H.101

Introduced by Representatives Burke of Brattleboro, Stebbins of Burlington,
Anthony of Barre City, Bartholomew of Hartland, Bluemle of
Burlington, Brown of Richmond, Campbell of St. Johnsbury,
Carroll of Bennington, Casey of Montpelier, Christie of
Hartford, Cina of Burlington, Coffey of Guilford, Cole of
Hartford, Cordes of Lincoln, Demrow of Corinth, Dodge of
Essex, Dolan of Essex Junction, Elder of Starksboro, Goldman
of Rockingham, Headrick of Burlington, Houghton of Essex
Junction, James of Manchester, Jerome of Brandon, Kornheiser
of Brattleboro, Krasnow of South Burlington, Lalley of
Shelburne, LaLonde of South Burlington, Logan of Burlington,
Long of Newfane, Masland of Thetford, McCarthy of St.
Albans City, Mrowicki of Putney, Mulvaney-Stanak of
Burlington, Nicoll of Ludlow, Notte of Rutland City, Ode of
Burlington, Patt of Worcester, Pouech of Hinesburg, Priestley
of Bradford, Rachelson of Burlington, Rice of Dorset, Sheldon
of Middlebury, Sims of Craftsbury, Stone of Burlington, Toleno
of Brattleboro, and Torre of Moretown

Referred to Committee on

Date:
Subject: Transportation; transportation planning; climate; greenhouse gas emissions; federal funding; regional transportation climate initiative; Transportation and Climate Initiative Program; feebates; high-consumption fuel users; plug-in electric vehicles (PEVs); electric vehicle supply equipment (EVSE); vehicle incentive programs; Incentive Program for New PEVs; Replace Your Ride Program; eBike Incentive Program; Mobility and Transportation Innovation Grant Program; public transit; complete streets; Vermont State Standards; Amtrak; zero-fare

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

(1) require the Agency of Transportation to present a written plan with recommendations on how to fund State efforts to reduce greenhouse gas emissions and increase access to higher-efficiency, lower-cost transportation options;

(2) create the Legislative Regional Transportation Climate Initiative Working Group to study regional climate initiatives such as the Transportation and Climate Initiative Program;

(3) implement a self-funded feebate program based on pleasure car efficiency;
(4) require the Agency of Transportation to assess motor vehicle fuel use in Vermont in order to identify the most effective actions to transition operators to plug-in electric vehicles;

(5) appropriate money for the Mobility and Transportation Innovation Grant Program, Bicycle and Pedestrian Program, and eBike Incentive Program;

(6) require the Agency of Transportation to provide a written recommendation on a dedicated funding source for the local match required of public transit providers in Vermont;

(7) make modifications to the Incentive Program for New PEVs and Replace Your Ride Program and the annual reporting requirements for the State’s motor vehicle incentive programs;

(8) amend the State’s transportation planning policy related to greenhouse gas emissions and infrastructure resilience;

(9) update the State’s complete streets policy and require the Agency of Transportation to provide municipalities with training on complete streets;

(10) require the Agency of Transportation to update the Vermont State Standards;

(11) require the Agency of Transportation to work with Amtrak, and other entities, on certain modifications to Amtrak service in Vermont; and

(12) appropriate money to maintain zero-fare service on all urban public transit routes.
An act relating to transportation initiatives to reduce carbon emissions

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

* * * Short Title; Legislative Findings * * *

Sec. 1. SHORT TITLE

This act may be cited as the Transportation Affordability Act of 2023.

Sec. 2. LEGISLATIVE FINDINGS

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

(b) Global surface temperature will continue to increase until at least the mid-21st century, and global warming of 2°C will be exceeded during the 21st century unless deep reductions in carbon dioxide (CO2) and other greenhouse gas emissions occur in the coming decades. While irreversible damage has already occurred, it is not too late to act to avoid human-induced damage that will be considerably worse than the damage that has already been caused.
(c) Limiting human-induced global warming to a specific level requires limiting cumulative CO2 emissions and reaching at least net zero CO2 emissions, along with strong reductions in other greenhouse gas emissions.

(d) The transportation sector generates approximately 40 percent of the State’s greenhouse gas emissions, which makes it the greatest contributor to the greenhouse gas emissions in Vermont.

(e) Research has shown that rural Vermonters have the most to gain from higher-efficiency, lower-cost transportation options.

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

(g) Vermont can and should provide leadership to demonstrate how even a small state can reduce greenhouse gas emissions and increase access to higher efficiency, lower-cost transportation options.

