

BILL AS INTRODUCED AND PASSED BY SENATE AND HOUSE S.272
2018
Page 1 of 39

1 S.272

2 Introduced by Senators Mazza and Westman

3 Referred to Committee on Transportation

4 Date: January 3, 2018

5 Subject: Motor vehicles

6 Statement of purpose of bill as introduced: This bill proposes to:

7 (1) require the Commissioner of Motor Vehicles to suspend both the
8 license and the registration of a person who fails to promptly make good on a
9 bad check that the person tendered to the Department of Motor Vehicles, but
10 provide that the person will not be required to pay a fee in order to reinstate
11 the registration;

12 (2) authorize the Commissioner to issue a set of special registration
13 plates to the parent or guardian of a person with a permanent disability;

14 (3) eliminate requirements that a motor vehicle registrant return license
15 plates to the Commissioner when his or her registration is cancelled;

16 (4) update existing provisions granting certain fee and tax exemptions to
17 veterans who receive financial assistance from the U.S. Department of
18 Veterans Affairs to acquire a motor vehicle to reflect the current nature of the
19 financial assistance;

20 (5) make miscellaneous changes to the Total Abstinence Program for
21 reinstatement of a person's driving privileges following a lifetime suspension

1 for driving under the influence;

2 (6) require fuel tax payments to be transmitted to the Department of
3 Motor Vehicles by means of Automated Clearing House payments, except in
4 the case of persons required to submit diesel tax payments as users;

5 (7) add siblings to the class of persons to whom vehicles may be
6 transferred without triggering the motor vehicle purchase and use tax.

7 ~~An act relating to miscellaneous changes to laws related to motor vehicles
8 and motorboats.~~

An act relating to miscellaneous changes to laws related to motor vehicles

9 It is hereby enacted by the General Assembly of the State of Vermont:

10 * * * Bad Checks; Suspension of License, Registration * * *

11 Sec. 1. 23 V.S.A. § 110 is amended to read:

12 § 110. BAD CHECKS RECEIVED FOR FEES

13 (a) Whenever any check issued in payment of any fee or for any other
14 purpose is tendered to the Department of Motor Vehicles and payment is not
15 honored by the bank on which the check is drawn, the Commissioner shall
16 send a written notice of its nonpayment to the maker or person presenting the
17 check, and if the check is not made good forthwith, he or she shall suspend the
18 license ~~or and~~ registration of the person or persons. In no case shall the license
19 or registration be reinstated until settlement has been made in full. Settlement
20 ~~in full shall also include the payment of any penalties assessed by the State~~

Treasurer

* * *

Sec. 2. 23 V.S.A. § 308(c) is amended to read:

(c) Prior to terminating the revocation of a registration or reinstating a registration following suspension, the Commissioner shall require payment of a fee equivalent to the fee prescribed in section 675 of this title, except that no such fee shall be imposed if the registration was suspended or revoked following its erroneous issuance by the Commissioner or if the registration was suspended pursuant to section 110 of this title. This fee shall be in addition to any other fee that may be required by law.

* * * Special Plates and Placards for Persons with Disabilities * * *

Sec. 3. 23 V.S.A. § 304a(b) is amended to read:

(b) Special registration plates or removable windshield placards, or both, shall be issued by the Vermont Commissioner of Motor Vehicles. The placard shall be issued without a fee to a person who is blind or has an ambulatory disability. One set of plates shall be issued without additional fees for a vehicle registered or leased to a person who is blind or has an ambulatory disability or to a parent or guardian of a person with a permanent disability.

The Commissioner shall issue these placards or plates under rules adopted by him or her after proper application has been made to the Commissioner by any person residing within the State of Vermont. Application forms shall be

1 available on request at the Department of Motor Vehicles

2 * * * Eliminating Requirements to Return License Plates * * *

3 Sec. 4. 23 V.S.A. § 326 is amended to read:

4 § 326. REFUND UPON LOSS OF VEHICLE

5 The Commissioner may cancel the registration of a motor vehicle when the
6 owner thereof proves to his or her satisfaction that it has been totally destroyed
7 by fire, or, through accident or wear, has become wholly unfit for use and has
8 been dismantled. Upon the cancellation of such registration and the return to
9 the Commissioner of the ~~number plates~~ registration certificate, and of the
10 validation sticker (~~if issued for that year~~) if it is not affixed to the number
11 plate, the Commissioner shall certify to the Commissioner of Finance and
12 Management the fact of such cancellation, giving the name of the owner of
13 such the motor vehicle, his or her address, the amount of the registration fee
14 paid, and the date of such cancellation. The Commissioner of Finance and
15 Management shall issue his or her warrant in favor of the owner for such
16 percent of the registration fee paid as the unexpired term of the registration
17 bears to the entire registration period, but in no case shall the Commissioner
18 retain less than \$5.00 of the fee paid.

19 Sec. 5. 23 V.S.A. § 327 is amended to read:

20 § 327. REFUND WHEN PLATES NOT USED

21 ~~Subject to the conditions set forth in subdivisions (1), (2), and (3) of this~~

1 section, the Commissioner may cancel the registration of a motor vehicle,
2 snowmobile, or ~~motor boat~~ motorboat when the owner returns the number
3 plates, ~~if any,~~ and the registration certificate, and the validation sticker if it is
4 not affixed ~~to the number plate,~~ to the Commissioner. Upon cancellation of
5 the registration, the Commissioner shall notify the Commissioner of Finance
6 and Management, who shall issue a refund as follows:

7 (1) For registrations cancelled prior to the beginning of the registration
8 period, the refund is the full amount of the fee paid, less a ~~fee charge~~ of \$5.00.

9 (2) For registrations cancelled within 30 days of the date of issue, the
10 refund is the full amount of the fee paid, less a charge of \$5.00. The owner of
11 a motor vehicle must prove to the Commissioner's satisfaction that the number
12 plates have not been used or attached to a motor vehicle.

13 (3) For registrations cancelled prior to the beginning of the second year
14 of a two-year registration period, the refund is one-half of the full amount of
15 the two-year fee paid, less a charge of \$5.00.

16 * * * Veterans; Fee Exemptions * * *

17 Sec. 6. 23 V.S.A. § 378 is amended to read:

18 § 378. VETERANS' EXEMPTIONS

19 No fees shall be charged an honorably discharged veterans veteran of the
20 U.S. Armed Forces, who are residents is a resident of the State of Vermont for
21 the registration of a motor vehicle granted that the veteran by the veterans

1 Administration has acquired with financial assistance from the U.S.
2 Department of Veterans Affairs, or for the registration of a motor vehicle
3 owned by him or her during his or her lifetime obtained as a replacement
4 thereof, when his or her application is accompanied by a certificate copy of an
5 approved VA Form 21-4502 issued by the Veterans' Administration center
6 U.S. Department of Veterans Affairs certifying him or her to be entitled to
7 such exemption the financial assistance.

8 Sec. 7. 23 V.S.A. § 609 is amended to read:

9 § 609. VETERANS' EXEMPTION
10 No fees shall be charged an honorably discharged veterans veteran of the
11 U.S. Armed Forces, who are residents is a resident of the State of Vermont, for
12 a license to operate a motor vehicle, when the veteran has received acquired a
13 motor vehicle with financial assistance from the Veterans' Administration U.S.
14 Department of Veterans Affairs and he or she is otherwise eligible to be
15 granted such the license, and when his or her application is accompanied by a
16 certificate copy of an approved VA Form 21-4502 issued by the Veterans'
17 Administration center U.S. Department of Veterans Affairs certifying him or
18 her to be entitled to such exemption the financial assistance.

