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H.944

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

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

\* \* \* 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.

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

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

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

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

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

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

20          (11) Prompt legislative action is necessary to ensure the future health  
21          and stability of the Transportation Fund and to enable the Agency of

1 Transportation to keep Vermont’s transportation system in a state of good  
2 repair.

3 \* \* \* Transportation Program Adopted as Amended; Definitions \* \* \*

4 Sec. 2. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

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

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

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

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

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

1           (4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle  
2           supply equipment available to the public” have the same meanings as in  
3           30 V.S.A. § 201.

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

8           (6) “Plug-in electric vehicle (PEV),” “plug-in hybrid electric vehicle  
9           (PHEV),” and “battery electric vehicle (BEV)” have the same meanings as in  
10           23 V.S.A. § 4(85).

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

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

14           (9) The table heading “As Proposed” means the Proposed  
15           Transportation Program referenced in subsection (a) of this section; the table  
16           heading “As Amended” means the amendments as made by this act; the table  
17           heading “Change” means the difference obtained by subtracting the “As  
18           Proposed” figure from the “As Amended” figure; the term “change” or  
19           “changes” in the text refer to the project- and program-specific amendments,  
20           the aggregate sum of which equals the net “Change” in the applicable table  
21           heading; and “State” in any tables amending authorizations indicates that the

1 source of funds is State monies in the Transportation Fund, unless otherwise  
2 specified.

3 \* \* \* Summary of Transportation Investments \* \* \*

4 Sec. 3. FISCAL YEAR 2027 TRANSPORTATION INVESTMENTS  
5 INTENDED TO REDUCE TRANSPORTATION-RELATED  
6 GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL  
7 USE, AND SAVE VERMONT HOUSEHOLDS MONEY

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

14 In fiscal year 2027, these efforts will include the following:

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

17 (2) Bike and Pedestrian Facilities Program. This act provides for a  
18 fiscal year expenditure, including local match, of \$24,576,873.00, which will  
19 fund 34 bike and pedestrian construction projects; 18 bike and pedestrian  
20 design, right-of-way, or design and right-of way projects for construction in  
21 future fiscal years; and eight scoping studies. The construction projects

1 include the creation, improvement, and rehabilitation of walkways, sidewalks,  
2 shared-use paths, bike paths, and cycling lanes. Projects are funded in  
3 Arlington, Bennington, Bethel, Brattleboro, Burke, Burlington, Castleton,  
4 Chester, Danville, Essex Town, Fairfax, Greensboro, Guilford, Hartford,  
5 Huntington, Hyde Park, Irasburg, Jamaica, Johnson, Lunenburg, Middlebury,  
6 Montpelier, Moretown, Morristown, Newfane, Newport City, Northfield,  
7 Pownal, Royalton, Rutland City, Rutland Town, Sheldon, South Burlington,  
8 Springfield, St. Albans City, Swanton, Wallingford, Warren, Waterbury, West  
9 Rutland, Williston, Wilmington, and Wolcott. This act also provides funding  
10 for:

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

13 (B) grant awards for State-aid construction projects;

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

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

16 (3) Transportation Alternatives Program. This act provides for a fiscal  
17 year expenditure of \$4,514,362.00, including local funds, which will fund 22  
18 transportation alternatives construction projects; 28 transportation alternatives  
19 design, right-of-way, or design and right-of-way projects; and one scoping  
20 study. Of these 51 projects, 18 involve environmental mitigation related to  
21 clean water or stormwater concerns, or both clean water and stormwater

1 concerns, and 30 involve bicycle and pedestrian facilities. Projects are funded  
2 in Athens, Bennington, Bethel, Brandon, Brattleboro, Bristol, Burke,  
3 Burlington, Derby, Enosburg Falls, Fairlee, Ferrisburgh, Glover, Guilford,  
4 Hinesburg, Hyde Park, Jericho, Londonderry, Ludlow, Lyndon, Montgomery,  
5 Newark, Putney, Rockingham, Rutland City, Shoreham, South Burlington,  
6 Springfield, Swanton, Warren, Weathersfield, Williston, Wilmington, and  
7 Windham.

8 (4) Public Transit Program. This act provides for a fiscal year  
9 expenditure of \$57,855,144.00 for public transit uses throughout the State.

10 Included in the authorization are:

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

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

20 (5) Rail Program. This act provides for a fiscal year expenditure of  
21 \$60,289,410.00, including local funds and \$34,688,907.00 in federal funds, for

1 intercity passenger rail service, including funding for the Ethan Allen Express  
2 and Vermonter Amtrak services, and rail infrastructure that supports freight  
3 rail as well. Moving freight by rail instead of trucks lowers greenhouse gas  
4 emissions by up to 75 percent, on average.

