TO THE HONORABLE SENATE:

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

* * * Transportation Program Adopted as Amended; Definitions; Technical Corrections * * *

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS;

TECHNICAL CORRECTIONS

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

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

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

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

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

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

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

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

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

(c) Technical corrections.

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

(2) In the Agency of Transportation’s Proposed Fiscal Year 2024
Transportation Program for Aviation, in the summary chart, the value
“$11,335,874” is struck and the value “$10,885,874” is inserted in lieu thereof
to correct a typographic error; the value “$4,759,078” is struck and the value
“$4,719,078” is inserted in lieu thereof to correct a typographic error; and the
value “$17,764,405” struck and the value “$17,274,405” is inserted in lieu
thereof to correct a typographic error.
In the Agency of Transportation’s Proposed Fiscal Year 2024 Transportation Program for Rail, in the project details, the following projects are deleted:

(A) Rail Statewide – Railroad Bridges; and

(B) Rail Statewide STRBMATN – Various-Railroads.

*** 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;

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

(C) Williston—construction of 142 new spaces.

(2) Bike and Pedestrian Facilities Program.

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

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

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

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

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

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

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

(3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of $5,195,346.00, including local funds, which will fund 22 transportation alternatives construction projects; 19 transportation alternatives design, right-of-way, or design and right-of-way projects; and seven studies, including scoping, historic preservation, and connectivity. Of these 48 projects, 16 involve environmental mitigation related to clean water or
stormwater concerns, or both clean water and stormwater concerns, and involve bicycle and pedestrian facilities. Projects are funded in Bennington, Brandon, Bridgewater, Bristol, Burke, Burlington, Colchester, Derby, Duxbury, Enosburg, Fair Haven, Fairfax, Franklin, Hartford, Hinesburg, Hyde Park, Jericho, Johnson, Killington, Mendon, Milton, Montgomery, Moretown, Newfane, Norwich, Proctor, Putney, Rockingham, Rutland City, South Burlington, Stowe, Swanton, Tinmouth, Vergennes, Wardsboro, Warren, West Rutland, Williston, Wilmington, and Winooski.

(4) Public Transit Program. This act provides for a fiscal year expenditure of $48,795,330.00 for public transit uses throughout the State. Included in the authorization are:

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

(B) Mobility and Transportation Innovations (MTI) Grant Program, with an authorization of $500,000.00. This authorization continues to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions.
(5) Rail Program. This act provides for a fiscal year expenditure of $43,008,320.00, including local funds, for intercity passenger rail service and rail infrastructure throughout the State, including the recent addition of New York City–Burlington passenger rail service.

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

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

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

(A) Incentive Program for New PEVs, MileageSmart, and Replace Your Ride Program. No additional monies are authorized for the State’s vehicle incentive programs in this act, but it is estimated that approximately the following prior appropriations will be available in fiscal year 2024:

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

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

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

(B) Electrify Your Fleet Program. Sec. 17 of this act creates the Electrify Your Fleet Program, which will provide incentives to Vermont municipalities and business entities in Vermont that maintain a fleet of motor vehicles to incentivize a transition to PEVs and reduce greenhouse gas emissions, including a limited number of increased incentives to nonprofit mobility services organizations, and authorizes $500,000.00 in incentives under the Electrify Your Fleet Program.

(C) eBike Incentive Program. Sec. 18 of this act authorizes an additional $50,000.00 in incentives under the eBike Incentive Program.

(9) Carbon Reduction Formula Program and Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation
(PROTECT) Formula Program. This act provides for a fiscal year expenditure of $12,771,029.00 in State and federal monies under the Carbon Reduction Formula Program and the PROTECT Formula Program.

* * * One-Time Appropriations * * *

Sec. 3. ONE-TIME APPROPRIATIONS

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

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<td>-6,500,000</td>
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Sources of funds

|        | General  | 3,000,000   | 0          | -3,000,000|
|        | Capital  | 3,500,000   | 0          | -3,500,000|
|        | Total    | 6,500,000   | 0          | -6,500,000|

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

(1) “Rail Trail Community Connectivity Grants - $3M General Fund Grants”; and
(2) “St. Albans District Maintenance Facility - $3.5M Capital Fund Operating.”

