

1 **[LEG. COUNSEL PROPOSAL]**

2 **[COMMITTEE REQUEST]**

3 **[AGENCY OF TRANSPORTATION PROPOSAL]**

4 **[ADDITIONAL AGENCY OF TRANSPORTATION PROPOSAL]**

5 **[SEN. PERCHLIK PROPOSAL]**

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

7 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

8 (a) The Agency of Transportation’s Proposed Fiscal Year 2022

9 Transportation Program appended to the Agency of Transportation’s proposed
10 fiscal year 2022 budget, as amended by this act, is adopted to the extent
11 federal, State, and local funds are available.

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

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

14 (2) “Electric bicycle” means a bicycle equipped with fully operable
15 pedals, a saddle or seat for the rider, and an electric motor of less than 750
16 watts.

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

19 (4) “Plug-in electric vehicle (PEV),” “plug-in hybrid electric vehicle
20 (PHEV),” and “battery electric vehicle (BEV)” have the same meanings as in
21 23 V.S.A. § 4(85).

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

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

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

4 (7) The table heading “As Proposed” means the Proposed

5 Transportation Program referenced in subsection (a) of this section; the table

6 heading “As Amended” means the amendments as made by this act; the table

7 heading “Change” means the difference obtained by subtracting the “As

8 Proposed” figure from the “As Amended” figure; and the terms “change” or

9 “changes” in the text refer to the project- and program-specific amendments,

10 the aggregate sum of which equals the net “Change” in the applicable table

11 heading.

12 (c) In the Agency of Transportation’s Proposed Fiscal Year 2022

13 Transportation Program for Town Highway Aid, the value “\$26,017,744” is

14 struck and “\$27,105,769” is inserted in lieu thereof to correct a typographic

15 error.

16 ***[NO PROPOSED CHANGES TO SECS. 2 & 3]***

17 *** Bridge 61; Program Development; Town Highway Bridges ***

18 **Sec. 3a. BRIDGE 61 IN SPRINGFIELD, VT**

19 **(a) Within the Agency of Transportation’s Proposed Fiscal Year 2022**

20 **Transportation Program, the following project is moved from Program**

21 **Development to Town Highway Bridges: Springfield BF 1034(49).**

1 (b) Authorized spending for Springfield BF 1034(49) is not modified in
2 any way.

3 *[NO PROPOSED CHANGES TO SECS. 4–7]*

4 * * * One-Time Transportation Fund Monies Authorizations for
5 Electrification of the Transportation Sector * * *

6 * * * Incentive Program for New PEVs; Partnership with Drive Electric * * *
7 Sec. 8. INCENTIVE PROGRAM FOR NEW PEVS; PARTNERSHIP WITH
8 DRIVE ELECTRIC VERMONT

9 (a) In fiscal year 2022, the Agency is authorized to spend up to
10 \$3,250,000.00 in one-time Transportation Fund monies on the Incentive
11 Program for New PEVs established in 2019 Acts and Resolves No. 59, Sec.
12 34, as amended, and its partnership with Drive Electric Vermont with:

13 (1) Up to \$250,000.00 of that \$3,250,000.00 available to continue and
14 expand the Agency’s public-private partnership with Drive Electric Vermont to
15 support the expansion of the PEV market in the State.

16 (2) At least \$3,000,000.00 of that \$3,250,000.00 for PEV purchase and
17 lease incentives and administrative costs as allowed under subsection (b) of
18 this section. If less than \$250,000.00 is expended on the public-private
19 partnership with Drive Electric Vermont under subdivision (1) of this
20 subsection, then the balance of that \$250,000.00 shall only be authorized for
21 additional PEV purchase and lease incentives and administrative costs as

1 allowed under subsection (b) of this section.

2 (b) The Agency may use not more than 10 percent of the authorization
3 under subdivision (a)(2) of this section for costs associated with the
4 administration of the Program.

