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# Electric Vehicle Infrastructure Fees

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HOUSE COMMITTEE ON TRANSPORTATION, APRIL 19, 2024

WANDA MINOLI, COMMISSIONER, DEPARTMENT OF MOTOR VEHICLES

PATRICK Ó. MURPHY, SUSTAINABILITY + INNOVATIONS PROJECT MANAGER, AGENCY OF TRANSPORTATION

\* \* \* Electric and Plug-In Hybrid Vehicles; EV Infrastructure Fee \* \* \*

Sec. 27. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

(a) The annual registration fee for a pleasure car, as defined in subdivision 4(28) of this title, ~~and~~ including a pleasure car that is a plug-in electric vehicle, as defined in subdivision 4(85) of this title, shall be \$89.00, and the biennial fee shall be \$163.00.

(b) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section.

(c) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual EV infrastructure fee for a pleasure car that is a plug-in hybrid electric vehicle, as defined in subdivision 4(85)(B) of this title, equal to one-half the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to the annual fee collected in subsection (a) of this section.

(d) The annual and biennial EV infrastructure fees collected in subsections (b) and (c) of this section shall be allocated to the Transportation Fund for the purpose of increasing Vermonters' access to electric vehicle supply equipment (EVSE) charging ports through a program or programs selected by the Secretary, which may include programs administered by the Agency of Commerce and Community Development.

## Sec. 28. EV INFRASTRUCTURE FEE; ELECTRIC VEHICLES

The Department of Motor Vehicles shall implement a public outreach campaign regarding EV infrastructure fees for battery electric vehicles and plug-in electric hybrid vehicles not later than October 1, 2024. The campaign shall disseminate information on the Department's web page and through other outreach methods.

Sec. 29. 23 V.S.A. § 361 is amended to read:

### § 361. PLEASURE CARS

\* \* \*

~~(b) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section. [Repealed.]~~

\* \* \*

~~(d) The annual and biennial EV infrastructure fees collected in subsections (b) and subsection (c) of this section shall be allocated to the Transportation Fund ~~for the purpose of increasing Vermonters' access to electric vehicle supply equipment (EVSE) charging ports through a program or programs selected by the Secretary, which may include programs administered by the Agency of Commerce and Community Development.~~~~

# Summary of Sections 27-29 (H.868)

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## Section 27:

- Establishes a new annual EV infrastructure fee of \$89 for Battery-Electric Vehicles (BEVs) and \$44.50 for Plug-in Hybrid Electric Vehicles (PHEVs)
- Ties fee amounts to a factor in relation to registration fee, which is easier for DMV to implement and evolve with any changes to the registration fee
- Directs revenue from the EV infrastructure fee (through AOT's Secretary) to ACCD in support of community charging programs

## Section 28:

- Directs DMV to implement a public outreach plan regarding the implementation of the fees

## Section 29:

- Repeals EV infrastructure fee for BEVs and sunsets the link between revenue and EVSE in conjunction with Section 35 (EFFECTIVE DATES) upon implementation of a mileage-based user fee for such vehicles



# VERMONT LEGISLATIVE Joint Fiscal Office

1 Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • <https://jfo.vermont.gov>

## Fiscal Note

April 17, 2024

Logan Mooberry, Fiscal Analyst

### **H.868 – An act relating to fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation**

As Recommended by the Senate Committee on Appropriations<sup>1</sup>

#### **Bill Summary**

The fiscal year 2025 Transportation Bill (H.868) adopts and amends Vermont’s annual Transportation Program. It contains numerous statutory amendments and funding authorizations related to transportation. The funding authorizations included in H.868 are subject to appropriations in the fiscal year 2025 appropriations bill. As recommended by the Senate Committee on Transportation, H.868 would also authorize the implementation of a new fee on battery electric and plug-in hybrid electric vehicles registered as pleasure cars. It would dedicate these revenues to increasing Vermonters’ access to electric vehicle supply equipment.

#### **Fiscal Impact**

The Joint Fiscal Office (JFO) estimates this bill would increase State revenues to the Transportation Fund by \$912,000 in fiscal year 2025 and \$1.7 million in fiscal year 2026.

## Estimated Revenue

SFY2025:	\$912,000
SFY2026:	\$1.7 million

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[GENERAL-376139-v2-H868 FN Senate.pdf \(vermont.gov\)](#)

# Original Project & Federal Grant Timeline



\*USDOT announcement of Federal SIRC grantees varies from cycle to cycle. January 2024 may be an optimistic date

# EV Infrastructure Fee vs. Cost of EV Ownership

## Estimated annual savings

The annual cost comparison shown below is based on the above cost and efficiency information combined with estimated annual vehicle use of 12,000 miles per year.

**Gasoline Vehicle: \$1,795 a year**



**Electric Vehicle: \$830 a year**



**\$965**

Switch to electric and save big on fuel. Estimated annual savings.

