

1 S.326

2 Introduced by Committee on Transportation

3 Date: January 30, 2026

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
10 that an individual may not have both a State-issued nondriver identification
11 card 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)
2 clarify the applicability of the purchase and use tax to trucks, trailers, and
3 semi-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~~
2 standing 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~~
20 ~~than~~ at least once every nine years to permit an updated photograph or imaged
21 likeness of the holder to be obtained.

1 * * *

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

6 * * *

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

14 * * *

15 * * * Operator's Licenses * * *

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

17 § 613. REPLACEMENT LICENSE

18 * * *

19 ~~(c)(1) An individual sentenced to serve a period of imprisonment of six~~
20 ~~months or more committed to the custody of the Commissioner of Corrections~~
21 ~~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
19 to 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
18 to 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
6 registration be reinstated until settlement has been made in full. Settlement in
7 full shall also include the payment of any penalties assessed by the State
8 Treasurer.

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

14 * * *

15 * * * License Plates * * *

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

17 § 511. MANNER OF DISPLAY

18 (a) Number plates.

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

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

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

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

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

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

21 ~~Chapter 25.~~

1 * * *

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

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

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

12 § 1006b. SMUGGLERS' NOTCH; WINTER CLOSURE OF VERMONT

13 ROUTE 108; VEHICLE OPERATION PROHIBITED

14 * * *

15 (b) Vehicle operation prohibition.

16 * * *

17 (2)(A) The employer of an operator who is operating a vehicle in the
18 scope of employment and violates this subsection or the operator of a vehicle
19 who is operating a vehicle for personal purposes and violates this subsection
20 shall be subject to a civil penalty of ~~\$1,000.00~~ \$10,000.00 or, if the violation
21 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,~~

1 ***

2 *** Salvage Titles ***

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

4 § 2091. SALVAGE CERTIFICATES OF TITLE; FORWARDING OF
5 PLATES AND TITLES OF CRUSHED VEHICLES

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

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

19 ~~(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
17 the owner named in the certificate, as shown by the records of the
18 Commissioner, shall promptly make application for and may obtain a duplicate
19 title upon furnishing information satisfactory to the Commissioner. ~~¶ The~~
20 ~~duplicate title shall be mailed or, if the person is at a Department of Motor~~

1 ~~Vehicles location, hand-delivered to the first lienholder named in it the title or~~
2 if none, to the 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
8 the 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
7 purposes of avoiding penalty and interest. In the event a mailing date is
8 affixed to the envelope by a machine owned or under the control of the person
9 submitting the report and the U.S. Post Office has corrected or changed the
10 date stamped thereon by causing the official U.S. Post Office postmark to also
11 be imprinted on the envelope, the date shown by the official Post Office
12 postmark shall be 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”~~ “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~~ 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.~~

1 ~~(5)(A) "Taxable cost" means the purchase price as defined in~~
2 subdivision (4) of this section or the taxable cost as determined under section
3 8907 of this title.

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

8 * * *

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

16 (II) ~~However, this~~ The three-month period shall be extended
17 day-for-day for any time that a member of a ~~guard unit~~ the National Guard or
18 of the U.S. Armed Forces, as defined in 38 U.S.C. § 101(10), spends outside
19 Vermont due to activation or deployment and an additional 60 days following
20 ~~the individual's return from activation or deployment.~~

1 ~~(III) The amount shall be reported on forms supplied by the~~
2 Commissioner of Motor Vehicles.

3 * * *

4 (13) "Month" means a period of 30 days.

5 (14) "Shipping weight" means the stock, as-built weight of a new
6 vehicle prior to the addition of optional equipment, passengers, or cargo. The
7 shipping weight of a vehicle includes the weight of the vehicle's standard
8 fluids, such as engine oil and coolant, but does not include the weight of the
9 vehicle's fuel.

10 (15) "Trailer" has the same meaning as in 23 V.S.A. § 4(40) and
11 includes a "semi-trailer," as that term is defined in 23 V.S.A. § 4(40), and a
12 fifth-wheel trailer.

13 (16) "Year" means a period of 365 days.

