

1 TO THE HONORABLE SENATE:

2 The Committee on Transportation to which was referred House Bill No.
3 479 entitled “An act relating to the Transportation Program and miscellaneous
4 changes to laws related to transportation” respectfully reports that it has
5 considered the same and recommends that the Senate propose to the House that
6 the bill be amended by striking out all after the enacting clause and inserting in
7 lieu thereof the following:

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

9 Technical Corrections * * *

10 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS;

11 TECHNICAL CORRECTION

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

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

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

18 (2) “Candidate project” means a project approved by the General

19 Assembly that is not anticipated to have significant expenditures for

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

1 budget year and funding for construction is not anticipated within a predictable
2 time frame.

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

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

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

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

15 (7) The table heading “As Proposed” means the Proposed
16 Transportation Program referenced in subsection (a) of this section; the table
17 heading “As Amended” means the amendments as made by this act; the table
18 heading “Change” means the difference obtained by subtracting the “As
19 Proposed” figure from the “As Amended” figure; the terms “change” or
20 “changes” in the text refer to the project- and program-specific amendments,
21 the aggregate sum of which equals the net “Change” in the applicable table

1 heading; and “State” in any tables amending authorizations indicates that the
2 source of funds is State monies in the Transportation Fund, unless otherwise
3 specified.

4 **(c) Technical corrections.**

5 **(1) In the Agency of Transportation’s Proposed Fiscal Year 2024**
6 Transportation Program for Municipal Mitigation, the value “\$7,685,523” is
7 struck and the value “\$10,113,523” is inserted in lieu thereof to correct a
8 typographic error; the value “\$3,355,523” is struck and the value “\$4,783,523”
9 is inserted in lieu thereof to correct a typographic error; the value “\$4,000,000”
10 is struck and the value “\$5,000,000” is inserted in lieu thereof to correct a
11 typographic error; and the value “\$8,060,523” is struck twice and the value
12 “\$10,488,523” is inserted in lieu thereof twice to correct two typographic
13 errors.

14 **(2) In the Agency of Transportation’s Proposed Fiscal Year 2024**
15 Transportation Program for Aviation, in the summary chart, the value
16 “\$11,335,874” is struck and the value “\$10,885,874” is inserted in lieu thereof
17 to correct a typographic error; the value “\$4,759,078” is struck and the value
18 “\$4,719,078” is inserted in lieu thereof to correct a typographic error; and the
19 value “\$17,764,405” struck and the value “\$17,274,405” is inserted in lieu
20 thereof to correct a typographic error.

21 **(3) PLACEHOLDER FOR RAIL, MAYBE.**

* * * Summary of Transportation Investments * * *

Sec. 2. FISCAL YEAR 2024 TRANSPORTATION INVESTMENTS

INTENDED TO REDUCE TRANSPORTATION-RELATED

GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL

USE, AND SAVE VERMONT HOUSEHOLDS MONEY

This act includes the State’s fiscal year 2024 transportation investments intended to reduce transportation-related greenhouse gas emissions, reduce fossil fuel use, and save Vermont households money in furtherance of the policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive and Legislative Branches’ commitments to the Paris Agreement climate goals.

In fiscal year 2024, these efforts will include the following:

(1) Park and Ride Program. This act provides for a fiscal year expenditure of \$2,266,045.00, which will fund one construction project to create a new park-and-ride facility; the design and construction of improvements to one existing park-and-ride facility; the design of improvements to one existing park-and-ride facility scheduled for construction in future fiscal years; and paving projects for existing park-and-ride facilities.

This year’s Park and Ride Program will create 202 new State-owned spaces.

Specific additions and improvements include:

(A) Manchester—construction of 50 new spaces;

1 (B) Sharon—design for 10 new spaces; and

2 (C) Williston—construction of 142 new spaces.

3 (2) Bike and Pedestrian Facilities Program.

4 (A) This act provides for a fiscal year expenditure, including local
5 match, of \$13,039,521.00, which will fund 33 bike and pedestrian construction
6 projects: 18 bike and pedestrian design, right-of-way, or design and right-of
7 way projects for construction in future fiscal years; 15 scoping studies; and
8 three projects to improve signage. The construction projects include the
9 creation, improvement, or rehabilitation of walkways, sidewalks, shared-use
10 paths, bike paths, and cycling lanes. Projects are funded in Arlington,
11 Bennington, Berlin, Bethel, Brattleboro, Bristol, Burke, Burlington, Castleton,
12 Chester, Coventry, Dorset, Dover, Enosburg Falls, Fair Haven, Fairfax,
13 Franklin, Hartford, Hartland, Hinesburg, Jericho, Lyndonville, Middlebury,
14 Middlesex, Montpelier, Moretown, New Haven, Newfane, Newport City,
15 Northfield, Pawlet, Proctor, Richford, Royalton, Rutland City, Rutland Town,
16 Shaftsbury, Shelburne, South Burlington, South Hero, Springfield, St. Albans
17 City, St. Albans Town, Sunderland, Swanton, Tunbridge, Vergennes,
18 Wallingford, Waterbury, West Rutland, and Wilmington. This act also
19 provides funding for:

20 (i) some of Local Motion’s operation costs to run the Bike Ferry
21 on the Colchester Causeway, which is part of the Island Line Trail;

1 (ii) the small-scale municipal bicycle and pedestrian grant
2 program for projects to be selected during the fiscal year;

3 (iii) projects funded through the Safe Routes to School program;

4 (iv) education and outreach to K–8 schools to encourage higher
5 levels of walking and bicycling to school; and

6 (v) community grants along the Lamoille Valley Rail Trail
7 (LVRT).

