

TO THE HONORABLE SENATE

The Committee on Transportation to which was referred House Bill No. H. 529, entitled “An act relating to the Transportation Program and miscellaneous changes to laws related to transportation”

respectfully reports that it has considered the same and recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

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

Sec. 1. TRANSPORTATION PROGRAM ADOPTED AS AMENDED;
DEFINITIONS

(a) The Agency of Transportation’s proposed fiscal year 2020 Transportation Program appended to the Agency of Transportation’s Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019), as amended by this act, is adopted to the extent federal, State, and local funds are available.

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

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

(2) “Electric vehicle supply equipment” has the same meaning as in 30 V.S.A. § 201 as amended by Sec. 30 of this act.

(3) “Plug-in electric vehicle” has the same meaning as in 23 V.S.A. § 4(85) as added by Sec. 29 of this act and is abbreviated “PEV.”

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

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

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

(c) In the Agency of Transportation’s Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) for Public Transit, the abbreviation “FAA” is struck and “FTA” is inserted in lieu thereof.

* * * Summary of Transportation Investments * * *

Sec. 2. FISCAL YEAR 2020 TRANSPORTATION INVESTMENTS
INTENDED TO REDUCE TRANSPORTATION-RELATED

GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL
USE, AND SAVE VERMONT HOUSEHOLDS MONEY

This act includes the State's fiscal year 2020 transportation investments intended to reduce transportation-related greenhouse gas emissions, reduce fossil fuel use, and save Vermont households money in furtherance of the policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive Energy Plan, and to satisfy the Executive and Legislative Branches' commitments to the Paris Agreement climate goals. In fiscal year 2020, these efforts will include the following:

(1) Park and Ride Program. This act provides for a fiscal year expenditure of \$2,651,588.00, which will fund four park and ride construction projects—creating 277 new spaces across the State—and the design of five additional facilities—totaling 277 additional spaces—scheduled for construction in fiscal year 2021. Once completed, these 554 new park and ride spaces will increase the number of State-owned parking spaces by 34 percent. Specific additions and improvements include:

- (A) Williston - Construction of 142 spaces;
- (B) Saint Johnsbury - Construction of 44 spaces;
- (C) Royalton - Construction of 91 spaces;
- (D) Cambridge - Improvements to existing spaces;
- (E) Thetford - Design for 40 spaces;
- (F) Berlin (Exit 6) - Design for 62 spaces;
- (G) Berlin (Exit 7) - Design for 75 spaces;
- (H) Manchester - Design for 50 spaces; and
- (I) Williamstown - Design for 50 spaces.

(2) Bike and Pedestrian Facilities Program. This act provides for a fiscal year expenditure of \$14,737,044.00, which will fund 34 bike and pedestrian construction projects, and 20 bike and pedestrian design or right-of-way projects, or both, for construction in fiscal year 2021. The construction projects include the creation, improvement, or rehabilitation of walkways, sidewalks, shared use paths, bike paths, and cycling lanes. Projects are funded in Albany, Arlington, Bennington, Burlington, Castleton, Chester, Colchester, Dover, East Montpelier, Enosburg Falls, Essex, Fair Haven, Fairfield, Franklin, Hardwick, Hartford, Hinesburg, Jericho, Lake Champlain causeway, Manchester, Middlebury, Milton, Montpelier-Berlin, Moretown, Norwich, Pittsford, Plainfield, Pownal, Richford, Royalton, Rutland City, South Burlington, Springfield, Stowe, Sheldon, Swanton, Thetford, Underhill, Waitsfield, Waterbury, West Rutland, Williston, and Winooski.

(3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of \$4,085,772.00, which will fund 21 transportation alternatives construction projects and 14 design or right-of-way projects, or both. Of these 35 projects, 12 involve environmental mitigation related to clean water or stormwater concerns, or both, and the remaining 23 involve bicycle and pedestrian facilities. Projects are funded in Bennington, Brandon, Burlington, Castleton, Chester, Colchester, East Montpelier, Enosburg, Essex, Essex Junction, Hartford, Hyde Park, Jericho, Montpelier, Newfane, Pomfret, Putney, Rutland City, Shelburne, South Burlington, Springfield, St. Albans, St. Johnsbury, Thetford, Williston, Wilmington, and Winooski.

(4) Public Transit Program. This act authorizes \$36,824,399.00 in funding for public transit uses throughout the State, which is a 17.2 percent increase over fiscal year 2019 levels. This authorization includes \$1,884,000.00 for two large all-electric transit buses for the Burlington area, \$480,000.00 for two all-electric small shuttle buses for the Montpelier area, and \$3,000,000.00 from the Federal Transit Authority that flows through the State directly to the Green Mountain Transportation Authority. Also included in the authorization are:

(A) Go! Vermont at \$858,434.00, which supports the promotion and use of carpools and vanpools.

(B) Barre Transit Expansion at \$275,000.00, which increases service available through Barre Transit.

(C) Capital Commuters at \$100,000.00, which provides discounted bus passes to those commuting to work in Montpelier.

(D) Vermont Kidney Association Grant at \$50,000.00, which supports the transit needs of Vermonters in need of dialysis services.

(5) Rail Program. This act authorizes \$35,983,865.00 for passenger and freight rail uses throughout the State, which is an 11 percent increase over fiscal year 2019 levels. This authorization includes \$5,200,000.00 for infrastructure upgrades to bring passenger rail service to Burlington from Rutland and \$8,300,000.00 to support Amtrak service. Since one freight rail car holds the equivalent of four tractor trailer trucks, increased usage of freight rail lines will reduce carbon emissions and minimize wear and tear on the State's highway network.

(6) Multi-Modal Facilities Program. This act authorizes \$1,250,000.00 to complete the \$7,750,000.00 multi-modal transit center, bike path, and pedestrian facility in Montpelier.

(7) Transformation of the State Vehicle Fleet. The State Vehicle Fleet, which is under the management of the Department of Buildings and General Services, contains 734 vehicles. Presently, 54 of those vehicles are hybrid or

plug-in electric vehicles. Secs. 40, 41, and 42 of this act will requires that not less than 50 percent of vehicles purchased or leased by the Department of Buildings and General Services on or after July 1, 2019 be hybrid or plug-in electric vehicles, and not less than 75 percent beginning July 1, 2021.

(8) Vehicle incentive and emissions repair programs. Sec. 34 of this act authorizes \$1,500,000.00 to support two programs.

(A) Plug-in electric vehicle incentive program. This program will offer financial incentives to income-eligible Vermont households purchasing or leasing new plug-in electric vehicles. As more fully described in Sec. 34 of this act, the Agency of Transportation will administer this program, which will be offered on a first-come first-served basis until the funds are exhausted.