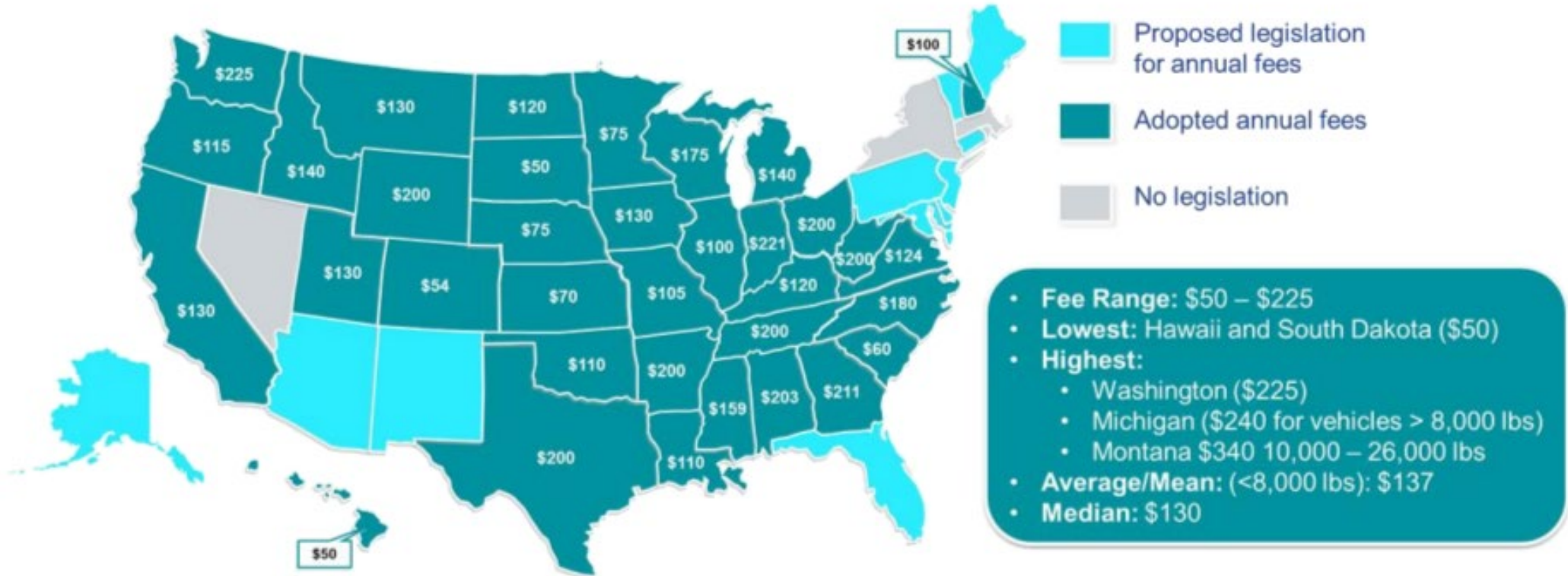
## Annual EV Infrastructure Fee

**\$89**

**(\$97)**

federal taxes avoided

# Where are annual flat fees happening in US?

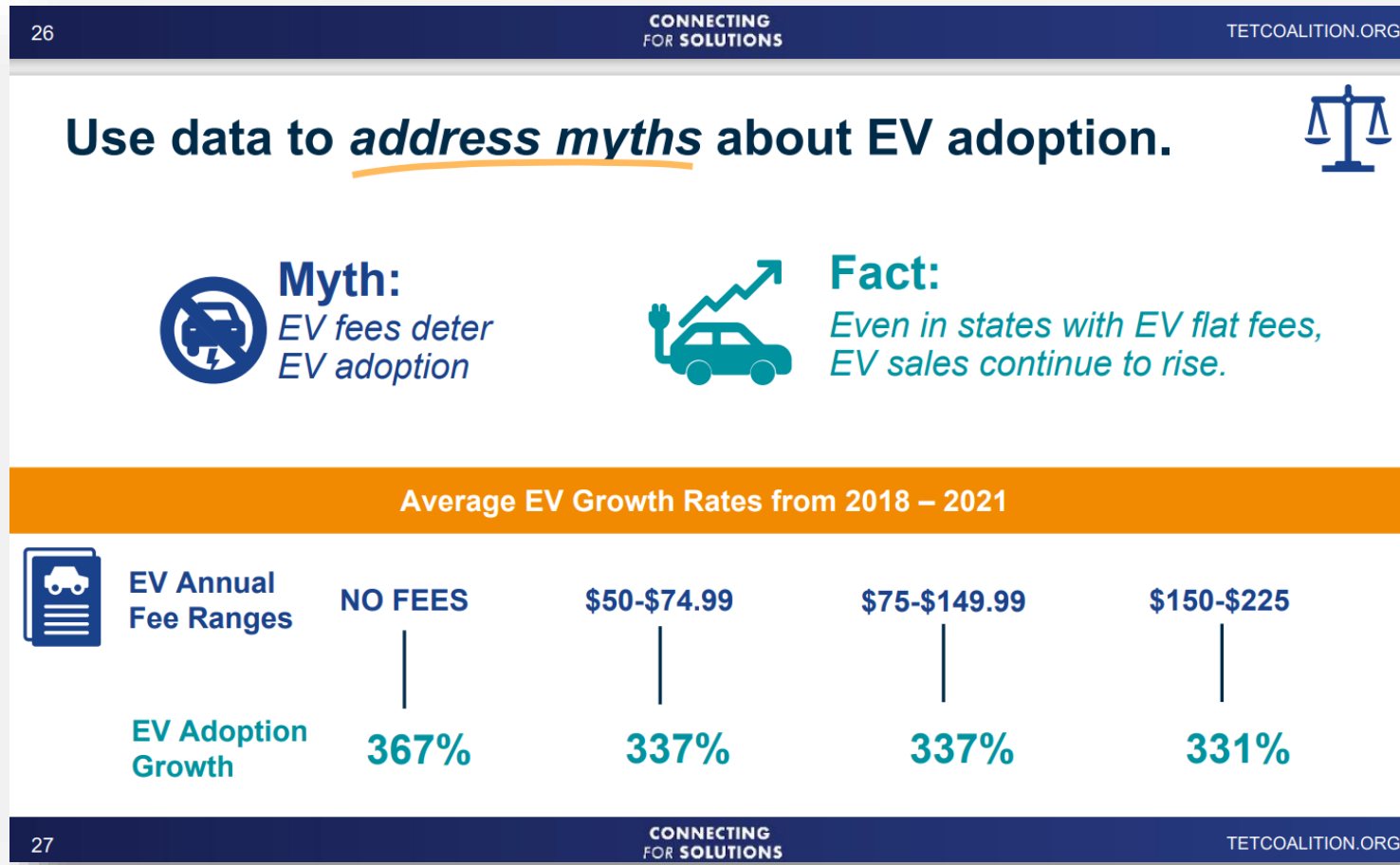


Source: [Special Fees on Plug-In Hybrid and Electric