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

Sec. 4. ST. ALBANS DISTRICT MAINTENANCE FACILITY

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

*** Rail Trail Community Connectivity Grants ***

Sec. 5. RAIL TRAIL COMMUNITY CONNECTIVITY GRANTS

(a) Project addition. The following project is added to the Agency of Transportation’s Proposed Fiscal Year 2024 Transportation Rail Program:

Rail Trail Community Connectivity Grants.

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

(c) Eligible projects. Projects may include trail infrastructure improvements, such as trailheads, picnic areas, kiosks, and connections to towns; signage; and interpretive panel installations.
(d) Match. Grant recipients shall be required to provide a 20 percent match
toward any projects that are awarded a grant.

** Project Cancellations; Project Addition **

Sec. 6. PROJECT CANCELLATIONS; PROJECT ADDITION

(a) Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of
projects), the General Assembly approves cancellation of the following project
within the Roadway Program: Bennington Bypass South NH F 019-1(4) –
Southern Segment of the Bennington Bypass.

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

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

** Transportation Alternatives Grant Program **

Sec. 7. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

AWARDS IN STATE FISCAL YEARS 2024 TO 2027
Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant Program awards in State fiscal years 2024 to 2027 shall not exceed $600,000.00 per grant allocation.

*** Central Garage Fund ***

*** Amendments Effective July 1, 2023 ***

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

§ 13. CENTRAL GARAGE FUND

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

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

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

(b) To in order to maintain a safe, and reliable equipment fleet, the Agency shall use Central Garage Fund monies to acquire new or replacement highway maintenance equipment shall be acquired using Central Garage Fund monies. The Agency is authorized to acquire replacement pieces for existing highway equipment or new, additional equipment equivalent to equipment already owned; however, the Agency shall not increase the total number of
permanently assigned or authorized motorized or self-propelled vehicles
without approval by the General Assembly.

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

(A) in fiscal year 2021, $1,355,358.00; and
(B) in subsequent fiscal years, at a minimum, the amount specified in
subdivision (A) of this subdivision (1) as adjusted annually by increasing the
previous fiscal year’s amount by the percentage increase in the Bureau of
Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U)
during the two most recently closed State fiscal years.

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

(A) the amount transferred pursuant to subdivision (1) of this
subdivision (c);
(B) the amount of the equipment depreciation expense from the prior
fiscal year; and
(C) the amount of the net equipment sales from the prior fiscal year.

(d) In each fiscal year, net income of the Fund earned during that fiscal
year shall be retained in the Fund.
(Draft No. 2.1 – H.479)  
4/14/2023 - ADC - 01:55 PM

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

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

(g) [Repealed.]

* * * Appropriation for Acquisition of New or Replacement Equipment in State Fiscal Years 2024–2026 * * *

Sec. 9.  CALCULATION OF APPROPRIATION FROM CENTRAL GARAGE FUND FOR ACQUISITION OF NEW OR REPLACEMENT EQUIPMENT IN STATE FISCAL YEARS 2024–2026

Notwithstanding 19 V.S.A. § 13(c)(2)(B), the amount appropriated from the Central Garage Fund exclusively for the purposes specified in 19 V.S.A. § 13(b) in State fiscal years 2024–2026 shall be:

(1) the amount transferred pursuant to 19 V.S.A. § 13(c)(1);

(2) the amount of the equipment depreciation expense from the prior fiscal year or, for equipment that is fully depreciated and still actively in service, an amount equal to the depreciation on that piece of equipment from the prior year; and
(3) the amount of the net equipment sales from the prior fiscal year.

