No. 148 Page 1 of 67 2024

No. 148. An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

(H.868)

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

- \* \* \* Transportation Program Adopted as Amended; Definitions \* \* \*
- Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS
- (a) Adoption. The Agency of Transportation's Proposed Fiscal Year 2025

  Transportation Program appended to the Agency of Transportation's proposed

  fiscal year 2025 budget (revised February 15, 2024), as amended by this act, is

  adopted to the extent federal, State, and local funds are available.
  - (b) Definitions. As used in this act, unless otherwise indicated:
    - (1) "Agency" means the Agency of Transportation.
- (2) "Candidate project" means a project approved by the General

  Assembly that is not anticipated to have significant expenditures for

  preliminary engineering or right-of-way expenditures, or both, during the

  budget year and funding for construction is not anticipated within a predictable time frame.
- (3) "Development and evaluation (D&E) project" means a project approved by the General Assembly that is anticipated to have preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and that the Agency is committed to delivering to construction on a timeline driven by priority and available funding.

No. 148 Page 2 of 67 2024

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

- (5) "Front-of-book project" means a project approved by the General

  Assembly that is anticipated to have construction expenditures during the

  budget year or the following three years, or both, with expected expenditures

  shown over four years.
- (6) "Mileage-based user fee" or "MBUF" means a fee for vehicle use of the public road system with distance, stated in miles, as the measure of use.
  - (7) "Secretary" means the Secretary of Transportation.
- (8) "TIB funds" means monies deposited in the Transportation

  Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.
- (9) The table heading "As Proposed" means the Proposed

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

  heading "As Amended" means the amendments as made by this act; the table

  heading "Change" means the difference obtained by subtracting the "As

  Proposed" figure from the "As Amended" figure; the terms "change" or

  "changes" in the text refer to the project- and program-specific amendments,

  the aggregate sum of which equals the net "Change" in the applicable table

  heading; and "State" in any tables amending authorizations indicates that the

  source of funds is State monies in the Transportation Fund, unless otherwise

  specified.

No. 148 Page 3 of 67 2024

\* \* \* Summary of Transportation Investments \* \* \*

Sec. 2. FISCAL YEAR 2025 TRANSPORTATION INVESTMENTS
INTENDED TO REDUCE TRANSPORTATION-RELATED
GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL
USE, AND SAVE VERMONT HOUSEHOLDS MONEY

This act includes the State's fiscal year 2025 transportation investments intended to reduce transportation-related greenhouse gas emissions, reduce fossil fuel use, and save Vermont households money in furtherance of the policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive and Legislative Branches' commitments to the Paris Agreement climate goals. In fiscal year 2025, these efforts will include the following:

- (1) Park and Ride Program. This act provides for a fiscal year expenditure of \$1,464,833.00, which will fund one construction project to create a new park-and-ride facility; the design and construction of improvements to one existing park-and-ride facility; funding for a municipal park-and-ride grant program; and paving projects for existing park-and-ride facilities. This year's Park and Ride Program will create 60 new State-owned spaces. Specific additions and improvements include:
  - (A) Manchester—construction of 50 new spaces; and
  - (B) Sharon—design and construction of 10 new spaces.

(2) Bike and Pedestrian Facilities Program. This act provides for a fiscal year expenditure, including local match, of \$11,648,752.00, which will fund 28 bike and pedestrian construction projects; 21 bike and pedestrian design, right-of-way, or design and right-of way projects for construction in future fiscal years; and eight scoping studies. The construction projects include the creation, improvement, or rehabilitation of walkways, sidewalks, shared-use paths, bike paths, and cycling lanes. Projects are funded in Arlington, Bennington, Bethel, Brattleboro, Burke, Burlington, Castleton, Chester, Enosburg Falls, Fair Haven, Fairfax, Hartford, Hyde Park, Jericho, Manchester, Middlebury, Montpelier, Moretown, Newport City, Northfield, Pawlet, Richford, Royalton, Rutland City, Rutland Town, Shaftsbury, Shelburne, Sheldon, South Burlington, Springfield, St. Albans City, St. Albans Town, Sunderland, Swanton, Tunbridge, Vergennes, Wallingford, Waterbury, and West Rutland. This act also provides funding for:

- (A) some of Local Motion's operation costs to run the bike ferry on the Colchester Causeway, which is part of the Island Line Trail;
- (B) a small-scale municipal bicycle and pedestrian grant program for projects to be selected during the fiscal year;
  - (C) projects funded through the Safe Routes to School Program; and
  - (D) community grants along the Lamoille Valley Rail Trail (LVRT).
- (3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of \$5,416,614.00, including local funds, which will fund 28

transportation alternatives construction projects; 28 transportation alternatives design, right-of-way, or design and right-of-way projects; and three studies, including scoping, historic preservation, and connectivity. Of these 59 projects, 21 involve environmental mitigation related to clean water or stormwater concerns, or both clean water and stormwater concerns, and 38 involve bicycle and pedestrian facilities. Projects are funded in Athens, Barre City, Brandon, Bridgewater, Bristol, Burke, Burlington, Cambridge, Castleton, Colchester, Derby, Enosburg Falls, Fair Haven, Fairfax, Franklin, Hartford, Hinesburg, Hyde Park, Jericho, Londonderry, Lyndon, Mendon, Middlebury, Montgomery, Newark, Newfane, Proctor, Richford, Richmond, Rockingham,

(4) Public Transit Program. This act provides for a fiscal year expenditure of \$56,170,225.00 for public transit uses throughout the State.

Included in the authorization are:

Rutland City, Sharon, Shelburne, South Burlington, Springfield, St. Albans

Town, Swanton, Tinmouth, Vergennes, Wardsboro, Warren, Weston,

Williston, Wilmington, and Winooski.

- (A) Go! Vermont, with an authorization of \$405,000.00. This authorization supports transportation demand management (TDM) strategies, including the State's Trip Planner and commuter services, to promote the use of carpools and vanpools.
- (B) Mobility and Transportation Innovations (MTI) Grant Program, with an authorization of \$3,500,000.00, which includes \$3,000,000.00 in

No. 148 Page 6 of 67 2024

federal Carbon Reduction Funds. This authorization continues to support

projects that improve both mobility and access to services for transit-dependent

Vermonters, reduce the use of single-occupancy vehicles, and reduce
greenhouse gas emissions.

- (5) Rail Program. This act provides for a fiscal year expenditure of \$48,746,831.00, including local funds, for intercity passenger rail service, including funding for the Ethan Allen Express and Vermonter Amtrak services, and rail infrastructure that supports freight rail as well. Moving freight by rail instead of trucks lowers greenhouse gas emissions by up to 75 percent, on average.
  - (6) Transformation of the State Vehicle Fleet.
- (A) This act authorizes \$1,100,000.00 of federal Carbon Reduction funds in the Environmental Policy and Sustainability program in fiscal year 2025 for the Agency of Transportation's Central Garage for fleet electrification.
- (B) The Department of Buildings and General Services, which manages the State Vehicle Fleet, currently has 14 plug-in hybrid electric vehicles and 15 battery electric vehicles in the State Vehicle Fleet. In fiscal year 2025, the Commissioner of Buildings and General Services will continue to purchase and lease vehicles for State use in accordance with 29 V.S.A. § 903(g), which requires, to the maximum extent practicable, that the Commissioner purchase or lease hybrid or plug-in electric vehicles (PEVs), as

2024

defined in 23 V.S.A. § 4(85), with not less than 75 percent of the vehicles purchased or leased being hybrid or PEVs.

- (7) Electric vehicle supply equipment (EVSE).
- (A) This act provides for a fiscal year expenditure of \$4,833,828.00 to increase the presence of EVSE in Vermont in accordance with the State's federally approved National Electric Vehicle Infrastructure (NEVI) Plan, which will lead to the installation of Direct Current Fast Charging (DC/FC) along designated alternative fuel corridors.
- (B) This act also authorizes \$1,700,000.00 to be distributed to the Agency of Commerce and Community Development in fiscal year 2025 for grants to increase Vermonters' access to level 1 and 2 EVSE charging ports at workplaces or multiunit dwellings, or both.
- (8) Vehicle incentive programs and expansion of the PEV market.

  Incentive Program for New PEVs, MileageSmart, Replace Your Ride, and

  Electrify Your Fleet. It is estimated that prior appropriations of approximately
  the following amounts will be available for the State's vehicle incentive
  programs in fiscal year 2025:
  - (A) \$2,600,000.00 for the Incentive Program for New PEVs;
  - (B) \$200,000.00 for MileageSmart; and
  - (C) \$900,000.00 for the Replace Your Ride Program.
- (9) Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Formula Program. This act provides

2024

for a fiscal year expenditure of \$3,871,435.00 under the PROTECT Formula Program. This year's PROTECT Formula Program funds will support increased resiliency at three bridge sites (Coventry, Wilmington, and Shaftsbury) in alignment with the VTrans Resilience Improvement Plan.