Vehicles \(ncscc.org\)](https://www.ncscc.org) cross referenced with State DMV websites

Figure ES-4: Light EV Fees in January 2024 (rounded to nearest dollar)



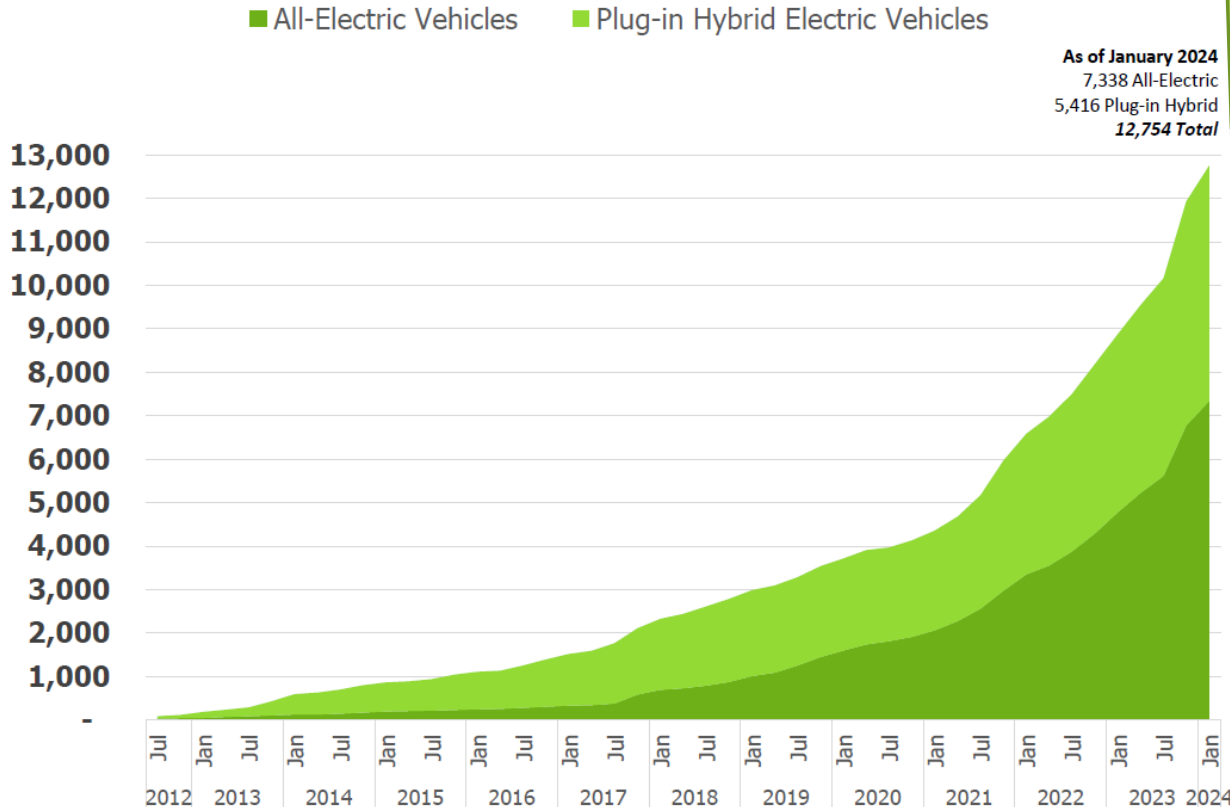
# Impacts of annual flat fees on purchasing decisions



