

1 Introduced by Committee on Transportation

2 Date:

3 Subject: Transportation; annual Transportation Program; Lamoille Valley Rail

4 Trail (LVRT); Central Garage Fund; Transportation Alternatives

5 Grant Program; public transit; zero-fare service; tiered-fare service;

6 vehicle incentive programs; plug-in electric vehicles (PEVs); plug-in

7 hybrid electric vehicles (PHEVs); battery electric vehicles (BEVs);

8 electric bicycles (eBikes); Incentive Program for New PEVs;

9 MileageSmart; Replace Your Ride Program; Electrify Your Fleet

10 Program; eBike Incentive Program; mileage-based user fee (MBUF);

11 public-private partnerships (P3s); repeals; Carbon Reduction

12 Program; PROTECT Formula Program; complete streets

13 Statement of purpose of bill as introduced: This bill proposes to adopt the

14 State’s annual Transportation Program and make miscellaneous changes to

15 laws related to transportation.

16 An act relating to the Transportation Program and miscellaneous changes to

17 laws related to transportation

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

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

3 Technical Correction * * *

4 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS;

5 TECHNICAL CORRECTION

6 (a) Adoption. The Agency of Transportation’s Proposed Fiscal Year 2024
7 Transportation Program appended to the Agency of Transportation’s proposed
8 fiscal year 2024 budget (Revised January 27, 2023), as amended by this act, is
9 adopted to the extent federal, State, and local funds are available.

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

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

12 (2) “Candidate project” means a project approved by the General
13 Assembly that is not anticipated to have significant expenditures for
14 preliminary engineering or right-of-way expenditures, or both, during the
15 budget year and funding for construction is not anticipated within a predictable
16 time frame.

17 (3) “Development and evaluation (D&E) project” means a project
18 approved by the General Assembly that is anticipated to have preliminary
19 engineering expenditures or right-of-way expenditures, or both, during the
20 budget year and that the Agency is committed to delivering to construction on
21 a timeline driven by priority and available funding.

1 (4) “Front-of-book project” means a project approved by the General
2 Assembly that is anticipated to have construction expenditures during the
3 budget year or the following three years, or both, with expected expenditures
4 shown over four years.

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

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

8 (7) The table heading “As Proposed” means the Proposed
9 Transportation Program referenced in subsection (a) of this section; the table
10 heading “As Amended” means the amendments as made by this act; the table
11 heading “Change” means the difference obtained by subtracting the “As
12 Proposed” figure from the “As Amended” figure; the terms “change” or
13 “changes” in the text refer to the project- and program-specific amendments,
14 the aggregate sum of which equals the net “Change” in the applicable table
15 heading; and “State” in any tables amending authorizations indicates that the
16 source of funds is State monies in the Transportation Fund, unless otherwise
17 specified.

18 (c) Technical correction. In the Agency of Transportation’s Proposed
19 Fiscal Year 2024 Transportation Program for Municipal Mitigation, the value
20 “\$7,685,523” is struck and the value “\$10,113,523” is inserted in lieu thereof
21 to correct a typographic error; the value “\$3,355,523” is struck and the value

1 “\$4,783,523” is inserted in lieu thereof to correct a typographic error; the value
2 “\$4,000,000” is struck and the value “\$5,000,000” is inserted in lieu thereof to
3 correct a typographic error; and the value “\$8,060,523” is struck twice and the
4 value “\$10,488,523” is inserted in lieu thereof twice to correct two typographic
5 errors.

6 * * * Highway Maintenance * * *

7 **Sec. 1a. HIGHWAY MAINTENANCE**

8 (a) Within the Agency of Transportation’s Proposed Fiscal Year 2024
9 Transportation Program for Maintenance, authorized spending is amended as
10 follows:

<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	42,637,277	42,637,277	0
Operat. Exp.	65,893,488	64,893,488	-1,000,000
Total	108,530,765	107,530,765	-1,000,000

15 Sources of funds

State	107,784,950	106,784,950	-1,000,000
Federal	645,815	645,815	0
Inter Unit	100,000	100,000	0
Total	108,530,765	107,530,765	-1,000,000

20 (b) Restoring the fiscal year 2024 Maintenance Program appropriation and
21 authorization to the level included in the Agency of Transportation’s Proposed

1 Fiscal Year 2024 Transportation Program shall be the Agency’s top priority if
2 there are unexpended State fiscal year 2023 appropriations of Transportation
3 Fund monies. Accordingly:

4 (1) At the close of State fiscal year 2023, an amount up to \$1,000,00.00
5 of any unencumbered Transportation Fund monies appropriated in 2022 Acts
6 and Resolves No. 185, Secs. B.900–B.922, as amended by 2023 Acts and
7 Resolves No. [PLACE HOLDER FOR BAA], Secs. 43–44a, that would
8 otherwise be authorized to carry forward is reappropriated for the Agency of
9 Transportation’s Proposed Fiscal Year 2024 Transportation Program for
10 Maintenance 30 days after the Agency sends written notification of the request
11 for the unencumbered Transportation Fund monies to be reappropriated to the
12 Joint Transportation Oversight Committee, provided that the Joint
13 Transportation Oversight Committee does not send written objection to the
14 Agency.

15 (2) If any unencumbered Transportation Fund monies are reappropriated
16 pursuant to subdivision (1) of this subsection, then, within the Agency of
17 Transportation’s Proposed Fiscal Year 2024 Transportation Program for
18 Maintenance, authorized spending is further amended to increase operating
19 expenses by not more than \$1,000,000.00 in Transportation Fund monies.

20 (3) Notwithstanding subdivisions (1) and (2) of this subsection, the
21 Agency may request further amendments to the Agency of Transportation’s

1 Proposed Fiscal Year 2024 Transportation Program for Maintenance through
2 the State fiscal year budget adjustment act.

3 * * * One-Time Appropriations * * *

4 Sec. 2. ONE-TIME APPROPRIATIONS

5 (a) Within the Agency of Transportation’s Proposed Fiscal Year 2024
6 Transportation Program for One-Time Appropriations, authorized spending is
7 amended as follows:

8 <u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
9 Operating	3,500,000	0	-3,500,000
10 Grants	3,000,000	0	-3,000,000
11 Total	6,500,000	0	-6,500,000
12 <u>Sources of funds</u>			
13 General	3,000,000	0	-3,000,000
14 Capital	3,500,000	0	-3,500,000
15 Total	6,500,000	0	-6,500,000

16 (b) Within the Agency of Transportation’s Proposed Fiscal Year 2024
17 Transportation Program for One-Time Appropriations, the following are
18 struck:

19 (1) “Rail Trail Community Connectivity Grants - \$3M General Fund
20 Grants”; and

1 (2) “St. Albans District Maintenance Facility - \$3.5M Capital Fund
2 Operating.”

