

1 H.944

2 Introduced by Committee on Transportation

3 Date:

4 Subject: Transportation; annual Transportation Program; Municipal Equipment
5 and Vehicle Loan Fund; Agency of Transportation; State highway
6 design standards; bonding; bridge inspections; Public Transit
7 Advisory Council; Green Mountain Transit Authority; public private
8 partnerships; Transportation Board; Transportation Alternatives Grant
9 Program; speed limits; Drive Electric Vermont; Caledonia County
10 State Airport

11 Statement of purpose of bill as introduced: This bill proposes to adopt the
12 State's annual Transportation Program and make miscellaneous changes to the
13 laws relating to transportation.

14 An act relating to the fiscal year 2027 Transportation Program and
15 miscellaneous changes to laws related to transportation

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

17 ~~*** Transportation Program Adopted as Amended; Definitions ***~~

18 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

19 (a) Adoption. The Agency of Transportation's Proposed Fiscal Year 2027

20 Transportation Program appended to the Agency of Transportation's proposed

1 fiscal year 2027 budget, as amended by this act, is adopted to the extent

2 federal, State, and local funds are available.

3 (b) Definitions. As used in this act, unless otherwise indicated:

4 (1) "Agency" means the Agency of Transportation.

5 (2) "Candidate project" means a project approved by the General
6 Assembly that is not anticipated to have significant expenditures for
7 preliminary engineering or right-of-way expenditures, or both, during the
8 budget year and funding for construction is not anticipated within a predictable
9 time frame.

10 (3) "Development and evaluation (D&E) project" means a project
11 approved by the General Assembly that is anticipated to have preliminary
12 engineering expenditures or right-of-way expenditures, or both, during the
13 budget year and that the Agency is committed to delivering to construction on
14 a timeline driven by priority and available funding.

15 (4) "Electric vehicle supply equipment (EVSE)" and "electric vehicle
16 supply equipment available to the public" have the same meanings as in
17 30 V.S.A. § 201.

18 (5) "Front-of-book project" means a project approved by the General
19 Assembly that is anticipated to have construction expenditures during the
20 budget year or the following three years, or both, with expected expenditures
21 shown over four years.

1 ~~(6) “Plug in electric vehicle (PEV),” “plug in hybrid electric vehicle~~
2 ~~(PHEV),” and “battery electric vehicle (BEV)” have the same meanings as in~~
3 ~~23 V.S.A. § 4(85).~~

4 ~~(7) “Secretary” means the Secretary of Transportation.~~

5 ~~(8) “TIB funds” means monies deposited in the Transportation~~
6 ~~Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.~~

7 ~~(9) The table heading “As Proposed” means the Proposed~~
8 ~~Transportation Program referenced in subsection (a) of this section; the table~~
9 ~~heading “As Amended” means the amendments as made by this act; the table~~
10 ~~heading “Change” means the difference obtained by subtracting the “As~~
11 ~~Proposed” figure from the “As Amended” figure; the terms “change” or~~
12 ~~“changes” in the text refer to the project- and program-specific amendments,~~
13 ~~the aggregate sum of which equals the net “Change” in the applicable table~~
14 ~~heading; and “State” in any tables amending authorizations indicates that the~~
15 ~~source of funds is State monies in the Transportation Fund, unless otherwise~~
16 ~~specified.~~

17 * * * Repeal of Municipal Equipment and Vehicle Loan Fund Rules * * *

18 Sec. 2. RULES REGARDING MUNICIPAL HEAVY EQUIPMENT LOAN
19 FUND; REPEAL

20 The Rules Regarding Municipal Heavy Equipment Loan Fund (CVR 14
21 055-002) are repealed. The Municipal Equipment and Vehicle Loan Fund, as

1 ~~the successor to the Municipal Heavy Equipment Loan Fund, shall be~~
2 administered as provided pursuant to 29 V.S.A. § 1601.

3 * * * Statement of Policy; Highways and Bridges * * *

4 Sec. 3. 19 V.S.A. § 10c is amended to read:

5 § 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES

6 * * *

7 (b) For projects that are not on the National Highway System, the Agency
8 shall ~~develop and implement~~ maintain State standards and guidance for
9 geometric design. ~~Design speeds may be lower than legal speeds. Design~~
10 ~~speeds lower than legal speeds may be used without the requirement of a~~
11 ~~formal design exception, provided appropriate warnings are posted if~~
12 appropriate warning signs, signals, and markings are used as provided pursuant
13 to 23 V.S.A. § 1025.

14 * * *

15 * * * Agency of Transportation Duties * * *

16 Sec. 4. 19 V.S.A. § 10 is amended to read:

17 § 10. DUTIES

18 The Agency shall, except where otherwise specifically provided by law:

19 * * *

20 (8)(A) Require any contractor or contractors employed in any project of
21 the Agency for construction of a transportation improvement to file in the

1 ~~office of the Secretary a good and sufficient surety bond to the State of~~
2 Vermont, executed by a surety company authorized to transact business in this
3 State in such the sum as required by the Agency shall direct, conditioned for
4 the compliance by the contractor or contractors and their agents and servants,
5 with all matters and things set forth and specified to be by the principal kept,
6 done, and performed at the time and in the manner in the contract between the
7 Agency and the contractor or contractors specified and to pay over, make
8 good, and reimburse the State of Vermont for all loss or losses and damage or
9 damages that the State of Vermont may sustain by reason of failure or default
10 on the part of the contractor or contractors. The Agency is authorized to
11 require any other condition in the bond that may ~~from time to time~~ be
12 necessary. The Secretary ~~at his or her discretion as to~~, as the Secretary
13 determines is in the best interest of the State, may accept other good and
14 sufficient surety in lieu of a bond and, in cases involving contracts for
15 \$100,000.00 \$250,000.00 or less, may waive the requirement of a performance
16 bond.

17 (B) During an emergency event, the Secretary may, in the Secretary's
18 discretion, waive the bonding requirements of this subdivision (8) for
19 immediate, temporary stabilization work related to public safety or State
20 infrastructure. Permanent work shall be subject to the requirements of
21 subdivision (A) of this subdivision (8).

1 ~~(A) Require any contractor or contractors employed in any project of~~
2 the Agency for construction of a transportation improvement to file an
3 additional surety bond to the Secretary and the Secretary's successor in office,
4 for the benefit of labor, materialmen, and others, executed by a surety
5 company authorized to transact business in this State. The surety bond shall be
6 in such the sum as required by the Agency shall direct, conditioned for the
7 payment, settlement, liquidation, and discharge of the claims of all creditors
8 for material;_; merchandise;_; labor;_; rent;_; hire of vehicles, power shovels,
9 rollers, concrete mixers, tools, and other appliances;_; professional services;_;
10 premiums;_; and other services used or employed in carrying out the terms of
11 the contract between the contractor and the State and. The surety bond shall
12 be further conditioned for the following accruing during the term of
13 performance of the contract: the payment of taxes, both State and municipal,
14 and the payment of unemployment insurance contributions to the Vermont
15 Commissioner of Labor; provided, however, in

16 (B) In order to obtain the benefit of the security, the claimant shall
17 file with the Secretary a sworn statement of the claimant's claim, within 90
18 days after the final acceptance of the project by the State or within 90 days
19 from the time the taxes or unemployment contributions to the Vermont
20 Commissioner of Labor are due and payable, and, within one year after the
21 filing of the claim, shall bring a petition in the Superior Court in the name of

1 ~~the Secretary, with notice and summons to the principal, surety, and the~~
2 Secretary, to enforce the claim or intervene in a petition already filed. The
3 Secretary may, if the Secretary determines that it is in the best interests of the
4 State, accept other good and sufficient surety in lieu of a bond and, in cases
5 involving contracts for ~~\$100,000.00~~ \$250,000.00 or less, may waive the
6 requirement of a surety bond.

7 (C) During an emergency event, the Secretary may, in the Secretary's
8 discretion, waive the requirements of this subdivision (9) for immediate
9 emergency stabilization work related to public safety or State infrastructure.
10 Permanent work shall be subject to the requirements of subdivision (A) of this
11 subdivision (9).

12 * * *

13 * * * Bridge Inspections; Posting; Closure * * *

14 Sec. 5. 19 V.S.A. § 1514 is added to read:

15 § 1514. BRIDGE INSPECTION; POSTING; CLOSURE

16 (a) Definition. As used in this section, "bridge" means a structure to which
17 the National Bridge Inspection Standards apply pursuant to 23 C.F.R.
18 § 650.303.

19 (b) Bridge inspections. The Agency shall inspect bridges on State
20 highways and town highways in accordance with the requirements of the
21 National Bridge Inspection Standards.

1 ~~(c) Municipally maintained bridges.~~

2 ~~(1) For a bridge for which a municipality has maintenance~~
3 ~~responsibility, the Agency shall advise the municipality of its inspection~~
4 ~~findings and any noted deficiencies.~~

5 ~~(2) The Agency shall notify a municipality if a bridge for which the~~
6 ~~municipality has maintenance responsibility requires posting or closure and,~~
7 ~~upon receiving notification, the municipality shall post or close the bridge, as~~
8 ~~appropriate.~~

9 ~~(3) If necessary to protect the public from an imminent hazard, the~~
10 ~~Agency may post or close a bridge for which a municipality has maintenance~~
11 ~~responsibility.~~

12 ~~(4) A municipality shall be responsible for all costs and expenses related~~
13 ~~to the posting or closure of a bridge for which it has maintenance~~
14 ~~responsibilities, including the costs of any required notifications, procedures,~~
15 ~~signage or traffic control devices, and barricades.~~

16 ~~(d) Agency-maintained bridges.~~

17 ~~(1) For any bridge for which the Agency has maintenance responsibility,~~
18 ~~the Agency shall have the sole responsibility and authority to determine~~
19 ~~whether the bridge shall be posted or closed, except that a municipality may~~
20 ~~close an Agency-maintained bridge during an emergency.~~

1 ~~(2) If a municipality becomes aware of any deficiencies or structural~~
2 ~~conditions that could impact the Agency's determination of whether to post or~~
3 ~~close a bridge, the municipality shall promptly notify the Agency.~~

4 (3) ~~The Agency shall be responsible for all costs associated with posting~~
5 ~~or closing an Agency-maintained bridge, including any required notifications,~~
6 ~~procedures, signage or traffic control devices, and barricades.~~

7 (e) ~~Enforcement and penalties. In addition to any other penalties provided~~
8 ~~by law, a person that violates a bridge posting or closure by a municipality or~~
9 ~~the Agency shall be subject to a civil penalty of not more than \$1,000.00.~~

10 Sec. 6. 23 V.S.A. § 2302 is amended to read:

11 § 2302. TRAFFIC VIOLATION DEFINED

12 (a) As used in this chapter, "traffic violation" means:

13 * * *

14 (11) a violation of subsection 1006b(b) ~~of this title, relating to operation~~
15 ~~of a prohibited vehicle in Smugglers' Notch; section 1006c of this title,~~
16 ~~relating to requirements for use of tire chains; or subsection 4120(a) and (b)~~
17 ~~of this title, relating to violations of an out-of-service order; or~~

18 (12) a violation of section 4123 of this title, relating to authorizing
19 railroad crossing violations; or

20 (13) a violation of 19 V.S.A. § 1514, relating to use of a bridge in
21 violation of a posting or closure.

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~~*** Public Transit Advisory Council ***~~

Sec. 7. 24 V.S.A. § 5084 is amended to read:

§ 5084. PUBLIC TRANSIT ADVISORY COUNCIL

(a) The Public Transit Advisory Council shall be created by the Secretary of Transportation under 19 V.S.A. § 7(f)(5), ~~to~~ and shall consist of the following members:

~~***~~

(8) a representative of the ~~Community of Vermont Elders~~ AARP Vermont;

(9) ~~a representative of private bus operators and taxi services;~~

[Repealed.]

(10) a representative of Vermont ~~intercity~~ private bus operators;

~~***~~

~~*** Green Mountain Transit Authority ***~~

Sec. 8. 24 App. V.S.A. ch. 801, § 7 is amended to read:

§ 7. Annual budget and assessments

(a) On or before February 15 in each year, the Board of Commissioners shall prepare a budget for the Authority for the next fiscal year, which shall include an estimate of the revenue of the Authority from fares and other ~~sources, except membership assessments, and the expenses for the next fiscal~~

1 ~~year, including debt service, and at such time the Board of Commissioners~~
2 shall call a meeting of the residents of its members for the purpose of
3 presenting the proposed budget and inviting discussion thereon. The meeting
4 shall be held at a place within the County and shall be warned by a notice
5 published in a newspaper of general circulation in the County at least 15 days
6 prior to the meeting. The notice shall contain a copy of the proposed budget,
7 and members of the legislative body of each member municipality shall be
8 notified of the meeting by certified mail. The proposed budget may include, in
9 addition to revenues from fares and other sources, anticipated voluntary local
10 match contributions, grants, donations, and other nonassessment revenues that
11 may be offered by a member municipality or another public or private source.

12 * * *

13 (f)(1) The Authority shall be permitted to seek and accept voluntary local
14 match contributions.

15 (2) Notwithstanding the formula for apportionment, the Authority may
16 accept voluntary local match contributions from a member municipality or
17 another public or private source for the purposes of:

18 (A) meeting federal, State, or other grant matching requirements; and

19 (B) supporting Authority programs, capital projects, and operations.

20 (3) A voluntary local match contribution accepted pursuant to this
21 subsection shall be in addition to any assessment required pursuant to this

1 ~~section and shall not reduce, offset, or otherwise modify the assessment~~
2 apportioned to any member municipality pursuant to the formula for
3 apportionment unless the formula is amended in accordance with the
4 provisions of this section.

5 * * * Public-Private Partnership Sunset Extension * * *

6 Sec. 9. 2018 Acts and Resolves No. 158, Sec. 21 as amended by 2023 Acts
7 and Resolves No. 62, Sec. 41 is further amended to read:

8 Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

9 19 V.S.A. chapter 26, subchapter 2 shall be repealed on July 1, ~~2026~~ 2029.

10 * * * Transportation Board * * *

11 Sec. 10. 19 V.S.A. § 5 is amended to read:

12 § 5. TRANSPORTATION BOARD; POWERS AND DUTIES

13 * * *

14 (d) Specific duties and responsibilities. The Board shall:

15 * * *

16 (7) provide appellate review, when requested in writing by an applicant
17 or permittee, of Agency decisions and rulings regarding private and
18 commercial access to State highway rights-of-way pursuant to the permit
19 process established in section 1111 of this title;

20 * * *

1 ~~*** Transportation Alternatives Grant Program ***~~

2 Sec. 11. 19 V.S.A. § 38 is amended to read:

3 § 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

4 (a), (b) [Repealed.]

5 (c) The Transportation Alternatives Grant Program is created. The Grant
6 Program shall be administered by the Agency and shall be funded in the
7 amount provided for in 23 U.S.C. § 133(h), less the funds set aside for the
8 Recreational Trails Program. Awards shall be made to eligible entities as
9 defined under 23 U.S.C. § 133(h), and awards under the Grant Program shall
10 be limited to the activities authorized under federal law and shall not exceed
11 ~~\$300,000.00~~ \$600,000.00 per grant allocation.

12 * * *

13 (f)(1) In fiscal year ~~2024~~ 2027 and thereafter, ~~50 percent of Grant Program~~
14 ~~funds, or such lesser sum if all eligible applications amount to less than 50~~
15 ~~percent of Grant Program funds, shall be reserved for municipalities for~~
16 ~~environmental mitigation projects relating to stormwater and highways,~~
17 ~~including eligible salt and sand shed projects, and the balance of Grant~~
18 ~~Program funds shall be awarded for any eligible activity, including~~
19 ~~environmental mitigation projects relating to stormwater and highways, such~~
20 ~~as eligible salt and sand shed projects, and infrastructure-related projects and~~

1 ~~systems that will provide safe routes for nondrivers, and in accordance with~~
2 the priorities established in subdivision (2) of this subsection.

3 * * *

4 Sec. 12. 2023 Acts and Resolves No. 62, Sec. 11 is amended to read:

5 Sec. 11. TRANSPORTATION ALTERNATIVES GRANT PROGRAM
6 AWARDS IN STATE FISCAL YEARS 2024 TO 2027

7 Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant
8 Program awards in State fiscal years 2024 to ~~2027~~ 2026 shall not exceed
9 \$600,000.00 per grant allocation. Notwithstanding 19 V.S.A. § 38(c),
10 Transportation Alternatives Grant Program awards in State fiscal year 2027
11 shall not exceed \$1,200,000.00 per grant allocation.

12 * * * Consultation Regarding Municipal Programs * * *

13 Sec. 13. MUNICIPAL TRANSPORTATION PROGRAMS; ONGOING
14 EVALUATION; IDENTIFICATION OF IMPROVEMENTS

15 (a) In addition to ongoing work pursuant to 2025 Acts and Resolves No.
16 43, Sec. 15, the Agency of Transportation, in consultation with the Vermont
17 League of Cities and Towns and the Vermont Association of Planning and
18 Development Agencies, shall:

19 (1) continue examining the requirements of 19 V.S.A. § 309c,
20 cancellation of locally managed projects, as set forth in 2024 Acts and
21 Resolves No. 43, Sec. 14, to evaluate the obligations, risks, and benefits

1 ~~imposed by the provisions of that section on the State and the local sponsor of~~
2 a locally managed project and to identify potential changes to the provisions of
3 that section to ensure that State and federal transportation funding resources
4 are appropriately administered;

5 (2) continue evaluating the State's Town Highway Aid and municipal
6 grant programs administered by the Agency, as set forth in 2024 Acts and
7 Resolves No. 43, Sec. 16 to identify potential efficiencies and improvements
8 related to the administration of Town Highway Aid and municipal grant
9 programs; and

10 (3)(A) examine the provisions in the Vermont statutes related to the
11 procedures for establishing speed limits; and

12 (B) identify potential opportunities to simplify and clarify those
13 provisions to assist municipalities in meeting local needs, including safety and
14 context sensitivity.

15 (b) The Agency shall, on or before January 15, 2027, submit to the House
16 and Senate Committees on Transportation any recommendations for legislative
17 action.

18 ~~*** PILOT Special Fund ***~~

19 Sec. 14. 32 V.S.A. § 3709 is amended to read:

20 ~~§ 3709. PILOT SPECIAL FUND~~

1 ~~(c) There is hereby established a PILOT Special Fund consisting of local~~
2 ~~option tax revenues paid to the State Treasurer pursuant to 24 V.S.A. § 138.~~
3 ~~This Fund shall be managed by the Commissioner of Taxes pursuant to chapter~~
4 ~~7, subchapter 5 of this title. Notwithstanding subdivision 588(3) of this title,~~
5 ~~all interest earned on the Fund shall be retained in the Fund for use in meeting~~
6 ~~future obligations. The Fund shall be exclusively for payments required under~~
7 ~~chapter 123, subchapters 4 and 4C of this title chapter, and for any additional~~
8 ~~State payments in lieu of taxes for correctional facilities, and as provided in~~
9 ~~subsection (c) of this section. The Commissioner of Finance and Management~~
10 ~~may draw warrants for disbursements from this Fund in anticipation of~~
11 ~~receipts.~~

12 * * *

13 (c) If the local option tax revenues deposited in the PILOT Special Fund
14 pursuant to 24 V.S.A. § 138 in any State fiscal year exceed the full amount of
15 all payments made under subchapters 4 and 4C of this chapter plus any
16 amounts appropriated from the PILOT Special Fund to the Department of
17 Taxes for expenses related to grand list and appraisal assistance, one-half of the
18 excess amount shall be transferred to the Transportation Fund in the next fiscal
19 year and allocated to general State aid for town highways as provided pursuant
20 to 19 V.S.A. § 500(a).

1 ~~Sec. 15. 19 V.S.A. § 206 is amended to read:~~

2 ~~§ 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS~~

3 ~~(a) General State aid to town highways.~~

4 ~~* * *~~

5 ~~(4)(A) In addition to the amounts appropriated pursuant to subdivision~~
6 ~~(1) of this subsection (a), amounts transferred to the Transportation Fund from~~
7 ~~the PILOT Special Fund pursuant to 32 V.S.A. § 3709(c) shall be appropriated~~
8 ~~for class 1, 2, and 3 town highways and shall be apportioned, distributed, and~~
9 ~~used in the same manner as provided pursuant to subdivision (3) of this~~
10 ~~subsection (a).~~

11 ~~(B) Amounts appropriated pursuant to this subdivision (4) shall not~~
12 ~~decrease the amount appropriated pursuant to subdivision (1) of this subsection~~
13 ~~(a) or be subject to the annual inflationary adjustment provided for in~~
14 ~~subdivisions (1) and (2) of this subsection (a).~~

15 ~~* * *~~

~~*Sec. 14. [Deleted.]*~~

~~*Sec. 15. [Deleted.]*~~

16 * * * Drive Electric Vermont * * *

17 Sec. 16. DRIVE ELECTRIC VERMONT; APPROPRIATION

18 In State fiscal year 2027, the sum of \$192,000.00 is appropriated from the
19 Transportation Fund to the Agency of Transportation to support the

1 ~~continuation of the Agency's partnership with Drive Electric Vermont. The~~
2 monies shall be used for programs and activities that support increased
3 ownership and use of plug-in electric vehicles in the State through:
4 (1) stakeholder coordination;
5 (2) consumer education and outreach;
6 (3) infrastructure development; and
7 (4) the provision of technical assistance and support to Vermont
8 municipalities and Vermont businesses desiring to electrify their vehicle fleets.

9 * * * Caledonia County State Airport * * *

10 Sec. 17. 2023 Acts and Resolves No. 62, Sec. 8 is amended to read:

11 Sec. 8. SALE OR LEASE OF CALEDONIA COUNTY STATE
12 AIRPORT

13 (a)(1) The Agency of Transportation is authorized to issue a request for
14 proposals for the purchase or lease of the Caledonia County State Airport,
15 located in the Town of Lyndon, and the Agency shall consult with the Town of
16 Lyndon on any requests for proposals related to the purchase or lease of the
17 Airport prior to the issuance of any requests for proposals related to the
18 purchase or lease of the Airport.

19 (2) The request for proposal shall include a request for a business plan,
20 which shall, at a minimum, include the prospective purchaser's or lessor's
21 ~~plans for investments in the Airport and the surrounding communities and may~~

1 ~~include plans for partnerships with secondary and post-secondary institutions~~
2 in the surrounding communities.

3 (b) Subject to obtaining any necessary approvals from the U.S. Federal
4 Aviation Administration, the Vermont Secretary of Transportation, as agent for
5 the State, is authorized to convey the Airport property by warranty deed
6 according to the terms of a purchase and sale agreement or through a long-
7 term lease.

8 (c) Any such conveyance shall:

9 (1) include assignment of the State's interest in easements, leases,
10 licenses, and other agreements pertaining to the Airport and the acceptance of
11 the State's obligations under such easements, leases, licenses, and other
12 agreements that requires, at a minimum, that any leases and terms of leases
13 that are in effect at the time of the conveyance of the Airport are fully honored
14 for the balance of the lease term;

15 (2) ensure that there are investments in the Airport to address current
16 deficiencies and necessary repairs;

17 (3) ensure that the Airport continues to be a public-use airport and that
18 the public continues to have access to the Airport for general aviation uses in
19 ~~perpetuity,~~

1 ~~(4) ensure that the Airport continues to be identified as a public use~~
2 ~~airport within the National Plan of Integrated Airport Systems until at least~~
3 ~~2050, subject to federal determination;~~

4 ~~(5) include, if the Airport is conveyed through a purchase and sale~~
5 ~~agreement, a six-month right of first refusal, running from the date that the~~
6 ~~owner of the Airport provides notice to the State of an intent to sell the~~
7 ~~Airport, for the State to repurchase the Airport at fair market value before the~~
8 ~~Airport is resold or transferred to a new owner; and~~

9 ~~(6)(5) include, if the Airport is leased, that the lease cannot be either~~
10 ~~assigned or the lessor cannot sub-lease all or substantially all of the Airport~~
11 ~~without the written approval of the Vermont Secretary of Transportation.~~

12 (d) The Agency shall not proceed with a sale or lease of the Airport unless:

13 (1) there is a fair market value offer, as required under 19 V.S.A.
14 § 10k(b) or 26a(a), that meets the requirements of subsection (c) of this
15 section; and

16 (2) the Town of Lyndon is given the opportunity to review and comment
17 on the final purchase and sale agreement or lease as applicable.