\* \* \* Heating Systems in Agency of Transportation Buildings \* \* \* Sec. 3. 19 V.S.A. § 45 is added to read:

#### § 45. HEATING SYSTEMS

- (a) In accordance with the renewable energy goals set forth in the State Comprehensive Energy Plan, the Agency of Transportation shall strive to meet not less than 35 percent of its thermal energy needs from non-fossil fuel sources by 2025 and 45 percent by 2035.
- (1) In order to meet these goals, the Agency will need to use more renewable fuels, such as local wood fuels, to heat its buildings and continue to increase its use of electricity that is generated from renewable sources.
- (2) When building new Agency facilities or replacing heating equipment that has reached the end of its useful lifespan, the Agency shall prioritize switching to high-efficiency, advanced heating systems.
- (b) On or before October 1 every other year, the Agency shall report to the Department of Buildings and General Services the percentage of the Agency's thermal energy usage during each of the previous two fiscal years that came from fossil fuels and from non-fossil fuels. The Agency shall report its non-

fossil fuel percentage by fuel source and shall identify each type and amount of wood fuel used.

\* \* \* Public Transit; Carbon Reduction Program;

Environmental Policy and Sustainability Program; Central Garage;

Electric Vehicle Supply Equipment (EVSE) \* \* \*

Sec. 4. PUBLIC TRANSIT; CARBON REDUCTION PROGRAM;

ENVIRONMENTAL POLICY AND SUSTAINABILITY

PROGRAM; CENTRAL GARAGE; ELECTRIC VEHICLE SUPPLY

EQUIPMENT (EVSE)

### (a) Public Transit.

(1) Within the Agency of Transportation's Proposed Fiscal Year 2025

Transportation Program for Public Transit, authorized spending is amended as follows:

<u>FY25</u>	As Proposed	As Amended	<u>Change</u>
Person. Svcs	4,612,631	4,612,631	0
Operat. Exp.	119,894	119,894	0
Grants	51,907,700	50,807,700	-1,100,000
Total	56,640,225	55,540,225	-1,100,000
Sources of fund	l <u>s</u>		
State	9,807,525	9,807,525	0
Federal	46,692,700	45,592,700	-1,100,000
Interdept.	140,000	140,000	0

No. 148 Page 10 of 67 2024

Total 56,640,225 55,540,225 -1,100,000

- (2) The amendment set forth in subdivision (1) of this subsection shall be reflected in a \$1,100,000.00 reduction of Carbon Reduction Funding for the Capital-CRF CRFP (24) (for Capital Support for E-Vehicles), from \$4,000,000.00 to \$2,900,000.00.
  - (b) Environmental Policy and Sustainability Program.
- (1) Within the Agency of Transportation's Proposed Fiscal Year 2025

  Transportation Program for the Environmental Policy and Sustainability

  Program, authorized spending is amended as follows:

<u>FY25</u>	As Proposed	As Amended	<u>Change</u>	
Person. Svcs	6,953,362	6,953,362	0	
Operat. Exp.	76,411	1,176,411	1,100,000	
Grants	1,480,000	1,480,000	0	
Total	8,509,773	9,609,773	1,100,000	
Sources of fund	<u>ls</u>			
State	531,909	531,909	0	
Federal	6,800,327	7,900,327	1,100,000	
Local	1,177,537	1,177,537	0	
Total	8,509,773	9,609,773	1,100,000	

(2) Of the funds authorized by this subsection, the Environmental Policy and Sustainability Program, in consultation with Central Garage, shall spend \$1,100,000.00 for electrification of the Central Garage fleet.

(c) Central Garage. Within the Agency of Transportation's Proposed

Fiscal Year 2025 Transportation Program for the Central Garage, authorized spending is amended as follows:

<u>FY25</u>	As Proposed	As Amended	<u>Change</u>
Person. Svcs	5,480,920	5,480,920	0
Operat. Exp.	19,170,315	18,070,315	-1,100,000
Total	24,651,235	23,551,235	-1,100,000
Sources of funds			
Int. Svc.	24,651,235	23,551,235	-1,100,000
Total	24,651,235	23,551,235	-1,100,000

(d) Electric vehicle supply equipment (EVSE). Notwithstanding of

19 V.S.A. § 11a or any other provision of law to the contrary, the Agency shall

distribute \$1,700,000.00 in one-time Transportation Fund monies to the

Agency of Commerce and Community Development for the purpose of

providing grants to increase Vermonters' access to level 1 and 2 EVSE

charging ports at workplaces or multiunit dwellings, or both, as those terms are

defined in 2022 Acts and Resolves No. 185, Sec. E.903.

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

## Sec. 5. HIGHWAY MAINTENANCE

Within the Agency of Transportation's Proposed Fiscal Year 2025

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

No. 148 Page 12 of 67 2024

<u>FY25</u>	As Proposed	As Amended	Change
Person. Svcs.	42,757,951	42,757,951	0
Operat. Exp.	65,840,546	63,680,546	-2,160,000
Total	108,598,497	106,438,497	-2,160,000
Sources of funds			
State	107,566,483	105,406,483	-2,160,000
Federal	932,014	932,014	0
Inter Unit	100,000	100,000	0
Total	108,598,497	106,438,497	-2,160,000

<sup>\* \* \*</sup> Maintenance Program; Central Garage; Restoration

of Appropriations \* \* \*

# Sec. 6. MAINTENANCE PROGRAM; CENTRAL GARAGE; RESTORATION OF APPROPRIATIONS

Restoring the fiscal year 2025 Maintenance Program and Central Garage appropriations and authorizations to the levels included in the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program shall be the top fiscal priorities of the Agency.

(1) If there are unexpended State fiscal year 2024 appropriations of Transportation Fund monies, then, at the close of State fiscal year 2024, an amount up to \$3,260,000.00 of any unencumbered Transportation Fund monies appropriated in 2023 Acts and Resolves No. 78, Secs. B.900–B.922, which would otherwise be authorized to carry forward, is reappropriated for the

No. 148 Page 13 of 67 2024

Agency of Transportation's Proposed Fiscal Year 2025 Transportation

Program, with up to \$2,160,000.00 directed to Maintenance and up to

\$1,100,000.00 directed to the Central Garage, 30 days after the Agency sends

written notification of the request for the unencumbered Transportation Fund

monies to be reappropriated to the Joint Transportation Oversight Committee,

provided that the Joint Transportation Oversight Committee does not send

written objection to the Agency.

- (2) If the Agency utilizes available federal monies in lieu of one-time

  Transportation Fund monies for Green Mountain Transit pursuant to Sec. 9(c)

  of this act, then the one-time Transportation Fund monies authorized for

  expenditure pursuant to Sec. 9(b) of this act that are not required for public

  transit may instead go towards restoring the Maintenance and Central Garage

  appropriations.
- (3) If any unencumbered Transportation Fund monies are reappropriated pursuant to subdivision (1) of this subsection or made available pursuant to subdivision (2) of this subsection, then, within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Maintenance, authorized spending is further amended to increase operating expenses by not more than \$2,160,000.00 in Transportation Fund monies and, within the Agency's Proposed Fiscal Year 2025 Transportation Program for the Central Garage, authorized spending is further amended to increase operating expenses by not more than \$1,100,000.00 in Transportation Fund monies.

(4) Notwithstanding subdivisions (1)–(3) of this subsection, the Agency may request further amendments to the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Maintenance and the Central Garage through the State fiscal year 2025 budget adjustment act.

\* \* \* Town Highway Aid \* \* \*

Sec. 7. TOWN HIGHWAY AID MONIES

Within the Agency of Transportation's Proposed Fiscal Year 2025

Transportation Program for Town Highway Aid, and notwithstanding the provisions of 19 V.S.A. § 306(a), authorized spending is amended as follows:

<u>FY25</u>	As Proposed	As Amended	<u>Change</u>
Grants	28,672,753	29,532,753	860,000
Total	28,672,753	29,532,753	860,000
Sources of fur	<u>nds</u>		
State	28,672,753	29,532,753	860,000
Total	28,672,753	29,532,753	860,000
* * * Town Highway Structures * * *			

### Sec. 8. TOWN HIGHWAY STRUCTURES MONIES

(a) Within the Agency of Transportation's Proposed Fiscal Year 2025

Transportation Program for Town Highway Structures, authorized spending is amended as follows:

<u>FY25</u>	As Proposed	As Amended	Change
Grants	7.416.000	8.016.000	600.000

Total	7,416,000	8,016,000	600,000
Sources of funds			
State	7,416,000	8,016,000	600,000
Total	7,416,000	8,016,000	600,000

(b) In State fiscal year 2025, the Agency shall approve qualifying projects with a total estimated State share cost that is at least \$600,000.00 more than the minimum set forth in 19 V.S.A. § 306(e)(2).

\* \* \* One-Time Public Transit Monies \* \* \*

- Sec. 9. ONE-TIME PUBLIC TRANSIT MONIES; GREEN MOUNTAIN

  TRANSIT; FARE COLLECTION, EVALUATION, AND

  REORGANIZATION; REPORT
- (a) Project addition. The following project is added to the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program: Increased One-Time Monies for Public Transit for Fiscal Year 2025.
- (b) Authorization. Spending authority for Increased One-Time Monies for Public Transit for Fiscal Year 2025 is authorized as follows:

<u>FY25</u>	As Proposed	As Amended	<u>Change</u>
Other	0	630,000	630,000
Total	0	630,000	630,000
Sources of funds			
State	0	630,000	630,000
Total	0	630,000	630,000

No. 148 Page 16 of 67 2024

(c) Federal monies. The Agency shall utilize available federal monies in lieu of the authorization in subsection (b) of this section to the greatest extent practicable, provided that there is no negative impact on any local public transit providers.