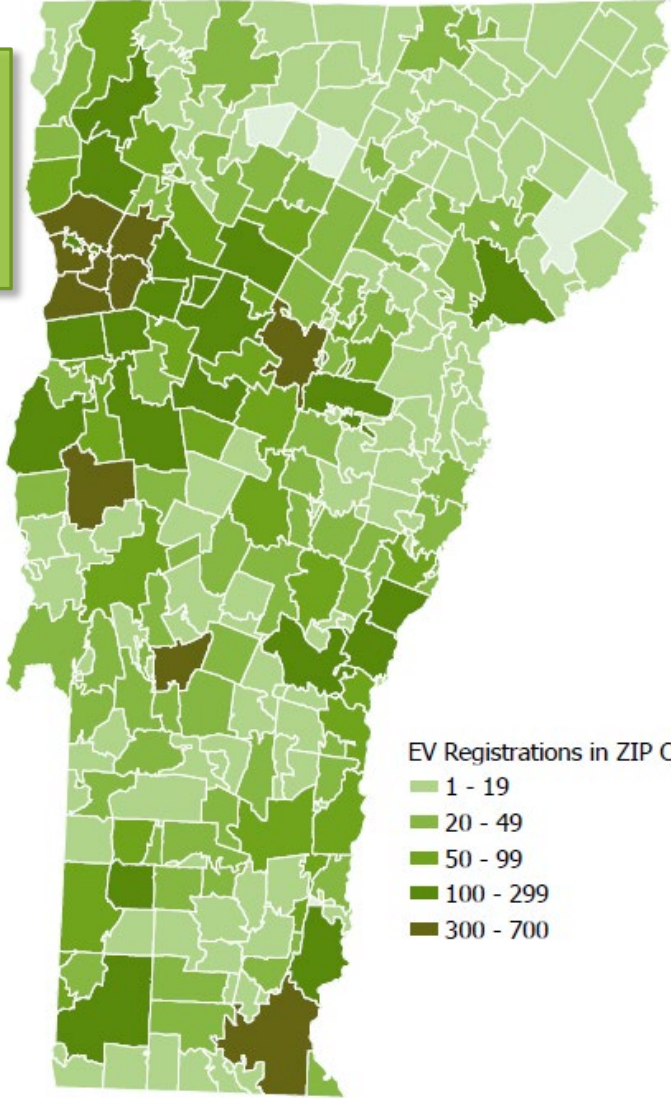
February 29, 2024 Presentation to HTC  
[The Eastern Transportation Coalition](#)