14 Sec. 16. 32 V.S.A. § 8903 is amended to read:

15 § 8903. TAX IMPOSED

16 (a)(1) There is hereby imposed upon the purchase in Vermont of a motor
17 vehicle by a resident a tax at the time of such purchase, payable as hereinafter
18 provided pursuant to this chapter. The amount of the tax shall be six percent
19 of the taxable cost of a:

20 * * *

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

1 ~~(D) vehicle weighing with a shipping weight of up to 10,000 pounds,~~
2 registered pursuant to 23 V.S.A. § 367, other than a farm truck; or

3 (E) trailer.

4 * * *

5 (b)(1) There is hereby imposed upon the use within this State a tax of six
6 percent of the taxable cost of a:

7 * * *

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

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

11 (E) trailer.

12 (2) For any other motor vehicle, it shall be six percent of the taxable
13 cost of the motor vehicle or \$2,486.00 for each motor vehicle, whichever is
14 smaller, by a person at the time of first registering ~~or~~ transferring a registration
15 to such the motor vehicle payable as hereinafter provided pursuant to this
16 chapter, except no use tax shall be payable ~~hereunder~~ pursuant to this
17 subsection if the tax imposed by subsection (a) of this section has been paid, or
18 the vehicle is a pleasure car that was purchased, leased, or otherwise acquired
19 for use in short-term rentals, in which case the vehicle shall be subject to
20 taxation under subsection (d) of this section.

21

1 ~~(c)(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 \$155.00 for each violation.

1 ~~§ 3202. operation of an unregistered snowmobile~~

2 * * *

3 (g) A person who violates the provisions of section 3202 of this chapter
4 shall be subject to a civil penalty of \$450.00 for a first offense and \$500.00 for
5 a second or subsequent offense within a three year period.

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

10 * * *

11 (h)(i) Civil penalties established under this section shall be mandatory and
12 may not be reduced.

13 * * * Commercial Driver's Licenses * * *

14 Sec. 18. 23 V.S.A. § 4107 is amended to read:

15 § 4107. COMMERCIAL DRIVER'S LICENSE REQUIRED

16 * * *

17 (d) Notwithstanding the provisions of this section, during a weather
18 emergency, as determined by the District Transportation Administrator of the
19 Agency of Transportation within whose district the relevant highway is
20 located, an employee of a State agency or Vermont municipality may, in the
21 discretion of the Commissioner or Secretary of Transportation, operate a motor

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

1
2
3

~~Effective Date~~

Sec. 20. EFFECTIVE DATE

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

~~*** Nondriver Identification Cards ***~~

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

~~§ 115. NONDRIVER IDENTIFICATION CARDS~~

~~(a)(1) Any Vermont resident who does not have an operator's license may make application to the Commissioner and be issued an identification card that is attested by the Commissioner as to true name, correct age, residential address unless the listing of another address is requested by the applicant or is otherwise authorized by law, and any other identifying data as the Commissioner may require that shall include, in the case of minor applicants, the written consent of the applicant's parent, guardian, or other person standing in loco parentis.~~

~~***~~

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

~~**~~

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

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

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

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

~~Effective Date~~

~~(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 who is sentenced to serve a period of imprisonment of six months or more committed to the custody of the Commissioner of Corrections in a correctional facility and who is eligible for a nondriver identification card under the requirements of this section shall, upon proper application and submission of the 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.~~

~~(2) As part of reentry planning, the Department of Corrections shall inquire with the individual to be released about the individual's desire to obtain a nondriver identification card, operator's license, or any driving credential replacement learner's permit, if eligible, and inform the individual about the differences, including any costs to the individual.~~

~~(3) If the individual desires a nondriver identification card, the Department of Corrections shall coordinate with the Department of Motor Vehicles to provide an identification card for the individual at the time of release.~~

~~(n)(1) If an individual who is detained for six months or more in a correctional facility is eligible for a nondriver identification card under the requirements of this section, the Department of Corrections, as soon as reasonably practicable, shall obtain the documentation required for a non-REAL ID or REAL ID nondriver identification card and shall provide the individual with the documentation at the time of release.~~

