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H.552

Introduced by Representatives Bartholomew of Hartland, Burke of
Brattleboro, McCormack of Burlington, Stebbins of Burlington,
White of Hartford, Anthony of Barre City, Austin of Colchester,
Black of Essex, Bluemle of Burlington, Bock of Chester,
Bongartz of Manchester, Bos-Lun of Westminster, Briglin of
Thetford, Brown of Richmond, Brumsted of Shelburne,
Burrows of West Windsor, Campbell of St. Johnsbury, Chase of
Colchester, Cina of Burlington, Coffey of Guilford, Colburn of
Burlington, Copeland Hanzas of Bradford, Cordes of Lincoln,
Dolan of Essex, Dolan of Waitsfield, Donnally of Hyde Park,
Durfee of Shaftsbury, Elder of Starksboro, Goldman of
Rockingham, Hooper of Randolph, Houghton of Essex, James
of Manchester, Kitzmiller of Montpelier, LaLonde of South
Burlington, Long of Newfane, Masland of Thetford, McCarthy
of St. Albans City, McCullough of Williston, Mrowicki of
Putney, Mulvaney-Stanak of Burlington, Nicoll of Ludlow,
O'Brien of Tunbridge, Ode of Burlington, Patt of Worcester,
Rachelson of Burlington, Satcowitz of Randolph, Sheldon of
Middlebury, Sibia of Dover, Sims of Craftsbury, Small of
Winooski, Squirrell of Underhill, Surprenant of Barnard, Till of

1 Jericho, Troiano of Stannard, Vyhovsky of Essex, Walz of
2 Barre City, White of Bethel, Whitman of Bennington,
3 Yacovone of Morristown, and Yantachka of Charlotte

4 Referred to Committee on

5 Date:

6 Subject: Transportation; climate; carbon emissions; fuel cell electric vehicles
7 (FCEV); plug-in electric vehicles (PEV); zero-emission vehicles
8 (ZEV); Better Connections; Better Places; Incentive Program for New
9 PEVs; MileageSmart; emissions repairs; Replace Your Ride; electric
10 bicycles; zero-fare public transit; school busses; public transit; State
11 vehicle fleet; electric vehicle supply equipment (EVSE); level 2
12 chargers; transportation demand management (TDM); Mobility and
13 Transportation Innovation Grant Program; sprawl; complete streets;
14 smart growth; Act 250 criterion 5; bicycle safety; pedestrian safety;
15 commuter rail; public transit authority; Tier III; renewable energy
16 standard; feebates

17 Statement of purpose of bill as introduced: This bill proposes to:

18 (1) define fuel cell electric vehicle (FCEV) and zero-emission vehicle
19 (ZEV);

20 (2) appropriate money for the Better Connections program, Better
21 Places program, Incentive Program for New PEVs, MileageSmart, emissions

1 repair vouchers, Replace Your Ride, electric bicycle incentives, and the
2 Mobility and Transportation Innovation Grant Program;

3 (3) establish and appropriate money for an expanded electric vehicle
4 supply equipment grant program, a pedestrian safety pilot program, and a ZEV
5 school bus and public transit grant program;

6 (4) provide zero-fare public transit in fiscal year 2023;

7 (5) require that a greater proportion of vehicles purchased for the State's
8 fleet be ZEVs;

9 (6) require certain employers to provide level 2 chargers;

10 (7) require certain employers to establish a transportation demand
11 management (TDM) plan;

12 (8) create additional positions within the Agency of Transportation to
13 staff matters related to transportation innovation;

14 (9) require that complete streets principles be followed in more
15 instances;

16 (10) update the Act 250 criterion addressing transportation;

17 (11) make infrastructure improvements targeted at bicycle and
18 pedestrian safety on most State highways and class 1 and 2 town highways;

19 (12) prohibit bicyclists from riding abreast in most instances;

20 (13) allow municipalities to seasonally install in-street pedestrian
21 crossing signs in crosswalks;

1 (14) allow municipalities to lower certain speed limits on State
2 highways;

3 (15) express the General Assembly's intent that the Traffic Committee
4 should not increase the speed limit on a State highway in response to a
5 municipality's request that the speed limit be lowered;

6 (16) require that the Agency of Transportation update prior feasibility
7 studies on commuter rail in Vermont;

8 (17) commission a report on the use of transit authorities in the State;

9 (18) limit retail electricity providers to prorated Tier III renewable
10 energy credits when a program overlaps with a State-created or -funded
11 program; and

12 (19) implement a self-funded feebate program based on pleasure car
13 efficiency.

14 An act relating to transportation initiatives to reduce carbon emissions

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

16 * * * Short Title; Legislative Findings; Purpose and Intent; Definitions * * *

17 Sec. 1. SHORT TITLE

18 This act may be cited as the Transportation Innovation Act of 2022.

1 Sec. 2. LEGISLATIVE FINDINGS

2 (a) Inaction on the part of government has led to a successively warmer
3 planet than was previously predicted. It is unequivocal that human influence
4 has warmed the atmosphere, ocean, and land and that widespread and rapid
5 changes in the atmosphere, ocean, cryosphere, and biosphere have occurred.
6 The scale of recent changes is unprecedented, and human-induced climate
7 change is already affecting many weather and climate extremes in every region
8 across the globe.

9 (b) Global surface temperature will continue to increase until at least the
10 mid-21st century, and global warming of 2°C will be exceeded during the 21st
11 century unless deep reductions in carbon dioxide (CO₂) and other greenhouse
12 gas emissions occur in the coming decades. While irreversible damage has
13 already occurred, it is not too late to act to avoid human-induced damage that
14 will be considerably worse than the damage that has already been caused.

15 (c) Limiting human-induced global warming to a specific level requires
16 limiting cumulative CO₂ emissions, reaching at least net zero CO₂ emissions,
17 along with strong reductions in other greenhouse gas emissions.

18 (d) The transportation sector is the greatest contributor to the greenhouse
19 gas emissions in Vermont, and research has shown that rural Vermonters have
20 the most to gain from higher-efficiency, lower-cost transportation options.

1 (e) The State cannot afford to leave Vermonters behind in the transition to
2 clean, renewable energy, and the programmatic decisions that will make
3 significant reductions in the State’s climate pollution must prioritize those
4 most impacted by current inequities and the future consequences of the climate
5 crisis.

6 (f) More important than reducing greenhouse gas emissions and increasing
7 access to higher-efficiency, lower-cost transportation options in Vermont is the
8 leadership that can come from any state—large or small.

9 Sec. 3. INTENT AND PURPOSE

10 (a) It is the intent of the General Assembly that the State of Vermont act
11 now to provide the necessary leadership to reduce greenhouse gas emissions in
12 the transportation sector for the sake of future generations by taking practical
13 steps forward on responding to the climate crisis while saving Vermonters
14 across the State money.

15 (b) The purpose of this act is to set out policies and projects for inclusion in
16 the State’s 2023 Transportation Program that reduce carbon emissions, make
17 strategic infrastructure investments, and give all Vermonters greater access to
18 lower-cost transportation options.

19 (c) These initiatives will help Vermonters with low income acquire more
20 affordable high-efficiency vehicles, electrify the car and bus fleets within the
21 State, and place a greater investment in safer walkable and bikeable roadways.

