

**Brief Section-by-Section Summary of [S.99 \(HTC SAA\)](#)
(Misc. Motor Vehicles Bill)**

[NOTE: Highlighting indicates a change from S.99 (APBS)]

Sec. 1 – New Motor Vehicle Arbitration (“Lemon Law”): Amends codified law to provide that consumer continues to have one year following the expiration of the express warranty to recommence proceedings under the new motor vehicle arbitration law (“lemon law”) if proceedings are terminated because manufacturer performs corrective work satisfactory to consumer prior to scheduled hearing. **EFFECTIVE ON PASSAGE.**¹

Sec. 2 – Definition of Mail: Adds to codified law a definition of mail for all of Title 23. Would give the Commissioner of Motor Vehicles the authority to authorize methods of delivery. **EFFECTIVE ON PASSAGE.**

Sec. 3 – Mobile Identification: Adds to codified law a mobile identification, which the Commissioner of Motor Vehicles **may** issue, in addition to and not in lieu of, to an individual who holds a Department of Motor Vehicles credential.

Secs. 4–14 – Validation Stickers: Eliminates the annual (or biennial) validation sticker that the Commissioner of Motor Vehicles currently issues to go on license plates (and makes related technical changes). **Also notwithstands portions of existing rules related to validation sticker requirements and directs the DMV not to enforce/apply those rules. Secs. 4–13 EFFECTIVE ON NOVEMBER 1, 2023; Sec. 14 EFFECTIVE ON PASSAGE.**

Sec. 15 – Electronic Proof of Registration: Allows an operator to show proof of registration electronically on a portable electronic device and allows an operator cited for failing to carry proof of registration to produce proof after-the-fact (within seven days after). **EFFECTIVE ON PASSAGE.**

Secs. 16 and 17 – Plug-In Electric Vehicle (PEV) Registration Fees: Codifies current practice to charge the pleasure car and motorcycle registration fees, respectively, for pleasure cars and motorcycles that are plug-in electric vehicles (not the specialized motor vehicle registration fees (1.75x the pleasure car or motorcycle registration fees, respectively)). **EFFECTIVE ON PASSAGE.**

Sec. 18 – Distracted Driving; Hands-Free Use: Amends codified law related to senior operators being permitted to use a portable electronic device in hands-free use to clarify that **holding** a portable electronic device is a prohibited use of a

¹ Section effective on July 1, 2023, if not specified.

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portable electronic device unless an exemption applies. Also clarifies what it means to be securely mounted (not obstructing windshield and either mounting device is used in accordance with manufacturer specifications or mounting device causes the portable electronic device to remain “completely stationary under typical driving conditions”) and that a hands-free use includes utilizing an internal feature of the portable electronic device or motor vehicle provided that the portable electronic device is not held in one or more of the operator’s hands.

Secs. 19 & 20 – Total Abstinence Program (TAP):

- Amends codified law to define what “total abstinence” from drugs and alcohol means for purposes of participating in the Total Abstinence Program (TAP) and require from passage forward, without regard to when the participant applies for and/or gets a license/privilege to operate reinstated, that failure to maintain total abstinence precludes entrance into and participation in TAP.
- Requires the Commissioner of Motor Vehicles to provide written notice of the amendments in Sec. 19 to all TAP participants and applicants not later than September 1, 2023, and dictates that the “total abstinence means total abstinence as defined in statute” standard applies after passage to all existing and future TAP participants (belts/suspenders approach with effective date in Sec. 47(b)).

EFFECTIVE ON PASSAGE (EXPLANATION IN SEC. 47(b)).

~~**Sec. 21 – Motor Vehicle Noise; Motorcycles:** Amends codified law to require that motorcycles have a stamp with federal Environmental Protection Agency required labeling (states that the exhaust system meets the 80 decibel standard at 50 feet) when operated on highways (defined in [23 V.S.A. § 4](#)).~~

Sec. 21 – Overweight Permits: Amends codified law to eliminate a milk hauler specific permit structure and instead require milk haulers that want to carry milk at 90,000 lbs to either register at 90,000 lbs or register at 80,000 lbs and get an all products permit to carry at 90,000 lbs (reduces the price of the all products permit to what is the current “registered at 80,000 lbs but only hauling milk at 90,000 lbs permit” price).

