

1 **[ALTERNATIVE TO SECS. 1, 1a, 1b, 2, 2a, 2b, 4, 5, 6, & 12**

2 **CHANGES HIGHLIGHTED; MAY 2020 ADDITIONS IN GREEN]**

3 * * * Transportation Program Adopted as Amended;

4 **Intent; Reports;** Definitions * * *

5 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; **INTENT; REPORTS;**

6 DEFINITIONS

7 (a) **Transportation program adopted.** The Agency of Transportation's
8 proposed fiscal year 2021 Transportation Program appended to the Agency of
9 Transportation's proposed fiscal year 2021 budget, as amended by this act, is
10 adopted to the extent federal, State, and local funds are available.

11 **(b) Intent.**

12 **(1) It is the intent of the General Assembly that the Agency's top**
13 **priority should be the transportation program adopted under subsection (a) of**
14 **this section, including preserving all funding to municipalities.**

15 **(2) In response to the unprecedented challenges posed by the COVID-19**
16 **pandemic, the General Assembly acknowledges that continued funding of**
17 **infrastructure will help boost our local economy and support the health and**
18 **welfare of Vermonters. Accordingly, it is the intent of the General Assembly**
19 **that the projects funded in this act, including under Secs. 1a and 1b of this act,**
20 **will serve to support and help drive growth in Vermont's economy during this**
21 **uncertain time.**

1 (3) In light of the long-term and ongoing climate change emergency, it
2 is the intent of the General Assembly to continue to invest in and prioritize
3 measures that will directly contribute to the reduction of greenhouse gas
4 emissions consistent with the State’s 2016 Comprehensive Energy Plan.

5 (c) Reports.

6 (1) The Agency shall, on or before August 15, 2020, file a written report
7 with the Joint Transportation Oversight Committee and the House and Senate
8 Committees on Appropriations and on Transportation with the following
9 information:

10 (A) the anticipated shortfall in revenues for fiscal year 2021 based on
11 the July 2020 forecast;

12 (B) an update on enacted and anticipated federal COVID-19
13 legislation;

14 (C) an update on projects in the transportation program adopted
15 under subsection (a) of this section that are not anticipated to proceed as
16 planned in fiscal year 2021 and the reasons why;

17 (D) an update on projects not in the transportation program adopted
18 under subsection (a) of this section that will proceed in fiscal year 2021 and the
19 source of funding;

1 (E) the status of and funding remaining for the electric vehicle
2 incentive programs established pursuant to 2019 Acts and Resolves No. 59.

3 Sec. 34:

4 (F) the balance of funding available for public transit under federal
5 COVID-19 legislation; and

6 (G) any expected reduction in funding available for municipalities.

7 (2) The Agency shall, on or before February 1, 2021, file a written
8 report with the House and Senate Committees on Appropriations and on
9 Transportation with the following information:

10 (A) the anticipated shortfall in revenues for fiscal year 2021 based on
11 the January 2021 forecast;

12 (B) an update on enacted and anticipated federal COVID-19
13 legislation;

14 (C) an update on projects in the transportation program adopted
15 under subsection (a) of this section that are not anticipated to proceed as
16 planned in fiscal year 2021 and the reasons why;

17 (D) an update on projects not in the transportation program adopted
18 under subsection (a) of this section that will proceed in fiscal year 2021 and the
19 source of funding;

1 (E) the status of and funding remaining for the electric vehicle

2 incentive programs established pursuant to 2019 Acts and Resolves No. 59.

3 Sec. 34:

4 (F) the balance of funding available for public transit under federal

5 COVID-19 legislation; and

6 (G) any expected reduction in funding available for municipalities.

7 (d) Definitions. As used in this act, unless otherwise indicated:

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

9 (2) “Electric vehicle supply equipment” has the same meaning as in

10 30 V.S.A. § 201 and is abbreviated “EVSE.”