1 (d) Many of the appropriations contained in this act fund programs that
2 have already been successfully established by the General Assembly and
3 administered by the Agency of Transportation and its partners, including the
4 Incentive Program for New PEVs, MileageSmart, the EVSE Grant Program,
5 and the Mobility and Transportation Innovation Grant Program.

6 (e) It is the intent of the General Assembly that, to the extent possible,
7 monies for the appropriations contained in this act shall come from the
8 Infrastructure Investment and Jobs Act, Pub. L. No. 117-58. If the Agency of
9 Transportation is able to secure competitive grant funding or in any way utilize
10 federal funds in lieu of monies in the Transportation Fund, then it is authorized
11 to make such a swap, provided that:

12 (1)(A) Consistent with 19 V.S.A. § 12b(c), the Agency promptly reports
13 any changes in the availability of federal funds and the anticipated obligation
14 or expenditure of monies under the authority of this subsection (e) to the Joint
15 Fiscal Office, the Joint Fiscal Committee, and the Joint Transportation
16 Oversight Committee.

17 (B) If the Joint Transportation Oversight Committee disapproves of
18 the anticipated obligation or expenditure of monies under the authority of this
19 section, it shall provide notice of that disapproval, and an explanation of the
20 basis for the disapproval, to the Agency within 30 calendar days following
21 receipt of the report of the anticipated expenditure.

1 (C) If the Joint Transportation Oversight Committee disapproves of
2 an anticipated obligation or expenditure of monies under subdivision (B) of
3 this subdivision (1), the Agency may revise and resubmit for further
4 consideration.

5 (D) If the Joint Transportation Oversight Committee does not
6 disapprove of the anticipated obligation or expenditure of monies under the
7 authority of this section within 30 calendar days after receipt of the report of
8 the anticipated obligation or expenditure or receipt of a revised submittal, then
9 the anticipated obligation or expenditure is deemed approved.

10 (2) The provisions of 32 V.S.A. § 5 are followed with respect to the
11 acceptance of any grant funds.

12 Sec. 4. DEFINITIONS

13 As used in this act:

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

15 (2) “Community that is underserved or disadvantaged” means:

16 (A) a community that is identified as a community with low income;
17 a community of color; or a community having a disproportionately low number
18 of EVSE per capita, compared to similar areas; or

19 (B) any other community that the EVSE Interagency Workgroup
20 determines is disproportionately vulnerable to, or bears the burden of, any
21 combination of economic, social, environmental, and climate stressors.

1 (3) “Direct-current fast charger (DCFC),” “level 3 charger,” or “level 3
2 EVSE” means electric vehicle supply equipment that uses dedicated direct
3 current (DC) to provide energy to a plug-in electric vehicle.

4 (4) “Electric vehicle supply equipment (EVSE)” has the same meaning
5 as in 30 V.S.A. § 201.

6 (5) “EVSE Interagency Workgroup” means an interagency team
7 consisting of the Commissioner of Housing and Community Development or
8 designee; the Commissioner of Environmental Conservation or designee; the
9 Commissioner of Public Service or designee; and the Agency’s Division
10 Director of Policy, Planning, and Intermodal Development or designee.

11 (6) “Level 2 charger” or “level 2 EVSE” means a galvanically
12 connected electric vehicle supply equipment with a single-phase input voltage
13 range from 208 to 240 volts AC and a maximum output current less than or
14 equal to 80 amperes AC.

15 (7) “Multi-unit affordable housing,” “multi-unit dwelling,” and “multi-
16 unit dwelling owned by a nonprofit” have the same meanings as in 2021 Acts
17 and Resolves No. 55, Sec. 29.

1 * * * Fuel Cell Electric Vehicle (FCEV) and
2 Zero-Emission Vehicle (ZEV) Definitions * * *

3 Sec. 5. 23 V.S.A. § 4(87) and (88) are added to read:

4 (87) “Fuel cell electric vehicle (FCEV)” means a motor vehicle that uses
5 a fuel cell, which is a device that directly converts the chemical energy of a
6 fuel that is supplied from an external source and an oxidant into electricity by
7 electrochemical processes occurring at separate electrodes in the device.

8 (88) “Zero-emission vehicle (ZEV)” means a motor vehicle that
9 produces zero exhaust emissions of any criteria pollutant, or precursor
10 pollutant, or greenhouse gas under any possible operational modes or
11 conditions. PHEVs, BEVs, and FCEVs are ZEVs.

12 * * * Municipal Grant Programs * * *

13 Sec. 6. MUNICIPAL GRANT PROGRAMS

14 (a) Better Connections program. The sum of \$10,000,000.00 is
15 appropriated from the Transportation Fund to the Agency of Commerce and
16 Community Development in fiscal year 2023 for the Better Connections
17 program.

18 (b) Better Places program. The sum of \$3,000,000.00 is appropriated from
19 the Transportation Fund to the Agency of Commerce and Community
20 Development in fiscal year 2023 for the Better Places program.

1 * * * Incentive Program Appropriations and Administration Costs * * *

2 Sec. 7. INCENTIVE PROGRAM APPROPRIATIONS AND
3 ADMINISTRATION COSTS

4 (a) Incentive Program for New PEVs. The sum of \$15,000,000.00 is
5 appropriated from the Transportation Fund to the Agency in fiscal year 2023
6 for the Incentive Program for New PEVs established in 2019 Acts and
7 Resolves No. 59, Sec. 34, as amended, with not more than 10 percent of the
8 \$15,000,000.00 appropriation available for administration costs associated
9 with the Incentive Program for New PEVs.

10 (b) MileageSmart. The sum of \$2,000,000.00 is appropriated from the
11 Transportation Fund to the Agency in fiscal year 2023 for MileageSmart,
12 established in 2019 Acts and Resolves No. 59, Sec. 34, as amended, with not
13 more than 15 percent of the \$2,000,000.00 appropriation available for
14 administration costs associated with MileageSmart, including translation and
15 interpretation services, community outreach, and education.

16 (c) Emissions repair vouchers. The sum of \$375,000.00 is appropriated
17 from the Transportation Fund to the Department of Environmental
18 Conservation in fiscal year 2023 for the Emissions Repair Program established
19 in 2021 Acts and Resolves No. 55, Sec. 25, with not more than \$125,000.00 of
20 the \$375,000.00 appropriation available for administration costs associated
21 with the Emissions Repair Program.

1 (d) Replace Your Ride. The sum of \$4,000,000.00 is appropriated from the
2 Transportation Fund to the Agency in fiscal year 2023 for Replace Your Ride,
3 established in 2021 Acts and Resolves No. 55, Sec. 27, with not more than 15
4 percent of the \$4,000,000.00 appropriation available for administration costs
5 associated with Replace Your Ride.