5 Sec. 9. 2019 Acts and Resolves No. 59, Sec. 34(a)(4), as amended by 2020
6 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec.
7 G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

8 ~~(4) The Agency shall administer the program described in subsection (b)~~
9 ~~of this section through no-cost contracts with the State's electric distribution~~
10 ~~utilities. [Repealed.]~~

11 Sec. 10. 2019 Acts and Resolves No. 59, Sec. 34(b), as amended by 2020 Acts
12 and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112,
13 and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

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

21 * * *

1 (2) provide not more than one incentive of \$1,500.00 for a PHEV or
2 \$2,500.00 for a BEV, per individual per year, to:

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

7 (B) an individual domiciled in the State whose federal income tax
8 filing status is surviving spouse with an adjusted gross income under the laws
9 of the United States greater than ~~\$50,000.00~~ \$75,000.00 and at or below
10 \$125,000.00;

11 (C) an individual who is part of a married couple with at least one
12 spouse domiciled in the State whose federal income tax filing status is married
13 filing jointly with an adjusted gross income under the laws of the United States
14 greater than ~~\$50,000.00~~ \$75,000.00 and at or below \$125,000.00; or

15 (D) an individual who is part of a married couple with at least one
16 spouse domiciled in the State and at least one spouse whose federal income tax
17 filing status is married filing separately with an adjusted gross income under
18 the laws of the United States greater than \$50,000.00 and at or below
19 \$100,000.00;

20 (3) provide not more than one incentive of \$3,000.00 for a PHEV or
21 \$4,000.00 for a BEV, per individual per year, to:

1 (A) an individual domiciled in the State whose federal income tax
2 filing status is single, or head of household, ~~or surviving spouse~~ with an
3 adjusted gross income under the laws of the United States at or below
4 \$50,000.00;

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

8 ~~(B)~~(C) an individual who is part of a married couple with at least one
9 spouse domiciled in the State whose federal income tax filing status is married
10 filing jointly with an adjusted gross income under the laws of the United States
11 at or below ~~\$50,000.00~~ \$75,000.00; or

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

16 (4) provide not more than five incentives of either \$3,000.00 for a
17 PHEV or \$4,000.00 for a BEV, or a combination thereof, to a tax-exempt
18 organization incorporated in the State for the purpose of providing Vermonters
19 with transportation alternatives to personal vehicle ownership; and

20 ~~(4)~~(5) apply to manufactured PEVs with a Base Manufacturer's
21 Suggested Retail Price (MSRP) of \$40,000.00 or less; and

1 (5) provide not less than \$1,100,000.00, of the initial \$2,000,000.00
2 authorization, and up to an additional \$2,050,000.00 in fiscal year 2021 in PEV
3 purchase and lease incentives.

4 * * * MileageSmart * * *

5 Sec. 11. MILEAGESMART

6 In fiscal year 2022, the Agency is authorized to spend up to \$600,000.00 in
7 one-time Transportation Fund monies on MileageSmart, which was established
8 in 2019 Acts and Resolves No. 59, Sec. 34, as amended, with up to 10 percent
9 of the total amount that is distributed in incentives in fiscal year 2022,
10 including incentive funding authorized by this section and incentive funding
11 carried over from prior fiscal years pursuant to 2019 Acts and Resolves No. 59,
12 Sec. 34, as amended, available for costs associated with administering
13 MileageSmart.

14 Sec. 11a. 2019 Acts and Resolves No. 59, Sec. 34(c)(1), as amended by 2020
15 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec.
16 G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

17 (1) The high fuel efficiency vehicle incentive program shall be known as
18 MileageSmart and shall:

19 * * *

20 (B) provide point-of-sale vouchers through the State’s network of
21 community action agencies and base set income eligibility for the voucher on

1 ~~the same criteria used for income qualification for weatherization services~~
2 ~~through the Weatherization Program at 80 percent of the State median income;~~
3 ~~and~~

4 * * *

5 *[NO PROPOSED CHANGES TO SECS. 12–15]*

6 * * * Replace Your Ride Program * * *

7 Sec. 16. REPLACE YOUR RIDE PROGRAM

8 (a) Program creation. The Agency of Transportation, in consultation with
9 the Departments of Environmental Conservation and of Public Service, shall
10 expand upon the vehicle incentive programs established under 2019 Acts and
11 Resolves No. 59, Sec. 34, as amended, to provide additional incentives for
12 Vermonters with low income through a program to be known as the Replace
13 Your Ride Program.

