

1 Introduced by Committee on Transportation

2 Date:

3 Subject: Transportation; signs; plug-in electric vehicles (PEVs); incentives;  
4 electric distribution utilities; Drive Electric Vermont; electric vehicle  
5 supply equipment (EVSE); per-kWh fee; rate setting; Class 2 Town  
6 Highway Roadway Program; highways; transportation demand  
7 management (TDM); transportation management association (TMA);  
8 public transit; all-terrain vehicles (ATVs); Lamoille Valley Rail Trail

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

12 An act relating to the Transportation Program and miscellaneous changes to  
13 laws related to transportation

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

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

16 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

17 (a) The Agency of Transportation's proposed fiscal year 2021  
18 Transportation Program appended to the Agency of Transportation's proposed  
19 fiscal year 2021 budget, as amended by this act, is adopted to the extent  
20 federal, State, and local funds are available.

1        (b) As used in this act, unless otherwise indicated:

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

3            (2) “Electric vehicle supply equipment” has the same meaning as in  
4 30 V.S.A. § 201 and is abbreviated “EVSE.”

5            (3) “Plug-in electric vehicle,” “plug-in hybrid electric vehicle,” and  
6 “battery electric vehicle” have the same meanings as in 23 V.S.A. § 4(85) as  
7 amended by this act and are abbreviated “PEV,” “PHEV,” and “BEV.”

8            (4) “Secretary” means the Secretary of Transportation.

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

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

18            \*\*\* Highway Maintenance \*\*\*

19        Sec. 2. HIGHWAY MAINTENANCE

20            Within the Agency of Transportation’s Proposed Fiscal Year 2021

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

1	<u>FY21</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
2	Personal	45,757,089	45,757,089	0
3	Services			
4	Operating	52,896,134	49,471,134	-3,425,000
5	Expenses			
6	Grants	240,200	240,200	0
7	Total	98,893,423	95,468,423	-3,425,000
8	<u>Sources of funds</u>			
9	State	96,415,636	92,990,636	-3,425,000
10	Federal	2,377,787	2,377,787	0
11	Interdepart.			
12	Transfer	100,000	100,000	0
13	Total	98,893,423	95,468,423	-3,425,000

14 \* \* \* Public Transit \* \* \*

15 Sec. 3. PUBLIC TRANSIT; STATE PUBLIC TRANSPORTATION

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

17 Transportation Program for Public Transit, authorized spending for State

18 Public Transportation is amended as follows:

19	<u>FY21</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
20	Other	6,241,403	6,741,403	500,000
21	Total	6,241,403	6,741,403	500,000

1	<u>Sources of funds</u>			
2	State	6,241,403	6,741,403	500,000
3	Total	6,241,403	6,741,403	500,000

4 Sec. 4. PUBLIC TRANSIT; ADDITION OF FARE FREE PILOT  
5 PROGRAM

6 (a) The following project is added to the Agency of Transportation’s  
7 Proposed Fiscal Year 2021 Transportation Program for Public Transit: Fare  
8 Free Pilot Program.

9 (b) Spending authority for the Fare Free Pilot Program is authorized as  
10 follows:

11	<u>FY21</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
12	Other	0	500,000	500,000
13	Total	0	500,000	500,000
14	<u>Sources of funds</u>			
15	State	0	500,000	500,000
16	Total	0	500,000	500,000

17 (c) The Agency of Transportation shall design and administer a fare free  
18 pilot program that conforms with the specifications in the Report on Methods  
19 to Increase the Use of Public Transit in Vermont prepared pursuant to 2019  
20 Acts and Resolves No. 59, Sec. 20. The pilot program shall be fully designed  
21 not later than October 1, 2020 and operational not later than January 1, 2021.

1 Spending shall include: replacement of lost revenue to transit providers; route  
2 performance, including ridership, analysis; marketing; and administration.

3 Sec. 5. PUBLIC TRANSIT; ADDITION OF INCREASED PUBLIC  
4 TRANSIT FOR FISCAL YEAR 2021

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

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

<u>FY21</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	0	500,000	500,000
Total	0	500,000	500,000
<u>Sources of funds</u>			
State	0	500,000	500,000
Total	0	500,000	500,000

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

20 (d) The Agency shall increase public transit initiatives in fiscal year 2021  
21 in conformance with the implementation plan in the Agency of

1 Transportation’s 2019 Public Transit Policy Plan (PTPP) and findings of the  
2 Report on Methods to Increase the Use of Public Transit in Vermont prepared  
3 pursuant to 2019 Acts and Resolves No. 59, Sec. 20. Additional initiatives  
4 may include:

5 (1) adding new local and regional service connections to improve rural  
6 ridership;

