

Current Session Law	Transportation Bill (Dr. 1.5)	Notes
<p>Sec. 34. VEHICLE INCENTIVE AND EMISSIONS REPAIR PROGRAMS¹</p>	<p>Sec. 9. 19 V.S.A. chapter 29 is added to read:</p> <p>CHAPTER 29. VEHICLE INCENTIVE PROGRAMS</p> <p>§ 2901. DEFINITIONS</p> <p>As used in this chapter:</p> <p>(1) “Electric bicycle” has the same meaning as in 23 V.S.A. § 4(46)(A).</p> <p>(2) “Electric-cargo bicycle” means a motor-assisted bicycle, as defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for transporting loads, including of goods, one or more individuals in addition to the operator, and one or more animals. A motor-assisted bicycle that is not specifically designed and constructed for transporting loads, including a motor-assisted bicycle that is only capable of transporting loads because an after-market rear or front bicycle rack has been installed, is not an electric-cargo bicycle.</p>	<p>Definitions have been included in session law (in Transportation Bills since 2019) when necessary to provide clarity on applicability of the incentive programs.</p> <p>This would be a new definition to codified law. Thus far, electric-cargo bicycles have not been eligible for an incentive under any of the existing incentive programs.</p>

¹ Legislative History for Current Session Law: [2019 Acts and Resolves No. 59, Sec. 34](#) 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, Secs. 18 and 19, 21–24](#); and
- [2022 Acts and Resolves No. 184, Sec. 6](#).

<p><u>(a) Vehicle incentive and emissions repair programs administration.</u></p> <p><u>(1) The Agency of Transportation (Agency), in consultation with the Departments of Environmental Conservation and of Public Service, Vermont electric distribution utilities, and the State’s network of community action agencies, shall establish and administer the programs described in subsections (b) and (c) of this section.</u></p> <p><u>(2) The Agency is authorized to spend \$2,000,000.00 as appropriated in the fiscal year 2020 budget, \$50,000.00 in Transportation Fund monies, and any additional monies as appropriated for the programs described in subsection (b) and (c) of this section or Transportation Fund monies authorized to be expended by the Secretary of Transportation on the programs described in subsections (b) and (c) of this section. Notwithstanding any other provision of law and subject to the approval of the Secretary of Administration, appropriations for the programs described in subsections</u></p>	<p><u>(3) “Plug-in electric vehicle (PEV),” “battery electric vehicle (BEV),” and “plug-in hybrid electric vehicle (PHEV)” have the same meanings as in 23 V.S.A. § 4(85).</u></p> <p><u>§ 2902. INCENTIVE PROGRAM FOR NEW PLUG-IN ELECTRIC VEHICLES</u></p> <p><u>(a) Creation; administration.</u></p> <p><u>(1) There is created the Incentive Program for New Plug-In Electric Vehicles (PEVs), which shall be administered by the Agency of Transportation.</u></p>	<p>Roughly analogous. Consulting entities removed in what is proposed for the Transportation Bill.</p> <p>This session law is probably completely obsolete now (appropriations fully expended).</p>
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<p><u>(b) and (c) of this section remaining unexpended on June 30, 2021 shall be carried forward and designated for expenditure on these programs in the subsequent fiscal year.</u></p> <p><u>(3) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the programs. Up to \$150,000.00 of program funding may be set aside for this purpose for the program described in subsection (c) of this section in fiscal year 2020 and \$50,000.00 of program funding shall be set aside for this purpose for the program described in subsection (c) of this section in fiscal year 2021.</u></p> <p><u>(4) [Repealed.]</u></p> <p>[SEC. 34(a)(5) OMITTED HERE AND INCLUDED BELOW]</p> <p><u>(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 all 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:</u></p>	<p><u>(2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the Program.</u></p> <p><u>(b) Program structure. The Incentive Program for New PEVs shall structure PEV purchase and lease incentive payments by income to help all Vermonters benefit from electric driving, including Vermont's most vulnerable. Specifically, the Incentive Program for New PEVs _____:</u></p>	<p>What is proposed for the Transportation Bill is roughly identical to the first sentence of existing session law on this (this language is repeated for every program in what is proposed for inclusion in the Transportation Bill, which is why "Program" is singular and capitalized).</p> <p>The balance of the session law is probably completely obsolete now (appropriations fully expended).</p> <p>Shall is moved in what is proposed for the Transportation Bill because some components are permissive.</p>