# EV Adoption in Vermont

## Vermont Electric Vehicle Registrations

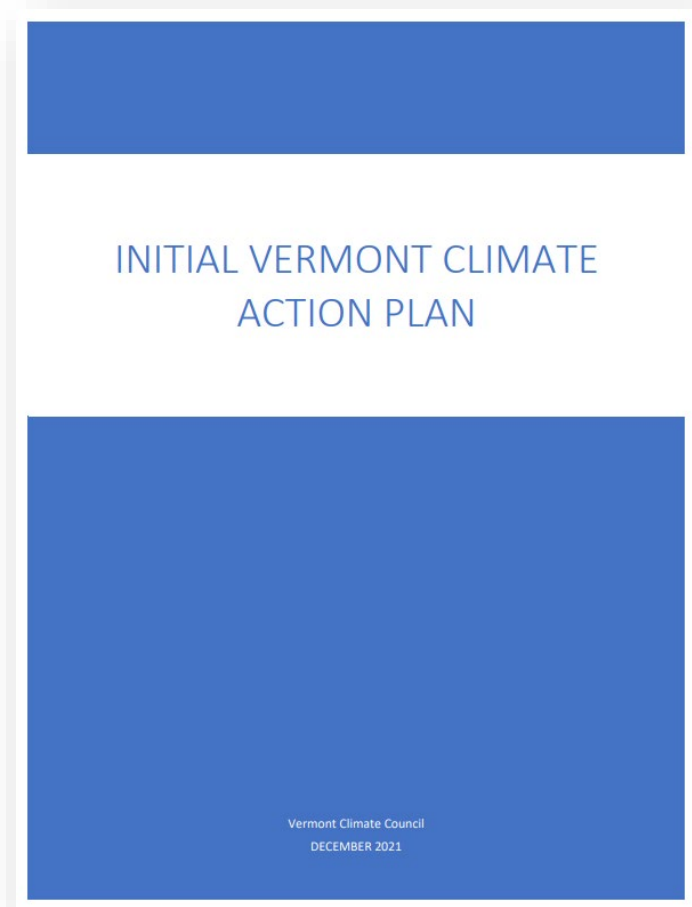
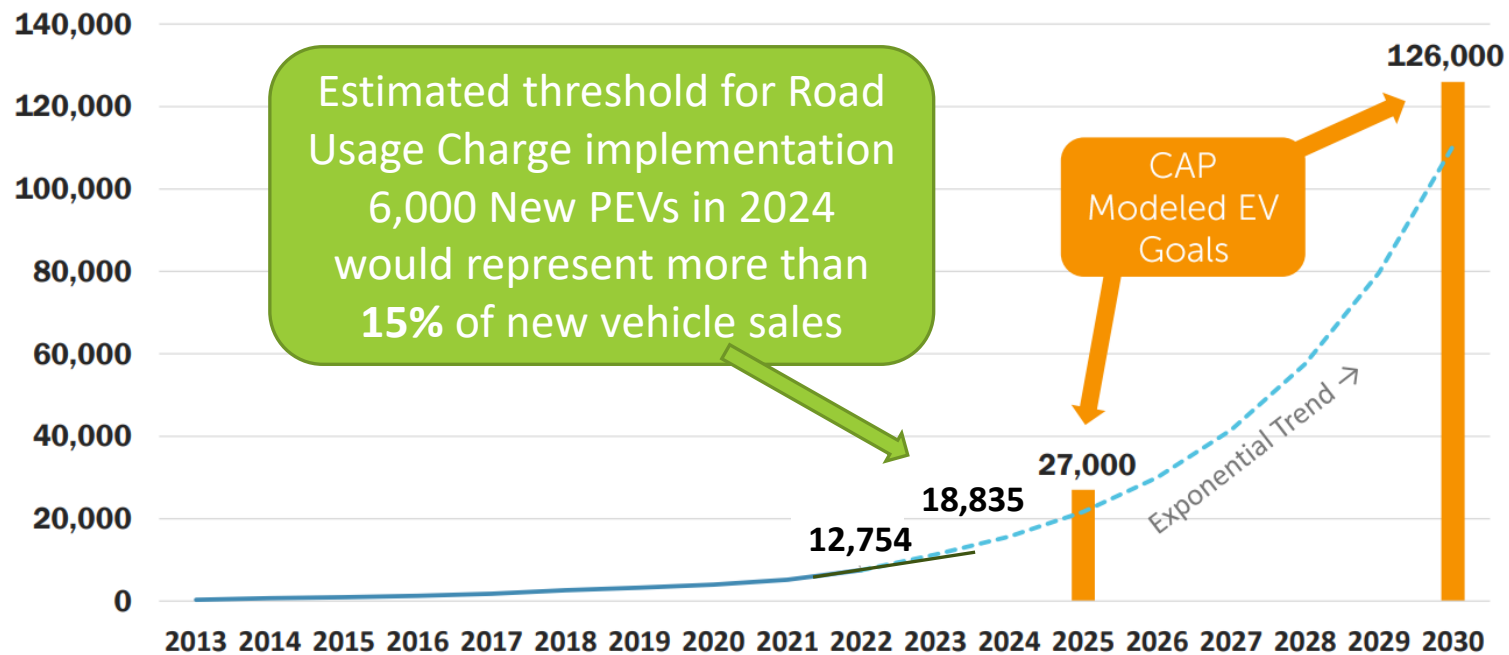


12,754 ZEVs:  
 5,416 PHEVs  
 7,338 AEVs



# EV Adoption in Vermont

How many vehicles does Vermont need to electrify?



# EV Adoption in Vermont

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“Legislative action to incentivize EV purchases should not be limited by other policies that disincentivize EV adoption.”