- (d) Implementation. The Agency shall distribute the authorization in subsection (b) of this section to Green Mountain Transit as one-time bridge funding for fiscal year 2025 while Green Mountain Transit stabilizes its finances, adjusts its service levels, and transitions to a sustainable funding model.
- (e) Conditions; report. As a condition of receiving the grant funding,

  Green Mountain Transit shall do all of the following:
- (1) begin collecting fares for urban and commuter transit service not later than June 1, 2024;
- (2) in coordination with the Agency of Transportation, Special Service

  Transportation Agency, Rural Community Transportation, and Tri-Valley

  Transit, evaluate alternative options for delivering cost-effective urban fixedroute transit service, rural transit service, commuter service, and any other

  specialized services currently provided, and prepare a proposed
  implementation plan, including a three-year cost and revenue plan, for
  recommended service transitions; and
- (3) submit to the House and Senate Committees on Transportation an interim report on or before November 15, 2024 and a final report on or before

No. 148 Page 17 of 67 2024

February 1, 2025, detailing the findings, recommendations, and implementation plan as described in subdivision (2) of this subsection.

\* \* \* eBike Incentives; Public Transit Programs; Authorization \* \* \*

Sec. 10. ONE-TIME EBIKE INCENTIVE PROGRAM MONIES

- (a) The definitions in 19 V.S.A. § 2901 shall apply to this section.
- (b) In fiscal year 2025, the Agency is authorized to spend up to \$70,000.00 in one-time Transportation Fund monies to provide incentives under the eBike Incentive Program established pursuant to 2021 Acts and Resolves No. 55, Sec. 28, as amended by 2022 Acts and Resolves No. 184, Sec. 23.

\* \* \* Agency of Transportation Duties; Bonding \* \* \*

Sec. 11. 19 V.S.A. § 10 is amended to read:

#### § 10. DUTIES

The Agency shall, except where otherwise specifically provided by law:

\* \* \*

(9) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file an additional surety bond to the Secretary and the Secretary's successor in office, for the benefit of labor, materialmen, and others, executed by a surety company authorized to transact business in this State. The surety bond shall be in such sum as the Agency shall direct, conditioned for the payment, settlement, liquidation, and discharge of the claims of all creditors for material, merchandise, labor, rent, hire of vehicles, power shovels, rollers, concrete

No. 148 Page 18 of 67

2024

mixers, tools, and other appliances, professional services, premiums, and other services used or employed in carrying out the terms of the contract between the contractor and the State and further conditioned for the following accruing during the term of performance of the contract: the payment of taxes, both State and municipal, and contributions to the Vermont Commissioner of Labor, accruing during the term of performance of the contract. However; provided, however, in order to obtain the benefit of the security, the claimant shall file with the Secretary a sworn statement of the claimant's claim, within 90 days after the final acceptance of the project by the State or within 90 days from the time the taxes or contributions to the Vermont Commissioner of Labor are due and payable, and, within one year after the filing of the claim, shall bring a petition in the Superior Court in the name of the Secretary, with notice and summons to the principal, surety, and the Secretary, to enforce the claim or intervene in a petition already filed. The Secretary may, if the Secretary determines that it is in the best interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for \$100,000.00 or less, may waive the requirement of a surety bond.

\* \* \*

No. 148 Page 19 of 67 2024

\* \* \* Delays; Transportation Program Statute;

Increased Estimated Costs; Technical Corrections \* \* \*

Sec. 12. 19 V.S.A. § 10g is amended to read:

- § 10g. ANNUAL REPORT; TRANSPORTATION PROGRAM;

  ADVANCEMENTS, CANCELLATIONS, AND DELAYS
- (a) Proposed Transportation Program. The Agency of Transportation shall annually present to the General Assembly for adoption a multiyear Transportation Program covering the same number of years as the Statewide Transportation Improvement Program (STIP), consisting of the recommended budget for all Agency activities for the ensuing fiscal year and projected spending levels for all Agency activities for the following fiscal years. The Program shall include a description and year-by-year breakdown of recommended and projected funding of all projects proposed to be funded within the time period of the STIP and, in addition, a description of all projects that are not recommended for funding in the first fiscal year of the proposed Program but that are scheduled for construction during the time period covered by the STIP. The Program shall be consistent with the planning process established by 1988 Acts and Resolves No. 200, as codified in 3 V.S.A. chapter 67 and 24 V.S.A. chapter 117, the statements of policy set forth in sections 10b–10f of this title, and the long-range systems plan, corridor studies, and project priorities developed through the capital planning process under section 10i of this title.

No. 148 Page 20 of 67 2024

(b) <u>Projected spending.</u> Projected spending in future fiscal years shall be based on revenue estimates as follows:

\* \* \*

- (c) <u>Systemwide performance measures</u>. The Program proposed by the Agency shall include systemwide performance measures developed by the Agency to describe the condition of the Vermont transportation network. The Program shall discuss the background and utility of the performance measures, track the performance measures over time, and, where appropriate, recommend the setting of targets for the performance measures.
  - (d) [Repealed.]
  - (e) Prior expenditures and appropriations carried forward.

\* \* \*

- (f) Adopted Transportation Program. Each year following enactment adoption of a Transportation Program under this section, the Agency shall prepare and make available to the public the Transportation Program established adopted by the General Assembly. The resulting document shall be entered in the permanent records of the Agency and of the Board, and shall constitute the State's official Transportation Program.
- (g) <u>Project updates.</u> The Agency's annual proposed Transportation

  Program shall include project updates referencing this section and listing the following:

No. 148 Page 21 of 67 2024

(1) all proposed projects in the Program that would be new to the State Transportation Program if adopted;

- (2) all projects for which total estimated costs have increased by more than \$8,000,000.00 \$5,000,000.00 from the estimate in the adopted

  Transportation Program for the prior fiscal year or by more than 100

  75 percent from the estimate in the prior fiscal year's approved adopted

  Transportation Program for the prior fiscal year; and
- (3) all projects for which the total estimated costs have, for the first time, increased by more than \$10,000,000.00 from the Preliminary Plan estimate or by more than 100 percent from the Preliminary Plan estimate; and
- (4) all projects funded for construction in the prior fiscal year's approved adopted Transportation Program that are no longer funded in the proposed Transportation Program submitted to the General Assembly, the projected costs for such projects in the prior fiscal year's approved adopted Transportation Program, and the total costs incurred over the life of each such project.
- (h) Should Project delays; emergency and safety issues; additional funding; cancellations.
- (1) If capital projects in the Transportation Program be are delayed because of unanticipated problems with permitting, right-of-way acquisition, construction, local concern, or availability of federal or State funds, the

No. 148 Page 22 of 67 2024

Secretary is authorized to advance <u>other</u> projects in the <u>approved</u> <u>adopted</u>

Transportation Program for the current fiscal year.

- (2) The Secretary is further authorized to undertake projects to resolve emergency or safety issues that are not included in the adopted Transportation Program for the current fiscal year. Upon authorizing a project to resolve an emergency or safety issue, the Secretary shall give prompt notice of the decision and action taken to the Joint Fiscal Office and to the House and Senate Committees on Transportation when the General Assembly is in session, and when the General Assembly is not in session, to the Joint Transportation Oversight Committee, the Joint Fiscal Office, and the Joint Fiscal Committee when the General Assembly is not in session. Should an approved
- (3) If a project in the eurrent adopted Transportation Program require for the current fiscal year requires additional funding to maintain the approved schedule in the adopted Transportation Program for the current fiscal year, the Agency is authorized to allocate the necessary resources. However, the Secretary shall not delay or suspend work on approved projects in the adopted Transportation Program for the current fiscal year to reallocate funding for other projects except when other funding options are not available. In such case, the Secretary shall notify the Joint Transportation Oversight Committee, the Joint Fiscal Office, and the Joint Fiscal Committee when the General Assembly is not in session and the House and Senate Committees on

No. 148 Page 23 of 67 2024

Transportation and the Joint Fiscal Office when the General Assembly is in session. With respect to projects in the approved Transportation Program, the Secretary shall notify, in the district affected, the regional planning commission for the district where the affected project is located, the municipality where the affected project is located, the legislators for the district where the affected project is located, the legislators for the district where the affected project is located, the House and Senate Committees on Transportation, and the Joint Fiscal Office of any change that likely will affect the fiscal year in which the project is planned to go to construction.

- (4) No project shall be canceled without the approval of the General Assembly, except that the Agency may cancel a municipal project upon the request or concurrence of the municipality, provided that notice of the cancellation is included in the Agency's annual proposed Transportation Program.
- (i) Economic development proposals. For the purpose of enabling the State, without delay, to take advantage of economic development proposals that increase jobs for Vermonters, a transportation project certified by the Governor as essential to the economic infrastructure of the State economy, or a local economy, may, if approval is required by law, be approved for construction by a committee comprising the Joint Fiscal Committee meeting with the Chairs chairs of the Transportation House and Senate Committees on Transportation or their designees without explicit project authorization through

No. 148 Page 24 of 67 2024

an enacted <u>adopted</u> Transportation Program, in the event that such authorization is otherwise required by law.