3 * * * St. Albans District Maintenance Facility * * *

4 Sec. 3. ST. ALBANS DISTRICT MAINTENANCE FACILITY

5 The following project is added to the Agency of Transportation’s Proposed
6 Fiscal Year 2024 Transportation Program for Transportation Buildings as a
7 substitute for the former Lunenburg Garage project: St. Albans District
8 Maintenance Facility.

9 * * * Project Cancellation; Project Addition * * *

10 Sec. 4. PROJECT CANCELLATION; PROJECT ADDITION

11 (a) Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of
12 projects), the General Assembly approves cancellation of the following project
13 within the Town Highway Bridge Program: Sheldon BO 1448(47) – Scoping
14 for Bridge #20 on TH #22.

15 (b) The following project is added to the Town Highway Bridge Program:
16 Sheldon BO 1448(48) – Scoping for Bridge #11 on Bridge Street, which will
17 replace the existing Sheldon BO TRUS(11) as a Development and Evaluation
18 project.

19 * * * Central Garage Fund * * *

20 Sec. 5. 19 V.S.A. § 13 is amended to read:

21 § 13. CENTRAL GARAGE FUND

1 (a) There is created the Central Garage Fund, which shall be used to:

2 (1) ~~to~~ furnish equipment on a rental basis to the districts and other
3 sections of the Agency for construction, maintenance, and operation of
4 highways or other transportation activities; and

5 (2) ~~to~~ provide a general equipment repair and major overhaul service,
6 inclusive of any assets, supplies, labor, or use of contractors necessary to
7 provide that service, as well as to furnish necessary supplies for the operation
8 of the equipment.

9 (b) ~~To~~ In order to maintain a safe, and reliable equipment fleet, the Agency
10 shall use Central Garage Fund monies to acquire new or replacement ~~highway~~
11 ~~maintenance equipment shall be acquired using Central Garage Fund monies.~~

12 The Agency is authorized to acquire replacement pieces for existing ~~highway~~
13 equipment or new, additional equipment equivalent to equipment already
14 owned; ~~however, the Agency shall not increase the total number of~~
15 ~~permanently assigned or authorized motorized or self-propelled vehicles~~
16 ~~without approval by the General Assembly.~~

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

20 (A) in fiscal year 2021, \$1,355,358.00; and

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

6 (2) Each fiscal year, the sum of the following shall be appropriated from
7 the Central Garage Fund exclusively for the purpose specified in subsection (b)
8 of this section:

9 (A) the amount transferred pursuant to subdivision (1) of this
10 subsection;

11 (B) the amount of the equipment depreciation expense from the prior
12 fiscal year or, for equipment that is fully depreciated and still actively in
13 service, an amount equal to the depreciation on that piece of equipment from
14 the prior year; and

15 (C) the amount of the net equipment sales from the prior fiscal year.

16 (d) In each fiscal year, net income of the Fund earned during that fiscal
17 year shall be retained in the Fund.

18 (e) For the purposes of computing net worth and net income, the fiscal year
19 shall be the year ending June 30.

20 (f) As used in this section, “equipment” means registered motor vehicles
21 and ~~highway maintenance equipment assigned to~~ necessary assets required by

1 the Central Garage in order to fulfill the objectives established in subsection
2 (a) of this section.

3 (g) [Repealed.]

4 * * * Transportation Alternatives Grant Program * * *

5 Sec. 6. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

6 AWARDS IN STATE FISCAL YEARS 2024 TO 2027

7 Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant
8 Program awards in State fiscal years 2024 to 2027 shall not exceed
9 \$600,000.00 per grant allocation.

10 * * * Public Transit * * *

11 **Sec. 6a. ONE-TIME PUBLIC TRANSIT MONIES; REPORT**

12 (a) Project addition. The following project is added to the Agency of
13 Transportation’s Proposed Fiscal Year 2024 Transportation Program:
14 Increased One-Time Monies for Public Transit for Fiscal Year 2024.

15 (b) Authorization. Spending authority for Increased One-Time Monies for
16 Public Transit for Fiscal Year 2024 is authorized as follows:

<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	0	1,000,000	1,000,000
Total	0	1,000,000	1,000,000

20 Sources of funds

State	0	1,000,000	1,000,000
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1 Total 0 1,000,000 1,000,000

2 (c) Implementation. The Agency of Transportation shall distribute the
3 authorization in subsection (b) of this section to Green Mountain Transit for
4 the following during fiscal year 2024:

5 (1) to operate routes on a zero-fare basis, with a return to the collection
6 of fares from some passengers not later than January 1, 2024; and

7 (2) to prepare for the transition to tiered-fare service in accordance with
8 the plan prepared pursuant to subsection (d) of this section, which may include
9 the acquisition and maintenance of fare-collection systems.

10 (d) Plan for tiered-fare service.

11 (1) Green Mountain Transit shall, in consultation with community
12 action agencies and other relevant entities, such as those that represent the
13 migrant and refugee populations, develop and implement, not later than
14 January 1, 2024, a plan to establish tiered-fare service on Green Mountain
15 Transit routes.

16 (2) At a minimum, the plan to establish tiered-fare service shall
17 incorporate a low-income transit program to provide free or reduced-fare
18 transit options through digital methods, such as a handheld device, and
19 nondigital methods, such as an electronic benefits transfer (EBT) card or a
20 transit card.

1 (3) An interim draft of the plan to establish tiered-fare service shall be
2 submitted to the House and Senate Committees on Transportation on or before
3 October 1, 2023 and a final version of the plan to establish tiered-fare service
4 shall be submitted to the House and Senate Committees on Transportation
5 Committees on or before December 1, 2023.

6 Sec. 6b. RECOMMENDATIONS ON FUNDING SOURCE FOR LOCAL
7 MATCH; PUBLIC TRANSIT; REPORT

8 The Vermont Public Transportation Association, in consultation with the
9 Vermont League of Cities and Towns, shall provide the House and Senate
10 Committees on Transportation with a written recommendation on a dedicated
11 funding source for the local match required of public transit providers in
12 Vermont not later than December 1, 2023. The report shall consider
13 recommendations developed in the Chittenden County Regional Planning
14 Commission’s December 29, 2021 Transit Financing Study.

15 Sec. 6c. SEPARATING THE MOBILITY AND TRANSPORTATION
16 INNOVATIONS (MTI) GRANT PROGRAM FROM GO!

17 VERMONT

18 (a) Go! Vermont. Within the Agency of Transportation’s Proposed Fiscal
19 Year 2024 Transportation Program for Public Transit, authorized spending for
20 Go! Vermont STPG GOVT() is amended as follows:

1	<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
2	Other	905,000	405,000	-500,000
3	Total	905,000	405,000	-500,000

4 Sources of funds

5	State	30,000	30,000	0
6	Federal	875,000	375,000	-500,000
7	Total	905,000	405,000	-500,000

8 (b) Mobility and Transportation Innovations (MTI) Grant Program.