~~(2) The application shall include the post-release mailing address of the individual and proof that the individual is a resident of Vermont following release from the correctional facility.~~

~~(3) Upon proper application and submission of all required documentation following release from the correctional facility, an individual who was detained for six months or more in a correctional facility shall be provided with a nondriver identification card for a fee of \$0.00.~~

~~(4) The Department of Corrections shall coordinate with the Department of Motor Vehicles regarding the documentation required for an individual who is detained for six months or more in a correctional facility to obtain a non-REAL ID or REAL ID nondriver identification card.~~

~~(o) The Commissioner shall provide a form that, upon the individual's execution, shall serve as a document of an anatomical gift under 18 V.S.A. chapter 110. An indicator shall be placed on the nondriver identification card of any individual who has executed an anatomical gift form in accordance with this section.~~

~~(p) As used in this section, "correctional facility" has the same meaning as in 28 V.S.A. § 3.~~

~~*** Operator's Licenses ***~~

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

~~§ 613. REPLACEMENT LICENSE~~

~~***~~

~~(c)(1) An individual who is sentenced to serve a period of imprisonment of six months or more in a correctional facility who holds an unexpired license issued under the provisions of this subchapter or who held a Vermont operator's license that expired not more than three years prior shall:~~

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

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

~~(2) The application shall include the post-release mailing address of the individual and proof that the individual will be a resident of Vermont following release from the correctional facility.~~

~~(3) As part of reentry planning, the Department of Corrections shall inquire with each individual regarding whether the individual would like to obtain a nondriver identification card, operator's license, or replacement learner's permit, if eligible, and shall provide the individual with information regarding required documentation and any associated costs.~~

~~(4) If an individual would like to obtain an operator's license pursuant to the provisions of this section and is eligible, the Department of Corrections shall coordinate with the Department of Motor Vehicles to provide an operator's license to the individual at the time the individual is released from the correctional facility.~~

~~Sec. 3. 23 V.S.A. § 613 is amended to read:~~

~~§ 613. REPLACEMENT LICENSE~~

~~***~~

~~(d)(1) An individual who is detained for six months or more in a correctional facility shall be eligible to apply for a replacement license pursuant to the provisions of this section if, at the time the individual submits an application to obtain a replacement license pursuant to this subsection, the individual~~

~~(A) holds an unexpired license issued under the provisions of this subchapter; or~~

~~(B) held a Vermont operator's license that expired not more than three years prior.~~

~~(2) If an individual who is detained for six months or more in a correctional facility is eligible for a replacement operator's license under the requirements of this section, the Department of Corrections, as soon as reasonably practicable, shall obtain the documentation required for a non-REAL ID or REAL ID operator's license and shall provide the individual with the documentation at the time of release.~~

~~(3) The application shall include the post-release mailing address of the individual and proof that the individual is a resident of Vermont following release from the correctional facility.~~

~~(4) Upon proper application and submission of all required documentation following release from the correctional facility, an individual who was detained for six months or more in a correctional facility shall be provided with a replacement operator's license for a fee of \$0.00.~~

~~(5) The Department of Corrections shall coordinate with the Department of Motor Vehicles regarding the documentation required for an individual who is detained for six months or more in a correctional facility to obtain a non-REAL ID or REAL ID replacement operator's license.~~

~~(e) As used in this section, "correctional facility" has the same meaning as in 28 V.S.A. § 3.~~

~~Sec. 4. 23 V.S.A. § 617 is amended to read:~~

~~§ 617. LEARNER'S PERMIT~~

~~***~~

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

~~***~~

~~(4) A replacement learner's permit issued pursuant to subsection (g) of~~

~~This section shall be issued for a fee of \$0.00.~~

~~***~~

~~(g)(1) An individual sentenced to serve a period of imprisonment of six months or more in a correctional facility who holds an unexpired learner's permit issued under the provisions of this section or who held a learner's permit issued under the provisions of this section that expired not more than two years prior shall:~~

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

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

~~(2) The application shall include the post-release mailing address of the individual and proof that the individual will be a resident of Vermont following release from the correctional facility.~~