19 Sec. 8. 23 V.S.A. § 2002(a) is amended to read:

20 (a) The Commissioner shall be paid the following fees:
21 (1) for any certificate of title, including a salvage certificate of title, or
22 an exempt vehicle title, \$35.00,

1

* * *

2

(11) for a certificate of title for a motor vehicle granted acquired by a
veteran by with financial assistance from the Veterans' Administration U.S.
Department of Veterans Affairs and exempt from registration fees pursuant to
section 378 of this title, no fee;

6

* * *

7

Sec. 9. 32 V.S.A. § 8911 is amended to read:

8

§ 8911. EXCEPTIONS

9

The tax imposed by this chapter shall not apply to:

10

* * *

11

(14) A motor vehicle granted acquired by a veteran by with financial
assistance from the Veterans' Administration U.S. Department of Veterans
Affairs, or a vehicle obtained as a replacement to one granted acquired with
such assistance, when accompanied by a certificate copy of an approved VA
Form 21-4502 issued by the Veterans' Administration Center U.S. Department
of Veterans Affairs certifying the veteran to be entitled to the exemption
financial assistance.

18

* * *

19

* * * Restoration of Driving Privileges Under Total Abstinence Program * * *

20

Sec. 10. 23 V.S.A. § 1209a(b) is amended to read:

21

(b) Abstinence.

22

~~(1)(A) Notwithstanding any other provision of this subchapter, a person~~

1 whose license or privilege to operate has been suspended or revoked for life
2 under this subchapter may apply to the Driver Rehabilitation School Director
3 and to the Commissioner for reinstatement of his or her driving privilege. The
4 person shall have completed three years of total abstinence from consumption
5 of alcohol or nonprescription regulated drugs, or both. The use of a regulated
6 drug in accordance with a valid prescription shall not disqualify an applicant
7 for reinstatement of his or her driving privileges unless the applicant used the
8 regulated drug in a manner inconsistent with the prescription label.

9 (B) The beginning date for the period of abstinence shall be no
10 sooner not earlier than the effective date of the suspension or revocation from
11 which the person is requesting reinstatement and shall not include any period
12 during which the person is serving a sentence of incarceration to include
13 furlough. The application shall include the applicant's authorization for a
14 urinalysis or oral fluid examination to be conducted prior to reinstatement
15 under this subdivision. The application to the Commissioner shall be
16 accompanied by a fee of \$500.00. The Commissioner shall have the discretion
17 to waive the application fee if the Commissioner determines that payment of
18 the fee would present a hardship to the applicant.

19 (2) If the Commissioner or a medical review board convened by the
20 Commissioner is satisfied by a preponderance of the evidence that the
21 applicant has abstained for the required number of years immediately

1 preceding the application and hearing, has successfully completed a therapy _____
2 program as required under this section, and has operated under a valid ignition
3 interlock RDL or under an ignition interlock certificate for at least three years
4 following the suspension or revocation, and the person appreciates that he or
5 she cannot drink any amount of alcohol and drive safely at all under any
6 circumstances, the person's license or privilege to operate shall be reinstated
7 immediately, subject to the condition that the person's suspension or
8 revocation will be put back in effect in the event any further investigation
9 reveals a return to the consumption of alcohol or drugs and to such additional
10 conditions as the Commissioner may impose. The Commissioner may cause
11 to be undertaken annual compliance checks of persons reinstated under this
12 subsection. The requirement to operate under an ignition interlock RDL or
13 ignition interlock certificate shall not apply if the person is exempt under
14 subdivision (a)(4) of this section.

15 (3) When an enforcement officer has reasonable grounds to believe that
16 the person has violated a condition of reinstatement, on request the person
17 shall provide the sample needed for a urinalysis or oral fluid examination or
18 the breath needed for screening with a preliminary alcohol screening device.
19 If after notice and hearing the Commissioner later finds that the person was
20 violating the conditions of the person's reinstatement under this subsection, the
21 person's operating license or privilege to operate shall be immediately

1 suspended or revoked for life

2 (4) If the Commissioner finds that a person reinstated under this
3 subsection was suspended pursuant to section 1205 of this title, or was
4 convicted of a violation of section 1201 of this title, or refuses to provide a
5 sample for testing requested pursuant to subdivision (3) of this subsection
6 when the enforcement officer has reasonable grounds to believe that the person
7 has violated a condition of reinstatement, the person shall be conclusively
8 presumed to be in violation of the conditions of his or her reinstatement.

9 (5) A person shall be eligible for reinstatement under this subsection
10 only once following a suspension or revocation for life.

11 * * *

12 Sec. 11. APPLICABILITY OF TOTAL ABSTINENCE PROGRAM

13 AMENDMENTS

14 The following amendments to 23 V.S.A. § 1209a(b) made in Sec. 10 of this
15 act shall not apply to a person whose license or privilege to operate was
16 restored under the Total Abstinence Program prior to the effective date of
17 Sec. 10:

18 (1) the amendment to 23 V.S.A. § 1209a(b)(2) authorizing the
19 Commissioner of Motor Vehicles to undertake annual compliance checks of
20 persons reinstated under the Program;

21 (2) the amendment to 23 V.S.A. § 1209a(b)(3) obligating a person

1 reinstated under the Program to provide the sample needed for a urinalysis or
2 oral fluid examination or the breath needed for screening with a preliminary
3 alcohol screening device when an enforcement officer has reasonable grounds
4 to believe that the person has violated a condition of reinstatement;

5 (3) the amendment to 23 V.S.A. § 1209a(b)(4) providing that a person
6 who refuses to provide a sample for testing in accordance with 23 V.S.A.
7 § 1209a(b)(3) shall be conclusively presumed to be in violation of the
8 conditions of his or her reinstatement.

9 * * * Means of Transmitting Fuel Tax Payments * * *

10 Sec. 12. 23 V.S.A. § 3015 is amended to read:

11 § 3015. COMPUTATION AND PAYMENT OF TAX
12 Each report required under section 3014 of this title from licensed
13 distributors, dealers, or users shall be accompanied by evidence of an
14 Automated Clearing House payment or a remittance payable to the Department
15 of Motor Vehicles for the amount of tax due, which shall be computed and
16 transmitted in the following manner:

17 * * *

18 (3)(A) Distributors and dealers filing a report required under subsection
19 3014(a) of this title shall transmit payment of taxes due to the Department of
20 Motor Vehicles by means of an Automated Clearing House payment.

21 (B) Users filing a report required under subsection 3014(b) of this
22 title shall transmit payment of taxes due to the Department of Motor Vehicles

1 ~~by means of an Automated Clearing House payment or by a remittance~~
2 ~~through U.S. mail. If a remittance to cover payment of taxes due as shown by~~
3 ~~a report required by this chapter is sent through the U.S. mail properly~~
4 addressed to the Department of Motor Vehicles, it shall be deemed received on
5 the date shown by the postmark on the envelope containing the report only for
6 purposes of avoiding penalty and interest. In the event a mailing date is
7 affixed to the envelope by a machine owned or under the control of the person
8 submitting the report, and the U.S. Post Office has corrected or changed the
9 date stamped thereon by causing the official U.S. Post Office postmark to also
10 be imprinted on the envelope, the date shown by the official Post Office
11 postmark shall be the accepted date if different from the original postmark.

12 * * *

13 Sec. 13. 23 V.S.A. § 3106(b) is amended to read:

14 (b) ~~If a remittance to cover On or before the due date established by section~~
15 ~~3108 of this title, payment of taxes due as shown by a report required by this~~
16 ~~chapter is sent through the U.S. mail properly addressed shall be transmitted to~~
17 ~~the Department of Motor Vehicles, it shall be deemed received on the date~~
18 ~~shown by the postmark on the envelope containing the report only for~~
19 ~~purposes of avoiding penalty and interest. In the event a mailing date is affixed~~
20 ~~to the envelope by a machine owned or under the control of the person~~
21 ~~submitting the report, and the U.S. Post Office has corrected or changed the~~

1 date stamped by causing the official U.S. Post Office postmark to also be _____
2 imprinted on the envelope, the date shown by the official post office postmark
3 shall be the accepted date if different from the original postmark by means of
4 an Automated Clearing House payment.

5 * * *

6 * * * Motor Vehicle Purchase and Use Tax * * *

7 Sec. 14. 32 V.S.A. § 8911 is amended to read:

8 § 8911. EXCEPTIONS

9 The tax imposed by this chapter shall not apply to:

10 * * *

11 (8) Motor vehicles transferred to the spouse, mother, father, child,
12 sibling, grandparent, or grandchild of the donor, or to a trust established for the
13 benefit of any such persons or for the benefit of the donor, or subsequently
14 transferred among such persons, provided such the motor vehicle has been
15 registered or titled in this State in the name of the original donor.

