

1 S.326

2 Introduced by Committee on Transportation

3 Date:

4 Subject: Motor vehicles; Department of Motor Vehicles; nondriver

5 identification card; operator's licenses; learner's permits; registration;

6 license plates; Smugglers' Notch; prohibited vehicles; penalties;

7 salvage titles; electronic signatures; duplicate titles; diesel fuel tax;

8 purchase and use tax; snowmobiles; commercial driver's licenses

9 Statement of purpose of bill as introduced: This bill proposes to (1) clarify that
10 an individual may not have both a State-issued nondriver identification card
11 and an operator's license at the same time; (2) permit certain incarcerated
12 individuals to renew their operator's license or learner's permit at the
13 completion of their sentence; (3) allow the Department of Motor Vehicles
14 (DMV) to temporarily suspend the license or registration of an individual who
15 failed to pay the full amount due for the license or registration; (4) prohibit
16 changing the color of a license plate or any numbers or letters on the plate; (5)
17 increase the penalties for operating a prohibited vehicle in Smugglers' Notch;
18 (6) permit the use of electronic signatures on certain documents necessary to
19 issue a salvage title to an insurer for a vehicle that has been declared a total
20 loss; (7) permit the DMV to provide duplicate title certificates directly to
21 individuals at DMV locations; (8) permit the DMV to reimburse State agencies

1 for costs related to towing abandoned vehicles from public property; (9) clarify
2 the applicability of the purchase and use tax to trucks, trailers, and semi-
3 trailers; (10) increase the penalties for operating a snowmobile that is not
4 registered or lacks a Vermont Trails Maintenance Assessment decal; (11)
5 provide an exemption to the commercial driver's license (CDL) requirements
6 to certain public employees during a declared emergency; (12) establish a fee
7 for a one-year nondomiciled CDL; and (13) make various technical corrections
8 to the motor vehicle laws.

9 An act relating to miscellaneous amendments to laws relating to motor
10 vehicles

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

12 * * * Nondriver Identification Cards * * *

13 Sec. 1. 23 V.S.A. § 115 is amended to read:

14 § 115. NONDRIVER IDENTIFICATION CARDS

15 (a)(1) Any Vermont resident who does not have an operator's license may
16 make application to the Commissioner and be issued an identification card that
17 is attested by the Commissioner as to true name, correct age, residential
18 address unless the listing of another address is requested by the applicant or is
19 otherwise authorized by law, and any other identifying data as the
20 Commissioner may require that shall include, in the case of minor applicants,

1 the written consent of the applicant's parent, guardian, or other person standing
2 in loco parentis.

3 * * *

4 (4) An individual shall not hold at the same time an operator's license
5 and a nondriver identification card issued pursuant to this section.

6 * * *

7 (g)(1) An identification card issued to a first-time applicant and any
8 subsequent renewals by that ~~person~~ individual shall contain a photograph or
9 imaged likeness of the applicant.

10 (2) The photographic identification card shall be available at a location
11 designated by the Commissioner.

12 (3)(A) ~~An~~ Except as otherwise provided pursuant to subdivision (B) of
13 this subdivision (g)(3), an individual issued an identification card under this
14 subsection that contains an imaged likeness section may renew the individual's
15 identification card by mail.

16 (B) ~~Except that a renewal by an individual required to have a~~
17 ~~photograph or imaged likeness under this subsection must be made~~ An
18 identification card issued pursuant to this section shall be renewed in person ~~so~~
19 ~~that an updated imaged likeness of the individual is obtained not less often than~~
20 at least once every nine years to permit an updated photograph or imaged
21 likeness of the holder to be obtained.

* * *

(k) ~~At the option of the applicant,~~ An applicant shall surrender the
applicant's valid Vermont license ~~may be surrendered~~ in connection with an
application for an identification card pursuant to this section. In those
instances, the fee due under subsection (a) of this section shall be reduced by:

* * *

(m)(1) An individual sentenced to serve a period of imprisonment of six
months or more committed to the custody of the Commissioner of Corrections
who is eligible for a nondriver identification card under the requirements of
this section shall, upon proper application and submission of documentation
required for a non-REAL ID or REAL ID identification card and in advance of
release from a correctional facility, be provided with a nondriver identification
card for a fee of \$0.00.