~~(3) As part of reentry planning, the Department of Corrections shall inquire with each individual regarding whether the individual would like to obtain a nondriver identification card, operator's license, or replacement learner's permit, if eligible, and shall provide the individual with information regarding required documentation and any associated costs.~~

~~(4) If an individual would like to obtain a replacement learner's permit pursuant to the provisions of this section and is eligible, the Department of Corrections shall coordinate with the Department of Motor Vehicles to provide a replacement learner's permit to the individual at the time the individual is released from the correctional facility.~~

Sec. 5. 23 V.S.A. § 617 is amended to read:

§ 617. LEARNER'S PERMIT

~~(h)(1) An individual who is detained for six months or more in a correctional facility shall be eligible to apply for a replacement learner's permit pursuant to the provisions of this section if, at the time the individual submits an application to obtain a replacement learner's permit pursuant to this subsection, the individual:~~

~~(A) holds an unexpired learner's permit issued under the provisions of this section; or~~

~~(B) held a learner's permit issued under the provisions of this section~~

~~that expired not more than two years prior.~~

~~(2) If an individual who is detained for six months or more in a correctional facility is eligible for a replacement learner's permit under the requirements of this section, the Department of Corrections, as soon as reasonably practicable, shall obtain the documentation required for a learner's permit and shall provide the individual with the documentation at the time of release from the correctional facility.~~

~~(3) The application shall include the post-release mailing address of the individual and proof that the individual is a resident of Vermont following release from the correctional facility.~~

~~(4) Upon proper application and submission of all required documentation following release from the correctional facility, an individual who was detained for six months or more in a correctional facility shall be provided with a replacement learner's permit for a fee of \$0.00.~~

~~(5) The Department of Corrections shall coordinate with the Department of Motor Vehicles regarding the documentation required for an individual who is detained for six months or more in a correctional facility to obtain a replacement learner's permit.~~

~~(i) As used in this section, "correctional facility" has the same meaning as in 28 V.S.A. § 3.~~

~~Sec. 6. 28 V.S.A. § 102 is amended to read:~~

~~§ 102. COMMISSIONER OF CORRECTIONS; APPOINTMENT;
POWERS; RESPONSIBILITIES~~

~~* * *~~

~~(c) The Commissioner is charged with the following responsibilities:~~

~~* * *~~

~~(25) To coordinate with the Department of Motor Vehicles to provide eligible individuals with nondriver identification cards and documentation pursuant to 23 V.S.A. § 115(m) and (n), replacement operator's licenses and documentation pursuant to 23 V.S.A. § 613(c) and (d), and replacement learner's permits and documentation pursuant to 23 V.S.A. § 617(g) and (h).~~

~~* * * Insufficient Funds for Fees * * *~~

~~Sec. 7. 23 V.S.A. § 110 is amended to read:~~

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

~~(a) Whenever any check or electronic funds transfer, including a credit or debit charge, issued in payment of any fee or for any other purpose is tendered~~

~~by the Department of Motor Vehicles and payment is not honored by the bank on which the check is drawn or entity to which the electronic funds transfer is submitted, the Commissioner shall send a written notice of its nonpayment to the maker or person presenting the check and if the check is not immediately made good who provided insufficient funds and, if the required amounts are not promptly paid as required by the Commissioner, the Commissioner shall suspend the license or registration of the person or persons. In no case shall the license or registration be reinstated until settlement has been made in full. Settlement in full shall also include the payment of any penalties assessed by the State Treasurer;~~

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

~~***~~

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

~~Sec. 8. 23 V.S.A. § 1006b is amended to read:~~

~~§ 1006b. SMUGGLERS' NOTCH; WINTER CLOSURE OF VERMONT ROUTE 108; VEHICLE OPERATION PROHIBITED~~

~~***~~

~~(b) Vehicle operation prohibition.~~

~~***~~

~~(2) The employer of an operator who is operating a vehicle in the scope of employment and violates this subsection or the operator of a vehicle who is operating a vehicle for personal purposes and violates this subsection shall be subject to a civil penalty of ~~\$1,000.00~~ \$10,000.00 or, if the violation results in substantially impeding the flow of traffic on Vermont Route 108, a civil penalty of ~~\$2,000.00~~ \$20,000.00. For a second or subsequent conviction within a three-year period, the applicable penalty shall be doubled.~~

