a BEV is driven between annual inspections as reported by an inspection  
14          mechanic to the Department of Motor Vehicles.

15          (3) “Mileage-based user fee” means the total amount that an owner or  
16          lessee of a BEV registered in Vermont owes the State and is calculated by  
17          multiplying the mileage-based user fee rate by the annual vehicle miles  
18          traveled or, in the case of a terminating event, by multiplying the mileage-  
19          based user fee rate by the vehicle miles traveled between the last Vermont  
20          annual inspection and the terminating event.

1           (4) “Mileage-based user fee rate” means the per-mile usage fee charged  
2           to the owner or lessee of a BEV registered in Vermont.

3           (5) “Mileage reporting period” means the time between annual  
4           inspections or the time between an annual inspection and a terminating event.

5           (6) “Pleasure car” has the same meaning as in 23 V.S.A. § 4(28).

6           (7) “Plug-in electric vehicle (PEV)” has the same meaning as in  
7           23 V.S.A. § 4(85) and includes battery electric vehicles (BEVs) and plug-in  
8           hybrid electric vehicles (PHEVs), which have the same meaning as in  
9           23 V.S.A. § 4(85)(A) and (B).

10          (8) “Terminating event” means either the registering of a BEV that had  
11          been registered in Vermont in a different state or a change in ownership or  
12          lesseeship of the BEV, or both.

13          (b) Commencement date. The Agency shall design a process to collect a  
14          mileage-based user fee for miles driven by a BEV registered in Vermont to  
15          commence collecting revenue on July 1, 2025.

16          (c) Covered vehicles. The Agency shall design a process to collect a  
17          mileage-based user fee based on the annual vehicle miles traveled by BEVs  
18          registered in the State.

19          (d) Imposition of a mileage-based user fee. The Agency shall design a  
20          process to collect a mileage-based user fee from the owner or lessee of a BEV  
21          registered in Vermont for each mileage reporting period within 60 days after

1 the Vermont annual inspection or terminating event that closes the mileage  
2 reporting period.

3 Sec. 23. REPORTS

4 The Secretary of Transportation and the Commissioner of Motor Vehicles  
5 shall file a written report not later than January 31, 2024 with the House and  
6 Senate Committees on Transportation, the House Committee on Ways and  
7 Means, and the Senate Committee on Finance that provides the following:

8 (1) a comprehensive implementation plan to commence collecting, on  
9 July 1, 2025, a mileage-based user fee for miles driven by a BEV registered in  
10 Vermont;

11 (2) a recommendation on what language should be codified in statute to  
12 enable the State to commence collecting, on July 1, 2025, a mileage-based user  
13 fee for miles driven by a BEV registered in Vermont, which shall include a  
14 recommendation for the mileage-based user fee rate and that includes, for that  
15 recommendation:

16 (A) an explanation for how the recommended mileage-based user fee  
17 rate was calculated;

18 (B) what the recommended mileage-based user fee rate is estimated  
19 to yield in revenue for the State in total per year; and

20 (C) how the anticipated mileage-based user fee for a pleasure car is  
21 expected to compare to the amount collected by the State in gas tax revenue

1 from the use of a non-PEV pleasure car registered in Vermont and the amount  
2 collected by the State in gas tax revenue and increased registration fee from the  
3 use of a non-PHEV pleasure car registered in Vermont based on estimates of  
4 low, medium, and high annual vehicle miles traveled;

5 (3) a recommendation on what should be required in annual reporting on  
6 the mileage-based user fee starting in 2026 for fiscal year 2025, which shall, at  
7 a minimum, address whether the following should be reported on:

8 (A) the total amount of revenue collected in mileage-based user fees  
9 for the prior fiscal year and an estimate of the total amount of revenue  
10 anticipated to be collected in mileage-based user fees during the subsequent  
11 fiscal year;

12 (B) the average mileage-based user fee collected for a BEV with low,  
13 medium, and high annual vehicle miles traveled in the prior fiscal year;

14 (C) an estimate of the average amount in motor fuel revenue that was  
15 collected for a pleasure car that is not a plug-in electric vehicle with low,  
16 medium, and high annual vehicle miles traveled in the prior fiscal year;

17 (D) an estimate of the average amount in motor fuel revenue and  
18 increased registration fee that was collected for a pleasure car that is a plug-in  
19 hybrid electric vehicle with low, medium, and high annual vehicle miles  
20 traveled in the prior fiscal year;