-- “Road user charge” discussion, p. 73



INITIAL VERMONT CLIMATE  
ACTION PLAN

Vermont Climate Council  
DECEMBER 2021

# EV Adoption in Vermont

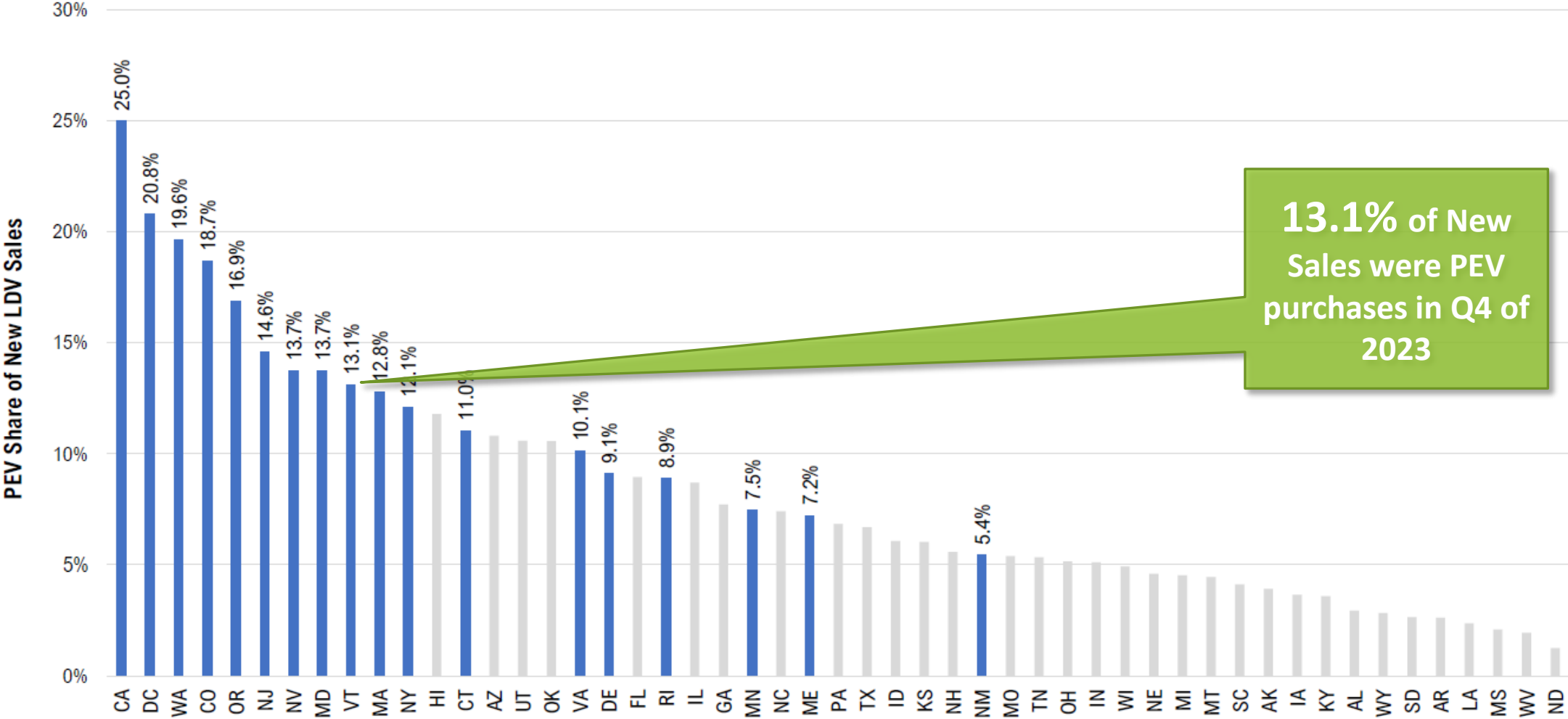


Over 10% of New Sales were PEV purchases in 2023

Source: Experian Auto Count

Credit: Matt Cota, VADA

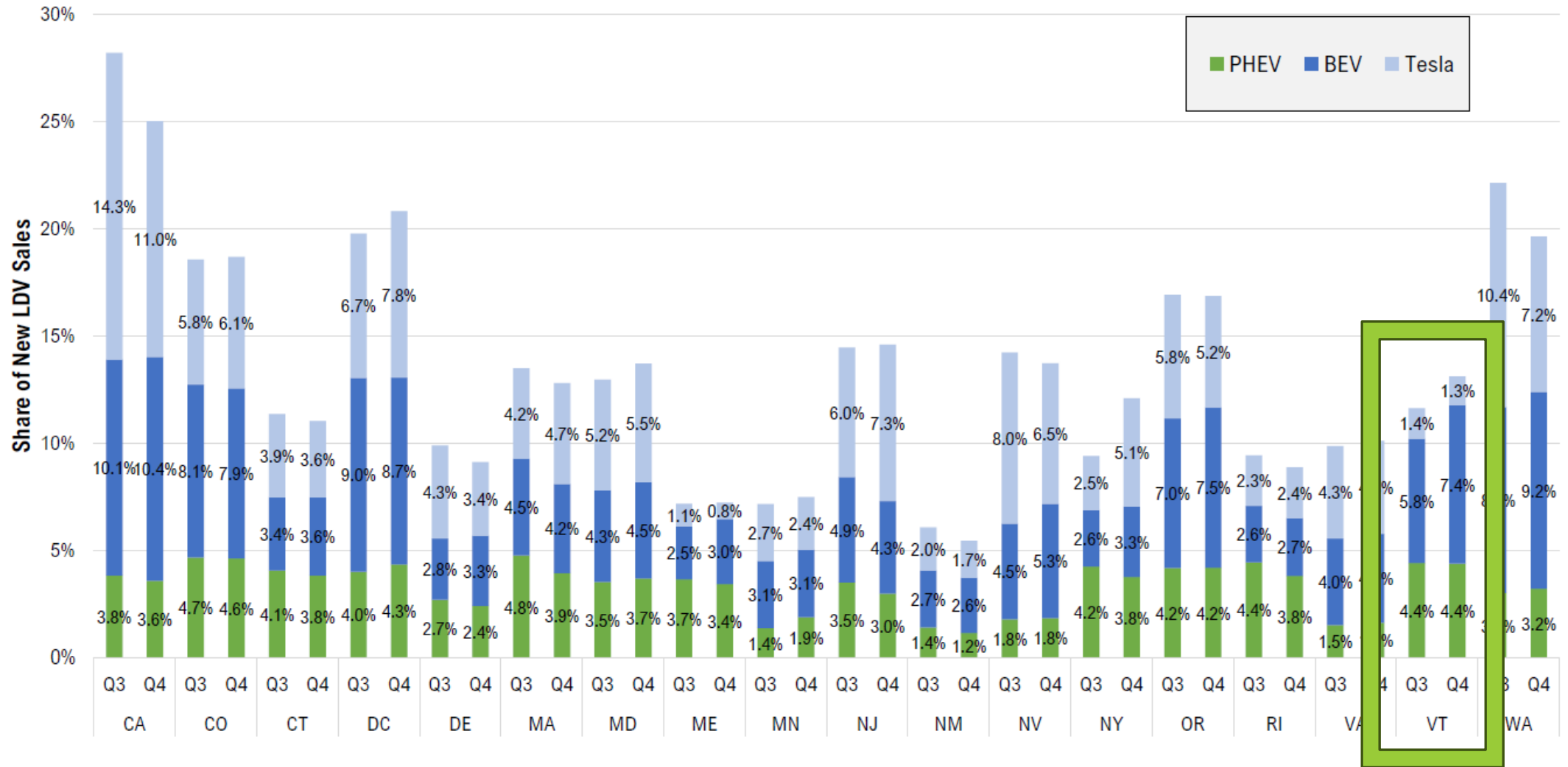
## U.S. Light-Duty PEV Sales in 2023 Q4: California and the §177 ZEV States Continue to Outpace Non-ZEV States