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<p><u>(1) apply to both purchases and leases of new PEVs with an emphasis on creating and matching incentives for BEVs;</u></p> <p><u>(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:</u></p> <p><u>(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;</u></p> <p><u>(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;</u></p> <p><u>(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</u></p>	<p><u>(1) shall apply to both purchases and leases of new PEVs with an emphasis on incentivizing the purchase and lease of battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) with an electric range of 20 miles or greater per complete charge;</u></p> <p><u>(2) shall provide not more than one incentive of not more than \$1,500.00 for a PHEV or not more than \$2,500.00 for a BEV, per individual per year, to:</u></p> <p><u>(A) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States greater than \$60,000.00 and at or below \$100,000.00;</u></p> <p><u>(B) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States greater than \$75,000.00 and at or below \$125,000.00;</u></p> <p><u>(C) 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 \$90,000.00 and at or below \$150,000.00;</u></p> <p><u>(D) 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</u></p>	<p>Change in language in what is proposed for the Transportation Bill.</p> <p>What is proposed for the Transportation Bill would have a cap on the incentive amount, not a set incentive amount (this change is made throughout).</p> <p>What is proposed for the Transportation Bill increases the point where the lower incentive amounts are available (this change is made throughout) and in some instances increases where the incentive caps out.</p> <p>What is proposed for the Transportation Bill would have a new bracket for head of household (not included with single, change made throughout).</p>
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<p><u>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</u></p> <p><u>(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;</u></p> <p>(3) <u>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:</u></p> <p><u>(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;</u></p> <p><u>(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;</u></p>	<p><u>jointly with an adjusted gross income under the laws of the United States greater than \$90,000.00 and at or below \$150,000.00; or</u></p> <p><u>(E) 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 \$60,000.00 and at or below \$100,000.00;</u></p> <p>(3) <u>shall provide not more than one incentive of not more than \$3,000.00 for a PHEV or not more than \$5,000.00 for a BEV, per individual per year, to:</u></p> <p><u>(A) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States at or below \$60,000.00;</u></p> <p><u>(B) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States at or below \$75,000.00;</u></p> <p><u>(C) 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 \$90,000.00;</u></p>	<p>What is proposed for the Transportation Bill would increase the capped incentive for a BEV at the lower income/higher incentive tier.</p>
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<p><u>(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</u></p> <p><u>(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;</u></p> <p><u>(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;</u></p> <p><u>(5) apply to:</u></p> <p><u>(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</u></p>	<p><u>(D) 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 \$90,000.00; or</u></p> <p><u>(E) 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 \$60,000.00;</u></p> <p><u>(4) shall, as technology progresses, establish a minimum electric range in order for a PHEV to be eligible for an incentive;</u></p> <p><u>(5) shall apply to:</u></p> <p><u>(A) manufactured PEVs with any Base Manufacturer’s Suggested Retail Price (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</u></p>	<p>The temporary allowance for incentives for certain organizations (FY 2022) is proposed for the Transportation Bill, in a highly modified and expanded upon form, as the Electrify Your Fleet Program (more below).</p> <p>New concept proposed for the Transportation Bill.</p> <p>Reordering from what is in session law (vehicles for individuals with disabilities listed first), no change in the lack of Base MSRP in certain instances.</p>