1           (E) the total number of delinquent mileage-based user fees in the  
2 prior fiscal year;

3           (F) the total number of outstanding payment plans for delinquent  
4 mileage-based user fees; and

5           (G) the cost to collect the mileage-based user fees in the prior fiscal  
6 year;

7           (4) an outline of what the Agency intends to adopt, if authorized, as rule  
8 in order to commence collecting, on July 1, 2025, a mileage-based user fee for  
9 miles driven by a BEV registered in Vermont, which shall, at a minimum,  
10 establish:

11           (A) a process to calculate and report the annual vehicle miles traveled  
12 by a BEV registered in Vermont;

13           (B) payment periods and other payment methods and procedures for  
14 the payment of the mileage-based user fee, which shall include the option to  
15 prepay the anticipated mileage-based user fee in installments on a monthly,  
16 quarterly, or annual basis;

17           (C) standards for mileage reporting mechanisms for an owner or  
18 lessee of a BEV to report vehicle miles traveled throughout the year;

19           (D) procedures to provide security and protection of personal  
20 information and data connected to a mileage-based user fee;



1           (E) penalty and appeal procedures necessary for the collection of a  
2           mileage-based user fee, which, to the extent practicable, shall duplicate and  
3           build upon existing Department of Motor Vehicles processes; and

4           (F) Agency oversight of any account manager, including privacy  
5           protection of personal information and access and auditing capability of  
6           financial and other records related to administration of the process to collect a  
7           mileage-based user fee; and

8           (5) an update on what other states and the federal government are doing  
9           to address lost gas tax revenue from the adoption of PEVs along with any  
10           applicable suggestions for opportunities for regional collaboration and an  
11           explanation of the source of the information provided under this subdivision.

12           \* \* \* Transportation Programs; Federal Carbon Reduction Program;

13           PROTECT Formula Program; Prioritization; Equity \* \* \*

14           Sec. 24. AGENCY OF TRANSPORTATION EFFORTS TO IMPLEMENT

15           THE FEDERAL CARBON REDUCTION PROGRAM AND

16           PROTECT FORMULA PROGRAM; PRIORITIZATION; EQUITY

17           (a) The Agency of Transportation, through its development of the State's  
18           Carbon Reduction Strategy, shall:

19           (1) develop a methodology to:

20           (A) quantify the emissions reductions the Agency will achieve from  
21           the State's Transportation Program;

1           (B) measure the gap between the emissions reductions calculated  
2           under subdivision (A) of this subdivision (a)(1) and the emissions reductions  
3           required under the Global Warming Solutions Act, as codified in 10 V.S.A.  
4           § 578; and

5           (C) evaluate what additional emissions reductions are possible  
6           through the implementation of additional policies and programs within the  
7           State’s Transportation Program;

8           (2) articulate the ongoing investments, particularly under the Carbon  
9           Reduction Program, established through the Infrastructure Investment and Jobs  
10          Act, Pub. L. No. 117-58 (IIJA) and codified as 23 U.S.C. § 175, that the  
11          Agency intends to implement through the State’s annual Transportation  
12          Program in order to reduce emissions from activities within the control of the  
13          Agency;

14          (3) identify and evaluate the effectiveness of other policies and  
15          programs to reduce transportation sector greenhouse gas emissions as required  
16          by the Global Warming Solutions Act, as codified in 10 V.S.A. § 578, and as  
17          identified in the Vermont Climate Action Plan, as amended, which shall  
18          include:

19               (A) an analysis of the potential to generate revenue sources sufficient  
20               for ongoing greenhouse gas emissions reduction implementation; and

1           (B) recommendations regarding additional policy or revenue sources  
2 to close any implementation gaps identified in subdivision (a)(1)(B) of this  
3 section;

4           (4) engage in public outreach through the following:

5           (A) establishing an advisory committee with a broad group of  
6 stakeholders, including representatives of the Vermont Climate Council, to  
7 help guide the identification and evaluation of policies and programs to reduce  
8 transportation sector greenhouse gas emissions;

9           (B) working with stakeholders, including environmental groups;  
10 community-based organizations that represent equity and environmental  
11 justice interests; business community groups, including chambers of  
12 commerce; transportation industry associations, including those representing  
13 rail and trucking; municipalities; regional planning commissions; and elected  
14 officials on ways to reduce transportation sector greenhouse gas emissions;  
15 and

16           (C) hosting not less than two public meetings, with at least one to  
17 gather input on proposed policies and programs to reduce transportation sector  
18 greenhouse gas emissions and at least one to address the evaluation of the  
19 anticipated outcomes of the draft of the State's Carbon Reduction Strategy;  
20 and

21           (5) coordinate with the Climate Action Office within the Agency of  
22 Natural Resources to track and report progress towards achieving the State's

1 greenhouse gas emissions as required by the Global Warming Solutions Act  
2 and codified in 10 V.S.A. § 578.