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

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

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

11 \* \* \* Lamoille Valley Rail Trail \* \* \*

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

13 **(a) Within the Agency of Transportation’s Proposed Fiscal Year 2021**  
14 **Transportation Program for Program Development—Bike & Pedestrian**  
15 **Facilities, authorized spending for Swanton-St. Johnsbury LVRT ( ) is**  
16 **amended as follows:**

<u>FY21</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	2,500,000	7,000,000	4,500,000
Total	2,500,000	7,000,000	7,000,000

20 **Sources of funds**

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

4 (b) In the Agency of Transportation’s Proposed Fiscal Year 2021  
5 Transportation Program for Program Development—Bike & Pedestrian  
6 Facilities “Other funds of \$500,000 are General Obligation Bond proceeds  
7 appropriated in the capital bill for the Lamoille Valley Rail Trail” is struck and  
8 “Other funds of \$700,000 are General Obligation Bond proceeds appropriated  
9 in the Capital Bill for the Lamoille Valley Rail Trail” is inserted in lieu thereof.

10 \* \* \* Central Garage \* \* \*

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

12 § 13. CENTRAL GARAGE FUND

13 (a) There is created the Central Garage Fund ~~which~~ that shall be used:

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

17 (2) to provide a general equipment repair and major overhaul service as  
18 well as to furnish necessary supplies for the operation of the equipment.

19 (b) To maintain a safe, reliable equipment fleet, new or replacement  
20 ~~highway maintenance~~ equipment shall be acquired using Central Garage Fund  
21 monies. The Agency is authorized to acquire replacement pieces for existing

1 highway equipment or new, additional equipment equivalent to equipment  
2 already owned; however, the Agency shall not increase the total number of  
3 permanently assigned or authorized motorized or self-propelled vehicles  
4 without approval by the General Assembly.

5 \* \* \*

6 (f) As used in this section, “equipment” means registered motor vehicles  
7 and highway equipment used for construction, maintenance equipment, and  
8 operation of highways or other transportation activities, including Department  
9 of Motor Vehicles enforcement, assigned to the Central Garage.

10 \* \* \*

11 Sec. 8. TRANSFER TO CENTRAL GARAGE FUND

12 Notwithstanding 19 V.S.A. § 13(c)(1), in fiscal year 2021, the amount of  
13 \$1,605,358.00 is transferred from the Transportation Fund to the Central  
14 Garage Fund created in 19 V.S.A. § 13.

15 Sec. 9. CENTRAL GARAGE EQUIPMENT

16 In fiscal year 2021, the amount of \$8,668,094.00 is authorized for  
17 replacement equipment pursuant to 19 V.S.A. § 13(b) and, of this amount, a  
18 minimum of \$250,000.00 shall be dedicated for the replacement of Department  
19 of Motor Vehicles enforcement fleet vehicles.

20 \* \* \* Airport and Rail Signs \* \* \*

21 Sec. 10. 10 V.S.A. § 494 is amended to read:



1 § 494. EXEMPT SIGNS

2 The following signs are exempt from the requirements of this chapter  
3 except as indicated in section 495 of this title:

4 \* \* \*

5 (6)(A) Official traffic control signs, including signs on limited access  
6 highways, consistent with the Manual on Uniform Traffic Control Devices  
7 (MUTCD) adopted under 23 V.S.A. § 1025, directing ~~people~~ persons to:

- 8 (i) other towns;
- 9 (ii) international airports;
- 10 (iii) postsecondary educational institutions;
- 11 (iv) cultural and recreational destination areas;
- 12 (v) nonprofit diploma-granting educational institutions for ~~people~~  
13 persons with disabilities; and
- 14 (vi) official State visitor information centers.

15 (B) After having considered the six priority categories in subdivision  
16 (A) of this subdivision (6), the Travel Information Council may approve  
17 installation of a sign for any of the following provided the location is open a  
18 minimum of 120 days each year and is located within 15 miles of an interstate  
19 highway exit:

- 20 (i) nonprofit museums;

1 (ii) cultural and recreational attractions owned by the State or  
2 federal government;

3 (iii) officially designated scenic byways;

4 (iv) park and ride or multimodal centers; and

5 (v) fairgrounds or exposition sites.

6 (C) The Agency of Transportation may approve and erect signs,  
7 including signs on limited access highways, consistent with the MUTCD,  
8 directing persons to State-owned airports and intercity passenger rail stations  
9 located within 25 miles of a limited access highway exit.

10 (D) Notwithstanding the limitations of this subdivision (6),  
11 supplemental guide signs consistent with the MUTCD for the President Calvin  
12 Coolidge State Historic Site may be installed at the following highway  
13 interchanges:

14 \* \* \*

15 ~~(D)~~(E) Signs erected under this subdivision (6) shall not exceed a  
16 maximum allowable size of 80 square feet.