- (j) <u>Plan for advancing projects</u>. The Agency of Transportation, in coordination with the Agency of Natural Resources and the Division for Historic Preservation, shall prepare and implement a plan for advancing approved projects contained in the approved adopted Transportation Program for the current fiscal year. The plan shall include the assignment of a project manager from the Agency of Transportation for each project. The Agency of Transportation, the Agency of Natural Resources, and the Division for Historic Preservation shall set forth provisions for expediting the permitting process and establishing a means for evaluating each project during concept design planning if more than one agency is involved to determine whether it should be advanced or deleted from the Program.
- (k) For purposes of <u>Definition</u>. As used in subsection (h) of this section, "emergency or safety issues" shall mean means:
- (1) serious damage to a transportation facility caused by a natural disaster over a wide area, such as a flood, hurricane, earthquake, severe storm, or landslide; or
- (2) catastrophic or imminent catastrophic failure of a transportation facility from any cause; or
- (3) any condition identified by the Secretary as hazardous to the traveling public; or

No. 148 Page 25 of 67 2024

(4) any condition evidenced by fatalities or a high incidence of crashes.

- (l) Numerical grading system; priority rating. The Agency shall develop a numerical grading system to assign a priority rating to all Program

  Development Paving, Program Development Roadway, Program Development

  Safety and Traffic Operations, Program Development State and Interstate

  Bridge, Town Highway Bridge, and Bridge Maintenance projects. The rating system shall consist of two separate, additive components as follows:
- (1) One component shall be limited to asset management- and performance-based factors that are objective and quantifiable and shall consider, without limitation, the following:

\* \* \*

(2) The second component of the priority rating system shall consider, without limitation, the following factors:

\* \* \*

- (m) <u>Inclusion of priority rating</u>. The annual <u>proposed</u> Transportation Program shall include an individual priority rating pursuant to subsection (l) of this section for each highway paving, roadway, safety and traffic operations, and bridge project in the <u>program Program</u> along with a description of the system and methodology used to assign the ratings.
- (n) <u>Development and evaluation projects; delays.</u> The Agency's annual <u>proposed</u> Transportation Program shall include a project-by-project description in each program of all proposed spending of funds for the development and

No. 148 Page 26 of 67 2024

These funds shall be reserved to the identified projects subject to the discretion of the Secretary to reallocate funds to other projects within the program when it is determined that the scheduled expenditure of the identified funds will be delayed due to permitting, local decision making, the availability of federal or State funds, or other unanticipated problems.

- (o) Year of first inclusion. For projects initially approved by the General Assembly for inclusion in the State included in a Transportation Program adopted after January 1, 2006, the Agency's proposed Transportation Program prepared pursuant to subsection (a) of this section and the official adopted Transportation Program prepared pursuant to subsection (f) of this section shall include the year in which such the projects were first approved by the General Assembly included in an adopted Transportation Program.
- (p) <u>Lamoille Valley Rail Trail.</u> The Agency shall include the annual maintenance required for the Lamoille Valley Rail Trail (LVRT), running from Swanton to St. Johnsbury, in the Transportation Program it presents to the General Assembly under subsection (a) of this section. The proposed authorization for the maintenance of the LVRT shall be sufficient to cover:

\* \* \*

#### Sec. 13. PLAN FOR REPORTING DELAYS; REPORT

The Agency of Transportation shall file a written report containing a plan for how to provide sufficient notice when projects in the adopted

No. 148 Page 27 of 67 2024

<u>Transportation Program are delayed to the House and Senate Committees on</u>
<u>Transportation not later than December 15, 2024.</u>

\* \* \* Appropriation Calculations \* \* \*

\* \* \* Central Garage Fund \* \* \*

Sec. 14. 19 V.S.A. § 13(c) is amended to read:

- (c)(1) For the purpose specified in subsection (b) of this section, the following amount, at a minimum, shall be transferred from the Transportation Fund to the Central Garage Fund:
  - (A) in fiscal year 2021, \$1,355,358.00; and
- (B) in subsequent fiscal years, at a minimum, the amount specified in subdivision (A) of this subdivision (1) as adjusted annually by increasing transferred for the previous fiscal year's amount by the percentage increase in the year increased by the percentage change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) during the two most recently closed State fiscal years if the percentage change is positive; or
- (B) the amount transferred for the previous fiscal year if the percentage change is zero or negative.

\* \* \*

(3) For purposes of subdivision (1) of this subsection, the percentage change in the CPI-U is calculated by determining the increase or decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for

No. 148 Page 28 of 67 2024

which the transfer will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the transfer will be made.

\* \* \* Town Highway Aid \* \* \*

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

- (a) General State aid to town highways.
- (1) An annual appropriation to class 1, 2, and 3 town highways shall be made. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage <u>change</u> as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the <u>following</u> are negative or zero:
- (A) the year-over-year increase in the two most recently closed fiscal years in percentage change of the Agency's total appropriations funded by Transportation Fund revenues, excluding appropriations for town highways under this subsection (a), for the most recently closed fiscal year as compared to the fiscal year immediately preceding the most recently closed fiscal year; or
- (B) the percentage <u>increase change</u> in the Bureau of Labor Statistics

  Consumer Price Index for All Urban Consumers (CPI-U) <u>during the same</u>

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

No. 148 Page 29 of 67

2024

year's appropriation For purposes of subdivision (1)(B) of this subsection, the percentage change in the CPI-U is calculated by determining the increase or decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the appropriation will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the appropriation will be made.

\* \* \*

\* \* \* Right-of-Way Permits; Fees \* \* \*

Sec. 16. 19 V.S.A. § 1112 is amended to read:

- § 1112. DEFINITIONS; FEES
  - (a) As used in this section:
- (1) "Major commercial development" means a commercial development for which the Agency requires the applicant to submit a traffic impact study in support of its application under section 1111 of this title chapter.
- (2) "Minor commercial development" means a commercial development for which the Agency does not require the applicant to submit a traffic impact study in support of its application under section 1111 of this title chapter.

\* \* \*

(b) The Secretary shall collect the following fees for each application for the following types of permits issued pursuant to section 1111 of this title <a href="https://chapter.chapter">chapter</a>:

No. 148 Page 30 of 67 2024

\* \* \*

(3) minor commercial development:

\$250.00

\* \* \*

- (c) Notwithstanding subdivision (b)(3) of this section, the Secretary may waive the collection of the fee for a permit issued pursuant to section 1111 of this chapter for a minor commercial development if the Governor has declared a state of emergency under 20 V.S.A. chapter 1 and the Secretary has determined that the permit applicant is facing hardship, provided that the permit is applied for during the declared state of emergency or within the six months following the conclusion of the declared state of emergency.
  - \* \* \* Vehicle Incentive Programs \* \* \*
  - \* \* \* Replace Your Ride Program \* \* \*
- Sec. 17. 19 V.S.A. § 2904(d)(2)(B) is amended to read:
  - (B) For purposes of the Replace Your Ride Program:
    - (i) An "older low-efficiency vehicle":

\* \* \*

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

\* \* \*

No. 148 Page 31 of 67 2024

Sec. 18. 19 V.S.A. § 2904a is added to read:

**EMERGENCIES** 

# § 2904a. REPLACE YOUR RIDE PROGRAM FLEXIBILITY;

Notwithstanding subdivisions 2904(d)(2)(A) and (d)(2)(B)(i)(IV)–(VI) of this chapter, the Agency of Transportation is authorized to waive or modify the eligibility requirements for the Replace Your Ride Program under subdivisions (d)(2)(B)(i)(IV)–(VI) that pertain to the removal of an eligible vehicle as required under subdivision 2904(d)(2)(A) of this chapter provided that:

- (1) the Governor has declared a state of emergency under 20 V.S.A. chapter 1 and, due to the event or events underlying the state of emergency, motor vehicles registered in Vermont have been damaged or totaled;
- (2) the waived or modified eligibility requirements are prominently posted on any websites maintained by or at the direction of the Agency for purposes of providing information on the vehicle incentive programs;
  - (3) the waived or modified eligibility requirements are only applicable:
- (A) upon a showing that the applicant for an incentive under the

  Replace Your Ride Program was a registered owner of a motor vehicle that

  was damaged or totaled due to the event or events underlying the state of

  emergency at the time of the event or events underlying the state of

  emergency; and
  - (B) for six months after the conclusion of the state of emergency; and

No. 148 Page 32 of 67 2024

(4) the waiver or modification of eligibility requirements and resulting impact are addressed in the annual reporting required under section 2905 of this chapter.

