

1 H.944

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

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

5 * * * Transportation Program Adopted as Amended; Definitions * * *

6 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

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

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

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

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

18 (3) “Development and evaluation (D&E) project” means a project
19 approved by the General Assembly that is anticipated to have preliminary
20 engineering expenditures or right-of-way expenditures, or both, during the

1 budget year and that the Agency is committed to delivering to construction on
2 a timeline driven by priority and available funding.

3 (4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle
4 supply equipment available to the public” have the same meanings as in
5 30 V.S.A. § 201.

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

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

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

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

16 (9) The table heading “As Proposed” means the Proposed
17 Transportation Program referenced in subsection (a) of this section; the table
18 heading “As Amended” means the amendments as made by this act; the table
19 heading “Change” means the difference obtained by subtracting the “As
20 Proposed” figure from the “As Amended” figure; the terms “change” or
21 “changes” in the text refer to the project- and program-specific amendments,

1 the aggregate sum of which equals the net “Change” in the applicable table
2 heading; and “State” in any tables amending authorizations indicates that the
3 source of funds is State monies in the Transportation Fund, unless otherwise
4 specified.

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

6 Sec. 2. RULES REGARDING MUNICIPAL HEAVY EQUIPMENT LOAN
7 FUND; REPEAL

8 The Rules Regarding Municipal Heavy Equipment Loan Fund (CVR 14-
9 053-002) are repealed. The Municipal Equipment and Vehicle Loan Fund, as
10 the successor to the Municipal Heavy Equipment Loan Fund, shall be
11 administered as provided pursuant to 29 V.S.A. § 1601.

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

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

14 § 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES

15 * * *

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

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

3 * * *

4 * * * Agency of Transportation Duties * * *

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

6 § 10. DUTIES

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

8 * * *

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

1 necessary. The Secretary ~~at his or her discretion as to~~, as the Secretary
2 determines is in the best interest of the State, may accept other good and
3 sufficient surety in lieu of a bond and, in cases involving contracts for
4 ~~\$100,000.00~~ \$250,000.00 or less, may waive the requirement of a performance
5 bond.

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

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

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

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

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

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

Sec. 5. 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.

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

5 (d) Agency-maintained bridges.

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

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

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

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

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

20 § 2302. TRAFFIC VIOLATION DEFINED

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

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(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. 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.]

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

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

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

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

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

14 * * * Public-Private Partnership Sunset Extension * * *

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

17 Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

18 19 V.S.A. chapter 26, subchapter 2 shall be repealed on July 1, ~~2026~~ 2029.

19 * * * Transportation Board * * *

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

21 § 5. TRANSPORTATION BOARD; POWERS AND DUTIES

1 * * *

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

3 * * *

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

8 * * *

9 * * * Transportation Alternatives Grant Program * * *

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

11 § 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

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

13 (c) The Transportation Alternatives Grant Program is created. The Grant
14 Program shall be administered by the Agency and shall be funded in the
15 amount provided for in 23 U.S.C. § 133(h), less the funds set aside for the
16 Recreational Trails Program. Awards shall be made to eligible entities as
17 defined under 23 U.S.C. § 133(h), and awards under the Grant Program shall
18 be limited to the activities authorized under federal law and shall not exceed
19 ~~\$300,000.00~~ \$600,000.00 per grant allocation.

20 * * *

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

11 * * *

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

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

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

1 * * * Consultation Regarding Municipal Programs * * *

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

4 (a) In addition to ongoing work pursuant to 2025 Acts and Resolves No.
5 43, Sec. 15, the Agency of Transportation, in consultation with the Vermont
6 League of Cities and Towns and the Vermont Association of Planning and
7 Development Agencies, shall:

8 (1) continue examining the requirements of 19 V.S.A. § 309c,
9 cancellation of locally managed projects, as set forth in 2024 Acts and
10 Resolves No. 43, Sec. 14, to evaluate the obligations, risks, and benefits
11 imposed by the provisions of that section on the State and the local sponsor of
12 a locally managed project and to identify potential changes to the provisions of
13 that section to ensure that State and federal transportation funding resources
14 are appropriately administered;

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

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

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

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

7 Sec. 14. [Deleted.]

8 Sec. 15. [Deleted.]

9 * * * Drive Electric Vermont * * *

10 Sec. 16. DRIVE ELECTRIC VERMONT; APPROPRIATION

11 In State fiscal year 2027, the sum of \$192,000.00 is appropriated from the
12 Transportation Fund to the Agency of Transportation to support the
13 continuation of the Agency's partnership with Drive Electric Vermont. The
14 monies shall be used for programs and activities that support increased
15 ownership and use of plug-in electric vehicles in the State through:

16 (1) stakeholder coordination;

17 (2) consumer education and outreach;

18 (3) infrastructure development; and

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

1 * * * Caledonia County State Airport * * *

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

3 Sec. 8. SALE OR LEASE OF CALEDONIA COUNTY STATE
4 AIRPORT

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

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

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

1 (c) Any such conveyance shall:

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

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

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

13 ~~(4) ensure that the Airport continues to be identified as a public use~~
14 ~~airport within the National Plan of Integrated Airport Systems until at least~~
15 ~~2050, subject to federal determination;~~

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

1 ~~(6)~~(5) include, if the Airport is leased, that the lease cannot be either
2 assigned or the lessor cannot sub-lease all or substantially all of the Airport
3 without the written approval of the Vermont Secretary of Transportation.

