

1 **[Proposed language from Reps. McCormack, Corcoran, and Burke]**

2 **Sec. 34. VEHICLE INCENTIVE AND EMISSIONS REPAIR PROGRAMS**

3 **(a) Vehicle incentive and emissions repair programs administration.**

4 **(1) The Agency of Transportation (Agency), in consultation with the**
5 **Agency of Natural Resources, the Agency of Human Services, the Department**
6 **of Public Service, Vermont electric distribution utilities that are offering**
7 **incentives for PEVs, and the State's network of community action agencies,**
8 **shall establish and administer the programs described in subsections (b) and (c)**
9 **of this section.**

10 **(2) The Agency is authorized to spend \$2,000,000.00 as appropriated in**
11 **the fiscal year 2020 budget on the two programs described in subsections (b)**
12 **and (c) of this section and the report described in subsection (d) of this section.**

13 **(3) Subject to State procurement requirements, the Agency may retain a**
14 **contractor or contractors to assist with marketing, program development, and**
15 **administration of the two programs and up to \$150,000.00 of program funding**
16 **may be set aside for this purpose. The Agency shall provide the Department of**
17 **Labor with \$10,000.00 to cover its costs associated with the report required**
18 **pursuant to subsection (d) of this section.**

19 **(4) The Agency shall annually evaluate the two programs to gauge**
20 **effectiveness and submit a written report on the effectiveness of the programs**
21 **to the House and Senate Committees on Transportation, the House Committee**

1 on Energy and Technology, and the Senate Committee on Finance on or before
2 the 31st day of December in each year that an incentive or repair voucher is
3 provided through one of the programs.

4 (b) Electric vehicle incentive program. A new PEV purchase and lease
5 incentive program for Vermont residents shall structure PEV purchase and
6 lease incentive payments by income to help all Vermonters benefit from
7 electric driving, including Vermont's most vulnerable. Specifically, the
8 program shall:

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

12 (2) provide incentives to Vermont households with low and moderate
13 income at or below 180 percent of the State's prior five-year average Median
14 Household Income (MHI) level;

15 (3) apply to manufactured PEVs with a Base Manufacturer's Suggested
16 Retail Price (MSRP) of \$40,000.00 or less; and

17 (4) provide no less than \$1,200,000.00, of the initial \$2,000,000.00
18 authorization, in PEV purchase and lease incentives.

19 (c) High fuel efficiency vehicle incentive and emissions repair program. A
20 used high fuel efficiency vehicle purchase incentive and emissions repair
21 program for Vermont residents shall structure high fuel efficiency purchase

1 incentive payments and emissions repair vouchers by income to help all
2 Vermonters benefit from more efficient driving, including Vermont's most
3 vulnerable. Specifically, the program shall:

4 (1) apply to purchases of used high fuel efficient motor vehicles, which
5 for purposes of this program shall be pleasure cars with a combined
6 city/highway fuel efficiency of at least 40 miles per gallon or miles per gallon
7 equivalent as rated by the Environmental Protection Agency when the vehicle
8 was new, and repairs of certain vehicles that failed the on board diagnostic
9 (OBD) systems inspection;

10 (2) provide vouchers through the State's network of community action
11 agencies and base eligibility for the point-of-sale voucher on the same criteria
12 used for income qualification for weatherization services through the
13 Weatherization Program and eligibility for the point-of-repair vouchers on the
14 same criteria used for income qualification for Low Income Home Energy
15 Assistance Program (LIHEAP) through the State's Economic Services
16 Division within the Department for Children and Families; and

17 (3) provide one of the following to qualifying individuals:

18 (A) a point-of-sale voucher of up to \$5,000.00 to assist in the
19 purchase of a used high fuel efficient motor vehicle that may require that a
20 condition of the voucher be that if the individual is the owner of either a motor
21 vehicle that failed the OBD systems inspection or a motor vehicle that is more

1 than 15 years old and has a combined city/highway fuel efficiency of less than
2 25 miles per gallon as rated by the Environmental Protection Agency when the
3 vehicle was new that the vehicle will be removed from operation and either
4 donated to a non-profit organization to be used for parts or destroyed; or

5 (B) a point-of-repair voucher to repair a motor vehicle that was ready
6 for testing, failed the OBD systems inspection, requires repairs that are not
7 under warranty, and will be able to pass the State’s vehicle inspection once the
8 repairs are made provided that the point-of-repair voucher is commensurate
9 with the fair market value of the vehicle to be repaired and does not exceed
10 \$2,500.00, with \$2,500.00 vouchers only being available to repair vehicles
11 with a fair market value of at least \$5,000.00.

12 (d) Emissions repair training report. The Department of Labor, in
13 consultation with the Office of Economic Opportunity in the Department for
14 Children and Families, the Agency, Vermont State Colleges, SerVermont,
15 ReSOURCE, and the Vermont Adult Career & Technical Education
16 Association, shall design a program to provide vehicle repair services for
17 income eligible Vermonters whose primary vehicle was ready for testing,
18 failed the OBD systems inspection, requires repairs that are not under
19 warranty, and will be able to pass the State’s vehicle inspection once the
20 repairs are made and report back to the House and Senate Committees on
21 Transportation, the House Committee on Commerce and Economic

1 Development, and the Senate Committee on Economic Development, Housing
2 and General Affairs with recommendations on implementation and funding by
3 February 1, 2020. Specifically, the Department of Labor shall address:

4 (1) criteria for vehicles eligible for subsidized repair;

5 (2) income-based guidelines for Vermonters who would be eligible for
6 participation in the program;

7 (3) which training providers in the State are suitable for performing the
8 repairs;

9 (4) how to expand the occupational trainings available to Vermonters
10 who would perform the repairs so as to promote pathways between career and
11 technical education centers and Vermont State College programs;

12 (5) insurance and liability;

13 (6) the potential to develop apprenticeship programs;

14 (7) how to leverage talent and resources available through SerVermont
15 and ReSOURCE;

16 (8) a permanent funding source for the repairs program; and

17 (9) any other challenges or resources needed to meet the aims of the
18 initiative.