



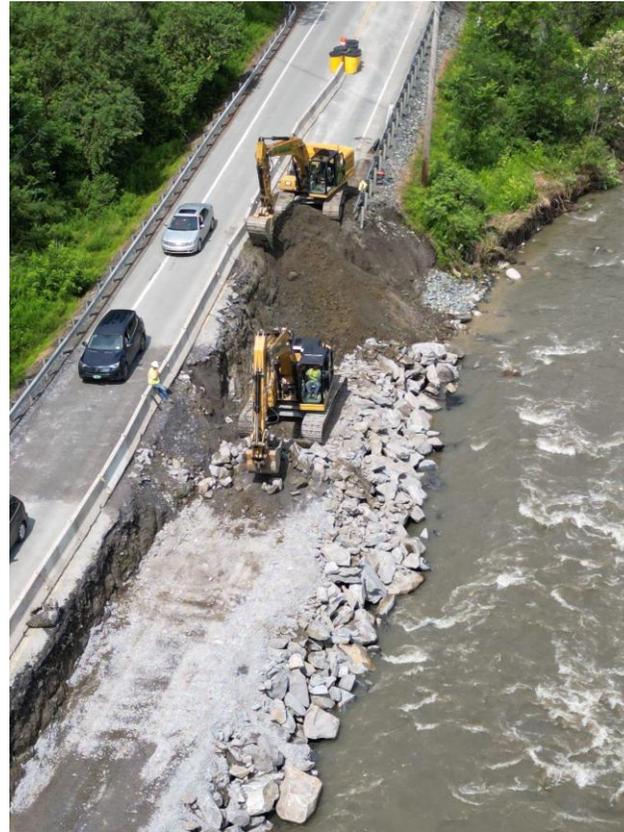
House Transportation

February 18, 2026

Julie Moore, Secretary, Agency of Natural Resources
Jane Lazorchak, Climate Action Office, Agency of Natural Resources

Today's Agenda

- **Climate Action Plan:**
 - What it is
 - How it was updated
 - Priority actions
- **Key Transportation Recommendations**



Vermont's Climate Action Plan (CAP)