(h) Through State fiscal year 2023, Vermont has appropriated more than $205,000,000.00 in one-time federal funding from the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (ARPA) and more than $63,700,000.00 in one-time General Fund monies for climate action initiatives.
(i) From federal fiscal year 2022 through federal fiscal year 2026, Vermont expects to receive approximately $1,700,000,000.00 in formula funding for transportation from the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (IIJA). This anticipated formula funding includes approximately $21,200,000.00 for plug-in electric vehicle charging infrastructure, approximately $32,800,000.00 for carbon reduction programs, and approximately $37,300,000.00 for climate resilience. In addition to these formula funds, Vermont will be eligible to apply for numerous competitive federal grant opportunities for specific activities and projects related to climate action initiatives.

(j) The State will need to strategically fund efforts to transition Vermont’s transportation sector and for transportation initiatives that will reduce greenhouse gas emissions once the available federal monies are depleted, including the possibility that federal formula funds will not remain at the current levels authorized under the IIJA.

(k) As Vermont’s Transportation Fund revenues begin to drop due to the antiquated gas tax and evolution of higher efficiency vehicles, Vermont needs to explore new revenue streams to finance all transportation needs, whether it is for roads, transit, plug-in electric vehicle infrastructure, or bike and pedestrian programs.
Sec. 3. PLAN FOR FUTURE STATE FISCAL YEARS

(a) On or before January 15, 2024, the Agency of Transportation shall present a written plan to the House and Senate Committees on Appropriations and on Transportation, the House Committee on Ways and Means, and the Senate Committee on Finance with a recommendation, or recommendations, on how to fund State efforts to reduce greenhouse gas emissions and increase access to higher-efficiency, lower-cost transportation options at a pace necessary to achieve the reduction requirements enacted in 10 V.S.A. § 578.

(b) The written plan shall cover both how to best utilize federal funding made available to Vermont through the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 and what options the State has, including the addition of a new funding source, for after any nonrecurring federal funding made available through the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (ARPA) and the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (IIJA) is depleted.

(c) The written plan shall expand upon the work that has already been done, and will continue to be done, by the Agency and its consultants to secure federal funding under the Carbon Reduction Program and develop the State’s Carbon Reduction Strategies.
Sec. 4. LEGISLATIVE COMMITTEE ON A REGIONAL TRANSPORTATION CLIMATE INITIATIVE; REPORT

(a) Finding. The General Assembly finds that efforts are underway among legislators in several New England states to revive a regional transportation climate initiative that would cut greenhouse gas emissions from the transportation sector while at the same time provide funding for transforming the transportation system to low carbon options.

(b) Creation. There is created the Legislative Regional Transportation Climate Initiative Working Group to study regional transportation climate initiatives such as the Transportation and Climate Initiative Program (TCI-P) and make recommendations on legislative action related to Vermont’s participation in a regional transportation climate initiative.

(c) Membership. The Working Group shall be composed of the following members:

   (1) two current members of the House of Representatives who shall be appointed by the Speaker of the House; and

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

(d) Powers and duties. The Working Group shall study regional transportation climate initiatives such as TCI-P by:
(1) reviewing the December 2020 memorandum of understanding for TCI-P;

(2) receiving two updates—not later than June 15, 2023 and November 1, 2023—on the State’s development of Carbon Reduction Strategies as required to secure federal funding under the Carbon Reduction Program;

(3) attending regional meetings on regional transportation climate initiatives such as TCI-P;

(4) soliciting public testimony through public hearings and written comments on regional transportation climate initiatives such as TCI-P; and

(5) consulting with legislators and organizations in New England about regional transportation climate initiatives such as TCI-P, including ways to collaborate.

e. Assistance. For purposes of scheduling meetings and preparing recommended legislation and a written report, the Working Group shall have the assistance of the Office of Legislative Operations, the Office of Legislative Counsel, and the Joint Fiscal Office.

f. Report. On or before December 15, 2023, the Working Group shall submit a written report to the House Committees on Environment and Energy and on Transportation and the Senate Committees on Natural Resources and Energy and on Transportation with its findings and any recommendations for legislative action. At a minimum, the report shall include:
(1) a brief summary of what the Working Group learned through participation in regional meetings, through public hearings and the review of written comments, and from other legislators and organizations in New England;

(2) a recommendation on whether or not the Working Group should remain in existence;

(3) a determination on any areas of participation in a regional transportation climate initiative that need clarification, including requisite legislative action needed for Vermont to enter into an agreement to participate in a regional transportation climate initiative;

(4) a recommendation on the percentage of monies received through participation in a regional transportation climate initiative that should go to disadvantaged communities;

(5) a recommendation on a definition of disadvantaged communities;

(6) a recommendation on what entity should review and approve the distribution of monies received through participation in a regional transportation climate initiative; and

(7) a recommendation on legislation to be enacted in 2024, if applicable.

(g) Meetings.

(1) The Senator appointed by the Committee on Committees shall call the first meeting of the Working Group to occur on or before August 1, 2023.
(2) The Working Group shall select a chair from among its members at the first meeting.

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

(4) The Working Group shall identify regional meetings on a regional transportation climate initiative such as TCI-P and shall ensure that a quorum of the Working Group attends up to six regional meetings on a regional transportation climate initiative such as TCI-P.