9 (1) Project addition. The following project is added to the Agency of
10 Transportation’s Proposed Fiscal Year 2024 Transportation Program for Public
11 Transit: Mobility and Transportation Innovations (MTI) Grant Program.

12 (2) Authorization. Spending authority for MTI Grant Program is
13 authorized as follows:

14	<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
15	Other	0	500,000	500,000
16	Total	0	500,000	500,000

17 Sources of funds

18	Federal	0	500,000	500,000
19	Total	0	500,000	500,000

1 bicycle that is only capable of transporting loads because an after-market rear
2 or front bicycle rack has been installed, is not an electric-cargo bicycle.

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

6 § 2902. INCENTIVE PROGRAM FOR NEW PLUG-IN ELECTRIC

7 VEHICLES

8 (a) Creation; administration.

9 (1) There is created the Incentive Program for New Plug-In Electric
10 Vehicles (PEVs), which shall be administered by the Agency of
11 Transportation.

12 (2) Subject to State procurement requirements, the Agency may retain a
13 contractor or contractors to assist with marketing, program development, and
14 administration of the Program.

15 (b) Program structure. The Incentive Program for New PEVs shall
16 structure PEV purchase and lease incentive payments by income to help all
17 Vermonters benefit from electric driving, including Vermont’s most
18 vulnerable. Specifically, the Incentive Program for New PEVs:

19 (1) shall apply to both purchases and leases of new PEVs with an
20 emphasis on incentivizing the purchase and lease of battery electric vehicles
21 (BEVs) and plug-in hybrid electric vehicles (PHEVs) with an electric range of

1 20 miles or greater per complete charge as rated by the Environmental
2 Protection Agency when the vehicle was new;

3 (2) shall provide not more than one incentive of not more than
4 \$3,000.00 for a PEV, per individual per year, to:

5 (A) an individual domiciled in the State whose federal income tax
6 filing status is single with an adjusted gross income under the laws of the
7 United States greater than \$60,000.00 and at or below \$100,000.00;

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

11 (C) an individual domiciled in the State whose federal income tax
12 filing status is surviving spouse with an adjusted gross income under the laws
13 of the United States greater than \$90,000.00 and at or below \$150,000.00;

14 (D) an individual who is part of a married couple with at least one
15 spouse domiciled in the State whose federal income tax filing status is married
16 filing jointly with an adjusted gross income under the laws of the United States
17 greater than \$90,000.00 and at or below \$150,000.00; or

18 (E) an individual who is part of a married couple with at least one
19 spouse domiciled in the State and at least one spouse whose federal income tax
20 filing status is married filing separately with an adjusted gross income under

1 the laws of the United States greater than \$60,000.00 and at or below
2 \$100,000.00;

3 (3) shall provide not more than one incentive of not more than
4 \$6,000.00 for a PEV, per individual per year, to:

5 (A) an individual domiciled in the State whose federal income tax
6 filing status is single with an adjusted gross income under the laws of the
7 United States at or below \$60,000.00;

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

11 (C) an individual domiciled in the State whose federal income tax
12 filing status is surviving spouse with an adjusted gross income under the laws
13 of the United States at or below \$90,000.00;

14 (D) an individual who is part of a married couple with at least one
15 spouse domiciled in the State whose federal income tax filing status is married
16 filing jointly with an adjusted gross income under the laws of the United States
17 at or below \$90,000.00; or

18 (E) an individual who is part of a married couple with at least one
19 spouse domiciled in the State and at least one spouse whose federal income tax
20 filing status is married filing separately with an adjusted gross income under
21 the laws of the United States at or below \$60,000.00;

1 (4) shall, as technology progresses, establish a minimum electric range
2 in order for a PHEV to be eligible for an incentive;

3 (5) shall apply to:

4 (A) manufactured PEVs with any Base Manufacturer’s Suggested
5 Retail Price (MSRP) that will be issued a special registration plate by the
6 Commissioner of Motor Vehicles pursuant to 23 V.S.A. § 304a or will
7 predominately be used to provide accessible transportation for the incentive
8 recipient or a member of the incentive recipient’s household, provided that the
9 incentive recipient or the member of the incentive recipient’s household has a
10 removable windshield placard issued by the Commissioner of Motor Vehicles
11 pursuant to 23 V.S.A. § 304a;

12 (B) manufactured PHEVs with a Base MSRP as determined by the
13 Agency of Transportation and meeting the following requirements:

14 (i) shall not exceed a Base MSRP of \$55,000.00;

15 (ii) shall phase out incentives for PHEVs with an electric range of
16 less than 20 miles as rated by the Environmental Protection Agency when the
17 vehicle was new; and

18 (iii) shall be benchmarked to a Base MSRP of the equivalent of
19 approximately \$50,000.00 or less in model year 2023; and

20 (C) manufactured BEVs with a Base MSRP as determined by the
21 Agency of Transportation and meeting the following requirements:

1 (i) shall not exceed a Base MSRP of \$55,000.00; and

2 (ii) shall be benchmarked to a Base MSRP of the equivalent of
3 approximately \$50,000.00 or less in model year 2023; and

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

8 (c) Administrative costs. Up to 15 percent of any appropriations for the
9 Incentive Program for New PEVs can be used for any costs associated with
10 administering and promoting the Incentive Program for New PEVs.

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

18 § 2903. MILEAGESMART

19 (a) Creation; administration.

1 (1) There is created a used high fuel efficiency vehicle incentive
2 program, which shall be administered by the Agency of Transportation and
3 known as MileageSmart.

4 (2) Subject to State procurement requirements, the Agency may retain a
5 contractor or contractors to assist with marketing, program development, and
6 administration of MileageSmart.

7 (b) Program structure. MileageSmart shall structure high fuel efficiency
8 purchase incentive payments by income to help all Vermonters benefit from
9 more efficient driving and reduced greenhouse gas emissions, including
10 Vermont’s most vulnerable. Specifically, MileageSmart shall:

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

16 (2) provide not more than one point-of-sale voucher worth up to
17 \$5,000.00 to an individual who is a member of a household with an adjusted
18 gross income that is at or below 80 percent of the State median income.

19 (c) Administrative costs. Up to 15 percent of any appropriations for
20 MileageSmart can be used for any costs associated with administering and
21 promoting MileageSmart.

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

8 § 2904. REPLACE YOUR RIDE PROGRAM

9 (a) Creation; administration.

10 (1) There is created the Replace Your Ride Program, which shall be
11 administered by the Agency of Transportation.

12 (2) Subject to State procurement requirements, the Agency may retain a
13 contractor or contractors to assist with marketing, program development, and
14 administration of the Program.