8 (B) Sec. 5 of this act also creates the Rail Trail Community
9 Connectivity Grants, with the purpose to continue the build out and
10 enhancement of LVRT amenities and improve visitor experience.

11 (3) Transportation Alternatives Program. This act provides for a fiscal
12 year expenditure of \$5,195,346.00, including local funds, which will fund 22
13 transportation alternatives construction projects; 19 transportation alternatives
14 design, right-of-way, or design and right-of-way projects; and seven studies,
15 including scoping, historic preservation, and connectivity. Of these 48
16 projects, 16 involve environmental mitigation related to clean water or
17 stormwater concerns, or both clean water and stormwater concerns, and 29
18 involve bicycle and pedestrian facilities. Projects are funded in Bennington,
19 Brandon, Bridgewater, Bristol, Burke, Burlington, Colchester, Derby,
20 Duxbury, Enosburg, Fair Haven, Fairfax, Franklin, Hartford, Hinesburg, Hyde
21 Park, Jericho, Johnson, Killington, Mendon, Milton, Montgomery, Moretown,

1 Newfane, Norwich, Proctor, Putney, Rockingham, Rutland City, South
2 Burlington, Stowe, Swanton, Tinmouth, Vergennes, Wardsboro, Warren, West
3 Rutland, Williston, Wilmington, and Winooski.

4 (4) Public Transit Program.

5 (A) This act provides for a fiscal year expenditure of \$48,795,330.00
6 for public transit uses throughout the State. Included in the authorization are:

7 (i) Go! Vermont, with an authorization of \$405,000.00. This
8 authorization supports transportation demand management (TDM) strategies,
9 including the State’s Trip Planner and commuter services, to promote the use
10 of carpools and vanpools.

11 (ii) Mobility and Transportation Innovations (MTI) Grant
12 Program, with an authorization of \$500,000.00. This authorization continues
13 to support projects that improve both mobility and access to services for
14 transit-dependent Vermonters, reduce the use of single-occupancy vehicles,
15 and reduce greenhouse gas emissions.

16 (iii) Recovery and Job Access Program, with an authorization of
17 \$440,000. This authorization supports the transit needs of Vermonters
18 struggling with substance use disorders.

19 (iv) Elders and Persons with Disabilities (D&E), with an
20 authorization of \$5,400,000.00. This authorization supports the transit needs

1 of Vermonters 60 years of age or older and Vermonters with certain
2 disabilities.

3 (v) Vermont Kidney Association Grant, with an authorization of
4 \$50,000.00. This authorization supports the transit needs of Vermonters in
5 need of dialysis services.

6 (B) Sec. 9 of this act requires Green Mountain Transit to develop and
7 implement, not later than January 1, 2024, a plan to establish tiered-fare
8 service on urban Green Mountain Transit routes.

9 (C) Sec. 10 of this act requires the Vermont Public Transportation
10 Association to make a recommendation on one or more funding sources for the
11 nonfederal match required of public transit providers operating in the statewide
12 transit system.

13 (D) Sec. 11 of this act requires the Agency of Transportation to
14 conduct an assessment of the current systems for delivering integrated public
15 transit and nonemergency medical transportation services and make
16 recommendations on how to ensure that the State’s public transit system is as
17 efficient, robust, and resilient as possible.

18 (5) Rail Program. This act provides for a fiscal year expenditure of
19 \$43,008,320.00, including local funds, for intercity passenger rail service and
20 rail infrastructure throughout the State, including the recent addition of New
21 York City–Burlington passenger rail service.

1 (6) Transformation of the State Vehicle Fleet. The Department of
2 Buildings and General Services, which manages the State Vehicle Fleet,
3 currently has 21 plug-in hybrid electric vehicles and 13 battery electric
4 vehicles in the State Vehicle Fleet. In fiscal year 2024, the Commissioner of
5 Buildings and General Services will continue to purchase and lease vehicles
6 for State use in accordance with 29 V.S.A. § 903(g), which requires, to the
7 maximum extent practicable, that the Commissioner purchase or lease hybrid
8 or plug-in electric vehicles (PEVs), as defined in 23 V.S.A. § 4(85), with not
9 less than 75 percent of the vehicles purchased or leased be hybrid or plug-in
10 electric vehicles.

11 (7) Electric vehicle supply equipment (EVSE). This act provides for a
12 fiscal year expenditure of \$7,625,000.00 to increase the presence of EVSE in
13 Vermont in accordance with the State’s federally approved National Electric
14 Vehicle Infrastructure (NEVI) Plan, which will lead to the installation of
15 Direct Current Fast Charging (DC/FC) along designated alternative fuel
16 corridors. This is in addition to monies that were previously appropriated, but
17 not yet expended, for EVSE at multiunit dwellings, workplaces, and public
18 venues and attractions.

19 (8) Vehicle incentive programs and expansion of the PEV market.

20 (A) Codification of programs. Sec. 14 of this act codifies the
21 Incentive Program for New PEVs, MileageSmart, and the Replace Your Ride

1 Program, all with slight modifications from the existing programs that will
2 increase eligibility and allow the Agency more flexibility in implementation to
3 respond to changes in the plug-in electric vehicle market more rapidly so as to
4 ensure greater uptake of PEVs by Vermonters. No additional monies are
5 authorized in this act, but it is estimated that approximately the following prior
6 appropriations will be available in fiscal year 2024:

7 (i) \$8,200,000.00 for the Incentive Program for New PEVs;

8 (ii) \$2,250,000.00 for MileageSmart; and

9 (iii) \$3,200,000.00 for the Replace Your Ride Program.