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<p><u>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</u></p> <p style="text-align: center;"><u>(A) manufactured PHEVs with a Base Manufacturer’s Suggested Retail Price (MSRP)</u></p> <p>of <u>\$40,000.00 or less;</u></p> <p style="text-align: center;"><u>(B) manufactured BEVs with a Base MSRP</u></p> <p style="text-align: right;">of <u>\$45,000.00 or less; and</u></p> <p><u>(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.</u></p>	<p><u>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;</u></p> <p style="text-align: center;"><u>(B) manufactured PHEVs with a Base MSRP as determined by the Agency of Transportation, based on phasing out incentives for PHEVs with an electric range of less than 20 miles, and benchmarked to a Base MSRP of the equivalent of approximately \$50,000.00 or less in model year 2023; and</u></p> <p style="text-align: center;"><u>(C) manufactured BEVs with a Base MSRP as determined by the Agency of Transportation and benchmarked to a Base MSRP of the equivalent of approximately \$50,000.00 or less in model year 2023; and</u></p> <p><u>(6) shall 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.</u></p> <p style="text-align: center;"><u>(c) Administrative costs. Up to 15 percent of any appropriations for the Incentive Program for New PEVs</u></p>	<p>New concept proposed for the Transportation Bill. Gives the Agency the flexibility to phase out incentives and increase the Base MSRP cap to an amount that is benchmarked to \$50,000 (up from \$40,000) in model year 2023.</p> <p>New concept proposed for the Transportation Bill. Gives the Agency the flexibility to increase the Base MSRP cap to an amount that is benchmarked to \$50,000 (up from \$45,000) in model year 2023.</p> <p>This was included in the last Transportation Bill.</p>
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	<p><u>can be used for any costs associated with administering and promoting the Incentive Program for New PEVs.</u></p> <p><u>(d) Outreach and marketing. The Agency, in consultation with any retained contractors and Drive Electric Vermont, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the Incentive Program for New PEVs so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available, and such costs shall be considered administrative costs for purposes of subsection (c) of this section.</u></p>	<p>This was included in the last Transportation Bill (with slight difference in the consulting entities).</p>
<p><u>(c) High fuel efficiency vehicle incentive program. A used high fuel efficiency vehicle purchase incentive program for Vermont residents shall structure high fuel efficiency purchase incentive payments by income to help all Vermonters benefit from more efficient driving, including Vermont’s most vulnerable. Not less than \$750,000.00 shall be provided in point-of-sale vouchers.</u></p> <p><u>(1) The high fuel efficiency vehicle incentive program shall be known as MileageSmart and shall:</u></p>	<p>§ 2903. MILEAGESMART</p> <p>(a) Creation; administration.</p> <p>(1) There is created a used high fuel efficiency vehicle incentive program, which shall be administered by the Agency of Transportation and known as MileageSmart.</p> <p>(2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of MileageSmart.</p> <p>(b) Program structure. MileageSmart shall structure high fuel efficiency purchase incentive payments by income to help all Vermonters benefit from more</p>	<p>Roughly analogous.</p> <p>Language proposed for the Transportation Bill does not require MileageSmart to be administered through the State’s network of community action agencies.</p>

<p><u>(A) apply to purchases of used high fuel-efficient motor vehicles, which for purposes of this program shall be pleasure cars with a combined city/highway fuel efficiency of at least 40 miles per gallon or miles per gallon equivalent as rated by the Environmental Protection Agency when the vehicle was new;</u></p> <p><u>(B) provide point-of-sale vouchers through the State’s network of community action agencies and set income eligibility for the voucher at 80 percent of the State median income; and</u></p> <p><u>(C) provide a point-of-sale voucher of up to \$5,000.00 to assist in the purchase of a used high fuel-efficient motor vehicle that may require that a condition of the voucher be that if the individual is the owner of either a motor vehicle that failed the OBD systems inspection or a motor vehicle that is more than 15 years old and has a combined city/highway fuel efficiency of less than 25 miles per gallon as rated by the Environmental Protection Agency when the vehicle was new that the vehicle will be removed from operation and either donated to a nonprofit organization to be used for parts or destroyed.</u></p>	<p><u>efficient driving and reduced greenhouse gas emissions, including Vermont’s most vulnerable. Specifically, MileageSmart shall:</u></p> <p><u>(1) apply to purchases of used high fuel-efficient motor vehicles, which for purposes of this program shall be pleasure cars with a combined city/highway fuel efficiency of at least 40 miles per gallon or miles per gallon equivalent as rated by the Environmental Protection Agency when the vehicle was new; and</u></p> <p><u>(2) provide not more than one point-of-sale voucher worth up to \$5,000.00 to an individual who is a member of a household with an adjusted gross income that is at or below 80 percent of the State median income.</u></p>	<p>The “up to \$5,000” is consistent with current practice.</p> <p>This where the “up to \$5,000” comes from. I do not know if the balance of this subdivision, which is permissive, has been required.</p>