\* \* \* Electrify Your Fleet Program \* \* \*

Sec. 19. 2023 Acts and Resolves No. 62, Sec. 21 is amended to read:

Sec. 21. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

\* \* \*

(d) Program structure. The Electrify Your Fleet Program shall reduce the greenhouse gas emissions of persons operating a motor vehicle fleet in Vermont by structuring purchase and lease incentive payments on a first-come, first-served basis to replace vehicles other than a plug-in electric vehicle (PEV) cycled out of a motor vehicle fleet or avoid the purchase of vehicles other than a PEV for a motor vehicle fleet. Specifically, the Electrify Your Fleet Program shall:

\* \* \*

(2) provide \$2,500.00 purchase and lease incentives up to 25 percent of the purchase price, but not to exceed \$2,500.00, for:

\* \* \*

- (C) electric bicycles and electric cargo bicycles with a base MSRP of \$6,000.00 \$10,000.00 or less;
  - (D) adaptive electric cycles with any base MSRP;
  - (E) electric motorcycles with a base MSRP of \$30,000.00 or less; and

No. 148 Page 33 of 67 2024

(F) electric snowmobiles with a base MSRP of \$20,000.00 or less; and

(G) electric all-terrain vehicles (ATVs), as defined in 23 V.S.A. § 3501 and including electric utility terrain vehicles (UTVs), with a base MSRP of \$50,000.00 or less;

\* \* \*

\* \* \* eBike Incentives; Eligibility \* \* \*

Sec. 20. 2023 Acts and Resolves No. 62, Sec. 22 is amended to read:

# Sec. 22. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM; REPORT

\* \* \*

- (d) Reporting. The Agency of Transportation shall address incentives for electric bicycles, electric cargo bicycles, and adaptive electric cycles provided pursuant to this section in the January 31, 2024 annual report required under 19 V.S.A. § 2905, as added by Sec. 19 of this act, including:
- (1) the demographics of who received an incentive under the eBike Incentive Program;
  - (2) a breakdown of where vouchers were redeemed;
- (3) a breakdown, by manufacturer and type, of electric bicycles, electric cargo bicycles, and adaptive electric cycles incentivized;
- (4) a detailed summary of information provided in the self-certification forms and a description of the Agency's post-voucher sampling audits and

No. 148 Page 34 of 67 2024

audit findings, together with any recommendations to improve program design and cost-effectively direct funding to recipients who need it most; and

(5) a detailed summary of information collected through participant surveys.

\* \* \* Annual Reporting \* \* \*

Sec. 21. 19 V.S.A. § 2905 is amended to read:

#### § 2905. ANNUAL REPORTING; VEHICLE INCENTIVE PROGRAMS

- (a) The Agency shall annually evaluate the programs established under sections 2902–2904 of this chapter to gauge effectiveness and shall submit a written report on the effectiveness of the programs and the State's marketing and outreach efforts related to the programs to the House and Senate Committees on Transportation, the House Committee on Environment and Energy, and the Senate Committee on Finance Natural Resources and Energy on or before the 31st day of January in each year following a year that an incentive was provided through one of the programs.
  - (b) The report shall also include:
- (1) any intended modifications to program guidelines for the upcoming fiscal year along with an explanation for the reasoning behind the modifications and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions; and
- (2) any recommendations on statutory modifications to the programs, including to income and vehicle eligibility, along with an explanation for the

reasoning behind the statutory modification recommendations and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions; and

- (3) any recommendations for how to better conduct outreach and marketing to ensure the greatest possible uptake of incentives under the programs.
- (c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section shall continue to be required if an incentive is provided through one of the programs unless the General Assembly takes specific action to repeal the report requirement.
  - \* \* \* Authority to Transfer Monies in State Fiscal Year 2025 \* \* \*
- Sec. 22. TRANSFER OF MONIES BETWEEN VEHICLE INCENTIVE
  PROGRAMS IN STATE FISCAL YEAR 2025
- (a) Notwithstanding 32 V.S.A. § 706 and any appropriations or authorizations of monies for vehicle incentive programs created under 19 V.S.A. §§ 2902–2904, in State fiscal year 2025 the Secretary of Transportation may transfer up to 50 percent of any remaining monies for a vehicle incentive program created under 19 V.S.A. §§ 2902–2904 to any other vehicle incentive program created under 19 V.S.A. §§ 2902–2904 that has less than \$500,000.00 available for distribution as a vehicle incentive.

No. 148 Page 36 of 67 2024

(b) Any transfers made pursuant to subsection (a) of this section shall be reported to the Joint Transportation Oversight Committee and the Joint Fiscal Office within 30 days after the transfer.

\* \* \* Electric Vehicle Supply Equipment (EVSE) \* \* \*

Sec. 23. 19 V.S.A. chapter 29 is amended to read:

# CHAPTER 29. VEHICLE INCENTIVE PROGRAMS; ELECTRIC VEHICLE SUPPLY EQUIPMENT

§ 2901. DEFINITIONS

As used in this chapter:

\* \* \*

- (4) "Electric vehicle supply equipment (EVSE)" and "electric vehicle supply equipment available to the public" have the same meanings as in 30 V.S.A. § 201.
- (5) "Plug-in electric vehicle (PEV)," "battery electric vehicle (BEV)," and "plug-in hybrid electric vehicle (PHEV)" have the same meanings as in 23 V.S.A. § 4(85).

\* \* \*

### § 2906. ELECTRIC VEHICLE SUPPLY EQUIPMENT GOALS

It shall be the goal of the State to have, as practicable, level 3 EVSE charging ports available to the public:

(1) within three driving miles of every exit of the Dwight D. Eisenhower

National System of Interstate and Defense Highways within the State;

No. 148 Page 37 of 67 2024

(2) within 25 driving miles of another level 3 EVSE charging port available to the public along a State highway, as defined in subdivision 1(20) of this title; and

- (3) co-located with or within a safe and both walkable and rollable distance of publicly accessible amenities such as restrooms, restaurants, and convenience stores to provide a safe, consistent, and convenient experience for the traveling public along the State highway system.
- § 2907. ANNUAL REPORTING; ELECTRIC VEHICLE SUPPLY

  EQUIPMENT
  - (a) Notwithstanding 2 V.S.A. § 20(d), the Agency of Transportation shall:
- (1) file a report, with a map, on the State's efforts to meet its federally required Electric Vehicle Infrastructure Deployment Plan, as updated, and the goals set forth in section 2906 of this chapter with the House and Senate

  Committees on Transportation not later than January 15 each year until the Deployment Plan is met; and
- (2) file a report on the current operability of EVSE available to the public and deployed through the assistance of Agency funding with the House and Senate Committees on Transportation not later than January 15 each year.
- (b) The reports required under subsection (a) of this section can be combined when filing with the House and Senate Committees on Transportation and shall prominently be posted on the Agency of Transportation's website.

No. 148 Page 38 of 67 2024

Sec. 24. REPEAL OF CURRENT EVSE MAP REPORT AND EXISTING
GOALS

2021 Acts and Resolves No. 55, Sec. 30, as amended by 2022 Acts and Resolves No. 184, Sec. 4 (EVSE network in Vermont goals; report of annual map) is repealed.

Sec. 25. EVSE PLAN; REPORT

The Agency of Transportation, in consultation with the Agencies of

Agriculture, Food and Markets and of Commerce and Community

Development, shall prepare a written plan, which may incorporate other plans that have been prepared to secure federal funding under the National Electric

Vehicle Infrastructure Formula Program, for how to fund and maintain the

EVSE necessary for Vermont to meet that portion of the goals of the

Comprehensive Energy Plan and the Vermont Climate Action Plan. The written plan shall be filed with the House and Senate Committees on

Transportation not later than January 15, 2025.

Sec. 26. REGULATION OF EVSE; RECOMMENDATIONS; REPORT

On or before March 1, 2025, the Agency of Transportation, in consultation

with the Agencies of Agriculture, Food and Markets and of Commerce and

Community Development; the Department of Public Service; the Public Utility

Commission; the Office of the Attorney General, Consumer Protection

Division; Drive Electric Vermont; and EVSE industry participants, shall

No. 148 Page 39 of 67 2024

provide testimony to the House and Senate Committees on Transportation, and to other legislative committees upon request, regarding:

- (1) what regulations, if any, should be placed on EVSE that is available to the public, both for EVSE that is owned and operated by an electric distribution utility and for EVSE that is not owned and operated by an electric distribution utility;
- (2) how best to ensure that consumers are being charged accurately for the electricity they receive;
- (3) how best to ensure that vendors are properly charging consumers for the electricity they receive and disclosing any additional costs that may apply; and
- (4) any recommendations for legislative action to address State regulation of EVSE.
  - \* \* \* Beneficial Electrification Report \* \* \*
- Sec. 27. ELECTRIC DISTRIBUTION UTILITIES; EVSE-RELATED SERVICE UPGRADES; REPORT

In the report due not later than January 15, 2025, pursuant to 2021 Acts and Resolves No. 55, Sec. 33, the Public Utility Commission shall include a reporting of service upgrade practices related to the installation of electric vehicle supply equipment (EVSE) across all electric distribution utilities, including a comparison of EVSE-related service upgrade practices, a

No. 148 Page 40 of 67 2024

description of the frequency and typical costs of EVSE-related service upgrades, and rate-payer impact.

- \* \* \* Expansion of Public Transit Service \* \* \*
- \* \* \* Mobility Services Guide; Car Share \* \* \*

### Sec. 28. MOBILITY SERVICES GUIDE; ORAL UPDATE

- (a) The Agency of Transportation, in consultation with existing nonprofit mobility services organizations incorporated in the State of Vermont for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership, such as through carsharing, and other nonprofit organizations working to achieve the goals of the Comprehensive Energy Plan, the Vermont Climate Action Plan, and the Agency of Transportation's community engagement plan for environmental justice, shall develop a webpage-based guide to outline the different mobility service models that could be considered for deployment in Vermont.
- (b) At a minimum, the web-page-based guide required under subsection (a) of this section shall include the following:
- (1) definitions of program types or options, such as car sharing, mobility for all, micro-transit, bike sharing, and other types of programs that meet the goals identified in subsection (a) of this section;
- (2) information related to existing initiatives, including developmental and pilot programs, that meet any of the program types or options defined pursuant to subdivision (1) of this subsection and information related to any

No. 148 Page 41 of 67 2024

pertinent studies or reports, whether completed or ongoing, related to the program types or options defined pursuant to subdivision (1) of this subsection;

- (3) details of other existing programs that may provide a foundation for or complement a new program in a manner that is not duplicative or competitive; and
- (4) for each possible program type or option defined pursuant subdivision (1) of this subsection, additional details outlining:
- (A) the range of start-up, capital, facilities, and ongoing operating and maintenance costs;
  - (B) the service area characteristics;
  - (C) the revenue capture options;
  - (D) technical assistance resources; and
  - (E) existing or potential funding resources.
- (c) The Agency of Transportation shall make itself available to provide an oral update and demonstration of the web-page-based guide required under subsection (a) of this section to the House and Senate Committees on Transportation not later than February 15, 2025.