14 (b) Incentive amount. The Replace Your Ride Program shall provide up to
15 a \$3,000.00 incentive, which may be in addition to any other available
16 incentives, including through a program funded by the State, to individuals
17 who qualify based on both income and the removal of an internal combustion
18 vehicle. Only one incentive per individual is available under the Replace Your
19 Ride Program and incentives shall be provided on a first-come, first-served
20 basis once the Replace Your Ride Program is operational.

21 (c) Eligibility. Applicants must qualify through both income and the

1 removal of an eligible vehicle with an internal combustion engine.

2 (1) Income eligibility. The following applicants meet the income
3 eligibility requirement:

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

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

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

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

18 (E) an individual who qualifies for an incentive under MileageSmart,
19 which is set at 80 percent of the State median income.

20 (2) Vehicle removal.

21 (A) In order for an individual to qualify for an incentive under the

1 Replace Your Ride Program, the individual must remove an older low-
2 efficiency vehicle from operation and switch to a mode of transportation that
3 produces fewer greenhouse gas emissions. The entity that administers the
4 Replace Your Ride Program, in conjunction with the Agency of
5 Transportation, shall establish Program guidelines that specifically provide for
6 how someone can show that the vehicle removal eligibility requirement has
7 been, or will be, met.

8 (B) For purposes of the Replace Your Ride Program:

9 (i) An “older low-efficiency vehicle”:

10 (I) is currently registered, and has been for two years prior to
11 the date of application, with the Vermont Department of Motor Vehicles;

12 (II) is currently titled in the name of the applicant and has been
13 for at least one year prior to the date of application;

14 (III) has a gross vehicle weight rating of 10,000 pounds or less;

15 (IV) is at least 10 model years old;

16 (V) has an internal combustion engine; and

17 (VI) passed the annual inspection required under 23 V.S.A.
18 § 1222 within the prior year.

19 (ii) Removing the older low-efficiency vehicle from operation
20 must be done by disabling the vehicle’s engine from further use and fully
21 dismantling the vehicle for either donation to a nonprofit organization to be

1 used for parts or destruction.

2 (iii) The following qualify as a switch to a mode of transportation
3 that produces fewer greenhouse gas emissions:

4 (I) purchasing or leasing a new or used PEV;

5 (II) purchasing a new or used bicycle, electric bicycle, or
6 motorcycle that is fully electric, and the necessary safety equipment; and

7 (III) utilizing shared-mobility services or privately operated
8 vehicles for hire.

9 (d) Authorization. In fiscal year 2022, the Agency is authorized to spend
10 up to \$1,500,000.00 in one-time Transportation Fund monies on the Replace
11 Your Ride Program established under this section, with up to \$300,000.00 of
12 that \$1,500,000.00 available for startup costs, outreach education, and costs
13 associated with developing and administering the Replace Your Ride Program.

14 * * * Electric Bicycle Incentives * * *

15 Sec. 17. ELECTRIC BICYCLE INCENTIVES

16 (a) Implementation. The Agency of Transportation, in consultation with
17 Vermont electric distribution utilities, shall expand upon the vehicle incentive
18 programs established under 2019 Acts and Resolves No. 59, Sec. 34, as
19 amended, to provide a \$200.00 incentive to 250 individuals who purchase a
20 new electric bicycle. Specifically, the Program shall:

21 (1) distribute \$200.00 incentives on a first-come, first-served basis after

1 the Agency announces that incentives are available;

2 (2) apply to new electric bicycles with any Manufacturer’s Suggested
3 Retail Price (MSRP); and

4 (3) be available to all Vermonters who self-certify as to meeting any
5 incentive tier under the income eligibility criteria for the Incentive Program for
6 New PEVs.

7 (b) Authorization. In fiscal year 2022, the Agency is authorized to spend
8 up to \$50,000.00 in one-time Transportation Fund monies on the electric
9 bicycle incentives.