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<p><u>(2) [Repealed.]</u></p>	<p><u>(c) Administrative costs. Up to 15 percent of any appropriations for MileageSmart can be used for any costs associated with administering and promoting MileageSmart.</u></p> <p><u>(d) Outreach and marketing. The Agency, in consultation with any retained contractors and Drive Electric Vermont, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of MileageSmart so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available, and such costs shall be considered administrative costs for purposes of subsection (c) of this section.</u></p>	<p>This was included in the last Transportation Bill.</p> <p>This was included in the last Transportation Bill (with slight difference in the consulting entities).</p>
<p><u>(d) Emissions repair training report. The Department of Labor, in consultation with the Department for Children and Families, the Agency, SerVermont, ReSOURCE, and the Vermont Adult Career & Technical Education Association, shall evaluate whether to establish a program to provide vehicle repair services for income-eligible Vermonters whose primary vehicle was ready for testing, failed the OBD systems inspection, requires repairs that are not under warranty, and will be able to pass the State’s vehicle inspection once the repairs are made and report back to the House and Senate Committees on Transportation, the House Committee on Commerce and Economic Development, and the Senate</u></p>		<p>I do not think this report was ever provided to the General Assembly.</p>

<p><u>Committee on Economic Development, Housing and General Affairs with recommendations on implementation and how to fund such a program on or before February 1, 2020.</u></p>		
<p>Sec. 27. REPLACE YOUR RIDE PROGRAM²</p> <p><u>(a) Program creation. The Agency of Transportation, in consultation with the Departments of Environmental Conservation and of Public Service, shall expand upon the vehicle incentive programs established under 2019 Acts and Resolves No. 59, Sec. 34, as amended, to provide additional incentives for Vermonters with low income through a program to be known as the Replace Your Ride Program.</u></p>	<p>§ 2904. REPLACE YOUR RIDE PROGRAM</p> <p>(a) Creation; administration.</p> <p>(1) There is created the Replace Your Ride Program, which shall be administered by the Agency of Transportation.</p> <p>(2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the Program.</p> <p>(b) Program structure. The Replace Your Ride Program shall structure incentive payments by income to help all Vermonters benefit from replacing lower efficient modes of transportation with modes of transportation that reduce greenhouse gas emissions. The Agency may apply a sliding scale incentive based on electric range, with larger incentives being available for PEVs with a longer electric range.</p>	<p>Roughly analogous. Consulting entities removed in what is proposed for the Transportation Bill.</p>

² Legislative History for Current Session Law: [2021 Acts and Resolves No. 55, Sec. 27](#), as amended by, [2022 Acts and Resolves No. 184, Sec. 22](#)

<p><u>(b) Incentive amount. The Replace Your Ride Program shall provide up to a \$3,000.00 incentive,</u></p> <p><u>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.</u></p> <p><u>(c) Eligibility. Applicants must qualify through both income and the removal of an eligible vehicle with an internal combustion engine.</u></p> <p><u>(1) Income eligibility. The following applicants meet the income eligibility requirement:</u></p>	<p><u>(c) Incentive amount. The Replace Your Ride Program shall provide up to a \$2,500.00 incentive for those who qualify under subdivision (d)(1)(A) of this section and up to a \$5,000.00 incentive for those who qualify under subdivision (d)(1)(B) of this section, either of 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.</u></p> <p><u>(d) Eligibility. Applicants must qualify through both income and the removal of an eligible vehicle with an internal combustion engine.</u></p> <p><u>(1) Income eligibility.