6 (e) Electric bicycle incentives. The sum of \$250,000.00 is appropriated
7 from the Transportation Fund to the Agency in fiscal year 2023 to expand upon
8 existing vehicle incentive programs to:

9 (1) provide not more than one incentive of \$200.00 for the purchase of a
10 new electric bicycle or not more than one incentive of \$100.00 for the purchase
11 of new electric bicycle conversion kit to:

12 (A) an individual domiciled in the State whose federal income tax
13 filing status is single or head of household with an adjusted gross income
14 under the laws of the United States greater than \$50,000.00 and at or below
15 \$100,000.00;

16 (B) an individual domiciled in the State whose federal income tax
17 filing status is surviving spouse with an adjusted gross income under the laws
18 of the United States greater than \$75,000.00 and at or below \$125,000.00;

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

1 filing jointly with an adjusted gross income under the laws of the United States
2 greater than \$75,000.00 and at or below \$125,000.00; or

3 (D) an individual who is part of a married couple with at least one
4 spouse domiciled in the State and at least one spouse whose federal income tax
5 filing status is married filing separately with an adjusted gross income under
6 the laws of the United States greater than \$50,000.00 and at or below
7 \$100,000.00; and

8 (2) provide not more than one incentive of \$400.00 for the purchase of a
9 new electric bicycle or not more than one incentive of \$100.00 for the purchase
10 of new electric bicycle conversion kit to:

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 at or below \$50,000.00;

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

17 (C) an individual who is part of a married couple with at least one
18 spouse domiciled in the State whose federal income tax filing status is married
19 filing jointly with an adjusted gross income under the laws of the United States
20 at or below \$75,000.00; or

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

5 * * * Zero-Fare Public Transit * * *

6 Sec. 8. ZERO-FARE PUBLIC TRANSIT; APPROPRIATION

7 (a) Implementation. The Agency shall ensure that public transit operated
8 by transit agencies that are eligible to receive grant funds pursuant to 49 U.S.C.
9 § 5307 or 5311, or both, in the State shall be operated on a zero-fare basis
10 during fiscal year 2023.

11 (b) Appropriation. The sum of \$2,700,000.00 is appropriated from the
12 Transportation fund to the Agency in fiscal year 2023 for the purpose of
13 implementing subsection (a) of this section.

14 (c) Report. On or before April 30, 2023 the Agency of Transportation shall
15 file a written report with the House and Senate Committees on Transportation
16 that:

17 (1) shows changes in public transit ridership, by county and type of
18 service, in fiscal years 2020, 2021, 2022, and in fiscal year 2023 through the
19 end of the third quarter; and

20 (2) estimates the amount of funding needed to continue to provide zero-
21 fare service on transit operated by public transit agencies that are eligible to

1 receive grant funds pursuant to 49 U.S.C. § 5307 or 5311, or both, broken out
2 by county and type of service in fiscal year 2024.

3 * * * Transition to Zero-Emission Vehicles * * *

4 * * * Zero-Emission Vehicle School Buses; Zero-Emission
5 Vehicles for Public Transit * * *

6 Sec. 9. ZERO-EMISSION VEHICLE SCHOOL BUS AND PUBLIC
7 TRANSIT GRANT PROGRAM; APPROPRIATION

8 (a) Establishment of grant program. The Agency shall establish and
9 administer a Zero-Emission Vehicle School Bus and Fixed Route Public
10 Transit Grant Program to provide competitive grant awards for the purchase of
11 zero-emission vehicle school buses and zero-emission motor vehicles used for
12 fixed route public transit.

13 (b) Appropriation. The sum of \$16,000,000.00 is appropriated from the
14 Transportation Fund to the Agency in fiscal year 2023 for the Zero-Emission
15 Vehicle School Bus and Fixed Route Public Transit Grant Program.

16 (c) Distribution. The Agency shall distribute \$8,000,000.00 in grant
17 awards for zero-emission vehicle school buses and \$8,000,000.00 in grant
18 awards for zero-emission vehicles used for fixed route public transit.

19 (d) Prioritization. The Agency shall strive for geographical distribution of
20 grant awards across the entirety of the State with a focus on communities that
21 are underserved or disadvantaged.

1 * * * State Motor Vehicle Fleet * * *

2 * * * Fleet Requirements Starting in Fiscal Year 2023 * * *

3 Sec. 10. 29 V.S.A. § 903(g) is amended to read:

4 (g)(1) The Commissioner of Buildings and General Services, when
5 purchasing or leasing vehicles for State use, shall, ~~to the maximum extent~~
6 ~~practicable,~~ purchase or lease ~~hybrid or plug-in electric vehicles, as defined in~~
7 ~~23 V.S.A. § 4(85),~~ zero-emission vehicles, as defined in 23 V.S.A. § 4(88), but
8 in no instance shall less than ~~75~~ 50 percent of the vehicles annually purchased
9 or leased be ~~hybrid or plug-in electric vehicles~~ battery electric or fuel cell
10 electric vehicles, as defined in 23 V.S.A. § 4(85)(A) and (87). The
11 Commissioner shall, whenever possible and provided that the vehicles are
12 comparable and meet the State's needs, purchase or lease the lowest-cost year
13 of the selected make and model, and only the latest year model when it is the
14 least expensive.

15 (2) Notwithstanding subdivision (1) of this subsection, the
16 Commissioner may purchase or lease any vehicle for State use if there is no
17 other viable alternative. If more than five vehicles are purchased or leased
18 under the authority of this subdivision in any one fiscal year, then the
19 Commissioner shall file a written report not later than September 1 following
20 the close of the fiscal year with the Joint Transportation Oversight Committee

1 and the House and Senate Committees on Transportation detailing the
2 circumstances and explaining why there was no other viable alternative.

3 * * * Fleet Requirements Starting in Fiscal Year 2028 * * *

4 Sec. 11. 29 V.S.A. § 903(g)(1) is amended to read:

5 (g)(1) The Commissioner of Buildings and General Services, when
6 purchasing or leasing vehicles for State use, shall purchase or lease ~~zero-~~
7 ~~emission vehicles, as defined in 23 V.S.A. § 4(88), but in no instance shall less~~
8 ~~than 50 percent of the vehicles annually purchased or leased be~~ battery electric
9 or fuel cell electric vehicles, as defined in 23 V.S.A. § 4(85)(A) and (87). The
10 Commissioner shall, whenever possible and provided that the vehicles are
11 comparable and meet the State's needs, purchase or lease the lowest-cost year
12 of the selected make and model, and only the latest year model when it is the
13 least expensive.

14 * * * Electric Vehicle Supply Equipment * * *

15 * * * Level 3 EVSE Network in Vermont * * *

16 Sec. 12. 2021 Acts and Resolves No. 55, Sec. 30 is amended to read:

17 Sec. 30. EVSE NETWORK IN VERMONT; REPORT OF ANNUAL
18 MAP AND EFFORTS TO ENSURE DEPLOYMENT IN
19 COMMUNITIES THAT ARE UNDERSERVED OR
20 DISADVANTAGED

1 (a) It shall be the goal of the State to have, as practicable, a level 3 EVSE
2 charging port available to the public within:

3 (1) five miles of every exit of the Dwight D. Eisenhower National
4 System of Interstate and Defense Highways within the State; and

5 (2) 50 miles of another level 3 EVSE charging port available to the
6 public along a State highway, as defined in 19 V.S.A. § 1(20).

7 (b) Notwithstanding 2 V.S.A. § 20(d), the Agency of Transportation shall
8 file the following not later than January 15 each year with the House and
9 Senate Committees on Transportation:

10 (1) an up-to-date map showing the locations of all level 3 EVSE and
11 level 2 EVSE available to the public within the State with the House and
12 Senate Committees on Transportation not later than January 15 each year until
13 the goal identified in subsection (a) of this section is met; and

14 (2) a report detailing how the Agency of Transportation ensured that, in
15 meeting the State's goal established in subsection (a) of this section, charging
16 infrastructure was deployed in communities that are underserved or
17 disadvantaged and how grants deployed through the EVSE Grant Program
18 advanced the State's goals.