17 \* \* \*

18 \* \* \* Plug-In Electric Vehicle Definitions \* \* \*

19 Sec. 11. 23 V.S.A. § 4(85) is amended to read:

20 (85) “Plug-in electric vehicle” means a motor vehicle that can be  
21 powered by an electric motor drawing current from a rechargeable energy

1 storage system, such as from storage batteries or other portable electrical  
2 energy storage devices provided that the vehicle can draw recharge energy  
3 from a source off the vehicle such as electric vehicle supply equipment. A  
4 “plug-in electric vehicle” includes both a “battery electric vehicle” and a  
5 “plug-in hybrid electric vehicle” where:

6 (A) “battery electric vehicle” means a motor vehicle that can only be  
7 powered by an electric motor drawing current from a rechargeable energy  
8 storage system; and

9 (B) “plug-in hybrid electric vehicle” means a motor vehicle that can  
10 be powered by an electric motor drawing current from a rechargeable energy  
11 storage system but also has an onboard combustion engine.

12 \* \* \* Programs and Incentives to Foster PEV Adoption \* \* \*

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

14 Sec. 34. VEHICLE INCENTIVE AND EMISSIONS REPAIR  
15 PROGRAMS

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

17 (1) The Agency of Transportation (Agency), in consultation with the  
18 ~~Agency of Natural Resources, the Agency of Human Services, the Department~~  
19 Departments of Environmental Conservation and of Public Service, Vermont  
20 electric distribution utilities ~~that are offering incentives for PEVs~~, and

1 the State’s network of community action agencies, shall establish and  
2 administer the programs described in subsections (b) and (c) of this section.

3 (2) The Agency is authorized to spend \$2,000,000.00 as appropriated in  
4 the fiscal year 2020 budget and \$2,250,000.00 as appropriated in the fiscal year  
5 2021 budget in \$1,250,000.00 General Fund monies and in \$1,125,000.00  
6 Transportation Fund monies on the two programs described in subsections (b)  
7 and (c) of this section. Notwithstanding any other provision of law and subject  
8 to the approval of the Secretary of Administration, appropriations for the two  
9 programs described in subsections (b) and (c) of this section remaining  
10 unexpended on June 30, 2021 shall be carried forward and designated for  
11 expenditure on these programs in the subsequent fiscal year.

12 (3) Subject to State procurement requirements, the Agency may, in  
13 fiscal year 2020, retain a contractor or contractors to assist with marketing,  
14 program development, and administration of the two programs and up to  
15 \$150,000.00 of program funding may be set aside for this purpose. In fiscal  
16 year 2021, the Agency is authorized to spend up to \$200,000.00 in program  
17 funding to continue and expand the Agency’s public-private partnership with  
18 Drive Electric Vermont to support the expansion of the PEV market in the  
19 State through: technical and consumer assistance; auto dealer education;  
20 outreach and incentive program management, including marketing, consumer  
21 support, record keeping and reporting, program development and modification,

1 and general program administration for the program described in subsection  
2 (b) of this section; and PEV promotional efforts. The Agency shall develop, in  
3 consultation with the Departments of Environmental Conservation and of  
4 Public Service, a scope of work for funding the Agency’s grants to Drive  
5 Electric Vermont pursuant to this section.

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

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

19 (b) Electric vehicle incentive program. A new PEV purchase and lease  
20 incentive program for Vermont residents shall structure PEV purchase and  
21 lease incentive payments by income to help ~~all~~ Vermonters benefit from

1 electric driving, including Vermont’s most vulnerable. The program shall be  
2 known as the New PEV Incentive Program. Specifically, the ~~program~~ New  
3 PEV Incentive Program shall:

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

7 (2) provide ~~incentives~~ not more than one incentive of \$1,500.00 for a  
8 PHEV or \$2,500.00 for a BEV to Vermont households with low and moderate  
9 ~~income at or below 160 percent of the State’s prior five-year average Median~~  
10 ~~Household Income (MHI) level:~~

11 (A) an individual domiciled in the State whose federal income tax  
12 filing status is single or head of household with an adjusted gross income  
13 under the laws of the United States greater than \$50,000.00 and at or below  
14 \$100,000.00;

15 (B) an individual domiciled in the State whose federal income tax  
16 filing status is surviving spouse with an adjusted gross income under the laws  
17 of the United States greater than \$50,000.00 and at or below \$125,000.00;

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

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

5           (3) provide not more than one incentive of \$3,000.00 for a PHEV or  
6           \$4,000.00 for a BEV to:

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

10           (B) 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 at or below \$50,000.00; or

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

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

19           ~~(4)~~(5) provide ~~no~~ not less than \$1,100,000.00, of the initial  
20           \$2,000,000.00 authorization, and up to an additional \$2,050,000.00 in fiscal  
21           year 2021 in PEV purchase and lease incentives.