16 * * *

17 * * * Effective Dates * * *

18 Sec. 15. EFFECTIVE DATES

19 (a) Secs. 12–13 (means of transmitting fuel tax payments) shall take effect
20 on January 1, 2019.

21 (b) This section and all other sections shall take effect on July 1, 2018.

~~Special Plates and Placards for Persons with Disabilities~~

~~Sec. 1. 23 V.S.A. § 304a(l) is amended to read:~~

~~(b) Special registration plates or removable windshield placards, or both, shall be issued by the Vermont Commissioner of Motor Vehicles. The placard shall be issued without a fee to a person who is blind or has an ambulatory disability. One set of plates shall be issued without additional fees for a vehicle registered or leased to a person who is blind or has an ambulatory disability or to a parent or guardian of a person with a permanent disability. The Commissioner shall issue these placards or plates under rules adopted by him or her after proper application has been made to the Commissioner by any person residing within the State of Vermont. Application forms shall be available on request at the Department of Motor Vehicles.~~

* * *

~~* * * Eliminating Requirements to Return License Plates * * *~~

~~Sec. 2. 23 V.S.A. § 326 is amended to read:~~

~~§ 326. REFUND UPON LOSS OF VEHICLE~~

~~The Commissioner may cancel the registration of a motor vehicle when the owner thereof proves to his or her satisfaction that it has been totally destroyed by fire, or; through accident or wear, has become wholly unfit for use and has been dismantled. Upon the cancellation of such After the Commissioner cancels the registration and the return owner returns to the Commissioner of either the registration certificate, or the number plates and the validation sticker (if issued for that year), the Commissioner shall certify to the Commissioner of Finance and Management the fact of such the cancellation, giving the name of the owner of such the motor vehicle, his or her address, the amount of the registration fee paid, and the date of such cancellation. The Commissioner of Finance and Management shall issue his or her warrant in favor of the owner for such percent of the registration fee paid as the unexpired term of the registration bears to the entire registration period, but in no case shall the Commissioner retain less than \$5.00 of the fee paid.~~

~~Sec. 3. 23 V.S.A. § 327 is amended to read:~~

~~§ 327. REFUND WHEN PLATES NOT USED~~

~~Subject to the conditions set forth in subdivisions (1), (2), and (3) of this section, the Commissioner may cancel the registration of a motor vehicle, snowmobile, or motor boat motorboat when the owner returns to the Commissioner either the number plates, if any, and or the registration certificate to the Commissioner. Upon cancellation of the registration, the Commissioner shall notify the Commissioner of Finance and Management, who shall issue a refund as follows:~~

(1) For registrations cancelled prior to the beginning of the registration period, the refund is the full amount of the fee paid, less a fee charge of \$5.00.

(2) For registrations cancelled within 30 days of the date of issue, the refund is the full amount of the fee paid, less a charge of \$5.00. The owner of a motor vehicle must prove to the Commissioner's satisfaction that the number plates have not been used or attached to a motor vehicle.

(3) For registrations cancelled prior to the beginning of the second year of a two-year registration period, the refund is one-half of the full amount of the two-year fee paid, less a charge of \$5.00.

* * * Veterans; Fee Exemptions * * *

Sec. 4. 23 V.S.A. § 378 is amended to read:

§ 378. VETERANS' EXEMPTIONS

No fees shall be charged an honorably discharged veterans veteran of the U.S. Armed Forces, who are residents is a resident of the State of Vermont for the registration of a motor vehicle granted that the veteran by the Veterans' Administration has acquired with financial assistance from the U.S. Department of Veterans Affairs, or for the registration of a motor vehicle owned by him or her during his or her lifetime obtained as a replacement thereof, when his or her application is accompanied by a certificate copy of an approved VA Form 21-4502 issued by the Veterans' Administration center U.S. Department of Veterans Affairs certifying him or her to be entitled to such exemption the financial assistance.

Sec. 5. 23 V.S.A. § 609 is amended to read:

§ 609. VETERANS' EXEMPTION

No fees shall be charged an honorably discharged veterans veteran of the U.S. Armed Forces, who are residents is a resident of the State of Vermont, for a license to operate a motor vehicle, when the veteran has received acquired a motor vehicle with financial assistance from the Veterans Administration U.S. Department of Veterans Affairs and he or she is otherwise eligible to be granted such the license, and when his or her application is accompanied by a certificate copy of an approved VA Form 21-4502 issued by the Veterans' Administration center U.S. Department of Veterans Affairs certifying him or her to be entitled to such exemption the financial assistance.

Sec. 6. 23 V.S.A. § 2002(a) is amended to read:

(a) The Commissioner shall be paid the following fees:

(1) for any certificate of title, including a salvage certificate of title, or an exempt vehicle title, \$35.00.

* * *

(11) for a certificate of title for a motor vehicle granted acquired by a veteran by with financial assistance from the Veterans' Administration U.S. Department of Veterans Affairs and exempt from registration fees pursuant to section 378 of this title, no fee;

* * *

Sec. 7. 32 V.S.A. § 8911 is amended to read:

§ 8911. EXCEPTIONS

The tax imposed by this chapter shall not apply to:

* * *

(14) A motor vehicle granted acquired by a veteran by with financial assistance from the Veterans' Administration U.S. Department of Veterans Affairs, or a vehicle obtained as a replacement to one granted acquired with such assistance, when accompanied by a certificate copy of an approved VA Form 21-4502 issued by the Veterans' Administration Center U.S. Department of Veterans Affairs certifying the veteran to be entitled to the exemption financial assistance.

* * *

* * * Restoration of Driving Privileges Under Total Abstinence Program * * *

Sec. 8. 23 V.S.A. § 1209a(b) is amended to read:

(b) Abstinence.

(1)(A) Notwithstanding any other provision of this subchapter, a person whose license or privilege to operate has been suspended or revoked for life under this subchapter may apply to the Driver Rehabilitation School Director and to the Commissioner for reinstatement of his or her driving privilege. The person shall have completed three years of total abstinence from consumption of alcohol or and nonprescription regulated drugs, or both. The use of a regulated drug in accordance with a valid prescription shall not disqualify an applicant for reinstatement of his or her driving privileges unless the applicant used the regulated drug in a manner inconsistent with the prescription label.

(B) The beginning date for the period of abstinence shall be no sooner not earlier than the effective date of the suspension or revocation from which the person is requesting reinstatement and shall not include any period during which the person is serving a sentence of incarceration to include furlough. The application shall include the applicant's authorization for a urinalysis examination, or another examination if it is approved as a

~~Preliminary screening test under this subchapter, to be conducted prior to reinstatement under this subdivision. The application to the Commissioner shall be accompanied by a fee of \$500.00. The Commissioner shall have the discretion to waive the application fee if the Commissioner determines that payment of the fee would present a hardship to the applicant.~~

(2) If the Commissioner or a medical review board convened by the Commissioner is satisfied by a preponderance of the evidence that the applicant has abstained for the required number of years immediately preceding the application ~~and hearing~~, has successfully completed a therapy program as required under this section, and has operated under a valid ignition interlock RDL or under an ignition interlock certificate for at least three years following the suspension or revocation, and the person appreciates provides a written acknowledgment that he or she cannot drink any amount of alcohol ~~and drive safely at all and cannot consume nonprescription regulated drugs under any circumstances~~, the person's license or privilege to operate shall be reinstated immediately, subject to the condition that the person's suspension or revocation will be put back in effect in the event any further investigation reveals a return to the consumption of alcohol or drugs and to such additional conditions as the Commissioner may impose. The requirement to operate under an ignition interlock RDL or ignition interlock certificate shall not apply if the person is exempt under subdivision (a)(4) of this section.

* * *

(4) If the Commissioner finds that a person reinstated under this subsection ~~was is suspended pursuant to section 1205 of this title, or was is convicted of a violation of section 1201 of this title subsequent to reinstatement under this subsection, the person shall be conclusively presumed to be in violation of the conditions of his or her reinstatement.~~

(5) A person shall be eligible for reinstatement under this subsection only once following a suspension or revocation for life.