(B) High fuel efficiency vehicle incentive and emissions repair program. This program will offer financial incentives to income-eligible Vermont households to replace older, fuel inefficient vehicles with used high fuel efficiency vehicles, including hybrid vehicles, and emissions repair vouchers for certain vehicles that failed the on board diagnostic (OBD) systems inspection but could, with less than \$2,500.00 in emissions repair work, pass the OBD systems inspection. As more fully described in Sec. 34 of this act, the Agency of Transportation will administer this program, which will target incentives to households that are served by the State's network of community action agencies. These households, for whom the purchase of new plug-in electric vehicles is financially out of reach, will benefit financially by switching to far more efficient vehicles as envisioned by this program or having emissions repair work done to their existing vehicle.

(9) Report on methods to increase public transit ridership. This act, through the spending authorization for the Policy and Planning Program, includes funding for and direction to the Agency of Transportation to conduct a comprehensive study of strategies to increase public transit ridership, with an emphasis on rural areas.

(10) Report on time-of-acquisition feebates. This act, through the spending authorization for the Policy and Planning Program, includes funding for and directs the Agency of Transportation to conduct a study on time-of-acquisition feebates and make a recommendation on whether Vermont should establish a time-of-acquisition feebate program on the purchase and lease, if applicable, of new vehicles. Such a program would establish one or more levels of fuel efficiency based on miles per gallon or miles per gallon equivalent and provide an immediate cash incentive for vehicles that exceed that level, or levels, or assess a financial fee on vehicles that perform less than the established level, or levels.

(11) Report on weight-based annual registration fees. This act, through the spending authorization for the Policy and Planning Program, includes

funding for and directs the Agency of Transportation to conduct a study on whether Vermont should establish an annual vehicle registration fee schedule based upon the weight of the vehicle. As gas sales decline, revenues to support transportation infrastructure will continue to decline if not replaced with another source reflecting impact on roads, the environment, and State policies.

(12) Plug-in electric vehicle charging regulatory report. This act lays the groundwork for a regulatory structure in support of transportation electrification. The policies in this act, combined with impending action at the Public Utility Commission, will provide predictability for plug-in electric vehicle owners and the sustainability of Vermont's transportation infrastructure.

(13) Electrification of the State's motor vehicle fleet. This act, in concert with the Big Bill, appropriates \$512,000.00 to electrify the State's motor vehicle pool. The expenditures support the purchase of 12 fully electric vehicles and electric vehicle supply equipment at the following State facilities:

- (A) 134 State St., Montpelier;
- (B) Rutland;
- (C) Springfield; and
- (D) Barre.

(14) Transportation and Climate Initiative (TCI). This act, through the spending authorization for the Policy and Planning Program, supports staff work in collaboration with the Agency of Natural Resources to negotiate the Transportation and Climate Initiative agreement with other participating jurisdictions. TCI jurisdictions are negotiating a regional low-carbon transportation policy proposal that would cap and reduce carbon emissions from the combustion of transportation fuels through a cap-and-invest program or other pricing mechanism and allow each TCI jurisdiction to invest proceeds from the program into low-carbon and more resilient transportation infrastructure.

* * * Amendments to Transportation Program – Program Development * * *

Sec. 3. FISCAL YEAR SPENDING AUTHORITY; PROGRAM DEVELOPMENT

If the Agency's fiscal year 2019 maintenance of effort requirement is attained and toll credits are approved by the Federal Highway Administration in fiscal year 2020, then spending authority in Program Development in the Agency of Transportation's Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) is amended as follows:

(1) transportation funds is reduced by the amount of toll credits approved, but not to exceed \$845,416.64; and

(2) federal funds is increased by the amount of toll credits approved, but not to exceed \$845,416.64.

Sec. 4. PROGRAM DEVELOPMENT; ROADWAY

(a) Within the Agency of Transportation's Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) for Program Development—Roadway authorized spending for Burlington MEGC M 5001 (1) is amended as follows:

<u>FY20</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	500,000	500,000	0
Construction	10,500,000	5,500,000	-5,000,000
Total	11,000,000	6,000,000	-5,000,000
<u>Sources of funds</u>			
TIB	330,000	180,000	-150,000
Federal	10,450,000	5,700,000	-4,750,000
Local	220,000	120,000	-100,000
Total	11,000,000	6,000,000	-5,000,000

(b) Within the Agency of Transportation's Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) for Program Development—Roadway authorized spending for Waterbury FEGC F 013-4(13) is amended as follows:

<u>FY20</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Construction	10,000,000	10,000,000	0
Total	10,000,000	10,000,000	0
<u>Sources of funds</u>			
TIB	0	150,000	150,000
State	300,000	150,000	-150,000
Federal	9,500,000	9,500,000	0
Local	200,000	200,000	0
Total	10,000,000	10,000,000	0

Sec. 5. PROGRAM DEVELOPMENT; TRAFFIC & SAFETY

Within the Agency of Transportation's Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) for Program Development—Traffic & Safety authorized spending for Shelburne – South Burlington – NHG SGNL(51) is amended as follows:

<u>FY20</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	10,000	75,000	65,000
Construction	0	50,000	50,000
Total	10,000	125,000	115,000
<u>Sources of funds</u>			
Federal	10,000	125,000	115,000
Total	10,000	125,000	115,000

* * * Amendment to Transportation Program –
Municipal Mitigation Assistance Program * * *

Sec. 6. SPENDING AUTHORITY IN THE MUNICIPAL MITIGATION ASSISTANCE PROGRAM

(a) Spending authority for grants in the Municipal Mitigation Assistance Program in the Agency of Transportation’s Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) is increased by \$135,000.00 in transportation funds.

(b) If the Agency’s fiscal year 2019 maintenance of effort requirement is attained and toll credits are approved by the Federal Highway Administration in fiscal year 2020, then spending authority for grants in the Municipal Mitigation Assistance Program in the Agency of Transportation’s Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) is further increased by the amount of toll credits approved, but not to exceed \$845,416.64.

* * * Amendment to Transportation Program –

Public Transit (Opioid Treatment Pilot) * * *

Sec. 7. OPIOID TREATMENT PILOT

Within the Agency of Transportation’s Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) for Public Transit authorized spending for Opioid Treatment Pilot is amended as follows:

<u>FY20</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	200,000	0	-200,000
Total	200,000	0	-200,000
<u>Sources of funds</u>			
State	200,000	0	-200,000
Total	200,000	0	-200,000

* * * Amendment to Transportation Program – Aviation * * *

Sec. 8. CLARENDON SRE BUILDING

Within the Agency of Transportation's Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) for Aviation authorized spending for Clarendon SRE Building is amended as follows:

<u>FY20</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	105,000	105,000	0
Construction	553,472	453,472	-100,000
Total	658,472	558,472	-100,000
<u>Sources of funds</u>			
State	658,472	558,472	-100,000
Total	658,472	558,472	-100,000

* * * Voluntary Cancellation of Municipal Projects * * *

Sec. 9. 19 V.S.A. § 10g(h) is amended to read:

(h) Should capital projects in the Transportation Program be delayed because of unanticipated problems with permitting, right-of-way acquisition, construction, local concern, or availability of federal or State funds, the Secretary is authorized to advance projects in the approved Transportation Program. The Secretary is further authorized to undertake projects to resolve emergency or safety issues. Upon authorizing a project to resolve an emergency or safety issue, the Secretary shall give prompt notice of the decision and action taken to the Joint Fiscal Office and to the House and Senate Committees on Transportation when the General Assembly is in session, and when the General Assembly is not in session, to the Joint Transportation Oversight Committee, the Joint Fiscal Office, and the Joint Fiscal Committee. Should an approved project in the current Transportation Program require additional funding to maintain the approved schedule, the Agency is authorized to allocate the necessary resources. However, the Secretary shall not delay or suspend work on approved projects to reallocate funding for other projects except when other funding options are not available. In such case, the Secretary shall notify ~~the members of the Joint Transportation Oversight Committee, and the Joint Fiscal Office, and the Joint Fiscal Committee~~ when the General Assembly is not in session and the House and Senate Committees on Transportation and the Joint Fiscal Office when the General Assembly is in session. With respect to projects in the approved Transportation Program, the Secretary shall notify, in the district affected, the regional planning commission, the municipality, Legislators, ~~members of the Senate and House Committees on Transportation, and the Joint Fiscal Office of any change which~~ that likely will affect the fiscal year in which the project is planned to go to construction. No project shall be canceled without the

approval of the General Assembly, except that the Agency may cancel a municipal project when requested by the municipality or when the Agency and the municipality concur that the project no longer is necessary.

* * * Project Additions * * *

Sec. 10. ADDITION OF COLCHESTER – BAYSIDE INTERSECTION PROJECT

The following project is added to the candidate list of Program Development—Traffic & Safety Program within the Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019): Colchester – Bayside Intersection Roundabout and Stormwater Improvements.

Sec. 11. ADDITION OF SHELBURNE – SOUTH BURLINGTON PROJECT AND SPENDING AUTHORITY

(a) The following project is added to the candidate list of the Program Development—Traffic & Safety Program within the fiscal year 2020 Transportation Program (Revised February 21, 2019): Shelburne – South Burlington – Automated Traffic Signal Performance Measures.

(b) Spending authority for the Shelburne – South Burlington – Automated Traffic Signal Performance Measures project is authorized as follows:

<u>FY20</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	0	15,000	15,000
Construction	0	50,000	50,000
Total	0	65,000	65,000
<u>Sources of funds</u>			
State	0	13,000	13,000
Federal	0	52,000	52,000
Total	0	65,000	65,000

* * * BUILD Grant Acceptance * * *

Sec. 12. BETTER UTILIZING INVESTMENTS TO LEVERAGE DEVELOPMENT (BUILD) GRANT (RAIL)

Notwithstanding 32 V.S.A. § 5 (acceptance of grants) and 19 V.S.A. § 7(k) (Secretary; powers and duties), the Agency of Transportation is authorized to accept the Better Utilizing Investments to Leverage Development (BUILD) grant awarded in federal fiscal year 2019 for the Vermont Regional Freight Rail Corridor Upgrade Project in the amount of \$20,000,000.00.

* * * CRISI Grant Acceptance and Project Addition * * *

Sec. 13. CONSOLIDATED RAIL INFRASTRUCTURE AND SAFETY

IMPROVEMENTS (CRISI) GRANT (RAIL)

(a) Notwithstanding 32 V.S.A. § 5 (acceptance of grants) and 19 V.S.A. § 7(k) (Secretary; powers and duties), the Agency of Transportation is authorized to accept the Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant in the amount of \$2,082,519.00 for the following project, which is added to the fiscal year 2020 Transportation Program: Windsor – St. Albans CRISI (17) Vermonter Amtrak Safety Project.

(b) Spending authority for the Windsor – St. Albans CRISI (17) Vermonter Amtrak Safety Project is authorized as follows:

<u>FY20</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	0	2,082,519	2,082,519
Total	0	2,082,519	2,082,519
<u>Sources of funds</u>			
Federal	0	2,082,519	2,082,519
Total	0	2,082,519	2,082,519

* * * Central Garage * * *

Sec. 14. TRANSFER TO CENTRAL GARAGE FUND

Notwithstanding 19 V.S.A. § 13(c)(1), in fiscal year 2020, the amount of \$355,358.00 is transferred from the Transportation Fund to the Central Garage Fund created in 19 V.S.A. § 13.

Sec. 15. CENTRAL GARAGE EQUIPMENT

Authorized spending in fiscal year 2020 for operating expenses in the Central Garage is reduced by \$39,904.00 in internal service funds.

Sec. 16. 19 V.S.A. § 13(c)(1) is amended to read:

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

(A) in fiscal year ~~2019~~ 2021, ~~\$1,318,442.00~~ \$1,355,358.00; and

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

* * * State Aid for Town Highways * * *

Sec. 17. 19 V.S.A. § 306(a) is amended to read:

§ 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

(a) General State aid to town highways.

(1) An annual appropriation to class 1, 2, and 3 town highways shall be made. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage as the following, whichever is less:

(A) the year-over-year increase in the two most recently closed fiscal years in the Agency's total appropriations ~~in the previous fiscal year~~ funded by Transportation Fund revenues, excluding ~~the appropriation~~ appropriations for town highways under this subsection (a) ~~for that year~~; or

(B) the percentage increase in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) during the ~~previous State fiscal year~~ same period in subdivision (1)(A) of this subsection.

(2) If the year-over-year change in appropriations specified in either subdivision (1)(A) or (B) of this subsection is negative, then the appropriation to town highways under this subsection shall be equal to the previous fiscal year's appropriation.

(3) The funds appropriated shall be distributed to towns as follows:

(A) Six percent of the State's annual town highway appropriation shall be apportioned to class 1 town highways. The apportionment for each town shall be that town's percentage of class 1 town highways of the total class 1 town highway mileage in the State.

(B) Forty-four percent of the State's annual town highway appropriation shall be apportioned to class 2 town highways. The apportionment for each town shall be that town's percentage of class 2 town highways of the total class 2 town highway mileage in the State.

(C) Fifty percent of the State's annual town highway appropriation shall be apportioned to class 3 town highways. The apportionment for each town shall be that town's percentage of class 3 town highways of the total class 3 town highway mileage in the State.

(D) Monies apportioned under subdivisions (1), (2), and (3) of this subsection shall be distributed to each town in quarterly payments beginning July 15 in each year.

(E) Each town shall use the monies apportioned to it solely for town highway construction, improvement, and maintenance purposes or as the nonfederal share for public transit assistance. These funds may also be used for the establishment and maintenance of bicycle routes and sidewalks. The members of the selectboard shall be personally liable to the State, in a civil action brought by the Attorney General, for making any unauthorized expenditures from money apportioned to the town under this section.