18 (e) This section shall constitute specific prior approval, including of any
19 ~~sale or lease terms, by the General Assembly for purposes of 5 V.S.A. § 204.~~

1 ~~Sec. 18. 2023 Acts and Resolves No. 62, Sec. 9 is amended to read:~~

2 ~~Sec. 9. REPEAL OF AUTHORITY FOR SALE OR LEASE OF~~
3 ~~CALEDONIA COUNTY STATE AIRPORT~~

4 ~~Sec. 8 of this act shall be repealed on May 1, 2026 November 1, 2027.~~

5 ~~*** Mileage-Based User Fee ***~~

6 ~~Sec. 19. 23 V.S.A. Chapter 43 is added to read:~~

7 ~~CHAPTER 43. MILEAGE-BASED USER FEE~~

8 ~~§ 4301. PURPOSE~~

9 ~~The purpose of this chapter is to impose a mileage-based user fee for~~
10 ~~battery electric vehicle pleasure cars to ensure that battery electric vehicles~~
11 ~~contribute to the Transportation Fund in an amount that reflects the annual~~
12 ~~miles traveled by each vehicle.~~

13 ~~§ 4302. DEFINITIONS~~

14 ~~As used in this chapter:~~

15 ~~(1) “Account manager” means a person that the Agency of~~
16 ~~Transportation or Department of Motor Vehicles contracts with to administer~~
17 ~~and manage the mileage-based user fee.~~

18 ~~(2) “Annual vehicle miles traveled” means the total number of miles~~
19 ~~that a BEV is driven during the mileage reporting period.~~

20 ~~(3) “BEV” means a battery electric vehicle pleasure car.~~

1 ~~(4) "Mileage-based user fee" means the fee charged for the annual~~
2 ~~vehicle miles traveled by a BEV pursuant to section 4303 of this chapter.~~

3 ~~(5) "Mileage-based user fee rate" means the per-mile usage fee charged~~
4 ~~to the owner or lessee of a BEV pursuant to section 4303 of this chapter.~~

5 ~~(6) "Mileage reporting period" means:~~

6 ~~(A) the time period between annual inspections; or~~

7 ~~(B) the time period between the most recent annual inspection and a~~
8 ~~terminating event.~~

9 ~~(7) "Terminating event" means any of the following:~~

10 ~~(A) the registering of a BEV that had been registered in Vermont in a~~
11 ~~different state;~~

12 ~~(B) a change in ownership or lesseeship of a BEV; or~~

13 ~~(C) the termination of a BEV's registration.~~

14 § 4303. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;

15 PAYMENT; EXEMPTIONS

16 (a) Annual mileage-based user fee.

17 (1) Except as otherwise provided pursuant to subsections (b) and (c) of
18 this section, the Commissioner shall, for each BEV registered in Vermont,
19 calculate pursuant to subsection (d) of this section a mileage-based user fee
20 within 14 days after the conclusion of the BEV's mileage reporting period.

1 ~~(2) As soon as practicable after calculating the amount of the mileage~~
2 ~~based user fee due for a BEV, the Commissioner shall mail to the registered~~
3 ~~owner or lessee of the BEV a statement of the amount of the mileage-based~~
4 ~~user fee assessed pursuant to this section.~~

5 (3) Not more than 45 days after a mileage-based user fee assessment is
6 mailed pursuant to subsection (a) of this section, the owner or lessee of the
7 BEV shall:

8 (A) remit the full amount of the mileage-based user fee to the
9 Commissioner; or

10 (B) enter into an agreement with the Commissioner to pay the
11 amount of the mileage-based user fee in quarterly or monthly installments.

12 (b) Pay-as-you-go option.

13 (1) The Commissioner may, in the Commissioner's sole discretion,
14 establish a pay-as-you-go mileage-based user fee program that BEV owners
15 and lessees may opt into in lieu of paying an annual mileage-based user fee
16 pursuant to subsection (a) of this section.

17 (2) Owners and lessees that opt into the pay-as-you-go mileage-based
18 user fee program shall report the mileage shown on the odometer of the owner
19 or lessee's BEV at times and in a manner required by the Commissioner.

20 (3) As soon as practicable after receiving the report, the Commissioner
21 shall calculate pursuant to subsection (d) of this section the applicable mileage-

1 ~~based user fee due for the BEV and mail to the registered owner or lessee of~~
2 the BEV a statement of the amount of the mileage-based user fee assessed.

3 (4) The owner or lessee of the BEV shall remit the full amount due to
4 the Commissioner within not more than 30 days after the assessment is mailed.

5 (5)(A) At the conclusion of each mileage reporting period for a BEV
6 enrolled in the pay-as-you-go mileage-based user fee program, the
7 Commissioner shall determine if the actual miles traveled by the BEV during
8 the mileage reporting period were greater than or less than the miles reported
9 by the owner or lessee during that period.

10 (B) If the actual mileage was less than the amount reported, the
11 owner or lessee of the BEV shall receive a credit equal to the difference
12 between the mileage reported and the actual miles traveled multiplied by the
13 rate established pursuant to subsection (e) of this section. The credit shall be
14 applied to reduce the next amount due from the owner or lessee pursuant to
15 subdivision (3) of this subsection (b).

16 (C) If the actual mileage was greater, the owner or lessee of the BEV
17 shall be assessed an amount equal to the difference between actual miles
18 traveled and the mileage reported multiplied by the rate established pursuant to
19 subsection (e) of this section. That amount shall be added to the next amount
20 due from the owner or lessee pursuant to subdivision (3) of this subsection (b).

1 ~~(c) Mileage-based user fee for newly registered vehicles.~~

2 ~~(1) The owner or lessee of a BEV that is being registered in Vermont for~~
3 ~~the first time may elect to opt into the pay-as-you-go mileage-based user fee~~
4 ~~program established pursuant to subsection (b) of this section, provided the~~
5 ~~Commissioner has made the program available to owners and lessees of BEVs.~~

6 ~~(2)(A) The owner or lessee of a BEV that is being registered in Vermont~~
7 ~~for the first time who does not opt into the pay-as-you-go mileage-based user~~
8 ~~fee program as provided in subdivision (1) of this subsection (c) shall be~~
9 ~~assessed upon registration of the BEV an estimated mileage-based user fee~~
10 ~~equal to the rate established pursuant to subsection (e) of this section~~
11 ~~multiplied by the average annual vehicle miles traveled by pleasure cars~~
12 ~~registered in Vermont.~~

13 ~~(B) The fee shall be paid as provided pursuant to subdivision (a)(3)~~
14 ~~of this section.~~

15 ~~(C)(i) Upon completion of the first mileage reporting period for the~~
16 ~~BEV, the Commissioner shall determine if the actual miles traveled by the~~
17 ~~BEV during the mileage reporting period were greater than or less than the~~
18 ~~mileage that the fee assessed pursuant to subdivision (A) of this subdivision~~
19 ~~(c)(2) was based on.~~

20 ~~(ii) If the actual mileage was less, the owner or lessee of the BEV~~
21 ~~shall receive a credit equal to the difference between the mileage that the fee~~

1 ~~assessed pursuant to subdivision (A) of this subdivision (c)(2) was based on~~
2 and the actual miles traveled multiplied by the rate established pursuant to
3 subsection (e) of this section. The credit shall be applied to reduce the amount
4 of the next mileage-based user fee for the BEV that is assessed pursuant to
5 subsection (a) or (b) of this section.

6 (iii) If the actual mileage was greater, the owner or lessee of the
7 BEV shall be assessed an amount equal to the difference between actual miles
8 traveled and the mileage that the fee assessed pursuant to subdivision (A) of
9 this subdivision (c)(2) was based on multiplied by the rate established pursuant
10 to subsection (e) of this section. That amount shall be added to the amount of
11 the next mileage-based user fee assessed for the BEV pursuant to subsection
12 (a) or (b) of this section.

13 (d) Calculation of the mileage-based user fee. The Commissioner shall
14 calculate the mileage-based user fee of each BEV by multiplying the miles
15 traveled by the BEV during the applicable period by the rate established
16 pursuant to subsection (e) of this section. The number of miles traveled shall
17 be equal to:

18 (1) for a mileage reporting period, the difference between the mileage
19 shown on the BEV's odometer at the end of the mileage reporting period and
20 the mileage shown on the BEV's odometer at the beginning of the mileage
21 reporting period, and

1 ~~(2) for a report filed by an owner or lessee as part of the pay as you go~~
2 mileage-based user fee program pursuant to subsection (b) of this section, the
3 difference between the mileage reported by the owner or lessee and the most
4 recent prior mileage reported for the BEV.

5 (e) Mileage-based user fee rate. For mileage reporting periods
6 commencing in calendar year 2027, the mileage-based user fee rate shall be
7 \$0.014 per mile traveled by a BEV during its mileage reporting period.

8 (f) Exemptions. The mileage-based user fee assessed pursuant to this
9 section shall not apply to BEVs owned or operated by the Government of the
10 United States.

11 (g) Fee in addition to other fees and taxes. A mileage-based user fee
12 assessed pursuant to this section shall be in addition to any other fees and taxes
13 imposed by this title.

14 (h) Review of amount assessed. A person may, within 15 days after an
15 assessment pursuant to subsections (a), (b), and (c) of this section, appeal the
16 amount of the assessment to the Commissioner. The Commissioner shall
17 establish procedures for filing and hearing appeals pursuant to this subsection
18 that are consistent with the provisions of sections 105–107 of this title. The
19 procedures shall include a process by which an appellant can resolve the
20 dispute prior to the issuance of a final administrative decision on the appeal.

1 ~~(i) Refunds. Upon occurrence of a terminating event, the Commissioner~~
2 ~~shall issue a refund to the owner or lessee of a BEV for any amounts paid by~~
3 ~~the owner or lessee that are in excess of the amount due pursuant to this~~
4 ~~chapter.~~

5 § 4304. REPORTS

6 (a) Upon completion of an inspection of a BEV pursuant to section 1222 of
7 this title, an inspection mechanic shall report the mileage shown on the BEV's
8 odometer to the Department in the manner required by the Commissioner.

9 (b) Upon the occurrence of a terminating event, the owner or lessee of a
10 BEV shall report the mileage shown on the BEV's odometer at the time of the
11 terminating event to the Department in the time and manner required by the
12 Commissioner.

13 § 4305. FAILURE TO PAY FEE WHEN DUE. INTEREST

14 (a) Any person who fails to pay the mileage-based user fee when due shall
15 owe, in addition to the mileage-based user fee, interest calculated at one and
16 one-half percent per month on the amount of the mileage-based user fee that
17 remains unpaid. The maximum amount of interest that may accrue pursuant to
18 this subsection shall not exceed 18 percent of the amount of the unpaid fee.

19 (b) The Commissioner may waive some or all of the interest and penalties
20 required pursuant to subsection (a) of this section if the Commissioner
21 determines that the delay in payment was due to excusable neglect.

1 § 4306. FAILURE TO FILE REPORT; PENALTY RATE

2 If the Commissioner is unable to determine the annual vehicle miles
3 traveled for a BEV because a person failed to file a report required by section
4 4304 of this chapter or failed to have the BEV inspected as required pursuant
5 to section 1222 of this title within a reasonable period of time after the report
6 or inspection is due, the Commissioner shall calculate the mileage-based user
7 fee for the BEV based on the 98th percentile of the miles traveled by BEVs
8 registered in Vermont during mileage reporting periods ending in the
9 preceding calendar year.

10 § 4307. REGISTRATION; SUSPENSION OR REFUSAL

11 (a) Suspension of registration. The Commissioner may suspend or refuse
12 to renew the registration of a BEV if the Commissioner determines, following
13 notice and an opportunity for a hearing as provided pursuant to subsection (b)
14 of this section, that the owner or lessee of the BEV:

15 (1) failed to file a report required pursuant to section 4304 of this
16 chapter;

17 (2) filed a report containing an intentional misrepresentation,
18 misstatement, or omission of material information required by this chapter; or

19 (3) is delinquent at the time of renewal in the payment amount due
20 pursuant to the provisions of this chapter.

1 ~~(b) Notice and opportunity for hearing. The Commissioner shall provide~~
2 ~~the owner or lessee of a BEV with not less than 15 days' notice of the intent to~~
3 ~~suspend or not to renew the registration of the BEV pursuant to the provisions~~
4 ~~of this section. The owner or lessee shall be provided with the opportunity for~~
5 ~~a hearing and shall be permitted to be represented by counsel at the hearing.~~

6 § 4308. POWERS OF THE COMMISSIONER

7 (a) General authority. The Commissioner shall have the authority to
8 administer and enforce the provisions of this chapter.

9 (b) Additional powers. In addition to any powers or authority specifically
10 granted to the Commissioner pursuant to the provisions of this chapter, the
11 Commissioner may do the following:

12 (1) Adopt rules pursuant to 3 V.S.A. chapter 25 as the Commissioner
13 determines necessary to administer and enforce the provisions of this chapter.

14 (2) Prescribe forms appropriate to the purposes of this chapter.

15 (3) Contract with an account manager to administer and manage the
16 mileage-based user fee.

17 (4) With the approval of the Governor and Secretary, enter into
18 agreements with other states, the District of Columbia, and Canadian
19 provinces, providing for the reciprocal enforcement of mileage-based user fee
20 or tax laws imposed by the jurisdictions entering into such an agreement,
21 which agreement may empower a duly authorized officer of any contracting

1 ~~jurisdiction that extends such authority to officers or employees of this State~~
2 to sue for the collection of that state's or province's mileage-based user fee or
3 taxes in the courts of this State.

4 (5) Hold hearings, cause depositions to be taken, administer oaths, and
5 examine under oath any person relating to any matter under this chapter.

6 (6) Compel the attendance of witnesses and order the production of any
7 relevant books, records, papers, accounts, or other documents of any person
8 the Commissioner has reason to believe is liable for the payment of a mileage-
9 based user fee or of any person believed to have information pertinent to any
10 matter under investigation by the Commissioner at any hearing held under this
11 chapter. The fees for travel and attendance of witnesses summoned or used by
12 the Commissioner and fees for officers shall be the same as for witnesses and
13 officers before a court and shall be paid by the State upon presentation of
14 proper bills of cost to the Commissioner of Finance and Management, but no
15 fees or expenses shall be payable to a witness charged with liability for
16 reporting or paying a mileage-based user fee.

17 (c) Examinations under oath. Any examination under oath conducted by
18 the Commissioner may, at the Commissioner's discretion, be reduced to
19 writing, and intentional false testimony shall be deemed perjury and be
20 punishable as such.

1 ~~(d) Compulsory process. Upon application of the Commissioner, a~~
2 ~~superior judge may compel the attendance of witnesses, the giving of~~
3 ~~testimony, and the production of any books, records, papers, vouchers,~~
4 ~~accounts, or documents before the Commissioner in the same manner, to the~~
5 ~~same extent, and subject to the same penalties as if before a Superior Court.~~

6 § 4309. JUDICIAL REVIEW

7 (a) Notice of appeal. An aggrieved person may appeal any final decision,
8 order, or finding of the Commissioner under this chapter pursuant to Rule 74
9 of the Vermont Rules of Civil Procedure. The appeal shall be to the
10 Washington Superior Court or, in the discretion of the appellant, to the
11 Superior Court in the county where the appellant resides or has a principal
12 place of business.

13 (b) Exclusivity of remedy. The appeal provided by this section shall be the
14 exclusive remedy available to any person for review of a final decision of the
15 Commissioner under this chapter.

Sec. 19. 23 V.S.A. chapter 43 is added to read:

CHAPTER 43. ROAD USAGE CHARGES

Subchapter 1. Mileage-Based User Fee

§ 4301. PURPOSE

The purpose of this chapter is to impose a mileage-based user fee for
battery electric vehicle pleasure cars to ensure that battery electric vehicles

contribute to the Transportation Fund in an amount that reflects the annual miles traveled by each vehicle.

§ 4302. DEFINITIONS

As used in this chapter:

(1) "Account manager" means a person that the Agency of Transportation or Department of Motor Vehicles contracts with to administer and manage the mileage-based user fee.

(2) "Annual vehicle miles traveled" means the total number of miles that a BEV is driven during the mileage reporting period.

(3) "BEV" means a battery electric vehicle pleasure car.

(4) "Mileage-based user fee" means the fee charged for the annual vehicle miles traveled by a BEV pursuant to section 4303 of this chapter.

(5) "Mileage-based user fee rate" means the per-mile usage fee charged to the owner or lessee of a BEV pursuant to section 4303 of this chapter.

(6) "Mileage reporting period" means:

(A) the time period between annual inspections; or

(B) the time period between the most recent annual inspection and a terminating event.

(7) "Terminating event" means any of the following:

(A) the registering of a BEV that had been registered in Vermont in a different state,

~~(B) a change in ownership or leaseholdship of a BEV; or~~

~~(C) the termination of a BEV's registration.~~

~~§ 4303. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;
PAYMENT; EXEMPTIONS~~

~~(a) Annual mileage-based user fee.~~

~~(1) The Commissioner shall, for each BEV registered in Vermont, calculate pursuant to subsection (b) of this section a mileage-based user fee within 14 days after the conclusion of the BEV's mileage reporting period.~~

~~(2) As soon as practicable after calculating the amount of the mileage-based user fee due for a BEV, the Commissioner shall mail to the registered owner or lessee of the BEV a statement of the amount of the mileage-based user fee assessed pursuant to this section.~~

~~(3) Not more than 45 days after a mileage-based user fee assessment is mailed pursuant to subdivision (2) of this subsection, the owner or lessee of the BEV shall:~~

~~(A) remit the full amount of the mileage-based user fee to the Commissioner; or~~

~~(B) enter into an agreement with the Commissioner to pay the amount of the mileage-based user fee in quarterly or monthly installments.~~

~~(b) Calculation of the mileage-based user fee. The Commissioner shall calculate the mileage-based user fee of each BEV by multiplying the miles~~

~~traveled by the BEV during the applicable period by the rate established pursuant to subsection (c) of this section. The number of miles traveled for a mileage reporting period shall be equal to the difference between the mileage shown on the BEV's odometer at the end of the mileage reporting period and the mileage shown on the BEV's odometer at the beginning of the mileage reporting period.~~

~~(c) Mileage-based user fee rate. The mileage-based user fee rate shall be \$0.014 per mile traveled by a BEV during its mileage reporting period.~~

~~(d) Exemptions. The mileage-based user fee assessed pursuant to this section shall not apply to:~~

~~(1) BEVs owned or operated by the government of the United States;~~

~~(2) BEVs that are owned or operated by the State; and~~

~~(3) BEVs that are used in short-term rentals.~~

~~(e) Fee in addition to other fees and taxes. A mileage-based user fee assessed pursuant to this section shall be in addition to any other fees and taxes imposed by this title.~~

~~(f) Review of amount assessed. A person may, within 45 days after an assessment is mailed pursuant to subsection (a) of this section, appeal the amount of the assessment to the Commissioner. The Commissioner shall establish procedures for filing and hearing appeals pursuant to this subsection that are consistent with the provisions of sections 105-107 of this title. The~~

~~procedures shall include a process by which an appellant can resolve the dispute prior to the issuance of a final administrative decision on the appeal.~~

~~(g) Refunds. Upon occurrence of a terminating event, the Commissioner shall issue a refund to the owner or lessee of a BEV for any amounts paid by the owner or lessee that are in excess of the amount due pursuant to this chapter.~~

§ 4304. REPORTS

~~(a) Upon completion of an inspection of a BEV pursuant to section 1222 of this title, an inspection mechanic shall report the mileage shown on the BEV's odometer to the Department in the manner required by the Commissioner.~~

~~(b) Upon the occurrence of a terminating event, the owner or lessee of a BEV shall report the mileage shown on the BEV's odometer at the time of the terminating event to the Department in the time and manner required by the Commissioner.~~

§ 4305. FAILURE TO PAY FEE WHEN DUE; INTEREST

~~(a) Any person who fails to pay the mileage-based user fee when due shall owe, in addition to the mileage-based user fee, interest calculated at one and one-half percent per month on the amount of the mileage-based user fee that remains unpaid. The maximum amount of interest that may accrue pursuant to this subsection shall not exceed 18 percent of the amount of the unpaid fee.~~

~~(b)(1) An individual may request at any time that the Commissioner waive some or all of the amount of the overdue fee or interest due, or both, pursuant to subsection (a) of this section.~~

~~(2) The Commissioner may, upon receiving a request pursuant to subdivision (1) of this subsection or on the Commissioner's own motion, waive some or all of the amount of the overdue fee and interest required pursuant to subsection (a) of this section if the Commissioner determines that good cause existed for the delay in payment or that requiring repayment would constitute an economic hardship.~~

~~§ 4306. FAILURE TO FILE REPORT; PENALTY RATE~~

~~If the Commissioner is unable to determine the annual vehicle miles traveled for a BEV because a person failed to file a report required by section 4304 of this chapter or failed to have the BEV inspected as required pursuant to section 1222 of this title within a reasonable period of time after the report or inspection is due, the Commissioner shall calculate the mileage-based user fee for the BEV based on the 98th percentile of the miles traveled by BEVs registered in Vermont during mileage reporting periods ending in the preceding calendar year.~~

~~§ 4307. REGISTRATION; SUSPENSION OR REFUSAL~~

~~(a) Suspension of registration. The Commissioner may suspend or refuse to renew the registration of a BEV if the Commissioner determines, following~~

~~notice and an opportunity for a hearing as provided pursuant to subsection (b) of this section, that the owner or lessee of the BEV:~~

~~(1) failed to file a report required pursuant to section 4304 of this chapter;~~

~~(2) filed a report containing an intentional misrepresentation, misstatement, or omission of material information required by this chapter; or~~

~~(3) is delinquent at the time of renewal in the payment amount due pursuant to the provisions of this chapter.~~

~~(b) Notice and opportunity for hearing. The Commissioner shall provide the owner or lessee of a BEV with not less than 15 days' notice of the intent to suspend or not to renew the registration of the BEV pursuant to the provisions of this section. The owner or lessee shall be provided with the opportunity for a hearing and shall be permitted to be represented by counsel at the hearing.~~

~~§ 4308. POWERS OF THE COMMISSIONER~~

~~(a) General authority. The Commissioner shall have the authority to administer and enforce the provisions of this chapter.~~

~~(b) Additional powers. In addition to any powers or authority specifically granted to the Commissioner pursuant to the provisions of this chapter, the Commissioner may do the following:~~

~~(1) Adopt rules pursuant to 3 V.S.A. chapter 25 as the Commissioner determines necessary to administer and enforce the provisions of this chapter.~~

~~(2) Prescribe forms appropriate to the purposes of this chapter.~~

~~(3) Contract with an account manager to administer and manage the mileage based user fee.~~

§ 4309. APPEALS; JUDICIAL REVIEW

~~(a) Administrative appeal. An aggrieved person may appeal any final decision, order, or finding of the Commissioner under this chapter within not more than 45 days after the decision is issued or the order or finding is made. The Commissioner shall establish procedures for filing and hearing appeals pursuant to this subsection that are consistent with the provisions of sections 105–107 of this title.~~

~~(b) Appeal to superior court. Following a final decision on an appeal pursuant to subsection (a) of this section or subsection 4303(f) of this chapter, the appellant may appeal the decision pursuant to Rule 74 of the Vermont Rules of Civil Procedure. The appeal shall be to the Washington Superior Court or, in the discretion of the appellant, to the Superior Court in the county where the appellant resides or has a principal place of business.~~

~~(c) Exclusivity of remedies. The appeals provided by this section and subsection 4303(f) of this chapter shall be the exclusive remedies available to any person for review of an assessment, decision, or order or finding of the Commissioner under this Chapter.~~

~~Subchapter 2 - BEV Rental Vehicle Road Usage Charge~~

~~§ 4321. BEV RENTAL VEHICLE ROAD USAGE CHARGE~~

~~(a) For any BEV pleasure car subject to use tax imposed pursuant to 32 V.S.A. § 8903(d), there is imposed on each rental transaction for a BEV a road usage charge equal to one percent of the rental charge, which shall be collected by the rental company from the renter and remitted to the Commissioner. Amounts collected pursuant to this section shall be deposited in the Transportation Fund.~~

~~(b) As used in this section, rental charge has the same meaning as in 32 V.S.A. § 8903(d).~~

1 Sec. 20. 23 V.S.A. § 361 is amended to read:

2 § 361. PLEASURE CARS

3 * * *

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

10 (d) The annual and biennial EV infrastructure fees collected in subsection

11 ~~(c) of this section shall be allocated to deposited in the Transportation Fund for~~

1 ~~programs administered by the Agency of Commerce and Community~~

2 ~~Development to increase Vermonters' access to level 1 and 2 electric vehicle~~
3 ~~supply equipment (EVSE) charging ports at workplaces or multiunit~~
4 ~~dwellings, or both.~~

5 ~~Sec. 21. MILEAGE-BASED USER FEE, TRANSITION~~

6 ~~BEV pleasure cars that are registered in Vermont on December 31, 2026,~~
7 ~~shall transition to the mileage-based user fee established pursuant to 23 V.S.A.~~
8 ~~chapter 43 as follows:~~

9 ~~(1) The initial mileage reporting period for each BEV shall commence~~
10 ~~on its first annual inspection occurring on or after January 1, 2027.~~

11 ~~(2) The BEV shall receive a credit equal to \$89.00 towards the amount~~
12 ~~of the mileage-based user fee due pursuant to 23 V.S.A. § 4303 for the initial~~
13 ~~mileage reporting period.~~

Sec. 21. MILEAGE BASED USER FEE; TRANSITION

BEV pleasure cars that are registered in Vermont on December 31, 2026,
shall transition to the mileage-based user fee established pursuant to 23 V.S.A.
chapter 43, subchapter 1 as follows:

(1) The initial mileage reporting period for each BEV shall commence
on its first annual inspection occurring on or after January 1, 2027.