11 (3) “Federal COVID-19 legislation” includes any federal infrastructure

12 bills or other federal legislation that provide the State with additional federal

13 funding for transportation-related projects in fiscal year 2021 or was enacted as

14 a result of COVID-19.

15 (4) “Plug-in electric vehicle,” “plug-in hybrid electric vehicle,” and

16 “battery electric vehicle” have the same meanings as in 23 V.S.A. § 4(85) as

17 amended by this act and are abbreviated “PEV,” “PHEV,” and “BEV.”

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

19 (6) “TIB funds” means monies deposited in the Transportation

20 Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

1 (7) The table heading “As Proposed” means the proposed Transportation
2 Program referenced in subsection (a) of this section; the table heading “As
3 Amended” means the amendments as made by this act; the table heading
4 “Change” means the difference obtained by subtracting the “As Proposed”
5 figure from the “As Amended” figure; and the terms “change” or “changes” in
6 the text refer to the project- and program-specific amendments, the aggregate
7 sum of which equals the net “Change” in the applicable table heading.

8 * * * Federal Funding * * *

9 Sec. 1a. FEDERAL INFRASTRUCTURE FUNDING

10 (a) If federal COVID-19 legislation is enacted, the Secretary is authorized
11 to:

12 (1) exceed federal spending authority in the fiscal year 2020
13 Transportation Program and fiscal year 2021 Transportation Program and to
14 obligate and expend the federal monies on the following, with a priority placed
15 on projects, such as the purchase of PEV buses for public transit and the
16 construction of bicycle and pedestrian facilities and EVSE, that will directly
17 contribute to the reduction of greenhouse gas emissions consistent with the
18 State’s 2016 Comprehensive Energy Plan and projects that will keep
19 Vermonters employed, promote economic activity, and allow the State and
20 municipalities to catch up on deferred maintenance:

1 (A) eligible projects in the fiscal year 2020 Transportation Program
2 and fiscal year 2021 Transportation Program;

3 (B) additional town highway projects; and

4 (C) activities that meet federal eligibility and readiness criteria;

5 (2) notwithstanding any provision of Title 19 of the Vermont Statutes
6 Annotated to the contrary, waive any Title 19 match requirements for projects
7 funded under federal COVID-19 legislation; and

8 (3) require that municipalities meet nonfederal match requirements for
9 projects not authorized in the fiscal year 2020 Transportation Program or fiscal
10 year 2021 Transportation Program funded under federal COVID-19 legislation.

11 (b) The Agency shall promptly report the obligation or expenditure of
12 monies under the authority of subsection (a) of this section in writing to the
13 House and Senate Committees on Transportation and to the Joint Fiscal Office
14 while the General Assembly is in session, and to the Joint Fiscal Office, the
15 Joint Fiscal Committee, and the Joint Transportation Oversight Committee
16 when the General Assembly is not in session.

17 (c) Nothing in this section shall be construed to authorize the Secretary to
18 obligate or expend State Transportation Funds, General Funds, or TIB funds
19 above amounts authorized in the fiscal year 2020 Transportation Program or
20 fiscal year 2021 Transportation Program.

1 (d) Subsections (a) and (b) of this section shall continue in effect until
2 February 1, 2021.

3 * * * Additional Agency Spending; Redirection * * *

4 Sec. 1b. AGENCY SPENDING; AUTHORITY TO REDIRECT; REPORT

5 (a) Notwithstanding Sec. 1 of this act, 2019 Acts and Resolves No. 59,
6 Sec. 1, 19 V.S.A. §§ 10g(n) and 11f(d), and 32 V.S.A. § 706, the Secretary is
7 authorized to utilize appropriated TIB funds, after the transfer required
8 pursuant to 19 V.S.A. § 11f(c) for fiscal years 2020 and 2021; State monies;
9 and federal monies for any of the following activities that will keep
10 Vermonters employed, promote economic activity, and allow the State and
11 municipalities to catch up on deferred maintenance in fiscal years 2020
12 and 2021, provided that the Agency expects to accept and obligate federal
13 monies pursuant to subsection 1a(a) of this act in an amount sufficient to cover
14 the additional expenditures:

- 15 (1) bridge maintenance;
16 (2) paving and surface maintenance;
17 (3) clearing of trees and brush in rights-of-way;
18 (4) ledge and slope remediation;
19 (5) culvert repair and replacement; and
20 (6) any other maintenance activities that are expected to provide an
21 economic stimulus in Vermont communities.