Section 177 ZEV States include: CO, CT, DC, DE, MA, MD, ME, MN, NJ, NM, NV, NY, OR, RI, VA, VT, WA  
 Source: IHS Markit / Polk via Atlas Public Policy's EV Hub



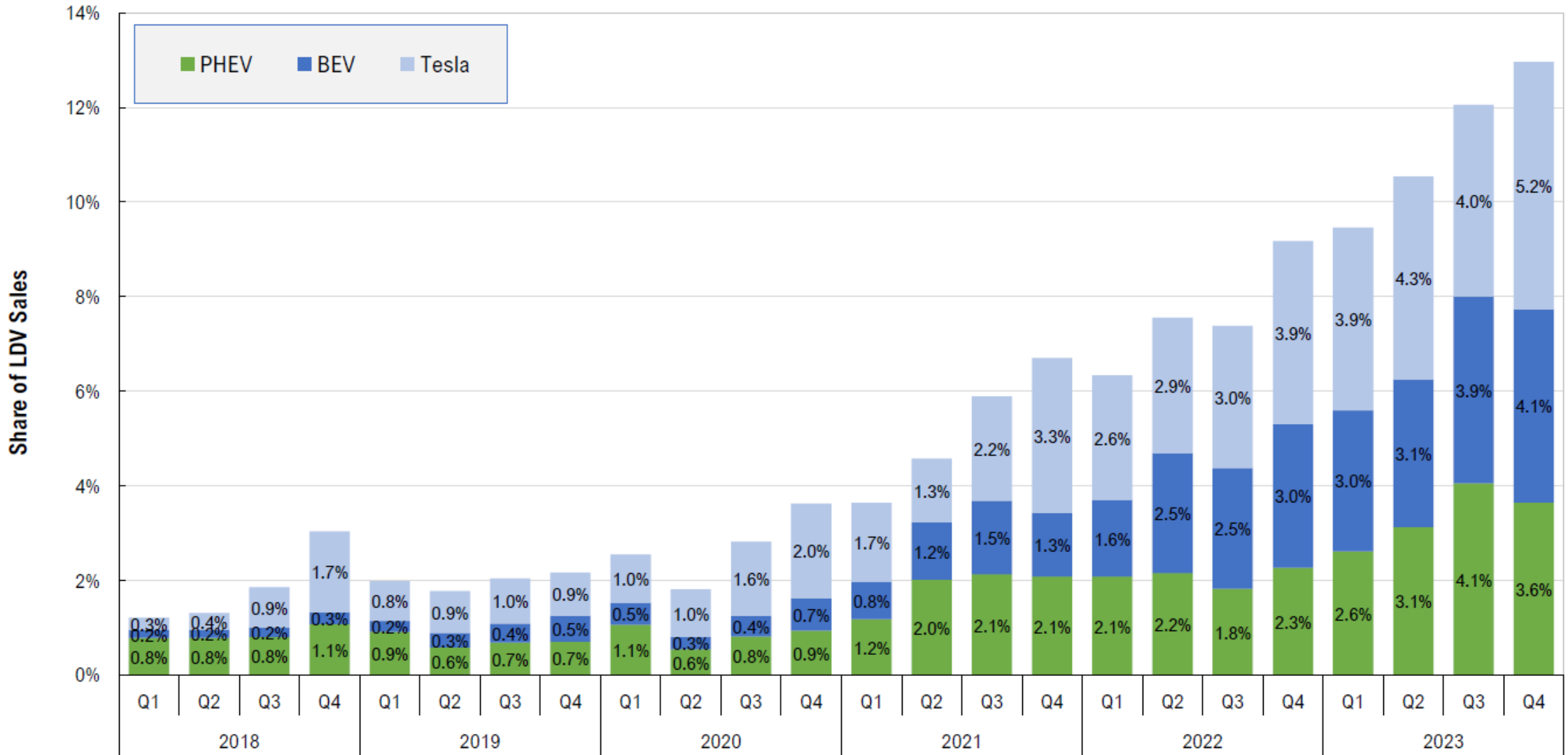
## Light-Duty PEV Sales in California and the \$177 ZEV States – 2023 Q3 & Q4



