

VADA 2022 FINAL LEGISLATIVE WRAP UP

General Overview

The Vermont General Assembly adjourned the 2022 legislative session the evening of May 12. The legislature did so *sine die*, meaning that it did not set a date to meet again before the 2023 session begins next January. As a result, the only way the legislature can reconvene before January is if the Governor calls a special session.

Because 2022 was the second half of the 2021-2022 legislative biennium all bills that did not pass both chambers by the time of adjournment have died and will not carry forward to the 2023 session.

The 2022 session was dominated by the passage of a record setting \$8.3 billion budget for fiscal year 2023. Using large amounts of federal COVID stimulus funds and buoyed by strong general fund revenues the legislature made significant investments in transportation infrastructure, housing, workforce development, broadband deployment and tax credits for parents with young children.

In contrast to the 2021 session's COVID-related hiatus in conflict between the Democratically controlled legislature and the administration of Republican Governor Phil Scott, the 2022 session was marked, so far, by six gubernatorial vetoes. The legislature unanimously overrode, in both chambers, one of the vetoes. However, it tried and failed to override three of the vetoes and did not try to override two of them. As many bills have yet to be delivered to the Governor for his consideration there will likely be further vetoes. However, because the legislature adjourned *sine die* it is foreclosed from even trying to override any further vetoes of bills passed in 2021-22 session.

Finally, the 2022 session will also be remembered by the significant number of lawmakers who have announced they will not be seeking re-election, including nine long serving Chairs of various House committees and at least ten members of the Senate. The incumbents in four of Vermont's statewide offices – Attorney General, Lt. Governor, Secretary of State and Treasurer - are also not seeking re-election.

BILLS OF INTEREST TO VADA ENACTED INTO LAW IN 2022

Transportation Bill - [H.736](#), An act relating to the Transportation Program and miscellaneous changes to laws related to transportation, the so-called "T-Bill," passed the House and Senate and is awaiting the Governor's signature. The bill contains a whopping \$868 million in transportation spending which includes a large influx of federal stimulus dollars. [Click here](#) for a link to a one-page chart summarizing these appropriations. As summarized in Sec. 2 of the T-Bill, the bill contains the following investments to electrify Vermont's transportation sector through infrastructure upgrades and vehicle incentives:

Infrastructure upgrades

- Authorizes up to \$6.25 million to install level 3 electric vehicle supply equipment (EVSE) along the State highway network and to cover capped administrative costs.
- Amends a state goal to have a level 3 EVSE charging port available to the public within one driving mile, down from five miles, of every exit of the Dwight D. Eisenhower National System of Interstate and Defense Highways within the State and 25 driving miles, down from 50 miles, of another level 3 EVSE charging port available to the public along a state highway
- Authorizes up to \$10 million to install EVSE at multiunit dwellings, workplaces, and public venues and attractions, such as parks, State parks and access areas, downtowns, museums, and ski mountains, and to cover capped administrative costs.

Vehicle incentive programs and expansion of the PEV market

- Authorizes \$12 million for PEV purchase and lease incentives under the Incentive Program for New PEVs and capped administrative costs.
- MileageSmart. Authorizes up to \$3 million for purchase incentives under MileageSmart, which is the State's used high-fuel-efficiency vehicle incentive program, and capped administrative costs.
- Replace Your Ride Program. Authorizes \$3 million 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.
- eBike Incentives. Authorizes \$50,000 for eBike incentives and capped administrative costs.
- Drive Electric Vermont. Authorizes up to \$2 million for the Agency to continue and expand the Agency's public-private partnership with Drive Electric Vermont to support the expansion of the PEV market in the State.

Carbon Reduction Program. Sec. 18 of the bill requires the Agency of Transportation to consult with the Vermont Climate Council and ensure that within the Agency of Transportation's Proposed Transportation Program for fiscal years 2024, 2025, and 2026 all federal monies that are proposed by the State for expenditure under the Carbon Reduction Program are allocated toward projects that align with the recommendations of the Climate Action Plan (CAP).

Hydrofluorocarbons Emissions - [H.523](#), An act relating to reducing hydrofluorocarbons emissions, which has provisions related to those chemicals in certain motor vehicle air conditioners, passed the House and Senate. VADA supports the bill. It was sent to the Governor and is awaiting his signature.

Mercury Lamps - [H.500](#), An act relating to prohibiting the sale of mercury lamps in the State, passed the House and Senate. The bill defines "four-foot linear florescent lamp" and with limited exceptions bans the distribution or sale of them in Vermont after January 1, 2024.

BILLS OF INTEREST TO VADA THAT DID NOT PASS IN 2022

Lawmakers took up and heard testimony on the following bill of interest to VADA, but these bills did not pass:

Motor Vehicle Franchise – Last year lawmakers passed Act 63, which allowed certain zero-emission vehicle manufacturers to sell vehicles directly to consumers and service them in Vermont. The bill also strengthened the motor vehicle franchise law to clarify the activities that are reserved for franchised new motor vehicle dealers including the sale and lease of vehicles and prohibits manufacturers from engaging in these activities and competing against their dealers. The bill also required any person interested in proposing amendments to the franchise law to file them with DMV by December 1, 2021. DMV was then directed to compile all the proposals it received and report to various committees by January 15, 2021, with the intent that the legislature would take up the proposals in 2022. VADA spent a lot of time and effort last summer and fall developing amendments to the motor vehicle franchise law and submitted them to DMV by the December 1st deadline. The Alliance of Automotive Innovation also filed comments asking for amendments including one that would allow all OEM manufacturers to sell vehicles directly to Vermonters, which would gut existing motor vehicle franchises. The Senate Transportation Committee held a number of hearings on all these proposals. The committee asked VADA and the Alliance to agree on a proposal, but the parties were so far apart it wasn't feasible. In the end, the Senate Transportation Committee said the proposals were too complicated to move forward with given the committee's limited time. However, a significant provision that passed in Act 63 and was delayed for a year, namely a provision that prohibits a franchised manufacturer from selling parts at retail or offering subscription agreements directly to consumers in Vermont, was not amended this year despite the Alliance urging lawmakers to do so and will become effective on July 1, 2022.

DMV Miscellaneous Bill - [S.280](#), An act relating to miscellaneous changes to laws related to vehicles, passed the House and Senate but then died. The House added a number of provisions including an education outreach program for idling of vehicles and a report on distracted driving, among other things. The Senate did not support those provisions and the House refused to remove the provisions from the bill, so the bill died. DMV did not urgently need any of the provisions in the bill. VADA did not request or need any of the provisions in this bill.

Thank you for having LPA's team serve as VADA's lobbyists this year. Please let us know if you have questions.