**Global Warming
Solutions Act
Passed; Climate
Council established**

2020

**Initial Climate Action
Plan Adopted**

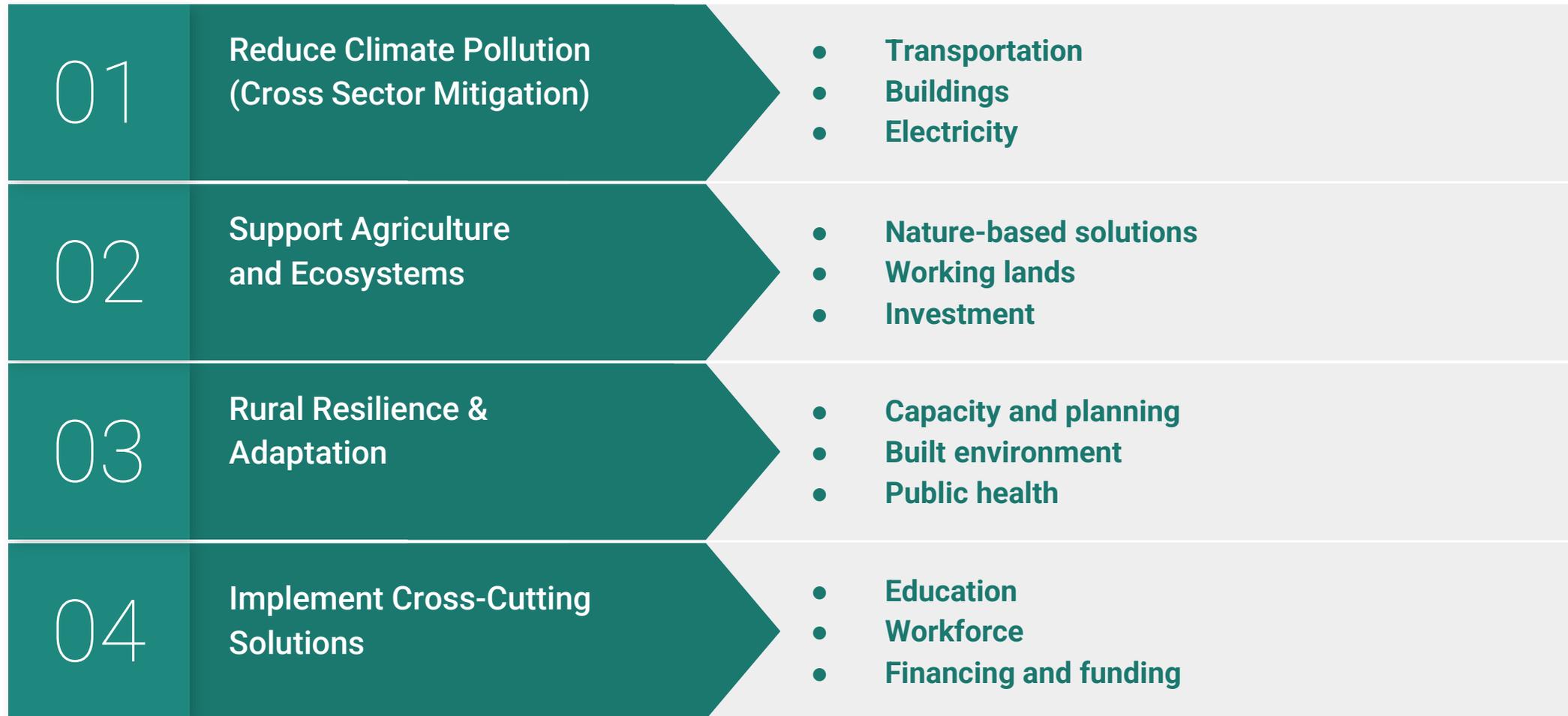
December 2021

**Update every four
years**

Updated
July, 2025



CAP Overview



Updating the Plan: How the Work Happened

Vermont Climate Council & its Five Subcommittees



**Rural
Resilience
&
Adaptation**



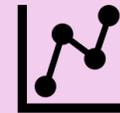
**Agriculture &
Ecosystems**



**Cross-Sector
Mitigation
(Reducing
Climate
Pollution)**

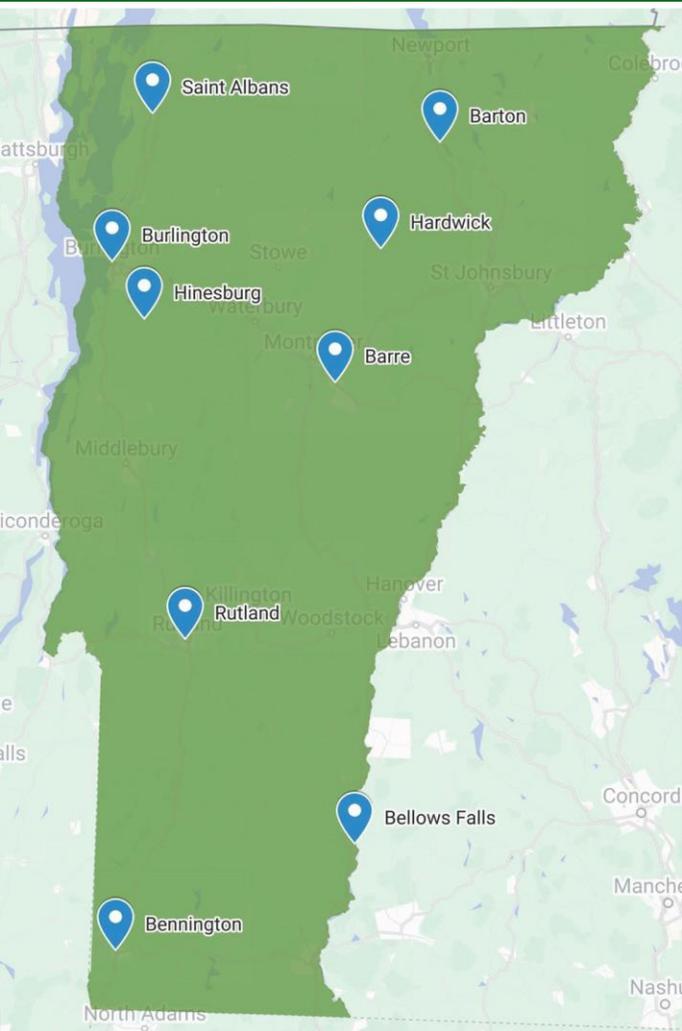


**Just
Transitions**



**Science &
Data**

Public Engagement Around the CAP



- Held **8** in-person and **11** virtual public meetings
- Attended / tabled **24** events
- Partnered with community-based organizations
- Offered multiple ways to provide written or verbal comments



Examples of how public input shaped the CAP

Key Messages from Vermonters:

- “Too many ideas - Prioritize!”
- “Language is not accessible”
- “Be mindful of costs”
- “Need to ensure funding”
- “Why no mention of geothermal networks?”