3 (b) The Agency shall develop the State’s Resilience Improvement Plan to  
4 establish how it will use federal monies available under the Promoting  
5 Resilient Operations for Transformative, Efficient, and Cost-Saving  
6 Transportation (PROTECT) Formula Program, established through the IJJA  
7 and codified as 23 U.S.C. § 176, and existing tools and processes to address  
8 transportation resilience, specifically for:

9 (1) resilience planning, predesign, design, or the development of data  
10 tools to simulate transportation disruption scenarios, including vulnerability  
11 assessments, community response strategies, or evacuation planning and  
12 preparation;

13 (2) resilience projects to improve the ability of an existing surface  
14 transportation asset to withstand one or more elements of a weather event or  
15 natural disaster; and

16 (3) community resilience and evacuation route activities that strengthen  
17 and protect routes that are essential for providing and supporting evacuations  
18 caused by emergency events.

19 (c) The Agency shall develop recommendations for the integration of  
20 carbon reduction, resilience, and equity factors into its project prioritization  
21 system through the Agency’s existing prioritization process and the  
22 development of the Equity Framework Project.

1       Sec. 25. REPORT ON TRANSPORTATION PLANNING STATUTES

2           The Agency of Transportation shall provide written reports summarizing  
3       the work completed pursuant to Sec. 24 of this act and written  
4       recommendations on how to amend statute, including 19 V.S.A. §§ 10b and  
5       10i, to reflect the work completed pursuant to Sec. 24 of this act to the House  
6       and Senate Committees on Transportation. A draft written report shall be  
7       provided on or before October 15, 2023 and a final written report shall be  
8       provided on or before January 15, 2024.

9                                   \* \* \* Complete Streets \* \* \*

10       Sec. 26. 19 V.S.A. § 10b is amended to read:

11       § 10b. STATEMENT OF POLICY; GENERAL

12           (a) The Agency shall be the responsible agency of the State for the  
13       development of transportation policy. It shall develop a mission statement to  
14       reflect:

15           (1) that State transportation policy shall be to encompass, coordinate,  
16       and integrate all modes of transportation and to consider “complete streets”, as  
17       defined in section 2401 of this title, principles, which are principles of safety  
18       and accommodation of all transportation system users, regardless of age,  
19       ability, or modal preference; and

20           (2) the need for transportation projects that will improve the State’s  
21       economic infrastructure, as well as the use of resources in efficient,

1 coordinated, integrated, cost-effective, and environmentally sound ways, and  
2 that will be consistent with the recommendations of the Comprehensive  
3 Energy Plan (CEP) issued under 30 V.S.A. § 202b.

4 (b) The Agency shall coordinate planning ~~and~~ education, and training  
5 efforts with those of ~~the Vermont Climate Change Oversight Committee and~~  
6 ~~those of~~ local and regional planning entities to:

7 (1) ~~to~~ ensure that the transportation system as a whole is integrated; ~~;~~ that  
8 access to the transportation system as a whole is integrated; ~~;~~ and that statewide,  
9 local, and regional conservation and efficiency opportunities and practices are  
10 integrated; and

11 (2) ~~to~~ support employer-led or local or regional government-led  
12 conservation, efficiency, rideshare, and bicycle programs and other innovative  
13 transportation advances, especially employer-based incentives.