Sec. 22 – DELETED (was: Contingent Overweight Permit Fee Increases)

Secs. 23 and 24 – Electronic Permits: Amends codified law to:

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- (1) repeal the one subdivision in the subchapter on truck permits that requires permits be carried; and
- (2) add a new section that requires all permits issued under the subchapter be carried by the operator, including in electronic form (preserves civil penalty from repealed subdivision).

EFFECTIVE ON PASSAGE.

Secs. 25–28 – Exempt Vehicle/Certificate of Title: Amends codified law to:

- (1) grandfather in motor vehicles that are more than 15 years old on January 1, 2024, from needing to have a certificate of title (currently 15 years old in general);
- (2) repeal the concept of exempt vehicle title for motor vehicles that are more than 15 years old;
- (3) authorize the Commissioner of Motor Vehicles to issue a certificate of title for a motor vehicle without regard to the age of the motor vehicle; and
- (4) authorize the Commissioner of Motor Vehicles to issue electronic certificates of title if the applicant is entitled to a non-electronic certificate of title.

**EFFECTIVE UPON COMPLETION OF THE VEHICLE SERVICES
MODULE (~NOV. 2023).**

Sec. 29 – Nonresident Certificate of Title: Amends codified law applicable when the Commissioner of Motor Vehicles is not satisfied as to the ownership of the motor vehicle or that there are no undisclosed security interests so that the DMV can no longer register the motor vehicle and issue a certificate of title to a nonresident based on the filing of a bond (and other related requirements). Bond will still be an option for a resident of Vermont and nonresidents will still be able to register the vehicle/get a certificate of title if no issues regarding ownership or undisclosed security interests.

Secs. 30–33 – Towing: Amends codified law to:

- (1) define towing business for purposes of Title 23;
- (2) allow a vehicle to meet the definition of “abandoned” if a law enforcement officer requests that the vehicle be removed by a towing business;
- (3) define law enforcement officer and what sorts of motor vehicles can be abandoned (basically anything with an identification plate/number or that is titleable) for purposes of the abandoned motor vehicle subchapter;

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- (4) clarify that the landowner (defined) of the property where and abandoned motor vehicle is located—which could be the towing business if the vehicle is relocated—can apply for an abandoned motor vehicle certification and expands both the time to file the certification from 30 to 90 days and who can certify the VIN of the abandoned motor vehicle; **and**
- (5) increase the State-reimbursement rate for towing an abandoned motor vehicle from public property from \$40 to \$125 and eliminate the existing \$16,000 cap for total reimbursements in a fiscal year.
- ~~(6) create a towing and storage lien that is held by a towing business for the towing business's reasonable towing, storage, and remediation charges and allows for the towing business to retain the vehicle and its contents until the reasonable charges are paid or bond provided.~~

Sec. 34 – Reports on Amount Paid by State for Towing Abandoned Motor Vehicles from Public Property: Requires (1) an oral report from the DMV not later than February 15, 2024, on the amount paid during the first six months of FY24 and a summary of any changes to DMV processes related to paying for the towing of abandoned motor vehicles from public property implemented after May 1, 2023, and (2) a written report from the DMV not later than December 15, 2025, on the amount paid during FY24 and FY25 and a summary of any changes to DMV processes related to paying for the towing of abandoned motor vehicles from public property implemented after May 1, 2023.

Sec. 35 – Towing Working Group; Report: Requires the Office of the Attorney General to consult with the Department of Financial Regulation, the Department of Motor Vehicles, the Office of Professional Regulation, and the Office of the Vermont State Treasurer and engage in a working group process to study vehicle towing practices in Vermont. As part of that study, there needs to be at least one public hearing and an invitation to listed stakeholders. Study needs to address, at a minimum: (1) pricing of towing and recovery; (2) crash site remediation; (3) storage practices; (4) practices relating to abandonment or suspected abandonment; (5) any applicable recommendations for amendments to State statute; (6) best practices from other states; and (7) any other information that the Office of the Attorney General deems pertinent to the study. Report due by December 15, 2023 to the House Committees on Commerce and Economic Development, on Government Operations and Military Affairs, and on Transportation and the Senate

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Committees on Economic Development, Housing and General Affairs, on Finance, on Government Operations, and on Transportation.