5 \* \* \* Paving \* \* \*

6 Sec. 4. PAVING; STATEWIDE DISTRICT LEVELING

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

10	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
11	Other	1,150,000	1,150,000	0
12	PE	2,183,194	2,183,194	0
13	Const.	144,812,226	146,512,226	1,700,000
14	Total	148,145,420	149,845,420	1,700,000
15	<u>Sources of funds</u>			
16	State	24,400,007	25,100,007	1,700,000
17	Federal	123,732,179	123,732,179	0
18	Local	13,235	13,235	0
19	Total	148,145,420	149,845,420	1,700,000



	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
1				
2	PE	4,143,897	4,143,897	0
3	ROW	414,000	414,000	0
4	Const.	78,935,408	78,935,408	0
5	Other	1,400,000	1,400,000	0
6	Total	84,893,305	84,893,305	0
7	<u>Sources of funds</u>			
8	State	2,873,295	1,123,295	-1,750,000
9	TIB	6,180,851	7,930,851	1,750,000
10	Federal	67,312,444	67,312,444	0
11	Local/Other	1,247,049	1,247,049	0
12	Inter Unit	7,279,666	7,279,666	0
13	Total	84,893,305	84,893,305	0

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

15 Transportation Program for State Highway Bridges, authorized spending for

16 SHAFTSBURY STP 014-1(6) is amended as follows:

	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
17				
18	PE	14,678	14,678	0
19	Const.	2,600,000	2,600,000	0
20	Total	2,614,678	2,614,678	0

1	<u>Sources of funds</u>			
2	State	521,000	0	-521,000
3	TIB	1,936	522,936	521,000
4	Federal	2,091,742	2,091,742	0
5	Total	2,614,678	2,614,678	0

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

7 Transportation Program for State Highway Bridges, authorized spending for

8 SUNDERLAND BM20102 is amended as follows:

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

13 Sources of funds

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

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

19 Transportation Program for State Highway Bridges, authorized spending for

20 SUNDERLAND NH CULV 122 is amended as follows:

	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
1				
2	PE	53,182	53,182	0
3	Const.	2,000,000	2,000,000	0
4	Total	2,053,182	2,053,182	0
5	<u>Sources of funds</u>			
6	State	408,636	141,686	-266,950
7	TIB	2,000	268,950	266,950
8	Federal	1,642,546	1,642,546	0
9	Total	2,053,182	2,053,182	0

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

11 Transportation Program for State Highway Bridges, authorized spending for

12 TOPSHAM BF 031-1(13) is amended as follows:

	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
13				
14	PE	10,000	10,000	0
15	ROW	1,000	1,000	0
16	Const.	2,733,967	2,733,967	0
17	Total	2,744,967	2,744,967	0
18	<u>Sources of funds</u>			
19	State	546,993	0	-546,993
20	TIB	2,000	548,993	546,993
21	Federal	2,195,974	2,195,974	0

1           Total               2,744,967               2,744,967               0

2                               \* \* \* Transportation Infrastructure Bonds \* \* \*

3       Sec. 6. FISCAL YEAR 2028 PROPOSED TRANSPORTATION

4               PROGRAM; TRANSPORTATION INFRASTRUCTURE BOND;

5               REPORT

6           (a) The Agency of Transportation shall report to the House and Senate

7           Committees on Transportation, on or before February 1, 2027, regarding

8           projects that are not proposed for the State fiscal year 2028 Transportation

9           Program that:

10           (1) are priority projects that are eligible to be funded with the proceeds

11           from the issuance of transportation infrastructure bonds pursuant to the

12           provisions of 32 V.S.A. § 972(d); and

13           (2) could be advanced to construction in the fiscal year 2028 or 2029

14           Transportation Program if the General Assembly authorized the issuance of

15           transportation infrastructure bonds.

16           (b) Information presented as part of the report shall include:

17           (1) an analysis comparing the present value of the estimated cost to pay

18           for the identified projects using transportation infrastructure bond proceeds to

19           the cost to pay for the projects on a pay-as-you-go basis;



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

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

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

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

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

1           (9) Vermont’s taxes on gasoline and on diesel fuel were last increased in  
2           2014, and the federal taxes on gasoline and on diesel fuel were last increased in  
3           1993.

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

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

10           (12) Reductions in registration and license renewals and decreased  
11           compliance with annual inspection requirements, combined with reduced  
12           enforcement, has led to further diminished Transportation Fund revenues.