1 **(b) Notwithstanding Sec. 1 of this act, 2019 Acts and Resolves No. 59,**
2 **Sec. 1, 19 V.S.A. §§ 10g(n) and 11f(d), and 32 V.S.A. § 706, the Secretary is**
3 **authorized to utilize appropriated TIB funds, after the transfer required**
4 **pursuant to 19 V.S.A. § 11f(c) for fiscal years 2020 and 2021; State monies;**
5 **and federal monies for any of the following greenhouse gas emissions**
6 **reduction efforts in fiscal years 2020 and 2021, provided that the Agency**
7 **expects to accept and obligate federal monies pursuant to subsection 1a(a) of**
8 **this act in an amount sufficient to cover the additional expenditures:**

9 **(1) funding for a grant program for the installation of EVSE that builds**
10 **upon the existing VW EVSE Grant Program that the Department of Housing**
11 **and Community Development has been administering on behalf of the**
12 **Department of Environmental Conservation;**

13 **(2) PEV buses for public transit;**

14 **(3) PEVs for the State motor vehicle fleet; and**

15 **(4) funding, not to exceed \$1,000,000.00, for the New PEV Incentive**
16 **Program created pursuant to 2019 Acts and Resolves No. 59, Sec. 34 as**
17 **amended by the act.**

18 **(c) If the expenditure of monies pursuant to subsection (a) or (b) of this**
19 **section will not significantly delay the planned work schedule of a project in**
20 **the fiscal year 2020 and 2021 Transportation Programs, the Secretary may**
21 **enter into a contract for the activity or proceed with the expenditure and shall**

1 give prompt notice of the contract or expenditure to the Joint Fiscal Office and
2 to the House and Senate Committees on Transportation when the General
3 Assembly is in session and to the Joint Fiscal Office and the Joint
4 Transportation Oversight Committee when the General Assembly is not in
5 session.

6 (d) If the expenditure of monies pursuant to subsection (a) or (b) of this
7 section will significantly delay the planned work schedule of a project, the
8 Secretary may enter into a contract for the activity or proceed with the
9 expenditure but shall give advance notice of at least 10 business days prior to
10 executing the contract or making the expenditure to the House and Senate
11 Committees on Transportation when the General Assembly is in session and to
12 the Joint Fiscal Office, Joint Fiscal Committee, and Joint Transportation
13 Oversight Committee when the General Assembly is not in session.

14 (e) The Secretary of Administration shall, on or before July 31, 2020, file a
15 written report listing all expenditures made during fiscal year 2020 under the
16 authority of subsections (a) and (b) of this section to the House and Senate
17 Committees on Transportation, Joint Fiscal Office, Joint Fiscal Committee,
18 and Joint Transportation Oversight Committee.

19 (f) The Secretary of Administration shall, on or before July 31, 2021, file a
20 written report listing all expenditures made during fiscal year 2021 under the
21 authority of subsections (a) and (b) of this section to the House and Senate

1 Committees on Transportation, Joint Fiscal Office, Joint Fiscal Committee,
2 and Joint Transportation Oversight Committee.

3 (g) The reports required pursuant to subsections (e) and (f) of this section
4 shall be in addition to the report required pursuant to 19 V.S.A. § 10g(e).