15 (b) Program structure. The Replace Your Ride Program shall structure
16 incentive payments by income to help all Vermonters benefit from replacing
17 lower efficient modes of transportation with modes of transportation that
18 reduce greenhouse gas emissions. The Agency may apply a sliding scale
19 incentive based on electric range, with larger incentives being available for
20 PEVs with a longer electric range.

1 (c) Incentive amount. The Replace Your Ride Program shall provide up to
2 a \$2,500.00 incentive for those who qualify under subdivision (d)(1)(A) of this
3 section and up to a \$5,000.00 incentive for those who qualify under
4 subdivision (d)(1)(B) of this section, either of which may be in addition to any
5 other available incentives, including through a program funded by the State, to
6 individuals who qualify based on both income and the removal of an internal
7 combustion vehicle. Only one incentive per individual is available under the
8 Replace Your Ride Program.

9 (d) Eligibility. Applicants must qualify through both income and the
10 removal of an eligible vehicle with an internal combustion engine.

11 (1) Income eligibility.

12 (A) The lower incentive amount of \$2,500.00 is available to the
13 following, provided that all other eligibility requirements are met:

14 (i) an individual domiciled in the State whose federal income tax
15 filing status is single with an adjusted gross income under the laws of the
16 United States greater than \$60,000.00 and at or below \$100,000.00;

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

1 (iii) an individual domiciled in the State whose federal income tax
2 filing status is surviving spouse with an adjusted gross income under the laws
3 of the United States greater than \$90,000.00 and at or below \$150,000.00;

4 (iv) an individual who is part of a married couple with at least one
5 spouse domiciled in the State whose federal income tax filing status is married
6 filing jointly with an adjusted gross income under the laws of the United States
7 greater than \$90,000.00 and at or below \$150,000.00; or

8 (v) an individual who is part of a married couple with at least one
9 spouse domiciled in the State and at least one spouse whose federal income tax
10 filing status is married filing separately with an adjusted gross income under
11 the laws of the United States greater than \$60,000.00 and at or below
12 \$100,000.00.

13 (B) The higher incentive amount of \$5,000.00 is available to the
14 following, provided that all other eligibility requirements are met:

15 (i) an individual domiciled in the State whose federal income tax
16 filing status is single with an adjusted gross income under the laws of the
17 United States at or below \$60,000.00;

18 (ii) an individual domiciled in the State whose federal income tax
19 filing status is head of household with an adjusted gross income under the laws
20 of the United States at or below \$75,000.00;

1 (iii) an individual domiciled in the State whose federal income tax
2 filing status is surviving spouse with an adjusted gross income under the laws
3 of the United States at or below \$90,000.00;

4 (iv) an individual who is part of a married couple with at least one
5 spouse domiciled in the State whose federal income tax filing status is married
6 filing jointly with an adjusted gross income under the laws of the United States
7 at or below \$90,000.00;

8 (v) an individual who is part of a married couple with at least one
9 spouse domiciled in the State and at least one spouse whose federal income tax
10 filing status is married filing separately with an adjusted gross income under
11 the laws of the United States at or below \$60,000.00; or

12 (vi) an individual who is a member of a household with an
13 adjusted gross income that is at or below 80 percent of the State median
14 income.

15 (2) Vehicle removal.

16 (A) In order for an individual to qualify for an incentive under the
17 Replace Your Ride Program, the individual must remove an older low-
18 efficiency vehicle from operation and switch to a mode of transportation that
19 produces fewer greenhouse gas emissions. The entity that administers the
20 Replace Your Ride Program, in conjunction with the Agency of
21 Transportation, shall establish Program guidelines that specifically provide for

1 how someone can show that the vehicle removal eligibility requirement has
2 been, or will be, met.

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

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

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

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

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

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

11 (V) has an internal combustion engine; and

12 (VI) passed the annual inspection required under 23 V.S.A.
13 § 1222 within the prior year.

14 (ii) Removing the older low-efficiency vehicle from operation
15 must be done by disabling the vehicle’s engine from further use and fully
16 dismantling the vehicle for either donation to a nonprofit organization to be
17 used for parts or destruction.

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

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

1 (II) purchasing a new or used bicycle, electric bicycle, electric
2 cargo bicycle, or motorcycle that is fully electric, and the necessary safety
3 equipment; and

4 (III) utilizing shared-mobility services.

5 (e) Administrative costs. Up to 15 percent of any appropriations for the
6 Replace Your Ride Program can be used for any costs associated with
7 administering and promoting the Replace Your Ride Program.

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

15 § 2905. ANNUAL REPORTING

16 (a) The Agency shall annually evaluate the programs established under this
17 chapter to gauge effectiveness and shall submit a written report on the
18 effectiveness of the programs to the House and Senate Committees on
19 Transportation, the House Committee on Environment and Energy, and the
20 Senate Committee on Finance on or before the 31st day of January in each year
21 following a year that an incentive was provided through one of the programs.

1 (b) The report shall also include:

2 (1) any intended modifications to program guidelines for the upcoming
3 fiscal year along with an explanation for the reasoning behind the
4 modifications and how the modifications will yield greater uptake of PEVs and
5 other means of transportation that will reduce greenhouse gas emissions; and

6 (2) any recommendations on statutory modifications to the programs,
7 including to income and vehicle eligibility, along with an explanation for the
8 reasoning behind the statutory modification recommendations and how the
9 modifications will yield greater uptake of PEVs and other means of
10 transportation that will reduce greenhouse gas emissions.

11 (c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this
12 section shall continue to be required if an incentive is provided through one of
13 the programs unless the General Assembly takes specific action to repeal the
14 report requirement.

15 * * * Vehicle Incentive Program; Fiscal Year 2023 Authorizations * * *

16 Sec. 9. 2022 Acts and Resolves No. 184, Sec. 5 is amended to read:

17 Sec. 5. VEHICLE INCENTIVE PROGRAMS

18 (a) Incentive Program for New PEVs. The Agency is authorized to spend
19 up to \$12,000,000.00 as appropriated in the fiscal year 2023 budget on the
20 Incentive Program for New PEVs established in 2019 Acts and Resolves No.
21 59, Sec. 34, as amended, and subsequently codified in 19 V.S.A. chapter 29.

1 (b) MileageSmart. The Agency is authorized to spend up to \$3,000,000.00
2 as appropriated in the fiscal year 2023 budget on MileageSmart as established
3 in 2019 Acts and Resolves No. 59, Sec. 34, as amended, and subsequently
4 codified in 19 V.S.A. chapter 29.

5 (c) Replace Your Ride Program. The Agency is authorized to spend up to
6 \$3,000,000.00 as appropriated in the fiscal year 2023 budget on the Replace
7 Your Ride Program established in 2021 Acts and Resolves No. 55, Sec. 27, as
8 amended, and subsequently codified in 19 V.S.A. chapter 29.