(2) If the initial mileage reporting period for a BEV begins before the
BEV is required to renew its registration, the BEV shall receive a credit equal

~~to \$80.00 towards the amount of the mileage-based user fee due pursuant to 23
V.S.A. § 4303 for the initial mileage reporting period.~~

~~1 **SEC. 22. ALLOCATION OF FISCAL YEAR 2027 MILEAGE-BASED USER**
2 **FEE REVENUES**~~

~~3 All net revenues generated by the mileage-based user fee in State fiscal year
4 2027 shall be allocated to the appropriation for general State aid to town
5 highways pursuant to 19 V.S.A. § 306(a) in State fiscal year 2028. The
6 amounts allocated pursuant to this section shall be in addition to any amounts
7 appropriated pursuant to the requirements of 19 V.S.A. § 306(a).~~

~~*Sec. 22. MILEAGE-BASED USER FEE; PAY-AS-YOU-GO OPTION;
IMPLEMENTATION PLAN; REPORT*~~

~~*On or before February 15, 2027, the Secretary of Transportation shall
submit a written report to the House Committees on Transportation and on
Ways and Means and the Senate Committees on Transportation and on
Finance regarding the potential for offering a pay-as-you-go option for the
mileage-based user fee established pursuant to 23 V.S.A. chapter 43,
subchapter 1. The report shall provide a plan for implementation of a pay-as-
you-go program as well as detailed information regarding:*~~

~~*(1) anticipated staffing, administration, and information technology
necessary to implement and operate a pay-as-you-go program,*~~

~~(2) anticipated costs related to the implementation and operation of a pay-as-you-go program; and~~

~~(3) legislative language necessary to enable a pay-as-you-go program.~~

Sec. 23. TRANSFER

~~(a) Notwithstanding any provision of 19 V.S.A. § 11f to the contrary, in State fiscal year 2027, the amount of \$2,200,000.00 is transferred from the Transportation Infrastructure Bond Fund to the Transportation Fund.~~

~~(b) Of the amount transferred, \$1,700,000.00 shall be allocated in State fiscal year 2027 to general State aid for town highways pursuant to 19 V.S.A. § 306(a). The amount allocated pursuant to this subsection shall be appropriated for class 1, 2, and 3 town highways and shall be apportioned, distributed, and used in the same manner as provided pursuant to 19 V.S.A. § 306(a)(3). The amount allocated pursuant to this subsection shall not decrease the amount appropriated pursuant to 19 V.S.A. § 306(a)(1) or be subject to the annual inflationary adjustment provided for in 19 V.S.A. § 306(a)(1) and (2).~~

* * * Effective Dates * * *

1
2 **Sec. ~~23~~24. EFFECTIVE DATES**

3 (a) Secs. 19 (mileage-based user fee), 20 (infrastructure fee for PHEVs),
4 21 (transition to mileage-based user fee), and 22 (allocation of fiscal year 2027
5 mileage-based user fee revenues) shall take effect on January 1, 2027.

1

~~(b) The remaining sections shall take effect on July 1, 2026.~~

** * * Legislative Findings * * **

Sec. 1. LEGISLATIVE FINDINGS

The General Assembly finds that:

(1) State fiscal year 2025 Transportation Fund revenues came in nearly \$7,400,000.00 below the revenue forecast.

(2) In July 2025, the revenue forecast for the Transportation Fund was downgraded for State fiscal years 2026–2030 because of reductions in the projected revenues from the purchase and use tax and Department of Motor Vehicles fees.

(3) Revenues from the taxes on gasoline and diesel fuel are projected to gradually decrease in State fiscal years 2026–2030. That trend is expected to continue because of improving vehicle fuel efficiency among all vehicles and increasing adoption of electric vehicles.

(4) The July 2025 consensus revenue forecast estimates a 1.33 percent compound annual growth rate in Transportation Fund revenues between 2026 and 2030, which is far below recent inflation levels.

(5) In contrast with the slow growth in Transportation Fund revenues, the National Highway Construction Cost Index increased by approximately 62 percent between 2020 and 2025.

~~(6) In addition to rising construction costs, salaries and benefits have also increased significantly in recent years, creating significant ongoing cost pressure on the Transportation Fund.~~

~~(7) To address budget shortfalls in the past year, the Agency has been forced to eliminate 62 permanent positions.~~

~~(8) Continuing deficits in the Transportation Fund threaten the State's ability to provide the required match for federal funds, which make up more than half of the State's annual transportation budget.~~

~~(9) Municipalities face the same cost pressures as the State. However, State aid for town highways has only increased by 2.7 percent, which places increasing pressure on chronically underfunded town highway programs and puts pressure on the property tax.~~

~~(10) If Vermont is unable to keep up with the maintenance and capital needs of its transportation system, the infrastructure will continue to deteriorate, and restoring the system to a state of good repair will cost significantly more.~~

~~(11) Prompt legislative action is necessary to ensure the future health and stability of the Transportation Fund and to enable the Agency of Transportation to keep Vermont's transportation system in a state of good repair.~~

~~Transportation Program Adopted as Amended, Definitions~~

~~Sec. 2. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS~~

~~(a) Adoption. The Agency of Transportation’s Proposed Fiscal Year 2027 Transportation Program appended to the Agency of Transportation’s proposed fiscal year 2027 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.~~

~~(b) Definitions. As used in this act, unless otherwise indicated:~~

~~(1) “Agency” means the Agency of Transportation.~~

~~(2) “Candidate project” means a project approved by the General Assembly that is not anticipated to have significant preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and for which construction funding is not anticipated within a predictable time frame.~~

~~(3) “Development and evaluation (D&E) project” means a project approved by the General Assembly that is anticipated to have preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and that the Agency is committed to delivering to construction on a timeline driven by priority and available funding.~~

~~(4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle supply equipment available to the public” have the same meanings as in~~

(5) “Front of book project” means a project approved by the General Assembly that is anticipated to have construction expenditures during the budget year or the following three years, or both, with expected expenditures shown over four years.

(6) “Plug-in electric vehicle (PEV),” “plug-in hybrid electric vehicle (PHEV),” and “battery electric vehicle (BEV)” have the same meanings as in 23 V.S.A. § 4(85).

(7) “Secretary” means the Secretary of Transportation.

(8) “TIB funds” means monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

(9) The table heading “As Proposed” means the Proposed Transportation Program referenced in subsection (a) of this section; the table heading “As Amended” means the amendments as made by this act; the table heading “Change” means the difference obtained by subtracting the “As Proposed” figure from the “As Amended” figure; the term “change” or “changes” in the text refer to the project- and program-specific amendments, the aggregate sum of which equals the net “Change” in the applicable table heading; and “State” in any tables amending authorizations indicates that the source of funds is State monies in the Transportation Fund, unless otherwise specified.

~~Sec. 3. FISCAL YEAR 2027 TRANSPORTATION INVESTMENTS~~

~~INTENDED TO REDUCE TRANSPORTATION-RELATED
GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL
USE, AND SAVE VERMONT HOUSEHOLDS MONEY~~

~~This act includes the State's fiscal year 2027 transportation investments intended to reduce transportation-related greenhouse gas emissions, reduce fossil fuel use, and save Vermont households money in furtherance of the policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive and Legislative Branches' commitments to the Paris Agreement climate goals. In fiscal year 2027, these efforts will include the following:~~

~~(1) Park and Ride Program. This act provides for a fiscal year expenditure of \$1,976,211.00, which will fund three park and ride projects.~~

~~(2) Bike and Pedestrian Facilities Program. This act provides for a fiscal year expenditure, including local match, of \$24,576,873.00, which will fund 34 bike and pedestrian construction projects; 18 bike and pedestrian design, right-of-way, or design and right-of way projects for construction in future fiscal years; and eight scoping studies. The construction projects include the creation, improvement, and rehabilitation of walkways, sidewalks, shared-use paths, bike paths, and cycling lanes. Projects are funded in Arlington, Bennington, Bethel, Brattleboro, Burke, Burlington, Castleton,~~

~~Chester, Danville, Essex Town, Fairfax, Greensboro, Guilford, Hartford, Huntington, Hyde Park, Irasburg, Jamaica, Johnson, Lunenburg, Middlebury, Montpelier, Moretown, Morristown, Newfane, Newport City, Northfield, Pownal, Royalton, Rutland City, Rutland Town, Sheldon, South Burlington, Springfield, St. Albans City, Swanton, Wallingford, Warren, Waterbury, West Rutland, Williston, Wilmington, and Wolcott. This act also provides funding for:~~

~~(A) some of Local Motion's operation costs to run the bike ferry on the Colchester Causeway, which is part of the Island Line Trail;~~

~~(B) grant awards for State aid construction projects;~~

~~(C) projects funded through the Safe Routes to School Program; and~~

~~(D) community grants along the Lamoille Valley Rail Trail (LVRT).~~

~~(3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of \$4,514,362.00, including local funds, which will fund 22 transportation alternatives construction projects, 28 transportation alternatives design, right-of-way, or design and right-of-way projects; and one scoping study. Of these 51 projects, 18 involve environmental mitigation related to clean water or stormwater concerns, or both clean water and stormwater concerns, and 30 involve bicycle and pedestrian facilities. Projects are funded in Athens, Bennington, Bethel, Brandon, Brattleboro, Bristol, Burke, Burlington, Derby, Enosburg Falls, Fairlee, Ferrisburgh,~~

~~Clover, Guilford, Hinesburg, Hyde Park, Jericho, Londonderry, Ludlow,
Lyndon, Montgomery, Newark, Putney, Rockingham, Rutland City, Shoreham,
South Burlington, Springfield, Swanton, Warren, Weathersfield, Williston,
Wilmington, and Windham.~~

~~(4) Public Transit Program. This act provides for a fiscal year
expenditure of \$57,355,144.00 for public transit uses throughout the State.~~

~~Included in the authorization are:~~

~~(A) Go! Vermont, with an authorization of \$380,000.00. This
authorization supports transportation demand management (TDM) strategies,
including the State's Trip Planner and commuter services, to promote the use
of carpools and vanpools.~~

~~(B) Mobility and Transportation Innovations (MTI) Grant Program,
with an authorization of \$315,000.00 in federal funds. This authorization
continues to support projects that improve both mobility and access to services
for transit-dependent Vermonters, reduce the use of single occupancy vehicles,
and reduce greenhouse gas emissions.~~

~~(5) Rail Program. This act provides for a fiscal year expenditure of
\$60,289,410.00, including local funds and \$34,688,907.00 in federal funds, for
intercity passenger rail service, including funding for the Ethan Allen Express
and Vermont's Amtrak services, and rail infrastructure that supports freight~~

~~rail as well. Moving freight by rail instead of trucks lowers greenhouse gas emissions by up to 75 percent, on average.~~

~~*** Paving ***~~

~~Sec. 4. PAVING; STATEWIDE DISTRICT LEVELING~~

~~(a) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for Paving, authorized spending is amended as follows:~~

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
<i>Other</i>	1,150,000	1,150,000	0
<i>PE</i>	2,183,194	2,183,194	0
<i>Const.</i>	144,812,226	146,512,226	1,700,000
<i>Total</i>	148,145,420	149,845,420	1,700,000

~~Sources of funds~~

<i>State</i>	24,400,007	25,100,007	1,700,000
<i>Federal</i>	123,732,179	123,732,179	0
<i>Local</i>	13,235	13,235	0
<i>Total</i>	148,145,420	149,845,420	1,700,000

~~(b) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for Paving, authorized spending for STATEWIDE District Leveling TBD is amended as follows:~~

~~FY27 As Proposed As Amended Change~~

<i>Const</i>	7,000,000	8,700,000	1,700,000
<i>Total</i>	7,000,000	8,700,000	1,700,000
<u>Sources of funds</u>			
<i>State</i>	7,000,000	8,700,000	1,700,000
<i>Total</i>	7,000,000	8,700,000	1,700,000

(c) It is the intent of the General Assembly to direct the maximum amount of funding to the State highway system. Consistent with this intent, within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for Paving, any unobligated amounts or carryforward resulting from project delays or cost overruns or underruns shall be directed to State highway paving projects.

**** State Highway Bridges ****

Sec. 5. STATE HIGHWAY BRIDGES

(a) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending is amended as follows:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
<i>PE</i>	4,143,897	4,143,897	0
<i>ROW</i>	414,000	414,000	0
<i>Const.</i>	78,935,408	78,935,408	0
<i>Other</i>	1,400,000	1,400,000	0

<i>Total</i>	84,893,305	84,893,305	0
<u>Sources of funds</u>			
<i>State</i>	2,873,295	1,123,295	-1,750,000
<i>TIB</i>	6,180,851	7,930,851	1,750,000
<i>Federal</i>	67,312,444	67,312,444	0
<i>Local/Other</i>	1,247,049	1,247,049	0
<i>Inter Unit</i>	7,279,666	7,279,666	0
<i>Total</i>	84,893,305	84,893,305	0

(b) Within the Agency of Transportation's Proposed Fiscal Year 2027
Transportation Program for State Highway Bridges, authorized spending for
SHAFTSBURY STP 014-1(6) is amended as follows:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
<i>PE</i>	14,678	14,678	0
<i>Const.</i>	2,600,000	2,600,000	0
<i>Total</i>	2,614,678	2,614,678	0
<u>Sources of funds</u>			
<i>State</i>	521,000	0	-521,000
<i>TIB</i>	1,936	522,936	521,000
<i>Federal</i>	2,091,742	2,091,742	0
<i>Total</i>	2,614,678	2,614,678	0

~~(c) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending for SUNDERLAND BM20102 is amended as follows:~~

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	85,287	85,287	0
Const.	2,000,000	2,000,000	0
Total	2,085,287	2,085,287	0

Sources of funds

State	415,057	0	-415,057
TIB	2,000	417,057	415,057
Federal	1,668,230	1,668,230	0
Total	2,085,287	2,085,287	0

~~(d) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending for SUNDERLAND NH CULV 122 is amended as follows:~~

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	53,182	53,182	0
Const.	2,000,000	2,000,000	0
Total	2,053,182	2,053,182	0

Sources of funds

State	408,636	141,686	-266,950
TIB	2,000	268,950	266,950
Federal	1,642,546	1,642,546	0
Total	2,053,182	2,053,182	0

(e) Within the Agency of Transportation's Proposed Fiscal Year 2027

Transportation Program for State Highway Bridges, authorized spending for TOPSHAM BF 031-1(13) is amended as follows:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	10,000	10,000	0
ROW	1,000	1,000	0
Const.	2,733,967	2,733,967	0
Total	2,744,967	2,744,967	0

Sources of funds

State	546,993	0	-546,993
TIB	2,000	548,993	546,993
Federal	2,195,974	2,195,974	0
Total	2,744,967	2,744,967	0

Sec. 6. [Deleted.]

Sec. 7. [Deleted.]

Sec. 8. [Deleted.]

Sec. 9. [Deleted.]

Sec. 10. [Deleted.]

Sec. 11. [Deleted.]

Sec. 12. [Deleted.]

** * * Authority to Issue Transportation Infrastructure Bonds * * **

Sec. 13. AUTHORITY TO ISSUE TRANSPORTATION

INFRASTRUCTURE BONDS; FISCAL YEARS 2028–2032

(a) The State Treasurer is authorized to issue transportation infrastructure bonds pursuant to 32 V.S.A. § 972 for State fiscal years 2028–2032 in an amount approved by the General Assembly.

(b) For State fiscal years 2028–2032, the Capital Debt Affordability Advisory Committee (CDAAC) shall annually report to the House and Senate Committees on Transportation on or before September 30 of the preceding fiscal year an estimate of the maximum amount of transportation infrastructure bonds that prudently may be authorized for the next fiscal year.

(c) The Treasurer, in consultation with the CDAAC, shall review annually any requested issuance of transportation infrastructure bonds pursuant to 32 V.S.A. § 1001 as part of its net State tax-supported debt analysis provided to the Governor and the General Assembly.

~~Sec. 14. 2028 PROPOSED TRANSPORTATION PROGRAM,~~

~~TRANSPORTATION INFRASTRUCTURE BOND PROPOSAL;~~

~~REPORT~~

~~(a) The Agency of Transportation shall, when preparing the 2028 Transportation Program, prepare both:~~

~~(1) a Transportation Program proposal that includes the use of transportation infrastructure bond proceeds to fund eligible projects pursuant to 32 V.S.A. § 972(d); and~~

~~(2) a Transportation Program proposal that does not include the use of transportation infrastructure bond proceeds.~~

~~(b)(1) The Agency of Transportation shall, in consultation with the State Treasurer and at the same time as the Agency submits the proposed State fiscal year 2028 Transportation Program to the General Assembly, submit a written report to the House and Senate Committees on Transportation that identifies projects proposed for the State fiscal year 2028 Transportation Program that are eligible to be funded with the proceeds from the issuance of transportation infrastructure bonds pursuant to the provisions of 32 V.S.A. § 972(d).~~

~~(2) The report shall include:~~

~~(A) an analysis comparing the present value of the estimated cost to pay for the identified projects using transportation infrastructure bond proceeds to the cost to pay for the projects on a pay-as-you-go basis, and~~

~~(B) a comparison of the projects' schedules if funded with transportation infrastructure bonds to the projects' schedules if funded on a pay-as-you-go basis.~~

~~*** Mileage-Based User Fee ***~~

~~Sec. 15. FINDINGS AND INTENT~~

~~(a) Findings. The General Assembly finds that:~~

~~(1) Vermont adopted its first tax on gasoline in 1923.~~

~~(2) In 1923, the most common motor vehicle in the United States was the Ford Model T, whose annual production peaked at more than 2,000,000 new vehicles that year.~~

~~(3) Because of the limited variety of mass-produced vehicles available when it was adopted, the gasoline tax, and the later-adopted diesel fuel tax, served as use fees that required drivers of light-duty motor vehicles to contribute to the State's Transportation Fund in an amount that reflected the amount of miles that each vehicle was driven on Vermont's surface transportation system.~~

~~(4) Since 1923, the variety of mass-produced light-duty motor vehicles available to consumers has expanded greatly, resulting in a wide variety of internal combustion engine and vehicle types and designs with significant differences in vehicle fuel efficiency.~~

(5) Improvements in fuel efficiency among light-duty motor vehicles and the increasing adoption of hybrid, plug-in hybrid, and battery electric vehicles (BEVs) is leading to reduced fuel consumption among newer vehicles.

(6) BEVs do not require gasoline and diesel fuel, and the \$89.00 annual infrastructure fee paid by owners and lessees of BEVs registered in Vermont is less than the average amount of fuel taxes collected in relation to a light-duty motor vehicle with an internal combustion engine.

(7) As a result of differences in fuel consumption between different types and ages of light-duty motor vehicles, the current system for funding Vermont's surface transportation system through fuel taxes has become inequitable when the impacts of each vehicle on the transportation system are considered.

(8) In contrast to the current system, a mileage-based user fee imposes a per-mile fee for usage of the State's highways and ensures that owners and lessees of motor vehicles contribute to the Transportation Fund in an equitable manner.

(9) Vermont's taxes on gasoline and on diesel fuel were last increased in 2014, and the federal taxes on gasoline and on diesel fuel were last increased in 1993.

(10) Reduced fuel consumption and unchanged gasoline and diesel tax rates have resulted in stagnant fuel tax revenues that have not kept pace with inflation or the needs of Vermont's transportation system.

~~(11) In addition to Vermont's stagnant fuel tax revenues, Vermont's demographic constraints and changes in vehicle ownership and usage have limited the growth of fee revenues to the Transportation Fund.~~

~~(12) The July 2025 consensus revenue forecast estimates a 1.33 percent compound annual growth rate in Transportation Fund revenues between 2026 and 2030.~~

~~(13) In comparison, highway construction costs, as measured by the National Highway Construction Cost Index, have increased by 62 percent, nationally, since 2020.~~

~~(b) Intent. It is the intent of the General Assembly to:~~

~~(1) implement a mileage-based user fee for BEVs, which will replace the existing infrastructure fee beginning on January 1, 2027, to ensure that owners and lessees of BEVs contribute to the Transportation Fund in an amount that reflects the annual miles traveled by each vehicle;~~

~~(2) ensure that owners and lessees of all light-duty motor vehicles contribute to the Transportation Fund in an amount that reflects the annual miles traveled by each vehicle by expanding the mileage-based user fee to fuel-efficient light-duty motor vehicles, such as plug-in hybrids, hybrids, and vehicles with efficient internal combustion engines on or before January 1, 2029, and to all light-duty motor vehicles on or before January 1, 2031, and~~

~~(3) develop and implement the mileage-based user fee in a manner that does not discourage ownership and use of BEVs and fuel-efficient vehicles, consistent with the intent of the Global Warming Solutions Act and the State's Climate Action Plan.~~

Sec. 16. 23 V.S.A. chapter 43 is added to read:

CHAPTER 43. MILEAGE-BASED USER FEE

§ 4301. DEFINITIONS

As used in this chapter:

(1) "Account manager" means a person that the Agency of Transportation or Department of Motor Vehicles contracts with to administer and manage the mileage-based user fee.

(2) "Annual vehicle miles traveled" means the total number of miles that a covered vehicle is driven during a mileage reporting period.

(3) "Covered vehicle" means a battery electric vehicle pleasure car.

(4) "Mileage-based user fee" or "MБУF" means the fee charged for the annual vehicle miles traveled by a covered vehicle pursuant to section 4302 of this chapter.

(5) "Mileage-based user fee rate" means the per-mile usage fee charged to the owner or lessee of a covered vehicle pursuant to section 4302 of this chapter.

(6) "Mileage reporting period" means.

~~(A) the time period between required annual inspections;~~

~~(B) the time period between an initial odometer reading related to the purchase of a covered vehicle or beginning of a lease of a covered vehicle and an annual inspection; or~~

~~(C) the time period between the most recent annual inspection and a terminating event.~~

~~(7) "Terminating event" means any of the following:~~

~~(A) the registration of a covered vehicle that had been registered in Vermont in a different state;~~

~~(B) a change in ownership or lesseeship of a covered vehicle; or~~

~~(C) the termination of a covered vehicle's registration in Vermont.~~

~~§ 4302. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;
PAYMENT; EXEMPTIONS~~

~~(a) Assessment and payment of mileage-based user fee (MBUF).~~

~~(1) Options for payment of MBUF. The owner or lessee of a covered vehicle may elect to pay the MBUF according to one of the following options:~~

~~(A) annual payment of the MBUF as a lump sum following the conclusion of each mileage reporting period as set forth in subdivision (2) of this subsection (a);~~

~~(B) pay-as-you-go installment payments of the MBUF during a mileage reporting period as set forth in subdivision (3) of this subsection (a);~~

~~provided that the Commissioner, in the Commissioner's sole discretion, elects to make a pay-as-you-go option available;~~

~~(C) estimated payments of the MBUF in annual, quarterly, or monthly installments as set forth in subdivision (4) of this subsection (a); or~~

~~(D) a flat rate of \$178.00.~~

~~(2) Annual mileage-based user fee payment option.~~

~~(A) For an owner or lessee who opts to pay the MBUF as a lump sum at the end of each mileage reporting period, the Commissioner shall, within 14 days after the conclusion of the covered vehicle's mileage reporting period, calculate the amount of the MBUF pursuant to subsection (d) of this section and mail an assessment of the amount to the owner or lessee.~~

~~(B) The owner or lessee shall remit the amount due to the Commissioner on or before the sooner of:~~

~~(i) the next required registration renewal for the covered vehicle;~~

~~(ii) the termination of the covered vehicle's Vermont registration;~~

~~or~~

~~(iii) the sale of the covered vehicle or termination of the lease of the covered vehicle, as appropriate.~~

~~(3) Pay-as-you-go option.~~

~~(A) Owners and lessees who opt into the pay-as-you-go mileage-based user fee option shall report the mileage shown on the odometer of the~~

~~owner's or lessee's covered vehicle at times and in a manner required by the
Commissioner.~~

~~(B) As soon as practicable after receiving each report, the
Commissioner shall calculate pursuant to subsection (d) of this section the
applicable MBUF due for the covered vehicle and mail to the owner or lessee
a statement of the amount of the mileage-based user fee assessed.~~

~~(C) The owner or lessee of the covered vehicle shall remit the full
amount due to the Commissioner within not more than 30 days after the
assessment is mailed.~~

~~(D) At the end of each mileage reporting period, the amount paid by
the owner or lessee shall be reconciled against the actual mileage driven as set
forth in subdivision (5) of this subsection.~~

~~(4) Estimated payment option.~~

~~(A) An owner or lessee who elects to make estimated payments shall
be assessed upon registration of the covered vehicle, or registration renewal,
an estimated mileage-based user fee equal to the rate established pursuant to
subsection (e) of this section multiplied by the average annual vehicle miles
traveled by pleasure cars registered in Vermont.~~

~~(B) The owner or lessee shall either:~~

~~(i) pay the estimated MBUF as a lump sum not more than 45 days
after the date of registration or registration renewal, or~~

~~(ii) enter into an agreement with the Commissioner to pay the estimated amount in monthly or quarterly installments.~~

~~(C) At the end of each mileage reporting period, the amount paid by the owner or lessee shall be reconciled against the actual mileage driven as set forth in subdivision (5) of this subsection.~~

~~(5) Reconciliation of mileage for pay-as-you-go and estimated payment options.~~

~~(A) At the conclusion of each mileage reporting period for a covered vehicle whose owner or lessee has elected either the pay-as-you-go or the estimated payment option, the Commissioner shall determine if the amount of the MBUF for the actual miles traveled by the covered vehicle during the mileage reporting period is greater than or less than the amount of the payments made by the owner or lessee during that period.~~

~~(B) If the actual MBUF is less than the amount paid, the owner or lessee of the covered vehicle shall receive a credit equal to the difference between the amount paid and the actual amount, which shall be applied to reduce the amount of future fees due from the owner or lessee for the covered vehicle pursuant to this subsection (a).~~

~~(C) If the actual MBUF is more than the amount paid, the owner or lessee of the covered vehicle shall be assessed an amount equal to the difference between the actual MBUF and the amount paid, which shall be~~

~~added to the next amount due from the owner or lessee pursuant to this subsection (a).~~

~~(C) Flat-rate option.~~

~~(A) The Commissioner shall send an owner or lessee who elects the flat-rate option an assessment for the flat fee due at the conclusion of each mileage reporting period. The owner or lessee shall remit the amount due to the Commissioner on or before the sooner of:~~