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

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

19           (b) Intent. It is the intent of the General Assembly to implement a mileage-  
20           based user fee for BEVs, which will replace the existing infrastructure fee  
21           beginning on January 1, 2027, to ensure that owners and lessees of BEVs

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

3 Sec. 8. 23 V.S.A. chapter 43 is added to read:

4 CHAPTER 43. MILEAGE-BASED USER FEE

5 § 4301. DEFINITIONS

6 As used in this chapter:

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

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

12 (3) “Covered vehicle” means a battery electric vehicle pleasure car.

13 (4) “Mileage-based user fee” or “MBUF” means the fee charged for the  
14 annual vehicle miles traveled by a covered vehicle pursuant to section 4302 of  
15 this chapter.

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

19 (6) “Mileage reporting period” means:

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

1           (B) the time period between the initial registration of a vehicle and an  
2           annual inspection; or

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

5           (7) “Terminating event” means any of the following:

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

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

9           (C) the termination of a covered vehicle’s registration in Vermont.

10           § 4302. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;  
11           PAYMENT; EXEMPTIONS

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

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

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

18           (B) pay-as-you-go installment payments of the MBUF during a  
19           mileage reporting period as set forth in subdivision (3) of this subsection (a),  
20           provided that the Commissioner, in the Commissioner’s sole discretion, elects  
21           to make a pay-as-you-go option available; and

1           (C) a flat rate of \$178.00 as set forth in subdivision (5) of this  
2           subsection (a).

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

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

9           (B) The owner or lessee shall remit the amount due to the  
10          Commissioner on or before the earlier of:

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

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

13          or

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

16          (3) Pay-as-you-go option.

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

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

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

8           (D) At the end of each mileage reporting period, the amount paid by  
9           the owner or lessee shall be reconciled against the actual mileage driven as set  
10          forth in subdivision (4) of this subsection (a).

11          (4) Reconciliation of mileage for pay-as-you-go option.

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

18          (B) If the actual MBUF is less than the amount paid, the owner or  
19          lessee of the covered vehicle shall receive a credit equal to the difference  
20          between the amount paid and the actual amount, which shall be applied to

1 reduce the amount of future fees due from the owner or lessee for the covered  
2 vehicle pursuant to this subsection (a).

3 (C) If the actual MBUF is more than the amount paid, the owner or  
4 lessee of the covered vehicle shall be assessed an amount equal to the  
5 difference between the actual MBUF and the amount paid, which shall be  
6 added to the next amount due from the owner or lessee pursuant to this  
7 subsection (a).

8 (5) Flat-rate option.

9 (A) The Commissioner shall send an owner or lessee who elects the  
10 flat-rate option an assessment for the flat fee due at the beginning of each  
11 mileage reporting period. The owner or lessee shall remit the amount due to  
12 the Commissioner on or before the earlier of:

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

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

15 or

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

18 (B) An owner or lessee enrolled in the flat-rate option shall not be  
19 required to report vehicle mileage to the Commissioner pursuant to the  
20 provisions of this chapter. Nothing in this subdivision (5)(B) shall be  
21 construed to exempt an owner or lessee enrolled in the flat-rate option from

1 any other requirements in State law related to vehicle inspections or odometer  
2 disclosures.

3 (6) Payment dates for mileage reporting periods ending within 60 days  
4 of registration renewal. Notwithstanding any provision of this subsection to  
5 the contrary, the owner or lessee of a covered vehicle with a mileage reporting  
6 period that ends 60 or fewer days prior to the next required registration renewal  
7 for the vehicle shall be permitted to remit the amount due to the Commissioner  
8 on or before the earlier of:

9 (A) the next subsequent registration renewal of the vehicle;

10 (B) the termination of the vehicle's registration; or

11 (C) the sale of the vehicle or the termination of the vehicle's lease, as  
12 applicable.

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

16 (1) the pay-as-you-go option set forth in subdivision (a)(3) of this  
17 section; or

18 (2) the flat-rate option set forth in subdivision (a)(5) of this section.

19 (c) Election of different payment option. An owner or lessee of a covered  
20 vehicle may select a different option for payment of the MBUF pursuant to

1 subsection (a) of this section by providing notice to the Commissioner in the  
2 time and manner prescribed by the Commissioner.

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

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

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

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

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

19 (e) Mileage-based user fee rate. The mileage-based user fee rate shall be  
20 \$0.014 per mile traveled by a covered vehicle during its mileage reporting  
21 period.

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

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

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

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

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

10       (h) Review of amount assessed. A person may, within 45 days after an  
11       assessment is mailed pursuant to subsection (a) of this section, appeal the  
12       amount of the assessment to the Commissioner. The Commissioner shall  
13       establish procedures for filing and hearing appeals pursuant to this subsection  
14       that are consistent with the provisions of sections 105–107 of this title. The  
15       procedures shall include a process by which an appellant can resolve the  
16       dispute prior to the issuance of a final administrative decision on the appeal.