</u></p> <p><u>(A) The lower incentive amount of \$2,500.00 is available to the following, provided that all other eligibility requirements are met:</u></p> <p><u>(i) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States greater than \$60,000.00 and at or below \$100,000.00;</u></p>	<p>Language proposed for the Transportation Bill would have two levels of incentives (lower level linked to the higher income/lower incentive amounts under the Incentive Program for New PEVs).</p> <p>First-come, first served language not included in language proposed for the Transportation Bill (Replace Your Ride Program is already operational, which was not the case in 2021).</p> <p>This is the new higher income/lower incentive bracket that is proposed for the Transportation Bill.</p>
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	<p>(ii) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States greater than \$75,000.00 and at or below \$125,000.00;</p> <p>(iii) 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 \$90,000.00 and at or below \$150,000.00;</p> <p>(iv) 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 \$90,000.00 and at or below \$150,000.00; or</p> <p>(v) 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 \$60,000.00 and at or below \$100,000.00.</p> <p>(B) The higher incentive amount of \$5,000.00 is available to the following, provided that all other eligibility requirements are met:</p>	
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<p><u>(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;</u></p> <p><u>(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;</u></p> <p><u>(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;</u></p> <p><u>(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; or</u></p> <p><u>(E) an individual who qualifies for an incentive under MileageSmart, which is set at 80 percent of the State median income.</u></p>	<p><u>(i) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States at or below \$60,000.00;</u></p> <p><u>(ii) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States at or below \$75,000.00;</u></p> <p><u>(iii) 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 \$90,000.00;</u></p> <p><u>(iv) 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 \$90,000.00;</u></p> <p><u>(v) 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 \$60,000.00; or</u></p> <p><u>(vi) an individual who is a member of a household with an adjusted gross income that is at or below 80 percent of the State median income.</u></p>	<p>Language proposed for the Transportation Bill has the same increases in income brackets as proposed for the Incentive Program for New PEVs.</p> <p>This proposed language is not a change in practice, just specifying the income level without reference to another program.</p>
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<p><u>(2) Vehicle removal.</u></p> <p><u>(A) In order for an individual to qualify for an incentive under the Replace Your Ride Program, the individual must remove an older low-efficiency vehicle from operation and switch to a mode of transportation that produces fewer greenhouse gas emissions. The entity that administers the Replace Your Ride Program, in conjunction with the Agency of Transportation, shall establish Program guidelines that specifically provide for how someone can show that the vehicle removal eligibility requirement has been, or will be, met.</u></p> <p><u>(B) For purposes of the Replace Your Ride Program:</u></p> <p><u>(i) An “older low-efficiency vehicle”:</u></p> <p><u>(I) is currently registered, and has been for two years prior to the date of application, with the Vermont Department of Motor Vehicles;</u></p> <p><u>(II) is currently titled in the name of the applicant and has been for at least one year prior to the date of application;</u></p> <p><u>(III) has a gross vehicle weight rating of 10,000 pounds or less;</u></p> <p><u>(IV) is at least 10 model years old;</u></p>	<p><u>(2) Vehicle removal.</u></p> <p><u>(A) In order for an individual to qualify for an incentive under the Replace Your Ride Program, the individual must remove an older low-efficiency vehicle from operation and switch to a mode of transportation that produces fewer greenhouse gas emissions. The entity that administers the Replace Your Ride Program, in conjunction with the Agency of Transportation, shall establish Program guidelines that specifically provide for how someone can show that the vehicle removal eligibility requirement has been, or will be, met.</u></p> <p><u>(B) For purposes of the Replace Your Ride Program:</u></p> <p><u>(i) An “older low-efficiency vehicle”:</u></p> <p><u>(I) is currently registered, and has been for two years prior to the date of application, with the Vermont Department of Motor Vehicles;</u></p> <p><u>(II) is currently titled in the name of the applicant and has been for at least one year prior to the date of application;</u></p> <p><u>(III) has a gross vehicle weight rating of 10,000 pounds or less;</u></p> <p><u>(IV) is at least 10 model years old;</u></p>	