* * *

* * * Operator's Licenses * * *

Sec. 2. 23 V.S.A. § 613 is amended to read:

§ 613. REPLACEMENT LICENSE

* * *

(c)(1) An individual sentenced to serve a period of imprisonment of six
months or more committed to the custody of the Commissioner of Corrections
who holds an unexpired license issued under the provisions of this subchapter

1 or who held a Vermont operator's license that expired not more than three
2 years prior shall:

3 (A) be eligible to apply for a replacement license pursuant to the
4 provisions of this section; and

5 (B) upon proper application and submission of documentation
6 required for a non-REAL ID or REAL ID identification card and in advance of
7 release from a correctional facility, be provided with a replacement operator's
8 license for a fee of \$0.00.

9 (2) To obtain a replacement operator's license pursuant to the provisions
10 of this subsection, an individual shall be required to provide proof of Vermont
11 residence and the individual's mailing address upon release from the custody
12 of the Commissioner of Corrections.

13 (3) As part of reentry planning, the Department of Corrections shall
14 inquire with each individual regarding whether the individual would like, if
15 eligible, to obtain an operator's license pursuant to the provisions of this
16 section and shall provide the individual with information regarding required
17 documentation and any associated costs.

18 (4) If an individual would like to obtain an operator's license pursuant to
19 the provisions of this section and is eligible, the Department of Corrections
20 shall coordinate with the Department of Motor Vehicles to provide an

1 operator's license to the individual at the time the individual is released from
2 the custody of the Commissioner of Corrections.

3 Sec. 3. 23 V.S.A. § 617 is amended to read:

4 § 617. LEARNER'S PERMIT

5 * * *

6 (d)(1) An applicant shall pay \$24.00 to the Commissioner for each
7 learner's permit or a duplicate or renewal thereof.

8 * * *

9 (4) A replacement learner's permit issued pursuant to subsection (g) of
10 this section shall be issued for a fee of \$0.00.

11 * * *

12 (g)(1) An individual sentenced to serve a period of imprisonment of six
13 months or more committed to the custody of the Commissioner of Corrections
14 who holds an unexpired learner's permit issued under the provisions of this
15 section or who held a learner's permit issued under the provisions of this
16 section that expired not more than two years prior shall:

17 (A) be eligible to apply for a replacement learner's permit pursuant to
18 the provisions of this section; and

19 (B) upon proper application and submission of all required
20 documentation in advance of release from a correctional facility, be provided
21 with a replacement learner's permit upon release.

1 (2) To obtain a replacement learner's permit pursuant to the provisions
2 of this subsection, an individual shall be required to provide proof of Vermont
3 residence and the individual's mailing address upon release from the custody
4 of the Commissioner of Corrections.

5 (3) As part of reentry planning, the Department of Corrections shall
6 inquire with each individual regarding whether the individual would like, if
7 eligible, to obtain a replacement learner's permit pursuant to the provisions of
8 this section and shall provide the individual with information regarding
9 required documentation and any associated costs.

10 (4) If an individual would like to obtain a replacement learner's permit
11 pursuant to the provisions of this section and is eligible, the Department of
12 Corrections shall coordinate with the Department of Motor Vehicles to provide
13 a replacement learner's permit to the individual at the time the individual is
14 released from the custody of the Commissioner of Corrections.

15 * * * Insufficient Funds for Fees * * *

16 Sec. 4. 23 V.S.A. § 110 is amended to read:

17 § 110. ~~BAD CHECKS~~ INSUFFICIENT FUNDS RECEIVED FOR FEES

18 (a) Whenever any check or electronic funds transfer, including a credit or
19 debit charge, issued in payment of any fee or for any other purpose is tendered
20 to the Department of Motor Vehicles and payment is not honored by the bank
21 on which the check is drawn or entity to whom the electronic funds transfer is

1 submitted, the Commissioner shall send a written notice of ~~its~~ nonpayment to
2 the ~~maker or person presenting the check and if the check is not immediately~~
3 ~~made good~~ who provided insufficient funds and, if the required amounts are
4 not immediately paid, the Commissioner shall suspend the license or
5 registration of the person or persons. In no case shall the license or registration
6 be reinstated until settlement has been made in full. Settlement in full shall
7 also include the payment of any penalties assessed by the State Treasurer.