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

1     § 4303. REPORTS

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

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

10    § 4304. FAILURE TO FILE REPORT OR OBTAIN INSPECTION;

11            DEFAULT RATE

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

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

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

21     or

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

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

6           (2) After being assessed the default amount pursuant to this subsection,  
7           the owner or lessee of the covered vehicle may obtain an inspection within 60  
8           days after the date on which the vehicle's registration is renewed. If the  
9           covered vehicle's mileage is such that the mileage-based user fee would have  
10           been less than the default amount, the owner or lessee shall receive a credit for  
11           the difference that is applied to reduce the amount of the next mileage-based  
12           user fee due for the covered vehicle, provided that the Commissioner has  
13           sufficient odometer data to determine the mileage traveled since the beginning  
14           of the mileage reporting period.

15           § 4305. REGISTRATION; SUSPENSION OR REFUSAL

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

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

1           (2) filed a report containing an intentional misrepresentation,  
2           misstatement, or omission of material information required by this chapter; or  
3           (3) is delinquent at the time of renewal in the payment of any amount  
4           due pursuant to the provisions of this chapter.

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

11          § 4306. POWERS OF THE COMMISSIONER

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

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

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

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

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



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

7 (d) The annual and biennial ~~EV~~ infrastructure fees collected in subsection  
8 (c) of this section shall be ~~allocated to~~ deposited in the Transportation Fund ~~for~~  
9 ~~programs administered by the Agency of Commerce and Community~~  
10 ~~Development to increase Vermonters' access to level 1 and 2 electric vehicle~~  
11 ~~supply equipment (EVSE) charging ports at workplaces or multiunit dwellings,~~  
12 ~~or both.~~

13 Sec. 10. MILEAGE-BASED USER FEE; INITIAL TRANSITION

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

19 (b)(1)(A) For a covered vehicle that has a valid Vermont registration on  
20 December 31, 2026, the vehicle's initial mileage reporting period shall

1 commence with its first annual inspection occurring on or after January 1,  
2 2027.

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

6 (2) For an initial registration or a registration renewal of a covered  
7 vehicle that occurs on or after January 1, 2027, and prior to the completion of  
8 the initial mileage reporting period, the owner or lessee of the covered vehicle  
9 shall pay a one-time road usage charge of \$89.00 for a one-year registration or  
10 \$178.00 for a two-year registration.

11 (3) At the conclusion of a covered vehicle's initial mileage reporting  
12 period, the mileage-based user fee for the vehicle shall be calculated as  
13 provided pursuant to the annual mileage-based user fee payment option set  
14 forth in 23 V.S.A. § 4302(a)(2).

15 (4)(A) Provided that all required annual safety inspections under  
16 23 V.S.A. § 1222 have been obtained, the amount of the covered vehicle's  
17 mileage-based user fee calculated pursuant to subdivision (3) of this subsection  
18 (b) shall be reduced by:

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

1           (ii) for a covered vehicle whose owner or lessee did not pay the  
2           road usage charge pursuant to subdivision (2) of this subsection (b) but paid  
3           the EV infrastructure fee required pursuant to 23 V.S.A. § 361 at the most  
4           recent registration or registration renewal of the vehicle prior to January 1,  
5           2027, an amount equal to the amount of the EV infrastructure fee paid at the  
6           most recent registration.

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

11          (c) As used in this section, “covered vehicle” has the same meaning as in  
12          23 V.S.A. § 4301.

13          Sec. 11. OUTREACH AND EDUCATION; USER EXPERIENCE; REPORT

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

20                 (1) printed materials, web-based materials, mailings, and local media  
21                 outreach that describes the purpose of the mileage-based user fee, the

1 transportation funding challenges that the mileage-based user fee is intended to  
2 help address, and how the mileage-based user fee will be implemented with  
3 respect to battery electric vehicles and, later, other light-duty vehicles;

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

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

8 (B) set forth the timeline for implementation of the mileage-based  
9 user fee;

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

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

18 (3) prior to initial implementation of the mileage-based user fee in  
19 January 2027, Agency engagement with owners and lessees of various types of  
20 light-duty motor vehicles registered in Vermont to obtain feedback on the  
21 design of the user experience for the mileage-based user fee, with particular

1 attention to universal accessibility and specific needs for translated materials  
2 and services;

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

8 (5) ongoing engagement and collaboration with relevant stakeholders,  
9 including the Vermont Vehicle and Automotive Distributors Association and  
10 Drive Electric Vermont, to obtain feedback on the mileage-based user fee  
11 program and to educate members of the public about the mileage-based user  
12 fee and program design.