10 * * * EVSE Grant Program * * *

11 Sec. 18. GRANT PROGRAMS FOR LEVEL 2 CHARGERS IN MULTI-
12 UNIT DWELLINGS; REPORT

13 (a) As used in this section:

14 (1) “Area median income” means the county or Metropolitan Statistical
15 Area median income published by the federal Department of Housing and
16 Urban Development.

17 (2) “Multi-unit affordable housing” means a housing project, such as
18 cooperatives, condominiums, dwellings, or mobile home parks, with 10 or
19 more units constructed or maintained on a tract or tracts of land where:

20 (A) at least 50 percent of the units are or will be occupied by
21 households whose income does not exceed 100 percent of the greater of the

1 State or area median income; or

2 (B) all units are affordable to households earning between 60 and 120
3 percent of area median income.

4 (3) “Multi-unit dwellings owned by a nonprofit” means a housing
5 project, such as cooperatives, condominiums, dwellings, or mobile home
6 parks, with 10 or more units constructed or maintained on a tract or tracts of
7 land owned by a person that has nonprofit status under Section 501(c)(3) of the
8 U.S. Internal Revenue Code, as amended, and is registered as a nonprofit
9 corporation with the Office of the Secretary of State.

10 (b) The Agency of Transportation shall establish and administer, through a
11 memorandum of understanding with the Department of Housing and
12 Community Development, a pilot program to support the continued buildout of
13 electric vehicle supply equipment at multi-unit affordable housing and multi-
14 unit dwellings owned by a nonprofit and build upon the existing VW EVSE
15 Grant Program that the Department of Housing and Community Development
16 has been administering on behalf of the Department of Environmental
17 Conservation.

18 (c) In fiscal year 2022, the Agency is authorized to spend up to
19 \$1,000,000.00 in one-time Transportation Fund monies on the pilot program
20 established in this section.

21 (d) Pilot program funding shall be awarded with consideration of broad

1 geographic distribution as well as service models ranging from restricted
2 private parking to publicly accessible parking so as to examine multiple
3 strategies to increase access to EVSE.

4 (e) The Department of Housing and Community Development shall consult
5 with an interagency team consisting of the Commissioner of Housing and
6 Community Development or designee, the Commissioner of Environmental
7 Conservation or designee, the Commissioner of Public Service or designee,
8 and the Agency’s Division Director of Policy, Planning, and Intermodal
9 Development or designee regarding the design, award of funding, and
10 administration of this pilot program.

11 (f) The Department of Housing and Community Development shall file a
12 written report on the outcomes of the pilot program with the House and Senate
13 Committees on Transportation not later than January 15, 2022.

14 * * * EVSE Network in Vermont * * *

15 **Sec. 18a. EVSE NETWORK IN VERMONT; REPORT OF ANNUAL MAP**

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

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

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

1 (b) Notwithstanding 2 V.S.A. § 20(d), the Agency of Transportation shall
2 file an up-to-date map showing the locations of all level 3 EVSE available to
3 the public within the State with the House and Senate Committees on
4 Transportation not later than January 15 each year until the goal identified in
5 subsection (a) of this section is met.

6 * * * Zero-Fare Public Transit in Fiscal Year 2022 * * *

7 Sec. 19. ZERO-FARE PUBLIC TRANSIT IN FISCAL YEAR 2022

8 (a) Urban public transit. It is the intent of the General Assembly that
9 public transit operated by transit agencies that are eligible to receive grant
10 funds pursuant to 49 U.S.C. § 5307 in the State shall be operated on a zero-fare
11 basis with monies for public transit from the Coronavirus Aid, Relief, and
12 Economic Security Act, Pub. L. No. 116-136 (CARES Act), the Consolidated
13 Appropriations Act, 2021, Pub. L. No. 116-260, and the American Rescue Plan
14 Act of 2021, Pub. L. No. 117-2, as practicable and provided that such use is
15 first approved by the governing body of the transit agency, during fiscal year
16 2022.