1 * * * Employer Provided EVSE * * *

2 Sec. 13. 21 V.S.A. chapter 24 is added to read:

3 CHAPTER 24. EMPLOYER PROVIDED VEHICLE CHARGERS

4 § 1901. DEFINITIONS

5 As used in this chapter:

6 (1) “Covered employer” means an employer with 50 or more employees
7 performing services for it in the State who are required to work in person on
8 average two or more days per week.

9 (2) “Employee” has the same meaning as in section 341 of this title.

10 (3) “Employer” has the same meaning as in section 341 of this title.

11 (4) “Level 2 charger” means a galvanically connected electric vehicle
12 supply equipment with a single-phase input voltage range from 208 to 240
13 volts AC and a maximum output current less than or equal to 80 amperes AC.

14 § 1902. LEVEL 2 CHARGERS REQUIRED

15 All covered employers that provide free or subsidized parking for
16 employees in a facility that is owned or rented by the employer are required to
17 maintain level 2 chargers at not less than six percent of all parking spaces
18 available to employees.

1 * * * EVSE Grant Program * * *

2 Sec. 14. GRANT PROGRAM FOR LEVEL 2 CHARGERS

3 (a) Implementation. The Agency of Transportation shall establish and
4 administer, through a memorandum of understanding with the Department of
5 Housing and Community Development, a program to support the continued
6 holistic buildout of electric vehicle supply equipment in Vermont and build
7 upon the existing EVSE Grant Program that the Department of Housing and
8 Community Development has been administering on behalf of the Department
9 of Environmental Conservation. Program funding shall be distributed in the
10 form of grants, where the recipient is responsible for the full match required to
11 secure federal funding match requirements, for projects to install level 2
12 chargers and based on an application that shall address equity by giving
13 priority to projects that provide the greatest benefit to the greatest number of
14 individuals within a community that is underserved or disadvantaged.

15 (b) Appropriation. The sum of \$11,000,000.00 is appropriated from the
16 Transportation Fund to the Agency of Transportation in fiscal year 2023 for
17 the purpose of implementing subsection (a) of this section. As practicable, the
18 appropriation shall:

19 (1) be supplanted with federal funds available under the Surface
20 Transportation Block Grant Program, 23 U.S.C. § 133, as amended by the
21 Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, Sec. 11109, or any

1 other available federal funding source with any necessary match requirement
2 provided by the grant recipient; and

3 (2) be equally distributed in grants to the different categories of eligible
4 entities listed under subdivisions (c)(1)–(6) of this section.

5 (c) Eligibility and maximum grant amount. The following are eligible for a
6 grant under this section:

7 (1) Municipalities with a portion of the municipality designated pursuant
8 to 24 V.S.A. chapter 76A are eligible for a grant amount of up to \$5,000.00 per
9 port for level 2 chargers for between two and 10 ports, with a maximum grant
10 amount of up to 75 percent of the project cost, and a grant amount of up to
11 \$40,000.00 for up to five level 3 chargers, with a maximum grant amount of up
12 to 50 percent of the project cost.

13 (2) Employers that are required to provide level 2 chargers pursuant to
14 21 V.S.A. § 1902, as added by Sec. 13 of this act, are eligible for a grant
15 amount of up to \$5,000.00 per port for level 2 chargers for between two and 10
16 ports, with a maximum grant amount of up to 75 percent of the project cost,
17 and a grant amount of up to \$40,000.00 for up to five level 3 chargers, with a
18 maximum grant amount of up to 50 percent of the project cost.

19 (3) Multi-unit affordable housing and multi-unit dwellings owned by a
20 nonprofit are eligible for a grant amount of up to \$10,000.00 per port for level
21 2 chargers for between two and four ports, with a maximum grant amount of

1 up to 100 percent of the project cost, and all other multi-unit dwellings are
2 eligible for a grant amount of up to \$5,000.00 per port for between two to 10
3 ports, with a maximum grant amount of up to 75 percent of the project cost,
4 and a grant amount of up to \$40,000.00 for up to five level 3 chargers, with a
5 maximum grant amount of up to 50 percent of the project cost.

6 (4) Persons that operate fleets of vehicles are eligible for a grant amount
7 of up to \$5,000.00 per port for level 2 chargers for between two and 10 ports,
8 with a maximum grant amount of up to 75 percent of the project cost.

9 (5) State agencies and departments are eligible for a grant amount of up
10 to \$10,000.00 per port for level 2 chargers for between two and four ports, with
11 a maximum grant amount of up to 100 percent of the project cost.

12 (6) Public and independent schools, as defined in 16 V.S.A. § 11(7)
13 and (8), and postsecondary schools, as defined in 16 V.S.A. § 176(b)(1), are
14 eligible for a grant amount of up to \$5,000.00 per port for level 2 chargers for
15 between two and 10 ports, with a maximum grant amount of up to 75 percent
16 of the project cost. Any grants received shall not be considered education
17 spending as defined under 16 V.S.A. § 4001(6).

18 (d) Fee schedule disclosure. Grant recipients shall disclose a fee schedule
19 to the Department of Housing and Community Development demonstrating a
20 required user fee for electric vehicle charging that accounts for expenses
21 associated with the equipment, including electricity costs.

1 (e) Consultation. The Department of Housing and Community
2 Development shall consult with the EVSE Interagency Workgroup regarding
3 the design, award of funding, and administration of this program.

4 (f) Report. The Department of Housing and Community Development
5 shall file a written report on the outcomes of the program, including how grant
6 awards were distributed to address equity, with the House and Senate
7 Committees on Transportation on or before January 15, 2023.

8 (g) Federal charging and fueling infrastructure grants. The EVSE
9 Interagency Workgroup shall ensure that all applicants for a grant under this
10 section are notified of the existence of federal charging and fueling
11 infrastructure grant funding that is available pursuant to the Infrastructure
12 Investment and Jobs Act, Pub. L. No. 117-58, Sec. 11401. To the extent
13 practicable, the EVSE Interagency Workgroup shall provide assistance to
14 applicants for a grant under this section who are interested in pursuing a grant
15 award under the federal program.

16 * * * Employer Sponsored Transportation Demand Management * * *
17 Sec. 15. 21 V.S.A. chapter 26 is added to read:

18 CHAPTER 26. EMPLOYER PROVIDED TRANSPORTATION DEMAND
19 MANAGEMENT PLAN

20 § 2011. DEFINITIONS

21 As used in this chapter:

1 (1) “Employee” has the same meaning as in section 341 of this title.

2 (2) “Employer” has the same meaning as in section 341 of this title.

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

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

11 § 2012. TRANSPORTATION DEMAND MANAGEMENT PLAN

12 REQUIRED

13 (a) Adoption of a transportation demand management plan. All employers
14 with 50 or more employees performing services for it in the State shall design,
15 adopt, and implement a TDM plan that includes measures to reduce vehicle
16 miles traveled.

17 (b) Employer resources. All employers required to design, adopt, and
18 implement a TDM plan pursuant to subsection (a) of this section shall consult
19 one or more of the following in developing and implementing a TDM plan and
20 other TDM measures:

1 (1) the Agency of Transportation’s Transportation Demand
2 Management (TDM) Guidance document, as updated;

3 (2) existing transportation management associations, including Go!
4 Vermont;

5 (3) mass transit authorities formed pursuant to 24 V.S.A. chapter 127;

6 (4) municipalities; and

7 (5) municipal and regional planning commissions created pursuant to
8 24 V.S.A. chapter 117.