5 * * * Highway Maintenance * * *

6 **Sec. 2. HIGHWAY MAINTENANCE**

7 Within the Agency of Transportation's Proposed Fiscal Year 2021

8 Transportation Program for Maintenance, spending is amended as follows:

<u>FY21</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
<u>Personal</u>	45,757,089	45,757,089	0
<u>Services</u>			
<u>Operating</u>	52,896,134	51,596,134	-1,300,000
<u>Expenses</u>			
<u>Grants</u>	240,200	240,200	0
<u>Total</u>	98,893,423	97,593,423	-1,300,000

16 Sources of funds

<u>State</u>	96,415,636	95,115,636	-1,300,000
<u>Federal</u>	2,377,787	2,377,787	0
<u>Interdepart.</u>			
<u>Transfer</u>	100,000	100,000	0
<u>Total</u>	98,893,423	97,593,423	-1,300,000

1 *** Program Development ***

2 *** Roadway ***

3 **Sec. 2a. PROGRAM DEVELOPMENT; ROADWAY**

4 **Within the Agency of Transportation’s Proposed Fiscal Year 2021**

5 **Transportation Program for Program Development—Roadway, authorized**
6 **spending for Burlington MEGC M 5000(1) is amended as follows:**

7	<u>FY21</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
8	Construction	8,000,000	6,420,000	-1,580,000
9	Total	8,000,000	6,420,000	-1,580,000

10 **Sources of funds**

11	TIB	240,000	192,600	-47,400
12	Federal	7,600,000	6,099,000	-1,501,000
13	Local	160,000	128,400	-31,600
14	Total	8,000,000	6,420,000	-1,580,000

15 *** Safety and Traffic Operations ***

16 **Sec. 2b. PROGRAM DEVELOPMENT; SAFETY AND TRAFFIC**

17 **OPERATIONS**

18 **Within the Agency of Transportation’s Proposed Fiscal Year 2021**

19 **Transportation Program for Program Development—Safety and Traffic**

20 **Operations, authorized spending for Colchester HES NH 5600(14) is amended**
21 **as follows:**

	<u>FY21</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
1				
2	Construction	7,000,000	4,900,000	-2,100,000
3	Total	7,000,000	4,900,000	-2,100,000

4 Source of funds

5	Federal	7,000,000	4,900,000	-2,100,000
6	Total	7,000,000	4,900,000	-2,100,000

7 * * * Public Transit * * *

8 Sec. 4. PUBLIC TRANSIT; FARE-FREE

9 It is the intent of the General Assembly that public transit operated by
10 transit agencies that are eligible to receive grant funds pursuant to 49 U.S.C.
11 § 5307 or 5311, or both, in the State shall be operated on a fare-free basis until
12 monies for public transit from the Coronavirus Aid, Relief, and Economic
13 Security Act, Pub. L. No. 116-136 (CARES Act) are fully depleted.

14 Sec. 5. PUBLIC TRANSIT; ADDITION OF INCREASED PUBLIC
15 TRANSIT FOR FISCAL YEAR 2021

16 (a) The following project is added to the Agency of Transportation's
17 Proposed Fiscal Year 2021 Transportation Program for Public Transit:
18 Increased Public Transit for Fiscal Year 2021.

19 (b) Spending authority for Increased Public Transit for Fiscal Year 2021 is
20 authorized as follows:

	<u>FY21</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
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1 Other 0 500,000 500,000

2 Total 0 500,000 500,000

3 Sources of funds

4 State 0 500,000 500,000

5 Total 0 500,000 500,000

6 (c) To the extent that the Agency is able to secure additional unobligated
7 federal funds for Increased Public Transit for Fiscal Year 2021, the spending
8 authority for Increased Public Transit for Fiscal Year 2021 is increased by that
9 same amount in federal funds.

10 (d) The Agency shall increase public transit initiatives in fiscal year 2021
11 in conformance with the implementation plan in the Agency of
12 Transportation's 2019 Public Transit Policy Plan (PTPP) and findings of the
13 Report on Methods to Increase the Use of Public Transit in Vermont prepared
14 pursuant to 2019 Acts and Resolves No. 59, Sec. 20. Additional initiatives
15 may include:

16 (1) adding new local and regional service connections to improve rural
17 ridership;

18 (2) providing support for technology improvements for transit;

19 (3) expanding access to available seats in transit vehicles; and

1 (4) marketing and engaging with the public to increase awareness of
2 public transit options.