* * *

* * * Means of Transmitting Fuel Tax Payments * * *

Sec. 9. 23 V.S.A. § 3015 is amended to read:

§ 3015. COMPUTATION AND PAYMENT OF TAX

~~Each report required under section 3014 of this title from licensed distributors, dealers, or users shall be accompanied by evidence of an electronic funds transfer payment or a remittance payable to the Department of Motor Vehicles for the amount of tax due, which shall be computed and transmitted in the following manner:~~

* * *

~~(3)(A) Distributors and dealers with a tax liability of more than \$25,000.00 filing a report required under subsection 3014(a) of this title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer.~~

~~(B) Distributors and dealers with a tax liability of \$25,000.00 or less filing a report required under subsection 3014(a) of this title, and users filing a report required under subsection 3014(b) of this title, shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer payment or by a remittance through the U.S. mail. If a remittance to cover payment of taxes due as shown by a report required by this chapter is sent through the U.S. mail properly addressed to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned or under the control of the person submitting the report, and the U.S. Post Office has corrected or changed the date stamped thereon by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official Post Office postmark shall be the accepted date if different from the original postmark.~~

* * *

Sec. 10. 23 V.S.A. § 3015 is amended to read:

§ 3015. COMPUTATION AND PAYMENT OF TAX

Each report required under section 3014 of this title from licensed distributors, dealers, or users shall be accompanied by evidence of an electronic funds transfer payment or a remittance payable to the Department of Motor Vehicles for the amount of tax due, which shall be computed and transmitted in the following manner:

* * *

~~(3)(A) Distributors and dealers with a tax liability of more than \$25,000.00 filing a report required under subsection 3014(a) of this title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer.~~

~~(B) Distributors and dealers with a tax liability of \$25,000.00 or less filing a report required under subsection 3014(a), of this title and users Users filing a report required under subsection 3014(b) of this title, shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer payment or by a remittance through the U.S. mail.~~

~~a remittance is sent through the U.S. mail properly addressed to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned or under the control of the person submitting the report and the U.S. Post Office has corrected or changed the date stamped thereon by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official Post Office postmark shall be the accepted date if different from the original postmark.~~

* * *

Sec. 11. 23 V.S.A. § 3106(b) is amended to read:

~~(b) If a remittance to cover On or before the due date established by section 3108 of this title, payment of taxes due as shown by a report required by this chapter is sent through the U.S. mail properly addressed shall be transmitted to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned or under the control of the person submitting the report, and the U.S. Post Office has corrected or changed the date stamped by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official post office postmark shall be the accepted date if different from the original postmark.~~

~~(1) if the tax liability is more than \$25,000.00, by means of an electronic funds transfer payment; or~~

~~(2) if the tax liability is \$25,000.00 or less, by means of an electronic funds transfer payment or by a remittance through the U.S. mail.~~

Sec. 12. 23 V.S.A. § 3106(b) is amended to read:

~~(b) On or before the due date established by section 3108 of this title, payment of taxes due as shown by a report required by this chapter shall be transmitted to the Department of Motor Vehicles:~~

~~(1) if the tax liability is more than \$25,000.00, by means of an electronic funds transfer payment; or~~

~~(2) if the tax liability is \$25,000.00 or less, by means of an electronic funds transfer payment or by a remittance through the U.S. mail.~~

* * * Motor Vehicle Purchase and Use Tax * * *

Sec. 13. 32 V.S.A. § 8911 is amended to read:

~~§ 8911. EXCEPTIONS~~

The tax imposed by this chapter shall not apply to:

* * *

(8) Motor vehicles transferred to the spouse, mother, father, child, sibling, grandparent, or grandchild of the donor during the donor's life or following his or her death, or to a trust established for the benefit of any such persons or for the benefit of the donor, or subsequently transferred among such persons, including transfers following a death, provided such the motor vehicle has been registered or titled in this State in the name of the original donor. Transfers exempt under this subdivision (8) include eligible transfers resulting by operation of the law governing intestate estates.

* * *

* * * *New Motor Vehicle Arbitration* * * *

Sec. 14. 9 V.S.A. § 4173 is amended to read:

§ 4173. PROCEDURE TO OBTAIN REFUND OR REPLACEMENT; WAIVER OF RIGHTS VOID

(a)(1) After reasonable attempt at repair or correction of the nonconformity, defect, or condition, or after the vehicle is out of service by reason of repair of one or more nonconformities, defects, or conditions for a cumulative total of 30 or more calendar days as provided in this chapter, the consumer shall notify the manufacturer and lessor in writing, on forms to be provided by the manufacturer at the time the new motor vehicle is delivered, of the nonconformity, defect, or condition and the consumer's election to proceed under this chapter. The forms shall be made available by the manufacturer to any public or nonprofit agencies that shall request them. Notice of consumer rights under this chapter shall be conspicuously displayed by all authorized dealers and agents of the manufacturer.

(2) The consumer shall in the notice elect whether to use the dispute settlement mechanism or the arbitration provisions established by the manufacturer or to proceed under the Vermont Motor Vehicle Arbitration Board as established under this chapter. Except in the case of a settlement agreement between a consumer and manufacturer, and unless federal law otherwise requires, any provision or agreement that purports to waive, limit, or disclaim the rights set forth in this chapter or that purports to require a consumer not to disclose the terms of the provision or agreement is void as contrary to public policy.

(3) The consumer's election of whether to proceed before the Board or the manufacturer's mechanism shall preclude his or her recourse to the method not selected.

* * *

* * * Three-wheeled Motorcycles * * *

Sec. 15. 23 V.S.A. § 601(f) is amended to read:

(f) Operators of autocycles shall be exempt from the requirements to obtain a motorcycle learner's permit or a motorcycle endorsement. The Commissioner shall offer operators of three-wheeled motorcycles that are not autocycles the opportunity to obtain a motorcycle endorsement that authorizes the operation of three-wheeled motorcycles only.

Sec. 16. 23 V.S.A. § 617 is amended to read:

§ 617. LEARNER'S PERMIT

* * *

(b)(1) Notwithstanding the provisions of subsection (a) of this section, any licensed person may apply to the Commissioner of Motor Vehicles for a learner's permit for the operation of a motorcycle in the form prescribed by the Commissioner. The Commissioner shall offer both a motorcycle learner's permit that authorizes the operation of three-wheeled motorcycles only and a motorcycle learner's permit that authorizes the operation of any motorcycle. The Commissioner shall require payment of a fee of \$20.00 at the time application is made.

(2) After the applicant has successfully passed all parts of the applicable motorcycle endorsement examination, other than a skill test, the Commissioner may issue to the applicant a learner's permit which that entitles the applicant, subject to subsection 615(a) of this title, to operate a three-wheeled motorcycle only, or to operate any motorcycle, upon the public highways for a period of 120 days from the date of issuance. The fee for the examination shall be \$9.00.

(3) A motorcycle learner's permit may be renewed only twice upon payment of a \$20.00 fee. If, during the original permit period and two renewals, the permittee has not successfully passed the applicable skill test or the motorcycle rider training course, he or she may not obtain another motorcycle learner's permit for a period of 12 months from the expiration of the permit unless:

(A) he or she has successfully completed the applicable motorcycle rider training course; or

(B) the learner's permit and renewals thereof authorized the operation of any motorcycle and the permittee is seeking a learner's permit for the operation of three-wheeled motorcycles only.