Climate Council Response:

- Identified Top 10 Priority Actions
- Created a plain language intro and executive summary
- Focused on affordability
- Recommended bridge funding to support near-term action
- Created a new recommendation

Context for the CAP Update

- Unprecedented federal investment in climate action is abruptly ending, reducing federal financial resources available for climate action.
 - Impacts efforts to reduce emissions, support disaster recovery and resilience initiatives.
- The federal government is also pulling back on key policies, such as support for electrification of vehicles and deployment of renewable energy.
 - Vermont already faced a heavy lift to achieve the 2030 emissions reductions requirements under the GWSA and has struggled to fully recover from recent disasters.
- Reduced federal funding, coupled with the finite financial capacity of Vermonters and their municipalities, requires the State to carefully consider how to raise revenue and prioritize investments in reducing emissions and making Vermont more resilient.

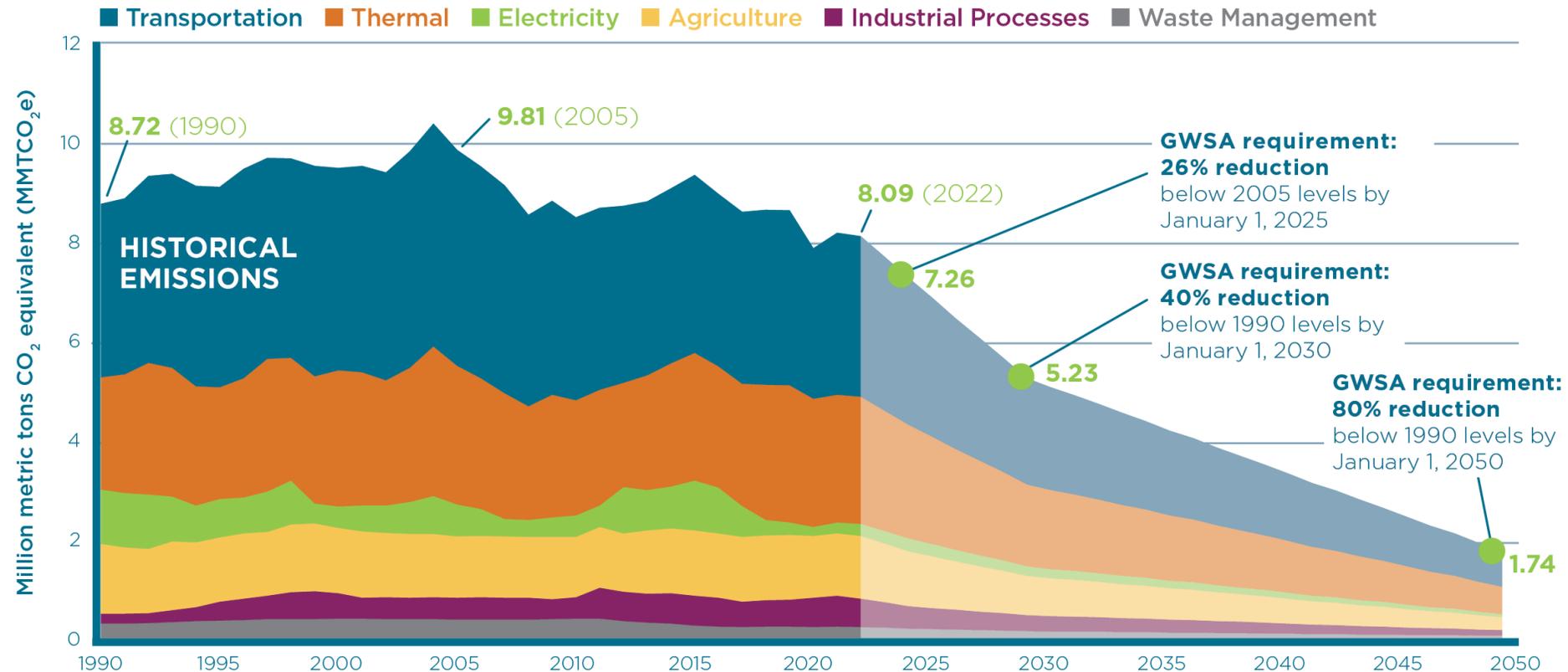
Context for the CAP Update

The CAP Update emphasizes actions that:

- Make investments in resilience, preparedness, and community development that help Vermonters recover more quickly and reduce risk from climate hazards
- Make homes more efficient and help Vermonters switch to more price-stable and affordable sources of heat and transportation, particularly for Vermonters living on low and moderate incomes
- Invest in building the workforce needed to implement these actions
- Identify sustainable, long-term funding to support the actions

Transportation

Vermont's historical GHG emissions and future requirements



Source: Vermont Agency of Natural Resources, "Vermont Greenhouse Gas Emissions Inventory and Forecast: 1990-2022," 2025. Note: A small amount of emissions from the "fossil fuel industry" category (i.e., fugitive emissions from fossil gas pipelines in VT), accounting for 0.4% of Vermont's overall emissions in 2022, is not visible on this graph.



