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**Act No. 41 (S. 99). An act relating to miscellaneous changes to laws related to vehicles**

**Subjects: Motor vehicles; registration; abandoned motor vehicles; speed limits; registration fees; all-terrain vehicles (ATVs); permits; snowmobiles; purchase and use tax; title; mail; plug-in electric vehicles (PEV); towing; lemon law; New Motor Vehicle Arbitration; total abstinence; commercial driver’s licenses; electronic mail; validation stickers; Drug and Alcohol Clearinghouse; gross vehicle weights; DMV modernization project; motor vehicle noise; mobile identification; Vermont ATV Sportsman’s Association (VASA); distracted driving; portable electronic devices**

This act:

- New Motor Vehicle Arbitration. Amends 9 V.S.A. § 4173(d) to provide that a 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 the manufacturer performs corrective work satisfactory to the consumer prior to scheduled hearing.
- Definition of Mail. Amends 23 V.S.A. § 4 (the definitions section for Title 23) to add a definition of mail applicable to all of Title 23 that would give the Commissioner of Motor Vehicles the authority to authorize methods of delivery.
- Mobile Identification. Adds 23 V.S.A. § 116 to create 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.
- Validation Stickers. Amends multiple sections of codified law to eliminate 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 notwithstanding portions of existing rules related to validation sticker requirements and directs the Department of Motor Vehicles not to enforce or apply those rules and to amend the rules accordingly the next time the rules are amended.
- Electronic Proof of Registration. Amends 23 V.S.A. § 307 to allow an operator to show proof of registration electronically on a portable electronic device and to allow an operator cited for failing to carry proof of registration to produce proof after-the-fact within seven days after the traffic stop.
- Plug-In Electric Vehicle (PEV) Registration Fees. Amends 23 V.S.A. §§ 361 and 362 to codify current Department of Motor Vehicles 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).

- Distracted Driving; Hands-Free Use. Amends 23 V.S.A. § 1095b to explicitly state that holding a portable electronic device is a prohibited use of a portable electronic device unless an exemption applies. Also amends the definition of securely mounted (not obstructing windshield and either the mounting device is used in accordance with manufacturer specifications or the mounting device causes the portable electronic device to remain “completely stationary under typical driving conditions”) and specifies 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.
- Total Abstinence Program. Amends 23 V.S.A. § 1209a 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 or gets a license or privilege to operate reinstated under TAP, that failure to maintain total abstinence precludes entrance into and participation in TAP. Also requires the Commissioner of Motor Vehicles to provide written notice of the amendments 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.
- Overweight Permits. Amends 23 V.S.A. § 1392 to eliminate the milk hauler specific permit structure and instead require milk haulers that 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. Also amends 23 V.S.A. § 1392 to reduce the fee for the all products permit to the current fee for the permit that is required of a milk hauler registered at 80,000 lbs that only hauls milk at 90,000 lbs.
- Electronic Permits. Amends 23 V.S.A. § 1392 to repeal the one subdivision in the subchapter on truck permits that requires permits be carried and adds 23 V.S.A. § 1455 to require that all permits issued under the subchapter on truck permits be carried by the operator but allows that to be done in electronic form while also preserving the applicable civil penalty from the repealed subdivision.
- Exempt Vehicle/Certificate of Title. Amends 23 V.S.A. § 2012 to 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); amends 23 V.S.A. § 2013 to repeal the exempt vehicle title for motor vehicles that are more than 15 years old; amends 23 V.S.A. § 2017 to 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 issue electronic certificates of title if the applicant is entitled to a nonelectronic certificate of title.
- Nonresident Certificate of Title. Amends 23 V.S.A. § 2020 so that the Commissioner of Motor Vehicles can no longer register a motor vehicle and issue a certificate of title to a nonresident based on the filing of a bond (and other related requirements) 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. Does not make any amendments related to Vermont residents, and nonresidents will still be able to get a