~~(i) the next required registration renewal for the covered vehicle;~~

~~(ii) the termination of the covered vehicle's Vermont registration;~~

~~or~~

~~(iii) the sale of the covered vehicle or termination of the lease of the covered vehicle, as appropriate.~~

~~(B) An owner or lessee enrolled in the flat-rate option shall not be required to report vehicle mileage to the Commissioner pursuant to the provisions of this chapter. Nothing in this subdivision (6)(B) shall be construed to exempt an owner or lessee enrolled in the flat-rate option from any other requirements in State law related to vehicle inspections or odometer disclosures.~~

~~(b) Newly registered vehicles. The owner or lessee of a newly registered covered vehicle shall pay the MBUF during the initial year of registration pursuant to.~~

~~(1) the pay as you go option set forth in subdivision (a)(3) of this section;~~

~~(2) the estimated payment option set forth in subdivision (a)(4) of this section; or~~

~~(3) the flat-rate option set forth in subdivision (a)(6) of this section.~~

~~(c) Election of different payment option. An owner or lessee of a covered vehicle may select a different option for payment of the MBUF pursuant to subsection (a) of this section by providing notice to the Commissioner in the time and manner prescribed by the Commissioner.~~

~~(d) Calculation of the mileage-based user fee.~~

~~(1) The Commissioner shall calculate the mileage-based user fee of each covered vehicle by multiplying the miles traveled by the covered vehicle during the applicable period by the rate established pursuant to subsection (e) of this section. The number of miles traveled shall be equal to:~~

~~(A) for a mileage reporting period, the difference between the mileage shown on the covered vehicle's odometer at the end of the mileage reporting period and the mileage shown on the covered vehicle's odometer at the beginning of the mileage reporting period; and~~

~~(B) for a report filed by an owner or lessee as part of the pay-as-you-go mileage-based user fee program pursuant to subdivision (a)(3) of this~~

~~section, the difference between the mileage reported by the owner or lessee and the most recent prior mileage reported for the covered vehicle.~~

~~(2) Notwithstanding any provision of subdivision (1) of this subsection to the contrary, the mileage-based user fee assessed for a mileage reporting period shall not exceed \$178.00.~~

~~(e) Mileage-based user fee rate. The mileage-based user fee rate shall be \$0.014 per mile traveled by a covered vehicle during its mileage reporting period.~~

~~(f) Exemptions. The mileage-based user fee assessed pursuant to this section shall not apply to:~~

~~(1) covered vehicles owned or operated by the government of the United States;~~

~~(2) covered vehicles owned or operated by the State of Vermont; or~~

~~(3) covered vehicles that are used for short-term rentals.~~

~~(g) Fee in addition to other fees and taxes. A mileage-based user fee assessed pursuant to this section shall be in addition to any other fees and taxes imposed by this title.~~

~~(h) Review of amount assessed. A person may, within 45 days after an assessment is mailed pursuant to subsection (a) of this section, appeal the amount of the assessment to the Commissioner. The Commissioner shall establish procedures for filing and hearing appeals pursuant to this subsection~~

~~that are consistent with the provisions of sections 105-107 of this title. The procedures shall include a process by which an appellant can resolve the dispute prior to the issuance of a final administrative decision on the appeal.~~

~~(i) Refunds. Notwithstanding subdivision (a)(5)(B) of this section, upon occurrence of a terminating event, the Commissioner shall issue a refund to the owner or lessee of a covered vehicle for any amounts paid by the owner or lessee that are in excess of the amount due pursuant to this chapter.~~

~~§ 4303. REPORTS~~

~~(a) Upon completion of an inspection of a covered vehicle pursuant to section 1222 of this title, an inspection mechanic shall report the mileage shown on the covered vehicle's odometer to the Department in the manner required by the Commissioner.~~

~~(b) Upon the occurrence of a terminating event, the owner or lessee of a covered vehicle shall report the mileage shown on the covered vehicle's odometer at the time of the terminating event to the Department in the time and manner required by the Commissioner.~~

~~§ 4304. FAILURE TO FILE REPORT OR OBTAIN INSPECTION~~

~~DEFAULT RATE~~

~~(a) The Commissioner shall charge the owner or lessee of a covered vehicle a default rate of \$178.00 if the Commissioner is unable to determine the~~

~~annual vehicle miles traveled for the owner's or lessee's covered vehicle because the owner or lessee:~~

~~(1) failed to file a report required by section 4303 of this chapter within a reasonable period of time after the report is due;~~

~~(2) failed to have the covered vehicle inspected as required pursuant to section 1222 of this title within a reasonable period of time after the inspection is due at either the commencement or conclusion of a mileage reporting period; or~~

~~(3) failed to have the covered vehicle inspected at any time during or within a reasonable time after the conclusion of a mileage reporting period.~~

~~(b)(1) The default amount required pursuant to subsection (a) of this section shall be assessed when the owner or lessee of the covered vehicle next renews the vehicle's registration following the mileage reporting period.~~

~~(2) After being assessed the default amount pursuant to this subsection, the owner or lessee of the covered vehicle may obtain an inspection within 90 days after the date on which the vehicle's registration is renewed. If the covered vehicle's mileage is such that the mileage-based user fee would have been less than the default amount, the owner or lessee shall receive a credit for the difference that is applied to reduce the amount of the next mileage-based user fee due for the covered vehicle.~~

~~§ 4305. REGISTRATION, SUSPENSION OR REFUSAL~~

~~(a) *Suspension of registration. The Commissioner may suspend or refuse to renew the registration of a covered vehicle if the Commissioner determines, following notice and an opportunity for a hearing as provided pursuant to subsection (b) of this section, that the owner or lessee of the covered vehicle:*~~

~~(1) *failed to file a report required pursuant to section 4303 of this chapter;*~~

~~(2) *filed a report containing an intentional misrepresentation, misstatement, or omission of material information required by this chapter; or*~~

~~(3) *is delinquent at the time of renewal in the payment of any amount due pursuant to the provisions of this chapter.*~~

~~(b) *Notice and opportunity for hearing. The Commissioner shall provide the owner or lessee of a covered vehicle with not less than 15 days' notice of the intent to suspend or not to renew the registration of the covered vehicle pursuant to the provisions of this section. The owner or lessee shall be provided with the opportunity for a hearing and shall be permitted to be represented by counsel at the hearing.*~~

~~§ 4306. POWERS OF THE COMMISSIONER~~

~~(a) *General authority. The Commissioner shall have the authority to administer and enforce the provisions of this chapter.*~~

~~(b) Additional powers. In addition to any powers or authority specifically granted to the Commissioner pursuant to the provisions of this chapter, the Commissioner may do the following:~~

~~(1) adopt rules pursuant to 3 V.S.A. chapter 25 as the Commissioner determines necessary to administer and enforce the provisions of this chapter;~~

~~(2) prescribe forms appropriate to the purposes of this chapter; and~~

~~(3) contract with an account manager to administer and manage the mileage-based user fee.~~

~~§ 4307. APPEALS; JUDICIAL REVIEW~~

~~(a) Administrative appeal. An aggrieved person may appeal any final decision, order, or finding of the Commissioner under this chapter within not more than 45 days after the decision is issued or the order or finding is made. The Commissioner shall establish procedures for filing and hearing appeals pursuant to this subsection that are consistent with the provisions of sections 105–107 of this title.~~

~~(b) Appeal to Superior Court. Following a final decision on an appeal pursuant to subsection (a) of this section or subsection 4302(h) of this chapter, the appellant may appeal the decision pursuant to Rule 74 of the Vermont Rules of Civil Procedure. The appeal shall be to the Washington Superior Court or, in the discretion of the appellant, to the Superior Court in the county where the appellant resides or has a principal place of business.~~

~~(c) Exclusivity of remedies. The appeals provided by this section and subsection 4302(h) of this chapter shall be the exclusive remedies available to any person for review of an assessment, decision, or order or finding of the Commissioner under this chapter.~~

~~Sec. 17. 23 V.S.A. § 361 is amended to read:~~

~~§ 361. PLEASURE CARS~~

~~* * *~~

~~(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) ~~(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 subsection (c) of this section shall be ~~allocated to~~ deposited in the Transportation Fund for programs administered by the Agency of Commerce and Community Development to increase Vermonters' access to level 1 and 2 electric vehicle supply equipment (EVSE) charging ports at workplaces or multiunit dwellings, or both.~~

~~Sec. 18. MILEAGE-BASED USER FEE; INITIAL TRANSITION.~~

~~(a) Notwithstanding any provision of 23 V.S.A. § 4302 to the contrary, during calendar years 2027 and 2028, the owner or lessee of a covered vehicle shall pay the mileage-based user fee for the covered vehicle's first mileage reporting period as provided pursuant to the provisions of either subsection (b) or (c) of this section.~~

~~(b)(1)(A) For a covered vehicle that has a valid Vermont registration on December 31, 2026, the vehicle's initial mileage reporting period shall commence with its first annual inspection occurring on or after January 1, 2027.~~

~~(B) For a covered vehicle that is newly registered in Vermont on or after January 1, 2027, the vehicle's initial mileage reporting period shall commence on the date of registration.~~

~~(2) For an initial registration or a registration renewal of a covered vehicle that occurs on or after January 1, 2027, and prior to the completion of the initial mileage reporting period, the owner or lessee of the covered vehicle shall pay a one-time road usage charge of \$89.00 for a one-year registration or \$178.00 for a two-year registration.~~

~~(3) At the conclusion of a covered vehicle's initial mileage reporting period, the mileage-based user fee for the vehicle shall be calculated as~~

~~provided pursuant to the annual mileage-based user fee payment option set forth in 23 V.S.A. § 4302(a)(2).~~

~~(4)(A) The amount of the covered vehicle's mileage-based user fee calculated pursuant to subdivision (3) of this subsection shall be reduced by:~~

~~(i) the amount of any road usage charge paid pursuant to subdivision (2) of this subsection (b); or~~

~~(ii) for a covered vehicle whose owner or lessee did not pay the road usage charge pursuant to subdivision (2) of this subsection (b) but paid the EV infrastructure fee required pursuant to 23 V.S.A. § 361 at the most recent registration or registration renewal of the vehicle prior to January 1, 2027, an amount equal to the amount of the EV infrastructure fee paid at the most recent registration.~~

~~(B) Any amounts remaining after the initial mileage-based user fee has been paid shall be carried forward and applied as a credit to reduce the amount of future mileage-based user fees due in relation to the covered vehicle.~~

~~(c) As an alternative to paying the mileage-based user fee as set forth in subsection (b) of this section, the owner or lessee of a covered vehicle may elect to pay a flat fee of \$178.00 for the initial mileage reporting period. The provisions of 23 V.S.A. § 4302(a)(6) shall apply to an owner or lessee who elects to pay a flat fee pursuant to this subsection.~~

~~(d) As used in this section, "covered vehicle" has the same meaning as in 23 V.S.A. § 4301.~~

~~Sec. 19. OUTREACH AND EDUCATION; USER EXPERIENCE; REPORT~~

~~(a) The Agency of Transportation and the Department of Motor Vehicles shall develop and implement a public outreach, education, and communications strategy regarding the mileage-based user fee program established pursuant to 23 V.S.A. chapter 43 to build public awareness and understanding of the program and to solicit public feedback regarding the program. The strategy shall include the following:~~

~~(1) printed materials, web-based materials, mailings, and local media outreach that describes the purpose of the mileage-based user fee, the transportation funding challenges that the mileage-based user fee is intended to help address, and how the mileage-based user fee will be implemented with respect to battery electric vehicles and, later, other light-duty vehicles;~~

~~(2) prior to implementation, direct mailing of informational materials to owners and lessees of battery electric vehicles that are currently registered in Vermont that:~~

~~(A) outline the goals and design of the mileage-based user fee;~~

~~(B) set forth the timeline for implementation of the mileage-based user fee.~~

~~(C) provide information regarding compliance with the mileage-based user fee, including the options that will be available to each owner and lessee; and~~

~~(D) provide information on how to obtain additional information regarding the mileage-based user fee, including how to obtain informational resources provided by the Agency, the availability of user support resources, and how to determine how the mileage-based user fee may apply to a user's specific circumstances;~~

~~(3) prior to initial implementation of the mileage-based user fee in January 2027, Agency engagement with owners and lessees of various types of light-duty motor vehicles registered in Vermont to obtain feedback on the design of the user experience for the mileage-based user fee, with particular attention to universal accessibility and specific needs for translated materials and services;~~

~~(4) survey and focus group work prior to and following implementation of the mileage-based user fee with owners and lessees whose vehicles are subject to the mileage-based user fee to aid in evaluating the implementation of the initial phase of the mileage-based user fee and in developing recommended programmatic and statutory changes; and~~

~~(5) ongoing engagement and collaboration with relevant stakeholders, including the Vermont Vehicle and Automotive Distributors Association and~~

Drive Electric Vermont, to obtain feedback on the mileage-based user fee program and to educate members of the public about the mileage-based user fee and program design.

(b) The Agency and Department shall, on or before September 15, 2026, submit to the Joint Transportation Oversight Committee a report summarizing the public outreach, education, and communications strategy required pursuant to subsection (a) of this section.

Sec. 20. MILEAGE-BASED USER FEE TRANSITION PLAN;

REPORT

(a)(1) The Agency of Transportation and the Department of Motor Vehicles, in consultation with the Agency of Digital Services, shall develop a plan to expand the mileage-based user fee (MBUF) program to all light-duty motor vehicles to ensure that each vehicle contributes an amount that bears a direct relation to the estimated demands and impacts that the vehicle places upon public infrastructure, as determined on the basis of vehicle miles traveled.

(2) The plan shall provide that:

(A) plug-in hybrid electric, hybrid electric, and fuel-efficient light-duty motor vehicles shall begin participating in the MBUF program on or before January 1, 2029, and

~~(B) all light-duty motor vehicles shall begin participating in the MBUF program on or before January 1, 2031.~~

~~(3) The plan shall provide methods for ensuring that contributions to the Transportation Fund are proportionate to the number of miles traveled in Vermont by each vehicle, including:~~

~~(A) additional payment and mileage tracking options for vehicle owners or lessees to select from, including methods for differentiating between miles traveled in Vermont and miles traveled outside Vermont; and~~

~~(B) a system of fuel tax credits for vehicles that use gasoline or diesel fuel based on the vehicle's fuel economy as estimated by the U.S. Environmental Protection Agency to ensure that all covered vehicles contribute to Vermont's transportation system in an equitable manner.~~

~~(b) In developing the plan, the Agency and the Department shall:~~

~~(1) analyze the amounts paid by vehicles of different engine-fuel types and classifications with respect to the diesel fuel tax pursuant to 23 V.S.A. chapter 27, the gasoline tax pursuant to 23 V.S.A. chapter 28, and the infrastructure fee imposed pursuant to 23 V.S.A. § 361(c), as applicable;~~

~~(2) develop a proposed schedule for the inclusion of plug-in hybrid electric, hybrid electric, and fuel-efficient light-duty vehicles in the MBUF program on or before January 1, 2029.~~

~~(3) identify any other light-duty vehicles that currently contribute less to the Transportation Fund than they would under the mileage-based user fee for inclusion in the MBUF program on or before January 1, 2029;~~

~~(4) consider possible methods to account for and differentiate between in-state and out-of-state vehicle miles traveled by vehicles registered in Vermont and vehicles registered in another state;~~

~~(5) examine the potential for integrating alternative mileage reporting methods into the mileage-based user fee program and related costs;~~

~~(6) evaluate the potential to include medium- and heavy-duty electric vehicles in the mileage-based user fee program and potential rate designs based on vehicle weights; and~~

~~(7) examine the relationship between expansion of the mileage-based user fee program and fuel tax rates, Transportation Fund revenue sustainability, and Vermont's carbon reduction targets.~~

~~(c) The Agency and Department shall also track the implementation costs and operating expenses of and revenues generated by the mileage-based user fee for State fiscal years 2027–2031. The Agency and Department shall submit an annual report of these amounts to the House Committees on Transportation and on Ways and Means and the Senate Committees on Transportation and on Finance on or before each December 31 beginning on December 31, 2027, and continuing until December 31, 2031.~~

~~(d)(1) On or before January 31, 2027, the Agency of Transportation and the Department of Motor Vehicles shall submit to the House Committees on Transportation and on Ways and Means and the Senate Committees on Transportation and on Finance an initial plan and recommendation for legislative action to:~~

~~(A) incorporate plug-in hybrid electric, hybrid electric, and fuel-efficient light-duty vehicles into the MBUF program;~~

~~(B)(i) provide at least two additional options for determining the number of vehicle miles traveled by a covered vehicle, including:~~

~~(I) an option that would utilize vehicle systems or an aftermarket device to track vehicle miles traveled; and~~

~~(II) an option that would enable vehicle owners and lessees to track and differentiate between miles traveled in Vermont and miles traveled outside Vermont, with the MBUF only applying to miles traveled in Vermont;~~

~~and~~

~~(ii) identify data privacy protections and best practices that should be implemented to protect data obtained from owners and lessees who elect to utilize the options identified pursuant to this subdivision (B);~~

~~(C)(i) recommend whether to retain a flat-rate option for the MBUF and, if so, recommend the appropriate amount of the flat fee, and~~

~~(ii) recommend how to apply the flat fee to plug-in hybrid, hybrid, and internal combustion engine vehicles, including whether to provide different flat fees based on vehicle type or to provide credits against the amount of the flat fee based on vehicle fuel efficiency;~~

~~(D) provide at least one option to enable vehicle owners and lessees to track and differentiate between miles traveled in Vermont and miles traveled outside Vermont, with the MBUF only applying to miles traveled in Vermont; and~~

~~(E) recommend a maximum amount by which the mileage-based user fee rate can increase from year to year after all light-duty vehicles are subject to the mileage-based user fee.~~

~~(2) On or before July 30, 2028, the Agency shall submit to the Joint Transportation Oversight Committee and the House and Senate Committees on Transportation a draft copy of the final report required to be submitted to the Federal Highway Administration pursuant to the terms of the Agency's federal Strategic Innovation for Revenue Collection grant.~~

~~(3) On or before September 15, 2028, the Agency of Transportation and the Department of Motor Vehicles shall submit to the House Committees on Transportation and on Ways and Means and the Senate Committees on Transportation and on Finance.~~

~~(A) a final plan and proposal for legislative action necessary to expand the MBUF program to all light-duty motor vehicles on or before January 1, 2031;~~

~~(B) a report of all findings made pursuant to subsection (b) of this section; and~~

~~(C) any additional recommendations for legislative action.~~

~~(e) As used in this section:~~

~~(1) "Fuel-efficient vehicle" means a motor vehicle with an estimated fuel economy of at least 25 miles per gallon according to the U.S. Environmental Protection Agency, a plug-in electric vehicle as defined pursuant to 23 V.S.A. § 4, or a hybrid electric vehicle.~~

~~(2) "Light-duty motor vehicle" means any motor vehicle with a gross vehicle weight rating of not more than 10,000 pounds.~~

~~*** Expansion of MBUF to Hybrid Vehicles ***~~

~~Sec. 21. 23 V.S.A. § 4301 is amended to read:~~

~~§ 4301. DEFINITIONS~~

~~As used in this chapter:~~

~~***~~

~~(3) "Covered vehicle" means a battery electric vehicle PEV or a hybrid electric pleasure car.~~

~~(4) "Hybrid electric pleasure car" means a pleasure car that can be powered by an electric motor drawing current from a rechargeable energy storage system but also has an onboard combustion engine.~~

~~(5) "Mileage-based user fee" or "MБУF" means the fee charged for the annual vehicle miles traveled by a covered vehicle pursuant to section 4302 of this chapter.~~

~~(5)(6) "Mileage-based user fee rate" means the per-mile usage fee charged to the owner or lessee of a covered vehicle pursuant to section 4302 of this chapter.~~

~~(6)(7) "Mileage reporting period" means:~~

~~* * *~~

~~(8) "PEV" means a plug-in electric vehicle pleasure car.~~

~~(7)(9) "Terminating event" means any of the following:~~

~~* * *~~

~~Sec. 22. 23 V.S.A. § 4302 is amended to read:~~

~~§ 4302. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;~~

~~PAYMENT; EXEMPTIONS~~

~~* * *~~

~~(d) Calculation of the mileage-based user fee.~~

~~(1) The mileage-based user fee for a covered vehicle shall equal the amount of the base mileage-based user fee pursuant to subdivision (2) of this~~

~~subsection less the amount of the applicable fuel tax credit pursuant to subdivision (3) of this subsection, if any.~~

~~(2) The Commissioner shall calculate the base mileage-based user fee of each covered vehicle by multiplying the miles traveled by the covered vehicle during the applicable period by the rate established pursuant to ~~subsection (e) subdivision (e)(1)~~ of this section. The number of miles traveled shall be equal to:~~

~~(A) for a mileage reporting period, the difference between the mileage shown on the covered vehicle's odometer at the end of the mileage reporting period and the mileage shown on the covered vehicle's odometer at the beginning of the mileage reporting period; and~~

~~(B) for a report filed by an owner or lessee as part of the pay-as-you-go mileage-based user fee program pursuant to subdivision (a)(3) of this section, the difference between the mileage reported by the owner or lessee and the most recent prior mileage reported for the covered vehicle.~~

~~(2)(3) Notwithstanding any provision of subdivision (1) of this subsection to the contrary, the mileage-based user fee assessed for a mileage reporting period shall not exceed \$178.00. For each covered vehicle, the Commissioner shall deduct the amount of the fuel tax credit determined pursuant to subdivision (e)(2) of this section, if any, from the amount of the mileage-based user fee calculated pursuant to subdivision (1) of this~~

~~subsection to determine the amount due from the owner or lessee of each covered vehicle pursuant to this section. The Commissioner shall ensure that the combined amount of estimated fuel taxes and the mileage-based user fee paid by the owner or lessee of a covered vehicle does not exceed the amount of the base mileage-based user fee calculated pursuant to subdivision (2) of this subsection.~~

~~(e) Mileage-based user fee rate and fuel tax credits.~~

~~(1) The mileage-based user fee rate shall be \$0.014 per mile traveled by a covered vehicle during its mileage reporting period.~~

~~(2) At the conclusion of each mileage reporting period, the Commissioner shall calculate for all vehicles, except battery electric vehicles, a fuel tax credit by dividing the miles traveled by the vehicle during the mileage reporting period by the vehicle's estimated average combined fuel economy as determined by the U.S. Environmental Protection Agency and multiplying that amount by the applicable tax per gallon on gasoline or diesel fuel pursuant to chapters 27 and 28 of this title.~~

~~* * *~~

~~Sec. 23. 23 V.S.A. § 4304 is amended to read:~~

~~§ 4304. FAILURE TO FILE REPORT OR OBTAIN INSPECTION;~~

~~DEFAULT RATE~~

~~(a) The Commissioner shall charge the owner or lessee of a covered vehicle a default rate of \$178.00 \$375.00 if the Commissioner is unable to determine the annual vehicle miles traveled for the owner's or lessee's covered vehicle because the owner or lessee:~~

~~***~~

~~*** Repeal of Municipal Equipment and Vehicle Loan Fund Rules ***~~

~~Sec. 24. RULES REGARDING MUNICIPAL HEAVY EQUIPMENT LOAN
FUND; REPEAL~~

~~The Rules Regarding Municipal Heavy Equipment Loan Fund (CVR 14-053-002) are repealed. The Municipal Equipment and Vehicle Loan Fund, as the successor to the Municipal Heavy Equipment Loan Fund, shall be administered as provided pursuant to 29 V.S.A. § 1601.~~

~~*** Statement of Policy; Highways and Bridges ***~~

~~Sec. 25. 19 V.S.A. § 10c is amended to read:~~

~~§ 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES~~

~~***~~

~~(b) For projects that are not on the National Highway System, the Agency shall ~~develop and implement~~ maintain State standards and guidance for geometric design. ~~Design speeds may be lower than legal speeds.~~ Design speeds lower than legal speeds may be used without the requirement of a formal design exception, provided appropriate warnings are posted if~~

~~appropriate warning signs, signals, and markings are used as provided
pursuant to 23 V.S.A. § 1025.~~

~~***~~

~~*** Agency of Transportation Duties ***~~

~~Sec. 26. 19 V.S.A. § 10 is amended to read:~~

~~§ 10. DUTIES~~

~~The Agency shall, except where otherwise specifically provided by law:~~

~~***~~

~~(8)(A) Require any contractor or contractors employed in any project of
the Agency for construction of a transportation improvement to file in the
office of the Secretary a good and sufficient surety bond to the State of
Vermont, executed by a surety company authorized to transact business in this
State in ~~such~~ the sum as required by the Agency shall direct, conditioned for
the compliance by the contractor or contractors and their agents and servants,
with all matters and things set forth and specified to be by the principal kept,
done, and performed at the time and in the manner in the contract between the
Agency and the contractor or contractors specified and to pay over, make
good, and reimburse the State of Vermont for all loss or losses and damage or
damages that the State of Vermont may sustain by reason of failure or default
on the part of the contractor or contractors. The Agency is authorized to
require any other condition in the bond that may from time to time be~~

~~necessary. The Secretary, at his or her discretion, as to may if the Secretary determines that it is in the best interest interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for \$100,000.00 \$250,000.00 or less, may waive the requirement of a performance bond.~~

~~(B) During an emergency event, the Secretary may, in the Secretary's discretion, waive the bonding requirements of this subdivision (8) for immediate, temporary stabilization work related to public safety or State infrastructure. Permanent work shall be subject to the requirements of subdivision (A) of this subdivision (8).~~

~~(9)(A) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file an additional surety bond to the Secretary and the Secretary's successor in office, for the benefit of labor, materialmen, and others, executed by a surety company authorized to transact business in this State. The surety bond shall be in such the sum as required by the Agency shall direct, conditioned for the payment, settlement, liquidation, and discharge of the claims of all creditors for material; merchandise; labor; rent; hire of vehicles, power shovels, rollers, concrete mixers, tools, and other appliances; professional services; premiums; and other services used or employed in carrying out the terms of the contract between the contractor and the State and. The surety bond shall~~

~~be further conditioned for the following accruing during the term of performance of the contract: the payment of taxes, both State and municipal, and the payment of unemployment insurance contributions to the Vermont Commissioner of Labor; provided, however, in~~

~~(B) In order to obtain the benefit of the security, the claimant shall file with the Secretary a sworn statement of the claimant's claim, within 90 days after the final acceptance of the project by the State or within 90 days from the time the taxes or unemployment contributions to the Vermont Commissioner of Labor are due and payable, and, within one year after the filing of the claim, shall bring a petition in the Superior Court in the name of the Secretary, with notice and summons to the principal, surety, and the Secretary, to enforce the claim or intervene in a petition already filed. The Secretary may, if the Secretary determines that it is in the best interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for \$100,000.00 \$250,000.00 or less, may waive the requirement of a surety bond.~~

~~(C) During an emergency event, the Secretary may, in the Secretary's discretion, waive the requirements of this subdivision (9) for immediate emergency stabilization work related to public safety or State infrastructure. Permanent work shall be subject to the requirements of subdivision (A) of this subdivision (9).~~

** * **

** * * Bridge Inspections; Posting; Closure * * **

Sec. 27, 19 V.S.A. § 1514 is added to read:

§ 1514. BRIDGE INSPECTION; POSTING; CLOSURE

(a) Definition. As used in this section, “bridge” means a structure to which the National Bridge Inspection Standards apply pursuant to 23 C.F.R. § 650.303.