Top 10 Priority Action *Vehicle Electrification*

Reduce greenhouse gas emissions from vehicles through electrification:

- Maintain clean vehicle regulations (ACC and ACT)
- Support AGO in litigation defending state's authority under the Clean Air Act
- Continue to fund EV incentives programs
- Support the build-out of charging infrastructure



Clean Vehicle Regulations

Continue to monitor and maintain Vermont's adoption of the California Advanced Clean Cars II (ACC II) and Advanced Clean Trucks regulations, including adopting rule amendments adopted by California Air Resources Board (CARB) that provide increased compliance flexibility.

Rulemaking will need to be completed by the end of CY26 to remain consistent with California.

EV Purchase Incentives

Support vehicle electrification, ensuring long-term, consistent funding for EV incentives to low- and middle-income car purchasers, which aligns with estimates provided for the Vermont Agency of Transportation's February 2024 Clean Transportation Incentive Programs report, as well as guidance from the February 2025 Legislative Report on Vermont Clean Transportation Incentive Programs.

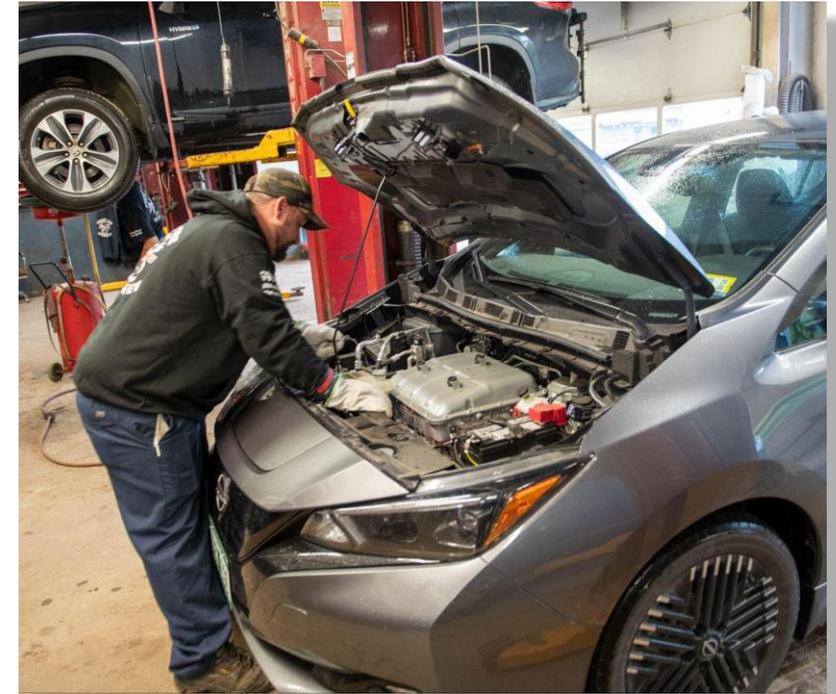
Charging Infrastructure

Support vehicle electrification investment for the equitable deployment of fast charging and Level 2 charging options to levels needed to meet the modeling done in the Pathways 2.0 Report and as estimated in the Agency of Transportation's January 2025 Statewide Level 3 Report, Map, and Funding.

Top 10 Priority Action *Cap-and-Invest Program*

Undertake “pre-work” necessary to join a cap-and-invest program:

- Multi-sector approach (heating and transportation)
- Develop a framework for the reporting of GHG emissions data from fuel suppliers
- Determine the most appropriate and feasible mechanism for addressing affordability concerns
- Monitor cap-and-invest programs in other jurisdictions



Cap-and-Invest Program

Builds on recommendations in the Treasurer's February 2025 report to the General Assembly on feasibility of a cap-and-invest program:

A comprehensive greenhouse gas (GHG) reporting program is foundational for any sector-wide or multi-sectoral policy or regulatory approach to reduce GHG emissions.