~~(4) This section shall not affect section 602 of this title. The fee for the examination shall be \$9.00.~~

* * *

~~(f)(1) The Commissioner may authorize motorcycle rider training instructors to administer either the a motorcycle endorsement examination for three-wheeled motorcycles only or for any motorcycle, or the a motorcycle skills skill test for three-wheeled motorcycles only or for any motorcycle, or both any of these. Upon successful completion of the applicable examination or test, the instructor shall issue to the applicant either a temporary motorcycle learner learner's permit or notice of motorcycle endorsement, as appropriate. The instructor shall immediately forward to the Commissioner the application and fee together with such additional information as the Commissioner may require.~~

~~(2) The Commissioner shall maintain a list of approved in-state and out-of-state motorcycle rider training courses, successful completion of which the Commissioner shall deem to satisfy the skill test requirement. This list shall include courses that provide training on three-wheeled motorcycles.~~

* * * Dealer Records of Sales * * *

Sec. 17. 23 V.S.A. § 466 is amended to read:

§ 466. RECORDS; CUSTODIAN

(a) On a form prescribed or approved by the Commissioner, every licensed dealer shall maintain and retain for six years a record containing the following information, which shall be open to inspection by any law enforcement officer or motor vehicle inspector or other agent of the Commissioner during reasonable business hours:

(1) Every vehicle or motorboat which that is bought, sold, or exchanged by the licensee or received or accepted by the licensee for sale or exchange.

(2) Every vehicle or motorboat which that is bought or otherwise acquired and dismantled by the licensee.

(3) The name and address of the person from whom such vehicle or motorboat was purchased or acquired, the date thereof, the name and address of the person to whom any such vehicle or motorboat was sold or otherwise disposed of and the date thereof, and a sufficient description of every such vehicle or motorboat by name and identifying numbers thereon to identify the same.

(4) If the vehicle or motorboat is sold or otherwise transferred to a consumer, the cash price. As used in this section, "consumer" shall be as

~~defined in 9 V.S.A. § 2451a(a) and “cash price” shall be as defined in 9 V.S.A. § 2351(6). [Repealed.]~~

* * *

~~* * * Effective Dates * * *~~

~~Sec. 18. EFFECTIVE DATES~~

- ~~(a) Secs. 9 and 11 (means of transmitting fuel tax payments) shall take effect on July 1, 2019.~~
- ~~(b) Secs. 10 and 12 (means of transmitting fuel tax payments) shall take effect on July 1, 2020.~~
- ~~(c) This section, Sec. 14 (new motor vehicle arbitration), and Sec. 17 (dealer records) shall take effect on passage.~~
- ~~(d) All other sections shall take effect on July 1, 2018~~

~~* * * Motor Vehicle Inspections * * *~~

~~Sec. 18. 23 V.S.A. § 1222 is amended to read:~~

~~§ 1222. INSPECTION OF REGISTERED VEHICLES~~

~~(a) Except for school buses, which shall be inspected as prescribed in section 1282 of this title, and motor busses as defined in subdivision 4(17) of this title, which shall be inspected twice during the calendar year at six-month intervals, all motor vehicles registered in this State shall be inspected once each year. Any motor vehicle, trailer, or semi-trailer not currently inspected in this State shall be inspected within 15 days from following the date of its registration in the State of Vermont.~~

~~(b)(1) The inspections shall be made at garages or qualified service stations, designated by the Commissioner as inspection stations, for the purpose of determining whether those motor vehicles are properly equipped and maintained in good mechanical condition; provided, however, the scope of the safety inspection of a motor vehicle other than a school bus or a commercial motor vehicle shall be limited to parts or systems that are relevant to the vehicle’s safe operation, and such vehicles shall not fail the safety portion of the inspection unless the condition of the part or system poses or may pose a danger to the operator or to other highway users.~~

~~(2) The charges for such inspections made by garages or qualified service stations designated to conduct periodic inspections shall be subject to the approval of the Commissioner. If a fee is charged for inspection, it shall be based upon the hourly rate charged by each official inspection station or it may be a flat rate fee and, in either instance, the fee shall be prominently~~

~~Posted and displayed beside the official inspection station certificate. In addition, the official inspection station may disclose the State inspection certificate charge on the repair order as a separate item and collect the charge from the consumer.~~

* * *

Sec. 19. RULEMAKING; TRANSITION

(a) As soon as practicable after the effective date of this section, and not later than May 1, 2018, the Commissioner of Motor Vehicles (Commissioner) shall file with the Secretary of State proposed amended rules governing motor vehicle inspections that:

(1) are consistent with the permissible scope of safety inspections under the amendments to 23 V.S.A. § 1222 in Sec. 18 of this act; and

(2) clarify ambiguous language in the rules.

(b) In the proposed rule amendments, the Commissioner may direct inspection stations to identify advisory, recommended repairs that are not required for the vehicle to pass inspection.

(c) Except as provided in subdivision (a)(2) and subsection (d) of this section, nothing in this section or Sec. 18 of this act is intended to affect the emissions-related requirements of the rules governing motor vehicle inspections.

(d) Notwithstanding 10 V.S.A. § 567 and C.V.R. 14-050-022, the Commissioner may establish criteria to allow vehicles that would otherwise fail inspection to pass the inspection and receive an inspection sticker, provided that the vehicle satisfies all inspection requirements that are relevant to the vehicle's safe operation. The authority conferred in this subsection shall expire on July 1, 2019.

* * * Effective Dates * * *

Sec. 20. EFFECTIVE DATES

(a) Secs. 9 and 11 (means of transmitting fuel tax payments) shall take effect on July 1, 2019.

(b) Secs. 10 and 12 (means of transmitting fuel tax payments) shall take effect on July 1, 2020.

(c) Sec. 18 (scope of motor vehicle safety inspections) shall take effect upon the effective date of the amended rules required to be filed under Sec. 19 of this act.

~~(d) This section, Sec. 11 (new motor vehicle arbitration), and Sec. 17 (dealer records) shall take effect on passage.~~

~~(e) In Sec. 19 (rulemaking; transition; motor vehicle inspections):~~

~~(1) subsecs. (a)–(c) shall take effect on passage; and~~

~~(2) notwithstanding 1 V.S.A. § 214, subsec. (d) shall take effect retroactively on January 1, 2017.~~

~~(f) All other sections shall take effect on July 1, 2018.~~

* * * Special Plates and Placards for Persons with Disabilities * * *

Sec. 1. 23 V.S.A. § 304a(b) is amended to read:

(b) Special registration plates or removable windshield placards, or both, shall be issued by the Vermont Commissioner of Motor Vehicles. The placard shall be issued without a fee to a person who is blind or has an ambulatory disability. One set of plates shall be issued without additional fees for a vehicle registered or leased to a person who is blind or has an ambulatory disability or to a parent or guardian of a person with a permanent disability. The Commissioner shall issue these placards or plates under rules adopted by him or her after proper application has been made to the Commissioner by any person residing within the State of Vermont. Application forms shall be available on request at the Department of Motor Vehicles.

* * *

* * * Eliminating Requirements to Return License Plates * * *

Sec. 2. 23 V.S.A. § 326 is amended to read:

§ 326. REFUND UPON LOSS OF VEHICLE

The Commissioner may cancel the registration of a motor vehicle when the owner thereof proves to his or her satisfaction that it has been totally destroyed by fire, or, through accident or wear, has become wholly unfit for use and has been dismantled. Upon the cancellation of such After the Commissioner cancels the registration and the return owner returns to the Commissioner of either the registration certificate, or the number plates and the validation sticker (if issued for that year), the Commissioner shall certify to the Commissioner of Finance and Management the fact of such the cancellation, giving the name of the owner of such the motor vehicle, his or her address, the amount of the registration fee paid, and the date of such cancellation. The Commissioner of Finance and Management shall issue his or her warrant in favor of the owner for such percent of the registration fee paid as the unexpired term of the registration bears to the entire registration period, but in no case shall the Commissioner retain less than \$5.00 of the fee paid.

Sec. 3. 23 V.S.A. § 327 is amended to read:

§ 327. REFUND WHEN PLATES NOT USED

Subject to the conditions set forth in subdivisions (1), (2), and (3) of this section, the Commissioner may cancel the registration of a motor vehicle, snowmobile, or ~~motor boat~~ motorboat when the owner returns to the Commissioner either the number plates, if any, ~~and or~~ the registration certificate ~~to the Commissioner~~. Upon cancellation of the registration, the Commissioner shall notify the Commissioner of Finance and Management, who shall issue a refund as follows:

(1) For registrations cancelled prior to the beginning of the registration period, the refund is the full amount of the fee paid, less a fee charge of \$5.00.