8 (b) The Commissioner may require payment for any transaction solely by
9 certified check or in cash from persons whose licenses or registrations are
10 under suspension pursuant to subsection (a) of this section or from persons
11 who have repeatedly tendered checks or electronic payments to the Department
12 that have not been honored ~~by the bank on which drawn~~.

13 * * *

14 * * * License Plates * * *

15 Sec. 5. 23 V.S.A. § 511 is amended to read:

16 § 511. MANNER OF DISPLAY

17 (a) Number plates.

18 (1) A motor vehicle operated on any highway shall have displayed in a
19 conspicuous place either one or two number plates as the Commissioner may
20 require. ~~Such~~ The number plates shall be furnished by the Commissioner and
21 shall show the number assigned to ~~such~~ the vehicle by the Commissioner. If

1 only one number plate is furnished, the ~~same~~ plate shall be securely attached to
2 the rear of the vehicle. If two are furnished, one shall be securely attached to
3 the rear and one to the front of the vehicle.

4 (2)(A) ~~The number~~ Number plates shall be kept entirely unobscured;
5 and the numerals and letters ~~thereon~~ on the plates shall be plainly legible at all
6 times.

7 (B) Numerals and letters on number plates shall not be colored,
8 tinted, or changed in any manner from their appearance at the time the plate
9 was issued.

10 (C) Number plates shall not be covered by any material or substance
11 that changes or tints the color of the plate, or the numerals and letters on the
12 plate.

13 (3) ~~They~~ Number plates shall be kept horizontal, shall be so fastened as
14 not to swing, excepting, however, there may be installed on a motor truck or
15 truck tractor a device that would, upon contact with a substantial object, permit
16 the rear number plate to swing toward the front of the vehicle, provided such
17 device automatically returns the number plate to its original rigid position after
18 contact is released, and the ground clearance of the lower edges thereof shall
19 be established by the Commissioner pursuant to the provisions of 3 V.S.A.
20 chapter 25.

21 * * *

1 (e) Temporary and in-transit registration plates. A motor vehicle issued a
2 temporary or in-transit registration plate under sections 312, 458, 463, and
3 516–518 of this title operated on any highway shall have the temporary or in-
4 transit registration plate displayed horizontally in a conspicuous place on the
5 rear of the vehicle, including in the rear window. The temporary or in-transit
6 registration plate shall be kept entirely unobscured, and the numerals and
7 letters thereon shall be plainly legible at all times as provided pursuant to
8 subsection (a) of this section.

9 * * * Penalties for Operation of Prohibited Vehicles in Smugglers' Notch * * *

10 Sec. 6. 23 V.S.A. § 1006b is amended to read:

11 § 1006b. SMUGGLERS' NOTCH; WINTER CLOSURE OF VERMONT

12 ROUTE 108; VEHICLE OPERATION PROHIBITED

13 * * *

14 (b) Vehicle operation prohibition.

15 * * *

16 (2)(A) The employer of an operator who is operating a vehicle in the
17 scope of employment and violates this subsection or the operator of a vehicle
18 who is operating a vehicle for personal purposes and violates this subsection
19 shall be subject to a civil penalty of ~~\$1,000.00~~ \$10,000.00 or, if the violation
20 results in substantially impeding the flow of traffic on Vermont Route 108, a

1 civil penalty of ~~\$2,000.00~~ \$20,000.00. For a second or subsequent conviction
2 within a three-year period, the applicable penalty shall be doubled.

3 (B) In addition to the penalties set forth in subdivision (A) of this
4 subdivision (b)(2), an individual who operates a prohibited vehicle in
5 Smugglers' Notch in violation of this subsection (b) shall be guilty of a
6 moving violation and shall be assessed points pursuant to the provisions of
7 section 2502 of this title.