(b) Bridge inspections. The Agency shall inspect bridges on State highways and town highways in accordance with the requirements of the National Bridge Inspection Standards.

(c) Municipally maintained bridges.

(1) For a bridge for which a municipality has maintenance responsibility, the Agency shall advise the municipality of its inspection findings and any noted deficiencies.

(2) The Agency shall notify a municipality if a bridge for which the municipality has maintenance responsibility requires posting or closure and, upon receiving notification, the municipality shall post or close the bridge, as appropriate.

(3) If necessary to protect the public from an imminent hazard, the Agency may post or close a bridge for which a municipality has maintenance responsibility.

~~(4) A municipality shall be responsible for all costs and expenses related to the posting or closure of a bridge for which it has maintenance responsibility, including the costs of any required notifications, procedures, signage or traffic control devices, and barricades.~~

~~(d) Agency-maintained bridges.~~

~~(1) For any bridge for which the Agency has maintenance responsibility, the Agency shall have the sole responsibility and authority to determine whether the bridge shall be posted or closed, except that a municipality may close an Agency-maintained bridge during an emergency.~~

~~(2) If a municipality becomes aware of any deficiencies or structural conditions that could impact the Agency's determination of whether to post or close a bridge, the municipality shall promptly notify the Agency.~~

~~(3) The Agency shall be responsible for all costs and expenses associated with posting or closing an Agency-maintained bridge, including any required notifications, procedures, signage or traffic control devices, and barricades.~~

~~(e) Enforcement and penalties. In addition to any other penalties provided by law, a person that violates a bridge posting or closure by a municipality or the Agency shall be subject to a civil penalty of not more than \$1,000.00.~~

Sec. 28. 23 V.S.A. § 2302 is amended to read:

§ 2302. TRAFFIC VIOLATION DEFINED

(a) As used in this chapter, "traffic violation" means:

** * **

(11) a violation of subsection 1006b(b) of this title, relating to operation of a prohibited vehicle in Smugglers' Notch; section 1006c of this title, relating to requirements for use of tire chains; or subsections 4120(a) and (b) of this title, relating to violations of an out-of-service order; or

(12) a violation of section 4123 of this title, relating to authorizing railroad crossing violations; or

(13) a violation of 19 V.S.A. § 1514, relating to use of a bridge in violation of a posting or closure.

** * **

** * * Public Transit Advisory Council * * **

Sec. 29. 24 V.S.A. § 5084 is amended to read:

§ 5084. PUBLIC TRANSIT ADVISORY COUNCIL

(a) The Public Transit Advisory Council shall be created by the Secretary of Transportation under 19 V.S.A. § 7(f)(5), and shall consist of the following members:

** * **

~~(8) a representative of the Community of Vermont Elders APP~~

~~Vermont;~~

~~(9) a representative of private bus operators and taxi services;~~

~~[Repealed.]~~

~~(10) a representative of Vermont intercity private bus operators;~~

~~***~~

~~*** Green Mountain Transit Authority ***~~

~~Sec. 30. 24 App. V.S.A. ch. 801, § 7 is amended to read:~~

~~§ 7. Annual budget and assessments~~

~~(a) On or before February 15 in each year, the Board of Commissioners shall prepare a budget for the Authority for the next fiscal year, which shall include an estimate of the revenue of the Authority from fares and other sources, except membership assessments, and the expenses for the next fiscal year, including debt service, and at such time the Board of Commissioners shall call a meeting of the residents of its members for the purpose of presenting the proposed budget and inviting discussion thereon. The meeting shall be held at a place within the County and shall be warned by a notice published in a newspaper of general circulation in the County at least 15 days prior to the meeting. The notice shall contain a copy of the proposed budget, and members of the legislative body of each member municipality shall be notified of the meeting by certified mail. The proposed budget may include, in~~

~~addition to revenues from fares and other sources, anticipated voluntary local match contributions, grants, donations, and other nonassessment revenues that may be offered by a member municipality or another public or private source.~~

~~***~~

~~(f)(1) The Authority shall be permitted to seek and accept voluntary local match contributions.~~

~~(2) Notwithstanding the formula for apportionment, the Authority may accept voluntary local match contributions from a member municipality or another public or private source for the purposes of:~~

~~(A) meeting federal, State, or other grant matching requirements;
and~~

~~(B) supporting Authority programs, capital projects, and operations.~~

~~(3) A voluntary local match contribution accepted pursuant to this subsection shall be in addition to any assessment required pursuant to this section and shall not reduce, offset, or otherwise modify the assessment apportioned to any member municipality pursuant to the formula for apportionment unless the formula is amended in accordance with the provisions of this section.~~

~~*** Public-Private Partnership Sunset Extension ***~~

~~Sec. 31. 2018 Acts and Resolves No. 158, Sec. 21 as amended by 2023 Acts and Resolves No. 02, Sec. 41 is further amended to read.~~

~~Sec. 21. REPEAL OF TRANSPORTATION BOARD AUTHORITY~~

~~19 V.S.A. chapter 26, subchapter 2 shall be repealed on July 1, 2026 2029.~~

~~* * * Transportation Board * * *~~

~~Sec. 32. 19 V.S.A. § 5 is amended to read:~~

~~§ 5. TRANSPORTATION BOARD; POWERS AND DUTIES~~

~~* * *~~

~~(d) Specific duties and responsibilities. The Board shall:~~

~~* * *~~

~~(7) provide appellate review, when requested in writing by an applicant or permittee, of Agency decisions and rulings regarding private and commercial access to State highway rights-of-way pursuant to the permit process established in section 1111 of this title;~~

~~* * *~~

~~* * * Transportation Alternatives Grant Program * * *~~

~~Sec. 33. 19 V.S.A. § 38 is amended to read:~~

~~§ 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM~~

~~(a), (b) [Repealed.]~~

~~(c) The Transportation Alternatives Grant Program is created. The Grant Program shall be administered by the Agency and shall be funded in the amount provided for in 23 U.S.C. § 133(h), less the funds set aside for the Recreational Trails Program. Awards shall be made to eligible entities as~~

~~defined under 23 U.S.C. § 133(h), and awards under the Grant Program shall be limited to the activities authorized under federal law and shall not exceed \$300,000.00 \$600,000.00 per grant allocation.~~

~~***~~

~~(f)(1) In fiscal year 2024 2027 and thereafter, 50 percent of Grant Program funds, or such lesser sum if all eligible applications amount to less than 50 percent of Grant Program funds, shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects, and the balance of Grant Program funds shall be awarded for any eligible activity, including environmental mitigation projects relating to stormwater and highways, such as eligible salt and sand shed projects, and infrastructure-related projects and systems that will provide safe routes for nondrivers, and in accordance with the priorities established in subdivision (2) of this subsection.~~

~~(2) In evaluating applications for Transportation Alternatives grants, the Agency shall give preferential weighting to sand and salt shed projects and projects involving as a primary feature a bicycle or pedestrian facility. The degree of preferential weighting and the circumstantial factors sufficient to overcome the weighting shall be in the complete discretion of the Agency.~~

~~***~~

~~Sec. 54. 2025 Acts and Resolves No. 02, Sec. 11 is amended to read:~~

~~Sec. 34. TRANSPORTATION ALTERNATIVES GRANT PROGRAM~~

~~AWARDS IN STATE FISCAL YEARS 2024 TO 2027~~

~~Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant Program awards in State fiscal years 2024 to 2027 2026 shall not exceed \$600,000.00 per grant allocation. Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant Program awards in State fiscal year 2027 shall not exceed \$1,200,000.00 per grant allocation.~~

~~* * * Consultation Regarding Municipal Programs * * *~~

~~Sec. 35. MUNICIPAL TRANSPORTATION PROGRAMS; ONGOING
EVALUATION; IDENTIFICATION OF IMPROVEMENTS~~

~~(a) In addition to ongoing work pursuant to 2025 Acts and Resolves No. 43, Sec. 15, the Agency of Transportation, in consultation with the Vermont League of Cities and Towns and the Vermont Association of Planning and Development Agencies, shall:~~

~~(1) continue examining the requirements of 19 V.S.A. § 309c, cancellation of locally managed projects, as set forth in 2025 Acts and Resolves No. 43, Sec. 14, to evaluate the obligations, risks, and benefits imposed by the provisions of that section on the State and the local sponsor of a locally managed project and to identify potential changes to the provisions of that section to ensure that State and federal transportation funding resources are appropriately administered,~~

~~(2) continue evaluating the State's Town Highway Aid and municipal grant programs administered by the Agency, as set forth in 2025 Acts and Resolves No. 43, Sec. 16, to identify potential efficiencies and improvements related to the administration of Town Highway Aid and municipal grant programs; and~~

~~(3)(A) examine the provisions in the Vermont statutes related to the procedures for establishing speed limits; and~~

~~(B) identify potential opportunities to simplify and clarify those provisions to assist municipalities in meeting local needs, including safety and context sensitivity.~~

~~(b) The Agency shall, on or before January 15, 2027, submit to the House and Senate Committees on Transportation any recommendations for legislative action.~~

~~*** Drive Electric Vermont ***~~

~~Sec. 36. DRIVE ELECTRIC VERMONT; APPROPRIATION~~

~~In State fiscal year 2027, the sum of \$242,000.00 is appropriated from the Transportation Fund to the Agency of Transportation to support the continuation of the Agency's partnership with Drive Electric Vermont. The monies shall be used for programs and activities that support increased ownership and use of plug-in electric vehicles in the State through:~~

~~(1) stakeholder coordination,~~

~~(2) consumer education and outreach;~~

~~(3) infrastructure development; and~~

~~(4) the provision of technical assistance and support to Vermont municipalities and Vermont businesses desiring to electrify their vehicle fleets.~~

~~* * * Caledonia County State Airport * * *~~

~~Sec. 37. 2023 Acts and Resolves No. 62, Sec. 8 is amended to read:~~

~~Sec. 8. SALE OR LEASE OF CALEDONIA COUNTY STATE
AIRPORT~~

~~(a)(1) The Agency of Transportation is authorized to issue a request for proposals for the purchase or lease of the Caledonia County State Airport, located in the Town of Lyndon, and the Agency shall consult with the Town of Lyndon on any requests for proposals related to the purchase or lease of the Airport prior to the issuance of any requests for proposals related to the purchase or lease of the Airport.~~

~~(2) The request for proposal shall include a request for a business plan, which shall, at a minimum, include the prospective purchaser's or lessor's plans for investments in the Airport and the surrounding communities and may include plans for partnerships with secondary and post-secondary institutions in the surrounding communities.~~

~~(b) Subject to obtaining any necessary approvals from the U.S. Federal Aviation Administration, the Vermont Secretary of Transportation, as agent for~~

~~the State, is authorized to convey the Airport property by warranty deed according to the terms of a purchase and sale agreement or through a long-term lease.~~

~~(c) Any such conveyance shall:~~

~~(1) include assignment of the State's interest in easements, leases, licenses, and other agreements pertaining to the Airport and the acceptance of the State's obligations under such easements, leases, licenses, and other agreements that requires, at a minimum, that any leases and terms of leases that are in effect at the time of the conveyance of the Airport are fully honored for the balance of the lease term;~~

~~(2) ensure that there are investments in the Airport to address current deficiencies and necessary repairs;~~

~~(3) ensure that the Airport continues to be a public-use airport and that the public continues to have access to the Airport for general aviation uses in perpetuity;~~

~~(4) ensure that the Airport continues to be identified as a public-use airport within the National Plan of Integrated Airport Systems until at least 2050, subject to federal determination;~~

~~(5) include, if the Airport is conveyed through a purchase and sale agreement, a six-month right of first refusal, running from the date that the owner of the Airport provides notice to the State of an intent to sell the Airport,~~

~~for the State to repurchase the Airport at fair market value before the Airport is~~

~~resold or transferred to a new owner; and~~

~~(c)(5) include, if the Airport is leased, that the lease cannot be either assigned or the lessor cannot sub-lease all or substantially all of the Airport without the written approval of the Vermont Secretary of Transportation.~~

~~(d) The Agency shall not proceed with a sale or lease of the Airport unless:~~

~~(1) there is a fair market value offer, as required under 19 V.S.A. § 10k(b) or 26a(a), that meets the requirements of subsection (c) of this section; and~~

~~(2) the Town of Lyndon is given the opportunity to review and comment on the final purchase and sale agreement or lease as applicable.~~

~~(e) This section shall constitute specific prior approval, including of any sale or lease terms, by the General Assembly for purposes of 5 V.S.A. § 204.~~

~~Sec. 38. 2023 Acts and Resolves No. 62, Sec. 9 is amended to read:~~

~~Sec. 9. REPEAL OF AUTHORITY FOR SALE OR LEASE OF~~

~~CALEDONIA COUNTY STATE AIRPORT~~

~~Sec. 8 of this act shall be repealed on ~~May 1, 2026~~ November 1, 2027.~~

~~*** Medical Transports ***~~

~~Sec. 39. PUBLIC TRANSIT DEMAND RESPONSE MEDICAL~~

~~TRANSPORTS; VOLUNTEER DRIVERS; MOBILITY~~

~~MANAGEMENT, GRANTS~~

~~The Agency of Transportation is authorized to utilize amounts appropriated for supplemental nonemergency medical transportation funding in fiscal year 2027 for the purpose of providing grants to public transit agencies to support the recruitment and retention of volunteer drivers and mobility management activities related to nonemergency medical transports.~~

~~*** Real-Time Status of Public EVSE ***~~

~~Sec. 40. 19 V.S.A. § 2901 is amended to read:~~

~~§ 2901. DEFINITIONS~~

~~As used in this chapter:~~

~~***~~

~~(2) “Charging network provider” means a person that operates the digital communication network that remotely manages the EVSE at a charging station.~~

~~(3) “Charging station” means the area in the immediate vicinity of one or more EVSE and includes the EVSE, supporting equipment, parking areas adjacent to the EVSE, and lanes for vehicle ingress and egress. A charging station may comprise only a portion of the property on which it is located.~~

~~(4) “Charging station operator” means a person that owns or provides the EVSE and the supporting equipment and facilities at one or more charging stations and is responsible for operating and maintaining the EVSE, supporting equipment, and facilities. A charging station operator may~~

~~delegate to another person or contract with another person for charging station operation and maintenance.~~

~~(5) “Connector” means a device that attaches EVSE to a PEV to transfer electricity from the EVSE to the PEV.~~

~~(6) “Direct current fast charger” or “DCFC” means EVSE that enables charging through the delivery of direct current electricity to a PEV’s battery.~~

~~(7) “Electric bicycle” has the same meaning as in 23 V.S.A. § 4(46)(A).~~

~~(3)(8) “Electric cargo bicycle” means a motor-assisted bicycle, as defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for transporting loads, including at least one or more of the following: goods, one or more individuals in addition to the operator, or one or more animals. A motor-assisted bicycle that is not specifically designed and constructed for transporting loads, including a motor-assisted bicycle that is only capable of transporting loads because an accessory rear or front bicycle rack has been installed, is not an electric cargo bicycle.~~

~~(4)(9) “Electric vehicle supply equipment (EVSE)” and “electric vehicle supply equipment available to the public” have the same meanings as in 30 V.S.A. § 201.~~

~~(10) “Level 2 EVSE” means EVSE with a single phase input voltage range from 208 to 277 volts of alternating current (AC) and maximum output current of not more than 80 amperes AC.~~

~~(11) “NEVI standards” means the minimum standards and requirements for projects funded under the National Electric Vehicle Infrastructure (NEVI) Formula Program that were published in the Federal Register on February 28, 2023 (88 FR 12752).~~

~~(5)(12) “Plug-in electric vehicle (PEV),” “battery electric vehicle (BEV),” and “plug-in hybrid electric vehicle (PHEV)” have the same meanings as in 23 V.S.A. § 4(85).~~

~~(13) “Port” means a system or connecting outlet on EVSE that provides power to charge a PEV, provided that a port may be equipped with more than one connector but shall only use one connector at a time to provide power to a PEV.~~

~~(14) “Publicly funded and available charging station” means a charging station that has received, or expects to receive, a grant, loan, or other incentive from a federal or State government source or from funds provided by Vermont retail electricity providers and that is publicly available.~~

Sec. 41. 19 V.S.A. § 2908 is added to read:

~~§ 2908. PUBLIC EVSE, REAL-TIME STATUS, AVAILABILITY~~

~~(a) Except as provided in subsection (b) of this section, a charging network provider shall, for any networked publicly funded and available charging station in Vermont that is installed or reconditioned on or after September 30, 2026, ensure that the following data fields are made available, free of charge, to third-party software developers via an application programming interface:~~

~~(1) a unique charging station name or identifier;~~

~~(2) the address of the property where the charging station is located, including street address, city, and ZIP code;~~

~~(3) the geographic coordinates in decimal degrees of the exact charging station location;~~

~~(4) the charging station operator name;~~

~~(5) the charging network provider name;~~

~~(6) the charging station status, including whether the station is operational, under construction, planned, or decommissioned;~~

~~(7) charging station access information, including:~~

~~(A) the charging station access type, such as whether it may be used by the public or is limited to use by commercial vehicles; and~~

~~(B) the charging station access days and times, including the hours of operation for the charging station;~~

~~(8) charging port information, including:~~

~~(A) the number of charging ports,~~

(B) the unique port identifier for each port;

(C) the connector types available by port;

(D) the charging level by port, such as DCFC or AC Level 2;

(E) the maximum power delivery rating in kilowatts by charging port;

(F) the maximum output voltage by charging port;

(G) accessibility by a vehicle with a trailer by port (yes/no); and

(H) the real-time status by port in terms defined by Open Charge Point Interface 2.2.1; and

(9) pricing and payment information, including:

(A) the pricing structure;

(B) the real-time price to charge at each charging port, in terms defined by Open Charge Point Interface 2.2.1; and

(C) the payment methods accepted at the charging station, including whether credit, debit, or contactless forms of payment are accepted.

(b) The provisions of this section shall apply to a publicly funded and available charging station at all times that a member of the public may use the associated EVSE to charge a PEV.

(c) The provisions of this section may be enforced by.

~~(1) any State agency or department that provides or administers grants, loans, or other incentives to support the construction or operation of publicly funded and available charging stations; and~~

~~(2) the Department of Public Service for publicly funded and available charging stations that have received a grant, loan, or other incentive provided by one or more Vermont retail electricity providers.~~

~~(d) A charging network provider may attach reasonable conditions to data use that are designed to protect confidential business information, provided that the conditions do not prevent third-party software developers from accessing the real-time information required pursuant to subsection (a) of this section.~~

~~(e)(1) A State agency or department that provides a grant, loan, or other incentive for the construction or operation of a charging station that is installed or reconditioned on or after September 30, 2026, shall require the recipient to notify the relevant charging network provider that the provisions of this section apply to a charging station.~~

~~(2) A retail electricity provider, if it provides a grant, loan, or other incentive for the construction or operation of a charging station that is installed or reconditioned on or after September 30, 2026, shall require the recipient to notify the relevant charging network provider that the provisions of this section apply to the charging station.~~

~~(f) As used in this section:~~

~~(1) "Real-time" means that the applicable data field must be updated within one minute following a change in the charging port's status.~~

~~(2) "Retail electricity provider" has the same meaning as in 30 V.S.A. § 8002.~~

~~*** EVSE Installation in Common Interest Communities ***~~

~~Sec. 42. 27A V.S.A. § 1-204 is amended to read:~~

~~§ 1-204. PREEXISTING COMMON INTEREST COMMUNITIES~~

~~(a)(1) Unless excepted under section 1-203 of this title, the following sections and subdivisions of this title apply to a common interest community created in this State before January 1, 1999: sections 1-103, 1-105, 1-106, 1-107, 2-103, 2-104, and 2-121, subdivisions 3-102(a)(1) through (6) 3-102(a)(1)-(6) and (11) through (16) (11)-(16), and sections 3-111, 3-116, 3-118, 4-109, and 4-117 to the extent necessary to construe the applicable sections. The sections and subdivisions described in this subdivision apply only to events and circumstances occurring after December 31, 1998, and do not invalidate existing provisions of the declarations, bylaws, plats, or plans of those common interest communities.~~

~~***~~

~~(3) Unless excepted under section 1-203 of this title, section 3-125 of this title shall apply to all common interest communities that contain 12 or~~

~~more units that may be used for residential purposes created in this State on or before January 1, 2011. Section 3-125 applies only to events and circumstances occurring after June 30, 2026, and does not invalidate existing provisions of the declarations, bylaws, plats, or plans of those common interest communities.~~

~~***~~

~~Sec. 43. 27A V.S.A. § 3-125 is added to read:~~

~~§ 3-125. ELECTRIC VEHICLE SUPPLY EQUIPMENT~~

~~(a) As used in this section:~~

~~(1) “Electric vehicle supply equipment (EVSE)” means a device or system designed and used specifically to transfer electrical energy to a plug-in electric vehicle.~~

~~(2) “EVSE owner” means the unit owner who applies to install an EVSE and each successive unit owner associated with the initial application to install the EVSE unless there is a specific change in ownership of the EVSE, in which case the EVSE owner shall be the owner specified in a conveying document memorializing the change in ownership of the EVSE.~~

~~(3) “Plug-in electric vehicle” has the same meaning as in 23 V.S.A.~~

~~§ 4(65).~~

~~(4) "Reasonable restriction" is a restriction that does not significantly increase the cost of the EVSE or significantly decrease the efficiency or specified performance of the EVSE.~~

~~(b)(1) Any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest in a common interest community, and any provision of a governing document associated with a common interest community, such as a declaration, bylaw, or rule that either effectively prohibits or unreasonably restricts the installation of EVSE within the boundaries of a unit owner's unit or limited common element or the unit owner's exclusively designated parking space or the use of such EVSE for noncommercial purposes by a unit owner or the occupants of the unit owner's unit or is in conflict with this section is void and unenforceable.~~

~~(2) This subsection shall not apply to provisions that impose reasonable restrictions on EVSE. However, it is the policy of the State to promote, encourage, and remove obstacles to the use of plug-in electric vehicles, including access to EVSE at home.~~

~~(3) Installation of EVSE shall not be deemed a division or reallocation of a common element and shall not alter the allocated interests of any unit owner.~~

~~(c) The association may require the unit owner to.~~

~~(1) comply with federal, State, and local health and safety laws, including any applicable building codes or safety standards;~~

~~(2) comply with reasonable architectural standards adopted by the association that govern the dimensions, placement, or external appearance of the EVSE, provided that such standards shall not prohibit the installation of such EVSE or substantially increase the costs thereof;~~

~~(3) engage the services of a licensed electrician to install the EVSE;~~

~~(4) if the EVSE is installed in a common element or limited common element, reimburse the association for the actual costs of any increased insurance premium amount attributable to the EVSE with 14 days after receiving the association's insurance premium invoice; and~~

~~(5) comply with any other reasonable restrictions the association may impose.~~

~~(d) Notwithstanding any provision to the contrary in the association's governing documents, if the executive board of the association determines that the cumulative or additional use of electricity due to the installation and use of EVSE requires infrastructure improvements to provide a sufficient supply of electricity for the EVSE, the association may assess the cost of the required improvements against the unit of each unit owner that has installed, or will install, EVSE.~~

~~(e) If approval is required for the installation or use of EVSE, the application for approval shall be processed and approved by the association in the same manner as an application for approval of an architectural modification to the common interest community and shall not be intentionally avoided or delayed. The approval or denial of an application shall be in writing. If an application is not denied in writing within 60 days from the date of receipt of the application, the application shall be deemed approved, unless that delay is the result of a reasonable request for additional information.~~

~~(f) The unit owner and each successive owner of the EVSE shall be responsible for all of the following:~~

~~(1) costs for damage to the EVSE, common element, or limited common element resulting from the installation, maintenance, repair, removal, or replacement of the EVSE;~~