*** Public Transit ***

Sec. 10. GREEN MOUNTAIN TRANSIT; PLAN FOR TIERED-FARE SERVICE; REPORT

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

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

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

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

(c) Green Mountain Transit shall advise the House and Senate Committees on Transportation of its plan to establish tiered-fare service by filing the final version of the plan to establish tiered-fare service with the House and Senate Committees on Transportation Committees on or before December 1, 2023.
Sec. 11. RECOMMENDATIONS ON FUNDING SOURCE FOR NONFEDERAL MATCH; PUBLIC TRANSIT; REPORT

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

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

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

(b) The assessment shall also include a review of other public transit service approaches implemented in the United States and make recommendations on modifications to the management of Vermont’s statewide mobility service design to make Vermont’s public transit system as efficient, robust, and resilient as possible and fully maximize all available federal funding.
(c) The Agency of Transportation shall file the written assessment with the House and Senate Committees on Transportation, the House Committee on Human Services, and the Senate Committee on Health and Welfare not later than January 15, 2024.

Sec. 13. SEPARATING THE MOBILITY AND TRANSPORTATION INNOVATIONS (MTI) GRANT PROGRAM FROM GO! VERMONT

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

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

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

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*** Vehicle Incentive Programs ***

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

Sec. 14. REPEALS

(a) 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, 19, and 21–24, and 2022 Acts and Resolves No. 184, Sec. 6, is repealed.

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

*** Codification of Vehicle Incentive Programs ***

Sec. 15. 19 V.S.A. chapter 29 is added to read:

CHAPTER 29. VEHICLE INCENTIVE PROGRAMS

§ 2901. DEFINITIONS
As used in this chapter:

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

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

(3) “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 at least one or more of the following: goods; one or more individuals in addition to the operator; or 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 accessory rear or front bicycle rack has been installed, is not an electric cargo bicycle.

(4) “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).

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

(a) Creation; administration.
(1) There is created the Incentive Program for New Plug-In Electric Vehicles (PEVs), which shall be administered by the Agency of Transportation.

(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.

(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:

(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 as rated by the Environmental Protection Agency when the vehicle was new;

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

(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;
(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;

(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;

(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 greater than $90,000.00 and at or below $150,000.00; or

(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;

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

(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;
(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;

(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;

(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

(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;

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

(5) shall apply to:

(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 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;

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

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

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

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

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

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

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

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

(d) Outreach and marketing. The Agency, in consultation with any retained contractors, 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.

§ 2903. MILEAGESMART

(a) Creation; administration.

(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.

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

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

(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

(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.

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

(d) Outreach and marketing. The Agency, in consultation with any retained contractors, 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.
§ 2904. REPLACE YOUR RIDE PROGRAM

(a) Creation; administration.

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

(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.

(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.

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

(1) Income eligibility.

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

(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;

(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;

(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;

(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

(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.

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

(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;

(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;

(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;

(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;

(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
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.

(2) Vehicle removal.

(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.

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

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

(I) is currently registered, and has been for two years prior to
the date of application, with the Vermont Department of Motor Vehicles;
(II) is currently titled in the name of the applicant and has been
for at least one year prior to the date of application;
(III) has a gross vehicle weight rating of 10,000 pounds or less;
(IV) is at least 10 model years old;
(V) has an internal combustion engine; and
(VI) passed the annual inspection required under 23 V.S.A. § 1222 within the prior year.

(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.

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

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

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

(III) utilizing shared-mobility services.

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

(f) Outreach and marketing. The Agency, in consultation with any retained contractors, 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

§ 2905. ANNUAL REPORTING

(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.

(b) The report shall also include:

(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; and

(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.

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

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

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

Sec. 5. VEHICLE INCENTIVE PROGRAMS

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

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

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

* * *

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

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

Sec. 17. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

VT LEG #369135 v.2
(a) Creation; administration.

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

(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.

(b) Authorization. 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 subdivision (a)(1) of this section.

(c) Definitions. The definitions in 19 V.S.A. § 2901, as added by Sec. 15 of this act, shall apply to this section.