(2) For registrations cancelled within 30 days of the date of issue, the refund is the full amount of the fee paid, less a charge of \$5.00. The owner of a motor vehicle must prove to the Commissioner's satisfaction that the number plates have not been used or attached to a motor vehicle.

(3) For registrations cancelled prior to the beginning of the second year of a two-year registration period, the refund is one-half of the full amount of the two-year fee paid, less a charge of \$5.00.

* * * Veterans; Fee Exemptions * * *

Sec. 4. 23 V.S.A. § 378 is amended to read:

§ 378. VETERANS' EXEMPTIONS

No fees shall be charged an honorably discharged veterans veteran of the U.S. Armed Forces, who ~~are residents is a resident~~ of the State of Vermont for the registration of a motor vehicle granted ~~that~~ the veteran by the ~~Veterans' Administration has acquired with financial assistance from the U.S. Department of Veterans Affairs~~, or for the registration of a motor vehicle owned by him or her during his or her lifetime obtained as a replacement thereof, when his or her application is accompanied by a certificate copy of an approved VA Form 21-4502 issued by the Veterans' Administration center U.S. Department of Veterans Affairs certifying him or her to be entitled to such exemption the financial assistance.

Sec. 5. 23 V.S.A. § 609 is amended to read:

§ 609. VETERANS' EXEMPTION

No fees shall be charged an honorably discharged veterans veteran of the U.S. Armed Forces, who ~~are residents is a resident~~ of the State of Vermont, for a license to operate a motor vehicle, when the veteran has received acquired a motor vehicle with financial assistance from the Veterans' Administration U.S.

Department of Veterans Affairs and he or she is otherwise eligible to be granted such the license, and when his or her application is accompanied by a certificate copy of an approved VA Form 21-4502 issued by the Veterans' Administration center U.S. Department of Veterans Affairs certifying him or her to be entitled to such exemption the financial assistance.

Sec. 6. 23 V.S.A. § 2002(a) is amended to read:

(a) The Commissioner shall be paid the following fees:

(1) for any certificate of title, including a salvage certificate of title, or an exempt vehicle title, \$35.00;

* * *

(11) for a certificate of title for a motor vehicle granted acquired by a veteran by with financial assistance from the Veterans' Administration U.S. Department of Veterans Affairs and exempt from registration fees pursuant to section 378 of this title, no fee;

* * *

Sec. 7. 32 V.S.A. § 8911 is amended to read:

§ 8911. EXCEPTIONS

The tax imposed by this chapter shall not apply to:

* * *

(14) A motor vehicle granted acquired by a veteran by with financial assistance from the Veterans' Administration U.S. Department of Veterans Affairs, or a vehicle obtained as a replacement to one granted acquired with such assistance, when accompanied by a certificate copy of an approved VA Form 21-4502 issued by the Veterans' Administration Center U.S. Department of Veterans Affairs certifying the veteran to be entitled to the exemption financial assistance.

* * *

* * * Restoration of Driving Privileges Under Total Abstinence Program * * *

Sec. 8. 23 V.S.A. § 1209a(b) is amended to read:

(b) Abstinence.

(1)(A) Notwithstanding any other provision of this subchapter, a person whose license or privilege to operate has been suspended or revoked for life under this subchapter may apply to the Driver Rehabilitation School Director and to the Commissioner for reinstatement of his or her driving privilege. The person shall have completed three years of total abstinence from consumption

of alcohol or and nonprescription regulated drugs,—or both. The use of a regulated drug in accordance with a valid prescription shall not disqualify an applicant for reinstatement of his or her driving privileges unless the applicant used the regulated drug in a manner inconsistent with the prescription label.

(B) The beginning date for the period of abstinence shall be no sooner not earlier than the effective date of the suspension or revocation from which the person is requesting reinstatement and shall not include any period during which the person is serving a sentence of incarceration to include furlough. The application shall include the applicant's authorization for a urinalysis examination, or another examination if it is approved as a preliminary screening test under this subchapter, to be conducted prior to reinstatement under this subdivision. The application to the Commissioner shall be accompanied by a fee of \$500.00. The Commissioner shall have the discretion to waive the application fee if the Commissioner determines that payment of the fee would present a hardship to the applicant.

(2) If the Commissioner or a medical review board convened by the Commissioner is satisfied by a preponderance of the evidence that the applicant has abstained for the required number of years immediately preceding the application and hearing, has successfully completed a therapy program as required under this section, and has operated under a valid ignition interlock RDL or under an ignition interlock certificate for at least three years following the suspension or revocation, and the person appreciates provides a written acknowledgment that he or she cannot drink any amount of alcohol and drive safely at all and cannot consume nonprescription regulated drugs under any circumstances, the person's license or privilege to operate shall be reinstated immediately, subject to the condition that the person's suspension or revocation will be put back in effect in the event any further investigation reveals a return to the consumption of alcohol or drugs and to such additional conditions as the Commissioner may impose. The requirement to operate under an ignition interlock RDL or ignition interlock certificate shall not apply if the person is exempt under subdivision (a)(4) of this section.

* * *

(4) If the Commissioner finds that a person reinstated under this subsection was is suspended pursuant to section 1205 of this title, or was is convicted of a violation of section 1201 of this title subsequent to reinstatement under this subsection, the person shall be conclusively presumed to be in violation of the conditions of his or her reinstatement.

(5) A person shall be eligible for reinstatement under this subsection only once following a suspension or revocation for life.

* * *

* * * *Means of Transmitting Fuel Tax Payments* * * *

Sec. 9. 23 V.S.A. § 3015 is amended to read:

§ 3015. COMPUTATION AND PAYMENT OF TAX

Each report required under section 3014 of this title from licensed distributors, dealers, or users shall be accompanied by evidence of an electronic funds transfer payment or a remittance payable to the Department of Motor Vehicles for the amount of tax due, which shall be computed and transmitted in the following manner:

* * *

(3)(A) Distributors and dealers with a tax liability of more than \$25,000.00 filing a report required under subsection 3014(a) of this title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer.

(B) Distributors and dealers with a tax liability of \$25,000.00 or less filing a report required under subsection 3014(a) of this title, and users filing a report required under subsection 3014(b) of this title, shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer payment or by a remittance through the U.S. mail. If a remittance to cover payment of taxes due as shown by a report required by this chapter is sent through the U.S. mail properly addressed to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned or under the control of the person submitting the report, and the U.S. Post Office has corrected or changed the date stamped thereon by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official Post Office postmark shall be the accepted date if different from the original postmark.

* * *

Sec. 10. 23 V.S.A. § 3015 is amended to read:

§ 3015. COMPUTATION AND PAYMENT OF TAX

Each report required under section 3014 of this title from licensed distributors, dealers, or users shall be accompanied by evidence of an electronic funds transfer payment or a remittance payable to the Department of Motor Vehicles for the amount of tax due, which shall be computed and transmitted in the following manner:

* * *

~~(3)(A) Distributors and dealers with a tax liability of more than \$25,000.00 filing a report required under subsection 3014(a) of this title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer.~~

~~(B) Distributors and dealers with a tax liability of \$25,000.00 or less filing a report required under subsection 3014(a), of this title and users Users filing a report required under subsection 3014(b) of this title, shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer payment or by a remittance through the U.S. mail. If a remittance is sent through the U.S. mail properly addressed to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned or under the control of the person submitting the report and the U.S. Post Office has corrected or changed the date stamped thereon by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official Post Office postmark shall be the accepted date if different from the original postmark.~~

* * *

Sec. 11. 23 V.S.A. § 3106(b) is amended to read:

(b)(1) If a remittance to cover On or before the due date established by section 3108 of this title, payment of taxes due as shown by a report required by this chapter shall be transmitted to the Department of Motor Vehicles as follows:

(A) If the tax liability is more than \$25,000.00, it shall be sent by means of an electronic funds transfer payment.

(B) If the tax liability is \$25,000.00 or less, payment shall be sent by means of an electronic funds transfer payment or by a remittance through the U.S. mail.