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

5 (1) there is a fair market value offer, as required under 19 V.S.A.
6 § 10k(b) or 26a(a), that meets the requirements of subsection (c) of this
7 section; and

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

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

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

13 Sec. 9. REPEAL OF AUTHORITY FOR SALE OR LEASE OF
14 CALEDONIA COUNTY STATE AIRPORT

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

16 * * * Mileage-Based User Fee * * *

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

18 CHAPTER 43. ROAD USAGE CHARGES

19 Subchapter 1. Mileage-Based User Fee

1 § 4301. PURPOSE

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

6 § 4302. DEFINITIONS

7 As used in this chapter:

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

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

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

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

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

18 (6) “Mileage reporting period” means:

19 (A) the time period between annual inspections; or

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

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

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

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

5 (C) the termination of a BEV’s registration.

6 § 4303. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;

7 PAYMENT; EXEMPTIONS

8 (a) Annual mileage-based user fee.

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

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

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

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

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

3 (b) Calculation of the mileage-based user fee. The Commissioner shall
4 calculate the mileage-based user fee of each BEV by multiplying the miles
5 traveled by the BEV during the applicable period by the rate established
6 pursuant to subsection (c) of this section. The number of miles traveled for a
7 mileage reporting period shall be equal to the difference between the mileage
8 shown on the BEV's odometer at the end of the mileage reporting period and
9 the mileage shown on the BEV's odometer at the beginning of the mileage
10 reporting period.

11 (c) Mileage-based user fee rate. The mileage-based user fee rate shall be
12 \$0.014 per mile traveled by a BEV during its mileage reporting period.

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

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

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

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

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

1 (f) Review of amount assessed. A person may, within 45 days after an
2 assessment is mailed pursuant to subsection (a) of this section, appeal the
3 amount of the assessment to the Commissioner. The Commissioner shall
4 establish procedures for filing and hearing appeals pursuant to this subsection
5 that are consistent with the provisions of sections 105–107 of this title. The
6 procedures shall include a process by which an appellant can resolve the
7 dispute prior to the issuance of a final administrative decision on the appeal.

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

12 § 4304. REPORTS

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

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

1 § 4305. FAILURE TO PAY FEE WHEN DUE; INTEREST

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

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

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

16 § 4306. FAILURE TO FILE REPORT; PENALTY RATE

17 If the Commissioner is unable to determine the annual vehicle miles
18 traveled for a BEV because a person failed to file a report required by section
19 4304 of this chapter or failed to have the BEV inspected as required pursuant
20 to section 1222 of this title within a reasonable period of time after the report
21 or inspection is due, the Commissioner shall calculate the mileage-based user

1 fee for the BEV based on the 98th percentile of the miles traveled by BEVs
2 registered in Vermont during mileage reporting periods ending in the
3 preceding calendar year.

4 § 4307. REGISTRATION; SUSPENSION OR REFUSAL

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

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

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

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

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

1 § 4308. POWERS OF THE COMMISSIONER

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

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

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

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

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

12 § 4309. APPEALS; JUDICIAL REVIEW

13 (a) Administrative appeal. An aggrieved person may appeal any final
14 decision, order, or finding of the Commissioner under this chapter within not
15 more than 45 days after the decision is issued or the order or finding is made.

16 The Commissioner shall establish procedures for filing and hearing appeals
17 pursuant to this subsection that are consistent with the provisions of sections
18 105–107 of this title.

19 (b) Appeal to superior court. Following a final decision on an appeal
20 pursuant to subsection (a) of this section or subsection 4303(f) of this chapter,
21 the appellant may appeal the decision pursuant to Rule 74 of the Vermont

1 Rules of Civil Procedure. The appeal shall be to the Washington Superior
2 Court or, in the discretion of the appellant, to the Superior Court in the county
3 where the appellant resides or has a principal place of business.

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

8 Subchapter 2. BEV Rental Vehicle Road Usage Charge

9 § 4321. BEV RENTAL VEHICLE ROAD USAGE CHARGE

10 (a) For any BEV pleasure car subject to use tax imposed pursuant to
11 32 V.S.A. § 8903(d), there is imposed on each rental transaction for a BEV a
12 road usage charge equal to one percent of the rental charge, which shall be
13 collected by the rental company from the renter and remitted to the
14 Commissioner. Amounts collected pursuant to this section shall be deposited
15 in the Transportation Fund.

16 (b) As used in this section, rental charge has the same meaning as in
17 32 V.S.A. § 8903(d).

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

19 § 361. PLEASURE CARS

20 * * *

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. 21. MILEAGE BASED USER FEE; TRANSITION

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

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

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

1 to \$89.00 towards the amount of the mileage-based user fee due pursuant to
2 23 V.S.A. § 4303 for the initial mileage reporting period.

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

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

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

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

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

17 Sec. 23. TRANSFER

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