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<p><u>and</u></p> <p><u>(V) has an internal combustion engine;</u></p> <p><u>(VI) passed the annual inspection required under 23 V.S.A. § 1222 within the prior year.</u></p> <p><u>(ii) Removing the older low-efficiency vehicle from operation must be done by disabling the vehicle's engine from further use and fully dismantling the vehicle for either donation to a nonprofit organization to be used for parts or destruction.</u></p> <p><u>(iii) The following qualify as a switch to a mode of transportation that produces fewer greenhouse gas emissions:</u></p> <p><u>(I) purchasing or leasing a new or used PEV;</u></p> <p><u>(II) purchasing a new or used bicycle, electric bicycle, or motorcycle that is fully electric, and the necessary safety equipment; and</u></p> <p><u>(III) utilizing shared-mobility services or privately operated vehicles for hire.</u></p> <p><u>(d) Authorization. In fiscal year 2022, the Agency is authorized to spend up to \$1,495,000.00 in one-time Transportation Fund monies on the Replace Your Ride Program established under this section, with up to</u></p>	<p><u>and</u></p> <p><u>(V) has an internal combustion engine;</u></p> <p><u>(VI) passed the annual inspection required under 23 V.S.A. § 1222 within the prior year.</u></p> <p><u>(ii) Removing the older low-efficiency vehicle from operation must be done by disabling the vehicle's engine from further use and fully dismantling the vehicle for either donation to a nonprofit organization to be used for parts or destruction.</u></p> <p><u>(iii) The following qualify as a switch to a mode of transportation that produces fewer greenhouse gas emissions:</u></p> <p><u>(I) purchasing or leasing a new or used PEV;</u></p> <p><u>(II) purchasing a new or used bicycle, electric bicycle, electric cargo bicycle, or motorcycle that is fully electric, and the necessary safety equipment; and</u></p> <p><u>(III) utilizing shared-mobility services</u></p>	<p>Added in language proposed for Transportation Bill.</p> <p>Removed in language proposed for Transportation Bill.</p> <p>This appropriation has not been fully depleted yet and is in addition to the \$3,000,000 (would be \$2,900,000 if the BAA is enacted as introduced) from FY 23..</p>
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<p><u>\$295,000.00 of that \$1,495,000.00 available for startup costs, outreach education, and costs associated with developing and administering the Replace Your Ride Program.</u></p>	<p><u>(e) Administrative costs. Up to 15 percent of any appropriations for the Replace Your Ride Program can be used for any costs associated with administering and promoting the Replace Your Ride Program.</u></p> <p><u>(f) Outreach and marketing. The Agency, in consultation with any retained contractors and Drive Electric Vermont, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the Replace Your Ride Program so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available and such costs shall be considered administrative costs for purposes of subsection (e) of this section.</u></p>	<p>This was included in the last Transportation Bill.</p> <p>This was included in the last Transportation Bill (with slight difference in the consulting entities).</p>
	<p>§ 2905. ELECTRIFY YOUR FLEET PROGRAM</p> <p>(a) Creation; administration.</p> <p>(1) There is created the Electrify Your Fleet Program, which shall be administered by the Agency of Transportation.</p> <p>(2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist</p>	<p>New program proposed for the Transportation Bill.</p>

	<p><u>with marketing, program development, and administration of the Program.</u></p> <p><u>(b) Program structure. The Electrify Your Fleet Program shall structure purchase and lease incentive payments to replace internal combustion engine vehicles cycled out of a motor vehicle fleet and reduce the greenhouse gas emissions of persons operating a motor vehicle fleet in Vermont. Specifically, the Electrify Your Fleet Program shall:</u></p> <p><u>(1) provide incentives to Vermont municipalities and business entities registered in Vermont that maintain a fleet of motor vehicles that are registered in Vermont with no single applicant being eligible for more than 20 incentives over the existence of the Program;</u></p> <p><u>(2) provide \$2,500.00 purchase and lease incentives for:</u></p> <p><u>(A) BEVs with a Base Manufacturer's Suggested Retail Price (MSRP) as determined by the Agency of Transportation and benchmarked to a Base MSRP of the equivalent of approximately \$60,000.00 or less in model year 2023;</u></p> <p><u>(B) electric bicycles and electric cargo bicycles with a Base MSRP as determined by the Agency of Transportation and benchmarked to a Base MSRP of the equivalent of approximately \$6,000.00 or less in model year 2023;</u></p>	