9 * * *

10 * * * Electrify Your Fleet Program **and eBike Incentive Program** * * *

11 *** * * Reallocation of Funding * * ***

12 Sec. 10. 2022 Acts and Resolves No. 184, Sec. 2(8)(C), as amended by 2023
13 Acts and Resolves No. **[PLACE HOLDER FOR BAA]**, Sec. 83, is further
14 amended to read:

15 (C) Replace Your Ride Program. Sec. 5(c) of this act authorizes
16 ~~\$2,900,000.00~~ **\$2,350,000.00** for incentives under Replace Your Ride, which
17 will be the State’s program to incentivize Vermonters to remove older low-
18 efficiency vehicles from operation and switch to modes of transportation that
19 produce fewer greenhouse gas emissions, and capped administrative costs.

1 Sec. 11. 2022 Acts and Resolves No. 184, Sec. 5(c), as amended by 2023 Acts
2 and Resolves No. **[PLACE HOLDER FOR BAA]**, Sec. 84, is further
3 amended to read:

4 (c) Replace Your Ride Program. The Agency is authorized to spend up to
5 ~~\$2,900,000.00~~ \$2,350,000.00 as appropriated in the fiscal year 2023 budget on
6 the Replace Your Ride Program established in 2021 Acts and Resolves No. 55,
7 Sec. 27, as amended.

8 Sec. 12. 2022 Acts and Resolves No. 185, Sec. G.600(b)(5), as amended by
9 2023 Acts and Resolves No. **[PLACE HOLDER FOR BAA]**, Sec. 85, is
10 further amended to read:

11 (5) ~~\$2,900,000.00~~ \$2,350,000.00 to the Agency of Transportation for the
12 Replace Your Ride Program, established in 2021 Acts and Resolves No. 55,
13 Sec. 27, as amended.

14 * * * Creation of **Electrify Your Fleet** Program and Authorization * * *

15 Sec. 13. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

16 (a) Creation; administration.

17 (1) There is created the Electrify Your Fleet Program, which shall be
18 administered by the Agency of Transportation.

19 (2) Subject to State procurement requirements, the Agency may retain a
20 contractor or contractors to assist with marketing, program development, and
21 administration of the Program.

1 (b) Authorization. The Agency is authorized to spend up to \$500,000.00 in
2 one-time General Fund monies on the Electrify Your Fleet Program
3 established pursuant to subsection (a)(1) of this section.

4 (c) Definitions. The definitions in 19 V.S.A. § 2901, as added by Sec. 8 of
5 this act, shall apply to this section.

6 (d) Program structure. The Electrify Your Fleet Program shall structure
7 purchase and lease incentive payments to replace internal combustion engine
8 vehicles cycled out of a motor vehicle fleet and reduce the greenhouse gas
9 emissions of persons operating a motor vehicle fleet in Vermont. Specifically,
10 the Electrify Your Fleet Program shall:

11 (1) provide incentives to Vermont municipalities and business entities
12 registered in Vermont that maintain a fleet of motor vehicles that are registered
13 in Vermont with no single applicant being eligible for more than 20 incentives
14 over the existence of the Program;

15 (2) provide \$2,500.00 purchase and lease incentives for:

16 (A) BEVs with a Base Manufacturer’s Suggested Retail Price
17 (MSRP) of \$60,000.00 or less;

18 (B) PHEVs with an electric range of 20 miles or greater per complete
19 charge as rated by the Environmental Protection Agency when the vehicle was
20 new and a Base MSRP of \$60,000.00 or less;

1 (C) electric bicycles and electric cargo bicycles with a Base MSRP of
2 \$6,000.00 or less;

3 (D) electric motorcycles with a Base MSRP of \$30,000.00 or less;

4 and

5 (E) electric snowmobiles with a Base MSRP of \$20,000.00 or less;

6 and

7 (3) require a showing that the incentive will be used to electrify the
8 applicant’s motor vehicle fleet.

9 (e) Administrative costs. Up to 15 percent of any appropriations for the
10 Electrify Your Fleet Program can be used for any costs associated with
11 administering and promoting the Electrify Your Fleet Program.

12 (f) Outreach and marketing. The Agency, in consultation with any retained
13 contractors, shall ensure that there is sufficient outreach and marketing,
14 including the use of translation and interpretation services, of the Electrify
15 Your Fleet Program so that persons who are eligible for an incentive can easily
16 learn how to secure an incentive and such costs shall be considered
17 administrative costs for purposes of subsection (e) of this section.

18 (g) Reporting. The reporting requirements of 19 V.S.A. § 2905, as added
19 by Sec. 8 of this act, shall, notwithstanding 2 V.S.A. § 20(d), apply to the
20 Electrify Your Fleet Program if an incentive is provided through the Electrify

1 Your Fleet Program unless the General Assembly takes specific action to
2 repeal the report requirement.

3 * * * eBike Incentive Program * * *

4 Sec. 13a. **MODIFICATIONS TO EBIKE INCENTIVE PROGRAM;**
5 **REPORT**

6 (a) The Agency is authorized to spend up to \$50,000.00 in one-time
7 General Fund monies on the continuation of the eBike Incentive Program
8 established pursuant to 2021 Acts and Resolves No. 55, Sec. 28, as amended
9 by 2022 Acts and Resolves No. 184, Sec. 23, with the following modifications:

10 (1) incentives shall be provided in the form of a voucher redeemable as
11 a point-of-sale rebate at participating retail shops;

12 (2) vouchers shall be provided to applicants that self-certify as to both:

13 (A) meeting income eligibility requirements under 19 V.S.A.
14 § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs),
15 as added by Sec. 8 of this act; and

16 (B) that the incentivized eBike shall be used in a way that reduces
17 greenhouse gas emissions, such as a substitute for trips that would have been
18 taken in a vehicle other than a plug-in electric vehicle as defined in 23 V.S.A.
19 § 4(85); and

20 (3) only eBikes with a Base Manufacturer's Suggested Retail Price
21 (MSRP) between \$800.00 and \$5,000.00 shall be eligible for an incentive.