* * * Public Transit Funding * * *

Sec. 18. 24 V.S.A. § 5083 is amended to read:

§ 5083. DECLARATION OF POLICY

(a) It shall be the State's policy to make maximum use of available federal funds for the support of public transportation. State operating support funds shall be included in Agency operating budgets to the extent that funds are available. State policy shall support the maintenance of existing public transit services and creation of new services including, ~~in order of precedence,~~ the following goals:

(1) Provision for basic mobility for transit-dependent persons, as defined in the current public transit policy plan ~~of January 15, 2000~~, including meeting the performance standards for urban, suburban, and rural areas. The density of a service area's population is an important factor in determining whether the service offered is fixed route, demand-response, or volunteer drivers.

(2) Expanding public transit service in rural areas and increasing ridership statewide.

(3) Access to employment, including creation of demand-response service.

~~(3)~~(4) Congestion mitigation to preserve air quality, decrease greenhouse gas emissions, and ~~the sustainability of~~ sustain the highway network.

~~(4)~~(5) Advancement of economic development objectives, including services for workers and visitors that support the travel and tourism industry. Applicants for "new starts" in this service sector shall demonstrate a high level of locally derived income for operating costs from fare-box recovery, contract income, or other income.

(b) The Agency of Transportation shall evaluate proposals for new public transit service submitted by providers in response to a notice of funding availability, by examining feasibility studies submitted by providers. The feasibility studies shall address criteria set forth in the most recent public transit policy plan.

(c) The Agency, in cooperation with the Public Transit Advisory Council, shall adopt appropriate performance and service standards for transit systems receiving federal or State assistance. The Agency of Transportation shall provide guidance, training, funding, and technical assistance to transit systems in order to meet the performance and service standards established.

(d) The Agency of Transportation shall provide written guidance, funding, and technical assistance in the preparation of financial and management plans for public transit systems for each fiscal year. To provide a foundation for

financial stability and reliability in the provision of transportation services to the public, the Agency of Transportation shall, in cooperation with the Public Transit Advisory Council, establish both short and long-range fiscal, operating, and capital investment plans to support the goals outlined in this section and regional transportation development plan proposals and regional plans as required by section 5089 of this title.

Sec. 19. 24 V.S.A. § 5091(i) is amended to read:

(i) ~~To implement~~ The Agency of Transportation shall distribute State and federal funds to public transit systems through an annual competitive program that implements the public transportation policy goals set forth in section 5083 of this title and 19 V.S.A. § 10f, ~~the Agency of Transportation shall use the following formula for distribution of operating funds to public transit systems:~~

~~(1)(A) 10 percent based on the percentage of the State's population of elders (persons age 60 and above) in each of the designated transit service areas;~~

~~(B) 10 percent based on the percentage of the State's youth population (persons ages 12 through 17) in each of the designated transit service areas;~~

~~(C) 10 percent based on the percentage of the State's population of people who have limited physical mobility in each of the designated transit service areas;~~

~~(D) 10 percent based on the percentage of the State's population of people who are in poverty in each of the designated transit service areas;~~

~~(E) 10 percent based on the percentage of the State's households lacking access to an automobile in each of the designated transit service areas. [Repealed]~~

~~(2) 20 percent of operating funds shall be based on need for employment transportation, as measured by the percentage of the State's employed persons residing in each of the designated transit service areas, using data developed by the Vermont Department of Labor. [Repealed.]~~

~~(3) 15 percent of operating funds shall be based on the need for congestion mitigation and air quality, as measured by the percentage of the State's overall population living in high density areas in each of the designated transit service areas, using data from the U.S. Bureau of the Census. [Repealed.]~~

~~(4) 15 percent of the operating funds shall be based on need for economic development transportation, as measured by the percentage of the State's jobs in each of the designated transit service areas, using data developed annually by the Vermont Department of Labor. [Repealed.]~~

* * * Public Transit Study * * *

Sec. 20. STUDY OF METHODS TO INCREASE PUBLIC TRANSIT
RIDERSHIP IN VERMONT

(a) The Agency of Transportation shall, in consultation with stakeholders, study methods to increase use of public transit in Vermont for both residents and visitors. This study shall review the Agency's current initiatives and those in other territories, states, and countries; review literature, marketing, and activities regarding methods to increase ridership with special emphasis on rural areas; determine unmet needs from current studies; examine the benefit of providing local connectivity to transit; and evaluate what factors affect public transit ridership in Vermont.

(c) The Agency shall deliver a written report of its findings and any recommendations, including where and how to make the most effective improvements in service and criteria to use to determine the priorities of investments, to the House and Senate Committees on Transportation on or before January 15, 2020.

(d) The Agency shall evaluate recommendations for potential inclusion in its fiscal year 2021 budget proposal and estimated funding necessary to achieve the recommendations for any new initiatives identified in the study.

* * * State Highway Condemnation and Acquisition * * *

Sec. 21. 19 V.S.A. § 503(d) is amended to read:

(d) Notice and other documents. The Agency shall hand-deliver or send by mail to ~~interested persons~~ owners of property to be acquired a notice of procedures and rights and the offer of just compensation. The notice of procedures and rights shall include an explanation of the proposed State highway project and its purpose, and statements that:

* * *

Sec. 22. 19 V.S.A. § 504(a) is amended to read:

(a) Verified complaint. If a property owner has not entered into an agreement stipulating to the necessity of a taking and the public purpose of a highway project, and the Agency wishes to proceed with the taking, the Agency shall file a verified complaint in the Civil Division of the Superior Court in a county where the project is located seeking a judgment of condemnation. The complaint shall name as defendants each ~~interested person~~ property owner who has not stipulated to a proposed taking, and shall include:

(1) ~~statements~~ Statements that the Agency has complied with subsection 503(d) of this chapter;

(2) ~~the~~ The Agency's written determination of necessity;

(3) ~~a~~ A general description of the negotiations undertaken; ~~and~~.

(4) ~~a~~ A survey of the proposed project, and legal descriptions of the property and of the interests therein proposed to be taken. As used in this subdivision, “survey” means a plan, profile, or cross section of the proposed project. The survey and legal descriptions served upon the property owner only need to include the particular property or properties at issue.

Sec. 23. 19 V.S.A. § 502(a) is amended to read:

(a) Authority. The Agency, when in its judgment the ~~interest~~ interests of the State ~~requires~~ require, may take any property necessary to lay out, relocate, alter, construct, reconstruct, maintain, repair, widen, grade, or improve any State highway, including affected portions of town highways. In furtherance of these purposes, the Agency may enter upon lands to conduct necessary examinations and surveys; however, the Agency shall do this work with minimum damage to the land and disturbance to the owners and shall be subject to liability for actual damages. All property taken permanently shall be taken in fee simple whenever practicable. The Agency’s acquisition of property pursuant to this chapter, whether by condemnation or conveyance in lieu of condemnation, shall not require subdivision approval under any law, regulation, or municipal ordinance. For all State highway projects involving property acquisitions, the Agency shall follow the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act (“Act”) (Act) and its implementing regulations, as may be amended.