14 (c) In developing the State's annual Transportation Program, the Agency  
15 shall, consistent with the planning goals listed in 24 V.S.A. § 4302 ~~as amended~~  
16 ~~by 1988 Acts and Resolves No. 200~~ and with appropriate consideration to  
17 local, regional, and State agency plans:

18 (1) ~~Develop~~ develop or incorporate designs that provide integrated, safe,  
19 and efficient transportation and that are consistent with the recommendations  
20 of the CEP; ~~;~~

1           ~~(2)(A) Consider the safety and accommodation of all transportation~~  
2           ~~system users, including motorists, bicyclists, public transportation users, and~~  
3           ~~pedestrians of all ages and abilities, consider complete streets principles in all~~  
4           State- and municipally managed transportation projects and project phases,  
5           including planning, development, construction, and maintenance, except in the  
6           case of projects or project components involving unpaved highways. ~~If, after~~  
7           ~~the consideration required under this subdivision, a State-managed project does~~  
8           ~~not incorporate complete streets principles, the project manager shall make a~~  
9           ~~written determination, supported by documentation and available for public~~  
10           ~~inspection at the Agency, that one or more of the following circumstances~~  
11           ~~exist:~~

12                     ~~(i) Use of the transportation facility by pedestrians, bicyclists, or~~  
13                     ~~other users is prohibited by law.~~

14                     ~~(ii) The cost of incorporating complete streets principles is~~  
15                     ~~disproportionate to the need or probable use as determined by factors including~~  
16                     ~~land use, current and projected user volumes, population density, crash data,~~  
17                     ~~historic and natural resource constraints, and maintenance requirements. The~~  
18                     ~~Agency shall consult local and regional plans, as appropriate, in assessing~~  
19                     ~~these and any other relevant factors.~~

20                     ~~(iii) Incorporating complete streets principles is outside the scope~~  
21                     ~~of a project because of its very nature.~~





1 related recommendations outlined in the Comprehensive Energy Plan (CEP)  
2 issued under 30 V.S.A. § 202b and the recommendations of the Vermont  
3 Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

4 (b) Except in the case of projects or project components involving unpaved  
5 highways, for all transportation projects and project phases managed by the  
6 Agency or a municipality, including planning, development, construction, or  
7 maintenance, it is the policy of this State for the Agency and municipalities, as  
8 applicable, to incorporate complete streets principles that:

9 (1) serve individuals of all ages and abilities, including vulnerable users  
10 as defined in 23 V.S.A. § 4(81);

11 (2) follow state-of-the-practice design guidance; and

12 (3) are sensitive to the surrounding community, including current and  
13 planned buildings, parks, and trails and current and expected transportation  
14 needs.

15 § 2403. PROJECTS NOT INCORPORATING COMPLETE STREETS

16 PRINCIPLES

17 (a) State projects. A State-managed project shall incorporate complete  
18 streets principles unless the project manager makes a written determination,  
19 supported by documentation, that one or more of the following circumstances  
20 exist:

1           (1) Use of the transportation facility by pedestrians, bicyclists, or other  
2 users is prohibited by law.

3           (2) The cost of incorporating complete streets principles is  
4 disproportionate to the need or probable use as determined by factors including  
5 land use, current and projected user volumes, population density, crash data,  
6 historic and natural resource constraints, and maintenance requirements. The  
7 Agency shall consult local and regional plans, as appropriate, in assessing  
8 these and any other relevant factors. If the project manager bases the written  
9 determination required under this subsection in whole or in part on this  
10 subdivision then the project manager shall provide a supplemental written  
11 determination with specific details on costs, needs, and probable uses, as  
12 applicable.

13           (3) Incorporating complete streets principles is outside the limited scope  
14 of a project as defined in the latest version of the Agency's Complete Streets  
15 Guidance.

16           (b) Municipal projects. A municipally managed project shall incorporate  
17 complete streets principles unless the municipality managing the project makes  
18 a written determination, supported by documentation, that one or more of the  
19 following circumstances exist:

20           (1) Use of the transportation facility by pedestrians, bicyclists, or other  
21 users is prohibited by law.

1           (2) The cost of incorporating complete streets principles is  
2           disproportionate to the need or probable use as determined by factors such as  
3           land use, current and projected user volumes, population density, crash data,  
4           historic and natural resource constraints, and maintenance requirements. The  
5           municipality shall consult local and regional plans, as appropriate, in assessing  
6           these and any other relevant factors. If the municipality managing the project  
7           bases the written determination required under this subsection in whole or in  
8           part on this subdivision then the project manager shall provide a supplemental  
9           written determination with specific details on costs, needs, and probable uses,  
10           as applicable.

11           (3) Incorporating complete streets principles is outside the limited scope  
12           of a project as defined in the latest version of the Agency's Complete Streets  
13           Guidance.