1 **(b) Up to 15 percent of the authorization in subsection (a) of this section**
2 **may be used for any costs associated with administering and promoting the**
3 **eBike Incentive Program.**

4 **(c) The Agency of Transportation shall address incentives for eBikes**
5 **provided pursuant to this section in the January 31, 2024 report required under**
6 **19 V.S.A. § 2905, as added by Sec. 8 of this act, including a:**

7 **(1) breakdown of who received an incentive for an eBike;**

8 **(2) breakdown of where vouchers were redeemed;**

9 **(3) breakdown of eBikes incentivized by manufacturer;**

10 **(4) detailed summary of information provided in the self-certification**
11 **forms; and**

12 **(5) detailed summary information collected through participant surveys.**

13 **Sec. 13b. AGENCY OF TRANSPORTATION AUTHORITY TO MODIFY**

14 **INCOME ELIGIBILITY REQUIREMENTS FOR EBIKE**

15 **INCENTIVE PROGRAM ON PASSAGE**

16 **Notwithstanding 2022 Acts and Resolves No. 55, Sec. 28(a)(3), the Agency**
17 **of Transportation may choose to only provide incentives to individuals who**
18 **self-certify as to meeting income eligibility requirements under 19 V.S.A.**
19 **§ 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs).**
20 **as added by Sec. 8 of this act.**

1 * * * Mileage-Based User Fee (MBUF) * * *

2 Sec. 14. MILEAGE-BASED USER FEE LEGISLATIVE INTENT

3 It is the intent of the General Assembly for the State:

4 (1) to start collecting a mileage-based user fee from all battery-electric
5 vehicles registered in Vermont starting on July 1, 2025, which is expected to
6 be the first day of the first fiscal year where more than 15 percent of new
7 pleasure car registrations in the State are plug-in electric vehicles (PEVs);

8 (2) to start subjecting plug-in hybrid electric vehicles (PHEVs) that are a
9 pleasure car to an annual or a biennial registration fee that is one and three-
10 quarters times the amount of the annual or biennial fee for a pleasure car
11 pursuant to 23 V.S.A. § 361 starting on July 1, 2025, and that PHEVs shall not
12 be subject to a mileage-based user fee;

13 (3) to work towards collecting a fee on kWhs that are dispensed through
14 certain electric vehicle supply equipment available to the public so as to
15 supplant lost gas tax revenue from PEVs that are not registered in Vermont but
16 utilize highways in Vermont; and

17 (4) to not commence collecting a mileage-based user fee until such
18 authorizing language is codified in statute and becomes effective.

19 Sec. 15. MILEAGE-BASED USER FEE AUTHORIZATION

20 (a) Within the Agency of Transportation’s Proposed Fiscal Year 2024
21 Transportation Program for Environmental Policy and Sustainability, the

1 Agency of Transportation, including the Department of Motor Vehicles, is
2 authorized to apply for and accept a competitive federal Strategic Innovation
3 for Revenue Collection grant established pursuant to the Infrastructure
4 Investment and Jobs Act, Pub. L. No. 117-58 (IIJA), Sec. 13001 in an amount
5 not to exceed \$3,500,000.00 in federal monies, with up to \$350,000.00 in
6 Transportation Fund monies authorized for the nonfederal match in fiscal year
7 2024.

8 (b) As permitted under federal regulations and grant terms, the Agency
9 shall utilize grant monies to design a mileage-based user fee that is consistent
10 with Secs. 14 and 16 of this act.

11 (c) Subject to State procurement requirements, the Agency may retain one
12 or more contractors or consultants, or both, to assist with the design of a
13 process to commence collecting a mileage-based user fee on July 1, 2025.

14 Sec. 16. MILEAGE-BASED USER FEE DESIGN

15 (a) Definitions. As used in this section and Secs. 15 and 17 of this act:

16 (1) “Account manager” means a person under contract with the Agency
17 of Transportation or Department of Motor Vehicles to administer and manage
18 the mileage-based user fee.

19 (2) “Annual vehicle miles traveled” means the total number of miles that
20 a BEV is driven between annual inspections as reported by an inspection
21 mechanic to the Department of Motor Vehicles.

1 (3) “Mileage-based user fee” means the total amount that an owner or
2 lessee of a BEV registered in Vermont owes the State and is calculated by
3 multiplying the mileage-based user fee rate by the annual vehicle miles
4 traveled or, in the case of a terminating event, by multiplying the mileage-
5 based user fee rate by the vehicle miles traveled between the last Vermont
6 annual inspection and the terminating event.

7 (4) “Mileage-based user fee rate” means the per-mile usage fee charged
8 to the owner or lessee of a BEV registered in Vermont.

9 (5) “Mileage reporting period” means the time between annual
10 inspections or the time between an annual inspection and a terminating event.

11 (6) “Pleasure car” has the same meaning as in 23 V.S.A. § 4(28).

12 (7) “Plug-in electric vehicle (PEV)” has the same meaning as in
13 23 V.S.A. § 4(85) and includes battery electric vehicles (BEVs) and plug-in
14 hybrid electric vehicles (PHEVs), which have the same meaning as in
15 23 V.S.A. § 4(85)(A) and (B).

16 (8) “Terminating event” means either the registering of a BEV that had
17 been registered in Vermont in a different state or a change in ownership or
18 lesseeship of the BEV, or both.

19 (b) Commencement date. The Agency shall design a process to collect a
20 mileage-based user fee for miles driven by a BEV registered in Vermont to
21 commence collecting revenue on July 1, 2025.

1 (c) Covered vehicles. The Agency shall design a process to collect a
2 mileage-based user fee based on the annual vehicle miles traveled by BEVs
3 registered in the State.

4 (d) Imposition of a mileage-based user fee. The Agency shall design a
5 process to collect a mileage-based user fee from the owner or lessee of a BEV
6 registered in Vermont for each mileage reporting period within 60 days after
7 the Vermont annual inspection or terminating event that closes the mileage
8 reporting period.

9 Sec. 17. REPORTS

10 The Secretary of Transportation and the Commissioner of Motor Vehicles
11 shall file a written report not later than January 31, 2024 with the House and
12 Senate Committees on Transportation, the House Committee on Ways and
13 Means, and the Senate Committee on Finance that provides the following:

14 (1) a comprehensive implementation plan to commence collecting, on
15 July 1, 2025, a mileage-based user fee for miles driven by a BEV registered in
16 Vermont;

17 (2) a recommendation on what language should be codified in statute to
18 enable the State to commence collecting, on July 1, 2025, a mileage-based user
19 fee for miles driven by a BEV registered in Vermont, which shall include a
20 recommendation for the mileage-based user fee rate and that includes:

1 (A) an explanation for how the recommended mileage-based user fee
2 rate was calculated;

3 (B) what the mileage-based user fee rate is estimated to yield in
4 revenue for the State in total per year; and

5 (C) how the anticipated mileage-based user fee for a pleasure car is
6 expected to compare to the amount collected by the State in gas tax revenue
7 from the use of a non-PEV pleasure car registered in Vermont and the amount
8 collected by the State in gas tax revenue and increased registration fee from the
9 use of a non-PHEV pleasure car registered in Vermont based on estimates of
10 low, medium, and high annual vehicle miles traveled;

11 (3) a recommendation on what should be required in annual reporting on
12 the mileage-based user fee starting in 2026 for fiscal year 2025, which shall, at
13 a minimum, address whether the following should be reported on:

14 (A) the total amount of revenue collected in mileage-based user fees
15 for the prior fiscal year and an estimate of the total amount of revenue
16 anticipated to be collected in mileage-based user fees during the subsequent
17 fiscal year;

18 (B) the average mileage-based user fee collected for a BEV with low,
19 medium, and high annual vehicle miles traveled in the prior fiscal year;

1 (C) an estimate of the average amount in motor fuel revenue that was
2 collected for a pleasure car that is not a plug-in electric vehicle with low,
3 medium, and high annual vehicle miles traveled in the prior fiscal year;

4 (D) an estimate of the average amount in motor fuel revenue and
5 increased registration fee that was collected for a pleasure car that is a plug-in
6 hybrid electric vehicle with low, medium, and high annual vehicle miles
7 traveled in the prior fiscal year;

8 (E) the total number of delinquent mileage-based user fees in the
9 prior fiscal year;

10 (F) the total number of outstanding payment plans for delinquent
11 mileage-based user fees; and

12 (G) the cost to collect the mileage-based user fees in the prior fiscal
13 year;

14 (4) an outline of what the Agency intends to adopt, if authorized, as rule
15 in order to commence collecting, on July 1, 2025, a mileage-based user fee for
16 miles driven by a BEV registered in Vermont, which shall, at a minimum,
17 establish:

18 (A) a process to calculate and report the annual vehicle miles traveled
19 by a BEV registered in Vermont;

20 (B) payment periods and other payment methods and procedures for
21 the payment of the mileage-based user fee, which shall include the option to

1 prepay the anticipated mileage-based user fee in installments on a monthly,
2 quarterly, or annual basis;

3 (C) standards for mileage reporting mechanisms for an owner or
4 lessee of a BEV to report vehicle miles traveled throughout the year;

5 (D) procedures to provide security and protection of personal
6 information and data connected to a mileage-based user fee;

7 (E) penalty and appeal procedures necessary for the collection of a
8 mileage-based user fee, which, to the extent practicable, shall duplicate and
9 build upon existing Department of Motor Vehicles processes; and

10 (F) Agency oversight of any account manager, including privacy
11 protection of personal information and access and auditing capability of
12 financial and other records related to administration of the process to collect a
13 mileage-based user fee; and

14 (5) an update on what other states and the federal government are doing
15 to address lost gas tax revenue from the adoption of PEVs along with any
16 applicable suggestions for opportunities for regional collaboration and an
17 explanation of the source of the information provided under this subdivision.

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* * * Sunset Extension * * *

Sec. 18. 2018 Acts and Resolves No. 158, Sec. 21 is amended to read:

Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

19 V.S.A. §§ 2613 (~~Agency of Transportation’s P3 authority~~) and 2614
(~~legislative approval of P3 proposals~~) chapter 26, subchapter 2 shall be
repealed on July 1, ~~2023~~ 2026.

* * * Repeals * * *

Sec. 19. REPEALS

(a) 5 V.S.A. § 3616 (connection of passenger trains; Board may determine)
is repealed.

(b) 19 V.S.A. § 314 (covered bridges restrictions; vote at town meeting) is
repealed.

* * * Transportation Programs; Federal Carbon Reduction Program;
PROTECT Formula Program; Prioritization; Equity * * *

Sec. 20. AGENCY OF TRANSPORTATION EFFORTS TO IMPLEMENT

THE FEDERAL CARBON REDUCTION PROGRAM AND

PROTECT FORMULA PROGRAM; PRIORITIZATION; EQUITY

(a) The Agency of Transportation, through its development of the State’s
Carbon Reduction Strategy, shall:

(1) develop a methodology to:

(A) quantify the emissions reductions the Agency will achieve from
the State’s Transportation Program;

1 (B) measure the gap between the emissions reductions calculated
2 under subdivision (A) of this subdivision (a)(1) and the emissions reductions
3 required under the Global Warming Solutions Act, as codified in 10 V.S.A.
4 § 578; and

5 (C) evaluate what additional emissions reductions are possible
6 through the implementation of additional policies and programs within the
7 State’s Transportation Program;

8 (2) articulate the ongoing investments, particularly under the Carbon
9 Reduction Program, established through the Infrastructure Investment and Jobs
10 Act, Pub. L. No. 117-58 (IIJA) and codified as 23 U.S.C. § 175, that the
11 Agency intends to implement through the State’s annual Transportation
12 Program in order to reduce emissions from activities within the control of the
13 Agency;

14 (3) identify and evaluate the effectiveness of other policies and
15 programs to reduce transportation sector greenhouse gas emissions as required
16 by the Global Warming Solutions Act, as codified in 10 V.S.A. § 578, and as
17 identified in the Vermont Climate Action Plan, as amended, which shall
18 include:

19 (A) an analysis of the potential to generate revenue sources sufficient
20 for ongoing greenhouse gas emissions reduction implementation; and

1 (B) recommendations regarding additional policy or revenue sources
2 to close any implementation gaps identified in subdivision(a)(1)(B) of this
3 section;

4 (4) engage in public outreach through the following:

5 (A) establishing an advisory committee with a broad group of
6 stakeholders, including representatives of the Vermont Climate Council, to
7 help guide the identification and evaluation of policies and programs to reduce
8 transportation sector greenhouse gas emissions;

9 (B) working with stakeholders, including environmental groups;
10 community-based organizations that represent equity and environmental
11 justice interests; business community groups, including chambers of
12 commerce; transportation industry associations, including those representing
13 rail and trucking; municipalities; regional planning commissions; and elected
14 officials on ways to reduce transportation sector greenhouse gas emissions;
15 and

16 (C) hosting not less than two public meetings, with at least one to
17 gather input on proposed policies and programs to reduce transportation sector
18 greenhouse gas emissions and at least one to address the evaluation of the
19 anticipated outcomes of the draft of the State’s Carbon Reduction Strategy;
20 and

21 (5) coordinate with the Climate Action Office within the Agency of
22 Natural Resources to track and report progress towards achieving the State’s

1 greenhouse gas emissions as required by the Global Warming Solutions Act
2 and codified in 10 V.S.A. § 578.

3 (b) The Agency shall develop the State’s Resilience Improvement Plan to
4 establish how it will use federal monies available under the Promoting
5 Resilient Operations for Transformative, Efficient, and Cost-Saving
6 Transportation (PROTECT) Formula Program, established through the IJA
7 and codified as 23 U.S.C. § 176, and existing tools and processes to address
8 transportation resilience, specifically for:

9 (1) resilience planning, predesign, design, or the development of data
10 tools to simulate transportation disruption scenarios, including vulnerability
11 assessments, community response strategies, or evacuation planning and
12 preparation;

13 (2) resilience projects to improve the ability of an existing surface
14 transportation asset to withstand one or more elements of a weather event or
15 natural disaster; and

16 (3) community resilience and evacuation route activities that strengthen
17 and protect routes that are essential for providing and supporting evacuations
18 caused by emergency events.