(d) Program structure. The Electrify Your Fleet Program shall reduce the greenhouse gas emissions of persons operating a motor vehicle fleet in Vermont by structuring purchase and lease incentive payments on a first-come, first-served basis to replace vehicles other than a plug-in electric vehicle (PEV) cycled out of a motor vehicle fleet or avoid the purchase of vehicles other than a PEV for a motor vehicle fleet. Specifically, the Electrify Your Fleet Program shall:

(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;

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

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

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

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

(D) adaptive electric cycles with any base MSRP;

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

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

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

(4) require a showing of any other requirements implemented by the Agency of Transportation that are designed to maximize the impact of State-funded Electrify Your Fleet Program incentives by ensuring that, as applicable, other incentives, subsidies, and credits are fully taken advantage of.

(e) Increased incentives for nonprofit mobility services organizations.

Nonprofit mobility services organizations incorporated in the State of Vermont
for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership shall be entitled to:

(1) up to 15 $2,500.00 incentives available under subsection (d) of this section on a first-come, first-served basis amongst all applicants for incentives under the Electrify Your Fleet Program over the existence of the Program, provided that the requirements of subsection (d) of this section are met; and

(2) notwithstanding subdivisions (d)(1) and (2) of this section, up to five increased incentives at the incentive amount available to individuals who purchase or lease a BEV and who qualify for an incentive under 19 V.S.A. § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs), as added by Sec. 15 of this act, for BEVs with a base MSRP of $55,000.00 or less, provided that the requirements of subdivisions (d)(3) and (4) of this section are met.

(f) Administrative costs. Up to 15 percent of any appropriations for the Electrify Your Fleet Program may be used for any costs associated with administering and promoting the Electrify Your Fleet Program.

(g) Outreach and marketing. The Agency, in consultation with any retained contractors, 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 (f) of this section.

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

* * * eBike Incentive Program; Authorization * * *

Sec. 18. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM;

REPORT

(a) Definitions. The definitions in 19 V.S.A. § 2901, as added by Sec. 15 of this act, shall apply to this section.

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

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

(2) vouchers shall be provided to applicants that self-certify as to both:
(A) meeting income eligibility requirements under 19 V.S.A. § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs), as added by Sec. 15 of this act; and

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

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

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

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

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

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

ANSI/CAN/UL 2849:
(B) Europäische Norm (EN) 15194 – Electrically Power Assisted Cycles (EPAC Bicycles), as amended; or

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

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

(d) Reporting. The Agency of Transportation shall address incentives for electric bicycles, electric cargo bicycles, and adaptive electric cycles provided pursuant to this section in the January 31, 2024 report required under 19 V.S.A. § 2905, as added by Sec. 15 of this act, including:

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

(2) a breakdown of where vouchers were redeemed;

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

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

(5) a detailed summary of information collected through participant surveys.
Sec. 19. AGENCY OF TRANSPORTATION AUTHORITY TO MODIFY
INCOME ELIGIBILITY REQUIREMENTS FOR EBIKE INCENTIVE PROGRAM ON PASSAGE

Notwithstanding 2022 Acts and Resolves No. 55, Sec. 28(a)(3), the Agency of Transportation may choose to only provide incentives to individuals who self-certify as to meeting income eligibility requirements under 19 V.S.A. § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs), as added by Sec. 15 of this act.

* * * Reallocation of Funding * * *

Sec. 20. 2022 Acts and Resolves No. 184, Sec. 2(8)(C), as amended by 2023 Acts and Resolves No. 3, Sec. 83, is further amended to read:

(C) Replace Your Ride Program. Sec. 5(c) of this act authorizes $2,900,000.00 $2,350,000.00 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.