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

17 Sec. 12. MILEAGE-BASED USER FEE TRANSITION PLAN;

18 REPORT

19 (a)(1) The Agency of Transportation and the Department of Motor  
20 Vehicles, in consultation with the Agency of Digital Services, shall design and  
21 submit for approval by the General Assembly a plan and proposed legislation

1 to expand the mileage-based user fee (MBUF) program to plug-in hybrid  
2 electric pleasure cars to ensure that all plug-in electric vehicles contribute an  
3 amount that bears a direct relation to the estimated demands and impacts that  
4 the vehicle places upon public infrastructure, as determined on the basis of  
5 vehicle miles traveled.

6 (2) The plan shall provide that plug-in hybrid electric pleasure cars shall  
7 begin participating in the MBUF program on or before January 1, 2029.

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

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

14 (B) a system to provide fuel tax credits for vehicles that use gasoline  
15 or diesel fuel based on the vehicle's fuel economy as estimated by the U.S.  
16 Environmental Protection Agency that are automatically applied to reduce the  
17 MBUF for the vehicle to ensure that all covered vehicles contribute to  
18 Vermont's transportation system in an equitable manner.

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

20 (1) analyze the amounts paid by vehicles of different engine-fuel types  
21 and classifications with respect to the diesel fuel tax pursuant to 23 V.S.A.

1 chapter 27, the gasoline tax pursuant to 23 V.S.A. chapter 28, and the  
2 infrastructure fee imposed pursuant to 23 V.S.A. § 361(c), as applicable;

3 (2) develop a proposed schedule for the inclusion of plug-in hybrid  
4 electric pleasure cars in the MBUF program on or before January 1, 2029;

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

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

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

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

16 (c) The Agency and Department shall also track the implementation costs  
17 and operating expenses of and revenues generated by the mileage-based user  
18 fee for State fiscal years 2027–2031. The Agency and Department shall  
19 submit an annual report of these amounts to the House Committees on  
20 Transportation and on Ways and Means and the Senate Committees on

1 Transportation and on Finance on or before each December 31 beginning on  
2 December 31, 2027, and continuing until December 31, 2031.

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

8 (A) incorporate plug-in hybrid electric pleasure cars into the MBUF  
9 program;

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

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

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

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

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

3           (ii) recommend how to apply the flat fee to plug-in hybrid electric  
4           pleasure cars, including whether to provide different flat fees based on vehicle  
5           type or to provide credits against the amount of the flat fee based on vehicle  
6           fuel efficiency; and

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

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

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

19           (A) a final plan and proposal for legislative action necessary to  
20           expand the MBUF program to all plug-in electric vehicles on or before January  
21           1, 2029;

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

3           (C) any additional recommendations for legislative action.

4           Sec. 13. EVALUATION OF FEE ON PUBLIC ELECTRIC VEHICLE  
5           CHARGING; REPORT

6           (a) The Commissioner of Taxes, in consultation with the Secretary of  
7           Transportation, the Commissioner of Public Service, and the Public Utility  
8           Commission, shall examine the potential of generating revenue for the  
9           Transportation Fund through a charge on the retail sale of electricity sold  
10           through electric vehicle supply equipment (EVSE) available to the public. In  
11           particular, the Commissioner shall:

12           (1) examine potential options for generating revenue from the retail sale  
13           of electricity through EVSE available to the public, including:

14           (A) a per kilowatt hour fee on the retail sale of electricity in lieu of  
15           the sales tax charged pursuant to 32 V.S.A. chapter 233;

16           (B) a tax on the retail sale of electricity in lieu of the sales tax  
17           charged pursuant to 32 V.S.A. chapter 233; and

18           (C) other options, in the discretion of the Commissioner in  
19           consultation with the Secretary of Transportation;

20           (2) with respect to all of the options examined pursuant to subdivision  
21           (1) of this subsection:

1           (A) investigate the potential ease of implementation, including  
2           anticipated administrative costs and any potential challenges;  
3           (B) examine and compare the benefits and drawbacks; and  
4           (C) develop a projection for potential revenue that could be generated  
5           at different rates; and

6           (3) identify examples of other states that have implemented the options  
7           examined pursuant to subdivision (1) of this subsection.

8           (b) On or before January 15, 2027, the Commissioner shall submit a written  
9           report to the House Committees on Transportation and on Ways and Means  
10           and the Senate Committees on Finance and on Transportation, regarding any  
11           findings pursuant to subsection (a) of this section and a recommendation for  
12           legislative action to generate revenue for the Transportation Fund from the  
13           retail sale of electricity through EVSE available to the public.

14           (c) As used in this section:

15           (1) “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           (2) “Retail sale” has the same meaning as in 32 V.S.A. § 9701.