17 (b) Rural public transit. It is the intent of the General Assembly that public
18 transit operated by transit agencies that are eligible to receive grant funds
19 pursuant to 49 U.S.C. § 5311 in the State shall be operated on a zero-fare basis
20 with monies for public transit from the Coronavirus Aid, Relief, and Economic
21 Security Act, Pub. L. No. 116-136 (CARES Act) and the Consolidated

1 Appropriations Act, 2021, Pub. L. No. 116-260, as practicable, during fiscal
2 year 2022.

3 ***[NO PROPOSED CHANGES TO SECS. 20–22]***

4 * * * Airport and Rail Signs; **Banners** * * *

5 Sec. 23. 10 V.S.A. § 494 is amended to read:

6 § 494. EXEMPT SIGNS

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

9 * * *

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

13 (i) other towns;

14 (ii) international airports;

15 (iii) postsecondary educational institutions;

16 (iv) cultural and recreational destination areas;

17 (v) nonprofit diploma-granting educational institutions for ~~people~~
18 persons with disabilities; and

19 (vi) official State visitor information centers.

20 (B) After having considered the six priority categories in subdivision
21 (A) of this subdivision (6), the Travel Information Council may approve

1 installation of a sign for any of the following provided the location is open a
2 minimum of 120 days each year and is located within 15 miles of an interstate
3 highway exit:

4 (i) nonprofit museums;

5 (ii) cultural and recreational attractions owned by the State or
6 federal government;

7 (iii) officially designated scenic byways;

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

9 (v) fairgrounds or exposition sites.

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

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

18 * * *

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

21 * * *

1 (18)(A) A sign that is a banner erected over a highway right-of-way for
2 not more than 21 days if the bottom of the banner is not less than 16 feet 6
3 inches above the surface of the highway and is securely fastened with
4 breakaway fasteners and the proposed banner has been authorized by the
5 legislative body of the municipality in which it is located.

6 (B) As used in this subdivision (18), “banner” means a sign that is
7 constructed of soft cloth or fabric or flexible material such as vinyl or plastic
8 cardboard.

9 [NO PROPOSED CHANGES TO SECS. 24–28]

10 [NEW LANGUAGE PROPOSALS]

11 * * * Act 250 Transportation Projects * * *

12 Sec. 28a. 10 V.S.A. § 6001(3)(A) is amended to read:

13 (3)(A) “Development” means each of the following:

14 * * *

15 (v) The construction of improvements on a tract of land involving
16 more than 10 acres that is to be used for municipal, county, or State purposes.
17 In computing the amount of land involved,:

18 (I) ~~land~~ Land shall be included that is incident to the use, such
19 as lawns, parking areas, roadways, leaching fields, and accessory buildings.

20 (II) Land that was previously disturbed as the result of
21 construction of a transportation facility shall be excluded from computing the

1 amount of land involved, provided that the project subject to this exclusion is a
2 transportation project that is funded in whole or in part by federal aid. This
3 exclusion shall not apply to the creation of new or additional points of access
4 to, or exit from, the Dwight D. Eisenhower National System of Interstate and
5 Defense Highways. As used in this subdivision (II), “previously disturbed”
6 means land that has been changed by previous installation of transportation
7 facilities, including roads, railroads, runways, trails, sidewalks, ditching,
8 drainage features, ledge removal, utility work, clear zones, or other similar
9 features associated with such facilities.

10 * * *

11 Sec. 28b. 10 V.S.A. § 6001 is amended to read:

12 § 6001. DEFINITIONS

13 * * *

14 (38) “Transportation facility” means highways, sidewalks, and bicycle
15 paths, as defined under 19 V.S.A. § 2301; State-owned railroad or railbanked
16 lines; and runways at State- and municipally owned airports.