9 § 2013. RULEMAKING

10 The Secretary of Transportation, in consultation with stakeholders, may
11 adopt rules pursuant to 3 V.S.A chapter 25 to establish the specific content of
12 transportation demand management plans and implement the provisions of this
13 section.

14 * * * Mobility and Transportation Innovation Grant Program * * *

15 Sec. 16. MOBILITY AND TRANSPORTATION INNOVATION GRANT

16 PROGRAM; APPROPRIATION; REPORT

17 (a) Implementation. The Agency of Transportation shall continue to
18 administer the Mobility and Transportation Innovation (MTI) Grant Program,
19 which was created pursuant to 2020 Acts and Resolves No. 121, Sec. 16. The
20 Program shall continue to support innovative strategies and projects that
21 improve both mobility and access to services for transit-dependent

1 Vermonters, reduce the use of single-occupancy vehicles, and reduce
2 greenhouse gas emissions. Individual grant awards shall be capped at either:

3 (1) \$250,000.00 per recipient that may be used for one or more of the
4 following: matching funds for other grant awards, program delivery costs, or
5 for the extension of existing programs; or

6 (2) \$2,000,000.00 per recipient, for not more than four recipients, that
7 may be used to operate micro-transit programs.

8 (b) Appropriation. The sum of \$10,000,000.00 is appropriated from the
9 Transportation Fund to the Agency of Transportation in fiscal year 2023 for
10 the purpose of implementing subsection (a) of this section.

11 (c) Report. On or before December 15, 2022, the Agency of
12 Transportation shall file a written report with the House and Senate
13 Committees on Transportation that:

14 (1) evaluates the effectiveness of the MTI Grant Program;

15 (2) makes recommendations on how to expand the MTI Grant Program
16 and better target the unique needs of transit-dependent and transit-interested
17 Vermonters; and

18 (3) makes recommendations on how to encourage communities
19 throughout Vermont to adopt micro-transit and other innovative public transit
20 options.

1 * * * New Positions * * *

2 Sec. 17. NEW POSITIONS

3 (a) The following three positions are created in the Agency of
4 Transportation, within the Division of Policy, Planning and Intermodal
5 Development: one full-time, exempt Director of Transportation Innovation;
6 one full-time, exempt Clean Transportation Incentive Program Administrator;
7 and one full-time, exempt Manager of Community Planning.

8 (b) The sum of \$402,000.00 for personal services and \$10,000.00 for
9 operating expenses is appropriated from the Transportation Fund to the
10 Agency for these positions in fiscal year 2023.

11 (c) The Director of Transportation Innovation shall ensure that micro-
12 transit operations are made available and utilized in communities that are
13 underserved or disadvantaged and shall facilitate increased marketing and
14 outreach related to the provision of micro-transit in the State.

15 * * * Complete Streets and Sprawl * * *

16 Sec. 18. 19 V.S.A. § 10b(c) is amended to read:

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

1 (1) Develop or incorporate designs that provide integrated, safe, and
2 efficient transportation and that are consistent with the recommendations of the
3 CEP.

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

15 (i) Use of the transportation facility by pedestrians, bicyclists, or
16 other users is prohibited by law.

17 (ii) The cost of incorporating complete streets principles is grossly
18 disproportionate to the need or probable use as determined by factors including
19 land use, current and projected user volumes, population density, crash data,
20 historic and natural resource constraints, and maintenance requirements. The

1 Agency shall consult local and regional plans, as appropriate, in assessing
2 these and any other relevant factors.

3 (iii) Incorporating complete streets principles is outside the limited
4 scope of a maintenance project ~~because of its very nature~~ that does not involve
5 the reconstruction of any infrastructure.

6 (B) The written determination required under subdivision (A) of this
7 subdivision (2) shall be final and shall not be subject to appeal or further
8 review.

9 * * *

10 Sec. 19. 19 V.S.A. § 309d is amended to read:

11 § 309d. POLICY FOR MUNICIPALLY MANAGED TRANSPORTATION
12 PROJECTS

13 (a) Except in the case of projects or project components involving unpaved
14 highways, for all transportation projects and project phases managed by a
15 municipality, including planning, development, construction, or maintenance,
16 it is the policy of this State for municipalities to ~~consider~~ incorporate
17 “complete streets” principles, which are principles of safety and
18 accommodation of all transportation system users, regardless of age, ability, or
19 modal preference. ~~If, after the consideration required under this section,~~ a
20 project does not incorporate complete streets principles, the municipality
21 managing the project shall make a written determination, supported by

1 documentation and available for public inspection at the office of the
2 municipal clerk and at the Agency of Transportation, that one or more of the
3 following circumstances exist:

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

6 (2) The cost of incorporating complete streets principles is grossly
7 disproportionate to the need or probable use as determined by factors such as
8 land use, current and projected user volumes, population density, crash data,
9 historic and natural resource constraints, and maintenance requirements. The
10 municipality shall consult local and regional plans, as appropriate, in assessing
11 these and any other relevant factors.

12 (3) Incorporating complete streets principles is outside the limited scope
13 of a maintenance project ~~because of its very nature~~ that does not involve the
14 reconstruction of any infrastructure.

15 (b) The written determination required by subsection (a) of this section
16 shall be final and shall not be subject to appeal or further review.

17 Sec. 20. 10 V.S.A. § 6086(a) is amended to read:

18 (a) Before granting a permit, the District Commission shall find that the
19 subdivision or development:

20 * * *

1 (5)(A) Will not cause unreasonable congestion or unsafe conditions with
2 respect to use of the highways; waterways; railways; airports and airways;
3 bicycle, pedestrian, and other transit infrastructure; and other means of
4 transportation existing or proposed.

5 (B) ~~As appropriate, will~~ Will incorporate transportation demand
6 management strategies ~~and~~; provide safe use, access, and connections to
7 adjacent lands and facilities and to existing and planned pedestrian, bicycle,
8 and transit networks and services; and make the best use of existing and
9 planned public transit and micro-transit networks and services. ~~In determining~~
10 ~~appropriateness under this subdivision (B), the District Commission shall~~
11 ~~consider whether such a strategy, access, or connection constitutes a measure~~
12 ~~that a reasonable person would take given the type, scale, and transportation~~
13 ~~impacts of the proposed development or subdivision.~~

14 * * *

15 * * * Bicyclist and Pedestrian Highway Access * * *

16 Sec. 21. PEDESTRIAN AND BICYCLE ACCESS TO BE PROVIDED NOT
17 LATER THAN DECEMBER 1, 2022

18 (a) As used in this section, “highways” means all nonlimited access State
19 highways and class 1 and 2 town highways, including shoulders.

20 (b) The Agency shall make all highways safe for bicycle and pedestrian
21 use.

1 (c) The Agency shall ensure that all paved sections of highways that are not
2 adequately served by pedestrian paths and bicycle paths or bicycle lanes shall
3 be marked on the pavement and with signage indicating the portion of the
4 highways that bicyclists and pedestrians should occupy not later than
5 December 31, 2022.