No. 148 Page 42 of 67 2024

\* \* \* Mobility and Transportation Innovations (MTI) Grant Program \* \* \*
Sec. 29. 19 V.S.A. § 10n is added to read:

# § 10n. MOBILITY AND TRANSPORTATION INNOVATIONS (MTI) GRANT PROGRAM

- (a) The Mobility and Transportation Innovations (MTI) Grant Program is created within the Public Transit Section of the Agency. The MTI Grant Program shall support innovative transportation demand management programs and transit initiatives that improve mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, reduce greenhouse gas emissions, and complement existing mobility investments.
- (b) Grant awards of not more than \$250,000.00 per recipient for capital or operational costs, or both, may be used to create new or expand existing programs for one or more of the following: matching funds for other grant awards, program delivery costs, or the extension of existing programs.
- (c) Funding under the MTI Grant Program shall not be used to supplant existing State funding for the same project or program.
  - (d) In each year in which funding for grants is available:
- (1) The Agency shall establish an application period of at least four months.

No. 148 Page 43 of 67 2024

(2) The Agency shall provide direct assistance to entities requiring technical assistance or prereview of a draft application during the application period.

- (3) Grant awards shall be distributed not later than November 30 in each year in which they are offered.
  - \* \* \* Vermont Rail Plan; Amtrak \* \* \*
- Sec. 30. DEVELOPMENT OF NEW VERMONT RAIL PLAN; BICYCLE STORAGE; REPORT
- (a) As the Agency of Transportation develops the new Vermont Rail Plan, it shall consider and address the following:
- (1) adding additional daily service on the Vermonter for some or all of the service area; and
- (2) expanding service on the Valley Flyer to provide increased service on the Vermonter route.
- (b) The Agency of Transportation shall consult with Amtrak and the StateAmtrak Intercity Passenger Rail Committee (SAIPRC) on passenger education
  of and sufficient capacity for bicycle storage on Amtrak trains on the
  Vermonter and Ethan Allen Express routes.
- (c) The Agency of Transportation shall provide an oral update on the development of the Vermont Rail Plan in general and the requirements of subsection (a) of this section specifically and the consultation efforts required

No. 148 Page 44 of 67 2024

under subsection (b) of this section to the House and Senate Committees on Transportation not later than February 15, 2025.

- \* \* \* Replacement for the Vermont State Design Standards \* \* \*
- Sec. 31. REPLACEMENT FOR THE VERMONT STATE DESIGN
  STANDARDS
- (a) In preparing the replacement for the Vermont State Design Standards, the Agency of Transportation shall do all of the following:
- (1) Release a draft of the replacement to the Vermont State Design Standards and related documents not later than January 1, 2026.
- (2) Conduct not fewer than four public hearings across the State concerning the replacement to the Vermont State Design Standards and related documents.
- (3) Provide a publicly available responsiveness summary detailing the public participation activities conducted in developing the final draft of the replacement for the Vermont State Design Standards and related documents, as applicable; a description of the matters on which members of the public or stakeholders, or both, were consulted; a summary of the views of the participating members of the public and stakeholders; and significant comments, criticisms, and suggestions received by the Agency and the Agency's specific responses, including an explanation of any modifications made in response.

No. 148 Page 45 of 67 2024

(4) In alignment with the Vermont Transportation Equity Framework, consult directly, through a series of large-group, specialty focus groups and one-on-one meetings, with key stakeholders in order to achieve stakeholder engagement and afford a voice in the development of the replacement for the Vermont State Design Standards and related documents. At a minimum, stakeholders shall include the House and Senate Committees on Transportation, the Federal Highway Administration (FHWA), the Vermont Agency of Commerce and Community Development (ACCD), the Vermont Agency of Natural Resources (ANR), the Vermont Department of Health (VDH), the Vermont Department of Public Service (DPS), the Vermont League of Cities and Towns (VLCT), Vermont's regional planning commissions (RPCs), the Vermont chapter of the American Association of Retired Persons (AARP), Transportation for Vermonters (T4VT), Local Motion, the Sierra Club, Conservation Law Foundation, the Vermont Natural Resources Council, the Vermont Truck and Bus Association, the Vermont Public Transportation Association (VPTA), the American Council of Engineering Companies (ACEC), the Association of General Contractors (AGC), and other stakeholders.

(b) The Agency shall provide oral updates on its progress preparing the replacement to the Vermont State Design Standards, including the process required under subsection (a) of this section, to the House and Senate

Committees on Transportation not later than February 15, 2025 and February 15, 2026.

- \* \* \* Complete Streets; Traffic Calming Measures; Designated Centers \* \* \* Sec. 32. 19 V.S.A. §§ 2402 and 2403 are amended to read: § 2402. STATE POLICY
- (a) Agency of Transportation funded, designed, or funded and designed projects shall seek to increase and encourage more pedestrian, bicycle, and public transit trips, with the State goal to promote intermodal access to the maximum extent feasible, which will help the State meet the transportation-related recommendations outlined in the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b and the recommendations of the Vermont Climate Action Plan (CAP) issued under 10 V.S.A. § 592.
- (b) Except in the case of projects or project components involving unpaved highways, for all transportation projects and project phases managed by the Agency or a municipality, including planning, development, construction, or maintenance, it is the policy of this State for the Agency and municipalities, as applicable, to incorporate complete streets principles that:
- (1) serve individuals of all ages and abilities, including vulnerable users as defined in 23 V.S.A. § 4(81);

No. 148 Page 47 of 67 2024

- (2) follow state-of-the-practice design guidance; and
- (3) are sensitive to the surrounding community, including current and planned buildings, parks, and trails and current and expected transportation needs; and
- (4) when desired by the municipality or specifically identified in the regional plan, implement street design for purposes of calming and slowing traffic in State-designated centers under 24 V.S.A. chapter 76A.

# § 2403. PROJECTS NOT INCORPORATING COMPLETE STREETS PRINCIPLES

(a) State projects. A State-managed project shall incorporate complete streets principles unless the project manager makes a written determination, supported by documentation, that one or more of the following circumstances exist:

\* \* \*

(2) The cost of incorporating complete streets principles is disproportionate to the need or probable use as determined by factors including land use, current and projected user volumes, population density, crash data, historic and natural resource constraints, and maintenance requirements. The Agency shall consult local and regional plans, as appropriate, in assessing these and any other relevant factors. If the project manager bases the written determination required under this subsection in whole or in part on this subdivision then the project manager shall provide a supplemental written

No. 148 Page 48 of 67 2024

determination with specific details on costs, needs, and probable uses, as applicable. The supplemental written determination shall also address any design elements that were desired by the municipality or specifically identified in the regional plan pursuant to subdivision 2402(b)(4) of this chapter but were not incorporated.

\* \* \*

(b) Municipal projects. A municipally managed project shall incorporate complete streets principles unless the municipality managing the project makes a written determination, supported by documentation, that one or more of the following circumstances exist:

\* \* \*

(2) The cost of incorporating complete streets principles is disproportionate to the need or probable use as determined by factors such as land use, current and projected user volumes, population density, crash data, historic and natural resource constraints, and maintenance requirements. The municipality shall consult local and regional plans, as appropriate, in assessing these and any other relevant factors. If the municipality managing the project bases the written determination required under this subsection in whole or in part on this subdivision then the project manager shall provide a supplemental written determination with specific details on costs, needs, and probable uses, as applicable. The supplemental written determination shall also address any design elements that were desired by the municipality or specifically identified

No. 148 Page 49 of 67 2024

in the regional plan pursuant to subdivision 2402(b)(4) of this chapter but were not incorporated.

\* \* \*

\* \* \* Sustainability of Vermont's Transportation System; Emissions

Reductions \* \* \*

# Sec. 33. ANALYSIS AND REPORT ON SUSTAINABILITY OPTIONS; TRANSPORTATION EMISSIONS REDUCTIONS

- (a) Findings of fact. The General Assembly finds:
- (1) A majority of the Vermont Climate Council (VCC) voted to recommend participation in the Transportation & Climate Initiative Program (TCI-P), a regional cap-and-invest program, as a lead policy and regulatory approach to reduce emissions from the transportation sector in the Vermont Climate Action Plan (CAP), adopted in December 2021.
- (2) Shortly before adoption of the CAP in December 2021, participating in TCI-P became unviable and the VCC agreed to include in the CAP that the VCC would continue work on an alternative recommendation to reduce emissions from the transportation sector in Vermont and pursue participating in TCI-P if it again became viable.
- (3) An addendum to the CAP, supported by a majority of the VCC, stated that: "The only currently known policy options for which there is strong evidence from other states, provinces[,] and countries of the ability to confidently deliver the scale and pace of emissions reductions that are required

No. 148 Page 50 of 67 2024

of the transportation sector by the [Global Warming Solutions Act (GWSA)]
are one or a combination of: a) a cap and invest/cap and reduce policy
covering transportation fuels and/or b) a performance standard/performancebased regulatory approach covering transportation fuels. Importantly, based on
research associated with their potential implementation, these approaches can
also be designed in a cost-effective and equitable manner."