Treasurer Pieciak identified the development of a framework for reporting GHG emissions data as a foundational step.

Specifically, ***Treasurer Pieciak concludes that there is no viable cap-and-invest program to join and recommends further evaluation of the benefits and impacts of joining such a program in future, including studying whether and when to establish a GHG emissions reporting program.***

Greenhouse Gas Reporting

The CAP included the following request to ANR:

Develop a framework for the reporting of greenhouse gas emissions data from fuel suppliers and other significant emitters of climate pollution. ANR will work expeditiously to put a reporting framework in place and recommend to the Legislature by December 15, 2025, statutory changes and funding needed to support streamlined reporting requirements and a stepped implementation plan.

H740, currently in HEDI, would establish a GHG reporting program

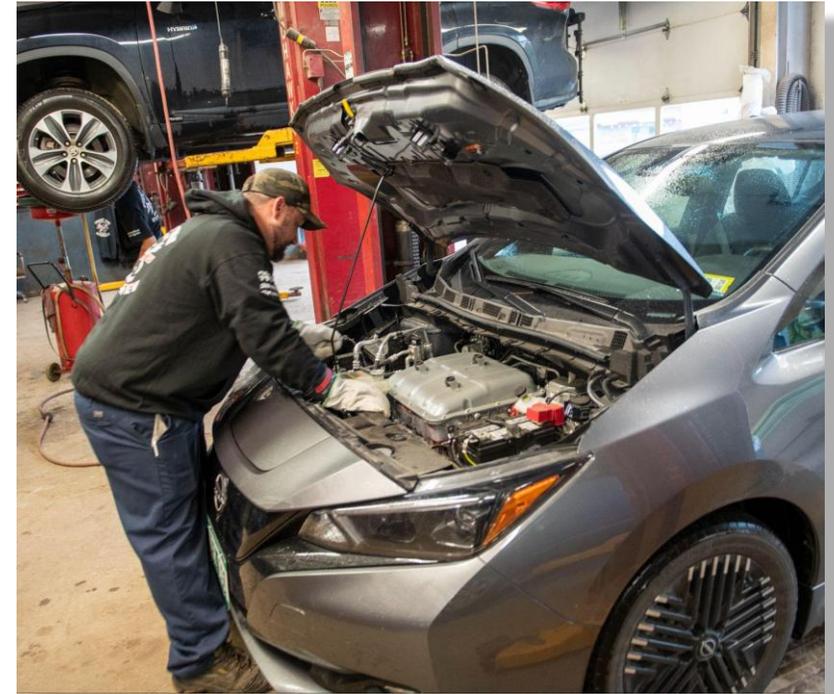
Affordability Concerns

Determine the most appropriate and feasible mechanism(s) for addressing affordability concerns related to the implementation of a cap-and-invest program, including ensuring a significant portion of cap-and-invest revenues are used to:

- Provide direct payments or rebates in as close to real time as possible to Vermonters with low and middle incomes, to offset cost-of-living increases for those households from the program.
- Provide direct incentives to support low- and middle-income households to increase energy efficiency and adopt no-carbon or low-carbon technologies.

Additional Priority Recommendation

Invest in public, active, shared, and multimodal transportation, such as transit, micro transit, biking and walking



Public, Active, Shared, Multimodal Transportation

Use the VTrans July 2024 Vermont Smart Growth, Vehicle Miles Traveled (VMT), and GHG Research Project Report and the November 2023 Carbon Reduction Vermont Strategy and associated GHG Sketch Tool to guide investments that reduce the need for single-occupancy vehicles (also known as reducing vehicle miles traveled), which has important co-benefits such as cost savings to individuals and families, access to jobs, and health and environmental benefits.

Public, Active, Shared, Multimodal Transportation

Leverage the Downtown Transportation Fund in a manner that most effectively accelerates this policy.

Implementation of the Climate Action Plan

- **CAP recommendations require a combination of legislative and administrative action**
 - Implementation of the CAP will require the Legislature to pass significant legislation, as well as allocate the necessary resources to advance key recommendations.
 - The GWSA requires ANR adopt rules consistent with the Climate Action Plan, on or before July 1, 2026, however *the CAP does not direct any rules under that timeline.*
- **Additionally, the Council will continue:**
 - Monitoring and tracking the progress of implementation of the Update to the Climate Action Plan
 - Considering additional resources to make the Plan actionable
 - Working in partnership with State government and the Legislature
 - Convening Climate Council meetings on a quarterly basis to engage with the public
 - Bringing Subcommittees together as needed to support the work of the Climate Council

Questions?