~~(2) costs for the installation, maintenance, repair, and replacement of the EVSE until the EVSE has been removed and for the restoration of the common element or limited common element after removal,~~

~~(3) cost of electricity associated with the EVSE; and~~

~~(4) unless the successor owner of the unit agrees in writing to undertake and comply with the unit owner's responsibilities with respect to the EVSE, removing the EVSE prior to the sale and restoring any affected common element or limited common element.~~

~~Sec. 44. [Deleted.]~~

~~Sec. 45. [Deleted.]~~

~~*** Intelligent Speed Assistance ***~~

~~Sec. 46. INTELLIGENT SPEED ASSISTANCE; IMPLEMENTATION AND
COST EVALUATION; REPORT~~

~~(a) The Department of Motor Vehicles shall examine the potential to
implement and administer an intelligent speed assistance program, including
the following issues:~~

~~(1) intelligent speed assistance programs that have been or will be
implemented in other states and the District of Columbia;~~

~~(2) costs for the State to implement an intelligent speed assistance
program; and~~

~~(3) potential costs to drivers who choose to participate in an intelligent
speed assistance program.~~

~~(b) On or before January 15, 2027, the Department shall submit a written
report to the House and Senate Committees on Transportation regarding its
findings and any recommendations for legislative action.~~

~~*** Miscellaneous Transportation Jurisdiction Corrections ***~~

~~Sec. 47. 20 V.S.A. § 3065 is amended to read:~~

~~§ 3065. PENALTIES~~

~~(a) A person who knowingly violates, or causes to be violated, a provision of sections 3062–3064 of this title, or a regulation made by the Public Utility Commission in pursuance thereof, chapter shall be imprisoned not more than 18 months or fined not more than \$2,000.00, or both.~~

~~(b) When the death or bodily injury of a person is caused by the explosion of any explosive named in sections 3062–3064 and ~~3091–3092~~ 3091 and 3092 of this title chapter, while the ~~same~~ explosive is being placed upon a vessel or vehicle to be transported in violation hereof of this chapter, or while the ~~same~~ explosive is being so transported, or while the ~~same~~ explosive is being removed from ~~sueh~~ the vessel or vehicle, the person who knowingly places or aids or permits the placement of ~~sueh~~ the explosives upon ~~sueh~~ the vessel or vehicle to be so transported shall be imprisoned not more than ~~ten~~ 10 years.~~

~~Sec. 48. 24 V.S.A. § 5106 is amended to read:~~

~~§ 5106. EXEMPTION FROM REGULATION~~

~~The public transportation systems and facilities operating under this authority are exempt from any of the regulatory provisions of Title 30, except that the ~~Public Utility Commission~~ Transportation Board may impose any regulatory provisions of Title 30 that it ~~may determine from time to time~~ determines to be necessary.~~

~~Sec. 49. 24 App. V.S.A. ch. 801, § 5 is amended to read:~~

~~§ 5. EXEMPTION FROM REGULATION~~

~~The public transportation systems and facilities operating under this Authority are generally exempt from any of the regulatory provisions of Title 30 of the Vermont Statutes Annotated. However, the Public Utility Commission Transportation Board may impose those regulatory provisions of Title 30 of the Vermont Statutes Annotated that it may determine from time to time determines to be necessary.~~

~~Sec. 50. 25 V.S.A. § 241 is amended to read:~~

~~§ 241. APPLICATION OF PROVISIONS~~

~~This subchapter shall apply to every person, partnership, unincorporated association, or corporation that shall drive or float lumber in any stream. The use of any such stream for such that purpose shall constitute an election on the part of such the person, partnership, unincorporated association, or corporation to be subject to and bound by the provisions of this subchapter and to be bound thereby. This subchapter shall apply to every owner of the land adjoining any stream so that is used for the purpose of driving or floating lumber; unless, within 60 days after an alleged injury, the owner notifies, in writing, the Public Utility Commission Agency of Natural Resources that the provisions of this subchapter are not intended to apply.~~

~~Sec. 51. 25 V.S.A. § 242 is amended to read:~~

~~§ 242. PETITION TO PUBLIC UTILITY COMMISSION AGENCY OF~~

~~NATURAL RESOURCES~~

~~When damage is done to such the owner by such the lumber in the driving or floating of the same lumber and such the owner and the owner of the lumber do not agree upon the damages, either party may prefer a petition to the Public Utility Commission Agency of Natural Resources setting forth the injury alleged to be sustained and praying for the seeking redress provided for by pursuant to the provisions of this subchapter.~~

~~Sec. 52. 25 V.S.A. § 242 is amended to read:~~

~~§ 243. NOTICE AND HEARING; DECISION~~

~~Upon due notice to all parties in interest, the Public Utility Commission Agency of Natural Resources shall hear and determine the cause of such the injury to the land or other property adjoining such the stream. When the Commission Agency determines that such the injury was caused by the driving or floating of lumber, it shall fix the compensation to be paid therefor, including expense for witnesses and a reasonable attorney fee attorney's fees, and render a decision accordingly, which decision shall be final and a bar to any other action brought for such damages.~~

~~Sec. 53. 25 V.S.A. § 244 is amended to read:~~

~~§ 244. JUDGMENT ON DECISION~~

~~A party in interest may file in the Superior Court for the county in which the inquiry was held a certified copy of the decision of the Commission Agency awarding compensation, whereupon such the court shall render judgment in~~

~~accordance therewith with the decision and notify the parties thereof of the judgment. Such The judgment shall have the same effect, and all proceedings in relation thereto to the judgment shall thereafter be the same as though such the judgment had been rendered in an action duly heard and determined by such the court, and there shall be no appeal ~~therefrom~~ from the judgment.~~

~~Sec. 54. 25 V.S.A. § 245 is amended to read:~~

~~§ 245. BOND OF FOREIGN CORPORATION~~

~~A foreign corporation, before driving or floating any logs, lumber, or other timber in any stream in this State, shall file in the Office of the Secretary of State for the benefit of the owners of land adjoining any stream used by such the corporation, a good and sufficient bond to be approved by the Secretary and in such a sum as he or she directs the Secretary determines is appropriate. Such The bond shall be given to the Secretary or trustee of the corporation, for each and all of the riparian owners, and shall be conditioned for the payment of all damages and compensation awarded by the Commission Agency and any judgment rendered by any court from which an appeal has not been taken. Upon breach of the condition of such the bond, the Secretary, upon application by a riparian owner whose award by the Commission Agency or judgment remains unpaid for more than 30 days, shall institute proceedings thereon in his or her the Secretary's name as trustee for the benefit of all landowners to whom such the corporation may be indebted, as heretofore provided,~~

~~pursuant to the provisions of this section at the time such the proceedings shall
be instituted.~~

Sec. 55. 32 V.S.A. § 8394 is amended to read:

§ 8394. PETITION AND HEARING FOR RELIEF FROM TAXES

Upon the written petition of any railroad corporation operating a railroad located in whole or in part within this State, setting forth that the financial condition of ~~such~~ the corporation is such that the payment of any taxes assessed against it under the provisions of this chapter would imperil the continued operation of ~~such~~ the railroad and would be detrimental to the general good of the State, the ~~Public Utility Commission~~ Commissioner of Taxes shall fix a time and place for a hearing thereon on the petition and give

Sec. 56. VEHICLE HISTORY INFORMATION; REPORT

(a) The Commissioner of Motor Vehicles, in consultation with the Attorney General, the Vermont Vehicle and Automotive Distributors Association, the Alliance for Automotive Innovation, and other interested stakeholders, shall examine the use and reliability of vehicle history reports utilized in relation to the purchase and sale of used motor vehicles in Vermont. The report shall address:

(1) how information provided in vehicle history reports is gathered and disseminated,

~~(2) the accuracy of vehicle history information provided in vehicle history reports;~~

~~(3) the frequency with which complaints regarding the accuracy of vehicle history reports are submitted to the State;~~

~~(4) the frequency and potential causes of inaccurate or incomplete vehicle history information being provided in vehicle history reports;~~

~~(5) potential causes for inaccurate or incomplete vehicle history information being included in vehicle history reports; and~~

~~(6) potential legislative or regulatory actions that could reduce the occurrence of inaccurate or incomplete vehicle history information appearing in vehicle history reports.~~

~~(b) On or before December 15, 2026, the Commissioner shall submit a written report to the House and Senate Committees on Transportation regarding their findings pursuant to subsection (a) of this section and any recommendations for legislative action.~~

~~(c) As used in this section:~~

~~(1) “Vehicle history information” includes the following related to a motor vehicle:~~

~~(A) accident or damage information;~~

~~(B) the number of previous owners,~~

~~(C) information regarding service or maintenance history, including diagnostic information generated while performing service or maintenance;~~

~~(D) odometer readings; and~~

~~(E) title information.~~

~~(2) “Vehicle history report” means any written or electronic communication of vehicle history information made by a vehicle history report provider that is made available to consumers.~~

~~(3) “Vehicle history report provider” means an entity that generates vehicle history reports from a vehicle history database that are provided directly to consumers. “Vehicle history report provider” does not include a dealer that obtains a vehicle history report from a third party that is not an affiliate of the dealer and that then communicates the vehicle history report without altering the vehicle history information in the report.~~

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

~~Sec. 57. EFFECTIVE DATES~~

~~(a) Sec. 11 (purchase and use tax payments to Education Fund) shall take effect on July 1, 2027.~~

~~(b) Sec. 12 (repeal of purchase and use tax payments to Education Fund) shall take effect on July 1, 2031.~~

~~(c) Secs. 16 (mileage-based user fee), 17 (infrastructure fee for PHEVs) and 18 (transition to mileage-based user fee) shall take effect on January 1, 2027.~~

~~(d) Sec. 21 (expansion of mileage-based user fee to hybrid vehicles), Sec. 22 (addition of fuel tax credit), and Sec. 23 (increase in default mileage-based user fee rate) shall take effect on January 1, 2029.~~

~~(e) The remaining sections shall take effect on July 1, 2026.~~

** * * Legislative Findings * * **

Sec. 1. LEGISLATIVE FINDINGS

The General Assembly finds that:

(1) State fiscal year 2025 Transportation Fund revenues came in nearly \$7,400,000.00 below the revenue forecast.

(2) In July 2025, the revenue forecast for the Transportation Fund was downgraded for State fiscal years 2026–2030 because of reductions in the projected revenues from the purchase and use tax and Department of Motor Vehicles fees.

(3) Revenues from the taxes on gasoline and diesel fuel are projected to gradually decrease in State fiscal years 2026–2030. That trend is expected to continue because of improving vehicle fuel efficiency among all vehicles and increasing adoption of electric vehicles.

(4) The July 2025 consensus revenue forecast estimates a 1.33 percent compound annual growth rate in Transportation Fund revenues between 2026 and 2030, which is far below recent inflation levels.

(5) In contrast with the slow growth in Transportation Fund revenues, the National Highway Construction Cost Index increased by approximately 62 percent between 2020 and 2025.

(6) In addition to rising construction costs, salaries and benefits have also increased significantly in recent years, creating significant ongoing cost pressure on the Transportation Fund.

(7) To address budget shortfalls in the past year, the Agency has been forced to eliminate 62 permanent positions.

(8) Continuing deficits in the Transportation Fund threaten the State's ability to provide the required match for federal funds, which make up more than half of the State's annual transportation budget.

(9) Municipalities face the same cost pressures as the State. However, State aid for town highways has only increased by 2.7 percent, which places increasing pressure on chronically underfunded town highway programs and puts pressure on the property tax.

(10) If Vermont is unable to keep up with the maintenance and capital needs of its transportation system, the infrastructure will continue to

deteriorate, and restoring the system to a state of good repair will cost significantly more.

(11) Prompt legislative action is necessary to ensure the future health and stability of the Transportation Fund and to enable the Agency of Transportation to keep Vermont's transportation system in a state of good repair.

*** Transportation Program Adopted as Amended; Definitions ***

Sec. 2. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) Adoption. The Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2027 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.

(b) Definitions. As used in this act, unless otherwise indicated:

(1) "Agency" means the Agency of Transportation.

(2) "Candidate project" means a project approved by the General Assembly that is not anticipated to have significant preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and for which construction funding is not anticipated within a predictable time frame.

(3) "Development and evaluation (D&E) project" means a project approved by the General Assembly that is anticipated to have preliminary

engineering expenditures or right-of-way expenditures, or both, during the budget year and that the Agency is committed to delivering to construction on a timeline driven by priority and available funding.

(4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle supply equipment available to the public” have the same meanings as in 30 V.S.A. § 201.

(5) “Front-of-book project” means a project approved by the General Assembly that is anticipated to have construction expenditures during the budget year or the following three years, or both, with expected expenditures shown over four years.

(6) “Plug-in electric vehicle (PEV),” “plug-in hybrid electric vehicle (PHEV),” and “battery electric vehicle (BEV)” have the same meanings as in 23 V.S.A. § 4(85).

(7) “Secretary” means the Secretary of Transportation.

(8) “TIB funds” means monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

(9) The table heading “As Proposed” means the Proposed Transportation Program referenced in subsection (a) of this section; the table heading “As Amended” means the amendments as made by this act; the table heading “Change” means the difference obtained by subtracting the “As Proposed” figure from the “As Amended” figure; the term “change” or

“changes” in the text refer to the project- and program-specific amendments, the aggregate sum of which equals the net “Change” in the applicable table heading; and “State” in any tables amending authorizations indicates that the source of funds is State monies in the Transportation Fund, unless otherwise specified.

** * * Summary of Transportation Investments * * **

Sec. 3. FISCAL YEAR 2027 TRANSPORTATION INVESTMENTS

*INTENDED TO REDUCE TRANSPORTATION-RELATED
GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL
USE, AND SAVE VERMONT HOUSEHOLDS MONEY*

This act includes the State’s fiscal year 2027 transportation investments intended to reduce transportation-related greenhouse gas emissions, reduce fossil fuel use, and save Vermont households money in furtherance of the policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive and Legislative Branches’ commitments to the Paris Agreement climate goals. In fiscal year 2027, these efforts will include the following:

(1) Park and Ride Program. This act provides for a fiscal year expenditure of \$1,976,211.00, which will fund three park and ride projects.

(2) Bike and Pedestrian Facilities Program. This act provides for a fiscal year expenditure, including local match, of \$24,576,873.00, which will

fund 34 bike and pedestrian construction projects; 18 bike and pedestrian design, right-of-way, or design and right-of way projects for construction in future fiscal years; and eight scoping studies. The construction projects include the creation, improvement, and rehabilitation of walkways, sidewalks, shared-use paths, bike paths, and cycling lanes. Projects are funded in Arlington, Bennington, Bethel, Brattleboro, Burke, Burlington, Castleton, Chester, Danville, Essex Town, Fairfax, Greensboro, Guilford, Hartford, Huntington, Hyde Park, Irasburg, Jamaica, Johnson, Lunenburg, Middlebury, Montpelier, Moretown, Morristown, Newfane, Newport City, Northfield, Pownal, Royalton, Rutland City, Rutland Town, Sheldon, South Burlington, Springfield, St. Albans City, Swanton, Wallingford, Warren, Waterbury, West Rutland, Williston, Wilmington, and Wolcott. This act also provides funding for:

(A) some of Local Motion's operation costs to run the bike ferry on the Colchester Causeway, which is part of the Island Line Trail;

(B) grant awards for State-aid construction projects;

(C) projects funded through the Safe Routes to School Program; and

(D) community grants along the Lamoille Valley Rail Trail (LVRT).

(3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of \$4,514,362.00, including local funds, which will fund 22 transportation alternatives construction projects; 28 transportation

alternatives design, right-of-way, or design and right-of-way projects; and one scoping study. Of these 51 projects, 18 involve environmental mitigation related to clean water or stormwater concerns, or both clean water and stormwater concerns, and 30 involve bicycle and pedestrian facilities. Projects are funded in Athens, Bennington, Bethel, Brandon, Brattleboro, Bristol, Burke, Burlington, Derby, Enosburg Falls, Fairlee, Ferrisburgh, Glover, Guilford, Hinesburg, Hyde Park, Jericho, Londonderry, Ludlow, Lyndon, Montgomery, Newark, Putney, Rockingham, Rutland City, Shoreham, South Burlington, Springfield, Swanton, Warren, Weathersfield, Williston, Wilmington, and Windham.

(4) Public Transit Program. This act provides for a fiscal year expenditure of \$57,855,144.00 for public transit uses throughout the State. Included in the authorization are:

(A) Go! Vermont, with an authorization of \$380,000.00. This authorization supports transportation demand management (TDM) strategies, including the State's Trip Planner and commuter services, to promote the use of carpools and vanpools.

(B) Mobility and Transportation Innovations (MTI) Grant Program, with an authorization of \$315,000.00 in federal funds. This authorization continues to support projects that improve both mobility and access to services

for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions.

(5) Rail Program. This act provides for a fiscal year expenditure of \$60,289,410.00, including local funds and \$34,688,907.00 in federal funds, for intercity passenger rail service, including funding for the Ethan Allen Express and Vermonter Amtrak services, and rail infrastructure that supports freight rail as well. Moving freight by rail instead of trucks lowers greenhouse gas emissions by up to 75 percent, on average.

** * * Paving * * **

Sec. 4. PAVING; STATEWIDE DISTRICT LEVELING

(a) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for Paving, authorized spending is amended as follows:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
<i>Other</i>	<i>1,150,000</i>	<i>1,150,000</i>	<i>0</i>
<i>PE</i>	<i>2,183,194</i>	<i>2,183,194</i>	<i>0</i>
<i>Const.</i>	<i>144,812,226</i>	<i>146,512,226</i>	<i>1,700,000</i>
<i>Total</i>	<i>148,145,420</i>	<i>149,845,420</i>	<i>1,700,000</i>

Sources of funds

<i>State</i>	<i>24,400,007</i>	<i>25,100,007</i>	<i>1,700,000</i>
<i>Federal</i>	<i>123,732,179</i>	<i>123,732,179</i>	<i>0</i>

<i>Local</i>	<i>13,235</i>	<i>13,235</i>	<i>0</i>
<i>Total</i>	<i>148,145,420</i>	<i>149,845,420</i>	<i>1,700,000</i>

(b) Within the Agency of Transportation's Proposed Fiscal Year 2027

Transportation Program for Paving, authorized spending for STATEWIDE

District Leveling TBD is amended as follows:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
<i>Const.</i>	<i>7,000,000</i>	<i>8,700,000</i>	<i>1,700,000</i>
<i>Total</i>	<i>7,000,000</i>	<i>8,700,000</i>	<i>1,700,000</i>

Sources of funds

<i>State</i>	<i>7,000,000</i>	<i>8,700,000</i>	<i>1,700,000</i>
<i>Total</i>	<i>7,000,000</i>	<i>8,700,000</i>	<i>1,700,000</i>

(c) It is the intent of the General Assembly to direct the maximum amount of funding to the State highway system. Consistent with this intent, within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for Paving, any unobligated amounts or carryforward resulting from project delays or cost overruns or underruns shall be directed to State highway paving projects.

**** State Highway Bridges ****

Sec. 5. STATE HIGHWAY BRIDGES

(a) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending is amended as follows:

<u><i>FY27</i></u>	<u><i>As Proposed</i></u>	<u><i>As Amended</i></u>	<u><i>Change</i></u>
<i>PE</i>	<i>4,143,897</i>	<i>4,143,897</i>	<i>0</i>
<i>ROW</i>	<i>414,000</i>	<i>414,000</i>	<i>0</i>
<i>Const.</i>	<i>78,935,408</i>	<i>78,935,408</i>	<i>0</i>
<i>Other</i>	<i>1,400,000</i>	<i>1,400,000</i>	<i>0</i>
<i>Total</i>	<i>84,893,305</i>	<i>84,893,305</i>	<i>0</i>

Sources of funds

<i>State</i>	<i>2,873,295</i>	<i>1,123,295</i>	<i>-1,750,000</i>
<i>TIB</i>	<i>6,180,851</i>	<i>7,930,851</i>	<i>1,750,000</i>
<i>Federal</i>	<i>67,312,444</i>	<i>67,312,444</i>	<i>0</i>
<i>Local/Other</i>	<i>1,247,049</i>	<i>1,247,049</i>	<i>0</i>
<i>Inter Unit</i>	<i>7,279,666</i>	<i>7,279,666</i>	<i>0</i>
<i>Total</i>	<i>84,893,305</i>	<i>84,893,305</i>	<i>0</i>

(b) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending for SHAFTSBURY STP 014-1(6) is amended as follows:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	14,678	14,678	0
Const.	2,600,000	2,600,000	0
Total	2,614,678	2,614,678	0

Sources of funds

State	521,000	0	-521,000
TIB	1,936	522,936	521,000
Federal	2,091,742	2,091,742	0
Total	2,614,678	2,614,678	0

(c) Within the Agency of Transportation's Proposed Fiscal Year 2027

Transportation Program for State Highway Bridges, authorized spending for

SUNDERLAND BM20102 is amended as follows:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	85,287	85,287	0
Const.	2,000,000	2,000,000	0
Total	2,085,287	2,085,287	0

Sources of funds

State	415,057	0	-415,057
TIB	2,000	417,057	415,057
Federal	1,668,230	1,668,230	0
Total	2,085,287	2,085,287	0

(d) Within the Agency of Transportation's Proposed Fiscal Year 2027
Transportation Program for State Highway Bridges, authorized spending for
SUNDERLAND NH CULV 122 is amended as follows:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	53,182	53,182	0
Const.	2,000,000	2,000,000	0
Total	2,053,182	2,053,182	0

Sources of funds

State	408,636	141,686	-266,950
TIB	2,000	268,950	266,950
Federal	1,642,546	1,642,546	0
Total	2,053,182	2,053,182	0

(e) Within the Agency of Transportation's Proposed Fiscal Year 2027
Transportation Program for State Highway Bridges, authorized spending for
TOPSHAM BF 031-1(13) is amended as follows:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	10,000	10,000	0
ROW	1,000	1,000	0
Const.	2,733,967	2,733,967	0
Total	2,744,967	2,744,967	0

Sources of funds

<i>State</i>	<i>546,993</i>	<i>0</i>	<i>-546,993</i>
<i>TIB</i>	<i>2,000</i>	<i>548,993</i>	<i>546,993</i>
<i>Federal</i>	<i>2,195,974</i>	<i>2,195,974</i>	<i>0</i>
<i>Total</i>	<i>2,744,967</i>	<i>2,744,967</i>	<i>0</i>

** * * Transportation Infrastructure Bonds * * **

Sec. 6. FISCAL YEAR 2028 PROPOSED TRANSPORTATION

PROGRAM; TRANSPORTATION INFRASTRUCTURE BOND;

REPORT

(a) The Agency of Transportation shall report to the House and Senate Committees on Transportation, on or before February 1, 2027, regarding projects that are not proposed for the State fiscal year 2028 Transportation Program that:

(1) are priority projects that are eligible to be funded with the proceeds from the issuance of transportation infrastructure bonds pursuant to the provisions of 32 V.S.A. § 972(d); and

(2) could be advanced to construction in the fiscal year 2028 or 2029 Transportation Program if the General Assembly authorized the issuance of transportation infrastructure bonds.

(b) Information presented as part of the report shall include:

(1) an analysis comparing the present value of the estimated cost to pay for the identified projects using transportation infrastructure bond proceeds to the cost to pay for the projects on a pay-as-you-go basis;

(2) a comparison of the projects' schedules if funded with transportation infrastructure bonds to the projects' schedules if funded on a pay-as-you-go basis;

(3) a review of historic transportation infrastructure bond usage in Vermont, including debt service costs; and

(4) a projection of future debt service costs and of the revenues necessary to pay the debt service.

** * * Mileage-Based User Fee * * **

Sec. 7. FINDINGS AND INTENT

(a) Findings. The General Assembly finds that:

(1) Vermont adopted its first tax on gasoline in 1923.

(2) In 1923, the most common motor vehicle in the United States was the Ford Model T, whose annual production peaked at more than 2,000,000 new vehicles that year.

(3) Because of the limited variety of mass-produced vehicles available when it was adopted, the gasoline tax, and the later-adopted diesel fuel tax, served as use fees that required drivers of light-duty motor vehicles to

contribute to the State's Transportation Fund in an amount that reflected the number of miles that each vehicle was driven on Vermont's surface transportation system.

(4) Since 1923, the variety of mass-produced light-duty motor vehicles available to consumers has expanded greatly, resulting in a wide variety of internal combustion engine and vehicle types and designs with significant differences in vehicle fuel efficiency.

(5) Improvements in fuel efficiency among light-duty motor vehicles and the increasing adoption of hybrid, plug-in hybrid, and battery electric vehicles (BEVs) is leading to reduced fuel consumption among newer vehicles.

(6) BEVs do not require gasoline and diesel fuel, and the \$89.00 annual infrastructure fee paid by owners and lessees of BEVs registered in Vermont is less than the average amount of fuel taxes collected in relation to a light-duty motor vehicle with an internal combustion engine.

(7) As a result of differences in fuel consumption between different types and ages of light-duty motor vehicles, the current system for funding Vermont's surface transportation system through fuel taxes has become inequitable when the impacts of each vehicle on the transportation system are considered.

(8) In contrast to the current system, a mileage-based user fee imposes a per-mile fee for usage of the State's highways and ensures that owners and

lessees of motor vehicles contribute to the Transportation Fund in an equitable manner.

(9) Vermont's taxes on gasoline and on diesel fuel were last increased in 2014, and the federal taxes on gasoline and on diesel fuel were last increased in 1993.