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\* \* \*

\* \* \* PEV Contributions to the Transportation Fund Pilot Program \* \* \*

Sec. 13. PEV PILOT PROGRAM DESIGN FOR PEV CONTRIBUTIONS  
TO THE TRANSPORTATION FUND; REPORT

(a) The Agency, in consultation with the Departments of Environmental Conservation and of Public Service and the State’s electric distribution utilities, shall design a pilot program to collect a per-kilowatt hour (kWh) fee from PEV operators at EVSE, without regard to whether the EVSE is available to the public, parallel to and independent of the current framework of the gasoline and diesel taxes established under 23 V.S.A. chapters 27 and 28.

(b) The Agency shall file a report with the House Committees on Energy and Technology, on Transportation, and on Ways and Means and Senate Committees on Natural Resources and Energy, on Finance, and on Transportation on or before November 15, 2021 detailing the elements of the pilot program including: a recommendation on the amount of the per-kWh fee and how the amount was determined; how the fee should be collected and transmitted to the Transportation Fund; how rate design or other means can be used to prevent PEV or EVSE operators from avoiding the fee; the role of the State’s electric distribution utilities in the pilot program; a schedule for pilot program implementation; the availability of federal funding to support the pilot program; proposed legislation necessary to support the pilot program; how



1 pilot program elements may differ between EVSE available to the public and  
2 EVSE not available to the public; how pilot program elements may differ  
3 between EVSE that is separately metered and EVSE that is not separately  
4 metered; the anticipated costs to electric distribution utilities to administer the  
5 pilot program and to PEV and EVSE operators to participate in the pilot  
6 program; and how to overcome any challenges to a per-kWh fee identified by  
7 the Public Utility Commission in the reports filed as required by 2018 Acts and  
8 Resolves No. 158, Sec. 25 and 2019 Acts and Resolves No. 59, Sec. 35.

9 (c) The Agency is authorized to retain one or more contractors to assist  
10 with preparing the report required under subsection (b) of this section.

11 \* \* \* PEV Electric Distribution Utility Rate Design \* \* \*

12 Sec. 14. PEV ELECTRIC DISTRIBUTION UTILITY RATE DESIGN

13 (a) This section serves to encourage efficient integration of PEVs into the  
14 electric system and the timely adoption of PEVs through managed loads or  
15 time-differentiated price signals.

16 (b) All State electric distribution utilities shall implement PEV rates or  
17 offer earlier rate schedules establishing PEV rates as determined by the Public  
18 Utility Commission (Commission) on or before June 30, 2024.

19 (c) PEV rates approved by the Commission shall provide a large enough  
20 discount to fully compensate PEV operators for the value of grid-related  
21 services and offer rates that encourage greater adoption of PEVs.

1        (d) PEV rates approved by the Commission shall adequately compensate  
2        the electric distribution utility for all forward-looking or avoidable costs of  
3        service that are directly attributable to the delivery of electricity through a PEV  
4        rate. PEV rates shall also include a reasonable contribution to historic or  
5        embedded costs required to meet the overall costs of service, as determined by  
6        the Commission.

7                    \* \* \* Class 2 Town Highway Roadway Program \* \* \*

8        Sec. 15. 19 V.S.A. § 306(h) is amended to read:

9            (h) Class 2 Town Highway Roadway Program. There shall be an annual  
10        appropriation for grants to municipalities for resurfacing, rehabilitation, or  
11        reconstruction of paved or unpaved class 2 town highways. However,  
12        municipalities that have no State highways or class 1 town highways within  
13        their borders may use the grants for such activities with respect to both class 2  
14        and class 3 town highways. Each fiscal year, the Agency shall approve  
15        qualifying projects with a total estimated State share cost of \$7,648,750.00 at a  
16        minimum as new grants. The Agency's proposed appropriation for the  
17        Program shall take into account the estimated amount of qualifying invoices  
18        submitted to the Agency with respect to project grants approved in prior years  
19        but not yet completed as well as with respect to new project grants to be  
20        approved in the fiscal year. In a given fiscal year, should expenditures in the  
21        Class 2 Town Highway Roadway Program exceed the amount appropriated,

1 the Agency shall advise the Governor of the need to request a supplemental  
2 appropriation from the General Assembly to fund the additional project cost,  
3 provided that the Agency has previously committed to completing those  
4 projects. Funds received as grants for State aid under the Class 2 Town  
5 Highway Roadway Program may be used by a municipality to satisfy a portion  
6 of the matching requirements for federal earmarks, subject to subsection  
7 309b(c) of this title.

8 \* \* \* Transportation Management Association Pilot Program \* \* \*

9 Sec. 16. TRANSPORTATION MANAGEMENT ASSOCIATION PILOT

10 PROGRAM; REPORT

11 (a) Definitions. As used in this section:

12 (1) “Designated downtown” means an area that has been designated  
13 pursuant to 24 V.S.A. § 2793.