10 (B) Electrify Your Fleet Program. Sec. 16 of this act creates the
11 Electrify Your Fleet Program, which will provide incentives to Vermont
12 municipalities and business entities in Vermont that maintain a fleet of motor
13 vehicles to incentivize a transition to PEVs and reduce greenhouse gas
14 emissions, and authorizes \$500,000.00 in incentives under the Electrify Your
15 Fleet Program.

16 (C) eBike Incentive Program. Sec. 17 of this act:

17 (i) makes modifications to the eBike Incentive Program to:

18 (I) better target incentives to Vermonters who will use an
19 electric bicycle, electric cargo bicycle, or adaptive electric cycle in a way that
20 reduces greenhouse gas emissions; and

1 (II) ensure that the incentivized electric bicycles, electric cargo
2 bicycles, and adaptive electric cycles meet certain safety standards; and
3 (ii) authorizes an additional \$50,000.00 in incentives under the
4 eBike Incentive Program.

5 (9) Carbon Reduction Formula Program and Promoting Resilient
6 Operations for Transformative, Efficient, and Cost-Saving Transportation
7 (PROTECT) Formula Program. Secs. 26 and 27 of this act prescribe certain
8 components of the work that the Agency is doing to secure funding under the
9 Carbon Reduction Formula Program and the PROTECT Formula Program,
10 which will allow the State to better quantify and reduce the State’s greenhouse
11 gas emissions from the transportation sector, and requires related reporting and
12 recommendations on State policies related to the reduction of greenhouse gas
13 emissions from the transportation sector to codify in Title 19. This act also
14 provides for a fiscal year expenditure of \$12,771,029.00 in State and federal
15 monies under the Carbon Reduction Formula Program and the PROTECT
16 Formula Program.

17 (10) Complete streets.

18 (A) Secs. 28–31 of this act amend State law to define and adopt a
19 State policy on complete streets, require more transparency when certain State-
20 and municipally managed projects do not incorporate complete streets

1 principles, and require the maintenance of a database and annual reporting
2 related to complete streets.

3 (B) Sec. 32 of this act requires the Agency to design and implement a
4 program to provide training on complete streets to municipalities.

5 (11) Vermont State Standards. Sec. 33 of this act requires the Agency to
6 update the House and Senate Committees on Transportation on the process to
7 replace the current Vermont State Standards and related documents, standards,
8 guidance, and procedures, which is being done in accordance with 2022 Acts
9 and Resolves No. 184, Sec. 19.

10 (12) Support for a U.S. Route 5 bicycle corridor. Sec. 34 of this act
11 requires the Agency to conduct a survey of municipal support for the creation
12 of a bicycle corridor that is roughly adjacent to U.S. Route 5.

13 (13) Bicycle safety. Sec. XX of this act requires the Agency to develop
14 a comprehensive bicycle safety education program that enhances and expands
15 on current efforts to increase bicycle safety throughout the State.

16 * * * One-Time Appropriations * * *

17 Sec. 3. ONE-TIME APPROPRIATIONS

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

<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
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1	Operating	3,500,000	0	-3,500,000
2	Grants	3,000,000	0	-3,000,000
3	Total	6,500,000	0	-6,500,000
4	<u>Sources of funds</u>			
5	General	3,000,000	0	-3,000,000
6	Capital	3,500,000	0	-3,500,000
7	Total	6,500,000	0	-6,500,000

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

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

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

15 * * * St. Albans District Maintenance Facility * * *

16 Sec. 4. ST. ALBANS DISTRICT MAINTENANCE FACILITY

17 The following project is added to the Agency of Transportation’s Proposed
18 Fiscal Year 2024 Transportation Program for Transportation Buildings: St.
19 Albans District Maintenance Facility.

20 * * * Rail Trail Community Connectivity Grants * * *

21 **Sec. 5. RAIL TRAIL COMMUNITY CONNECTIVITY GRANTS**

1 (a) Project addition. The following project is added to the Agency of
2 Transportation’s Proposed Fiscal Year 2024 Transportation Rail Program with
3 an authorization of \$3,000,000.00 in one-time General Fund monies: Rail
4 Trail Community Connectivity Grants.

5 (b) Purpose. The purpose of the Rail Trail Community Connectivity
6 Grants is to continue the build-out and enhancement of Lamoille Valley Rail
7 Trail (LVRT) amenities and improve visitor experience, which shall be
8 consistent with the priorities outlined in the recently completed LVRT
9 Management Plan.

10 (c) Eligible projects. Projects may include trail infrastructure
11 improvements, such as trailheads, picnic areas, kiosks, and connections to
12 towns; signage; and interpretive panel installations.

13 (d) Match. Grant recipients shall be required to provide a 20 percent match
14 toward any projects that are awarded a grant.

15 * * * Project Cancellation; Project Addition * * *

16 Sec. **6.** PROJECT CANCELLATION; PROJECT ADDITION

17 (a) Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of
18 projects), the General Assembly approves cancellation of the following project

1 within the Town Highway Bridge Program: Sheldon BO 1448(47) – Scoping
2 for Bridge #20 on TH #22.