* * * Public-Private Partnership (P3) Definition * * *

Sec. 24. 19 V.S.A. § 2612(4) is amended to read:

(4) “Public-private partnership” or “P3” means an alternative project delivery mechanism that may be used by the Agency to permit private sector participation in a project, including in its financing, development, operation, management, ownership, leasing, or maintenance. As used in this subchapter, “partnership” shall refer solely to a “public-private partnership” and “partner” shall refer to the State or to the private entity participant or participants in a public-private partnership.

* * * Highway Work; Minimum Wages * * *

Sec. 25. 19 V.S.A. § 18 is amended to read:

§ 18. WAGES

In making up specifications and advertising for bids on highway work, the ~~board~~ Agency shall fix, subject to local conditions, the minimum wage per hour for various classes of labor and the minimum to be paid per hour or per cubic yard for trucks ~~which~~ that the contractor shall be bound to pay.

* * * Junior Operator Use of Portable Electronic Devices * * *

Sec. 26. 23 V.S.A. § 1095a(d) is added to read:

(d) A person who violates this section commits a traffic violation as defined in section 2302 of this title and shall be subject to a civil penalty of not less than \$100.00 and not more than \$200.00 for a first violation, and of not less than \$250.00 and not more than \$500.00 for a second or subsequent violation within any two-year period.

* * * School Bus Driver Blood Alcohol Content Limitation * * *

Sec. 27. 23 V.S.A. § 1201(a) is amended to read:

(a) A person shall not operate, attempt to operate, or be in actual physical control of any vehicle on a highway:

(1) when the person's alcohol concentration is 0.08 or more, or 0.02 or more if the person is operating a ~~school bus as defined in subdivision 4(34) of this title~~ vehicle when the operation requires an operator's license with a school bus endorsement; or

* * *

* * * Evidentiary Blood Sample * * *

Sec. 28. 23 V.S.A. § 1203(b) is amended to read:

(b) Only a physician, licensed nurse, medical technician, physician assistant, medical technologist, ~~or~~ laboratory assistant, intermediate or advanced emergency medical technician, or paramedic acting at the request of a law enforcement officer may withdraw blood for the purpose of determining the presence of alcohol or ~~other~~ another drug. This limitation does not apply to the taking of a breath sample. A medical facility or business may not charge more than \$75.00 for services rendered when an individual is brought to a facility for the sole purpose of an evidentiary blood sample or when an emergency medical technician or paramedic draws an evidentiary blood sample.

* * * Electric Vehicle Definitions * * *

Sec. 29. 23 V.S.A. § 4(85) is added to read:

(85) "Plug-in electric vehicle" means a motor vehicle that can be powered by an electric motor drawing current from a rechargeable energy storage system, such as from storage batteries or other portable electrical energy storage devices provided that the vehicle can draw recharge energy from a source off the vehicle such as electric vehicle supply equipment. A "plug-in electric vehicle" includes both a motor vehicle that can only be powered by an electric motor drawing current from a rechargeable energy storage system and a motor vehicle that can be powered by an electric motor drawing current from a rechargeable energy storage system but also has an onboard combustion engine.

Sec. 30. 30 V.S.A. § 201 is amended to read:

§ 201. DEFINITIONS

~~(a) As used in this chapter, the word “company”:~~

(1) “Company” or “companies” means and includes individuals, partnerships, associations, corporations, and municipalities owning or conducting any public service business or property used in connection therewith and covered by the provisions of this chapter. The term “company” or “companies” also includes electric cooperatives organized and operating under chapter 81 of this title, the Vermont Public Power Supply Authority to the extent not inconsistent with chapter 84 of this title, and the Vermont Hydroelectric Power Authority to the extent not inconsistent with chapter 90 of this title. In the context of actions requiring prior approval under section 107 of this title, the term “company” shall also mean any individual, partnership, association, corporation, group, syndicate, operating division, joint stock company, trust, other entity, or municipality which would be defined as a company pursuant to this section if such approval were to be granted.

(2) “Electric vehicle supply equipment” means a device or system designed and used specifically to transfer electrical energy to a plug-in electric vehicle as defined in 23 V.S.A. § 4(85), either as charge transferred via a physical or wireless connection, by loading a fully charged battery, or by other means. “Electric vehicle supply equipment available to the public” shall:

(A) be located at a publicly available parking space, which does not include a parking space that is part of or associated with a private residence or a parking space that is reserved for the exclusive use of an individual driver, vehicle, or group of drivers or vehicles including employees, tenants, visitors, residents of a common interest development, residents of an adjacent building, or customers of a business whose primary business is not electric vehicle charging;

(B) disclose all charges for the use of the electric vehicle supply equipment at the point of sale; and

(C) provide multiple payment options that allow access by the public, if a fee is required, and shall not require persons desiring to use such public electric vehicle supply equipment to pay a subscription fee or otherwise obtain a membership in any club, association, or organization as a condition of using such electric vehicle supply equipment, but may have different price schedules that are conditioned on a subscription or membership in a club, association, or organization.

~~(b) As used in this chapter, “energy”~~

(3) “Energy” means not only the traditional scientific characteristic of “ability to do work” but also the substances or processes used to produce heat,

light, or motion, including petroleum or other liquid fuels, natural or synthetic fuel gas, solid carbonaceous fuels, solar radiation, geothermal sources, nuclear sources, biomass, organic waste products, wind, or flowing water.

Sec. 31. 9 V.S.A. § 2651(14) is amended to read:

(14) “Weights and measures” means all weights and measures of every kind, instruments and devices for weighing and measuring, and any appliances and accessories associated with any or all such instruments and devices including electric vehicle supply equipment available to the public, as defined in subdivision 2730(a)(14) of this title, but not including meters for the measurement of electricity, gas (natural or manufactured), or water when they are operated in a public utility system. Such electricity, gas, and water meters are specifically excluded from the purview of this chapter, and this chapter shall not apply to such meters or to any appliances or accessories associated therewith.

Sec. 32. 9 V.S.A. § 2730(a)(14) is added to read:

(14) “Electric vehicle supply equipment” and “electric vehicle supply equipment available to the public” have the same meanings as in 30 V.S.A. § 201.

* * * Net Metering at Electric Vehicle Supply Equipment * * *

Sec. 33. 30 V.S.A. § 8002(16) is amended to read:

(16) “Net metering system” means a plant for generation of electricity that:

(A) is of no more than 500 kW capacity;

(B) operates in parallel with facilities of the electric distribution system;

(C) is intended primarily to offset the customer’s own electricity requirements and does not supply electricity to electric vehicle supply equipment, as defined in section 201 of this title, for the for profit resale of electricity to the public by the kWh or for other retail sales to the public, including those based in whole or in part on a flat fee per charging session or a time-based fee for occupying a parking space while using electric vehicle supply equipment; and

(D)(i) employs a renewable energy source; or

(ii) is a qualified micro-combined heat and power system of 20 kW or fewer that meets the definition of combined heat and power in subsection 8015(b) of this title and uses any fuel source that meets air quality standards.