14           (c) Finality of determinations. The written determinations required by  
15           subsections (a) and (b) of this section shall be final and shall not be subject to  
16           appeal or further review.

17           (d) Posting of determinations. The written determinations required by  
18           subsections (a) and (b) of this section shall be posted to the municipality's  
19           website, in the case of a municipally managed project, and a web page on the  
20           Agency of Transportation's website dedicated to complete streets, in the case  
21           of a State-managed project.

1     § 2404. ANNUAL REPORT; PUBLIC DATABASE

2           (a) Annual report. Notwithstanding 2 V.S.A. § 20(d), the Agency shall  
3     annually, on or before September 1 starting in 2025, submit a report detailing  
4     the State’s efforts in following the complete streets policy established in  
5     section 2402 of this chapter during the previous fiscal year to the House and  
6     Senate Committees on Transportation.

7           (b) Public database.

8           (1) The Agency of Transportation shall post to a web page dedicated to  
9     complete streets on the Agency’s website a database of all State-managed  
10    transportation projects that have been bid since January 1, 2023 along with a  
11    description of the project, the location of the project, which complete streets  
12    principles were incorporated in the project, as applicable, and an explanation as  
13    to which circumstance or circumstances contained in subsection 2403(a) of this  
14    chapter existed in the case of projects not incorporating complete streets  
15    principles.

16           (2) The database required under this subsection shall be updated on at  
17    least an annual basis.

18    Sec. 29. IMPLEMENTATION; PUBLIC DATABASE

19           The Agency shall create and post the database required under 19 V.S.A.  
20    § 2404(b), as added by Sec. 28 of this act, on or before January 1, 2024.

1       Sec. 30. MUNICIPAL TRAINING ON COMPLETE STREETS

2           The Agency of Transportation, in consultation with the Vermont League of  
3       Cities and Towns and regional planning commissions, shall design and  
4       implement a program to provide training on complete streets to municipalities.

5       Sec. 31. REPLACEMENT OF THE CURRENT VERMONT STATE

6                       STANDARDS

7           (a) The Agency of Transportation will be preparing replacements to the  
8       current Vermont State Standards and related documents, standards, guidance,  
9       and procedures in accordance with the plan required pursuant to 2022 Acts and  
10       Resolves No. 184, Sec. 19.

11          (b) The Agency shall provide an oral update on the process to replace the  
12       current Vermont State Standards and related documents, standards, guidance,  
13       and procedures to the House and Senate Committees on Transportation on or  
14       before February 15, 2024.

15          \* \* \* Municipal and Regional Support for a Route 5 Bicycle Corridor \* \* \*

16       Sec. 32. SUPPORT FOR A ROUTE 5 BICYCLE CORRIDOR; SURVEY

17                       REPORT

18          (a) The Agency of Transportation, in partnership with regional planning  
19       commissions through the annual Transportation Planning Initiative, shall  
20       conduct a survey of municipal support for the creation of a bicycle corridor—  
21       consisting of one or more segments of bicycle lanes or bicycle paths, or both—

1 to provide a safe means of travel via bicycle on or along a route that is roughly  
2 adjacent to U.S. Route 5 for the approximately 190 miles spanning between the  
3 State border with Massachusetts and the State border with Quebec, Canada.

4 (b) The survey shall address the level of interest of municipalities and  
5 regional planning commissions in prioritizing the creation of a bicycle corridor  
6 along some or all of U.S. Route 5, including the consideration of the costs of  
7 creation and benefits to the tourism industry in Vermont in general and to the  
8 municipalities along U.S. Route 5 in particular.

9 (c) The Agency shall provide a report on outcome of the survey to the  
10 House and Senate Committees on Transportation on or before January 15,  
11 2024.

12 \* \* \* Sunset Extension \* \* \*

13 Sec. 33. 2018 Acts and Resolves No. 158, Sec. 21 is amended to read:

14 Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

15 19 V.S.A. §§ ~~2613 (Agency of Transportation's P3 authority) and 2614~~  
16 ~~(legislative approval of P3 proposals)~~ chapter 26, subchapter 2 shall be  
17 repealed on July 1, ~~2023~~ 2026.

18 \* \* \* Repeals \* \* \*

19 Sec. 34. REPEALS

20 (a) 5 V.S.A. § 3616 (connection of passenger trains; Board may determine)  
21 is repealed.