(10) Reduced fuel consumption and unchanged gasoline and diesel tax rates have resulted in stagnant fuel tax revenues that have not kept pace with inflation or the needs of Vermont's transportation system.

(11) In addition to Vermont's stagnant fuel tax revenues, Vermont's demographic constraints and changes in vehicle ownership and usage have limited the growth of fee revenues to the Transportation Fund.

(12) Reductions in registration and license renewals and decreased compliance with annual inspection requirements, combined with reduced enforcement, has led to further diminished Transportation Fund revenues.

(13) The July 2025 consensus revenue forecast estimates a 1.33 percent compound annual growth rate in Transportation Fund revenues between 2026 and 2030.

(14) In comparison, highway construction costs, as measured by the National Highway Construction Cost Index, have increased by 62 percent, nationally, since 2020.

(b) Intent. It is the intent of the General Assembly to implement a mileage-based user fee for BEVs, which will replace the existing infrastructure fee beginning on January 1, 2027, to ensure that owners and lessees of BEVs contribute to the Transportation Fund in an amount that reflects the annual miles traveled by each vehicle.

Sec. 8. 23 V.S.A. chapter 43 is added to read:

CHAPTER 43. MILEAGE-BASED USER FEE

§ 4301. DEFINITIONS

As used in this chapter:

(1) “Account manager” means a person that the Agency of Transportation or Department of Motor Vehicles contracts with to administer and manage the mileage-based user fee.

(2) “Annual vehicle miles traveled” means the total number of miles that a covered vehicle is driven during a mileage reporting period.

(3) “Covered vehicle” means a battery electric vehicle pleasure car.

(4) “Mileage-based user fee” or “MBUF” means the fee charged for the annual vehicle miles traveled by a covered vehicle pursuant to section 4302 of this chapter.

(5) “Mileage-based user fee rate” means the per-mile usage fee charged to the owner or lessee of a covered vehicle pursuant to section 4302 of this chapter.

(6) "Mileage reporting period" means:

(A) the time period between required annual inspections;

(B) the time period between the initial registration of a vehicle and an annual inspection; or

(C) the time period between the most recent annual inspection and a terminating event.

(7) "Terminating event" means any of the following:

(A) the registration of a covered vehicle that had been registered in Vermont in a different state;

(B) a change in ownership or leaseholdship of a covered vehicle; or

(C) the termination of a covered vehicle's registration in Vermont.

§ 4302. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;

PAYMENT; EXEMPTIONS

(a) Assessment and payment of mileage-based user fee (MBUF).

(1) Options for payment of MBUF. The owner or lessee of a covered vehicle may elect to pay the MBUF according to one of the following options:

(A) annual payment of the MBUF as a lump sum following the conclusion of each mileage reporting period as set forth in subdivision (2) of this subsection (a);

(B) pay-as-you-go installment payments of the MBUF during a mileage reporting period as set forth in subdivision (3) of this subsection (a),

provided that the Commissioner, in the Commissioner's sole discretion, elects to make a pay-as-you-go option available; and

(C) a flat rate of \$178.00 as set forth in subdivision (5) of this subsection (a).

(2) Annual mileage-based user fee payment option.

(A) For an owner or lessee who opts to pay the MBUF as a lump sum at the end of each mileage reporting period, the Commissioner shall, within 14 days after the conclusion of the covered vehicle's mileage reporting period, calculate the amount of the MBUF pursuant to subsection (d) of this section and mail an assessment of the amount to the owner or lessee.

(B) The owner or lessee shall remit the amount due to the Commissioner on or before the earlier of:

(i) the next required registration renewal for the covered vehicle;

(ii) the termination of the covered vehicle's Vermont registration;

or

(iii) the sale of the covered vehicle or termination of the lease of the covered vehicle, as appropriate.

(3) Pay-as-you-go option.

(A) Owners and lessees who opt into the pay-as-you-go mileage-based user fee option shall report the mileage shown on the odometer of the

owner's or lessee's covered vehicle at times and in a manner required by the Commissioner.

(B) As soon as practicable after receiving each report, the Commissioner shall calculate pursuant to subsection (d) of this section the applicable MBUF due for the covered vehicle and mail to the owner or lessee a statement of the amount of the mileage-based user fee assessed.

(C) The owner or lessee of the covered vehicle shall remit the full amount due to the Commissioner within not more than 30 days after the assessment is mailed.

(D) At the end of each mileage reporting period, the amount paid by the owner or lessee shall be reconciled against the actual mileage driven as set forth in subdivision (4) of this subsection (a).

(4) Reconciliation of mileage for pay-as-you-go option.

(A) At the conclusion of each mileage reporting period for a covered vehicle whose owner or lessee has elected the pay-as-you-go payment option, the Commissioner shall determine if the amount of the MBUF for the actual miles traveled by the covered vehicle during the mileage reporting period is greater than or less than the amount of the payments made by the owner or lessee during that period.

(B) If the actual MBUF is less than the amount paid, the owner or lessee of the covered vehicle shall receive a credit equal to the difference

between the amount paid and the actual amount, which shall be applied to reduce the amount of future fees due from the owner or lessee for the covered vehicle pursuant to this subsection (a).

(C) If the actual MBUF is more than the amount paid, the owner or lessee of the covered vehicle shall be assessed an amount equal to the difference between the actual MBUF and the amount paid, which shall be added to the next amount due from the owner or lessee pursuant to this subsection (a).

(5) Flat-rate option.

(A) The Commissioner shall send an owner or lessee who elects the flat-rate option an assessment for the flat fee due at the beginning of each mileage reporting period. The owner or lessee shall remit the amount due to the Commissioner on or before the earlier of:

- (i) the next required registration renewal for the covered vehicle;
- (ii) the termination of the covered vehicle's Vermont registration;

or

(iii) the sale of the covered vehicle or termination of the lease of the covered vehicle, as appropriate.

(B) An owner or lessee enrolled in the flat-rate option shall not be required to report vehicle mileage to the Commissioner pursuant to the provisions of this chapter. Nothing in this subdivision (5)(B) shall be

construed to exempt an owner or lessee enrolled in the flat-rate option from any other requirements in State law related to vehicle inspections or odometer disclosures.

(6) Payment dates for mileage reporting periods ending within 60 days of registration renewal. Notwithstanding any provision of this subsection to the contrary, the owner or lessee of a covered vehicle with a mileage reporting period that ends 60 or fewer days prior to the next required registration renewal for the vehicle shall be permitted to remit the amount due to the Commissioner on or before the earlier of:

(A) the next subsequent registration renewal of the vehicle;

(B) the termination of the vehicle's registration; or

(C) the sale of the vehicle or the termination of the vehicle's lease, as applicable.

(b) Newly registered vehicles. The owner or lessee of a newly registered covered vehicle shall pay the MBUF during the initial year of registration pursuant to:

(1) the pay-as-you-go option set forth in subdivision (a)(3) of this section; or

(2) the flat-rate option set forth in subdivision (a)(5) of this section.

(c) Election of different payment option. An owner or lessee of a covered vehicle may select a different option for payment of the MBUF pursuant to

subsection (a) of this section by providing notice to the Commissioner in the time and manner prescribed by the Commissioner.

(d) Calculation of the mileage-based user fee.

(1) The Commissioner shall calculate the mileage-based user fee of each covered vehicle by multiplying the miles traveled by the covered vehicle during the applicable period by the rate established pursuant to subsection (e) of this section. The number of miles traveled shall be equal to:

(A) for a mileage reporting period, the difference between the mileage shown on the covered vehicle's odometer at the end of the mileage reporting period and the mileage shown on the covered vehicle's odometer at the beginning of the mileage reporting period; and

(B) for a report filed by an owner or lessee as part of the pay-as-you-go mileage-based user fee program pursuant to subdivision (a)(3) of this section, the difference between the mileage reported by the owner or lessee and the most recent prior mileage reported for the covered vehicle.

(2) Notwithstanding any provision of subdivision (1) of this subsection to the contrary, the mileage-based user fee assessed for a mileage reporting period shall not exceed \$178.00.

(e) Mileage-based user fee rate. The mileage-based user fee rate shall be \$0.014 per mile traveled by a covered vehicle during its mileage reporting period.

(f) Exemptions. The mileage-based user fee assessed pursuant to this section shall not apply to:

(1) covered vehicles owned or operated by the government of the United States;

(2) covered vehicles owned or operated by the State of Vermont; or

(3) covered vehicles that are used for short-term rentals.

(g) Fee in addition to other fees and taxes. A mileage-based user fee assessed pursuant to this section shall be in addition to any other fees and taxes imposed by this title.

(h) Review of amount assessed. A person may, within 45 days after an assessment is mailed pursuant to subsection (a) of this section, appeal the amount of the assessment to the Commissioner. The Commissioner shall establish procedures for filing and hearing appeals pursuant to this subsection that are consistent with the provisions of sections 105–107 of this title. The procedures shall include a process by which an appellant can resolve the dispute prior to the issuance of a final administrative decision on the appeal.

(i) Refunds. Notwithstanding subdivision (a)(5)(B) of this section, upon occurrence of a terminating event, the Commissioner shall issue a refund to the owner or lessee of a covered vehicle for any amounts paid by the owner or lessee that are in excess of the amount due pursuant to this chapter.

§ 4303. REPORTS

(a) Upon completion of an inspection of a covered vehicle pursuant to section 1222 of this title, an inspection mechanic shall report the mileage shown on the covered vehicle's odometer to the Department in the manner required by the Commissioner.

(b) Upon the occurrence of a terminating event, the owner or lessee of a covered vehicle shall report the mileage shown on the covered vehicle's odometer at the time of the terminating event to the Department in the time and manner required by the Commissioner.

§ 4304. FAILURE TO FILE REPORT OR OBTAIN INSPECTION;

DEFAULT RATE

(a) The Commissioner shall charge the owner or lessee of a covered vehicle a default rate of \$178.00 if the Commissioner is unable to determine the annual vehicle miles traveled for the owner's or lessee's covered vehicle because the owner or lessee:

(1) failed to file a report required by section 4303 of this chapter within a reasonable period of time after the report is due;

(2) failed to have the covered vehicle inspected as required pursuant to section 1222 of this title within a reasonable period of time after the inspection is due at either the commencement or conclusion of a mileage reporting period; or

(3) failed to have the covered vehicle inspected at any time during or within a reasonable time after the conclusion of a mileage reporting period.

(b)(1) The default amount required pursuant to subsection (a) of this section shall be assessed when the owner or lessee of the covered vehicle next renews the vehicle's registration following the mileage reporting period.

(2) After being assessed the default amount pursuant to this subsection, the owner or lessee of the covered vehicle may obtain an inspection within 60 days after the date on which the vehicle's registration is renewed. If the covered vehicle's mileage is such that the mileage-based user fee would have been less than the default amount, the owner or lessee shall receive a credit for the difference that is applied to reduce the amount of the next mileage-based user fee due for the covered vehicle, provided that the Commissioner has sufficient odometer data to determine the mileage traveled since the beginning of the mileage reporting period.

§ 4305. REGISTRATION; SUSPENSION OR REFUSAL

(a) Suspension of registration. The Commissioner may suspend or refuse to renew the registration of a covered vehicle if the Commissioner determines, following notice and an opportunity for a hearing as provided pursuant to subsection (b) of this section, that the owner or lessee of the covered vehicle:

(1) failed to file a report required pursuant to section 4303 of this chapter;

(2) filed a report containing an intentional misrepresentation, misstatement, or omission of material information required by this chapter; or

(3) is delinquent at the time of renewal in the payment of any amount due pursuant to the provisions of this chapter.

(b) Notice and opportunity for hearing. The Commissioner shall provide the owner or lessee of a covered vehicle with not less than 15 days' notice of the intent to suspend or not to renew the registration of the covered vehicle pursuant to the provisions of this section. The owner or lessee shall be provided with the opportunity for a hearing and shall be permitted to be represented by counsel at the hearing.

§ 4306. POWERS OF THE COMMISSIONER

(a) General authority. The Commissioner shall have the authority to administer and enforce the provisions of this chapter.

(b) Additional powers. In addition to any powers or authority specifically granted to the Commissioner pursuant to the provisions of this chapter, the Commissioner may do the following:

(1) adopt rules pursuant to 3 V.S.A. chapter 25 as the Commissioner determines necessary to administer and enforce the provisions of this chapter;

(2) prescribe forms appropriate to the purposes of this chapter; and

(3) contract with an account manager to administer and manage the mileage-based user fee.

§ 4307. APPEALS; JUDICIAL REVIEW

(a) Administrative appeal. An aggrieved person may appeal any final decision, order, or finding of the Commissioner under this chapter within not more than 45 days after the decision is issued or the order or finding is made. The Commissioner shall establish procedures for filing and hearing appeals pursuant to this subsection that are consistent with the provisions of sections 105–107 of this title.

(b) Appeal to Superior Court. Following a final decision on an appeal pursuant to subsection (a) of this section or subsection 4302(h) of this chapter, the appellant may appeal the decision pursuant to Rule 74 of the Vermont Rules of Civil Procedure. The appeal shall be to the Washington Superior Court or, in the discretion of the appellant, to the Superior Court in the county where the appellant resides or has a principal place of business.

(c) Exclusivity of remedies. The appeals provided by this section and subsection 4302(h) of this chapter shall be the exclusive remedies available to any person for review of an assessment, decision, or order or finding of the Commissioner under this chapter.

Sec. 9. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

* * *

(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 subsection (c) of this section shall be ~~allocated to~~ deposited in the Transportation Fund for programs administered by the Agency of Commerce and Community Development to increase Vermonters' access to level 1 and 2 electric vehicle supply equipment (EVSE) charging ports at workplaces or multiunit dwellings, or both.

Sec. 10. MILEAGE-BASED USER FEE; INITIAL TRANSITION

(a) Notwithstanding any provision of 23 V.S.A. § 4302 to the contrary, during calendar years 2027 and 2028, the owner or lessee of a covered vehicle shall pay the mileage-based user fee for the covered vehicle's first mileage reporting period as provided pursuant to the provisions of subsection (b) of this section.

(b)(1)(A) For a covered vehicle that has a valid Vermont registration on December 31, 2026, the vehicle's initial mileage reporting period shall

commence with its first annual inspection occurring on or after January 1, 2027.

(B) For a covered vehicle that is newly registered in Vermont on or after January 1, 2027, the vehicle's initial mileage reporting period shall commence on the date of registration.

(2) For an initial registration or a registration renewal of a covered vehicle that occurs on or after January 1, 2027, and prior to the completion of the initial mileage reporting period, the owner or lessee of the covered vehicle shall pay a one-time road usage charge of \$89.00 for a one-year registration or \$178.00 for a two-year registration.

(3) At the conclusion of a covered vehicle's initial mileage reporting period, the mileage-based user fee for the vehicle shall be calculated as provided pursuant to the annual mileage-based user fee payment option set forth in 23 V.S.A. § 4302(a)(2).

(4)(A) Provided that all required annual safety inspections under 23 V.S.A. § 1222 have been obtained, the amount of the covered vehicle's mileage-based user fee calculated pursuant to subdivision (3) of this subsection (b) shall be reduced by:

(i) the amount of any road usage charge paid pursuant to subdivision (2) of this subsection (b); or

(ii) for a covered vehicle whose owner or lessee did not pay the road usage charge pursuant to subdivision (2) of this subsection (b) but paid the EV infrastructure fee required pursuant to 23 V.S.A. § 361 at the most recent registration or registration renewal of the vehicle prior to January 1, 2027, an amount equal to the amount of the EV infrastructure fee paid at the most recent registration.

(B) Any amounts remaining after the initial mileage-based user fee has been paid shall be carried forward and applied as a credit to reduce the amount of future mileage-based user fees due in relation to the covered vehicle.

(c) As used in this section, “covered vehicle” has the same meaning as in 23 V.S.A. § 4301.

Sec. 11. OUTREACH AND EDUCATION; USER EXPERIENCE; REPORT

(a) The Agency of Transportation and the Department of Motor Vehicles shall develop and implement a public outreach, education, and communications strategy regarding the mileage-based user fee program established pursuant to 23 V.S.A. chapter 43 to build public awareness and understanding of the program and to solicit public feedback regarding the program. The strategy shall include the following:

(1) printed materials, web-based materials, mailings, and local media outreach that describes the purpose of the mileage-based user fee, the

transportation funding challenges that the mileage-based user fee is intended to help address, and how the mileage-based user fee will be implemented with respect to battery electric vehicles and, later, other light-duty vehicles;

(2) prior to implementation, direct mailing of informational materials to owners and lessees of battery electric vehicles that are currently registered in Vermont that:

(A) outline the goals and design of the mileage-based user fee;

(B) set forth the timeline for implementation of the mileage-based user fee;

(C) provide information regarding compliance with the mileage-based user fee, including the options that will be available to each owner and lessee; and

(D) provide information on how to obtain additional information regarding the mileage-based user fee, including how to obtain informational resources provided by the Agency, the availability of user support resources, and how to determine how the mileage-based user fee may apply to a user's specific circumstances;

(3) prior to initial implementation of the mileage-based user fee in January 2027, Agency engagement with owners and lessees of various types of light-duty motor vehicles registered in Vermont to obtain feedback on the design of the user experience for the mileage-based user fee, with particular

attention to universal accessibility and specific needs for translated materials and services;

(4) survey and focus group work prior to and following implementation of the mileage-based user fee with owners and lessees whose vehicles are subject to the mileage-based user fee to aid in evaluating the implementation of the initial phase of the mileage-based user fee and in developing recommended programmatic and statutory changes; and

(5) ongoing engagement and collaboration with relevant stakeholders, including the Vermont Vehicle and Automotive Distributors Association and Drive Electric Vermont, to obtain feedback on the mileage-based user fee program and to educate members of the public about the mileage-based user fee and program design.

(b) The Agency and Department shall, on or before September 15, 2026, submit to the Joint Transportation Oversight Committee a report summarizing the public outreach, education, and communications strategy required pursuant to subsection (a) of this section.

Sec. 12. MILEAGE-BASED USER FEE TRANSITION PLAN;

REPORT

(a)(1) The Agency of Transportation and the Department of Motor Vehicles, in consultation with the Agency of Digital Services, shall design and submit for approval by the General Assembly a plan and proposed legislation

to expand the mileage-based user fee (MBUF) program to plug-in hybrid electric pleasure cars to ensure that all plug-in electric vehicles contribute an amount that bears a direct relation to the estimated demands and impacts that the vehicle places upon public infrastructure, as determined on the basis of vehicle miles traveled.

(2) The plan shall provide that plug-in hybrid electric pleasure cars shall begin participating in the MBUF program on or before January 1, 2029.

(3) The plan shall provide methods for ensuring that contributions to the Transportation Fund are proportionate to the number of miles traveled in Vermont by each vehicle, including:

(A) additional payment and mileage tracking options for vehicle owners or lessees to select from, including methods for differentiating between miles traveled in Vermont and miles traveled outside Vermont; and

(B) a system to provide fuel tax credits for vehicles that use gasoline or diesel fuel based on the vehicle's fuel economy as estimated by the U.S. Environmental Protection Agency that are automatically applied to reduce the MBUF for the vehicle to ensure that all covered vehicles contribute to Vermont's transportation system in an equitable manner.

(b) In developing the plan, the Agency and the Department shall:

(1) analyze the amounts paid by vehicles of different engine-fuel types and classifications with respect to the diesel fuel tax pursuant to 23 V.S.A.

chapter 27, the gasoline tax pursuant to 23 V.S.A. chapter 28, and the infrastructure fee imposed pursuant to 23 V.S.A. § 361(c), as applicable;

(2) develop a proposed schedule for the inclusion of plug-in hybrid electric pleasure cars in the MBUF program on or before January 1, 2029;

(3) consider possible methods to account for and differentiate between in-state and out-of-state vehicle miles traveled by vehicles registered in Vermont and vehicles registered in another state;

(4) examine the potential for integrating alternative mileage reporting methods into the mileage-based user fee program and related costs;

(5) evaluate the potential to include medium- and heavy-duty electric vehicles in the mileage-based user fee program and potential rate designs based on vehicle weights; and

(6) examine the relationship between expansion of the mileage-based user fee program and fuel tax rates, Transportation Fund revenue sustainability, and Vermont's carbon reduction targets.

(c) The Agency and Department shall also track the implementation costs and operating expenses of and revenues generated by the mileage-based user fee for State fiscal years 2027–2031. The Agency and Department shall submit an annual report of these amounts to the House Committees on Transportation and on Ways and Means and the Senate Committees on Transportation and on

Finance on or before each December 31 beginning on December 31, 2027, and continuing until December 31, 2031.

(d)(1) On or before January 31, 2027, the Agency of Transportation and the Department of Motor Vehicles shall submit to the House Committees on Transportation and on Ways and Means and the Senate Committees on Transportation and on Finance an initial plan and recommendation for legislative action to:

(A) incorporate plug-in hybrid electric pleasure cars into the MBUF program;

(B)(i) provide at least two additional options for determining the number of vehicle miles traveled by a covered vehicle, including:

(I) an option that would utilize vehicle systems or an aftermarket device to track vehicle miles traveled; and

(II) an option that would enable vehicle owners and lessees to track and differentiate between miles traveled in Vermont and miles traveled outside Vermont, with the MBUF only applying to miles traveled in Vermont; and

(ii) identify data privacy protections and best practices that should be implemented to protect data obtained from owners and lessees who elect to utilize the options identified pursuant to this subdivision (B);

(C)(i) recommend whether to retain a flat-rate option for the MBUF and, if so, recommend the appropriate amount of the flat fee; and

(ii) recommend how to apply the flat fee to plug-in hybrid electric pleasure cars, including whether to provide different flat fees based on vehicle type or to provide credits against the amount of the flat fee based on vehicle fuel efficiency; and

(D) provide at least one option to enable vehicle owners and lessees to track and differentiate between miles traveled in Vermont and miles traveled outside Vermont, with the MBUF only applying to miles traveled in Vermont.

(2) On or before July 30, 2028, the Agency shall submit to the Joint Transportation Oversight Committee and the House and Senate Committees on Transportation a draft copy of the final report required to be submitted to the Federal Highway Administration pursuant to the terms of the Agency's federal Strategic Innovation for Revenue Collection grant.

(3) On or before September 15, 2028, the Agency of Transportation and the Department of Motor Vehicles shall submit to the House Committees on Transportation and on Ways and Means and the Senate Committees on Transportation and on Finance:

(A) a final plan and proposal for legislative action necessary to expand the MBUF program to all plug-in electric vehicles on or before January 1, 2029;

(B) a report of all findings made pursuant to subsection (b) of this section; and

(C) any additional recommendations for legislative action.

Sec. 13. EVALUATION OF FEE ON PUBLIC ELECTRIC VEHICLE

CHARGING; REPORT

(a) The Commissioner of Taxes, in consultation with the Secretary of Transportation, the Commissioner of Public Service, and the Public Utility Commission, shall examine the potential of generating revenue for the Transportation Fund through a charge on the retail sale of electricity sold through electric vehicle supply equipment (EVSE) available to the public. In particular, the Commissioner shall:

(1) examine potential options for generating revenue from the retail sale of electricity through EVSE available to the public, including:

(A) a per kilowatt hour fee on the retail sale of electricity in lieu of the sales tax charged pursuant to 32 V.S.A. chapter 233;

(B) a tax on the retail sale of electricity in lieu of the sales tax charged pursuant to 32 V.S.A. chapter 233; and

(C) other options, in the discretion of the Commissioner in consultation with the Secretary of Transportation;

(2) with respect to all of the options examined pursuant to subdivision (1) of this subsection:

(A) investigate the potential ease of implementation, including anticipated administrative costs and any potential challenges;

(B) examine and compare the benefits and drawbacks; and

(C) develop a projection for potential revenue that could be generated at different rates; and

(3) identify examples of other states that have implemented the options examined pursuant to subdivision (1) of this subsection.

(b) On or before January 15, 2027, the Commissioner shall submit a written report to the House Committees on Transportation and on Ways and Means and the Senate Committees on Finance and on Transportation, regarding any findings pursuant to subsection (a) of this section and a recommendation for legislative action to generate revenue for the Transportation Fund from the retail sale of electricity through EVSE available to the public.

(c) As used in this section:

(1) “Electric vehicle supply equipment (EVSE)” and “electric vehicle supply equipment available to the public” have the same meanings as in 30 V.S.A. § 201.

(2) “Retail sale” has the same meaning as in 32 V.S.A. § 9701.

** * * Repeal of Municipal Equipment and Vehicle Loan Fund Rules * * **

*Sec. 14. RULES REGARDING MUNICIPAL HEAVY EQUIPMENT LOAN
FUND; REPEAL*

The Rules Regarding Municipal Heavy Equipment Loan Fund (CVR 14-053-002) are repealed. The Municipal Equipment and Vehicle Loan Fund, as the successor to the Municipal Heavy Equipment Loan Fund, shall be administered as provided pursuant to 29 V.S.A. § 1601.