(5) Notwithstanding any contrary provision of the Vermont Open Meeting Law (1 V.S.A. chapter 5, subchapter 2), that a quorum of the Working Group attends a regional meeting shall not cause the regional meeting to otherwise be open to the public.

(6) The Working Group shall cease to exist on July 1, 2024.

(h) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group serving in the member’s capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six regional meetings, for not more than three public hearings, and for not more than three additional meetings. These payments shall be made from monies appropriated to the General Assembly.
* * * Efficiency Fees and Rebates * * *

* * * Statutory Structure; Fee and Rebate Categories * * *

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

§ 383. EFFICIENCY FEES AND REBATES

(a) As used in this section:

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

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

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

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

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

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

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

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

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

(1) is designed to provide a rebate for motor vehicles within each motor vehicle type that have a high vehicle efficiency as compared to the average vehicle efficiency for motor vehicles of that motor vehicle type in the State and collect a fee for motor vehicles within each motor vehicle type that have a low
vehicle efficiency as compared to the average vehicle efficiency for motor
vehicles of that motor vehicle type in the State;

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

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

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

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

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

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

* * * Efficiency Fees and Rebates Task Force * * *

Sec. 6. EFFICIENCY FEES AND REBATES TASK FORCE

(a) Creation. There is created the Efficiency Fees and Rebates Task Force
to formulate a method for calculating the initial and recalculating the
subsequent efficiency fees and rebates to be collected and distributed under

23 V.S.A. § 383 as added by Sec. 5 of this act.

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

(1) two current members of the House of Representatives, who shall be appointed by the Speaker of the House;

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

(3) the Commissioner of Financial Regulation or designee;

(4) the Commissioner of Motor Vehicles or designee;

(5) the Secretary of Transportation or designee;

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

(7) one member, who shall be a representative of Drive Electric Vermont, appointed by the Speaker of the House;

(8) one member, who shall be a member of the Vermont Vehicle and Automotive Distributors Association, appointed by the Committee on Committees;

(9) one member, who shall be a representative of Capstone Community Action, appointed by the Committee on Committees; and
(10) one member, who shall be a representative of a statewide environmental organization, appointed by the Committee on Committees.

(c) Duties.

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

(A) efficiency fees and rebates to be collected and distributed under 23 V.S.A. § 383 as added by Sec. 5 of this act in fiscal year 2025 that are proportionally designed to meet the needs of incentives as well as the impacts from low-efficiency motor vehicles and are targeted to contribute to meeting the requirements established under 10 V.S.A. § 578(a);

(B) a formula or method for calculating efficiency fees and rebates to be collected and distributed under 23 V.S.A. § 383 as added by Sec. 5 of this act in fiscal years subsequent to fiscal year 2025 that are proportionally designed to meet the needs of incentives as well as the impacts from low-efficiency motor vehicles and are targeted to contribute to meeting the requirements established under 10 V.S.A. § 578(a);

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

(D) best practices, policies, and guidelines for successful implementation of a revenue-neutral system of efficiency fees and rebates.
(2) The Task Force shall prepare a report containing its recommendations and proposed legislation based upon its recommendations.

(d) Assistance. The Task Force shall have:

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

(2) other assistance, including the writing of the report containing recommendations, fiscal assistance, and committee support services, from the Agency of Transportation.

(e) Report. On or before January 15, 2024, the Task Force shall submit a report to the House and Senate Committees on Transportation with its recommendations and proposed legislation.

(f) Meetings.

(1) The Secretary of Transportation or designee shall call the first meeting of the Task Force to occur on or before July 1, 2023.

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

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

(4) The Task Force shall cease to exist on February 15, 2024.

(g) Compensation and reimbursement.

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

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

* * * Fees and Rebates Effective July 1, 2024

if Alternative Fees and Rebates Not Enacted * * *

Sec. 7. 23 V.S.A. § 383(d) is added to read:

(d)(1) Light trucks.

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

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

      (ii) $170.00 if the vehicle efficiency is 16 MPG(e) or more and

      less than 20 MPG(e).

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

      (i) $925.00 if the vehicle efficiency is 26 MPG(e) or more and less

      than 28 MPG(e); and

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

(2) Passenger automobiles.

   (A) The efficiency fees for passenger automobiles shall be:
(i) $750.00 if the vehicle efficiency is less than 21 MPG(e); and

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

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

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

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

(3) Sport utility vehicles.

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

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

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

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

(i) $1,000.00 if the vehicle efficiency is 26 MPG(e) or more and less than 30 MPG(e); and

(ii) $1,500.00 if the vehicle efficiency 30 MPG(e) or more.

