



State of Vermont

Agency of Transportation

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Memo

To: Chair Walker and Members of House Committee on Transportation
Date: March 17, 2024
From: Patrick Ó. Murphy, State Policy Director
Re: Electrify Your Fleet

Electrify Your Fleet:

(Enacted in Act 62, 2023 Sec 21; modified by 2024 Act 148, Sec. 19)

- Program authorized in June 2023 with \$500k reappropriation
Launched in-house in November 2023
Provides up to \$2,500 for businesses, municipalities and other tax-exempt entities to replace or avoid gas-powered vehicles in their fleets through the purchase of electric vehicles
Applicants capped at 20 vehicles, with nonprofit shared mobility fleets able to access a higher (\$5000) incentive amount. Recipients encouraged to resell vehicles to participating MileageSmart dealerships.

Table with 3 columns: Incentive Type, Incentives Authorized, Grant Funds Authorized. Rows include AEV (Nonprofit Mobility Service Provider), AEV, PHEV, eBike, eATV/eUTV, eSnowmobile, and Total.

Some takeaways:

- Though vehicle turnover rate may be lower than that of an individual household, far fewer eligible entities has meant many fewer transactions to influence with fleet incentive
Decision-making processes can be more complex than a household because of vehicle use cases, multiple decisionmakers, public or budgeting processes, etc
\$2,500 intended to be paired with IRA tax credits, which proved difficult to obtain for many
Greater impact might be had in providing technical assistance and preparing fleets for electric transition