8 * * *

9 Sec. 7. 23 V.S.A. § 2502 is amended to read:

10 § 2502. POINT ASSESSMENT; SCHEDULE

11 (a) Unless the assessment of points is waived by a Superior judge or a
12 Judicial Bureau hearing officer in the interests of justice and in accordance
13 with subsection 2501(b) of this title, a person operating a motor vehicle shall
14 have points assessed against the person's driving record for convictions for
15 moving violations of the indicated motor vehicle statutes in accord with the
16 following schedule: (All references are to this title of the Vermont Statutes
17 Annotated.)

18 * * *

19 (4) Five points assessed for:

20 * * *

21 (F) Operation of vehicle prohibited in Smugglers' Notch;

* * *

* * * Salvage Titles * * *

Sec. 8. 23 V.S.A. § 2091 is amended to read:

§ 2091. SALVAGE CERTIFICATES OF TITLE; FORWARDING OF
PLATES AND TITLES OF CRUSHED VEHICLES

(a) Except for vehicles for which no certificate of title is required pursuant to section 2012 of this title, any person who purchases or in any manner acquires a vehicle as salvage; any person who scraps, dismantles, or destroys a motor vehicle; or any insurance company or representative thereof who declares a motor vehicle to be a total loss shall apply to the Commissioner for a salvage certificate of title within 15 days after the time the vehicle is purchased or otherwise acquired as salvage; is scrapped, dismantled, or destroyed; or is declared a total loss. However, an insurance company or representative thereof proceeding under subsection (c) of this section may apply outside this 15-day window to the extent necessary to comply with the requirements of that subsection.

(b)(1) Except as provided in subsection (c) of this section, the application shall be accompanied by:

(1)(A) any certificate of title for the vehicle; and

1 ~~(2)(B)~~ any other information or documents that the Commissioner may
2 reasonably require to establish ownership of the vehicle and the existence or
3 nonexistence of any security interest in the vehicle.

4 (2) Supporting documents used to transfer ownership of a vehicle to an
5 insurer following payment of damages:

6 (A) shall not require a notarized signature;

7 (B) may be signed electronically; and

8 (C) may be printed on hard copy.

9 (3) As used in subdivision (2) of this subsection, “supporting
10 documents” includes a power of attorney and odometer disclosure forms.

11 * * *

12 * * * Duplicate Titles * * *

13 Sec. 9. 23 V.S.A. § 2022 is amended to read:

14 § 2022. DUPLICATE CERTIFICATE

15 (a) If a certificate of title is lost, stolen, mutilated, or destroyed or becomes
16 illegible, the first lienholder or, if none, the owner or legal representative of the
17 owner named in the certificate, as shown by the records of the Commissioner,
18 shall promptly make application for and may obtain a duplicate title upon
19 furnishing information satisfactory to the Commissioner. ~~¶~~ The duplicate title
20 shall be mailed or, if the person is at a Department of Motor Vehicles location,

1 hand-delivered to the first lienholder named in ~~it~~ the title or, if none, to the
2 owner.

3 * * *

4 Sec. 10. 23 V.S.A. § 3815 is amended to read:

5 § 3815. DUPLICATE CERTIFICATE

6 (a) If a certificate of title is lost, stolen, mutilated, or destroyed or becomes
7 illegible, the first lienholder or, if none, the owner or legal representative of the
8 owner named in the certificate of title, as shown by the records of the
9 Commissioner, shall promptly make application for and may obtain a duplicate
10 title upon furnishing information satisfactory to the Commissioner. ~~It~~ The
11 duplicate title shall be mailed or, if the person is at a Department of Motor
12 Vehicles location, hand-delivered to the first lienholder named in ~~it~~ the title or,
13 if none, to the owner.

14 * * *

15 * * * Title Appeals * * *

16 Sec. 11. 23 V.S.A. § 2005 is amended to read:

17 § 2005. APPEAL

18 A person aggrieved by an act or omission of the Commissioner under this
19 chapter may appeal to the Civil Division of the Washington Unit of the
20 Superior Court ~~for Washington County~~ in the same manner as is provided for
21 in other civil actions.