(2) If payment is sent through the U.S. mail properly addressed to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned or under the control of the person submitting the report, and the U.S. Post Office has corrected or changed the date stamped by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official post office postmark shall be the accepted date if different from the original postmark.

Sec. 12. 23 V.S.A. § 3106(b) is amended to read:

(b)(1) On or before the due date established by section 3108 of this title, payment of taxes due as shown by a report required by this chapter shall be transmitted to the Department of Motor Vehicles as follows:

(A) If the tax liability is more than \$25,000.00, it shall be sent by means of an electronic funds transfer payment.

(B) If the tax liability is \$25,000.00 or less, payment shall be sent by means of an electronic funds transfer payment or by a remittance through the U.S. mail.

(2) If payment is sent through the U.S. mail properly addressed to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned or under the control of the person submitting the report, and the U.S. Post Office has corrected or changed the date stamped by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official post office postmark shall be the accepted date if different from the original postmark.

* * * Motor Vehicle Purchase and Use Tax * * *

Sec. 13. 32 V.S.A. § 8911 is amended to read:

§ 8911. EXCEPTIONS

The tax imposed by this chapter shall not apply to:

* * *

(8) Motor vehicles transferred to the spouse, mother, father, child, sibling, grandparent, or grandchild of the donor during the donor's life or following his or her death, or to a trust established for the benefit of any such persons or for the benefit of the donor, or subsequently transferred among such persons, including transfers following a death, provided such the motor vehicle has been registered or titled in this State in the name of the original donor. Transfers exempt under this subdivision (8) include eligible transfers resulting by operation of the law governing intestate estates.

* * *

* * * New Motor Vehicle Arbitration * * *

Sec. 14. 9 V.S.A. § 4171 is amended to read:

§ 4171. DEFINITIONS

As used in this chapter:

* * *

(6) "Motor vehicle" means a passenger motor vehicle which that is purchased, leased, or registered in the State of Vermont, and shall not include tractors, motorized highway building equipment, road-making appliances, snowmobiles, motorcycles, motor-driven cycles, or the living portion of recreation vehicles, or trucks with a gross vehicle weight rating over 12,000 pounds.

(7) "Manufacturer" means any person, resident or nonresident, who that manufactures or assembles new motor vehicles or imports for distribution through distributors of motor vehicles or any partnership, firm, association, joint venture, corporation, or trust, resident or nonresident, which that is controlled by a manufacturer. In the case of the portion of a recreation vehicle subject to this chapter; and except as otherwise provided in subdivision 4172(e)(2) of this title, "manufacturer" means the final stage assembler of the completed recreation vehicle. Additionally, the term "manufacturer" shall include:

(A) "distributor," meaning any person, resident or nonresident, who that in whole or in part offers for sale, sells, or distributes any new motor vehicle to new motor vehicle dealers or new motor vehicle lessors or maintains factory representatives or who that controls any person, firm, association, corporation, or trust, resident or nonresident, who that in whole or in part offers for sale, sells, or distributes any new motor vehicle to new motor vehicle dealers or new motor vehicle lessors; and

(B) "factory branch," meaning any branch office maintained by a manufacturer for the purpose of selling, leasing, or offering for sale or lease, vehicles to a distributor or new motor vehicle dealer or for directing or supervising, in whole or in part, factory distributor representatives.

* * *

(9) A "new motor vehicle" means a passenger motor vehicle which that is still under the manufacturer's express warranty or, in the case of the portion of a recreation vehicle that is subject to this chapter, that is still under an express warranty for the relevant component.

* * *

Sec. 15. 9 V.S.A. § 4172 is amended to read:

§ 4172. ENFORCEMENT OF WARRANTIES

* * *

(e)(1) If, after a reasonable number of attempts, the manufacturer, its

agent, or authorized dealer or its delegate is unable to conform the motor vehicle to any express warranty by repairing or correcting any defect or condition covered by the warranty which that substantially impairs the use, market value, or safety of the motor vehicle to the consumer; the manufacturer shall, at the option of the consumer within 30 days of the effective date of the Board's order, either:

(A) replace Replace the motor vehicle with a new motor vehicle from the same manufacturer, if available, of comparable worth to the same make and model with all options and accessories with appropriate adjustments being allowed for any model year differences or shall.

(B) accept Accept return of the vehicle from the consumer and refund to the consumer the full purchase price or to the lessee in the case of leased vehicles, as provided in subsection (i) of this section. In those instances in which a refund is tendered, the manufacturer shall refund to the consumer the full purchase price as indicated in the purchase contract and all credits and allowances for any trade-in or downpayment, finance charges, credit charges, registration fees, and any similar charges and incidental and consequential damages or, in the case of leased vehicles, as provided in subsection (i) of this section. Refunds shall be made to the consumer and lienholder, if any, as their interests may appear or to the motor vehicle lessor and lessee as provided in subsection (i) of this section. A reasonable allowance for use shall be that amount directly attributable to use by the consumer prior to his or her first repair attempt and shall be calculated by multiplying the full purchase price of the vehicle by a fraction having as its denominator 100,000 and having as its numerator the number of miles that the vehicle traveled prior to the first attempt at repairing the vehicle. If the manufacturer refunds the purchase price or a portion of the price to the consumer, any Vermont motor vehicle purchase and use tax paid shall be refunded by the State to the consumer in the proportionate amount. To receive a refund, the consumer must file a claim with the Commissioner of Motor Vehicles within 90 days of the effective date of the order.

(2) In the case of a recreation vehicle, the warrantor of the chassis shall be responsible for any refund under subdivision (1)(B) of this subsection or under subsection (i) of this section, even if the consumer's or lessee's right to the refund results from a nonconformity caused by the final stage assembler of the completed recreation vehicle or by another warranted component subject to this chapter.

* * *

Sec. 16. 9 V.S.A. § 4173 is amended to read:

§ 4173. PROCEDURE TO OBTAIN REFUND OR REPLACEMENT;
WAIVER OF RIGHTS VOID

(a)(1) After reasonable attempt at repair or correction of the nonconformity, defect, or condition, or after the vehicle is out of service by reason of repair of one or more nonconformities, defects, or conditions for a cumulative total of 30 or more calendar days as provided in this chapter, the consumer shall notify the manufacturer and lessor in writing, on forms to be provided by the manufacturer at the time the new motor vehicle is delivered, of the nonconformity, defect, or condition and the consumer's election to proceed under this chapter. The forms shall be made available by the manufacturer to any public or nonprofit agencies that shall request them. Notice of consumer rights under this chapter shall be conspicuously displayed by all authorized dealers and agents of the manufacturer.

(2) The consumer shall in the notice elect whether to use the dispute settlement mechanism or the arbitration provisions established by the manufacturer or to proceed under the Vermont Motor Vehicle Arbitration Board as established under this chapter. Except in the case of a settlement agreement between a consumer and manufacturer, and unless federal law otherwise requires, any provision or agreement that purports to waive, limit, or disclaim the rights set forth in this chapter or that purports to require a consumer not to disclose the terms of the provision or agreement is void as contrary to public policy.

(3) The consumer's election of whether to proceed before the Board or the manufacturer's mechanism shall preclude his or her recourse to the method not selected.

* * *

* * * Three-wheeled Motorcycles * * *

Sec. 17. 23 V.S.A. § 601(f) is amended to read:

(f) Operators of autocycles shall be exempt from the requirements to obtain a motorcycle learner's permit or a motorcycle endorsement. The Commissioner shall offer operators of three-wheeled motorcycles that are not autocycles the opportunity to obtain a motorcycle endorsement that authorizes the operation of three-wheeled motorcycles only.

Sec. 18. 23 V.S.A. § 617 is amended to read:

§ 617. LEARNER'S PERMIT

* * *

(b)(1) Notwithstanding the provisions of subsection (a) of this section, any

licensed person may apply to the Commissioner of Motor Vehicles for a learner's permit for the operation of a motorcycle in the form prescribed by the Commissioner. The Commissioner shall offer both a motorcycle learner's permit that authorizes the operation of three-wheeled motorcycles only and a motorcycle learner's permit that authorizes the operation of any motorcycle. The Commissioner shall require payment of a fee of \$20.00 at the time application is made.