- (4) The development of the State's Carbon Reduction Strategy (CRS), which is required by the Federal Highway Administration (FHWA) pursuant to the federal Infrastructure Investment and Jobs Act (IIJA) for states to access federal monies under the Carbon Reduction Program and required by the General Assembly pursuant to 2023 Acts and Resolves No. 62, Sec. 31, and the accompanying planning and public engagement process provided the Cross Section Mitigation Subcommittee of the VCC a timely opportunity to undertake additional analysis required for a potential preferred recommendation or recommendations to fill the gap in reductions of transportation emissions.
- (5) The CRS, which was filed with the FHWA in November 2023, models that the State may meet its 2025 reduction requirement in the transportation sector, but that, even with additional investments for programmatic, policy, and regulatory options, the modeling shows a gap between projected "business as usual" emissions in the transportation sector

No. 148 Page 51 of 67 2024

and the portion of GWSA emission reduction requirements for 2030 and 2050 that are attributable to the transportation sector.

- (6) The CRS reaffirms that, without adoption of additional polices, the portion of GWSA emission reduction requirements for 2030 and 2050 that are attributable to the transportation sector will not be met and states that: "Of the additional programs, a cap-and-invest and/or Clean Transportation Standard program are likely the two most promising options to close the gap in projected emissions vs. required emissions levels for the transportation sector. . . ."
- (7) There remains a need for further, more detailed analysis of policy options.
- (b) Written analysis. The Agency of Natural Resources, specifically the Climate Action Office, and the Agency of Transportation, in consultation with the State Treasurer; the Departments of Finance and Management, of Motor Vehicles, and of Taxes; and the VCC, including those councilors appointed by the General Assembly to provide expertise in energy and data analysis, expertise and professional experience in the design and implementation of programs to reduce greenhouse gas emissions, and representation of a statewide environmental organization as outlined in the adopted January 12, 2024 Transportation Addendum to the Climate Action Plan, shall prepare a written analysis of policy and investment scenarios to reduce emissions in the transportation sector in Vermont and meet the greenhouse gas reduction

No. 148 Page 52 of 67 2024

requirements of 10 V.S.A. § 578, as amended by Sec. 3 of the Global Warming Solutions Act (2020 Acts and Resolves No. 153).

- (c) Scenario development. At a minimum, the written analysis required under subsection (b) of this section shall address the pros, cons, costs, and benefits of the following:
- (1) Vermont participating in regional or cap-and-invest program, such as the Western Climate Initiative (WCI) and the New York Cap-and-Invest program;
- (2) Vermont adopting a clean transportation fuel standard, which would be a performance standard or performance-based regulatory approach covering transportation fuels; and
- (3) Vermont implementing other potential revenue-raising, carbon-pollution reduction strategies.
- (d) Emission reduction scenarios; administration. The written analysis shall include an estimate of the amount of emissions reduction to be generated from a minimum of four scenarios, to include a business-as-usual, low-, medium-, and high-greenhouse gas emissions reduction, analyzed under subsection (c) of this section and a summary of how each proposal analyzed under subsection (c) of this section would be administered.
- (e) Revenue and cost estimate; timeline. The written analysis completed pursuant to subsections (b)–(d) of this section shall be provided to the State

  Treasurer to review cost and revenue projections for each scenario. The State

No. 148 Page 53 of 67 2024

<u>Treasurer shall make a written recommendation to the General Assembly regarding any viable approaches.</u>

- (f) Public access; committees; due date.
- (1) The Climate Action Office shall maintain a publicly accessible website with information related to the development of the written analysis required under subsection (b) of this section.
- (2) The Agencies of Natural Resources and of Transportation, in consultation with the State Treasurer, shall file a status update on the development of the written analysis required under subsection (b) of this section with the House and Senate Committees on Transportation, the House Committees on Environment and Energy and on Ways and Means, and the Senate Committees on Finance and on Natural Resources and Energy not later than November 15, 2024.
- (3) The Agencies of Natural Resources and of Transportation, in consultation with the State Treasurer, shall file the written analysis required under subsection (b) of this section and the State Treasurer's written recommendation to the General Assembly regarding any viable approaches required under subsection (e) of this section with the House and Senate Committees on Transportation, the House Committees on Environment and Energy and on Ways and Means, and the Senate Committees on Finance and on Natural Resources and Energy not later than February 15, 2025.

(g) Use of consultant. The Agencies of Natural Resources and of

Transportation shall retain a consultant that is an expert in comprehensive

transportation policy with a core focus on emission reductions and economic

modeling to undertake the analysis and to provide the State Treasurer with any
additional information needed to inform the State Treasurer's

recommendations regarding any viable approaches required under subsections

(b)–(e) of this section.

#### (h) Costs.

- (1) If the costs of the consultant required under subsection (g) of this section are eligible expenditures under the U.S. Environmental Protection

  Agency's (EPA) Climate Pollution Reduction Grants (CPRG) program, then that shall be the source of funding to cover the costs of the consultant required under subsection (g) of this section.
- (2) The State Treasurer may use funds appropriated in State fiscal year 2025 to complete the work required under subsection (e) of this section, including administrative costs and third-party consultation.
  - \* \* \* Better Connections Grant Program \* \* \*
- Sec. 34. 19 V.S.A. § 319 is added to read:

#### § 319. BETTER CONNECTIONS GRANT PROGRAM

(a) The Better Connections Grant Program is created and shall be administered and staffed by the Policy, Planning and Research Bureau of the

No. 148 Page 55 of 67 2024

Agency in collaboration with the Agency of Commerce and Community

Development and the Agency of Natural Resources.

- (b) The Program shall be funded through appropriations to the Agency for policy, planning, and research.
- (c) The Program shall provide planning grants to aid municipalities to coordinate municipal land use decisions with transportation investments that build community resilience to:
- (1) provide a safe, multimodal, and resilient transportation system that supports the Vermont economy;
- (2) support downtown and village economic development and revitalization efforts; and
- (3) lead directly to project implementation demonstrated by municipal capacity and readiness to implement.

\* \* \* Transportation Funding Study \* \* \*

# Sec. 35. TRANSPORTATION FUNDING STUDY; CONSULTANT; REPORT

#### (a) The General Assembly finds:

(1) Vermont's transportation system is crucial to every resident, student, worker, visitor, and business located in Vermont; serves as the backbone of the economy; and is a critical component of Vermont's economic competitiveness.

(2) The State must continue to pursue an equitable transportation network in which communities have improved access to all modes of transportation, enhancing access to jobs, housing, and other services.

- (3) In order to keep up with the maintenance, repair, and construction necessary to maintain the State's transportation infrastructure, additional State revenue needs to be raised in order to meet the nonfederal match for all federal monies for which Vermont is eligible and that is awarded to Vermont through competitive federal grants.
- (4) Several public transit funding studies have been presented to the General Assembly, in 2015, 2021, and 2024, that highlight growing labor costs, changed ridership habits, a reduction in federal monies intended to minimize person-to-person contact during the COVID-19 pandemic, increased service needs, and an anticipated funding cliff just to maintain current levels of service and operation in State fiscal year 2026.
- (5) Vermont will continue to contend with transportation funding shortfalls due to decreased motor fuel tax revenue, on both gasoline and diesel, due to increasing vehicle fuel efficiency and the continued adoption of plug-in electric vehicles.
- (6) The Agency of Transportation is studying and seeking federal competitive grant funding to implement, possibly as early as July 1, 2025, a mileage-based user fee (MBUF) as a way to supplant lost motor fuel tax

No. 148 Page 57 of 67 2024

revenue from Vermonters who own a battery electric vehicle that is charged at home.

- (7) While motor fuels represent a significant source of funding for the Transportation Fund, they are only one component of the State's overall transportation funding.
- (8) In addition to an MBUF, the State must identify new and innovative funding and policy options needed to adequately maintain Vermont's transportation system and support future growth.
- (b) The Agency of Transportation shall invest not more than \$100,000.00 to contract with an independent third-party consultant with expertise in transportation funding and finance.
- (c) The consultant shall consider and evaluate issues related to

  transportation funding in order to identify mechanisms to sufficiently fund

  transportation projects and operations through appropriations by the General

  Assembly. Specifically, the consultant shall:
- (1) evaluate current transportation funding in Vermont, taking into account the viability of existing revenue sources and funding distributions;
- (2) consider future trends that will impact the multimodal transportation system, including inflation, safety needs, racial equity, electric vehicles, and climate change;
- (3) consider new and innovative funding options and alternative solutions employed by other states;

(4) consider how an MBUF can, along with other new and traditional funding mechanisms, provide sustainable transportation funding; and

- (5) provide a report of transportation revenue projection scenarios through 2030, including new sources.
- (d) The Agency shall send to the House and Senate Committees on

  Transportation, the House Committee on Ways and Means, and the Senate

  Committee on Finance:
- (1) on or before December 15, 2024, a written update of work performed and, if available, a draft of the final report; and
- (2) on or before January 15, 2025, the final written report and recommendations required by this section.
- \* \* \* Electric and Plug-In Hybrid Vehicles; EV Infrastructure Fee \* \* \* Sec. 36. 23 V.S.A. § 361 is amended to read:

#### § 361. PLEASURE CARS

- (a) The annual registration fee for a pleasure car, as defined in subdivision 4(28) of this title, and including a pleasure car that is a plug-in electric vehicle, as defined in subdivision 4(85) of this title, shall be \$89.00, and the biennial fee shall be \$163.00.
- (b) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of

No. 148 Page 59 of 67 2024

this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section.

