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MEMORANDUM

To: Representative Diane Lanpher,

Chair, House Committee on Appropriations

From: Representative Sara Coffey,

Chair, House Committee on Transportation

Date: January 20, 2023

Subject: Fiscal Year 2023 Budget Adjustment Act

Introduction

This will serve as the House Committee on Transportation's response to the Fiscal Year 2023 Governor's Recommended Budget Adjustment Act as it relates to transportation matters. For ease of reference, I will refer to each of the transportation line items in the Fiscal Year 2023 Governor's Recommended Budget Adjustment Act — Worksheet and certain sections in the Fiscal Year 2023 Governor's Recommended Budget Adjustment Act — Language.

<u>Decrease in the Transportation Fund July Forecast/Appropriation Adjustment to Program Development (B.903)</u>

The House Committee on Transportation agrees with the proposal to use \$3,200,000.00 in Transportation Infrastructure Bond Fund monies in lieu of Transportation Fund monies for qualifying Program Development expenditures to account for the one percent decrease in the July 2022 forecast for the Transportation Fund. This revenue-neutral adjustment will conform appropriation levels to the previously approved Fiscal Year 2023 Transportation Bill.

One-Time Technology Modernization Special Fund Appropriations (B.1102(a)(1)(E))/ Technology Modernization Special Fund Authorizations (E.105.2(c)(1))

The House Committee on Transportation agrees with the proposal to add the recommended Sec. B.1102(a)(1)(E) so as to appropriate \$20,250,000.00 from the Technology Modernization Special Fund for Phase II of the Department of Motor Vehicles' Core System Modernization Project and agrees with the proposal to repeal Sec. E.105.2(c)(1), the conditional expenditure authorization to use \$20,250,000.00 in Technology

Modernization Special Fund monies for Phase II of the Department of Motor Vehicles' Core System Modernization Project.

Committee Vote

Members of the House Committee on Transportation appreciate being asked to provide a response to the Fiscal Year 2023 Governor's Recommended Budget Adjustment Act and support the proposals listed above on a vote of 10-0-1.

Additional Recommendation on Increased Funding for eBike Incentives

In fiscal years 2022 and 2023, the General Assembly appropriated \$100,000.00 for electric bicycle (eBike) incentives. The State eBike incentives were made available in the fall of 2022, and the available funding was rapidly depleted. Due to the depletion of funding, there are not currently any State incentives for eBikes. This means that, absent an additional appropriation for State eBike incentives in fiscal year 2023, there will not be any State eBike incentives available during the spring bicycling season, which is when many individuals purchase a new bicycle in advance of the summer. More information on eBike incentives in Vermont is available here.

On a vote of 9-1-1, the House Committee on Transportation recommends that the Fiscal Year 2023 Budget Adjustment Act include an additional \$100,000.00 appropriation for State eBike incentives for the balance of fiscal year 2023.