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

7 * * * Transportation Alternatives Grant Program * * *

8 Sec. 7. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

9 AWARDS IN STATE FISCAL YEARS 2024 TO 2027

10 Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant
11 Program awards in State fiscal years 2024 to 2027 shall not exceed
12 \$600,000.00 per grant allocation.

13 * * * Central Garage Fund * * *

14 Sec. 8. 19 V.S.A. § 13 is amended to read:

15 § 13. CENTRAL GARAGE FUND

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

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

20 (2) ~~to~~ provide a general equipment repair and major overhaul service,
21 inclusive of any assets, supplies, labor, or use of contractors necessary to

1 provide that service, as well as to furnish necessary supplies for the operation
2 of the equipment.

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

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

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

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

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

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

4 (A) the amount transferred pursuant to subdivision (1) of this
5 subsection;

6 (B) the amount of the equipment depreciation expense from the prior
7 fiscal year or, for equipment that is fully depreciated and still actively in
8 service, an amount equal to the depreciation on that piece of equipment from
9 the prior year; and

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

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

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

15 (f) As used in this section, “equipment” means registered motor vehicles
16 and ~~highway maintenance equipment assigned to~~ necessary assets required by
17 the Central Garage in order to fulfill the objectives established in subsection
18 (a) of this section.

19 (g) [Repealed.]

20 * * * Public Transit * * *

21 Sec. 9. GREEN MOUNTAIN TRANSIT; PLAN FOR TIERED-FARE

1 SERVICE; REPORT

2 (a) Green Mountain Transit shall, in consultation with community action
3 agencies and other relevant entities, such as those that represent the migrant
4 and refugee populations, develop and implement, not later than January 1,
5 2024, a plan to establish tiered-fare service on urban Green Mountain Transit
6 routes.

7 (b) At a minimum, the plan to establish tiered-fare service shall:

8 (1) incorporate a low-income transit program to provide certain
9 passengers with service at no cost or a reduced cost to the passenger through
10 digital methods, such as a handheld device, and nondigital methods, such as an
11 electronic benefits transfer (EBT) card or a transit card; and

12 (2) be designed, based on reasonable revenue estimates, to generate fare
13 revenue of at least 10 percent of projected operational costs on urban Green
14 Mountain Transit routes.

15 (c) Green Mountain Transit shall advise the House and Senate Committees
16 on Transportation of its plan to establish tiered-fare service through:

17 (1) an interim draft of the plan to establish tiered-fare service submitted
18 to the House and Senate Committees on Transportation on or before October 1,
19 2023; and

1 (2) a final version of the plan to establish tiered-fare service submitted
2 to the House and Senate Committees on Transportation Committees on or
3 before December 1, 2023.

4 Sec. 10. RECOMMENDATIONS ON FUNDING SOURCE FOR
5 NONFEDERAL MATCH; PUBLIC TRANSIT; REPORT

6 The Vermont Public Transportation Association, in consultation with the
7 Agency of Transportation and the Vermont League of Cities and Towns, shall
8 provide the House and Senate Committees on Transportation with a written
9 recommendation on one or more funding sources for the nonfederal match
10 required of public transit providers operating in the statewide transit system not
11 later than January 15, 2024.

12 Sec. 11. STATEWIDE PUBLIC TRANSIT SYSTEM;
13 RECOMMENDATIONS; REPORT

14 (a) The Agency of Transportation, in consultation with the Agency of
15 Human Services, Division of Vermont Health Access, and the Vermont Public
16 Transportation Association, shall conduct a benefit and risk assessment of the
17 current systems for delivering public transit and nonemergency medical
18 transportation services in Vermont, known as the “braided service model.”

19 (b) The assessment shall also include a review of other public transit
20 service approaches implemented in the United States and make
21 recommendations on modifications to the management of Vermont’s statewide

1 mobility service design to make Vermont’s public transit system as efficient,
2 robust, and resilient as possible.

3 (c) The Agency of Transportation shall file the written assessment with the
4 House and Senate Committees on Transportation, the House Committee on
5 Human Services, and the Senate Committee on Health and Welfare not later
6 than January 15, 2024.

7 Sec. 12. SEPARATING THE MOBILITY AND TRANSPORTATION
8 INNOVATIONS (MTI) GRANT PROGRAM FROM GO!
9 VERMONT

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

<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	905,000	405,000	-500,000
Total	905,000	405,000	-500,000
<u>Sources of funds</u>			
State	30,000	30,000	0
Federal	875,000	375,000	-500,000
Total	905,000	405,000	-500,000

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

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

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

6	<u>FY24</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
7	Other	0	500,000	500,000
8	Total	0	500,000	500,000
9	<u>Sources of funds</u>			
10	Federal	0	500,000	500,000
11	Total	0	500,000	500,000

12 * * * Vehicle Incentive Programs * * *

13 * * * Repeal of Existing Vehicle Incentive Programs * * *

14 Sec. 13. REPEALS

15 (a) 2019 Acts and Resolves No. 59, Sec. 34, as amended by 2020 Acts and
16 Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, 2021
17 Acts and Resolves No. 3, Sec. 56, 2021 Acts and Resolves No. 55, Secs. 18,
18 19, and 21–24, and 2022 Acts and Resolves No. 184, Sec. 6, is repealed.

19 (b) 2021 Acts and Resolves No. 55, Sec. 27, as amended by 2022 Acts and
20 Resolves No. 184, Sec. 22, is repealed.