* * * Vehicle Incentive and Emissions Repair Programs * * *

Sec. 34. VEHICLE INCENTIVE AND EMISSIONS REPAIR PROGRAMS

(a) Vehicle incentive and emissions repair programs administration. The Agency of Transportation (Agency), in consultation with the Agency of Natural Resources, the Agency of Human Services, the Department of Public Service, Vermont electric distribution utilities that are offering incentives for PEVs, and the State's network of community action agencies, shall establish and administer the programs described in subsections (b) and (c) of this section. The Agency is authorized to spend \$1,500,000.00 on the two programs. Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the two programs and up to \$150,000.00 of program funding may be set aside for this purpose. The Agency shall annually evaluate the two programs to gauge effectiveness and submit a written report on the effectiveness of the programs to the House and Senate Committees on Transportation, the House Committee on Energy and Technology, and the Senate Committee on Finance on or before the 31st day of December in each year that an incentive or repair voucher is provided through one of the programs.

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

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

(2) provide incentives to Vermont households with low and moderate income at or below 140 percent of the State's prior five-year average Median Household Income (MHI) level; and

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

(c) High fuel efficiency vehicle incentive and emissions repair program. A used high fuel efficiency vehicle purchase incentive and emissions repair program for Vermont residents shall structure high fuel efficiency purchase incentive payments and emissions repair vouchers by income to help all Vermonters benefit from more efficient driving, including Vermont's most vulnerable. Specifically, the program shall:

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

was new, and repairs of certain vehicles that failed the on board diagnostic (OBD) systems inspection;

(2) base eligibility on the same criteria used for income qualification for weatherization services through the Weatherization Program and provide vouchers through the State's network of community action agencies; and

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

(A) a point-of-sale voucher of up to \$5,000.00 to assist in the purchase of a used high fuel efficient motor vehicle that may require that a condition of the voucher be that if the individual is the owner of either a motor vehicle that failed the OBD systems inspection or a motor vehicle that is more than 15 years old and has a combined city/highway fuel efficiency of less than 25 miles per gallon as rated by the Environmental Protection Agency when the vehicle was new that the vehicle will be removed from operation and either donated to a non-profit organization to be used for parts or destroyed; or

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

* * * Public Utility Commission Report * * *

Sec. 35. PUBLIC UTILITY COMMISSION TARIFF DESIGN REPORT

As a follow up to the report due on or before July 1, 2019, the Public Utility Commission, in consultation with those Vermont electric distribution utilities that wish to participate, the Agency of Transportation, the Department of Public Service, and Efficiency Vermont, shall report back to the Senate Committees on Transportation and on Natural Resources and Energy and the House Committees on Transportation and on Energy and Technology on or before December 15, 2019 concerning the steps necessary to implement fees on PEV charging if fees are to be collected on PEV charging:

(1) Fees and assessments. Whether or not electric distribution utilities should collect both a transportation efficiency fee, as defined in subdivision (A) of this subdivision, and a transportation infrastructure assessment, as defined in subdivision (B) of this subdivision, or just a transportation infrastructure assessment and how best to implement:

(A) A transportation efficiency fee. A per-kWh transportation efficiency fee on electricity provided by an electric distribution utility for electric vehicle supply equipment equal to the energy efficiency charge rate set by the Commission, and to be charged instead of an energy efficiency charge;

and

(B) A transportation infrastructure assessment. A per-kWh transportation infrastructure assessment on electricity provided by an electric distribution utility for electric vehicle supply equipment.

(2) Electric vehicle charging tariff design. The design of an electric vehicle charging tariff for electric utilities with more than 17,000 customers, and other electric utilities at their discretion, that allows a customer, including a company that owns and operates electric vehicle supply equipment, to purchase electricity solely to charge a plug-in electric vehicle. The report should consider whether the tariff should:

(A) contain either a time-of-day or off-peak rate, as elected by the electric utility that takes advantage of lower-cost electricity and minimizes adverse grid effects and investment costs, maximizes the grid benefits of PEV charging, including electric distribution utility control of charging, and reduces the negative environmental effects of burning fossil fuels for transportation and electrical generation;

(B) include the per-kWh transportation efficiency fee;

(C) include the per-kWh transportation infrastructure assessment;

(D) offer a customer the option to purchase electricity from the utility's current mix of energy supply sources or entirely from renewable energy sources;

(E) include a mechanism to allow the recovery of costs reasonably necessary to comply with electric vehicle charging tariff setting, such as costs to inform and educate customers about the financial, energy conservation, and environmental benefits of electric vehicles and to publicly advertise and promote participation in a customer-optional tariff;

(F) provide for clear and transparent customer billing statements including the amount of energy consumed under the tariff;

(G) incorporate any necessary costs of metering or submetering within the rate charged to the customer; and

(H) factor in other considerations as the Commission deems appropriate.

(3) Reporting by electric distribution utilities. Whether there should be a mandatory periodic report from electric distribution utilities to the Commission and what should be included in those reports, consideration should be given to:

(A) participation and impact highlights, including participation levels and new electric vehicle supply equipment installed by county;

(B) the overall costs and benefits of the tariff, including any changes or issues encountered during the reporting period; and

(C) other data required by the Commission.

(4) Incremental revenue and costs. The amount of incremental revenue to electric distribution utilities expected to be generated by PEVs and all other financial benefits that PEVs may bring to electric distribution utilities over the next 10 years, whether there are necessary costs and technical feasibility problems to meter PEV charging separate from other electrical demand on the same account, and all other costs expected to be incurred by the electric distribution utilities related to PEV deployment and associated infrastructure.

(5) Net metering. How to address the use of net metering energy and net metering energy credits for electric vehicle supply equipment.

* * * Reporting by the Agency of Agriculture, Food and Markets * * *

Sec. 36. REPORTING BY THE AGENCY OF AGRICULTURE, FOOD AND MARKETS

(a) The Agency of Agriculture, Food and Markets shall file a written report with the Senate Committees on Transportation and on Finance and the House Committees on Transportation and on Ways and Means on or before December 1, 2019 that provides an update on the National Institute of Standards and Technology's progress towards adopting a code on electric vehicle fueling systems and makes a recommendation for an annual licensing fee for electric vehicle supply equipment available to the public for inclusion in 9 V.S.A. § 2730(f)(1).

(b) If the National Institute of Standards and Technology has not adopted a code on electric vehicle fueling systems by December 1, 2020 then the Agency of Agriculture, Food and Markets shall file a written report with the House and Senate Committees on Transportation on or before December 1, 2020 that provides an update on the National Institute of Standards and Technology's progress towards adopting a code on electric vehicle fueling systems.