19 (c) The Agency shall develop recommendations for the integration of
20 carbon reduction, resilience, and equity factors into its project prioritization
21 system through the Agency’s existing prioritization process and the
22 development of the Equity Framework Project.

1 Sec. 21. REPORT ON TRANSPORTATION PLANNING STATUTES

2 The Agency of Transportation shall provide **written reports** summarizing
3 the work completed pursuant to Sec. 20 of this act and written
4 recommendations on how to amend statute, including 19 V.S.A. §§ 10b and
5 10i, to reflect the work completed pursuant to Sec. 20 of this act to the House
6 and Senate Committees on Transportation. **A draft written report shall be**
7 **provided on or before October 15, 2023 and a final written report shall be**
8 **provided** on or before January 15, 2024.

9 * * * Complete Streets * * *

10 Sec. 22. 19 V.S.A. § 10b is amended to read:

11 § 10b. STATEMENT OF POLICY; GENERAL

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

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

20 (2) the need for transportation projects that will improve the State’s
21 economic infrastructure, as well as the use of resources in efficient,

1 coordinated, integrated, cost-effective, and environmentally sound ways, and
2 that will be consistent with the recommendations of the Comprehensive
3 Energy Plan (CEP) issued under 30 V.S.A. § 202b.

4 (b) The Agency shall coordinate planning ~~and~~ education, and training
5 efforts with those of ~~the Vermont Climate Change Oversight Committee and~~
6 ~~those of~~ local and regional planning entities to:

7 (1) ~~to~~ ensure that the transportation system as a whole is integrated;₂ that
8 access to the transportation system as a whole is integrated;₂ and that statewide,
9 local, and regional conservation and efficiency opportunities and practices are
10 integrated; and

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

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

18 (1) ~~Develop~~ develop or incorporate designs that provide integrated, safe,
19 and efficient transportation and that are consistent with the recommendations
20 of the CEP;₂

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

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

14 ~~(ii) The cost of incorporating complete streets principles is~~
15 ~~disproportionate to the need or probable use as determined by factors including~~
16 ~~land use, current and projected user volumes, population density, crash data,~~
17 ~~historic and natural resource constraints, and maintenance requirements. The~~
18 ~~Agency shall consult local and regional plans, as appropriate, in assessing~~
19 ~~these and any other relevant factors.~~

20 ~~(iii) Incorporating complete streets principles is outside the scope~~
21 ~~of a project because of its very nature.~~

1 ~~(B) The written determination required under subdivision (A) of this~~
2 ~~subdivision (2) shall be final and shall not be subject to appeal or further~~
3 ~~review.;~~

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

6 (4) ~~Manage~~ manage available funding to:

7 * * *

8 Sec. 23. REPEAL

9 19 V.S.A. § 309d (policy for municipally managed transportation projects)
10 is repealed.

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

12 CHAPTER 24. COMPLETE STREETS

13 § 2401. DEFINITION

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

17 § 2402. STATE POLICY

18 (a) Agency of Transportation funded, designed, or funded and designed
19 projects shall seek to increase and encourage more pedestrian, bicycle, and
20 public transit trips, with the State goal to promote intermodal access to the
21 maximum extent feasible, which will help the State meet the transportation-

1 related recommendations outlined in the Comprehensive Energy Plan (CEP)
2 issued under 30 V.S.A. § 202b and the recommendations of the Vermont
3 Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

4 (b) Except in the case of projects or project components involving unpaved
5 highways, for all transportation projects and project phases managed by the
6 Agency or a municipality, including planning, development, construction, or
7 maintenance, it is the policy of this State for the Agency and municipalities, as
8 applicable, to incorporate complete streets principles that:

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

11 (2) follow state-of-the-practice design guidance; and

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

15 § 2403. PROJECTS NOT INCORPORATING COMPLETE STREETS

16 PRINCIPLES

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

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

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

13 (3) Incorporating complete streets principles is outside the limited scope
14 of a project as defined in the latest version of the Agency’s Complete Streets
15 Guidance.

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

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

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

11 (3) Incorporating complete streets principles is outside the limited scope
12 of a project as defined in the latest version of the Agency’s Complete Streets
13 Guidance.

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

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

1 § 2404. ANNUAL REPORT; PUBLIC DATABASE

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

7 (b) Public database.

8 (1) The Agency of Transportation shall post to a web page dedicated to
9 complete streets on the Agency’s website a database of all State-managed
10 transportation projects that have been bid since January 1, 2023 along with a
11 description of the project, the location of the project, which complete streets
12 principles were incorporated in the project, as applicable, and an explanation as
13 to which circumstance or circumstances contained in subsection 2403(a) of this
14 chapter existed in the case of projects not incorporating complete streets
15 principles.

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

18 Sec. 25. IMPLEMENTATION; PUBLIC DATABASE

19 The Agency shall create and post the database required under 19 V.S.A.
20 § 2404(b), as added by Sec. 24 of this act, on or before January 1, 2024.

1 Sec. 26. MUNICIPAL TRAINING ON COMPLETE STREETS

2 The Agency of Transportation, in consultation with the Vermont League of
3 Cities and Towns and regional planning commissions, shall design and
4 implement a program to provide training on complete streets to municipalities.

5 Sec. 27. REPLACEMENT OF THE CURRENT VERMONT STATE

6 STANDARDS

7 (a) The Agency of Transportation will be preparing replacements to the
8 current Vermont State Standards and related documents, standards, guidance,
9 and procedures in accordance with the plan required pursuant to 2022 Acts and
10 Resolves No. 184, Sec. 19.

11 (b) The Agency shall provide an oral update on the process to replace the
12 current Vermont State Standards and related documents, standards, guidance,
13 and procedures to the House and Senate Committees on Transportation on or
14 before February 15, 2024.

15 * * * Agency of Transportation Positions * * *

16 Sec. 28. AGENCY OF TRANSPORTATION POSITIONS

17 (a) The conversion of the following limited-service positions to permanent
18 classified positions is authorized in fiscal year 2024: nine State Airport
19 Maintenance Workers and one State Airport Operations Specialist.

1 (b) The establishment of the following new permanent classified positions
2 is authorized in fiscal year 2024: one Transportation Operations Technician III
3 and one Transportation Technician IV within Highway Maintenance.

4 * * * Effective **Dates** * * *

5 Sec. 29. EFFECTIVE **DATES**

6 (a) This section and Sec. 13b (authority to modify eBike Incentive Program
7 eligibility requirements) shall take effect on passage.

8 (b) All other sections shall take effect on July 1, 2023.