

February 21, 2025

House Committee on Environment  
115 State Street  
Montpelier, Vermont 05602

Dear Chair Sheldon and Members of the House Committee on Environment,

The undersigned organizations write to you today to respectfully request that the House Committee on Environment recommend that the House Committee on Appropriations continue funding critical cost-saving climate policy. It is imperative Vermont make the following investments – knowing that delays in our work to increase energy affordability, decrease climate pollution and improve Vermont’s resilience to climate-fueled disasters will cost our state today and even more tomorrow.

#### Act 122 (Climate Superfund Act) Implementation

In 2024, Act 122 (the Climate Superfund Act) was enacted with strong panpartisan majorities in the House and Senate. Act 122 tasks the Treasurer’s Office with assessing the historical and projected costs to the State of Vermont and its residents because of changes to the climate attributable to certain greenhouse gas emissions. Examples of costs the Treasurer is tasked with assessing include the financial fallout from increasingly frequent flood devastation and from record-setting increases in heat experienced within Vermont. These and other costly effects of global warming have affected and will continue to affect every county in the state, creating both acute and chronic strains on State, municipal, and private sector finances that must be prudently planned for.

The Treasurer’s Office has requested a total FY26 appropriation of \$825,000.00 to advance the cost-assessment work required by Act 122. This request includes \$700K in contracted technical support to be obtained through Requests for Proposals from those with requisite expertise and \$125,000 to support a new limited-service position dedicated to Act 122 implementation in the coming fiscal year.

**We urge you to support the Treasurer’s request and fully fund this critical work.** It will enable the State to get a clear understanding of the economic damages Vermont has sustained and will likely sustain as the climate continues to change and will provide a legally and scientifically defensible basis to recover a portion of those economic damages from parties bearing significant responsibility for the greenhouse gas emissions that fuel the climate damages.

#### Low- and Moderate-Income Electric Vehicle Incentives

In 2019, the Vermont Legislature created an incentive to help low- and moderate-income Vermonters purchase electric vehicles. The legislature also subsequently authorized and funded MileageSmart, an incredibly successful, equity-focused program run by Capstone Community Action that provides incentives to help low-income Vermonters purchase used EVs and other use high-efficiency vehicles. The legislature also supported Replace Your Ride, which allows low-income Vermonters to trade in an older gas or diesel vehicle for funding for an EV or other form of clean transportation. After several rounds of one-time funding, in 2024, funding for all three programs ran out abruptly in October. These incentives have helped thousands of lower income-earning Vermonters across the state transition to clean, more affordable and more efficient

transportation. To ensure that the green transition is accessible and just, we urge you to recommend that \$14,000,000 be provided to fund these three programs, which would enable them to run for a full fiscal year at the pace they had been utilized at over the course of 2024 up until funding ran out.

It is also critical that we ensure Vermonters are aware of these incentives. To that end, supporting Drive Electric Vermont's marketing initiatives with their request of \$500,000 is vital to ensuring that our communities are building awareness and momentum for the changing car market.

#### Public Transit Funding

Public transit in our state also faces a funding cliff that will harm Vermonters. Some Vermonters have already lost transportation to work, medical services, grocery stores, and other critical services - and hundreds more are at risk with more route cuts planned. Green Mountain Transit, the state's largest provider of public transportation, is facing the need to cut back on dozens of routes across the five counties they serve - and Vermont's rural transit providers aren't far behind.

The Committees on Transportation have heard testimony on a report that plans to separate the rural and urban routes, allocating these rural service areas to other providers. However, this would not happen until July 1, 2026, assuming the Legislature moves forward with this proposal during the current session. Even if that plan is approved, communities in Franklin, Chittenden, and Washington Counties would experience the planned route reductions in the meantime. To prevent this from occurring, GMT would require an additional \$500,000 to maintain services through the end of FY26. To restore services that have already been cut, GMT would require an additional \$700,000 on top of the \$500,000 required to prevent additional service reductions. Both of these amounts would be required on top of the Governor's proposal for GMT funding.

Addressing the climate crisis and maintaining economic stability requires thoughtful investments that protect Vermonters from rising costs, strengthen our communities, and safeguard our shared future. The challenges we face—ranging from increasing climate-related disasters to the need for accessible and reliable transportation—demand collaboration, innovation, and long-term planning. They also demand a sustained commitment to avoid costly inefficiencies and frustration from the starting and stopping of key programs for Vermonters, critical partners (like auto dealers) and state agency staff. Our organizations look forward to working with you to advance these efforts and build a resilient, thriving Vermont for all, and we sincerely thank you for your consideration of these essential investments.

Sincerely,

Conservation Law Foundation  
Vermont Businesses for Social Responsibility  
Vermont Chapter of the Sierra Club  
Vermont Conservation Voters  
Vermont Natural Resources Council  
Vermont Public Interest Research Group