19           \* \* \* Repeal of Municipal Equipment and Vehicle Loan Fund Rules \* \* \*

20           Sec. 14. RULES REGARDING MUNICIPAL HEAVY EQUIPMENT LOAN  
21           FUND; REPEAL

1        The Rules Regarding Municipal Heavy Equipment Loan Fund (CVR 14-  
2        053-002) are repealed. The Municipal Equipment and Vehicle Loan Fund, as  
3        the successor to the Municipal Heavy Equipment Loan Fund, shall be  
4        administered as provided pursuant to 29 V.S.A. § 1601.

5                    \* \* \* Statement of Policy; Highways and Bridges \* \* \*

6        Sec. 15. 19 V.S.A. § 10c is amended to read:

7        § 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES

8                    \* \* \*

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

16                    \* \* \*

17                    \* \* \* Agency of Transportation Duties \* \* \*

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

19        § 10. DUTIES

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

21                    \* \* \*

1           (8)(A) Require any contractor or contractors employed in any project of  
2           the Agency for construction of a transportation improvement to file in the  
3           office of the Secretary a good and sufficient surety bond to the State of  
4           Vermont, executed by a surety company authorized to transact business in this  
5           State in ~~such~~ the sum as required by the Agency shall direct, conditioned for  
6           the compliance by the contractor or contractors and their agents and servants,  
7           with all matters and things set forth and specified to be by the principal kept,  
8           done, and performed at the time and in the manner in the contract between the  
9           Agency and the contractor or contractors specified and to pay over, make  
10          good, and reimburse the State of Vermont for all loss or losses and damage or  
11          damages that the State of Vermont may sustain by reason of failure or default  
12          on the part of the contractor or contractors. The Agency is authorized to  
13          require any other condition in the bond that may ~~from time to time~~ be  
14          necessary. The Secretary ~~at his or her discretion as to~~ may, if the Secretary  
15          determines that it is in the best interest interests of the State, accept other good  
16          and sufficient surety in lieu of a bond and, in cases involving contracts for  
17          ~~\$100,000.00~~ \$250,000.00 or less, may waive the requirement of a performance  
18          bond.

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

1 infrastructure. Permanent work shall be subject to the requirements of  
2 subdivision (A) of this subdivision (8).

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

18 (B) In order to obtain the benefit of the security, the claimant shall  
19 file with the Secretary a sworn statement of the claimant's claim, within 90  
20 days after the final acceptance of the project by the State or within 90 days  
21 from the time the taxes or unemployment contributions ~~to the Vermont~~

1 ~~Commissioner of Labor~~ are due and payable, and, within one year after the  
2 filing of the claim, shall bring a petition in the Superior Court in the name of  
3 the Secretary, with notice and summons to the principal, surety, and the  
4 Secretary, to enforce the claim or intervene in a petition already filed. The  
5 Secretary may, if the Secretary determines that it is in the best interests of the  
6 State, accept other good and sufficient surety in lieu of a bond and, in cases  
7 involving contracts for ~~\$100,000.00~~ \$250,000.00 or less, may waive the  
8 requirement of a surety bond.

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

14 \* \* \*

15 \* \* \* Bridge Inspections; Posting; Closure \* \* \*

16 Sec. 17. 19 V.S.A. § 1514 is added to read:

17 § 1514. BRIDGE INSPECTION; POSTING; CLOSURE

18 (a) Definition. As used in this section, "bridge" means a structure to which  
19 the National Bridge Inspection Standards apply pursuant to 23 C.F.R.  
20 § 650.303.

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

4       (c) Municipally maintained bridges.

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

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

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

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

19       (d) Agency-maintained bridges.

20           (1) For any bridge for which the Agency has maintenance responsibility,  
21       the Agency shall have the sole responsibility and authority to determine

1 whether the bridge shall be posted or closed, except that a municipality may  
2 close an Agency-maintained bridge during an emergency.

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

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

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

13 Sec. 18. 23 V.S.A. § 2302 is amended to read:

14 § 2302. TRAFFIC VIOLATION DEFINED

15 (a) As used in this chapter, “traffic violation” means:

16 \* \* \*

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

21 G63



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

16 \* \* \*

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

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

- 1           (A) meeting federal, State, or other grant matching requirements; and  
2           (B) supporting Authority programs, capital projects, and operations.  
3           (3) A voluntary local match contribution accepted pursuant to this  
4           subsection shall be in addition to any assessment required pursuant to this  
5           section and shall not reduce, offset, or otherwise modify the assessment  
6           apportioned to any member municipality pursuant to the formula for  
7           apportionment unless the formula is amended in accordance with the  
8           provisions of this section.