- (c) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual EV infrastructure fee for a pleasure car that is a plug-in hybrid electric vehicle, as defined in subdivision 4(85)(B) of this title, equal to one-half the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to the annual fee collected in subsection (a) of this section.
- (d) The annual and biennial EV infrastructure fees collected in subsections

  (b) and (c) of this section shall be allocated to the Transportation Fund for

  programs administered by the Agency of Commerce and Community

  Development to increase Vermonters' access to level 1 and 2 electric vehicle

  supply equipment (EVSE) charging ports at workplaces or multiunit dwellings,

  or both.

#### Sec. 37. EV INFRASTRUCTURE FEE; ELECTRIC VEHICLES

The Department of Motor Vehicles shall implement a public outreach campaign regarding EV infrastructure fees for battery electric vehicles and plug-in electric hybrid vehicles not later than October 1, 2024. The campaign shall disseminate information on the Department's web page and through other outreach methods.

Sec. 38. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

No. 148 Page 60 of 67 2024

\* \* \*

(b) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section. [Repealed.]

\* \* \*

(d) The annual and biennial EV infrastructure fees collected in subsections (b) and subsection (c) of this section shall be allocated to the Transportation Fund for programs administered by the Agency of Commerce and Community Development to increase Vermonters' access to level 1 and 2 electric vehicle supply equipment (EVSE) charging ports at workplaces or multiunit dwellings, or both.

### Sec. 39. PROPOSED FISCAL YEAR 2026 TRANSPORTATION PROGRAM; EVSE CHARGING PORTS PROJECT

The Agency of Transportation's Proposed Fiscal Year 2026 Transportation

Program shall include a project that provides the estimated fiscal year 2026

revenue from the EV infrastructure fee to the Agency of Commerce and

Community Development for the purpose of providing grants to increase

Vermonters' access to level 1 and 2 EVSE charging ports at workplaces or

multiunit dwellings, or both.

\* \* \* Central Garage; Authority to Purchase Real Property \* \* \*

- Sec. 40. CENTRAL GARAGE; REAL PROPERTY; FACILITY DESIGN; AUTHORITY
- (a)(1) Pursuant to 19 V.S.A. § 26(b), the Secretary of Transportation is authorized to use up to \$2,000,000.00 in Central Garage Fund reserve funds for the purpose of purchasing real property of approximately 23.5 acres on the Paine Turnpike in Berlin, adjacent to State-owned property, on which to site a new Central Garage.
- (2) If the Secretary identifies real property other than the Berlin site described in subdivision (1) of this subsection on which the Secretary wishes to site a new Central Garage, the Secretary is authorized to use up to \$2,000,000.00 in Central Garage Fund reserve funds to purchase the property, but only after obtaining the specific prior approval of the Joint Transportation Oversight Committee to purchase the identified property.
- (b) Notwithstanding 19 V.S.A. § 13(a), the Secretary may use Central

  Garage Fund reserve funds for design services necessary to construct a new

  Central Garage on the Berlin site described in subdivision (a)(1) of this section

  or, following the Joint Transportation Oversight Committee's approval as set

  forth in subdivision (a)(2) of this section, on another site; provided, however,

  that the Secretary shall collaborate with the municipality in which the new

  Central Garage is to be located regarding the design and construction of the

  facility.

No. 148 Page 62 of 67 2024

\* \* \* Railroad Leases \* \* \*

Sec. 41. 5 V.S.A. § 3405 is amended to read:

### § 3405. LEASE FOR CONTINUED OPERATION

- (a) The Secretary, as agent for the State, with the approval of the Governor and the General Assembly or, if the General Assembly is not in session, approval of a special committee consisting of the Joint Fiscal Committee and the Chairs of the House and Senate Committees on Transportation, is authorized to lease or otherwise arrange for the continued operation of all or any State-owned railroad property to any responsible person, provided that approval for the operation, if necessary, is granted by the federal Surface Transportation Board under 49 C.F.R. Part 1150 (certificate to construct, acquire, or operate railroad lines). The transaction shall be subject to any further terms and conditions as in the opinion of the Secretary are necessary and appropriate to accomplish the purpose of this chapter.
- (b) To preserve continuity of service on State-owned railroads, the Secretary may enter into a short-term lease or operating agreement, for a term not to exceed six months, with a responsible railroad operator. Within 10 days of entering into any lease or agreement, the Secretary shall report the details of the transaction to the members of the House and Senate Committees on Transportation.
- (c) The Secretary shall notify the House and Senate Committees on Transportation or, if the General Assembly is not in session, the Joint

Transportation Oversight Committee when there are 12 months remaining on the operating lease for any State-owned railroad, and when there are 12 months remaining on a lease extension for the operating lease for any State-owned railroad.

- \* \* \* Traffic Control Devices; Adoption of MUTCD Revisions \* \* \*

  Sec. 42. 23 V.S.A. § 1025 is amended to read:

  § 1025. STANDARDS
- (a) The U.S. Department of Transportation Federal Highway

  Administration's Manual on Uniform Traffic Control Devices <u>for Streets and Highways</u> (MUTCD) <u>for streets and highways</u>, as amended, shall be the standards for all traffic control signs, signals, and markings within the State.

  Revisions to the MUTCD shall be adopted according to the implementation or compliance dates established in federal rules.
- (b) The latest revision of the MUTCD shall be adopted upon its effective date except in the case of To the extent consistent with federal law, projects beyond a preliminary state of design that are anticipated to be constructed within two years of the otherwise applicable effective date; such projects may be constructed according to the MUTCD standards applicable at the design stage.
- (c) Existing signs, signals, and markings shall be valid until such time as they are replaced or reconstructed. When new traffic control devices are erected or placed or existing traffic control devices are replaced or repaired, the

No. 148 Page 64 of 67 2024

equipment, design, method of installation, placement, or repair shall conform with the MUTCD.

- (b)(d) The standards of the MUTCD shall apply for both State and local authorities as to traffic control devices under their respective jurisdiction.
- (e)(e) Traffic and control signals at intersections with exclusive pedestrian walk cycles shall be of sufficient duration to allow a pedestrian to leave the curb and travel across the roadway before opposing vehicles receive a green light. Determination of the length of the signal shall take into account the circumstances of persons with ambulatory disabilities.
  - \* \* \* MileageSmart; Income Eligibility \* \* \*
- Sec. 43. 19 V.S.A. § 2903 is amended to read:

#### § 2903. MILEAGESMART

- (a) Creation; administration.
- (1) There is created a used high fuel efficiency vehicle incentive program, which shall be administered by the Agency of Transportation and known as MileageSmart.
- (2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of MileageSmart.
- (b) Program structure. MileageSmart shall structure high fuel efficiency purchase incentive payments by income to help all Vermonters benefit from

No. 148 Page 65 of 67 2024

more efficient driving and reduced greenhouse gas emissions, including Vermont's most vulnerable. Specifically, MileageSmart shall:

- (1) apply to purchases of used high fuel-efficient motor vehicles, which for purposes of this program shall be pleasure cars with a combined city/highway fuel efficiency of at least 40 miles per gallon or miles-per-gallon equivalent as rated by the Environmental Protection Agency when the vehicle was new; and
- (2) provide not more than one point-of-sale voucher worth up to \$5,000.00 to an individual who is a member of a household with an adjusted gross income that is at or below 80 percent of the State median income; provided, however, that the Agency of Transportation may reduce the income eligibility threshold based on available funding or applicant volume, or both, in order to prioritize vouchers for households with lower income.
- (c) EV infrastructure fees. For the first year that a plug-in electric vehicle, as defined in 23 V.S.A. § 4(85), purchased through MileageSmart is subject to the EV infrastructure fee pursuant to 23 V.S.A. § 361(b) or (c), the amount of the fee shall be an eligible expense under MileageSmart; provided, however, that this expense eligibility shall expire at such time as a mileage-based user fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A. § 4(85)(A), takes effect in Vermont.

(e)(d) Administrative costs. Up to 15 percent of any appropriations for MileageSmart may be used for any costs associated with administering and promoting MileageSmart.

(d)(e) Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of MileageSmart so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available, and such costs shall be considered administrative costs for purposes of subsection (e)(d) of this section.

#### \* \* \* Effective Dates \* \* \*

#### Sec. 44. EFFECTIVE DATES

- (a) This section and Secs. 9(e) (conditions for Green Mountain Transit one-time monies), 22 (transfer of monies between vehicle incentive programs in FY 2025), 40 (Central Garage; purchase of real property), and 41 (railroad leases; 5 V.S.A. § 3405) shall take effect on passage.
- (b) Sec. 36 (EV infrastructure fee; 23 V.S.A. § 361) shall take effect on January 1, 2025.
- (c) Sec. 38 (amendments to EV infrastructure fee; 23 V.S.A. § 361) shall take effect on the effective date of a mileage-based user fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A. § 4(85)(A).

### (d) All other sections shall take effect on July 1, 2024.

Date Governor signed bill: June 3, 2024