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	<p>(C) electric motorcycles with a Base MSRP as determined by the Agency of Transportation and benchmarked to a Base MSRP of the equivalent of approximately \$30,000.00 or less in model year 2023; and</p> <p>(D) require a showing that the incentive will be used to electrify the applicant's motor vehicle fleet.</p> <p>(c) Administrative costs. Up to 15 percent of any appropriations for the Electrify Your Fleet Program can be used for any costs associated with administering and promoting the Electrify Your Fleet Program.</p> <p>(d) Outreach and marketing. The Agency, in consultation with any retained contractors and Drive Electric Vermont, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the Electrify Your Fleet Program so that persons who are eligible for an incentive can easily learn how to secure an incentive and such costs shall be considered administrative costs for purposes of subsection (c) of this section.</p>	
	<p>§ 2906. AUTHORITY TO MAKE PROGRAMMATIC CHANGES; APPROVAL BY THE JOINT TRANSPORTATION OVERSIGHT COMMITTEE</p>	<p>New concept proposed for the Transportation Bill to allow the Agency to make changes to the programs that are inconsistent with State law by going to JTOC (see amendments to 19 V.S.A. § 12b below).</p>

	<p>(a) Notwithstanding any provision of this chapter to the contrary, the Secretary of Transportation may make reasonable changes to the vehicle incentive programs created under this chapter that are inconsistent with statute provided that the Secretary receives approval from the Joint Transportation Oversight Committee pursuant to subsection (b) of this section.</p> <p>(b)(1) The Secretary shall promptly report any anticipated changes to the vehicle incentive programs that are inconsistent with statute to the Joint Transportation Oversight Committee along with a detailed explanation for how statute will need to be amended in order to have statute be consistent with the vehicle incentive programs created under this chapter going forward.</p> <p>(2) If the Joint Transportation Oversight Committee disapproves of the anticipated change to a vehicle incentive program or programs, it shall provide notice of that disapproval and an explanation of the basis for the disapproval to the Secretary within 30 calendar days following receipt of the report of the anticipated change.</p> <p>(3) If the Joint Transportation Oversight Committee disapproves of an anticipated change to a vehicle incentive program or programs under subdivision (2) of this subsection, then the Secretary may revise an</p>	
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	<p>anticipated change and resubmit for further consideration.</p> <p>(4) If the Joint Transportation Oversight Committee does not disapprove of the anticipated change to a vehicle incentive program or programs under the authority of this section within 30 calendar days after receipt of the report of the anticipated change to a vehicle incentive program or programs or receipt of a revised submittal, then the anticipated change to the vehicle incentive program or programs is deemed approved.</p> <p>(c) The Secretary of Transportation shall propose for inclusion in the next Transportation Bill subsequent to the change to a vehicle incentive program or programs amendments to any statutes that will be inconsistent with a vehicle incentive program or programs after approval by the Joint Transportation Oversight Committee pursuant to subsection (b) of this section.</p>	
<p>[SEC. 34(a)(5) INCLUDED HERE]</p> <p>(5) 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.</p>	<p>§ 2907. ANNUAL REPORTING</p> <p>(a) The Agency shall annually evaluate the programs established under this chapter to gauge effectiveness and shall submit a written report on the effectiveness of the programs to the House and Senate Committees on Transportation, the House Committee on Environment and Energy, and the Senate Committee on Finance on or before the 31st day of January in each year following a year that an incentive was provided through one of the programs.</p>	<p>Language proposed for the Transportation Bill expands on existing reporting requirements.</p>