(2) After the applicant has successfully passed all parts of the applicable motorcycle endorsement examination, other than a skill test, the Commissioner may issue to the applicant a learner's permit which that entitles the applicant, subject to subsection 615(a) of this title, to operate a three-wheeled motorcycle only, or to operate any motorcycle, upon the public highways for a period of 120 days from the date of issuance. The fee for the examination shall be \$9.00.

(3) A motorcycle learner's permit may be renewed only twice upon payment of a \$20.00 fee. If, during the original permit period and two renewals, the permittee has not successfully passed the applicable skill test or the motorcycle rider training course, he or she may not obtain another motorcycle learner's permit for a period of 12 months from the expiration of the permit unless:

(A) he or she has successfully completed the applicable motorcycle rider training course; or

(B) the learner's permit and renewals thereof authorized the operation of any motorcycle and the permittee is seeking a learner's permit for the operation of three-wheeled motorcycles only.

(4) This section shall not affect section 602 of this title. The fee for the examination shall be \$9.00.

* * *

(f)(1) The Commissioner may authorize motorcycle rider training instructors to administer either the a motorcycle endorsement examination for three-wheeled motorcycles only or for any motorcycle, or the a motorcycle skills skill test for three-wheeled motorcycles only or for any motorcycle, or both any of these. Upon successful completion of the applicable examination or test, the instructor shall issue to the applicant either a temporary motorcycle learner learner's permit or notice of motorcycle endorsement, as appropriate. The instructor shall immediately forward to the Commissioner the application and fee together with such additional information as the Commissioner may require.

(2) The Commissioner shall maintain a list of approved in-state and out-

of-state motorcycle rider training courses, successful completion of which the Commissioner shall deem to satisfy the skill test requirement. This list shall include courses that provide training on three-wheeled motorcycles.

* * * Dealer Records of Sales * * *

Sec. 19. 23 V.S.A. § 466 is amended to read:

§ 466. RECORDS; CUSTODIAN

(a) On a form prescribed or approved by the Commissioner, every licensed dealer shall maintain and retain for six years a record containing the following information, which shall be open to inspection by any law enforcement officer or motor vehicle inspector or other agent of the Commissioner during reasonable business hours:

(1) Every vehicle or motorboat which that is bought, sold, or exchanged by the licensee or received or accepted by the licensee for sale or exchange.

(2) Every vehicle or motorboat which that is bought or otherwise acquired and dismantled by the licensee.

(3) The name and address of the person from whom such vehicle or motorboat was purchased or acquired, the date thereof, the name and address of the person to whom any such vehicle or motorboat was sold or otherwise disposed of and the date thereof, and a sufficient description of every such vehicle or motorboat by name and identifying numbers thereon to identify the same.

(4) If the vehicle or motorboat is sold or otherwise transferred to a consumer, the cash price. As used in this section, "consumer" shall be as defined in 9 V.S.A. § 2451a(a) and "cash price" shall be as defined in 9 V.S.A. § 2351(6). [Repealed.]

* * *

Sec. 20. [Deleted.]

Sec. 21. [Deleted.]

* * * Motor Vehicle Inspections * * *

Sec. 22. 23 V.S.A. § 1222 is amended to read:

§ 1222. INSPECTION OF REGISTERED VEHICLES

(a) Except for school buses, which shall be inspected as prescribed in section 1282 of this title, and motor buses as defined in subdivision 4(17) of this title, which shall be inspected twice during the calendar year at six-month intervals, all motor vehicles registered in this State shall be inspected once each year. Any motor vehicle, trailer, or semi-trailer not currently inspected in

this State shall be inspected within 15 days from following the date of its registration in the State of Vermont.

(b)(1) The inspections shall be made at garages or qualified service stations, designated by the Commissioner as inspection stations, for the purpose of determining whether those motor vehicles are properly equipped and maintained in good mechanical condition; provided, however, the scope of the safety inspection of a motor vehicle other than a school bus or a commercial motor vehicle shall be limited to parts or systems that are relevant to the vehicle's safe operation, and such vehicles shall not fail the safety portion of the inspection unless the condition of the part or system poses or may pose a danger to the operator or to other highway users.

(2) The charges for such inspections made by garages or qualified service stations designated to conduct periodic inspections shall be subject to the approval of the Commissioner. If a fee is charged for inspection, it shall be based upon the hourly rate charged by each official inspection station or it may be a flat rate fee and, in either instance, the fee shall be prominently posted and displayed beside the official inspection station certificate. In addition, the official inspection station may disclose the State inspection certificate charge on the repair order as a separate item and collect the charge from the consumer.

* * *

Sec. 23. RULEMAKING; TRANSITION

(a)(1) As soon as practicable after the effective date of this section, and not later than May 1, 2018, the Commissioner of Motor Vehicles (Commissioner) shall file with the Secretary of State a proposed amended rule governing motor vehicle inspections (C.V.R. 14-050-022) that:

(A) is consistent with the permissible scope of safety inspections under the amendments to 23 V.S.A. § 1222 in Sec. 22 of this act; and

(B) clarifies ambiguous language in the rule.

(2) The amended rule described in subdivision (1) of this subsection shall be adopted so as to take effect no later than July 1, 2019.

(3) As soon as practicable after the effective date of this section, the Commissioner shall update the content of inspections conducted through the Automated Vehicle Inspection Program to exclude any requirement of C.V.R. 14-050-022 that is inconsistent with the permissible scope of safety inspections under the amendments to 23 V.S.A. § 1222 in Sec. 22 of this act, with the result that no vehicle will fail inspection as a result of any such inconsistent requirement.

(b) In the proposed rule amendments, the Commissioner may direct inspection stations to identify advisory, recommended repairs that are not required for the vehicle to pass inspection.

(c) Except as provided in subdivision (a)(1)(B) and subsection (d) of this section, nothing in this section or Sec. 22 of this act is intended to affect the emissions-related requirements of the rule governing motor vehicle inspections.

(d) Notwithstanding 10 V.S.A. § 567 and C.V.R. 14-050-022, the Commissioner may establish criteria to allow vehicles that would otherwise fail inspection as a result of the emissions component of the inspection to pass inspection and receive an inspection sticker; provided that the vehicle satisfies all inspection requirements that are relevant to the vehicle's safe operation. The authority conferred in this subsection shall expire on January 15, 2019.

(e) As soon as practicable after the effective date of this section, the Commissioner of Motor Vehicles, in consultation with the Commissioner of Environmental Conservation, shall develop a program of waivers related to the emissions component of the State's inspection program that is consistent with the requirements of the Clean Air Act and its implementing regulations.

(f) On November 30, 2018, the Commissioners of Motor Vehicles and of Environmental Conservation shall send a written update to the Joint Transportation Oversight Committee that includes:

(1) a copy of any criteria developed under the authority granted in subsection (d) of this section;

(2) if the authority granted in subsection (d) of this section is exercised:

(A) whether the authority is still being exercised; and

(B) the number of conditional passes issued since the effective date of this section;

(3) a summary of the status of efforts to amend the Department's rule as required under subsection (a) of this section, and an estimate of the likely effective date of the amended rule if not yet adopted; and

(4) a summary of the status of the requirement to develop a program of waivers related to the emissions component of the State's inspection program and any efforts to educate consumers and inspection stations about issues related to emissions inspections, including: the availability of any such waivers; manufacturer warranties available for emissions components for certain vehicle models and model years; and vehicle readiness for emissions testing.

* * * Effective Dates * * *

Sec. 24. EFFECTIVE DATES

- (a) This section and Secs. 16 (new motor vehicle arbitration), 19 (dealer records), and 22–23 (motor vehicle inspections) shall take effect on passage, except that notwithstanding 1 V.S.A. § 214, in Sec. 23, subsection (d) shall take effect retroactively on January 1, 2017.*
- (b) Secs. 9 and 11 (means of transmitting fuel tax payments) shall take effect on July 1, 2019.*
- (c) Secs. 10 and 12 (means of transmitting fuel tax payments) shall take effect on July 1, 2020.*
- (d) All other sections shall take effect on July 1, 2018.*