* * * Outreach; Annual Report * * *

Sec. 8. OUTREACH ON EFFICIENCY FEES AND REBATES;

APPROPRIATION

The sum of $20,000.00 is appropriated from the Transportation Fund to the Agency of Transportation in fiscal year 2024 to expand the Agency’s public-
private partnership with Drive Electric Vermont to provide marketing and
outreach efforts on motor vehicle efficiency fees and rebates in the fourth
quarter of fiscal year 2024 in advance of 23 V.S.A. § 383, as added by Secs. 5
and 7 of this act, taking effect.

Sec. 9. ANNUAL FEEBATE REPORT

(a) The Agency of Transportation shall annually evaluate the
implementation of 23 V.S.A. § 383 to gauge its effectiveness and submit a
report accordingly to the House and Senate Committees on Transportation not
later than January 15 each year starting in 2026 and continuing to 2031.

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

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

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

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

(4) recommendations on changes to the system of efficiency fees and
rebates.
Sec. 10. OPTIMIZING PEV ADOPTION AND REDUCING HIGH-CONSUMPTION FUEL USERS; REPORT

(a) As used in this section, “high-consumption fuel user” means someone who purchase more than 1,000 gallons of motor vehicle fuel per year.

(b) The Agency of Transportation, in consultation with Drive Electric Vermont, shall assess motor vehicle fuel use in Vermont in order to identify the most effective actions to transition operators to plug-in electric vehicles (PEV). The Agency shall establish a baseline demographic and geographic profile of the Vermont operators that use the most gasoline and diesel, with a particular focus on high-consumption fuel users, that can be used to:

1. inform decisions on State programs designed to reduce greenhouse gas emissions from the transportation sector; and
2. make recommendations on whether the State should modify any of the State’s existing vehicle incentive programs and electric vehicle supply equipment (EVSE) grant programs to incentivize high-consumption fuel users, especially ones with low and moderate income, to transition to vehicles with lower greenhouse gas emissions.

(c) The Agency of Transportation shall file a written report on the assessment required under subsection (b) of this section with the House and Senate Committees on Transportation on or before December 1, 2023.
Sec. 11. MOBILITY AND TRANSPORTATION INNOVATION GRANT PROGRAM; APPROPRIATION

(a) Implementation. The Agency of Transportation shall continue to administer the Mobility and Transportation Innovation (MTI) Grant Program, which was created pursuant to 2020 Acts and Resolves No. 121, Sec. 16. The Program shall continue to support innovative strategies and 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. Individual grant awards shall be capped at either:

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

(2) $2,000,000.00 per recipient, for not more than four recipients, that may be used to operate microtransit programs, with equal consideration given to existing and proposed microtransit programs.

(b) Appropriation. The sum of $10,000,000.00 is appropriated from the Transportation Fund to the Agency of Transportation in fiscal year 2023 for the purpose of implementing subsection (a) of this section.
* * * Bicycle and Pedestrian Program; Grant Awards * * *

Sec. 12. BICYCLE AND PEDESTRIAN PROGRAM; GRANT AWARDS

In fiscal year 2024, the Agency of Transportation shall award not less than $10,000,000.00 in grant awards through the Bicycle and Pedestrian Program for federal-aid and small-scale grant awards.

* * * Recommendation on Local Funding Source for Public Transit * * *

Sec. 13. RECOMMENDATIONS ON FUNDING SOURCE FOR LOCAL MATCH; PUBLIC TRANSIT; REPORT

The Agency of Transportation, in consultation with the Vermont Public Transportation Association and the Vermont League of Cities and Towns, shall provide the House and Senate Committees on Transportation with a written recommendation on a dedicated funding source for the local match required of public transit providers in Vermont not later than December 1, 2023.

* * * Vehicle Incentive Programs * * *

* * * eBike Incentive Program * * *

Sec. 14. EBIKE INCENTIVES

The sum of $500,000.00 is appropriated from the Transportation Fund to the Agency of Transportation in fiscal year 2024 to continue to provide eBike incentives under the programmatic guidelines established to implement 2022 Acts and Resolves No. 184, Sec. 5(d).
**Incentive Reduction for Sales Over Sticker Price;**

**Increased MSRP Eligibility for BEVs**

**Incentive Program for New PEVs**

Sec. 15. 2019 Acts and Resolves No. 59, Sec. 34(b), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, 2021 Acts and Resolves No. 3, Sec. 56, 2021 Acts and Resolves No. 55, Sec. 19, and 2022 Acts and Resolves No. 184, Sec. 6 is further amended to read:

(b) Electric vehicle incentive program. An incentive program for Vermont residents to purchase and lease new PEVs shall structure PEV purchase and lease incentive payments by income to help Vermonters benefit from electric driving, including Vermont’s most vulnerable. The program shall be known as the Incentive Program for New PEVs. Specifically, the Incentive Program for New PEVs shall:

(1) apply to both purchases and leases of new PEVs with an emphasis on creating and matching incentives for BEVs;