Sec. 21. 2022 Acts and Resolves No. 184, Sec. 5(c), as amended by 2023 Acts and Resolves No. 3, Sec. 84, is further amended to read:

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

Sec. 22. 2022 Acts and Resolves No. 185, Sec. G.600(b)(5), as amended by 2023 Acts and Resolves No. 3, Sec. 85, is further amended to read:

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

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

Sec. 23. MILEAGE-BASED USER FEE LEGISLATIVE INTENT

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

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

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

(3) to work towards collecting a fee on kWhs that are dispensed through certain electric vehicle supply equipment available to the public so as to supplant lost gas tax revenue from PEVs; and
(4) to not commence collecting a mileage-based user fee until such
authorizing language is codified in statute and becomes effective.

Sec. 24. MILEAGE-BASED USER FEE AUTHORIZATION

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

(b) As permitted under federal regulations and grant terms, the Agency
shall utilize grant monies to design a mileage-based user fee that is consistent
with Secs. 23 and 25 of this act.

(c) Subject to State procurement requirements, the Agency may retain one
or more contractors or consultants, or both, to assist with the design of a
process to commence collecting a mileage-based user fee on July 1, 2025.
Sec. 25. MILEAGE-BASED USER FEE DESIGN

(a) Definitions. As used in Secs. 23–26 of this act:

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

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

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

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

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

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

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

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

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

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

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

Sec. 26. REPORTS

The Secretary of Transportation and the Commissioner of Motor Vehicles shall file a written report not later than January 31, 2024 with the House and Senate Committees on Transportation, the House Committee on Ways and Means, and the Senate Committee on Finance that provides the following:
(1) a comprehensive implementation plan to commence collecting, on
July 1, 2025, a mileage-based user fee for miles driven by a BEV registered in
Vermont;

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

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

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

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

(3) a recommendation on what should be required in annual reporting on
the mileage-based user fee starting in 2026 for fiscal year 2025, which shall, at
a minimum, address whether the following should be reported on:
(A) the total amount of revenue collected in mileage-based user fees
for the prior fiscal year and an estimate of the total amount of revenue
anticipated to be collected in mileage-based user fees during the subsequent
fiscal year;

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

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

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

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

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

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

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

establish:

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

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

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

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

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

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

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

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

Sec. 27. AGENCY OF TRANSPORTATION EFFORTS TO IMPLEMENT
THE FEDERAL CARBON REDUCTION PROGRAM AND
PROTECT FORMULA PROGRAM; PRIORITIZATION; EQUITY
(a) The Agency of Transportation, through its development of the State’s
Carbon Reduction Strategy, shall:

(1) develop a methodology to:

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

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

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

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

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

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

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

(4) engage in public outreach through the following:

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

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

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

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

(b) The Agency shall develop the State’s Resilience Improvement Plan to
establish how it will use federal monies available under the Promoting
Resilient Operations for Transformative, Efficient, and Cost-Saving
Transportation (PROTECT) Formula Program, established through the IIJA
and codified as 23 U.S.C. § 176, and existing tools and processes to address
transportation resilience, specifically for:
(1) resilience planning, predesign, design, or the development of data
tools to simulate transportation disruption scenarios, including vulnerability
assessments, community response strategies, or evacuation planning and
preparation;

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

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

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

Sec. 28. REPORT ON TRANSPORTATION POLICY STATUTES

The Agency of Transportation shall provide a written report summarizing
the work completed pursuant to Sec. 27 of this act and written
recommendations on how to amend statute, including 19 V.S.A. §§ 10b and
10i, to reflect the work completed pursuant to Sec. 27 of this act to the House
and Senate Committees on Transportation on or before January 15, 2024.
**Complete Streets**

Sec. 29. 19 V.S.A. § 10b is amended to read:

§ 10b. STATEMENT OF POLICY; GENERAL

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(4) Manage available funding to:

* * *
Sec. 30. REPEAL

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

Sec. 31. 19 V.S.A. chapter 24 is added to read:

CHAPTER 24. COMPLETE STREETS

§ 2401. DEFINITION

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

§ 2402. STATE POLICY

(a) Agency of Transportation funded, designed, or funded and designed projects shall seek to increase and encourage more pedestrian, bicycle, and public transit trips, with the State goal to promote intermodal access to the maximum extent feasible, which will help the State meet the transportation-related recommendations outlined in the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b and the recommendations of the Vermont Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