- certificate of title if the Commissioner of Motor Vehicles is satisfied as to the ownership of the motor vehicle and that there are no undisclosed security interests.
- Towing. Amends 23 V.S.A. § 4 (the definitions section for Title 23) to add a definition of towing business applicable to all of Title 23; amends 23 V.S.A. § 2151 to allow a vehicle to meet the definition of “abandoned” if a law enforcement officer requests that the vehicle be removed by a towing business and define law enforcement officer and what types of motor vehicles can be abandoned for purposes of the abandoned motor vehicle subchapter; amends 23 V.S.A. § 2153 to clarify that the landowner of the property where an 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 vehicle identification number (VIN) of the abandoned motor vehicle; and amends 23 V.S.A. § 2158 to increase the State-reimbursement rate for towing an abandoned motor vehicle from public property from \$40.00 to \$125.00 and eliminate the existing \$16,000.00 cap for total reimbursements in a fiscal year.
  - Towing Practices Report. Requires the Office of the Attorney General to study motor vehicle towing practices. As part of that study, the Office of the Attorney General is required to consult with the Department of Financial Regulation, the Department of Motor Vehicles, the Department of Public Safety, the Office of Professional Regulation, and the Office of the Vermont State Treasurer; solicit input and public comment from interested persons; and hold at least one public hearing. At a minimum, the study needs to address (1) pricing of towing and recovery; (2) crash site remediation; (3) storage practices; (4) practices relating to abandonment or suspected abandonment; (5) best practices from other states, with a focus on neighboring states and including on certain listed practices; (6) any applicable recommendations for amendments to State statute; and (7) any other information that the Office of the Attorney General deems pertinent to the study. Report, which must balance consumer protections and the needs of towing businesses, reflecting the necessary role towing businesses serve in maintaining the health, safety, and welfare of Vermonters, is 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 Committees on Economic Development, Housing and General Affairs, on Finance, on Government Operations, and on Transportation.
  - Proof of Snowmobile Insurance. Amends 23 V.S.A. § 3206 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 the traffic stop.
  - Commercial Driver’s Licenses Drug and Alcohol Clearinghouse. Amends 23 V.S.A. § 4108 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.

- Purchase and Use Tax. Amends 32 V.S.A. § 8902 to allow the total taxable cost to exclude the value of a vehicle that was previously titled (in addition to previously registered) to account for the limited number of title-only transactions that also trigger the payment of purchase and use tax and amends 32 V.S.A. § 8911 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 three or more years.
- 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 on Transportation by January 15, 2024. The report requirements include 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.
- Department of Motor Vehicles Core System Modernization Project. Includes findings of fact on the specifics of the Department of Motor Vehicles Core System Modernization project and how and why there might need to be involvement of and partnership with the General Assembly during the approximately 18 months that the driver services 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 and also includes findings on how this project can be a model for other modernization projects. Requires three reports to the Joint Transportation Oversight Committee (JTOC), the Joint Fiscal Committee (JFC), and the House and Senate Committees on Transportation that, to the extent practicable, include recommendations on anticipated amendments to statute and are due by July 31, 2024, October 15, 2024, and January 15, 2025. Also expresses an expectation that committees that receive the reports will have an opportunity to (and therefore hopefully will) comment on concerns with any of the recommendations on anticipated amendments to statute.
- Excessive Motor Vehicle Noise Report. Requires the Commissioner of Motor Vehicles, in consultation with the Commissioner of Public Safety and the Vermont League of Cities and Towns, 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 and requires that the report be submitted to the House and Senate Committees on Transportation and on Judiciary by January 1, 2025.
- Outreach to Municipalities on Speed Limits. Requires the Agency of Transportation, in consultation with the Vermont League of Cities and Towns 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.

- All-Terrain Vehicles (ATV) Fees and Penalties Split. Amends 23 V.S.A. § 3513 to preserve the current split of 90 percent of ATV fees and penalties to the Department of Forests, Parks and Recreation and 10 percent of ATV fees and penalties to the Transportation Fund, with the 90 percent share to the Department of Forests, Parks and Recreation going to the Vermont ATV Sportsman's Association (VASA) for development and maintenance of a Statewide ATV Trail Program, for trail liability insurance, and to contract for law enforcement services for purposes of trail compliance, less \$7,000.00 for administrative costs for the Department of Forests, Parks and Recreation.

Effective Date: Multiple effective dates, beginning on June 1, 2023