6 (d) The Agency shall ensure that portions of highways not scheduled for
7 repaving until after fiscal year 2023 or any portions scheduled for repaving
8 where paving of the shoulder has been deemed cost prohibitive, shall be made
9 safe for bicyclists and pedestrians by doing one or more of the following not
10 later than December 31, 2022:

11 (1) narrowing the travel lane and expanding the shoulder;

12 (2) creating a paved shoulder; or

13 (3) lowering the speed limit.

14 (e) Pursuant to 19 V.S.A. § 2310, the Agency shall ensure that as many
15 portions of highways as possible have paved shoulders, which under 19 V.S.A.
16 § 2301(3) are considered bicycle lanes, with the goal of having such paved
17 shoulders along as many highways as possible as portions of highways are
18 repaved.

1 * * * Prohibition on Bicyclists Riding Abreast * * *

2 Sec. 22. 23 V.S.A. § 1139 is amended to read

3 § 1139. RIDING ON ROADWAYS AND BICYCLE PATHS

4 (a) ~~A person~~ An individual operating a bicycle upon a roadway shall
5 exercise due care when passing a standing vehicle or one proceeding in the
6 same direction. Bicyclists generally shall ride as near to the right side of the
7 improved area of the highway right-of-way as is safe, except that a bicyclist:

8 (1) Shall ride to the left or in a left lane when:

9 (A) preparing for a left turn at an intersection or into a private
10 roadway or driveway;

11 (B) approaching an intersection with a right-turn lane if not turning
12 right at the intersection; or

13 (C) overtaking another vulnerable user.

14 (2) May ride to the left or in a left lane when taking reasonably
15 necessary precautions to avoid hazards or road conditions. Examples include
16 objects on the road, parked or moving vehicles, pedestrians, animals, surface
17 conditions that may impair the bicyclist's stability, or safety hazards caused by
18 a narrow road or steep embankment, road geometry, or unfavorable
19 atmospheric conditions.

1 (b) ~~Persons~~ Individuals riding bicycles upon a roadway may not ride ~~more~~
2 ~~than two~~ abreast except on paths or parts of roadways set aside for the
3 exclusive use of bicycles or except as otherwise permitted by the
4 Commissioner of Public Safety in connection with a public sporting event in
5 which case the Commissioner shall be authorized to adopt such rules as the
6 public good requires. ~~Persons~~ Individuals permitted to and riding two abreast
7 shall not impede the normal and reasonable movement of traffic and, on a
8 laned roadway, shall ride within a single lane.

9 * * *

10 * * * Pedestrian Safety Pilot Program * * *

11 Sec. 23. PEDESTRIAN SAFETY PILOT PROGRAM; REPORT

12 (a) Pilot program. On or before September 1, 2022, the Agency of
13 Transportation shall identify a minimum of 10 State and municipal projects to
14 pilot the use of pedestrian safety measures. The Agency shall select projects
15 that are located throughout the State, in both rural and urban communities, and
16 utilize both permanent and temporary infrastructure, including signage, and
17 low-technology resources, such as crossing flags. The Agency shall ensure
18 that all projects comply with the Manual on Uniform Traffic Control Devices,
19 where applicable, and that the person managing the project collects data on the
20 effectiveness, reliability, and availability of the infrastructure or resources
21 utilized as part of the project.

1 (b) Report. The Agency of Transportation shall file a written report on the
2 pilot program identified in subsection (a) of this section with the House and
3 Senate Committees on Transportation on or before December 15, 2023. At a
4 minimum, the report shall cover:

5 (1) the selected projects, including the location and a brief description of
6 each project; and

7 (2) an evaluation of the effectiveness, reliability, and availability of the
8 infrastructure or resource utilized as part of the project.

9 (c) Municipal funding. Municipal projects selected under subsection (a) of
10 this section shall be eligible for a grant award of up to \$25,000.00 per project
11 from the Agency of Transportation.

12 (d) Appropriation. The sum of \$250,000.00 is appropriated from the
13 Transportation Fund to the Agency of Transportation in fiscal year 2023 for
14 the purpose of providing funding for municipal projects under subsection (c) of
15 this section.

16 (e) Pedestrian safety studies. If the appropriation in subsection (d) of this
17 section is not fully utilized in grant awards for municipal projects, then the
18 Agency of Transportation shall provide grant awards to municipalities to
19 conduct pedestrian safety studies in rural communities.

* * * In-Street Pedestrian Crossing Signs * * *

Sec. 24. 23 V.S.A. § 1030 is added to read:

§ 1030. IN-STREET PEDESTRIAN CROSSING SIGNS

Notwithstanding 19 V.S.A. § 1111, municipalities may install in-street pedestrian crossing signs in non-signalized crosswalks on State and town highways. In-street pedestrian crossing signs may continuously remain in crosswalks from May 1 until October 15.

* * * Speed Limits * * *

Sec. 25. 23 V.S.A. § 1007(b) is amended to read:

(b)(1) The legislative body of a city may establish, on the basis of an engineering and traffic investigation, a speed limit on all or a part of any State highway, other than a limited access highway, within its jurisdiction, ~~which~~ that:

(1)(A) is not more than 50 miles per hour; or

(2)(B) is not less than 25 miles per hour.

(2) The legislative body of a town or incorporated village containing a downtown development district, village center, or new town center development district designated under 24 V.S.A. chapter 76A may establish a speed limit of 25 miles per hour on all or a part of any State highway, other than a limited access highway, within the downtown development district, village center, or new town center.

1 Sec. 26. MUNICIPAL REQUESTS TO CHANGE THE SPEED LIMIT ON A
2 STATE HIGHWAY

3 It is the intent of the General Assembly that when the Traffic Committee
4 receives a request from a municipality to have the speed limit on a State
5 highway, other than a limited access highway, within that municipality
6 lowered that the Traffic Committee does not subsequently increase the speed
7 limit in question even if the engineering and traffic investigation indicates that
8 the speed limit could safely be increased. The speed limit in question should
9 only be increased if the engineering and traffic investigation indicates that not
10 doing so will create a greater safety hazard for the traveling public.

11 * * * Commuter Rail Study * * *

12 Sec. 27. COMMUTER RAIL FEASIBILITY STUDY

13 (a) The Agency of Transportation shall conduct a commuter rail feasibility
14 study for, at a minimum, the following corridors:

15 (1) between St. Albans, Vermont; Essex Junction, Vermont; and
16 Montpelier, Vermont, with connecting service to Burlington, Vermont;

17 (2) between Middlebury, Vermont, and Burlington, Vermont; and

18 (3) between Montpelier, Vermont, and Barre, Vermont.

19 (b) The purpose of the feasibility study shall be to determine the feasibility
20 of commuter rail service within the corridors identified in subsection (a) of this
21 section, including to estimate the time horizon to plan for and design the

1 service, to estimate ridership potential, to estimate costs for operations and
2 capital acquisition, and to identify any other general operational, capital, legal,
3 and administrative requirements.

4 (c) The Agency of Transportation shall file a written report with the
5 findings of the feasibility study and any recommendations stemming from the
6 feasibility study with the House and Senate Committees on Transportation on
7 or before January 15, 2023.

8 (d) The Agency may incorporate prior reports on the feasibility of commuter
9 rail service if the scope of those prior reports is covered by this section and any
10 changes or updates to the prior incorporated reports are identified and
11 explained.