17 * * * Transportation Equity Framework * * *

18 Sec. 28c. TRANSPORTATION EQUITY FRAMEWORK; REPORT

19 (a) The Agency of Transportation, in consultation with the State’s 11
20 Regional Planning Commissions (RPCs), shall undertake a comprehensive
21 analysis of the State’s existing transportation programs and develop a

1 recommendation on a transportation equity framework through which the
2 annual Transportation Program can be evaluated so as to achieve mobility
3 equity, which is a transportation system that increases access to high-quality
4 mobility options, reduces air pollution, and enhances economic opportunity for
5 Vermonters in communities that have been underserved by the State’s
6 transportation system.

7 (b) In conducting the analysis required under subsection (a) of this section,
8 the Agency shall seek input from individuals who are underserved by the
9 State’s current transportation system or who may not have previously been
10 consulted as part of the Agency’s planning for its annual proposed
11 Transportation Program.

12 (c) The Agency shall file a written report with its analysis and a
13 recommendation on a transportation equity framework as required under
14 subsection (a) of this section with the House and Senate Committees on
15 Transportation not later than January 15, 2022.

16 * * * Space Heating Systems * * *

17 Sec. 28d. FINDINGS

18 The General Assembly finds that:

19 (1) The Agency of Transportation has options to use non-fossil fuel
20 space heating for buildings that are owned or controlled by the Agency that
21 provide an equivalent or better heating and cooling source.

1 (2) In the State of Vermont, there are non-fossil fuel space heating
2 options that use local fuel, including wood fuels such as cord wood, wood
3 chips, and wood pellets.

4 (3) With 80 percent of funds spent on wood heating coming from the
5 local Vermont economy as compared to only 20 percent when heating oil is
6 used, the use of advanced wood heating systems supports the State’s economy
7 at large and specifically the forest products industry.

8 (4) Support for the State’s forest products industry is particularly needed
9 due to the slump in the demand for low-grade wood in the Northeast.

10 (5) The installation of wood heating systems will help to build an
11 advanced wood heating industry sector in Vermont and the Northeast.

12 (6) The installation of non-fossil fuel space heating systems will likely
13 save the State money on heating costs as compared to fossil fuels.

14 (7) The installation of non-fossil fuel space heating systems will help to
15 meet the State’s renewable energy goals and greenhouse gas reduction
16 requirements, as required by 10 V.S.A. § 578 and 30 V.S.A. § 202b.

17 Sec. 28e. FISCAL YEAR 2023; AGENCY OF TRANSPORTATION;

18 SPACE HEATING SYSTEMS; NON-FOSSIL FUELS;

19 REPLACEMENT SCHEDULE; BACKUP HEATING

20 (a) Replacement system. Except as provided in subsection (b) of this
21 section, beginning in fiscal year 2023, the Agency of Transportation shall only

1 install non-fossil fuel space heating systems as the primary heating source in
2 buildings owned or controlled by the Agency.

3 (b) Exemption. The Secretary may provide a written exemption to the
4 replacement required in subsection (a) of this section if the Secretary
5 determines that it is financially impracticable to install a non-fossil fuel heating
6 system as a primary heating source. As used in this section, “financially
7 impracticable” means a cost that is excessive as compared to a fossil fuel
8 heating system, taking into account cost-effectiveness over a life-cycle basis.

9 (c) Backup systems. Notwithstanding subsection (a) of this section, after a
10 non-fossil fuel space heating system is installed as a primary heating source, if
11 a non-fossil fuel backup space heating system is not available, the Agency may
12 continue to use fossil fuel systems as back-up heating or as supplemental
13 heating during peak heating periods in buildings owned or controlled by the
14 Agency.

15 (d) Report. On or before January 15 each year, the Secretary shall submit a
16 report to the House and Senate Committees on Transportation with a list of any
17 exemptions provided pursuant to subsection (b) of this section, and any fossil
18 fuel heating systems installed, in the previous calendar year. The provisions of
19 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to
20 be made under this subsection.

1
2
3
4
5
6

* * * Effective Dates * * *

Sec. 29. EFFECTIVE DATES

(a) Sec. 2 (19 V.S.A. § 10g(p); Lamoille Valley Rail Trail maintenance)

shall take effect on July 1, 2021 and apply to Transportation Programs

commencing with fiscal year 2023.

(b) All other sections shall take effect on July 1, 2021.