* * * Fees for Use of Electric Vehicle Supply Equipment * * *

Sec. 37. 32 V.S.A. § 604 is added to read:

§ 604. ELECTRIC VEHICLE SUPPLY EQUIPMENT FEES

Notwithstanding any other provision of this subchapter, any agency or department that owns or controls electric vehicle supply equipment, as defined in 30 V.S.A. § 201, may establish, set, and adjust fees for the use of that electric vehicle supply equipment. The agency or department may establish fees for electric vehicle charging at less than its costs, to cover its costs, or equal to the retail rate charged for the use of electric vehicle supply equipment available to the public. Fees collected under this section shall be deposited in

the same fund or account within a fund from which the electric operating expense for the electric vehicle supply equipment originated.

Sec. 38. ELECTRIC VEHICLE SUPPLY EQUIPMENT FEES REPEAL

32 V.S.A. § 604 (electric vehicle supply equipment fees) is repealed on July 1, 2022.

* * * Jurisdiction Over Electric Vehicle Supply Equipment * * *

Sec. 39. 30 V.S.A. § 203 is amended to read:

§ 203. JURISDICTION OF CERTAIN PUBLIC UTILITIES

The Public Utility Commission and the Department of Public Service shall have jurisdiction over the following described companies within the State, their directors, receivers, trustees, lessees, or other persons or companies owning or operating such companies and of all plants, lines, exchanges, and equipment of such companies used in or about the business carried on by them in this State as covered and included herein. Such jurisdiction shall be exercised by the Commission and the Department so far as may be necessary to enable them to perform the duties and exercise the powers conferred upon them by law. The Commission and the Department may, when they deem the public good requires, examine the plants, equipment, lines, exchanges, stations, and property of the companies subject to their jurisdiction under this chapter.

(1) A company engaged in the manufacture, transmission, distribution, or sale of gas or electricity directly to the public or to be used ultimately by the public for lighting, heating, or power and so far as relates to their use or occupancy of the public highways.

(2) That part of the business of a company ~~which~~ that consists of the manufacture, transmission, distribution, or sale of gas or electricity directly to the public or to be used ultimately by the public for lighting, heating, or power and so far as relates to their use or occupancy of the public highways.

* * *

(7) Notwithstanding subdivisions (1) and (2) of this section, the Commission and Department shall not have jurisdiction over persons otherwise not regulated by the Commission that is engaged in the siting, construction, ownership, operation, or control of a facility that sells or supplies electricity to the public exclusively for charging a plug-in electric vehicle, as defined in 23 V.S.A. § 4(85). These persons may charge by the kWh for owned or operated electric vehicle supply equipment, as defined in 30 V.S.A. § 201, but shall not be treated as an electric distribution utility just because electric vehicle supply equipment charges by the kWh.

* * * State Vehicle Fleet * * *

Sec. 40. 29 V.S.A. § 903(g) is amended to read:

~~(g) The Commissioner of Buildings and General Services, when purchasing or leasing vehicles for State use shall consider vehicles using alternative fuels when the alternative fuel is suitable for the vehicle's operation, is available in the region where the vehicle will be used, and is competitively priced with traditional fuels, to the maximum extent practicable, purchase or lease hybrid or plug-in electric vehicles, as defined in 23 V.S.A. § 4(85), but in no instance shall less than 50 percent of the vehicles annually purchased or leased be hybrid or plug-in electric vehicles. The Commissioner shall, whenever possible, purchase or lease the lowest-cost year of the selected make and model, and only the latest year model when it is the least expensive.~~

Sec. 41. 29 V.S.A. § 903(g) is amended to read:

(g) The Commissioner of Buildings and General Services, when purchasing or leasing vehicles for State use shall, to the maximum extent practicable, purchase or lease hybrid or plug-in electric vehicles, as defined in 23 V.S.A. § 4(85), but in no instance shall less than ~~50~~ 75 percent of the vehicles annually purchased or leased be hybrid or plug-in electric vehicles. The Commissioner shall, whenever possible, purchase or lease the lowest-cost year of the selected make and model, and only the latest year model when it is the least expensive.

Sec. 42. 3 V.S.A. § 217(c) is amended to read:

~~(c) At least 50 percent of the vehicles purchased annually by the Commissioner shall be low emission passenger vehicles~~ The Commissioner of Buildings and General Services shall purchase and lease vehicles for the State Fleet subject to the requirements of 29 V.S.A. § 903(g).

* * * Transportation Alternatives Grant Committee * * *

Sec. 43. 19 V.S.A. § 38 is amended to read:

§ 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

~~(a) The Transportation Alternatives Grant Committee is created and shall comprise:~~

- ~~(1) the Secretary of Transportation or his or her designee;~~
- ~~(2) a representative from the Division of Historic Preservation appointed by the Secretary of Commerce and Community Development;~~
- ~~(3) one member appointed by the Secretary of Commerce and Community Development to represent the tourism and marketing industry;~~
- ~~(4) a representative of the Agency of Natural Resources appointed by the Secretary of Natural Resources;~~
- ~~(5) three municipal representatives appointed by the governing body of the Vermont League of Cities and Towns;~~

~~(6) one member representing and appointed by the governing board of the Vermont Association of Planning and Development Agencies;~~

~~(7) two members from the House designated by the Speaker; and~~

~~(8) two members from the Senate designated by the Committee on Committees. [Repealed.]~~

~~(b) Municipal and legislative members of the Transportation Alternatives Grant Committee shall serve concurrently for two year terms and the initial appointments of these members shall be made in a manner which allows for them to serve a full legislative biennium. In the event a municipal or legislative member ceases to serve on the Committee prior to the full term, the appointing authority shall fill the position for the remainder of the term. The Committee shall, to the greatest extent practicable, encompass a broad geographic representation of Vermont. [Repealed.]~~

(c) The Transportation Alternatives Grant Program is created. The Grant Program shall be administered by the Agency, and shall be funded in the amount provided for in 23 U.S.C. § 133(h), less the funds set aside for the Recreational Trails Program. Awards shall be made to eligible entities as defined under 23 U.S.C. § 133(h), and awards under the Grant Program shall be limited to the activities authorized under federal law and no more than \$300,000.00 per grant.

(d) Eligible entities awarded a grant must provide all funds required to match federal funds awarded for a Transportation Alternatives project. All grant awards shall be decided and awarded by the ~~Transportation Alternatives Grant Committee~~ Agency.

(e) Transportation Alternatives grant awards shall be announced annually by the ~~Transportation Alternatives Grant Committee~~ Agency not earlier than December and not later than the following March.

(f)(1) In fiscal years 2018 and 2019, all Grant Program funds shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects.

(2) In fiscal years 2020 and 2021, Grant Program funds shall be awarded for any eligible activity and in accordance with the priorities established in subdivision (4) of this subsection.

