

VADA

2020 FINAL LEGISLATIVE REPORT



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The Vermont General Assembly convened on January 7, 2020 and adjourned *sine die* an unprecedented nearly nine months later on September 25, 2020 due to the COVID-19 pandemic. This report supplements the weekly reports throughout the session and the 2020 interim legislative report sent in July so that VADA members have one place to look for all bills of interest that passed this year. Section 1 of this report contains all the bills of interest to VADA that were enacted into law in 2020. Section 2 contains the key bills of interest to VADA that were introduced during the biennium but did not pass.

SECTION 1: BILLS ENACTED INTO LAW IN 2020

TWO TRANSPORTATION BILLS

In 2020 lawmakers met for two mini-sessions, from January 7 to June 26 and from August 25 to September 25. In between, lawmakers took an eight-week break to assess the impact the pandemic was having on state revenues in order to build a full year state budget. In a typical year there is one annual Transportation Bill but this year there were two, one that passed before lawmakers took a break on June 26 and one that passed before final adjournment on September 25. The two bills are summarized below.

[Act 121 \(H.942\)](#), **An act relating to the Transportation Program and miscellaneous changes to laws related to transportation**, Governor signed on June 30, 2020

This bill passed before lawmakers adjourned on June 26 for a summer break. Most significant for VADA are these sections:

- » **Direct-to-Consumer Motor Vehicle Sales (Sec. 22)** – The Act contains a study of direct-to-consumer motor vehicle sales to Vermonters by entities such as Tesla and Carvana. This study was a compromise in response to [S.241](#), a bill that Senator Andrew Perchlik, D-Washington, said he introduced to make clear that Tesla could sell vehicles directly to Vermonters and could open a service center in Vermont. The bill as introduced amended the definition of “dealer” in department of motor vehicle law to add a definition of “motor vehicle manufacturer that sells directly to consumers” and then allowed such a manufacturer to either directly or indirectly open a repair facility in Vermont and exempts them from Vermont’s motor vehicle franchise law. VADA strongly opposed the bill. As a compromise, VADA



drafted and agreed to a study that was enacted into law. The study requires the Agency of Transportation, in consultation with the Attorney General's Office, the Department of Financial Regulation, a manufacturer that engages in direct-to-consumer motor vehicle sales to Vermont consumers and VADA, to study consumer protection, tax, financing and other laws related to direct-to-consumer sales and report to lawmakers by December 15, 2020.

- » **Vehicle Incentive and Emissions Repair Programs and the New Plug-In Electric Vehicle (PEV) Incentive Program (Secs. 13 & 14).** The bill includes new income guidelines for the New PEV Incentive Program that are based on adjusted gross income rather medium household income and eligibility for weatherization. The maximum incentive is now set at \$4,000 for a battery electric vehicle (BAV) and \$3,000 for a plug-in hybrid electric vehicle (PHEV). MSRP remains at \$40,000. The bill adds \$50,000 in transportation funds for the emissions repair program.

[Act 154 \(H.969\)](#), **An act relating to making appropriations for the support of government Governor**, signed on October 2, 2020

Before lawmakers adjourned on September 25th, they passed Act 154 (H.969), the FY21 budget bill. The budget bill includes the so-called "FY21 Transportation Budget Restatement bill," amending sections of the Transportation Bill enacted into law in June (Act 121/H.942).

The amendments to Act 121 can be found in Secs. G.100 to G.113 on pages 219-236.

- » Act 154 did not further amend the eligibility criteria for the vehicle emission repair or vehicle incentive programs but it did add funding for the New PEV Incentive Program. Sec. B.1100.1(a)(2)(C) appropriates \$1 million in one-time transportation funds for the New PEV Incentive Program for incentives and program development costs "with up to \$100,000.00 of that \$1,000,000.00 available to continue and expand the Agency of Transportation's public-private partnership with Drive Electric Vermont to support the expansion of the plug-in electric vehicle market in the State."
- » Sec. 1100.1(a)(1) appropriates \$900,000 to the Agency of Digital Services for DMV for "information technology system modernization." Testimony indicated DMV will use this funding to purchase software and printers so inspection stations can print inspection stickers.



[Act 153 \(H.688\)](#) **Vermont Global Warming Solutions Act of 2020**

Effective Sept. 22, 2020, the date the Senate overrode the Governor's veto (the House overrode on Sept. 17, 2020)

Act 153 turns Vermont's greenhouse gas reduction goals into greenhouse gas reduction mandates. It creates a 23-member Vermont Climate Council, chaired by the Secretary of Administration, which must adopt a Climate Action Plan by December 1, 2021, and update it every four years thereafter. The Act requires the Agency of Natural Resources to adopt rules consistent with the plan. The Act authorizes any person to bring a lawsuit if ANR does not adopt rules or those rules are deemed insufficient to meet the greenhouse gas reduction mandates. Opponents of the bill, including the Governor, were concerned the state is opening itself up to lawsuits if the state is unable to meet the mandates, among other concerns. Here is a link to a [summary of Act 153](#).