Source: IHS Markit / Polk via Atlas Public Policy's EV Hub



## Light-Duty PEV Sales in Selected §177 ZEV States



Selected Section 177 ZEV States include: CT, MA, MD, ME, NJ, NY, OR, RI, VT  
 Source: IHS Markit / Polk via Atlas Public Policy's EV Hub

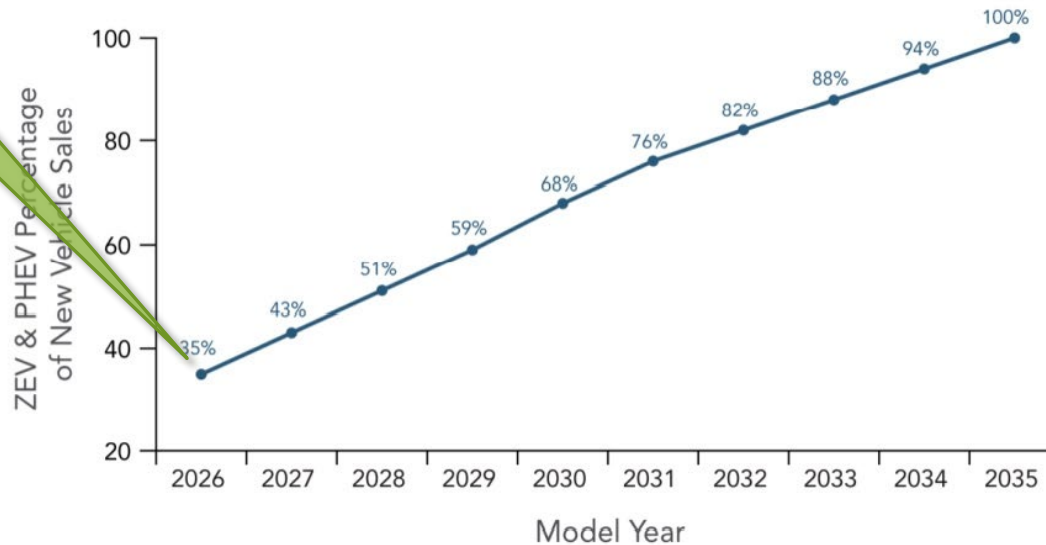




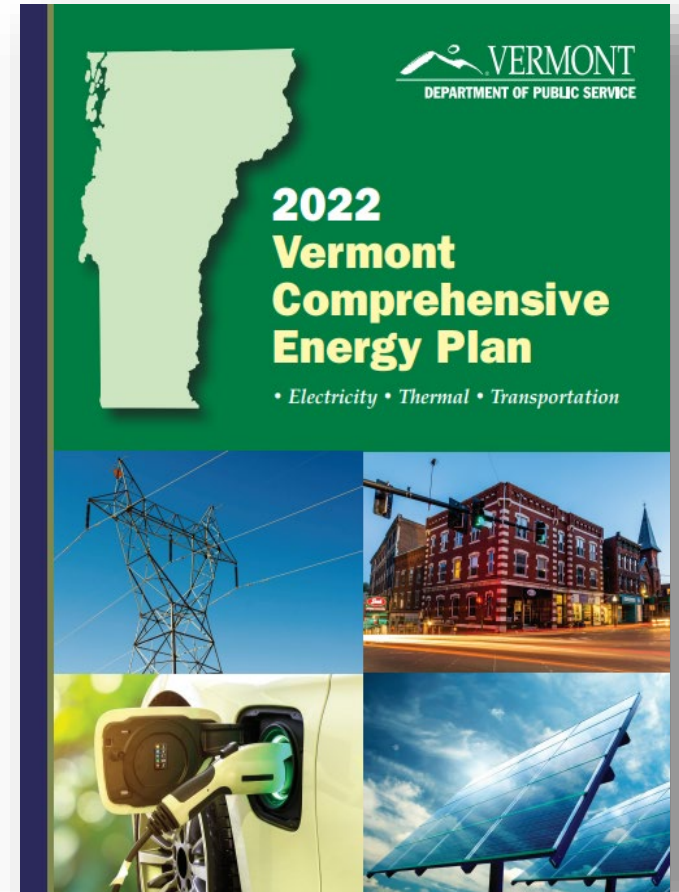
# EV Adoption in Vermont

## Vermont's Low and Zero Vehicle Regulation

The new regulation accelerates requirements that automakers deliver an increasing number of zero-emission light-duty vehicles each year beginning in model year 2026. Sales of new ZEVs and PHEVs will start with 35% that year, build to 68% in 2030, and reach 100% in 2035.



35% of new vehicle sales by 2026



# Contact

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