~~***~~

~~*** Salvage Titles ***~~

~~Sec. 9. 23 V.S.A. § 2091 is amended to read:~~

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

~~***~~

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

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

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

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

~~(i) shall not require a notarized signature;~~

~~(ii) may be signed electronically; and~~

~~(iii) may be printed on hard copy.~~

~~(B) As used in this subdivision (b)(2):~~

~~(i) "Signed electronically" means that a person, with the intent to sign the record, uses an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person. For purposes of this subdivision (b)(2), an electronic signature on a supporting document shall utilize a secure authentication system that identifies the signatory with a degree of certainty equivalent to or greater than level 2 as described in the National Institute of Standards and Technology's June 2017 Digital Identity Guidelines, NIST Special Publication 800-63-3, Revision 3.~~

~~(ii) "Supporting documents" include bills of sale, title documents, odometer disclosure forms, and powers of attorney.~~

~~(C) An insurer shall indemnify and hold harmless the Department for any claims arising from the issuance of a certificate of title pursuant to this section.~~

~~***~~

~~*** Duplicate Titles ***~~

~~Sec. 10. 23 V.S.A. § 2022 is amended to read:~~

~~§ 2022. DUPLICATE CERTIFICATE~~

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

~~when.~~

~~***~~

~~Sec. 11. 23 V.S.A. § 3801 is amended to read:~~

~~§ 3801. DEFINITIONS~~

~~Except when the context otherwise requires, as used in this chapter:~~

~~***~~

~~(20) "Title or certificate of title" means a written instrument or document that certifies ownership of a vessel, snowmobile, or all-terrain vehicle and is issued by the Commissioner or equivalent official of another jurisdiction.~~

~~***~~

~~Sec. 12. 23 V.S.A. § 3815 is amended to read:~~

~~§ 3815. DUPLICATE CERTIFICATE~~

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

~~***~~

~~*** Title Appeals ***~~

~~Sec. 13. 23 V.S.A. § 2005 is amended to read:~~

~~§ 2005. APPEAL~~

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

~~*** Abandoned Motor Vehicles ***~~

~~Sec. 14. 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. 15. 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~~ \$250.00 for towing an abandoned motor vehicle from public property under the provisions of sections 2151–2157 of this subchapter.

(2) This fee shall be paid to:

(A) ~~the~~ a towing service upon the issuance by the Department of Motor Vehicles of a certificate of abandoned motor ~~vehicles~~ vehicle under section 2156 of this title; or

(B) the Agency of Transportation if the Agency has a vehicle towed from a State right-of-way and submits proof acceptable to the Commissioner that the Agency has paid a towing service to tow the vehicle from the State right-of-way.

(3) The Commissioner of Motor Vehicles shall notify the Commissioner of Finance and Management, who shall issue payment to the towing service or Agency of Transportation, as applicable, for vehicles removed from public property.

* * *

* * * Diesel Fuel Tax * * *

Sec. 16. 23 V.S.A. § 3015 is amended to read:

§ 3015. COMPUTATION AND PAYMENT OF TAX

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

* * *

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

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

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

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

* * * Operation of Snowmobiles * * *

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

§ 3207. PENALTIES AND REVOCATION OR SUSPENSION OF
REGISTRATION

* * *

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

~~§ 3202 operation of an unregistered snowmobile~~

* * *

~~(g) A person who violates the provisions of section 3202 of this chapter shall be subject to a civil penalty of \$450.00 for a first offense and \$500.00 for a second or subsequent offense within a three-year period.~~

~~(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:~~

~~***~~

~~(h)(i) Civil penalties established under this section shall be mandatory and may shall not be reduced.~~