Sec. 36 – Snowmobiles; Proof of Insurance: Amends codified law to require a snowmobile operator to carry proof of insurance, but allows that to be done electronically on a portable electronic device and allows an operator cited for failing to carry proof of insurance to produce proof after-the-fact (within seven days after).

Sec. 37 – Commercial Driver’s Licenses Drug and Alcohol Clearinghouse: Amends codified law to require the Commissioner of Motor Vehicles to check the federal Commercial Driver’s License Clearinghouse before issuing a commercial driver’s license or commercial learner’s permit and establishes denial criteria based on that search. **EFFECTIVE ON NOVEMBER 18, 2024 (WHEN FEDERAL REQUIREMENT IS EFFECTIVE).**

Sec. 38 – Purchase and Use Tax – Taxable Cost Definition: Amends codified law to allow the total cost to exclude the value of a vehicle that was previously registered OR titled (titling being the addition) because there are a limited number of motor vehicles that do not need to be registered and title only transactions also trigger the payment of purchase and use tax.

Sec. 39 – Purchase and Use Tax – Exceptions from Purchase and Use Tax: Amends codified law to expand the exception for a motor vehicle registered to an applicant in a jurisdiction that imposes a state sales and use tax on motor vehicles to apply if the motor vehicle has been registered to the applicant in such a jurisdiction for any amount of time, as opposed to 3+ years.

Sec. 40 – Gross Weight Limits on Highways Report: Requires the Secretary of Transportation or designee, in consultation with other individuals, to examine adding one or more special annual permits to statute to allow for the operation of motor vehicles over 99,000 pounds with a report due back to the House and Senate Committees not later than January 15, 2024. Includes minimum areas that need to be addressed, including a permit that allows 107,000 pounds on six axles or 117,000 pounds on seven axles.

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Sec. 41 – DMV Core System Modernization: Includes findings of fact on the specifics of the DMV Core System Modernization project and how/why there might need to be involvement of/partnership with the General Assembly during the ~18 months that the module is being designed and implemented to ensure that statute is amended to allow for efficiencies and optimization that might otherwise be in conflict with statute. Also includes findings on how this project can be a model for other modernization projects. **Three** reports to the Joint Transportation Oversight Committee (JTOC), the Joint Fiscal Committee (JFC), and the House and Senate Committees on Transportation due by July **31**, 2024 (**six** months after the DMV expects to start working on the driver services module), **October 15, 2024** (after the definitions and design phase is completed), and **January 15, 2025** (to new General Assembly/after the development phase is completed) **and two joint meetings of the House and Senate Committee on Transportation by January 31, 2025 and April 30, 2025 (bookends of session, when work will start/conclude on the Misc. MV Bill).** Expectation is that committees that receive the reports **and participate in the joint meetings** will have an opportunity to (and therefore hopefully will) comment on concerns with any of the recommendations from the DMV on how statute might need to be amended.

Sec. 42 – Excessive Motor Vehicle Noise Report: The Commissioner of Motor Vehicles, in consultation with the Commissioner of Public Safety and the Vermont League of Cities and Towns, is required to report on current and potential enforcement practices around excessive motor vehicle noise and make recommendations on ways to limit excessive motor vehicle noise in Vermont. Minimum facets that need to be looked at in the report include a recommendation on a noise standard, enforcement costs, **possible options to address excessive motor vehicle noise without utilizing noise testing (such as visual inspection for modifications and labeling requirements),** and approaches from other states. Report due to House and Senate Committees on Transportation by January 1, 2025.

~~Secs 17 and 18 – Statutory Default Speed Limits:~~ Changes the statutory default speed limit for unpaved and unposted town highways to 35 mph (as opposed to the current State-wide statutory default speed limit of 50 mph) and requires outreach materials from the Agency of Transportation. **NEW STATUTORY DEFAULT SPEED LIMITS EFFECTIVE ON JULY 1, 2024.**

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Sec. 43 – Outreach to Municipalities on Speed Limits: Requires the Agency of Transportation, in consultation with VLCT and the regional planning commissions, to design and implement a program to provide outreach to municipalities on setting, posting, and enforcing speed limits on town highways.

Secs. 44–46 – ATV Split: Preserves the 90 (Department of Forests, Parks and Recreation)/10 (Transportation Fund) split of ATV fees and penalties, with the 90% share going to VASA, and the \$7,000 for administrative costs (to DFPR).

Sec. 47 – Effective Dates