3 * * * Lamoille Valley Rail Trail * * *

4 **Sec. 6. LAMOILLE VALLEY RAIL TRAIL**

5 (a) Within the Agency of Transportation's Proposed Fiscal Year 2021
6 Transportation Program for Program Development—Bike & Pedestrian
7 Facilities, authorized spending for Swanton-St. Johnsbury LVRT () is
8 amended as follows:

	As Proposed	As Amended	Change
FY21			
Other	2,500,000	7,000,000	4,500,000
Total	2,500,000	7,000,000	4,500,000
FY22			
Other	3,500,000	7,000,000	3,500,000
Total	3,500,000	7,000,000	3,500,000
FY23			
Other	4,500,000	0	-4,500,000
Total	4,500,000	0	-4,500,000
FY24			
Other	3,500,000	0	-3,500,000
Total	3,500,000	0	-3,500,000

1 **Sources of funds FY21**

2 State	0	700,000	700,000
3 Other	500,000	700,000	200,000
4 Federal	2,000,000	5,600,000	3,600,000
5 Total	2,500,000	7,000,000	4,500,000

6 **Sources of funds FY22**

7 State	0	0	0
8 Other	0	1,400,000	1,400,000
9 Federal	0	5,600,000	5,600,000
10 Total	0	7,000,000	7,000,000

11 **(b) In the Agency of Transportation’s Proposed Fiscal Year 2021**

12 **Transportation Program for Program Development—Bike & Pedestrian**

13 **Facilities, “Other funds of \$500,000 are General Obligation Bond proceeds**

14 **appropriated in the capital bill for the Lamoille Valley Rail Trail” is struck,**

15 **and “Other funds of \$2,100,000 are General Obligation Bond proceeds**

16 **appropriated in the capital construction act for the Lamoille Valley Rail Trail.**

17 **but if matching federal funds are not available or if federal funds do not require**

1 a state match, the funds shall be used for projects in a future capital
2 construction act” is inserted in lieu thereof.

3 * * * Programs and Incentives to Foster PEV Adoption * * *

4 Sec. 12. 2019 Acts and Resolves No. 59, Sec. 34 is amended to read:

5 Sec. 34. VEHICLE INCENTIVE AND EMISSIONS REPAIR

6 PROGRAMS

7 (a) Vehicle incentive and emissions repair programs administration.

8 (1) The Agency of Transportation (Agency), in consultation with the
9 ~~Agency of Natural Resources, the Agency of Human Services, the Department~~
10 Departments of Environmental Conservation and of Public Service, Vermont
11 electric distribution utilities that are offering incentives for PEVs, and
12 the State’s network of community action agencies, shall establish and
13 administer the programs described in subsections (b) and (c) of this section.

14 (2) The Agency is authorized to spend \$2,000,000.00 as appropriated in
15 the fiscal year 2020 budget and any additional monies as appropriated in the
16 fiscal year 2021 budget or Transportation Fund monies authorized to be
17 expended by the Secretary of Transportation pursuant to Sec. 1b of this act, or
18 both, on the two programs described in subsections (b) and (c) of this section.
19 Notwithstanding any other provision of law and subject to the approval of the
20 Secretary of Administration, appropriations for the two programs described in
21 subsections (b) and (c) of this section remaining unexpended on June 30, 2021

1 shall be carried forward and designated for expenditure on these programs in
2 the subsequent fiscal year.