9                           \* \* \* Public-Private Partnership Sunset Extension \* \* \*

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

12           Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

13           19 V.S.A. chapter 26, subchapter 2 shall be repealed on July 1, ~~2026~~ 2029.

14                           \* \* \* Transportation Board \* \* \*

15           Sec. 22. 19 V.S.A. § 5 is amended to read:

16           § 5. TRANSPORTATION BOARD; POWERS AND DUTIES

17                           \* \* \*

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

19                           \* \* \*

20           (7) provide appellate review, when requested in writing by an applicant  
21           or permittee, of Agency decisions and rulings regarding private and

1 commercial access to State highway rights-of-way pursuant to the permit  
2 process established in section 1111 of this title;

3 \* \* \*

4 \* \* \* Transportation Alternatives Grant Program \* \* \*

5 Sec. 23. 19 V.S.A. § 38 is amended to read:

6 § 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

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

8 (c) The Transportation Alternatives Grant Program is created. The Grant  
9 Program shall be administered by the Agency and shall be funded in the  
10 amount provided for in 23 U.S.C. § 133(h), less the funds set aside for the  
11 Recreational Trails Program. Awards shall be made to eligible entities as  
12 defined under 23 U.S.C. § 133(h), and awards under the Grant Program shall  
13 be limited to the activities authorized under federal law and shall not exceed  
14 ~~\$300,000.00~~ \$600,000.00 per grant allocation.

15 \* \* \*

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

1 environmental mitigation projects relating to stormwater and highways, such  
2 as eligible salt and sand shed projects, and infrastructure-related projects and  
3 systems that will provide safe routes for nondrivers, and in accordance with the  
4 priorities established in subdivision (2) of this subsection.

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

10 \* \* \*

11 Sec. 24. 2023 Acts and Resolves No. 62, Sec. 11 is amended to read:

12 Sec. 11. TRANSPORTATION ALTERNATIVES GRANT PROGRAM  
13 AWARDS IN STATE FISCAL YEARS 2024 TO 2027

14 Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant  
15 Program awards in State fiscal years 2024 to ~~2027~~ 2026 shall not exceed  
16 \$600,000.00 per grant allocation. Notwithstanding 19 V.S.A. § 38(c),  
17 Transportation Alternatives Grant Program awards in State fiscal year 2027  
18 shall not exceed \$1,200,000.00 per grant allocation.

19 \* \* \* Consultation Regarding Municipal Programs \* \* \*

20 Sec. 25. MUNICIPAL TRANSPORTATION PROGRAMS; ONGOING  
21 EVALUATION; IDENTIFICATION OF IMPROVEMENTS

1        (a) In addition to ongoing work pursuant to 2025 Acts and Resolves No.  
2        43, Sec. 15, the Agency of Transportation, in consultation with the Vermont  
3        League of Cities and Towns and the Vermont Association of Planning and  
4        Development Agencies, shall:

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

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

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

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

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

4                               \* \* \* Drive Electric Vermont \* \* \*

5       Sec. 26. DRIVE ELECTRIC VERMONT; APPROPRIATION

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

11               (1) stakeholder coordination;

12               (2) consumer education and outreach;

13               (3) infrastructure development; and

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

16                               \* \* \* Caledonia County State Airport \* \* \*

17       Sec. 27. 2023 Acts and Resolves No. 62, Sec. 8 is amended to read:

18               Sec. 8. SALE OR LEASE OF CALEDONIA COUNTY STATE

19                               AIRPORT

20   \* \* \*

21       (c) Any such conveyance shall:

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\* \* \*

(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

1       The Agency of Transportation is authorized to utilize amounts appropriated  
2       for supplemental nonemergency medical transportation funding in fiscal year  
3       2027 for the purpose of providing competitive grants to public transit agencies  
4       to support the recruitment and retention of volunteer drivers and mobility  
5       management activities intended to reduce costs related to nonemergency  
6       medical transports.

7                               \* \* \* Real-Time Status of Public EVSE \* \* \*

8       Sec. 29a. 19 V.S.A. § 2901 is amended to read:

9       § 2901. DEFINITIONS

10       As used in this chapter:

11                               \* \* \*

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

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

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

1 equipment, and facilities. A charging station operator may delegate to another  
2 person or contract with another person for charging station operation and  
3 maintenance.

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

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

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

9 ~~(3)~~(8) “Electric cargo bicycle” means a motor-assisted bicycle, as  
10 defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under  
11 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for  
12 transporting loads, including at least one or more of the following: goods, one  
13 or more individuals in addition to the operator, or one or more animals. A  
14 motor-assisted bicycle that is not specifically designed and constructed for  
15 transporting loads, including a motor-assisted bicycle that is only capable of  
16 transporting loads because an accessory rear or front bicycle rack has been  
17 installed, is not an electric cargo bicycle.