14 (2) “Eligible employer” means an employer with 500 or more  
15 employees performing services for it in the State.

16 (3) “Employee” has the same meaning as in 21 V.S.A. § 302.

17 (4) “Employer” has the same meaning as in 21 V.S.A. § 302.

18 (5) “Local downtown organization” has the same meaning as in  
19 24 V.S.A. § 2791.

1           (6) “Pleasure car” has the same meaning as in 23 V.S.A. § 4(28), and a  
2           single occupancy pleasure car means a pleasure car that is only occupied by the  
3           operator.

4           (7) “Transportation demand management” or “TDM” means measures  
5           that reduce vehicle trips. Examples include telecommuting; incentives to  
6           carpool, walk, bicycle, or ride public transit; and staggered work shifts.

7           (8) “Transportation management association” or “TMA” means a  
8           nonprofit, member-controlled organization that provides transportation  
9           services in a particular area, such as a region, municipality, commercial  
10           district, mall, medical center, or industrial park, and an institutional framework  
11           for transportation demand management.

12           (b) Pilot program.

13           (1) The Agency of Transportation shall design and administer an 18-  
14           month pilot program starting no later than January 1, 2021 to encourage  
15           transportation demand management. Participation shall include the  
16           development of a unique transportation demand management plan for each  
17           participant that utilizes either a transportation management association or Go!  
18           Vermont. The pilot program shall be known as the TDM Pilot Program.

19           (2) The TDM Pilot Program shall provide subsidized financial support  
20           to utilize a transportation management association or Go! Vermont and

1 planning services for at least five eligible employers and up to five local  
2 downtown organizations.

3 (3) The Agency of Transportation shall select eligible employers and  
4 local downtown organizations to participate in the TDM Pilot Program in the  
5 order that the eligible employers and local downtown organizations apply and,  
6 as funding permits, additional eligible employers and local downtown  
7 organizations shall be offered access to the TDM Pilot Program.

8 (c) Reporting.

9 (1) Starting in 2022, the Agency of Transportation, in consultation with  
10 all transportation management associations in the State and Go! Vermont,  
11 shall, on or before February 15, submit to the House Committees on  
12 Commerce and Economic Development and on Transportation and the Senate  
13 Committees on Economic Development, Housing and General Affairs and on  
14 Transportation the following for the prior calendar year:

15 (A) for each transportation management association:

16 (i) the name of each employer member and total number of  
17 employees performing services for the employer in the State on December 31;

18 (ii) a list of services offered and an estimate of the effectiveness of  
19 each in reducing single-occupancy pleasure-car trips; and

20 (iii) the total number of employees who utilized each service;

1           (B) aggregate data on the commuting habits of employees employed  
2           by an employer that is a member of a transportation management association  
3           or utilizes Go! Vermont;

4           (C) an estimate of the expenses and savings to employers and  
5           employees generated by the employer being a member of a transportation  
6           management association or utilizing Go! Vermont; and

7           (D) an estimate of the statewide reduction in single-occupancy  
8           pleasure-car trips attributable to transportation management associations and  
9           Go! Vermont.

10           (2) Notwithstanding 2 V.S.A. § 20(d), the annual report required under  
11           this subsection shall continue to be required unless the General Assembly takes  
12           specific action to repeal the report requirement.

13                                   \* \* \* All-Terrain Vehicles \* \* \*

14           Sec. 17. 23 V.S.A. §§ 3501 and 3502 are amended to read:

15           § 3501. DEFINITIONS

16           As used in this chapter:

17           (1) ~~“Commissioner” means the Commissioner of Motor Vehicles unless~~  
18           ~~otherwise stated.~~

19           (2) ~~“Department” means Department of Motor Vehicles unless~~  
20           ~~otherwise stated.~~

1           ~~(3) “Operate” includes an attempt to operate and shall be construed to~~  
2           ~~cover all matters and things connected with the presence and use of all terrain~~  
3           ~~vehicles whether they be at motion or rest.~~

4           ~~(4) “Secretary” means the Secretary of Natural Resources.~~

5           (5) “All-terrain vehicle” or “ATV” means any nonhighway recreational  
6           vehicle, except snowmobiles, having ~~no~~ not less than two low pressure tires  
7           (10 pounds per square inch, or less), not wider than 64 inches with two-wheel  
8           ATVs having permanent, full-time power to both wheels, and having a dry  
9           weight of less than 1,700 pounds, when used for cross-country travel on trails  
10          or on any one of the following or a combination thereof: land, water, snow,  
11          ice, marsh, swampland, and natural terrain. An ATV on a public highway shall  
12          be considered a motor vehicle, as defined in section 4 of this title, only for the  
13          purposes of those offenses listed in subdivisions 2502(a)(1)(H), (N), (R), (U),  
14          (Y), (FF), (GG), (II), and (AAA); (2)(A) and (B); (3)(A), (B), (C), and (D);  
15          (4)(A) and (B) and (5) of this title and as provided in section 1201 of this title.  
16          An ATV shall not include an electric personal assistive mobility device.