(3) In fiscal year 2022 and thereafter, \$1,100,000.00 of Grant Program funds, or such lesser sum if all eligible applications amount to less than \$1,100,000.00, shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects.

(4) Regarding Grant Program funds awarded in fiscal years 2020 and 2021, and the balance of Grant Program funds not reserved for environmental

mitigation projects in fiscal year 2022 and thereafter, in evaluating applications for Transportation Alternatives grants, the ~~Transportation Alternatives Grant Committee~~ Agency shall give preferential weighting to projects involving as a primary feature a bicycle or pedestrian facility. The degree of preferential weighting and the circumstantial factors sufficient to overcome the weighting shall be in the complete discretion of the ~~Transportation Alternatives Grant Committee~~ Agency.

(g) The Agency shall develop an outreach and marketing effort designed to provide information to communities with respect to the benefits of participating in the Transportation Alternatives Grant Program. The outreach and marketing activities shall include apprising municipalities of the availability of grants for salt and sand sheds. The outreach effort should be directed to areas of the State historically underserved by this Program.

* * * Emissions Inspections * * *

Sec. 44. 23 V.S.A. § 1222(a) is amended to read:

(a) Except for school buses, which shall be inspected as prescribed in section 1282 of this title, and motor buses as defined in subdivision 4(17) of this title, which shall be inspected twice during the calendar year at six-month intervals, all motor vehicles registered in this State shall ~~be inspected~~ undergo a safety and visual emissions inspection once each year and all motor vehicles that are registered in this State and are 15 model years old or less shall undergo an emissions or on board diagnostic (OBD) systems inspection once each year as applicable. Any motor vehicle, trailer, or semi-trailer not currently inspected in this State shall be inspected within 15 days following the date of its registration in the State of Vermont.

Sec. 45. RULEMAKING; IMMEDIATE IMPLEMENTATION

(a) Within 14 days after the effective date of this section, the Commissioner of Motor Vehicles shall file with the Secretary of State a proposed amended rule governing vehicle inspections in this State (Periodic Inspection Manual) that is consistent with amendments to 23 V.S.A. § 1222 in Sec. 44 of this act, with the effect that no motor vehicle that is more than 15 model years old will be required to undergo an emissions or on board diagnostic (OBD) systems inspection.

(b) As soon as practicable after the effective date of this section, the Commissioner shall update the content of inspections conducted through the Automated Vehicle Inspection Program to exclude any requirements of the current Periodic Inspection Manual that are inconsistent with the amendments to 23 V.S.A. § 1222 in Sec. 44 of this act, with the effect that no motor vehicle that is more than 15 model years old will be required to undergo an emissions or OBD systems inspection.

(c) In the event that the Commissioner cannot update the content of inspections conducted through the Automated Vehicle Inspection Program in accordance with subsection (b) of this section within 30 days after the effective date of this section, the Commissioner shall, within 30 days after the effective date of this section, develop and implement a temporary work-around to ensure that no motor vehicle that is more than 15 model years old will be required to undergo an emissions or OBD systems inspection.

* * * Vehicle Feebate Report * * *

Sec. 46. VEHICLE FEEBATE REPORT

The Agency of Transportation, in consultation with the Joint Fiscal Office, shall complete a study and submit a written report to the House and Senate Committees on Transportation on or before October 15, 2019 concerning whether Vermont should establish a time-of-acquisition vehicle feebate program to act as a self-funding incentive program. For purposes of this section, a “vehicle feebate” provides rebates to individuals who purchase or, if applicable, lease efficient vehicles that are funded by fees levied on individuals who purchase or, if applicable, lease inefficient vehicles. The report shall, at a minimum, consider whether vehicle feebates should be structured in steps—one or multiple—or as a continuum; whether there should be separate vehicle feebates for different classes of vehicles and, if so, whether there should be different pivot points for where a fee crosses over to a rebate; and if vehicle feebates should apply to both new and used vehicles and purchased and leased vehicles. The report shall also consider how a time-of-acquisition vehicle feebate program or other funding mechanism could function with the vehicle incentive programs established in Sec. 34 of this act and the level of investment, incentives, feebates, and other monetary incentives and disincentives needed to reach the number of plug-in electric vehicles in Vermont’s Comprehensive Energy Plan.

* * * Weight-Based Annual Registration Report * * *

Sec. 47. WEIGHT-BASED ANNUAL REGISTRATION REPORT

The Agency of Transportation, in consultation with the Joint Fiscal Office, shall complete a study and submit a written report to the House and Senate Committees on Transportation on or before December 15, 2019 concerning the feasibility of implementing an annual motor vehicle registration fee system that addresses road maintenance cost allocations for road traveling motor vehicles based on vehicle weight. Such a registration fee system could be in addition to or in lieu of existing motor vehicle registration fees. The study and report shall, at a minimum, identify, analyze, and make recommendations on: the current motor vehicle registration fee structure, any benefits to establishing a new system that better allocates costs based on vehicle weight; any anticipated implementation difficulties; ways to measure vehicle weight; what

types of road traveling motor vehicles could and should be subject to such a registration fee; how to calculate registration fees to best account for weight-based wear on Vermont roads; and how other States have implemented weight-based registration fees.

* * * Sign Law Violation Civil Ticket * * *

Sec. 48. 10 V.S.A. § 503 is amended to read:

§ 503. PENALTY

A person who violates this chapter shall be ~~fin~~ assessed a civil penalty of not more than \$100.00 or imprisoned not more than 30 days, or both. Each day the violation continues shall be a separate offense.

Sec. 49. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

* * *

(b) The Judicial Bureau shall have jurisdiction of the following matters:

* * *

(29) Violations of 10 V.S.A. chapter 21, relating to the prohibition of outdoor advertising.

* * *

* * * Effective Dates * * *

Sec. 50. EFFECTIVE DATES

(a) This section and Secs. 1(b) (act definitions), 12 (BUILD grant), 13 (CRISI grant), 20 (public transit study), 29 (plug-in electric vehicle definition), 30 (electric vehicle supply equipment definition), 33 (net metering), 34 (vehicle incentive and emissions repair programs), 35 (Public Utility Commission report), 36 (Agency of Agriculture, Food and Markets reporting), 39 (PUC jurisdiction), 44 (emissions inspections), 45 (emissions inspections implementation), 46 (vehicle feebate report), and 47 (weight-based annual registration report) shall take effect on passage.

(b) Secs. 31 (weights and measures definition), and 32 (electric vehicle supply equipment definition) shall take effect on the earlier of January 1, 2021 or six months after the National Institute of Standards and Technology adopts code on electric vehicle fueling systems.

(c) Sec. 41 (State vehicle fleet) shall take effect on July 1, 2021.

(d) All other sections shall take effect on July 1, 2019.

(Committee vote: 4-0-1)

Senator Mazza
FOR THE COMMITTEE