21 * * * Codification of Vehicle Incentive Programs * * *

1 Sec. 14. 19 V.S.A. chapter 29 is added to read:

2 CHAPTER 29. VEHICLE INCENTIVE PROGRAMS

3 § 2901. DEFINITIONS

4 As used in this chapter:

5 (1) “Adaptive electric cycle” means an electric bicycle or an electric
6 cargo bicycle that has been modified to meet the physical needs or abilities of
7 the operator or a passenger.

8 (2) “Electric bicycle” has the same meaning as in 23 V.S.A. § 4(46)(A).

9 (3) “Electric cargo bicycle” means a motor-assisted bicycle, as defined
10 in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under 23 V.S.A.
11 § 4(45)(B)(i)(II), that is specifically designed and constructed for transporting
12 loads, including at least one or more of the following: goods; one or more
13 individuals in addition to the operator; or one or more animals. A motor-
14 assisted bicycle that is not specifically designed and constructed for
15 transporting loads, including a motor-assisted bicycle that is only capable of
16 transporting loads because an accessory rear or front bicycle rack has been
17 installed, is not an electric cargo bicycle.

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

21 § 2902. INCENTIVE PROGRAM FOR NEW PLUG-IN ELECTRIC

1 VEHICLES

2 (a) Creation; administration.

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

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

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

13 (1) shall apply to both purchases and leases of new PEVs with an
14 emphasis on incentivizing the purchase and lease of battery electric vehicles
15 (BEVs) and plug-in hybrid electric vehicles (PHEVs) with an electric range of
16 20 miles or greater per complete charge as rated by the Environmental
17 Protection Agency when the vehicle was new;

18 (2) shall provide not more than one incentive of not more than
19 \$3,000.00 for a PEV, per individual per year, to:

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

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

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

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

14 (E) an individual who is part of a married couple with at least one
15 spouse domiciled in the State and at least one spouse whose federal income tax
16 filing status is married filing separately with an adjusted gross income under
17 the laws of the United States greater than \$60,000.00 and at or below
18 \$100,000.00;

19 (3) shall provide not more than one incentive of not more than
20 \$6,000.00 for a PEV, per individual per year, to:

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

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

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

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

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

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

20 (5) shall apply to:

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

9 (B) manufactured PHEVs with a base MSRP as determined by the
10 Agency of Transportation and meeting the following requirements:

11 (i) shall not exceed a base MSRP of \$55,000.00;

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

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

17 (C) manufactured BEVs with a base MSRP as determined by the
18 Agency of Transportation and meeting the following requirements:

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

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

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

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

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

15 § 2903. MILEAGESMART

16 (a) Creation; administration.

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

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

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

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

13 (2) provide not more than one point-of-sale voucher worth up to
14 \$5,000.00 to an individual who is a member of a household with an adjusted
15 gross income that is at or below 80 percent of the State median income.

16 (c) Administrative costs. Up to 15 percent of any appropriations for
17 MileageSmart can be used for any costs associated with administering and
18 promoting MileageSmart.

19 (d) Outreach and marketing. The Agency, in consultation with any
20 retained contractors, shall ensure that there is sufficient outreach and
21 marketing, including the use of translation and interpretation services, of

1 MileageSmart so that Vermonters who are eligible for an incentive can easily
2 learn how to secure as many different incentives as are available, and such
3 costs shall be considered administrative costs for purposes of subsection (c) of
4 this section.

5 § 2904. REPLACE YOUR RIDE PROGRAM

6 (a) Creation; administration.

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

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

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

18 (c) Incentive amount. The Replace Your Ride Program shall provide up to
19 a \$2,500.00 incentive for those who qualify under subdivision (d)(1)(A) of this
20 section and up to a \$5,000.00 incentive for those who qualify under
21 subdivision (d)(1)(B) of this section, either of which may be in addition to any

1 other available incentives, including through a program funded by the State, to
2 individuals who qualify based on both income and the removal of an internal
3 combustion vehicle. Only one incentive per individual is available under the
4 Replace Your Ride Program.

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

7 (1) Income eligibility.

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

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

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

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

19 (iv) an individual who is part of a married couple with at least one
20 spouse domiciled in the State whose federal income tax filing status is married

1 filing jointly with an adjusted gross income under the laws of the United States
2 greater than \$90,000.00 and at or below \$150,000.00; or

3 (v) an individual who is part of a married couple with at least one
4 spouse domiciled in the State and at least one spouse whose federal income tax
5 filing status is married filing separately with an adjusted gross income under
6 the laws of the United States greater than \$60,000.00 and at or below
7 \$100,000.00.

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

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

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

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

19 (iv) an individual who is part of a married couple with at least one
20 spouse domiciled in the State whose federal income tax filing status is married

1 filing jointly with an adjusted gross income under the laws of the United States
2 at or below \$90,000.00;

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

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

10 (2) Vehicle removal.

11 (A) In order for an individual to qualify for an incentive under the
12 Replace Your Ride Program, the individual must remove an older low-
13 efficiency vehicle from operation and switch to a mode of transportation that
14 produces fewer greenhouse gas emissions. The entity that administers the
15 Replace Your Ride Program, in conjunction with the Agency of
16 Transportation, shall establish Program guidelines that specifically provide for
17 how someone can show that the vehicle removal eligibility requirement has
18 been, or will be, met.

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

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

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

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

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

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

7 (V) has an internal combustion engine; and

8 (VI) passed the annual inspection required under 23 V.S.A.
9 § 1222 within the prior year.