17          (2) “Department” means the Department of Motor Vehicles unless  
18          otherwise stated.

19          (3) “Direct supervision” means that the supervisor shall be sufficiently  
20          close and able to control, by communicating visually or orally, the operation of

1 an ATV by an operator under 16 years of age, taking into account the noise  
2 created by an ATV and protective headgear worn by the operator.

3 (4) “Farm” means a parcel or parcels of land owned, leased, or managed  
4 by a person and devoted primarily to farming.

5 (5) “Secretary” means the Secretary of Natural Resources.

6 (6) “State lands” means land owned, leased, or otherwise controlled by  
7 the State.

8 ~~(6)(7) “Club or association” means an all terrain vehicle club or~~  
9 “VASA” means the Vermont ATV Sportsman’s Association, a statewide  
10 association of ATV clubs.

11 § 3502. REGISTRATION AND TRAIL ACCESS DECAL (TAD)

12 REQUIRED; EXCEPTIONS

13 ~~(a)(1) An all terrain vehicle may not be operated~~ Except as otherwise  
14 provided in this section, an individual shall not operate an ATV on the VASA  
15 Trail System, on State land designated by the Secretary pursuant to subdivision  
16 3506(b)(4) of this title, or along any highway that is not adjacent to the  
17 property of the operator unless the ATV:

18 (A) is registered pursuant to this chapter or any other section of this  
19 title by the State of Vermont and unless the all terrain vehicle or in accordance  
20 with subsection (e) of this subsection; and



1            ~~(B)~~ displays a valid Vermont ATV Sportsman's Association (VASA)  
2            VASA Trail Access Decal (TAD) when operating on a VASA trail, except  
3            when operated;

4            ~~(1)(2)~~ Notwithstanding subdivision (1) of this subsection, neither  
5            registration nor display of a TAD is required to operate an ATV:

6            ~~(A)~~ On the property of the owner of the ~~all-terrain vehicle~~ ATV;

7            ~~(B)(2)~~ Off the highway, In in a ski area ~~while being used, off the~~  
8            highway, for the purpose of grooming snow, maintenance, or in rescue  
9            operations;

10            ~~(3)(C)~~ For for official use by a federal, State, or municipal agency ~~and~~  
11            only if the ~~all-terrain vehicle~~ ATV is identified with the name or seal of the  
12            agency in a manner approved by the Commissioner; or

13            ~~(D)(4)~~ Solely on privately owned land when the operator is  
14            specifically invited to do so by the owner of ~~that~~ the property and ~~has on his or~~  
15            ~~her person~~ carries the written consent of the owner.

16            ~~(3)(5)~~ By a person who Notwithstanding subdivision (1) of this  
17            subsection, an operator may operate an ATV without a TAD displayed if the  
18            operator possesses a completed TAD form processed electronically ~~and~~ within  
19            the prior 10 days that is either printed out or displayed on a portable electronic  
20            device. ~~The printed or electronic TAD form shall be valid for 10 days after the~~  
21            ~~electronic transaction.~~ Use of a portable electronic device to display a

1 completed TAD form does not in itself constitute consent for an enforcement  
2 officer to access other contents of the device.

3 \* \* \*

4 (c) The possession of a valid TAD or registration of an ~~all-terrain vehicle~~  
5 ATV does not constitute a license to ~~cross or~~ operate an ~~all-terrain vehicle~~  
6 ATV on public or private lands, even if temporarily while crossing the public  
7 or private lands.

8 (d) An ~~all-terrain vehicle which~~ ATV that does not comply with the  
9 provisions of this chapter ~~may~~ shall not be registered by the Commissioner.

10 (e) An ~~all-terrain vehicle~~ ATV owned by a person who is a resident of any  
11 other state or province shall be deemed to be properly registered for the  
12 purposes of this chapter if it is registered in accordance with the laws of the  
13 state or province in which its owner resides. An operator who is a resident of  
14 any other state or province shall be subject to the provisions of this chapter  
15 while operating an ATV within this State, including possessing a valid TAD in  
16 the same circumstances that a resident of this State is required to possess a  
17 valid TAD.

18 Sec. 18. 23 V.S.A. § 3506 is amended to read:

19 § 3506. OPERATION; PROHIBITED ACTS; FINANCIAL

20 RESPONSIBILITY; HEADGEAR

1 (a) A person shall only operate an ATV, or permit an ~~all-terrain vehicle~~  
2 ATV owned by him or her or under his or her control to be operated, in  
3 accordance with this chapter.