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

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

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

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

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

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

(A) an individual domiciled in the State whose federal income tax filing status is single or head of household with an adjusted gross income under the laws of the United States at or below $50,000.00;
(B) an individual domiciled in the State whose federal income tax filing status is surviving spouse with an adjusted gross income under the laws of the United States at or below $75,000.00;

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

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

(4) provide not more than five incentives of either $3,000.00 for a PHEV or $4,000.00 for a BEV, or a combination thereof, in fiscal year 2022 to a tax-exempt organization incorporated in the State for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership be reduced by the amount that the sales or lease price charged by the dealer is over the sticker price, which is calculated as the Base MSRP plus the MSRP for any options included by the manufacturer and the destination charges;
(5) apply to:

(A) manufactured PHEVs with a Base Manufacturer’s Suggested Retail Price (MSRP) of $40,000.00 or less;
(B) manufactured BEVs with a Base MSRP of $45,000.00 $50,000.00 or less; and
(C) manufactured PEVs with any Base MSRP that will be issued a special registration plate by the Commissioner of Motor Vehicles pursuant to 23 V.S.A. § 304a or will predominately be used to provide accessible transportation for the incentive recipient or a member of the incentive recipient’s household, provided that the incentive recipient or the member of the incentive recipient’s household has a removable windshield placard issued by the Commissioner of Motor Vehicles pursuant to 23 V.S.A. § 304a; and

(6) provide incentives that may be in addition to any other available incentives, including through another program funded by the State, provided that not more than one incentive under the Incentive Program for New PEVs is used for the purchase or lease of any one PEV.

*** Replace Your Ride Program ***

Sec. 16. 2021 Acts and Resolves No. 55, Sec. 27(b) is amended to read:

(b) Incentive amount. The Replace Your Ride Program shall provide up to a $3,000.00 incentive, which may be in addition to any other available incentives, including through a program funded by the State, to individuals
who qualify based on both income and the removal of an internal combustion
vehicle. Only one incentive per individual is available under the Replace Your
Ride Program and incentives shall be provided on a first-come, first-served
basis once the Replace Your Ride Program is operational. If the incentive is
used for the purchase or lease of a new PEV, it shall be reduced by the amount
that the sales or lease price charged by the dealer is over the sticker price,
which is calculated as the Base Manufacturer’s Suggested Retail Price (MSRP)
plus the MSRP for any options included by the manufacturer and the
destination charges.

* * * Annual Reports on Vehicle Incentive Programs * * *

Sec. 17. 2019 Acts and Resolves No. 59, Sec. 34(a)(5), as amended by 2020
Acts and Resolves No. 121, Sec. 14 is further amended to read:

(5)(A) The Agency shall annually evaluate the programs to gauge
effectiveness and submit a written report on the effectiveness of the programs
to the House and Senate Committees on Transportation, the House Committee
on Energy and Technology, and the Senate Committee on Finance on or before
the 31st day of January in each year following a year that an incentive voucher
was provided through one of the programs.

(B) The Agency shall submit a written report to the House and Senate
Committees on Transportation on or before the 31st day of January and the
31st day of July each year with:
(i) the monies that were available for incentives for each program, and the Replace Your Ride Program established pursuant to 2021 Acts and Resolves No. 55, Sec. 27 on the prior first day of July, for the report due on the 31st day of January, and on the prior first day of January, for the report due on the 31st day of July;

(ii) the monies that were available for incentives for each program and the Replace Your Ride Program established pursuant to 2021 Acts and Resolves No. 55, Sec. 27 on the prior 31st day of December, for the report due on the 31st day of January, and on the prior 30th day of June, for the report due on the 31st day of July;

(iii) the monies appropriated for each program and the Replace Your Ride Program established pursuant to 2021 Acts and Resolves No. 55, Sec. 27 for the applicable fiscal year;

(iv) the number of incentives given out under each program and the Replace Your Ride Program established pursuant to 2021 Acts and Resolves No. 55, Sec. 27 between the first day of July and the 31st day of December, for the report due on the 31st day of January, and between the first day of January and the 30th day of June, for the report due on the 31st day of July;
(v) current and ongoing efforts to market each program and the
Replace Your Ride Program established pursuant to 2021 Acts and Resolves
No. 55, Sec. 27; and
(vi) any other pertinent data points as determined by the Agency.
(C) Notwithstanding 2 V.S.A. § 20(d), the annual report reports required
under this section subdivision (5) shall continue to be required if an incentive
or repair voucher is provided through one of the programs unless the General
Assembly takes specific action to repeal the report requirement.