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

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

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

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

§ 2403. PROJECTS NOT INCORPORATING COMPLETE STREETS

PRINCIPLES

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

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

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

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

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

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

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

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

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

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

§ 2404. ANNUAL REPORT; PUBLIC DATA SOURCE

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

(b) Public data source.
(1) The Agency of Transportation shall maintain a web-accessible and web-searchable data source dedicated to complete streets on the Agency’s website that shall contain information on all State-managed transportation projects that have been bid since January 1, 2023, including a description of the project, the location of the project, which complete streets principles were incorporated in the project, as applicable, and an explanation as to which circumstance or circumstances contained in subsection 2403(a) of this chapter existed in the case of projects not incorporating complete streets principles.

(2) The web-accessible and web-searchable data source required under this subsection shall be updated on at least an annual basis.

Sec. 3. IMPLEMENTATION; PUBLIC DATA SOURCE

The Agency shall create and make accessible to the general public the web-accessible and web-searchable data source required under 19 V.S.A. § 2404(b), as added by Sec. 31 of this act, on or before January 1, 2024.

Sec. 33. MUNICIPAL TRAINING ON COMPLETE STREETS

The Agency of Transportation, in consultation with the Vermont League of Cities and Towns and regional planning commissions, shall design and implement a program to provide training on complete streets to municipalities.
Sec. 34. REPLACEMENT OF THE CURRENT VERMONT STATE STANDARDS

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

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

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

Sec. 35. SUPPORT FOR A ROUTE 5 BICYCLE CORRIDOR; SURVEY REPORT

(a) The Agency of Transportation, in partnership with regional planning commissions through the annual Transportation Planning Initiative, shall conduct a survey of municipal support for the creation of a bicycle corridor—consisting of one or more segments of bicycle lanes or bicycle paths, or both—to provide a safe means of travel via bicycle on or along a route that is roughly adjacent to U.S. Route 5 for the approximately 190 miles spanning between the State border with Massachusetts and the State border with Quebec, Canada.
(b) The survey shall address the level of interest of municipalities and regional planning commissions in prioritizing the creation of a bicycle corridor along some or all of U.S. Route 5, including the consideration of the costs of creation and benefits to the tourism industry in Vermont in general and to the municipalities along U.S. Route 5 in particular.

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

* * * Micromobility Safety Education Program; Report * * *

Sec. 36. MICROMOBILITY SAFETY EDUCATION PROGRAM; REPORT

(a) The Agency, in consultation with stakeholders identified by the Agency, shall develop a comprehensive micromobility safety education program that enhances and expands on current efforts to increase safety for individuals who use roads, sidewalks, corridors, and paths in Vermont, with an emphasis on bicycle safety.

(b) The Agency shall provide an oral report on micromobility safety program design, recommended modifications to current efforts to increase micromobility safety throughout the State, and any recommendations for statutory changes needed to support expanded micromobility safety in the State to the House and Senate Committees on Transportation on or before January 31, 2024.
(c) As used in this section, “micromobility” includes the following, as defined in 23 V.S.A. § 4:

(1) bicycles;
(2) electric bicycles;
(3) electric personal assistive mobility devices,
(4) motor-driven cycles, which includes scooters; and
(5) motor-assisted bicycles.

* * * Sunset Extension * * *

Sec. 37. 2018 Acts and Resolves No. 158, Sec. 21 is amended to read:

Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

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

* * * Repeals * * *

Sec. 38. REPEALS

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

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

Sec. 39. EFFECTIVE DATES

(a) This section and Secs. 19 (authority to modify eBike Incentive Program eligibility requirements) and 37 (extension of sunset for Agency of Transportation’s P3 authority) shall take effect on passage.

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

(Committee vote: ____________)

___________________________
Senator _________________

FOR THE COMMITTEE