4 (b) An ~~all-terrain vehicle~~ ATV shall not be operated:

5 (1) Along a public highway except if one or more of the following  
6 applies:

7 (A) ~~the highway is not being maintained during the snow season;~~

8 ~~(B)~~ the highway has been opened to ~~all-terrain vehicle~~ ATV travel by  
9 ~~the selectboard or trustees or local governing body~~ legislative body of the  
10 municipality where the town highway is located or, for State highways, the  
11 Secretary of Transportation and is so posted ~~by the municipality;~~

12 ~~(C)~~(B) the ~~all-terrain vehicle~~ ATV is being used for agricultural  
13 purposes and is operated not closer than three feet from the traveled portion of  
14 any highway for the purpose of traveling within the confines of the farm; or

15 ~~(D)~~(C) the ~~all-terrain vehicle~~ ATV is being used by an employee or  
16 agent of an electric transmission or distribution company subject to the  
17 jurisdiction of the Public Utility Commission under 30 V.S.A. § 203 for utility  
18 purposes, including safely accessing utility corridors, provided that the ~~all-~~  
19 ~~terrain vehicle~~ ATV shall be operated along the edge of the roadway and shall  
20 yield to other vehicles.

1           (2) Across a public highway ~~unless~~ except if all of the following  
2 conditions are met:

3           (A) the crossing is made at an angle of approximately 90 degrees to  
4 the direction of the highway and at a place where no obstruction prevents a  
5 quick and safe crossing; ~~and~~

6           (B) the operator brings the ~~all-terrain vehicle~~ ATV to a complete stop  
7 before entering the ~~travelled~~ traveled portion of the highway; ~~and~~

8           (C) the operator yields the ~~right-of-way~~ right of way to motor  
9 vehicles and pedestrians using the highway; ~~and~~

10          (D) the operator is 12 years of age or older; ~~and that~~

11          (E) in the case of an operator under 16 years of age, ~~must be~~ under  
12 the direct supervision of ~~a person~~ an individual 18 years of age or older who  
13 does not have a suspended operator's license or privilege to operate.

14          (3) On any privately owned land or privately owned body of ~~private~~  
15 water unless either:

16          (A) the operator is the owner, or member of the immediate family of  
17 the owner of the land; ~~or~~

18          (B) the operator ~~has, on his or her person,~~ carries the written consent  
19 of the owner or lessee of the land or the land surrounding the privately owned  
20 body of water to operate an ~~all-terrain vehicle~~ ATV in the specific area and

1 during specific hours ~~and/or~~ or days, or both in which the operator is operating;  
2 ~~or;~~

3 (C) the all-terrain vehicle ATV displays a valid ~~TAD decal~~ VASA  
4 Trail Access Decal (TAD) as required by subsection 3502(a) of this title that  
5 serves as proof that the ~~all-terrain vehicle~~ ATV and its operator, by virtue of  
6 the TAD, are members of a ~~VASA-affiliated club to which such~~ VASA and  
7 consent has been given orally or in writing to operate an ~~all-terrain vehicle~~  
8 ATV in the area ~~in which~~ where the operator is operating; or

9 (D) the owner of the land ~~has~~ or the land surrounding the privately  
10 owned body of water designated the area for use by ~~all-terrain vehicles~~ ATVs  
11 by posting the area in a manner approved by the Secretary to give reasonable  
12 notice that use is permitted.

13 (4) On any ~~public land~~ municipal lands unless opened to ATV travel by  
14 the legislative body of the municipality where the land is located, or on any  
15 State lands, body of public water, or natural area established under the  
16 provisions of 10 V.S.A. § 2607 unless ~~the Secretary has designated the area by~~  
17 the Secretary for use by ~~all-terrain vehicles pursuant to~~ ATVs in rules  
18 promulgated adopted under ~~provisions of~~ 3 V.S.A. chapter 25.

19 (5) By a ~~person~~ an individual under 12 years of age unless he or she is  
20 wearing on his or her head protective headgear of a type approved by the

1 Commissioner while operating the ATV or riding as a passenger on the ATV

2 and either:

3 (A) he or she is on land owned by his or her parents, family, or  
4 guardian;

5 (B) he or she has written permission of the landowner or lessee; or

6 (C) he or she is under the direct supervision of ~~a person at least an~~  
7 individual 18 years of age or older who does not have a suspended operator's  
8 license or privilege to operate.

9 (6) In any manner ~~intended or~~ that could reasonably ~~to~~ be expected to  
10 harm, harass, drive, or pursue any wildlife.