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

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

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

17 (II) purchasing a new or used bicycle, electric bicycle, electric
18 cargo bicycle, adaptive electric cycle, or motorcycle that is fully electric, and
19 the necessary safety equipment; and

20 (III) utilizing shared-mobility services.

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

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

11 § 2905. ANNUAL REPORTING

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

18 (b) The report shall also include:

19 (1) any intended modifications to program guidelines for the upcoming
20 fiscal year along with an explanation for the reasoning behind the

1 modifications and how the modifications will yield greater uptake of PEVs and
2 other means of transportation that will reduce greenhouse gas emissions; and

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

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

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

13 Sec. 15. 2022 Acts and Resolves No. 184, Sec. 5 is amended to read:

14 Sec. 5. VEHICLE INCENTIVE PROGRAMS

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

19 (b) MileageSmart. The Agency is authorized to spend up to \$3,000,000.00
20 as appropriated in the fiscal year 2023 budget on MileageSmart as established

1 in 2019 Acts and Resolves No. 59, Sec. 34, as amended, and subsequently
2 codified in 19 V.S.A. chapter 29.

3 (c) Replace Your Ride Program. The Agency is authorized to spend up to
4 \$3,000,000.00 as appropriated in the fiscal year 2023 budget on the Replace
5 Your Ride Program established in 2021 Acts and Resolves No. 55, Sec. 27, as
6 amended, and subsequently codified in 19 V.S.A. chapter 29.

7 * * *

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

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

10 Sec. **16**. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

11 (a) Creation; administration.

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

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

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

20 (c) Definitions. The definitions in 19 V.S.A. § 2901, as added by Sec. **14**
21 of this act, shall apply to this section.

1 (d) Program structure. The Electrify Your Fleet Program shall structure
2 purchase and lease incentive payments to replace vehicles other than a plug-in
3 electric vehicle cycled out of a motor vehicle fleet and reduce the greenhouse
4 gas emissions of persons operating a motor vehicle fleet in Vermont.

5 Specifically, the Electrify Your Fleet Program shall:

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

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

11 (A) BEVs with a base Manufacturer’s Suggested Retail Price
12 (MSRP) of \$60,000.00 or less;

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

16 (C) electric bicycles and electric cargo bicycles with a base MSRP of
17 \$6,000.00 or less;

18 (D) adaptive electric cycles with any base MSRP;

19 (E) electric motorcycles with a base MSRP of \$30,000.00 or less; and

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

21 and

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

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

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

12 (g) Reporting. The reporting requirements of 19 V.S.A. § 2905, as added
13 by Sec. 14 of this act, shall, notwithstanding 2 V.S.A. § 20(d), apply to the
14 Electrify Your Fleet Program if an incentive is provided through the Electrify
15 Your Fleet Program unless the General Assembly takes specific action to
16 repeal the report requirement.

17 * * * eBike Incentive Program; Authorization * * *

18 Sec. 17. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM;

19 REPORT

20 (a) Definitions. The definitions in 19 V.S.A. § 2901, as added by Sec. 14
21 of this act, shall apply to this section.

1 (b) Authorization and modifications. The Agency is authorized to spend up
2 to \$50,000.00 in one-time General Fund monies on the continuation of the
3 eBike Incentive Program established pursuant to 2021 Acts and Resolves No.
4 55, Sec. 28, as amended by 2022 Acts and Resolves No. 184, Sec. 23, with the
5 following modifications:

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

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

9 (A) meeting income eligibility requirements under 19 V.S.A.
10 § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs),
11 as added by Sec. 14 of this act; and

12 (B) that the incentivized electric bicycle, electric cargo bicycle, or
13 adaptive electric cycle shall be used in a way that reduces greenhouse gas
14 emissions, such as a substitute for trips that would have been taken in a vehicle
15 other than a plug-in electric vehicle;

16 (3) only electric bicycles with a base Manufacturer’s Suggested Retail
17 Price (MSRP) of \$4,000.00 or less shall be eligible for an incentive;

18 (4) only electric cargo bicycles with a base MSRP of \$5,000.00 or less
19 shall be eligible for an incentive;

20 (5) an adaptive electric cycle with any base MSRP shall be eligible for
21 an incentive; and

1 (6) only electric bicycles, electric cargo bicycles, and adaptive electric
2 cycles that meet one or more of the following standards shall be eligible for an
3 incentive:

4 (A) American National Standard (ANSI)/Controller Area Network
5 (CAN)/Underwriters Laboratories (UL) 2849 – Standard for Electrical Systems
6 for eBikes, as amended, and any standards incorporated by reference in
7 ANSI/CAN/UL 2849;

8 (B) Europäische Norm (EN) 15194 – Electrically Power Assisted
9 Cycles (EPAC Bicycles), as amended; or

10 (C) another applicable standard designed to reduce the serious risk of
11 dangerous fires, as determined by the Agency of Transportation, if neither of
12 the standards in subdivisions (A) and (B) of this subdivision (6) are applicable.

13 (c) Administrative costs. Up to 15 percent of the authorization in
14 subsection (b) of this section may be used for any costs associated with
15 administering and promoting the eBike Incentive Program.