3 (3) Subject to State procurement requirements, the Agency may, in
4 fiscal year 2020, retain a contractor or contractors to assist with marketing,
5 program development, and administration of the two programs and up to
6 \$150,000.00 of program funding may be set aside for this purpose. In fiscal
7 year 2021, the Agency is authorized to spend up to \$200,000.00 in program
8 funding to continue and expand the Agency’s public-private partnership with
9 Drive Electric Vermont to support the expansion of the PEV market in the
10 State through technical and consumer assistance; auto dealer education;
11 outreach and incentive program management, including marketing, consumer
12 support, record keeping and reporting, program development and modification,
13 and general program administration for the program described in subsection
14 (b) of this section; and PEV promotional efforts. The Agency shall develop, in
15 consultation with the Departments of Environmental Conservation and of
16 Public Service, a scope of work for funding the Agency’s grants to Drive
17 Electric Vermont pursuant to this section.

18 (4) The Agency shall administer the program described in subsection (b)
19 of this section through no-cost contracts with the State’s electric distribution
20 utilities.

1 (5) The Agency shall annually evaluate the two programs to gauge
2 effectiveness and submit a written report on the effectiveness of the programs
3 to the House and Senate Committees on Transportation, the House Committee
4 on Energy and Technology, and the Senate Committee on Finance on or before
5 the 31st day of ~~December~~ January in each year following a year that an
6 incentive or repair voucher ~~is~~ was provided through one of the programs.
7 Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section
8 shall continue to be required if an incentive or repair voucher is provided
9 through one of the programs unless the General Assembly takes specific action
10 to repeal the report requirement.

11 (b) Electric vehicle incentive program. A new PEV purchase and lease
12 incentive program for Vermont residents shall structure PEV purchase and
13 lease incentive payments by income to help ~~all~~ Vermonters benefit from
14 electric driving, including Vermont's most vulnerable. The program shall be
15 known as the New PEV Incentive Program. Specifically, the ~~program~~ New
16 PEV Incentive Program shall:

17 (1) apply to both purchases and leases of new PEVs with an emphasis
18 on creating and matching incentives for ~~exclusively electric powered vehicles~~
19 ~~that do not contain an onboard combustion engine~~ BEVs;

20 (2) provide ~~incentives~~ not more than one incentive of \$1,500.00 for a
21 PHEV or \$2,500.00 for a BEV to Vermont households with low and moderate

1 ~~income at or below 160 percent of the State’s prior five-year average Median~~
2 ~~Household Income (MHI) level:~~

3 (A) an individual domiciled in the State whose federal income tax
4 filing status is single or head of household with an adjusted gross income
5 under the laws of the United States greater than \$50,000.00 and at or below
6 \$100,000.00;

7 (B) 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 \$50,000.00 and at or below \$125,000.00;

10 (C) a married couple with at least one spouse domiciled in the State
11 whose federal income tax filing status is married filing jointly with an adjusted
12 gross income under the laws of the United States greater than \$50,000.00 and
13 at or below \$125,000.00; or

14 (D) a married couple with at least one spouse domiciled in the State
15 and at least one spouse whose federal income tax filing status is married filing
16 separately with an adjusted gross income under the laws of the United States
17 greater than \$50,000.00 and at or below \$100,000.00;

18 (3) provide not more than one incentive of \$3,000.00 for a PHEV or
19 \$4,000.00 for a BEV to:

1 (A) an individual domiciled in the State whose federal income tax
2 filing status is single, head of household, or surviving spouse with an adjusted
3 gross income under the laws of the United States at or below \$50,000.00;

4 (B) a married couple with at least one spouse domiciled in the State
5 whose federal income tax filing status is married filing jointly with an adjusted
6 gross income under the laws of the United States at or below \$50,000.00; or

7 (C) a married couple with at least one spouse domiciled in the State
8 and at least one spouse whose federal income tax filing status is married filing
9 separately with an adjusted gross income under the laws of the United States at
10 or below \$50,000.00;

11 (4) apply to manufactured PEVs with a Base Manufacturer’s Suggested
12 Retail Price (MSRP) of \$40,000.00 or less; and

13 ~~(4)~~(5) provide ~~no~~ not less than \$1,100,000.00, of the initial
14 \$2,000,000.00 authorization, and up to an additional \$2,050,000.00 in fiscal
15 year 2021 in PEV purchase and lease incentives.

16 * * *