11 (7) If the registration certificate or consent form is and proof of  
12 insurance are not available for inspection, and the registration number, or plate  
13 of a size and type approved by the Commissioner, is not displayed on the ~~all-~~  
14 ~~terrain vehicle~~ ATV in a manner approved by the Commissioner.

15 (8) While the operator is under the influence of drugs or alcohol as  
16 defined by this title.

17 (9) In a careless or negligent manner ~~or in a manner~~ that is inconsistent  
18 with the duty of ordinary care, so as to endanger ~~a person~~ an individual or  
19 property.

20 (10) Within a cemetery, public or private, as defined in 18 V.S.A.  
21 § 5302.

1           (11) On limited access highways, ~~rights-of-way~~ rights-of-way, or  
2 approaches unless permitted by the Traffic Committee under section 1004 of  
3 this title. In no cases shall the use of ~~all-terrain vehicles~~ ATVs be permitted on  
4 any portion of the Dwight D. Eisenhower National System of Interstate and  
5 Defense Highways unless the Traffic Committee permits operation on these  
6 highways.

7           (12) On a sidewalk unless permitted by the ~~selectboard or trustees of the~~  
8 local governing legislative body of the municipality where the sidewalk is  
9 located.

10           (13) Without liability insurance as described in this subdivision. The  
11 owner or operator of an ATV shall not operate or permit the operation of an  
12 ATV at locations where the ATV must be registered in order to be lawfully  
13 operated under section 3502 of this title without having in effect a bond or a  
14 liability policy in the amounts of at least \$25,000.00 for one individual and  
15 \$50,000.00 for two or more individuals killed or injured and \$10,000.00 for  
16 damages to property in any one accident. In lieu of a bond or liability policy,  
17 evidence of self-insurance in the amount of \$115,000.00 must be filed with the  
18 Commissioner. Financial responsibility shall be maintained and evidenced in a  
19 form prescribed by the Commissioner, and persons who self-insure shall be  
20 subject to the provisions of subsection 801(c) of this title.

1           (14) While the operator’s license or privilege to operate a motor vehicle  
2           is suspended, unless operated at a location described in subdivision  
3           3502(a)(2)(A) or (D) of this title.

4           (15) Outside the boundaries of trails established by the VASA Trail  
5           System unless such operation is specifically authorized pursuant to another  
6           provision of this chapter.

7           (16) Unless the operator and all passengers wear properly secured  
8           protective headgear, of a type approved by the Commissioner and as intended  
9           by the manufacturer, if the ATV is operated at locations where the ATV must  
10          be registered in order to be lawfully operated under section 3502 of this title.

11          (c) No public or private landowner shall be liable for any property damage  
12          or personal injury sustained by any ~~person~~ individual operating or riding as a  
13          passenger on an ~~all-terrain vehicle~~ ATV or upon a vehicle or other device  
14          drawn by an ~~all-terrain vehicle~~ ATV upon the public or private landowner’s  
15          property, whether or not the public or private landowner has given permission  
16          to use the land, unless the public or private landowner charges a cash fee to the  
17          operator or owner of the ~~all-terrain vehicle~~ ATV for the use of the property or  
18          unless damage or injury is intentionally inflicted by the landowner.

19          (d) In addition to all other requirements, an ~~all-terrain vehicle~~ ATV may  
20          not be operated:



1 (1) if equipped with an exhaust system with a cut out, bypass, or similar  
2 device; or

3 (2) with the spark arrester removed or modified, except for use in closed  
4 course competition events.

5 (e) In addition to all other requirements, an ~~all-terrain vehicle~~ ATV may  
6 not be operated by an operator who is less than 18 years of age unless one of  
7 the following criteria is met:

8 (1) the operator is operating on property owned or leased by the operator  
9 or his or her parents or guardian; or

10 (2) the operator is taking a prescribed safety education training course  
11 and operating under the direct supervision of a certified ~~all-terrain vehicle~~  
12 ATV safety instructor; or

13 (3) the operator holds an appropriate safety education certificate issued  
14 by this State or issued under the authority of another state or province of  
15 Canada.

16 (f) ~~A person~~ An individual who is required to hold an appropriate safety  
17 education certificate under the provisions of subsection (e) of this section shall  
18 exhibit the safety education certificate upon demand of a law enforcement  
19 officer having authority to enforce the provisions of this section.

20 (g) ~~Notwithstanding any other provision of law or rule to the contrary, the~~  
21 ~~Commissioner may authorize the temporary operation of all-terrain vehicles~~

1 ~~not registered in this State on Route 253 in Beecher Falls for an annual special~~  
2 ~~event, provided the all-terrain vehicle is registered in another state or province.~~

3 [Repealed.]

4 \* \* \* Effective Date \* \* \*

5 Sec. 19. EFFECTIVE DATE

6 This act shall take effect on July 1, 2020.