16 (d) Reporting. The Agency of Transportation shall address incentives for
17 electric bicycles, electric cargo bicycles, and adaptive electric cycles provided
18 pursuant to this section in the January 31, 2024 report required under 19
19 V.S.A. § 2905, as added by Sec. 14 of this act, including:

20 (1) the demographics of who received an incentive under the eBike
21 Incentive Program;

1 (2) a breakdown of where vouchers were redeemed;

2 (3) a breakdown, by manufacturer and type, of electric bicycles, electric
3 cargo bicycles, and adaptive electric cycles incentivized;

4 (4) a detailed summary of information provided in the self-certification
5 forms; and

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

8 Sec. 18. AGENCY OF TRANSPORTATION AUTHORITY TO MODIFY
9 INCOME ELIGIBILITY REQUIREMENTS FOR EBIKE
10 INCENTIVE PROGRAM ON PASSAGE

11 Notwithstanding 2022 Acts and Resolves No. 55, Sec. 28(a)(3), the Agency
12 of Transportation may choose to only provide incentives to individuals who
13 self-certify as to 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. 14 of this act.

16 * * * Reallocation of Funding * * *

17 Sec. 19. 2022 Acts and Resolves No. 184, Sec. 2(8)(C), as amended by 2023
18 Acts and Resolves No. 3, Sec. 83, is further amended to read:

19 (C) Replace Your Ride Program. Sec. 5(c) of this act authorizes
20 ~~\$2,900,000.00~~ \$2,350,000.00 for incentives under Replace Your Ride, which
21 will be the State’s program to incentivize Vermonters to remove older low-

1 efficiency vehicles from operation and switch to modes of transportation that
2 produce fewer greenhouse gas emissions, and capped administrative costs.

3 Sec. 20. 2022 Acts and Resolves No. 184, Sec. 5(c), as amended by 2023 Acts
4 and Resolves No. 3, Sec. 84, is further amended to read:

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

9 Sec. 21. 2022 Acts and Resolves No. 185, Sec. G.600(b)(5), as amended by
10 2023 Acts and Resolves No. 3, Sec. 85, is 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 * * * Mileage-Based User Fee (MBUF) * * *

15 Sec. 22. MILEAGE-BASED USER FEE LEGISLATIVE INTENT

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

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

1 (2) to start subjecting plug-in hybrid electric vehicles (PHEVs) that are a
2 pleasure car to an increased annual or a biennial registration fee starting on
3 July 1, 2025, and that PHEVs shall not be subject to a mileage-based user fee;

4 (3) to work towards collecting a fee on kWhs that are dispensed through
5 certain electric vehicle supply equipment available to the public so as to
6 supplant lost gas tax revenue from PEVs; and

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

9 Sec. 23. MILEAGE-BASED USER FEE AUTHORIZATION

10 (a) Within the Agency of Transportation’s Proposed Fiscal Year 2024
11 Transportation Program for Environmental Policy and Sustainability, the
12 Agency of Transportation, including the Department of Motor Vehicles, is
13 authorized to apply for and accept a competitive federal Strategic Innovation
14 for Revenue Collection grant established pursuant to the Infrastructure
15 Investment and Jobs Act, Pub. L. No. 117-58 (IIJA), Sec. 13001, with up to
16 \$350,000.00 in Transportation Fund monies authorized for the nonfederal
17 match in fiscal year 2024 and a to-be-determined amount for the nonfederal
18 match in subsequent fiscal years.

19 (b) As permitted under federal regulations and grant terms, the Agency
20 shall utilize grant monies to design a mileage-based user fee that is consistent
21 with Secs. 22 and 24 of this act.

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

4 Sec. 24. MILEAGE-BASED USER FEE DESIGN

5 (a) Definitions. As used in Secs. 22–25 of this act:

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

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

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

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

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

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

2 (7) “Plug-in electric vehicle (PEV)” has the same meaning as in
3 23 V.S.A. § 4(85) and includes battery electric vehicles (BEVs) and plug-in
4 hybrid electric vehicles (PHEVs), which have the same meaning as in
5 23 V.S.A. § 4(85)(A) and (B).

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

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

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

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

20 Sec. 25. REPORTS

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

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

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

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

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

17 (C) how the anticipated mileage-based user fee for a pleasure car is
18 expected to compare to the amount collected by the State in gas tax revenue
19 from the use of a non-PEV pleasure car registered in Vermont and the amount
20 collected by the State in gas tax revenue and increased registration fee from the

1 use of a non-PHEV pleasure car registered in Vermont based on estimates of
2 low, medium, and high annual vehicle miles traveled;

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

6 (A) the total amount of revenue collected in mileage-based user fees
7 for the prior fiscal year and an estimate of the total amount of revenue
8 anticipated to be collected in mileage-based user fees during the subsequent
9 fiscal year;

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

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

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

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

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

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

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

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

11 (B) payment periods and other payment methods and procedures for
12 the payment of the mileage-based user fee, which shall include the option to
13 prepay the anticipated mileage-based user fee in installments on a monthly,
14 quarterly, or annual basis;

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

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

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

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

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

9 * * * Transportation Programs; Federal Carbon Reduction Program;

10 PROTECT Formula Program; Prioritization; Equity * * *

11 Sec. 26. AGENCY OF TRANSPORTATION EFFORTS TO IMPLEMENT
12 THE FEDERAL CARBON REDUCTION PROGRAM AND
13 PROTECT FORMULA PROGRAM; PRIORITIZATION; EQUITY

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

16 (1) develop a methodology to:

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

19 (B) measure the gap between the emissions reductions calculated
20 under subdivision (A) of this subdivision (a)(1) and the emissions reductions

1 required under the Global Warming Solutions Act, as codified in 10 V.S.A.
2 § 578; and

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

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

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

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

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

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

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

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

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

18 (5) coordinate with the Climate Action Office within the Agency of
19 Natural Resources to track and report progress towards achieving the State’s
20 greenhouse gas emissions as required by the Global Warming Solutions Act
21 and codified in 10 V.S.A. § 578.