12 * * * Report on Mass Transit Authorities * * *

13 Sec. 28. MASS TRANSIT AUTHORITIES; REPORT

14 (a) The Public Transit Advisory Council shall examine the existing use of
15 mass transit authorities and public transit providers in the State and make
16 recommendations on how best to encourage and expand the use of mass transit
17 authorities in the State and establish and structure a State transit authority.

18 (b) As part of its examination, the Public Transit Advisory Council shall, at
19 a minimum, consider how transit authorities can be used throughout the State
20 to:

1 (1) administer, develop, and contract for transit operations to improve
2 system efficiencies and ridership;

3 (2) enable bonding, utilize public-private partnerships, and maximize
4 the use of federal funding to maintain and build upon the existing public transit
5 system and services;

6 (3) expand operations to provide commuter rail and other transit that is
7 integrated with Amtrak passenger rail service; and

8 (4) increase commuter travel options, reduce traffic congestion, improve
9 public health, and provide coordinated transit schedules.

10 (c) On or before January 15, 2022, the Public Transit Advisory Council
11 shall submit a written report to the House and Senate Committees on
12 Transportation with its findings and recommendations.

13 (d) The Public Transit Advisory Council shall meet six times to fulfill its
14 obligations under this section and shall have the administrative, technical, and
15 legal assistance of the Agency of Transportation.

16 (e) Compensation shall be provided to members of the Public Transit
17 Advisory Council pursuant to 24 V.S.A. § 5084(c). These payments shall be
18 made from monies appropriated to the Agency of Transportation.

19 * * * Tier III Renewable Energy Credits; Prorated Credit * * *

20 Sec. 29. 30 V.S.A. § 8005(a)(3) is amended to read:

21 (3) Energy transformation.

1 (A) Purpose; establishment. This subdivision establishes an energy
2 transformation category for the RES. This category encourages Vermont retail
3 electricity providers to support additional distributed renewable generation or
4 to support other projects to reduce fossil fuel consumed by their customers and
5 the emission of greenhouse gases attributable to that consumption. A retail
6 electricity provider may satisfy the energy transformation requirement through
7 distributed renewable generation in addition to the generation used to satisfy
8 subdivision (2) of this subsection (a) or energy transformation projects or a
9 combination of such generation and projects.

10 * * *

11 (E) Other sources.

12 * * *

13 (ii) An energy transformation project may provide incremental
14 support to a program authorized under Vermont ~~statute~~ law that meets the
15 eligibility criteria of this subdivision (3) but may take credit only for the
16 additional amount of service supported and shall not take credit for that
17 program's regularly budgeted or approved investments. To the extent that
18 State-created or -funded programs overlap with retail electricity provider
19 programs, exclusive of a program's regularly budgeted or approved
20 investments, the Department and participating retail electricity providers shall
21 prorate the reduction in fossil fuel consumption to the retail electricity

1 providers so as to recognize the State’s contribution, which the retail electricity
2 provider shall not take credit for.

3 * * *

4 * * * Efficiency Fees and Rebates * * *

5 Sec. 30. 23 V.S.A. § 383 is added to read:

6 § 383. EFFICIENCY FEES AND REBATES

7 (a) As used in this section:

8 (1) “Covered vehicles” includes new light trucks, new passenger
9 automobiles, and new sport utility vehicles.

10 (2) “Light truck” means a motor vehicle, without regard to whether the
11 motor vehicle could be categorized as a special purpose vehicle, that would be
12 categorized as a small pickup truck, standard pickup truck, van, or minivan by
13 the Administrator of the Environmental Protection Agency or authorized
14 representative for purposes of fuel economy labeling pursuant to 40 C.F.R.
15 § 600.315-08.

16 (3) “Motor vehicle” has the same meaning as in subdivision 4(21) of
17 this title.

18 (4) “Motor vehicle type” means a light duty truck, passenger
19 automobile, or sport utility vehicle.

20 (5) “New motor vehicle” has the same meaning as in subdivision 4(62)
21 of this title.

1 (6) “Passenger automobile” means a motor vehicle, without regard to
2 whether the motor vehicle could be categorized as a special purpose vehicle,
3 that would be categorized as a two seater, minicompact car, subcompact car,
4 compact car, midsize car, large car, small station wagon, midsize station
5 wagon, or large station wagon by the Administrator of the Environmental
6 Protection Agency or authorized representative for purposes of fuel economy
7 labeling pursuant to 40 C.F.R. § 600.315-08.

8 (7) “Sport utility vehicle” means a motor vehicle, without regard to
9 whether the motor vehicle could be categorized as a special purpose vehicle,
10 that would be categorized as a small sport utility vehicle or standard sport
11 utility vehicle by the Administrator of the Environmental Protection Agency or
12 authorized representative for purposes of fuel economy labeling pursuant to
13 40 C.F.R. § 600.315-08.

14 (8) “Vehicle efficiency” means the combined fuel economy in miles per
15 gallon or miles per gallon equivalent (MPG(e)) of the motor vehicle as rated by
16 the Environmental Protection Agency.

17 (b) All covered vehicles shall, at the time of initial registration in the State,
18 be subject to an efficiency fee or entitled to an efficiency rebate under a system
19 that:

20 (1) is designed to provide a rebate for motor vehicles within each motor
21 vehicle type that have a high vehicle efficiency as compared to the average

1 vehicle efficiency for motor vehicles of that motor vehicle type in the State and
2 collect a fee for motor vehicles within each motor vehicle type that have a low
3 vehicle efficiency as compared to the average vehicle efficiency for motor
4 vehicles of that motor vehicle type in the State;

5 (2) is divided into at least four tiers, not including a tier that is not
6 subject to an efficiency fee or rebate, for each motor vehicle type;

7 (3) is designed to be revenue neutral to the State within each motor
8 vehicle type;

9 (4) is recalculated on an annual basis for the subsequent fiscal year
10 based on actual new motor vehicle registration data for the prior fiscal year and
11 adjusted as necessary to maintain revenue neutrality;

12 (5) applies to the purchase and lease of new covered vehicles; and

13 (6) may differ between a purchased and a leased covered vehicle.

14 (c) The efficiency fees and rebates applicable for a fiscal year shall be
15 prominently displayed on the website for the Department of Motor Vehicles
16 and at all dealership locations and on the websites for all dealers registered
17 pursuant to chapter 7, subchapter 4 of this title.

18 Sec. 31. EFFICIENCY FEES AND REBATES TASK FORCE

19 (a) Creation. There is created the Efficiency Fees and Rebates Task Force
20 to formulate a method for calculating the initial and recalculating the

1 subsequent efficiency fees and rebates to be collected and distributed under
2 23 V.S.A. § 383 as added by Sec. 30 of this act.

3 (b) Membership. The Task Force shall be composed of the following
4 members:

5 (1) one current member of the House of Representatives who shall be
6 appointed by the Speaker of the House;

7 (2) one current member of the Senate who shall be appointed by the
8 Committee on Committees;

9 (3) the Commissioner of Financial Regulation or designee;

10 (4) the Commissioner of Motor Vehicles or designee;

11 (5) the Secretary of Transportation or designee;

12 (6) one member who shall be an economist and appointed by the
13 Speaker of the House; and

14 (7) one member who shall be a member of the Vermont Vehicle and
15 Automotive Distributors Association and appointed by the Committee on
16 Committees.

17 (c) Duties.