<p><u>Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section 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.</u></p>	<p><u>(b) The report shall also include:</u></p> <p><u>(1) any intended modifications to program guidelines for the upcoming fiscal year along with an explanation for the reasoning behind the modifications and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions;</u></p> <p><u>(2) any recommendations on statutory modifications to the programs, including to income and vehicle eligibility, along with an explanation for the reasoning behind the statutory modification recommendations and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions; and</u></p> <p><u>(3) any necessary amendments to statute that will be required pursuant to subsection 2906(c) of this chapter.</u></p> <p><u>(c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section shall continue to be required if an incentive [REDACTED] is provided through one of the programs unless the General Assembly takes specific action to repeal the report requirement.</u></p>	
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	<p>Sec. 10. 19 V.S.A. § 12b is amended to read:</p> <p>§ 12b. JOINT TRANSPORTATION OVERSIGHT COMMITTEE</p> <p>(a) There is created a <u>the</u> Joint Transportation Oversight Committee composed of the Chairs of the House and Senate Committees on Appropriations, the House and Senate Committees on Transportation, the House Committee on Ways and Means, and the Senate Committee on Finance. The Committee shall be chaired alternately by the Chairs of the House and Senate Committees on Transportation, and the two-year term shall run concurrently with the biennial session of the General Assembly. The Chair of the Senate Committee on Transportation shall chair the Committee during the 2009–2010 legislative session.</p> <p>(b) The Committee shall meet during adjournment for official duties. Meetings shall be convened by the Chair and, when practicable, shall be coordinated with the regular meetings of the Joint Fiscal Committee. Members shall be entitled to compensation and reimbursement pursuant to 2 V.S.A. § 23. The Committee shall have the assistance of the staff of the Office of Legislative Counsel, the Office of Legislative Operations, and the Joint Fiscal Office.</p> <p>(c) The Committee shall provide legislative oversight of the Transportation Fund revenues collection and the operation and administration of the Agency of</p>	<p>Required change proposed for the Transportation Bill to go along with the process for JTOC approval (expand what JTOC has jurisdiction over) proposed for the Transportation Bill.</p>
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	<p>Transportation construction, paving, and rehabilitation programs. The Secretary of Transportation and Commissioner of Motor Vehicles shall report to the Committee upon request.</p> <p style="text-align: center;">* * *</p>	
	<p style="text-align: center;">* * * Authorization for Electrify Your Fleet Program * * *</p> <p>Sec. 11. 2022 Acts and Resolves No. 184, Sec. 2(8)(C), as amended by 2023 Acts and Resolves No. [PLACE HOLDER FOR BAA], Sec. 75, is further amended to read:</p> <p style="padding-left: 40px;">(C) Replace Your Ride Program. Sec. 5(c) of this act authorizes \$2,900,000.00 \$2,400,000.00 for incentives under Replace Your Ride, which will be the State's program to incentivize Vermonters to remove older low-efficiency vehicles from operation and switch to modes of transportation that produce fewer greenhouse gas emissions, and capped administrative costs.</p> <p>Sec. 12. 2022 Acts and Resolves No. 184, Sec. 5(c), as amended by 2023 Acts and Resolves No. [PLACE HOLDER FOR BAA], Sec. 76, is further amended to read:</p> <p style="padding-left: 40px;">(c) Replace Your Ride Program. The Agency is authorized to spend up to \$2,900,000.00 \$2,400,000.00 as appropriated in the fiscal year 2023 budget on the</p>	<p>Language proposed for Transportation Bill would pull \$500,000 from the FY 23 appropriation/authorization for Replace Your Ride Program (originally \$3,000,000, proposed to be reduced by \$100,000 for eBike incentives in the BAA) for the Electrify Your Fleet Program.</p>

	<p>Replace Your Ride Program established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.</p> <p>Sec. 13. 2022 Acts and Resolves No. 185, Sec. G.600(b)(5), as amended by 2023 Acts and Resolves No. [PLACE HOLDER FOR BAA], Sec. 77, is further amended to read:</p> <p>(5) \$2,900,000.00 \$2,400,000.00 to the Agency of Transportation for the Replace Your Ride Program, established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.</p> <p>Sec. 14. ELECTRIFY YOUR FLEET AUTHORIZATION</p> <p>The Agency is authorized to spend up to \$500,000.00 in one-time General Fund monies on the Electrify Your Fleet Program established pursuant to 19 V.S.A. § 2905, as added by Sec. 9 of this act.</p>	
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