*** General Statement of Policy; Transportation Planning ***

Sec. 18. 19 V.S.A. § 10b is amended to read:

§ 10b. STATEMENT OF POLICY; GENERAL

(a) The Agency shall be the responsible agency of the State for the
development of transportation policy. It shall develop a mission statement to
reflect:

(1) that State transportation policy shall be to encompass, coordinate,
and integrate all modes of transportation and to consider “complete streets”
principles, which are principles of safety and accommodation of all
transportation system users, regardless of age, ability, or modal preference; and

(2) the need for transportation projects that will improve the State’s
economic infrastructure, as well as the use of resources in efficient,
coordinated, integrated, cost-effective, and environmentally sound ways, and
that will be consistent with the recommendations of the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b, the recommendations of the Vermont Climate Action Plan (CAP) issued under 10 V.S.A. § 592, and any rules adopted in accordance with 10 V.S.A. § 593;

(3) the need for the Agency to lead, assist, and partner in the transformation of the transportation sector to meet the emissions reduction requirements of the Global Warming Solutions Act, codified at 10 V.S.A. § 578, and ensure that there is an environmentally clean, efficient, multimodal system that will have economic, environmental, equity, and public health benefits for all Vermonters; and

(4) the importance of transportation infrastructure resilience and strategies to construct or retrofit, or both, transportation infrastructure to prepare for and adapt to changes in the climate; add redundancy and efficiency to the transportation network; and use maintenance and operational strategies to address transportation disruptions.

(b) The Agency shall coordinate planning and education efforts with those of the Vermont Climate Change Oversight Committee Council, established under 10 V.S.A. § 591, and those of local and regional planning entities to:

(1) to ensure that the transportation system as a whole is integrated, that access to the transportation system as a whole is integrated, and that statewide,
local, and regional conservation and efficiency opportunities and practices are
integrated; and

(2) to support employer-led or local or regional government-led
conservation, efficiency, rideshare, and bicycle programs and other innovative
transportation advances, especially employer-based incentives.

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

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

* * *

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

§ 10i. TRANSPORTATION PLANNING PROCESS

(a) Long-range systems plan. The Agency shall establish and implement a
planning process through the adoption of a long-range multi-modal multimodal
systems plan integrating all modes of transportation. The long-range multi-
modal multimodal systems plan shall be based upon Agency transportation
policy developed under section 10b of this title; other policies approved by the
General Assembly; Agency goals, mission, and objectives; demographic and
travel forecasts; design standards; performance criteria; and funding availability. The long-range systems plan shall be developed with participation of the public and local and regional governmental entities and pursuant to the planning goals and processes set forth in 1988 Acts and Resolves No. 200. The plan shall be consistent with the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b and the Vermont Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

* * *

(c) Transportation Program. The Transportation Program shall be developed in a fiscally responsible manner to accomplish the following objectives:

(1) managing, maintaining, and improving the State’s existing transportation infrastructure to provide capacity, safety, and flexibility, and resiliency in the most cost-effective and efficient manner;

(2) developing an integrated transportation system that provides Vermonters with transportation choices;

(3) strengthening the economy, protecting the quality of the natural environment, and improving Vermonters’ quality of life; and

(4) achieving the recommendations of the CEP and the CAP; and

(5) transforming the transportation sector to meet the State’s emissions reduction requirements and ensure that there is an environmentally clean,
efficient, multimodal system that will have economic, environmental, equity, and public health benefits for all Vermonters.

* * *

(f) Emissions modeling.

(1) The Agency of Natural Resources shall coordinate with the Agency of Transportation to consider and incorporate relevant elements of the proposed Transportation Program and the effectiveness of those elements in reducing greenhouse gas emissions when developing and updating the Tracking and Measuring Progress Tool pursuant to 10 V.S.A. § 591(b)(3).

(2) The following shall be included in the reports required pursuant to section 10g of this chapter:

(A) the portion of the Tracking and Measuring Progress Tool related to the Transportation Program;

(B) a quantitative estimation of how effective the relevant elements of the proposed Transportation Program for the upcoming fiscal year will be in reducing greenhouse gas emissions and a quantitative estimation, based on the emission projections published in the Greenhouse Gas Inventory, if available, of how much more the greenhouse gas emissions from the transportation sector need to be reduced for the State to achieve its emissions reductions requirements; and
(C) a strategy and plan for how to reduce the greenhouse gas emissions from the transportation sector to achieve the recommendations in the CEP and the CAP during fiscal years beyond the upcoming fiscal year, with the expectation that the strategy and plan shall be used in the Agency of Transportation’s ongoing planning.

*** Complete Streets ***

Sec. 20. 19 V.S.A. § 10b is amended to read:

§ 10b. STATEMENT OF POLICY; GENERAL

(a) The Agency shall be the responsible agency of the State for the development of transportation policy. It shall develop a mission statement to reflect:

(1) that State transportation policy shall be to encompass, coordinate, and integrate all modes of transportation and to consider “complete streets”, as defined in section 2401 of this title, principles, which are principles of safety and accommodation of all transportation system users, regardless of age, ability, or modal preference; and

(2) the need for transportation projects that will improve the State’s economic infrastructure, as well as the use of resources in efficient, coordinated, integrated, cost-effective, and environmentally sound ways, and that will be consistent with the recommendations of the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b, the recommendations of
the Vermont Climate Action Plan (CAP) issued under 10 V.S.A. § 592, and

any rules adopted in accordance with 10 V.S.A. § 593.