[Act 151 \(S.337\)](#), **An Act Relating to Energy Efficiency Entities and Programs to Reduce Greenhouse Gas Emissions in the Thermal Energy and Transportation Sectors**

Governor signed on September 23, 2020

Act 151 authorizes the use of up to \$2 million per year from existing electric efficiency funds for up to 3 years (\$6 million total) to be spent on programs, measures and services that reduce greenhouse gas emissions in the thermal energy or transportation sectors. The Act is seen as a stop gap measure to fund greenhouse gas emission reduction efforts in the transportation sector until the Public Utility Commission issues its final report in the PUC's "All Fuels Utility" or "Act 62" Docket. The PUC must issue an "all fuels utility" report by January 15, 2021, outlining a proposed revenue source to fund transportation efficiencies the same way that electricity is taxed to pay for electric efficiencies.

[Act 149 \(S.339\)](#), **Miscellaneous Changes to Laws Related to Vehicles**

Governor signed on July 13, 2020

Act 149 contains numerous changes to Vermont's motor vehicle statutes. Some provisions of interest to VADA are:

- » the creation of a new "electronic in-transit registration permit" to allow an individual, other than a motor vehicle dealer, to move a vehicle into or



around the state for the purpose of registering it

- » a provision that allows Vermont residents to get an exempt vehicle title for a vehicle that is more than 15 years old (rather than more than 25 years old)
- » a provision requiring DMV to report in January on the department's procedures for the release of personal information it collects
- » a provision directing the Agency of Transportation to develop an on-line permitting system for trucks and study a number of truck related safety issues

[Act 91 \(H.742\)](#), **An Act Related to Vermont's Response to COVID-19**

Governor signed on March 30, 2020

The bulk of Act 91 relates to health care but Sections 35-37 relate to transportation. The Act allows photographs on driver's license renewals to be up to 16 years old to allow more people to remotely renew their licenses. The Act also requires the Commissioner of DMV to extend for 90 days beyond expiration, all driver's licenses, learner's permits, privileges to operate, non-driver identification cards, registrations, and registration plates or placards for an individual with a disability.

[Act 150 \(S.342\)](#), **An Act Relating to Temporary Workers' Compensation Amendments Related to COVID-10**

Governor signed on July 13, 2020

Act 150 creates a presumption that if an employee is disabled or dies from COVID-19 it will be covered under workers' compensation under certain conditions. The presumption is stronger for "front-line workers." This presumption will be repealed on January 15, 2021 unless the legislature acts to extend it before then. The bill also requires the Commissioner of Financial Regulation to examine the potential for creating a special fund to reimburse workers' compensation insurers and others for workers' compensation costs related to COVID-19.

SECTION 2. BILLS OF INTEREST TO VADA THAT DID NOT PASS

Since this year is the second year of the 2019-2020 biennium, all bills that were not enacted into law do not carry forward to next year and are dead.



[S.135](#), **An Act Relating to Consumer Protection and Automobile Financing** – Passed Senate, died in House Commerce & Economic Development Committee

The Act as introduced includes a cap on dealer reserve and dealer documentation fees, among other provisions that VADA strongly opposes. The Senate dropped those more controversial parts of the bill but the Senate-passed bill requires a dealer to give a consumer a copy of their credit application at the time of vehicle sale. VADA opposes the Senate-passed bill because it allows a consumer to bring a private right of action against a dealer and obtain penalties, attorney's fees, etc, if the dealer simply forgets to give the consumer their credit application at the time of sale. There is no way for the dealer to cure a violation. Rep. Mike Marcotte, Chair, House Commerce and Economic Development Committee, said his committee was too busy addressing COVID-19 to take up S.135 this year. We expect Vermont Legal Aid, the main proponent of the bill, will try again next year.

[S.241](#), **An Act Relating to Motor Vehicle Manufacturers that Sell Directly to Consumers** – This bill was introduced and sent to the Senate Transportation Committee which agreed to study the issue instead of passing the bill. The study was included in Act 121 as described above in Section 1.

[S.185](#), **An act relating to adopting a climate change response plan and regional planning commission involvement in identifying health care-related needs** – Passed Senate, died in House Human Services Committee

This bill required the department of health to develop a climate change response plan by July 1, 2021 and present it to House Committees on Human Services & Health and Welfare and the Senate Committee on Health and Welfare. The bill also requires regional planning commissions to assist hospitals with the development of health needs assessments and to consult with the Agency of Human Services, Dept. of Health and Vermont Emergency Management “to incorporate public health and safety concerns related to climate change into State and local emergency and hazard mitigation, response, and recovery plans.”

THANK YOU FOR HAVING LPA'S TEAM SERVE AS VADA'S LOBBYISTS IN 2020. PLEASE LET US KNOW IF YOU HAVE QUESTIONS.