* * * Abandoned Motor Vehicles * * *

Sec. 12. 23 V.S.A. § 2012 is amended to read:

§ 2012. EXEMPTED VEHICLES

No certificate of title need be obtained for:

* * *

(2) a vehicle;

(A) owned by a manufacturer or dealer and held for sale, even though incidentally moved on the highway or used for purposes of testing or demonstration;~~or;~~

(B) used by an educational institution approved by the Agency of Education for driver training purposes;~~;~~ or

(C) ~~a vehicle~~ used by a manufacturer solely for testing;

* * *

Sec. 13. 23 V.S.A. § 2158 is amended to read:

§ 2158. FEES FOR TOWING; PUBLIC PROPERTY; FUNDING

(a)(1) A towing service may charge a fee of up to \$125.00 for towing an abandoned motor vehicle from public property under the provisions of sections 2151–2157 of this subchapter. This fee shall be paid to either the towing service or an appropriate State agency upon the issuance by the Department of Motor Vehicles of a certificate of abandoned motor vehicles under section 2156 of this title. The Commissioner of Motor Vehicles shall notify the

1 Commissioner of Finance and Management who shall issue payment to the
2 towing service or State agency, as applicable, for vehicles removed from
3 public property.

4 (2) If the fee is to be paid to a State agency instead of a towing service,
5 the State agency shall provide the Commissioner of Motor Vehicles with proof
6 acceptable to the Commissioner that the State agency already paid the towing
7 service for the removal of the vehicle.

8 * * *

9 * * * Diesel Fuel Tax * * *

10 Sec. 14. 23 V.S.A. § 3015 is amended to read:

11 § 3015. COMPUTATION AND PAYMENT OF TAX

12 (a) Each report required under section 3014 of this title from licensed
13 distributors, dealers, or users shall be accompanied by evidence of an
14 electronic funds transfer payment or a remittance payable to the Department of
15 Motor Vehicles for the amount of tax due, which shall be computed and
16 transmitted in the following manner:

17 * * *

18 ~~(3)(A)~~(b)(1) Distributors and dealers filing a report required under
19 subsection 3014(a) of this title shall transmit payment of taxes due to the
20 Department of Motor Vehicles by means of an electronic funds transfer.

1 ~~(B)~~(2) Users filing a report required under subsection 3014(b) of this
2 title shall transmit payment of taxes due to the Department of Motor Vehicles
3 by means of an electronic funds transfer payment or by a remittance through
4 the U.S. mail. If a remittance is sent through the U.S. mail properly addressed
5 to the Department of Motor Vehicles, it shall be deemed received on the date
6 shown by the postmark on the envelope containing the report only for purposes
7 of avoiding penalty and interest. In the event a mailing date is affixed to the
8 envelope by a machine owned or under the control of the person submitting the
9 report and the U.S. Post Office has corrected or changed the date stamped
10 thereon by causing the official U.S. Post Office postmark to also be imprinted
11 on the envelope, the date shown by the official Post Office postmark shall be
12 the accepted date if different from the original postmark.

13 ~~(4)~~(c) All taxes, interest, user license fees, and penalties collected by the
14 Department of Motor Vehicles under this chapter shall be paid immediately to
15 the State Treasurer and credited to the Transportation Fund.

16 ~~(5)~~(d) Notwithstanding ~~subdivision (4)~~ subsection (c) of this section, the
17 one cent per gallon fee imposed by this chapter shall be deposited into the
18 Petroleum Cleanup Fund established by 10 V.S.A. § 1941. These fees shall be
19 deemed the petroleum distributor licensing fee established by 10 V.S.A.
20 § 1942.

* * * Purchase and Use Tax * * *

Sec. 15. 32 V.S.A. § 8902 is amended to read:

§ 8902. DEFINITIONS

Unless otherwise expressly provided, as used in this chapter:

* * *

(4)(A) “Purchase price” for a vehicle that is purchased outright means the gross consideration, exclusive of the tax hereby imposed, that is to be paid for the motor vehicle, expressed in terms of U.S. currency as of the time of the sale, and shall include ~~the any cash consideration payment, if any, plus~~ as well as the value of any services or property given or to be given, or both, in exchange for the motor vehicle.