(b) The Agency shall coordinate planning, and education, and training
efforts with those of the Vermont Climate Change Oversight Committee
Council, established under 10 V.S.A. § 591, and those of local and regional
planning entities to:

(1) to ensure that the transportation system as a whole is integrated; that
access to the transportation system as a whole is integrated; and that statewide,
local, and regional conservation and efficiency opportunities and practices are
integrated; and

(2) to support employer-led or local or regional government-led
conservation, efficiency, rideshare, and bicycle programs and other innovative
transportation advances, especially employer-based incentives.

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

(1) develop or incorporate designs that provide integrated, safe,
and efficient transportation and that are consistent with the recommendations
of the CEP, and CAP:
(2)(A) Consider the safety and accommodation of all transportation system users, including motorists, bicyclists, public transportation users, and pedestrians of all ages and abilities, consider complete streets principles in all State- and municipally managed transportation projects and project phases, including planning, development, construction, and maintenance, except in the case of projects or project components involving unpaved highways. If, after the consideration required under this subdivision, a State-managed project does not incorporate complete streets principles, the project manager shall make a written determination, supported by documentation and available for public inspection at the Agency, that one or more of the following circumstances exist:

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

(ii) 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.

(iii) Incorporating complete streets principles is outside the scope of a project because of its very nature.
(B) The written determination required under subdivision (A) of this
subdivision (2) shall be final and shall not be subject to appeal or further
review.

(3) Promote economic opportunities for Vermonters and the
best use of the State’s environmental and historic resources; and

(4) Manage available funding to:

* * *

Sec. 21. REPEAL

19 V.S.A. § 309d (policy for municipally managed transportation projects)
is repealed.

Sec. 22. 19 V.S.A. chapter 24 is added to read:

CHAPTER 24. COMPLETE STREETS

§ 2401. DEFINITION

As used in this chapter, “complete streets” means streets that provide safe
and accessible options for multiple travel modes for individuals of all ages and
abilities, including walking, cycling, public transportation, and motor vehicles.
§ 2402. STATE POLICY

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) are both permanent and temporary, as necessary, for each project phase;

(2) prioritize underserved communities that have been historically harmed and segmented by the transportation network;

(3) serve individuals of all ages and abilities, including vulnerable users as defined in 23 V.S.A. § 4(81);

(4) follow best state-of-the-practice design guidance; and

(5) are sensitive to the surrounding community, including current and planned buildings, parks, and trails and current and expected transportation needs.

§ 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:

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

(2) The cost of incorporating complete streets principles is grossly 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.

(3) Incorporating complete streets principles is outside the limited scope of a maintenance project that does not involve the reconstruction of any infrastructure.

(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:

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

(2) The cost of incorporating complete streets principles is grossly 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.

(3) Incorporating complete streets principles is outside the limited scope of a maintenance project that does not involve the reconstruction of any infrastructure.

(c) Finality of determinations. The written determinations required by subsections (a) and (b) of this section shall be final and shall not be subject to appeal or further review.

(d) Posting of determinations. The written determinations required by subsections (a) and (b) of this section shall be posted to the municipality’s website, in the case of a municipally managed project, and a page on the Agency of Transportation’s website dedicated to complete streets, in the case of a State- or municipally managed project.

§ 2404. ANNUAL REPORT; PUBLIC DATABASE

(a) Annual report. Notwithstanding 2 V.S.A. § 20(d), the Agency shall annually, on or before September 1 starting in 2025, submit a report detailing the State’s efforts in following the complete streets policy established in section 2402 of this chapter during the previous fiscal year to the House and Senate Committees on Transportation.
(b) Public database.

(1) The Agency of Transportation shall post to a page dedicated to complete streets on the Agency’s website a database of all State- and municipally managed transportation projects for which preliminary engineering is completed after July 1, 2011 along with a description of the project, the location of the project, whether or not the project incorporated complete streets principles, and an explanation as to which circumstance or circumstances contained in subsections 2403(a) and (b) of this chapter existed in the case of projects not incorporating complete streets principles.

(2) The database required under this subsection shall be updated on at least an annual basis.

Sec. 23. IMPLEMENTATION; PUBLIC DATABASE

The Agency shall create and post the database required under 19 V.S.A. § 2404(b), as added by Sec. 22 of this act, on or before January 1, 2024.