** * * Statement of Policy; Highways and Bridges * * **

Sec. 15. 19 V.S.A. § 10c is amended to read:

§ 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES

** * **

(b) For projects that are not on the National Highway System, the Agency shall ~~develop and implement~~ maintain State standards and guidance for geometric design. ~~Design speeds may be lower than legal speeds. Design speeds lower than legal speeds may be used without the requirement of a formal design exception, provided appropriate warnings are posted if appropriate warning signs, signals, and markings are used as provided pursuant to 23 V.S.A. § 1025.~~

** * **

** * * Agency of Transportation Duties * * **

Sec. 16. 19 V.S.A. § 10 is amended to read:

§ 10. DUTIES

The Agency shall, except where otherwise specifically provided by law:

** * **

(8)(A) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file in the office of the Secretary a good and sufficient surety bond to the State of Vermont, executed by a surety company authorized to transact business in this State in ~~such~~ the sum as required by the Agency shall direct, conditioned for the compliance by the contractor or contractors and their agents and servants, with all matters and things set forth and specified to be by the principal kept, done, and performed at the time and in the manner in the contract between the Agency and the contractor or contractors specified and to pay over, make good, and reimburse the State of Vermont for all loss or losses and damage or damages that the State of Vermont may sustain by reason of failure or default on the part of the contractor or contractors. The Agency is authorized to require any other condition in the bond that may ~~from time to time~~ be necessary. The Secretary ~~at his or her discretion as to~~ may, if the Secretary determines that it is in the best interest interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for

~~\$100,000.00~~ \$250,000.00 or less, may waive the requirement of a performance bond.

(B) During an emergency event, the Secretary may, in the Secretary's discretion, waive the bonding requirements of this subdivision (8) for immediate, temporary stabilization work related to public safety or State infrastructure. Permanent work shall be subject to the requirements of subdivision (A) of this subdivision (8).

~~(9)(A) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file an additional surety bond to the Secretary and the Secretary's successor in office, for the benefit of labor, materialmen, and others, executed by a surety company authorized to transact business in this State. The surety bond shall be in ~~such~~ the sum as required by the Agency shall direct, conditioned for the payment, settlement, liquidation, and discharge of the claims of all creditors for material;; merchandise;; labor;; rent;; hire of vehicles, power shovels, rollers, concrete mixers, tools, and other appliances;; professional services;; premiums;; and other services used or employed in carrying out the terms of the contract between the contractor and the State ~~and~~. The surety bond shall be further conditioned for the following accruing during the term of performance of the contract: the payment of taxes, both State and municipal,~~

and the payment of unemployment insurance contributions to the Vermont Commissioner of Labor; ~~provided, however, in,~~

(B) In order to obtain the benefit of the security, the claimant shall file with the Secretary a sworn statement of the claimant's claim, within 90 days after the final acceptance of the project by the State or within 90 days from the time the taxes or unemployment contributions ~~to the Vermont Commissioner of Labor~~ are due and payable, and, within one year after the filing of the claim, shall bring a petition in the Superior Court in the name of the Secretary, with notice and summons to the principal, surety, and the Secretary, to enforce the claim or intervene in a petition already filed. The Secretary may, if the Secretary determines that it is in the best interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for ~~\$100,000.00~~ \$250,000.00 or less, may waive the requirement of a surety bond.

(C) During an emergency event, the Secretary may, in the Secretary's discretion, waive the requirements of this subdivision (9) for immediate emergency stabilization work related to public safety or State infrastructure. Permanent work shall be subject to the requirements of subdivision (A) of this subdivision (9).

* * *

** * * Bridge Inspections; Posting; Closure * * **

Sec. 17. 19 V.S.A. § 1514 is added to read:

§ 1514. BRIDGE INSPECTION; POSTING; CLOSURE

(a) Definition. As used in this section, “bridge” means a structure to which the National Bridge Inspection Standards apply pursuant to 23 C.F.R. § 650.303.

(b) Bridge inspections. The Agency shall inspect bridges on State highways and town highways in accordance with the requirements of the National Bridge Inspection Standards.

(c) Municipally maintained bridges.

(1) For a bridge for which a municipality has maintenance responsibility, the Agency shall advise the municipality of its inspection findings and any noted deficiencies.

(2) The Agency shall notify a municipality if a bridge for which the municipality has maintenance responsibility requires posting or closure and, upon receiving notification, the municipality shall post or close the bridge, as appropriate.

(3) If necessary to protect the public from an imminent hazard, the Agency may post or close a bridge for which a municipality has maintenance responsibility.

(4) A municipality shall be responsible for all costs and expenses related to the posting or closure of a bridge for which it has maintenance responsibility, including the costs of any required notifications, procedures, signage or traffic control devices, and barricades.

(d) Agency-maintained bridges.

(1) For any bridge for which the Agency has maintenance responsibility, the Agency shall have the sole responsibility and authority to determine whether the bridge shall be posted or closed, except that a municipality may close an Agency-maintained bridge during an emergency.

(2) If a municipality becomes aware of any deficiencies or structural conditions that could impact the Agency's determination of whether to post or close a bridge, the municipality shall promptly notify the Agency.

(3) The Agency shall be responsible for all costs and expenses associated with posting or closing an Agency-maintained bridge, including any required notifications, procedures, signage or traffic control devices, and barricades.

(e) Enforcement and penalties. In addition to any other penalties provided by law, a person that violates a bridge posting or closure by a municipality or the Agency shall be subject to a civil penalty of not more than \$1,000.00.

Sec. 18. 23 V.S.A. § 2302 is amended to read:

§ 2302. TRAFFIC VIOLATION DEFINED

(a) As used in this chapter, “traffic violation” means:

** * **

(11) a violation of subsection 1006b(b) of this title, relating to operation of a prohibited vehicle in Smugglers’ Notch; section 1006c of this title, relating to requirements for use of tire chains; or subsections 4120(a) and (b) of this title, relating to violations of an out-of-service order; ~~or~~

(12) a violation of section 4123 of this title, relating to authorizing railroad crossing violations; or

(13) a violation of 19 V.S.A. § 1514, relating to use of a bridge in violation of a posting or closure.

** * **

** * * Public Transit Advisory Council * * **

Sec. 19. 24 V.S.A. § 5084 is amended to read:

§ 5084. PUBLIC TRANSIT ADVISORY COUNCIL

(a) The Public Transit Advisory Council shall be created by the Secretary of Transportation under 19 V.S.A. § 7(f)(5), ~~to~~ and shall consist of the following members:

** * **

~~(8) a representative of the Community of Vermont Elders AARP Vermont;~~

~~(9) a representative of private bus operators and taxi services;~~
~~[Repealed.]~~

~~(10) a representative of Vermont ~~intercity~~ private bus operators;~~

* * *

* * * Green Mountain Transit Authority * * *

Sec. 20. 24 App. V.S.A. ch. 801, § 7 is amended to read:

§ 7. ANNUAL BUDGET AND ASSESSMENTS

(a) On or before February 15 in each year, the Board of Commissioners shall prepare a budget for the Authority for the next fiscal year, which shall include an estimate of the revenue of the Authority from fares and other sources, except membership assessments, and the expenses for the next fiscal year, including debt service, and at such time the Board of Commissioners shall call a meeting of the residents of its members for the purpose of presenting the proposed budget and inviting discussion thereon. The meeting shall be held at a place within the County and shall be warned by a notice published in a newspaper of general circulation in the County at least 15 days prior to the meeting. The notice shall contain a copy of the proposed budget, and members of the legislative body of each member municipality shall be notified of the meeting by certified mail. The proposed budget may include, in

addition to revenues from fares and other sources, anticipated voluntary local match contributions, grants, donations, and other nonassessment revenues that may be offered by a member municipality or another public or private source.

* * *

(f)(1) The Authority shall be permitted to seek and accept voluntary local match contributions.

(2) Notwithstanding the formula for apportionment, the Authority may accept voluntary local match contributions from a member municipality or another public or private source for the purposes of:

(A) meeting federal, State, or other grant matching requirements;
and

(B) supporting Authority programs, capital projects, and operations.

(3) A voluntary local match contribution accepted pursuant to this subsection shall be in addition to any assessment required pursuant to this section and shall not reduce, offset, or otherwise modify the assessment apportioned to any member municipality pursuant to the formula for apportionment unless the formula is amended in accordance with the provisions of this section.

* * * *Public-Private Partnership Sunset Extension* * * *

Sec. 21. 2018 Acts and Resolves No. 158, Sec. 21 as amended by 2023 Acts and Resolves No. 62, Sec. 41 is further amended to read:

Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

19 V.S.A. chapter 26, subchapter 2 shall be repealed on July 1, ~~2026~~ 2029.

** * * Transportation Board * * **

Sec. 22. 19 V.S.A. § 5 is amended to read:

§ 5. TRANSPORTATION BOARD; POWERS AND DUTIES

** * **

(d) Specific duties and responsibilities. The Board shall:

** * **

(7) provide appellate review, when requested in writing by an applicant or permittee, of Agency decisions and rulings regarding private and commercial access to State highway rights-of-way pursuant to the permit process established in section 1111 of this title;

** * **

** * * Transportation Alternatives Grant Program * * **

Sec. 23. 19 V.S.A. § 38 is amended to read:

§ 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

(a), (b) [Repealed.]

(c) The Transportation Alternatives Grant Program is created. The Grant Program shall be administered by the Agency and shall be funded in the amount provided for in 23 U.S.C. § 133(h), less the funds set aside for the Recreational Trails Program. Awards shall be made to eligible entities as

defined under 23 U.S.C. § 133(h), and awards under the Grant Program shall be limited to the activities authorized under federal law and shall not exceed ~~\$300,000.00~~ \$600,000.00 per grant allocation.

** * **

(f)(1) In fiscal year ~~2024~~ 2027 and thereafter, ~~50 percent of Grant Program funds, or such lesser sum if all eligible applications amount to less than 50 percent of Grant Program funds, shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects, and the balance of Grant Program funds shall be awarded for any eligible activity, including environmental mitigation projects relating to stormwater and highways, such as eligible salt and sand shed projects, and infrastructure-related projects and systems that will provide safe routes for nondrivers, and in accordance with the priorities established in subdivision (2) of this subsection.~~

(2) In evaluating applications for Transportation Alternatives grants, the Agency shall give preferential weighting to sand and salt shed projects and projects involving as a primary feature a bicycle or pedestrian facility. The degree of preferential weighting and the circumstantial factors sufficient to overcome the weighting shall be in the complete discretion of the Agency.

** * **

Sec. 24. 2023 Acts and Resolves No. 62, Sec. 11 is amended to read:

Sec. 11. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

AWARDS IN STATE FISCAL YEARS 2024 TO 2027

Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant Program awards in State fiscal years 2024 to ~~2027~~ 2026 shall not exceed \$600,000.00 per grant allocation. Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant Program awards in State fiscal year 2027 shall not exceed \$1,200,000.00 per grant allocation.

** * * Consultation Regarding Municipal Programs * * **

*Sec. 25. MUNICIPAL TRANSPORTATION PROGRAMS; ONGOING
EVALUATION; IDENTIFICATION OF IMPROVEMENTS*

(a) In addition to ongoing work pursuant to 2025 Acts and Resolves No. 43, Sec. 15, the Agency of Transportation, in consultation with the Vermont League of Cities and Towns and the Vermont Association of Planning and Development Agencies, shall:

(1) continue examining the requirements of 19 V.S.A. § 309c, cancellation of locally managed projects, as set forth in 2025 Acts and Resolves No. 43, Sec. 14, to evaluate the obligations, risks, and benefits imposed by the provisions of that section on the State and the local sponsor of a locally managed project and to identify potential changes to the provisions of

that section to ensure that State and federal transportation funding resources are appropriately administered;

(2) continue evaluating the State's Town Highway Aid and municipal grant programs administered by the Agency, as set forth in 2025 Acts and Resolves No. 43, Sec. 16, to identify potential efficiencies and improvements related to the administration of Town Highway Aid and municipal grant programs; and

(3)(A) examine the provisions in the Vermont statutes related to the procedures for establishing speed limits; and

(B) identify potential opportunities to simplify and clarify those provisions to assist municipalities in meeting local needs, including safety and context sensitivity.

(b) The Agency shall, on or before January 15, 2027, submit to the House and Senate Committees on Transportation any recommendations for legislative action.

** * * Drive Electric Vermont * * **

Sec. 26. DRIVE ELECTRIC VERMONT; APPROPRIATION

In State fiscal year 2027, the sum of \$242,000.00 is appropriated from the Transportation Fund to the Agency of Transportation to support the continuation of the Agency's partnership with Drive Electric Vermont. The

monies shall be used for programs and activities that support increased ownership and use of plug-in electric vehicles in the State through:

(1) stakeholder coordination;

(2) consumer education and outreach;

(3) infrastructure development; and

(4) the provision of technical assistance and support to Vermont municipalities and Vermont businesses desiring to electrify their vehicle fleets.

* * * Caledonia County State Airport * * *

Sec. 27. 2023 Acts and Resolves No. 62, Sec. 8 is amended to read:

Sec. 8. SALE OR LEASE OF CALEDONIA COUNTY STATE

AIRPORT

* * *

(c) Any such conveyance shall:

* * *

~~(4) ensure that the Airport continues to be identified as a public-use airport within the National Plan of Integrated Airport Systems until at least 2050, subject to federal determination;~~

~~(5) include, if the Airport is conveyed through a purchase and sale agreement, a six-month right of first refusal, running from the date that the owner of the Airport provides notice to the State of an intent to sell the Airport,~~

for the State to repurchase the Airport at fair market value before the Airport is resold or transferred to a new owner; and

(6)(5) include, if the Airport is leased, that the lease cannot be either assigned or the lessor cannot sub-lease all or substantially all of the Airport without the written approval of the Vermont Secretary of Transportation.

** * **

Sec. 28. 2023 Acts and Resolves No. 62, Sec. 9 is amended to read:

*Sec. 9. REPEAL OF AUTHORITY FOR SALE OR LEASE OF
CALEDONIA COUNTY STATE AIRPORT*

Sec. 8 of this act shall be repealed on ~~May 1, 2026~~ November 1, 2027.

** * * Medical Transports * * **

*Sec. 29. PUBLIC TRANSIT DEMAND RESPONSE MEDICAL
TRANSPORTS; VOLUNTEER DRIVERS; MOBILITY
MANAGEMENT; GRANTS*

The Agency of Transportation is authorized to utilize amounts appropriated for supplemental nonemergency medical transportation funding in fiscal year 2027 for the purpose of providing competitive grants to public transit agencies to support the recruitment and retention of volunteer drivers and mobility management activities intended to reduce costs related to nonemergency medical transports.

** * * Real-Time Status of Public EVSE * * **

Sec. 29a. 19 V.S.A. § 2901 is amended to read:

§ 2901. DEFINITIONS

As used in this chapter:

** * **

(2) “Charging network provider” means a person that operates the digital communication network that remotely manages the EVSE at a charging station.

(3) “Charging station” means the area in the immediate vicinity of one or more EVSE and includes the EVSE, supporting equipment, parking areas adjacent to the EVSE, and lanes for vehicle ingress and egress. A charging station may comprise only a portion of the property on which it is located.

(4) “Charging station operator” means a person that owns or provides the EVSE and the supporting equipment and facilities at one or more charging stations and is responsible for operating and maintaining the EVSE, supporting equipment, and facilities. A charging station operator may delegate to another person or contract with another person for charging station operation and maintenance.

(5) “Connector” means a device that attaches EVSE to a PEV to transfer electricity from the EVSE to the PEV.

(6) “Direct current fast charger” or “DCFC” means EVSE that enables charging through the delivery of direct current electricity to a PEV’s battery.

(7) “Electric bicycle” has the same meaning as in 23 V.S.A. § 4(46)(A).

~~(3)~~(8) “Electric cargo bicycle” means a motor-assisted bicycle, as defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor; as defined under 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for transporting loads, including at least one or more of the following: goods, one or more individuals in addition to the operator, or one or more animals. A motor-assisted bicycle that is not specifically designed and constructed for transporting loads, including a motor-assisted bicycle that is only capable of transporting loads because an accessory rear or front bicycle rack has been installed, is not an electric cargo bicycle.

~~(4)~~(9) “Electric vehicle supply equipment (EVSE)” and “electric vehicle supply equipment available to the public” have the same meanings as in 30 V.S.A. § 201.

(10) “Level 2 EVSE” means EVSE with a single-phase input voltage range from 208 to 277 volts of alternating current (AC) and maximum output current of not more than 80 amperes AC.

~~(5)~~(11) “Plug-in electric vehicle (PEV),” “battery electric vehicle (BEV),” and “plug-in hybrid electric vehicle (PHEV)” have the same meanings as in 23 V.S.A. § 4(85).

(12) “Port” means a system or connecting outlet on EVSE that provides power to charge a PEV, provided that a port may be equipped with more than one connector but shall only use one connector at a time to provide power to a PEV.

(13) “Publicly funded and available charging station” means a charging station that has received, or expects to receive, a grant, loan, or other incentive from a federal or State government source or from funds provided by Vermont retail electricity providers and that is publicly available.

Sec. 30. 19 V.S.A. § 2908 is added to read:

§ 2908. PUBLIC EVSE; REAL-TIME STATUS; AVAILABILITY

(a) Except as provided in subsection (b) of this section, a charging network provider shall, for any networked publicly funded and available charging station in Vermont that is installed or reconditioned on or after September 30, 2026, ensure that the following data fields are made available, free of charge, to third-party software developers via an application programming interface:

(1) a unique charging station name or identifier;

(2) the address of the property where the charging station is located, including street address, city, and ZIP code;

(3) the geographic coordinates in decimal degrees of the exact charging station location;

(4) the charging station operator name;

(5) the charging network provider name;

(6) the charging station status, including whether the station is operational, under construction, planned, or decommissioned;

(7) charging station access information, including:

(A) the charging station access type, such as whether it may be used by the public or is limited to use by commercial vehicles; and

(B) the charging station access days and times, including the hours of operation for the charging station;

(8) charging port information, including:

(A) the number of charging ports;

(B) the unique port identifier for each port;

(C) the connector types available by port;

(D) the charging level by port, such as DCFC or AC Level 2;

(E) the maximum power delivery rating in kilowatts by charging port;

(F) the maximum output voltage by charging port;

(G) accessibility by a vehicle with a trailer by port (yes/no); and

(H) the real-time status by port in terms defined by Open Charge Point Interface 2.2.1; and

(9) pricing and payment information, including:

(A) the pricing structure;

(B) the real-time price to charge at each charging port, in terms defined by Open Charge Point Interface 2.2.1; and

(C) the payment methods accepted at the charging station, including whether credit, debit, or contactless forms of payment are accepted.

(b) The provisions of this section shall apply to a publicly funded and available charging station at all times that a member of the public may use the associated EVSE to charge a PEV.

(c) The provisions of this section may be enforced by:

(1) any State agency or department that provides or administers grants, loans, or other incentives to support the construction or operation of publicly funded and available charging stations; and

(2) the Department of Public Service for publicly funded and available charging stations that have received a grant, loan, or other incentive provided by one or more Vermont retail electricity providers.

(d) A charging network provider may attach reasonable conditions to data use that are designed to protect confidential business information, provided that the conditions do not prevent third-party software developers from accessing the real-time information required pursuant to subsection (a) of this section.

(e)(1) A State agency or department that provides a grant, loan, or other incentive for the construction or operation of a charging station that is installed or reconditioned on or after September 30, 2026, shall require the recipient to notify the relevant charging network provider that the provisions of this section apply to a charging station.

(2) A retail electricity provider, if it provides a grant, loan, or other incentive for the construction or operation of a charging station that is installed or reconditioned on or after September 30, 2026, shall require the recipient to notify the relevant charging network provider that the provisions of this section apply to the charging station.

(f) As used in this section:

(1) "Real-time" means that the applicable data field must be updated within one minute following a change in the charging port's status.

(2) "Retail electricity provider" has the same meaning as in 30 V.S.A. § 8002.

** * * EVSE Installation in Common Interest Communities * * **

Sec. 31. 27A V.S.A. § 1-204 is amended to read:

§ 1-204. PREEXISTING COMMON INTEREST COMMUNITIES

(a)(1) Unless excepted under section 1-203 of this title, the following sections and subdivisions of this title apply to a common interest community created in this State before January 1, 1999: sections 1-103, 1-105, 1-106, 1-

107, 2-103, 2-104, and 2-121, subdivisions ~~3-102(a)(1) through (6)~~ 3-102(a)(1)-(6) and ~~(11) through (16)~~ (11)-(16), and sections 3-111, 3-116, 3-118, 4-109, and 4-117 to the extent necessary to construe the applicable sections. The sections and subdivisions described in this subdivision apply only to events and circumstances occurring after December 31, 1998, and do not invalidate existing provisions of the declarations, bylaws, plats, or plans of those common interest communities.

* * *

(3) Unless excepted under section 1-203 of this title, section 3-125 of this title shall apply to all common interest communities that contain 12 or more units that may be used for residential purposes created in this State on or before January 1, 2011. Section 3-125 applies only to events and circumstances occurring after June 30, 2026, and does not invalidate existing provisions of the declarations, bylaws, plats, or plans of those common interest communities.

* * *

Sec. 32. 27A V.S.A. § 3-125 is added to read:

§ 3-125. ELECTRIC VEHICLE SUPPLY EQUIPMENT

(a) As used in this section:

(1) “Electric vehicle supply equipment (EVSE)” means a device or system designed and used specifically to transfer electrical energy to a plug-in electric vehicle.

(2) “EVSE owner” means the unit owner who applies to install an EVSE and each successive unit owner associated with the initial application to install the EVSE unless there is a specific change in ownership of the EVSE, in which case the EVSE owner shall be the owner specified in a conveying document memorializing the change in ownership of the EVSE.

(3) “Plug-in electric vehicle” has the same meaning as in 23 V.S.A. § 4(85).

(4) “Reasonable restriction” is a restriction that does not significantly increase the cost of the EVSE or significantly decrease the efficiency or specified performance of the EVSE.

(b)(1) Any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest in a common interest community, and any provision of a governing document associated with a common interest community, such as a declaration, bylaw, or rule, that either effectively prohibits or unreasonably restricts the installation of EVSE within the boundaries of a unit owner’s unit or limited common element or the unit owner’s exclusively designated parking space or the use of such EVSE for noncommercial purposes by a unit owner or

the occupants of the unit owner's unit or is in conflict with this section is void and unenforceable.

(2) This subsection shall not apply to provisions that impose reasonable restrictions on EVSE. However, it is the policy of the State to promote, encourage, and remove obstacles to the use of plug-in electric vehicles, including access to EVSE at home.

(3) Installation of EVSE shall not be deemed a division or reallocation of a common element and shall not alter the allocated interests of any unit owner.

(c) The association may require the unit owner to:

(1) comply with federal, State, and local health and safety laws, including any applicable building codes or safety standards;

(2) comply with reasonable architectural standards adopted by the association that govern the dimensions, placement, or external appearance of the EVSE, provided that such standards shall not prohibit the installation of such EVSE or substantially increase the costs thereof;

(3) engage the services of a licensed electrician to install the EVSE;

(4) if the EVSE is installed in a common element or limited common element, reimburse the association for the actual costs of any increased insurance premium amount attributable to the EVSE within 14 days after receiving the association's insurance premium invoice; and

(5) comply with any other reasonable restrictions the association may impose.

(d) Notwithstanding any provision to the contrary in the association's governing documents, if the executive board of the association determines that the cumulative or additional use of electricity due to the installation and use of EVSE requires infrastructure improvements to provide a sufficient supply of electricity for the EVSE, the association may assess the cost of the required improvements against the unit of each unit owner that has installed, or will install, EVSE.

(e) If approval is required for the installation or use of EVSE, the application for approval shall be processed and approved by the association in the same manner as an application for approval of an architectural modification to the common interest community and shall not be intentionally avoided or delayed. The approval or denial of an application shall be in writing. If an application is not denied in writing within 90 days from the date of receipt of the application, the application shall be deemed approved, unless that delay is the result of a reasonable request for additional information.

(f) The unit owner and each successive owner of the EVSE shall be responsible for all of the following:

(1) costs for damage to the EVSE, common element, or limited common element resulting from the installation, maintenance, repair, removal, or replacement of the EVSE;

(2) costs for the installation, maintenance, repair, and replacement of the EVSE until the EVSE has been removed and for the restoration of the common element or limited common element after removal;

(3) the cost of electricity associated with the EVSE; and

(4) unless the successor owner of the unit agrees in writing to undertake and comply with the unit owner's responsibilities with respect to the EVSE, removing the EVSE prior to the sale and restoring any affected common element or limited common element.

** * * Intelligent Speed Assistance * * **

*Sec. 33. INTELLIGENT SPEED ASSISTANCE; IMPLEMENTATION AND
COST EVALUATION; REPORT*

(a) The Department of Motor Vehicles shall examine the potential to implement and administer an intelligent speed assistance program, including the following issues:

(1) intelligent speed assistance programs that have been or will be implemented in other states and the District of Columbia;

(2) costs for the State to implement an intelligent speed assistance program; and

(3) potential costs to drivers who choose to participate in an intelligent speed assistance program.

(b) On or before January 15, 2027, the Department shall submit a written report to the House and Senate Committees on Transportation regarding its findings and any recommendations for legislative action.

** * * Repeals; Log Drives * * **

Sec. 34. REPEALS; LOG DRIVES

The following sections are repealed:

(1) 25 V.S.A. § 241 (application of provisions);

(2) 25 V.S.A. § 242 (petition to Public Utility Commission);

(3) 25 V.S.A. § 243 (notice and hearing; decision);

(4) 25 V.S.A. § 244 (judgment on decision); and

(5) 25 V.S.A. § 245 (bond of foreign corporation).

** * * Effective Dates * * **

Sec. 35. EFFECTIVE DATES

(a) Secs. 8 (mileage-based user fee), 9 (infrastructure fee for plug-in hybrids), 10 (initial transition for mileage-based user fee), and 30 (real-time status requirements for public EVSE) shall take effect on January 1, 2027.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 28 (extension of authority to sell Caledonia County State Airport) shall take effect retroactively on April 30, 2026.

(c) The remaining sections shall take effect on July 1, 2026.