18 ~~(4)~~(9) “Electric vehicle supply equipment (EVSE)” and “electric  
19 vehicle supply equipment available to the public” have the same meanings as  
20 in 30 V.S.A. § 201.

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

4           ~~(5)~~(11) “Plug-in electric vehicle (PEV),” “battery electric vehicle  
5           (BEV),” and “plug-in hybrid electric vehicle (PHEV)” have the same meanings  
6           as in 23 V.S.A. § 4(85).

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

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

15           Sec. 30. 19 V.S.A. § 2908 is added to read:

16           § 2908. PUBLIC EVSE; REAL-TIME STATUS; AVAILABILITY

17           (a) Except as provided in subsection (b) of this section, a charging network  
18           provider shall, for any networked publicly funded and available charging  
19           station in Vermont that is installed or reconditioned on or after September 30,  
20           2026, ensure that the following data fields are made available, free of charge,  
21           to third-party software developers via an application programming interface:

- 1           (1) a unique charging station name or identifier;
- 2           (2) the address of the property where the charging station is located,
- 3           including street address, city, and ZIP code;
- 4           (3) the geographic coordinates in decimal degrees of the exact charging
- 5           station location;
- 6           (4) the charging station operator name;
- 7           (5) the charging network provider name;
- 8           (6) the charging station status, including whether the station is
- 9           operational, under construction, planned, or decommissioned;
- 10          (7) charging station access information, including:
- 11           (A) the charging station access type, such as whether it may be used
- 12           by the public or is limited to use by commercial vehicles; and
- 13           (B) the charging station access days and times, including the hours of
- 14           operation for the charging station;
- 15          (8) charging port information, including:
- 16           (A) the number of charging ports;
- 17           (B) the unique port identifier for each port;
- 18           (C) the connector types available by port;
- 19           (D) the charging level by port, such as DCFC or AC Level 2;
- 20           (E) the maximum power delivery rating in kilowatts by charging
- 21           port;

1           (F) the maximum output voltage by charging port;

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

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

5           (9) pricing and payment information, including:

6           (A) the pricing structure;

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

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

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

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

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

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

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

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

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

16       (f) As used in this section:

17       (1) “Real-time” means that the applicable data field must be updated  
18       within one minute following a change in the charging port’s status.

19       (2) “Retail electricity provider” has the same meaning as in 30 V.S.A.  
20       § 8002.



1 \* \* \*

2 Sec. 32. 27A V.S.A. § 3-125 is added to read:

3 § 3-125. ELECTRIC VEHICLE SUPPLY EQUIPMENT

4 (a) As used in this section:

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

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

13 (3) “Plug-in electric vehicle” has the same meaning as in 23 V.S.A.  
14 § 4(85).

15 (4) “Reasonable restriction” is a restriction that does not significantly  
16 increase the cost of the EVSE or significantly decrease the efficiency or  
17 specified performance of the EVSE.

18 (b)(1) Any covenant, restriction, or condition contained in any deed,  
19 contract, security instrument, or other instrument affecting the transfer or sale  
20 of any interest in a common interest community, and any provision of a  
21 governing document associated with a common interest community, such as a

1 declaration, bylaw, or rule, that either effectively prohibits or unreasonably  
2 restricts the installation of EVSE within the boundaries of a unit owner's unit  
3 or limited common element or the unit owner's exclusively designated parking  
4 space or the use of such EVSE for noncommercial purposes by a unit owner or  
5 the occupants of the unit owner's unit or is in conflict with this section is void  
6 and unenforceable.

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

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

14 (c) The association may require the unit owner to:

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

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

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

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

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

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

14           (e) If approval is required for the installation or use of EVSE, the  
15           application for approval shall be processed and approved by the association in  
16           the same manner as an application for approval of an architectural modification  
17           to the common interest community and shall not be intentionally avoided or  
18           delayed. The approval or denial of an application shall be in writing. If an  
19           application is not denied in writing within 90 days from the date of receipt of  
20           the application, the application shall be deemed approved, unless that delay is  
21           the result of a reasonable request for additional information.

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

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

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

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

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

14                           \* \* \* Intelligent Speed Assistance \* \* \*

15       Sec. 33. INTELLIGENT SPEED ASSISTANCE; IMPLEMENTATION AND  
16                           COST EVALUATION; REPORT

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

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



- 1        (b) Notwithstanding 1 V.S.A. § 214, Sec. 28 (extension of authority to sell  
2        Caledonia County State Airport) shall take effect retroactively on April 30,  
3        2026.
- 4        (c) The remaining sections shall take effect on July 1, 2026.