18 (1) The Task Force shall make recommendations, which are consistent
19 with the Climate Action Plan, about:

20 (A) efficiency fees and rebates to be collected and distributed under
21 23 V.S.A. § 383 as added by Sec. 30 of this act in fiscal year 2023;

1 (B) a formula or method for calculating efficiency fees and rebates to
2 be collected and distributed under 23 V.S.A. § 383 as added by Sec. 30 of this
3 act in fiscal years subsequent to fiscal year 2023;

4 (C) any modifications to 23 V.S.A. § 383 as added by Sec. 30 of this
5 act that are necessary for implementation of a revenue neutral system of
6 efficiency fees and rebates; and

7 (D) best practices, policies, and guidelines for successful
8 implementation of a revenue neutral system of efficiency fees and rebates.

9 (2) The Task Force shall prepare proposed legislation based upon its
10 recommendations.

11 (d) Assistance. The Task Force shall have:

12 (1) fiscal assistance from the Joint Fiscal Office;

13 (2) committee support services from the Office of Legislative
14 Operations;

15 (3) drafting assistance from the Office of Legislative Counsel; and

16 (4) other assistance, including the writing of the report containing
17 recommendations, from the Agency of Transportation.

18 (e) Report. On or before January 15, 2023, the Task Force shall submit a
19 report to the House and Senate Committees on Transportation with its
20 recommendations and proposed legislation.

1 (f) Meetings.

2 (1) The Secretary of Transportation or designee shall call the first
3 meeting of the Task Force to occur on or before July 1, 2022.

4 (2) The Secretary of Transportation or designee shall be the Chair.

5 (3) A majority of the membership shall constitute a quorum.

6 (4) The Task Force shall cease to exist on February 15, 2023.

7 (g) Compensation and reimbursement.

8 (1) For attendance at meetings during adjournment of the General
9 Assembly, a legislative member of the Task Force serving in that capacity shall
10 be entitled to per diem compensation and reimbursement of expenses pursuant
11 to 2 V.S.A. § 23 for not more than eight meetings. These payments shall be
12 made from monies appropriated to the General Assembly.

13 (2) Other members of the Task Force who are not State employees shall
14 be entitled to per diem compensation and reimbursement of expenses as
15 permitted under 32 V.S.A. § 1010 for not more than eight meetings. These
16 payments shall be made from monies appropriated to the Agency of
17 Transportation.

18 Sec. 32. 23 V.S.A. § 383(d) is added to read:

19 (d)(1) Light trucks.

20 (A) The efficiency fees for light trucks shall be:

21 (i) \$500.00 if the vehicle efficiency is less than 16 MPG(e); and

1 (ii) \$170.00 if the vehicle efficiency is 16 MPG(e) or more and
2 less than 20 MPG(e).

3 (B) The efficiency rebates for light trucks shall be:

4 (i) \$925.00 if the vehicle efficiency is 26 MPG(e) or more and less
5 than 28 MPG(e); and

6 (ii) \$1,500.00 if the vehicle efficiency is 28 MPG(e) or more.

7 (2) Passenger automobiles.

8 (A) The efficiency fees for passenger automobiles shall be:

9 (i) \$750.00 if the vehicle efficiency is less than 21 MPG(e); and

10 (ii) \$400.00 if the vehicle efficiency is 21 MPG(e) or more and
11 less than 24 MPG(e).

12 (B) The efficiency rebates for passenger automobiles shall be:

13 (i) \$700.00 if the vehicle efficiency is 30 MPG(e) or more and less
14 than 35 MPG(e); and

15 (ii) \$1,000.00 if the vehicle efficiency is 35 MPG(e) or more.

16 (3) Sport utility vehicles.

17 (A) The efficiency fees for sport utility vehicles shall be:

18 (i) \$500.00 if the vehicle efficiency is less than 16 MPG(e); and

19 (ii) \$250.00 if the vehicle efficiency is 16 MPG(e) or more and
20 less than 20 MPG(e).

21 (B) The efficiency rebates for sport utility vehicles shall be:

1 (i) \$1,000.00 if the vehicle efficiency is 26 MPG(e) or more and
2 less than 28 MPG(e); and

3 (ii) \$1,500.00 if the vehicle efficiency is more than 30 MPG(e).

4 Sec. 33. OUTREACH ON EFFICIENCY FEES AND REBATES;

5 APPROPRIATION

6 The sum of \$20,000.00 is appropriated from the Transportation Fund to the
7 Agency of Transportation in fiscal year 2023 to expand the Agency's public-
8 private partnership with Drive Electric Vermont to provide marketing and
9 outreach efforts on motor vehicle efficiency fees and rebates in the fourth
10 quarter of fiscal year 2023 in advance of 23 V.S.A. § 383, as added by Sec. 30
11 of this act, taking effect.

12 Sec. 34. ANNUAL FEEBATE REPORT

13 (a) The Agency shall annually evaluate the implementation of 23 V.S.A.
14 § 383 to gauge effectiveness and submit a report accordingly to the House and
15 Senate Committees on Transportation not later than the 15th day of January
16 each year starting in 2025 and continuing to 2030.

17 (b) At a minimum, the report shall contain:

18 (1) the rates of all efficiency fees and rebates for the prior fiscal year;

19 (2) the total amount collected in efficiency fees for each motor vehicle
20 type and the total amount distributed in efficiency rebates for each motor
21 vehicle type in the prior fiscal year;

1 (3) an estimation of the costs to administer the system of efficiency fees
2 and rebates during the prior fiscal year; and

3 (4) recommendations on changes to the system of efficiency fees and
4 rebates.

5 * * * Effective Dates * * *

6 Sec. 35. EFFECTIVE DATES

7 (a) Secs. 6 (municipal grant programs appropriations), 7 (incentive
8 program appropriations), 8 (zero-fare public transit), 9 (zero-emission vehicle
9 school buses and public transit), 10 (State vehicle fleet (2023 fiscal year);
10 29 V.S.A. § 903(g)), 14 (grant program for level 2 chargers), 16 (Mobility and
11 Transportation Innovation Grant Program), 17 (new Agency of Transportation
12 positions), 18 and 19 (complete streets), 20 (Act 250 criterion 5),
13 22 (prohibition on bicyclists riding abreast), and 29 (Tier III renewable energy
14 credits; 30 V.S.A. § 8005(a)(3)) shall take effect on July 1, 2022.

15 (b) Sec. 30 (efficiency fees and rebates; 23 V.S.A. § 383) shall take effect
16 on July 1, 2023.

17 (c) Sec. 32 (efficiency fees and rebates; 23 V.S.A. § 383(d)) shall take
18 effect on July 1, 2023, provided that the General Assembly has not enacted
19 legislation providing for alternative efficiency fees and rebates based in whole
20 or in part on the recommendations of the Efficiency Fees and Rebates Task
21 Force.

1 (d) Sec. 13 (employer provided vehicle chargers) shall take effect on
2 January 1, 2024.

3 (e) Sec. 15 (employer provided transportation demand management plan)
4 shall take effect on passage, and employers that are required to adopt and
5 implement a transportation demand management plan pursuant to Sec. 15 shall
6 do so on or before January 1, 2023.

7 (f) Sec. 11 (State vehicle fleet (2028 fiscal year); 29 V.S.A. § 903(g)) shall
8 take effect on July 1, 2027.

9 (g) All other sections shall take effect on passage.