Sec. 24. UPDATE OF VERMONT STATE STANDARDS

In accordance with the plan required pursuant to 2022 Acts and Resolves No. 184, Sec. 19, the Agency shall update the Vermont State Standards and documents, standards, guidance, and procedures related to the Vermont State Standards not later than July 1, 2024.
Sec. 25. FUNDING FOR MUNICIPAL TRAINING ON COMPLETE STREETS

The sum of $50,000.00 is appropriated from the Transportation Fund to the Agency of Transportation in fiscal year 2024 for the Agency of Transportation, in consultation with the Vermont Climate Council, the Vermont League of Cities and Towns, and regional planning commissions, to provide training on complete streets to municipalities.

*** Amtrak ***

Sec. 26. AMTRAK SERVICE; REPORT

(a) Extension of Amtrak service to White River Junction, Vermont.

(1) The Agency shall work with Amtrak and the Massachusetts Department of Transportation to extend Amtrak service on the Valley Flyer to White River Junction, Vermont. The Agency shall ensure that there is Amtrak service to and from White River Junction, Vermont, on the Valley Flyer, with at least the last trip on the Valley Flyer overnighting in White River Junction, Vermont each night and the first trip on the Valley flyer originating in White River Junction, Vermont each morning.

(2) The sum of $2,000,000.00 is appropriated from the Transportation Fund to the Agency of Transportation in fiscal year 2024 for purposes of complying with subdivision (1) of this subsection.
(b) Extension of Amtrak service to Montreal, Quebec. The Agency of Transportation shall continue to work with Amtrak, the Canada Border Security Agency, the U.S. Customs and Border Protection, the Federal Railroad Administration, and the Ministry of Transportation of Quebec to extend Amtrak service on the Vermonter to Montreal, Quebec.

(c) Track improvement and extension of service between Burlington, Vermont and Essex Junction, Vermont. The Agency of Transportation shall continue to work with Amtrak and New England Central Railroad to improve the track between Burlington, Vermont, and Essex Junction, Vermont, in order to bring the track to passenger rail standards and, at a minimum, extend service on the Ethan Allen to Essex Junction, Vermont.

(d) Food service on Amtrak. The Agency of Transportation shall take over food service on all Amtrak service operating in Vermont and shall ensure that the snack cars on Amtrak service operating in Vermont serve Vermont food products and Vermont beers, provide advertisements for Vermont food products and Vermont tourism, and practice disposable waste reduction and recycling strategies.

(e) Use of cab and combination cab and baggage cars. The Agency of Transportation shall work with Amtrak to operate the Ethan Allen train with an engine-less cab car—preferably one that is a combination baggage car, also
known as a cabbage car—at the end of the train as opposed to operating the
Ethan Allen train with a second locomotive at the end of the train.

(f) Amtrak call center; Amtrak website. The Agency of Transportation
shall continue to work with Amtrak to remedy issues with the Amtrak call
center and the Amtrak website not having reliable information about the
extension of Ethan Allen service to Burlington, Vermont, as soon as
practicable.

(g) Reporting. The Agency of Transportation shall provide written updates
on its progress to meet the requirements under subsections (a)–(f) of this
section to the House and Senate Committees on Transportation every six
months commencing on January 1, 2024 and terminating on July 1, 2026.

* * * Zero-Fare Public Transit * * *

Sec. 27. ZERO-FARE PUBLIC TRANSIT

The sum of $1,200,000.00 is appropriated from the Transportation Fund to
the Agency of Transportation in fiscal year 2024 for the Agency of
Transportation to, in its sole discretion, distribute to transit agencies in the
State that are eligible to receive grant funds pursuant to 49 U.S.C. § 5307 or
5311, or both. The appropriation shall, as practicable and in the sole discretion
of the transit agencies in the State, only be used to operate routes other than
commuter and LINK Express on a zero-fare basis in fiscal year 2024.
Sec. 28. EFFECTIVE DATES

(a) Sec. 8 (outreach on efficiency fees and rebates); Sec. 11 (Mobility and Transportation Innovation Grant Program), Sec. 12 (Bicycle and Pedestrian Grant Program), Secs. 14–17 (vehicle incentive programs), Secs. 18 and 19 (transportation planning; 19 V.S.A. §§ 10b and 10i), and Sec. 26(a)(2) (Amtrak extension) shall take effect on July 1, 2023.

(b) Secs. 20–23 and 25 (complete streets) shall take effect on July 1, 2023 and apply to all State- and municipally managed transportation projects for which preliminary engineering is completed after January 1, 2024.

(c) Sec. 5 (efficiency fees and rebates; 23 V.S.A. § 383) shall take effect on July 1, 2024.

(d) Sec. 7 (efficiency fees and rebates; 23 V.S.A. § 383(d)) shall take effect on July 1, 2024, provided that the General Assembly has not enacted legislation providing for alternative efficiency fees and rebates based in whole or in part on the recommendations of the Efficiency Fees and Rebates Task Force.

(e) All other sections shall take effect on passage.