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

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

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

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

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

21 Sec. 27. REPORT ON TRANSPORTATION POLICY STATUTES

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

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

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

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

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

18 (2)(A) ~~Consider the safety and accommodation of all transportation~~
19 ~~system users, including motorists, bicyclists, public transportation users, and~~
20 ~~pedestrians of all ages and abilities, consider complete streets principles in all~~
21 State- and municipally managed transportation projects and project phases,

1 including planning, development, construction, and maintenance, except in the
2 case of projects or project components involving unpaved highways. ~~If, after~~
3 ~~the consideration required under this subdivision, a State managed project does~~
4 ~~not incorporate complete streets principles, the project manager shall make a~~
5 ~~written determination, supported by documentation and available for public~~
6 ~~inspection at the Agency, that one or more of the following circumstances~~
7 ~~exist:~~

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

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

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

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

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

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

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

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

12 § 2403. PROJECTS NOT INCORPORATING COMPLETE STREETS

13 PRINCIPLES

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

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

20 (2) The cost of incorporating complete streets principles is
21 disproportionate to the need or probable use as determined by factors including

1 land use, current and projected user volumes, population density, crash data,
2 historic and natural resource constraints, and maintenance requirements. The
3 Agency shall consult local and regional plans, as appropriate, in assessing
4 these and any other relevant factors. If the project manager bases the written
5 determination required under this subsection in whole or in part on this
6 subdivision then the project manager shall provide a supplemental written
7 determination with specific details on costs, needs, and probable uses, as
8 applicable.

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

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

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

18 (2) The cost of incorporating complete streets principles is
19 disproportionate to the need or probable use as determined by factors such as
20 land use, current and projected user volumes, population density, crash data,
21 historic and natural resource constraints, and maintenance requirements. The

1 municipality shall consult local and regional plans, as appropriate, in assessing
2 these and any other relevant factors. If the municipality managing the project
3 bases the written determination required under this subsection in whole or in
4 part on this subdivision then the project manager shall provide a supplemental
5 written determination with specific details on costs, needs, and probable uses,
6 as applicable.

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

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

13 (d) Posting and availability of determinations. The written determinations
14 required by subsections (a) and (b) of this section shall be posted to a web page
15 on the Agency of Transportation’s website dedicated to complete streets, in the
16 case of a State-managed project, and made available for public inspection at
17 the office of the municipal clerk, in the case of a municipally managed project.

18 § 2404. ANNUAL REPORT; PUBLIC DATABASE

19 (a) Annual report. Notwithstanding 2 V.S.A. § 20(d), the Agency shall
20 annually, on or before September 1 starting in 2025, submit a report detailing
21 the State’s efforts in following the complete streets policy established in

1 section 2402 of this chapter during the previous fiscal year to the House and
2 Senate Committees on Transportation.

3 (b) Public database.

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

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

14 Sec. 31. IMPLEMENTATION; PUBLIC DATABASE

15 The Agency shall create and post the database required under 19 V.S.A.
16 § 2404(b), as added by Sec. 30 of this act, on or before January 1, 2024.

17 Sec. 32. MUNICIPAL TRAINING ON COMPLETE STREETS

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

21 Sec. 33. REPLACEMENT OF THE CURRENT VERMONT STATE

1 STANDARDS

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

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

10 * * * Municipal and Regional Support for a Route 5 Bicycle Corridor * * *

11 Sec. 34. SUPPORT FOR A ROUTE 5 BICYCLE CORRIDOR; SURVEY

12 REPORT

13 (a) The Agency of Transportation, in partnership with regional planning
14 commissions through the annual Transportation Planning Initiative, shall
15 conduct a survey of municipal support for the creation of a bicycle corridor—
16 consisting of one or more segments of bicycle lanes or bicycle paths, or both—
17 to provide a safe means of travel via bicycle on or along a route that is roughly
18 adjacent to U.S. Route 5 for the approximately 190 miles spanning between the
19 State border with Massachusetts and the State border with Quebec, Canada.

20 (b) The survey shall address the level of interest of municipalities and
21 regional planning commissions in prioritizing the creation of a bicycle corridor

1 along some or all of U.S. Route 5, including the consideration of the costs of
2 creation and benefits to the tourism industry in Vermont in general and to the
3 municipalities along U.S. Route 5 in particular.

4 (c) The Agency shall provide a report on outcome of the survey to the
5 House and Senate Committees on Transportation on or before January 15,
6 2024.

7 * * * Sunset Extension * * *

8 Sec. 35. 2018 Acts and Resolves No. 158, Sec. 21 is amended to read:

9 Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

10 19 V.S.A. §§ ~~2613 (Agency of Transportation's P3 authority) and 2614~~
11 ~~(legislative approval of P3 proposals)~~ chapter 26, subchapter 2 shall be
12 repealed on July 1, ~~2023~~ 2026.

13 * * * Repeals * * *

14 Sec. 36. REPEALS

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

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

19 * * * Effective Dates * * *

20 Sec. 37. EFFECTIVE DATES

1 (a) This section and Secs. 18 (authority to modify eBike Incentive Program
2 eligibility requirements) and 35 (extension of sunset for Agency of
3 Transportation’s P3 authority) shall take effect on passage.

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

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11 (Committee vote: _____)

12

13

Senator _____

14

FOR THE COMMITTEE