(B) ~~In the case of a lease, the purchase~~ Purchase price for a leased vehicle shall mean an amount computed by subtracting the lease end value of the motor vehicle from the original acquisition cost of the motor vehicle. For purposes of this subdivision (4)(B), the original acquisition cost of a motor vehicle is the gross ~~consideration~~ amount that the lessee would pay for the motor vehicle if the lessee purchased the motor vehicle on the date of execution of the lease contract, as stated in the lease contract or worksheet, and the lease end value is the value of the motor vehicle at the end of the lease period, as stated in the lease contract or worksheet or as determined under section 8907 of this title.

(B) For any purchaser who has paid tax on the purchase or use of a motor vehicle that was sold or traded by the purchaser or for which the purchaser received payment under a contract of insurance, the taxable cost of the replacement motor vehicle other than a leased vehicle shall exclude:

(ii)(I) The amount received from the sale of a motor vehicle last registered or titled in the seller's name, the amount not to exceed the clean trade-in value of the same make, type, model, and year of manufacture as designated by the manufacturer and as shown in the J.D. Power Values, or any comparable publication, provided the sale occurs within three months after the taxable purchase. The Commissioner may develop a process to determine the value of vehicles that do not have a clean trade-in value in J.D. Power Values.

VT LEG #386803 v.2

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VT LEG #386803 v.2

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* * *

1 (g)(1) There is hereby imposed upon the titling in this State a tax at the rate
2 provided for in subsection (a) or (b) of this section of the taxable cost of a:

3 * * *

4 (C) motor home as defined in subdivision 8902(11) of this title; ~~or~~

5 (D) vehicle ~~weighing~~ with a shipping weight of up to 10,099 pounds,
6 registered pursuant to 23 V.S.A. § 367, other than a farm truck; or

7 (E) trailer.

8 (2) For any other motor vehicle, it shall be at the rate provided for in
9 subsection (a) or (b) of this section and paid by a person at the time of
10 obtaining a certificate of title to the vehicle, except no tax shall be payable
11 ~~hereunder pursuant to this section~~ if the tax imposed by subsection (a) or (b) of
12 this section has been paid, or the vehicle is a pleasure car that was purchased,
13 leased, or otherwise acquired for use in short-term rentals, in which case the
14 vehicle shall be subject to taxation under subsection (d) of this section.

15 * * * Operation of Snowmobiles * * *

16 Sec. 17. 23 V.S.A. § 3207 is amended to read:

17 § 3207. PENALTIES AND REVOCATION OR SUSPENSION OF
18 REGISTRATION

19 * * *

20 (c) A person who violates any of the following sections of this title shall be
21 subject to a civil penalty of \$135.00 for each violation:

* * *

(h) The Commissioner or ~~his or her~~ the Commissioner's authorized agent may suspend or revoke the registration of any snowmobile registered in this state and repossess the number and certificate to it, when ~~he or she~~ the ~~commissioner~~ is satisfied that:

* * *

* * * Commercial Driver's Licenses * * *

§ 4107. COMMERCIAL DRIVER'S LICENSE REQUIRED

* * *

VT LEG #386803 v.2

1 vehicle with a weight of 26,001 pounds or more without being required to hold
2 a commercial driver's license. An individual operating a vehicle pursuant to
3 the provisions of this subsection shall be required to have a valid U.S.
4 Department of Transportation medical card unless the municipality or State
5 agency that employs the individual has been granted an exemption from that
6 requirement.

7 Sec. 19. 23 V.S.A. § 4110 is amended to read:

8 § 4110. APPLICATION FOR COMMERCIAL DRIVER'S LICENSE OR
9 COMMERCIAL LEARNER'S PERMIT

10 (a) The application for a commercial driver's license or commercial
11 learner's permit shall include the following:

12 * * *

13 (8)(A) The applicable fee for the commercial driver's license being
14 applied for. The four-year fee for a commercial driver's license shall be
15 \$108.00. The two-year fee shall be \$72.00. The one-year fee for a
16 nondomiciled commercial driver's license shall be \$40.00. In those instances
17 where the applicant surrenders a valid Vermont Class D license, the total fees
18 due shall be reduced by:

19 * * *

3 This act shall take effect on July 1, 2026.