~~*** Commercial Driver's Licenses ***~~

~~Sec. 18. 23 V.S.A. § 4107 is amended to read:~~

~~§ 4107. COMMERCIAL DRIVER'S LICENSE REQUIRED~~

~~***~~

~~(d)(1) Notwithstanding the provisions of this section, during an emergency declared by the Governor, an employee of a State agency or a Vermont municipality may operate a commercial motor vehicle with a weight of 26,001 or more pounds without being required to hold a commercial driver's license while the emergency or emergency condition is ongoing if:~~

~~(A) expressly permitted to do so pursuant to the terms of the Governor's declaration; and~~

~~(B) the individual is performing official duties or activities related to the execution of emergency governmental functions pursuant to 49 C.F.R. 383.3(d)(2).~~

~~(2) An individual operating a vehicle pursuant to the provisions of this subsection shall have a valid operator's license issued pursuant to chapter 9 of this title or the applicable laws of another state.~~

~~(3) As used in this subsection, "emergency" means a situation, condition, or event that involves significant imminent or ongoing risk to public health and safety, infrastructure, or property.~~

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

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

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

~~***~~

~~(8)(A) The applicable fee for the commercial driver's license being applied for. The four-year fee for a commercial driver's license shall be \$108.00. The two-year fee shall be \$72.00. The one-year fee for a~~

~~Unlicensed commercial driver's license shall be \$40.00. In those instances where the applicant surrenders a valid Vermont Class D license, the total fees due shall be reduced by:~~

~~***~~

~~*** Motorboat Validation Stickers ***~~

~~Sec. 20. 23 V.S.A. § 3305 is amended to read:~~

~~§ 3305. FEES~~

~~***~~

~~(b)(1) Annually or biennially, the owner of each motorboat required to be registered by this State shall file an application for a number with the Commissioner of Motor Vehicles on forms approved by ~~him or her~~ the Commissioner.~~

~~(2) The application shall be signed by the owner of the motorboat and shall be accompanied by:~~

~~(A) an annual fee of \$31.00, or a biennial fee of \$57.00, for a motorboat in class A; ~~by~~~~

~~(B) an annual fee of \$49.00, or a biennial fee of \$93.00, for a motorboat in class 1; ~~by~~~~

~~(C) an annual fee of \$80.00, or a biennial fee of \$155.00, for a motorboat in class 2; ~~by or~~~~

~~(D) an annual fee of \$153.00, or a biennial fee of \$303.00, for a motorboat in class 3.~~

~~(3)(A) Upon receipt of the application in approved form, the Commissioner shall enter the application upon the records of the Department of Motor Vehicles and issue to the applicant a registration certificate stating the number awarded to the motorboat and the name and address of the owner.~~

~~(B) The owner shall paint on or attach to each side of the bow of the motorboat the identification number in ~~such~~ the manner as may be prescribed by rules of the Commissioner in order that it may be clearly visible. Validation stickers shall be placed within six inches preceding the registration number on the port side of the motorboat and within six inches following the registration number on the starboard side of the motorboat.~~

~~(C) The registration shall be void one year from the first day of the month following the month of issue in the case of annual registrations or void two years from the first day of the month following the month of issue in the case of biennial registrations.~~

~~(D) A motorboat of less than 10 horsepower used as a tender to a registered motorboat shall be deemed registered, at no additional cost, and shall have painted or attached to both sides of the bow the same registration number as the registered motorboat with the number "1" after the number.~~

~~(E) The number shall be maintained in legible condition.~~

~~(F) The registration certificate shall be pocket size and shall be available at all times for inspection on the motorboat for which issued, whenever the motorboat is in operation.~~

~~(G) A duplicate registration may be obtained upon payment of a fee of \$3.00 to the Commissioner.~~

~~(H) Registration fees shall be allocated in accordance with section 3319 of this title.~~

~~(c) A person engaged in the business of selling or exchanging dealer in motorboats, as defined in subdivision 4(8) of this title, of a type otherwise required to be registered by this subchapter shall register and obtain registration certificates for use as described under subdivision (1) of this subsection, subject to the requirements of chapter 7 of this title. A manufacturer of motorboats may register and obtain registration certificates under this section.~~

~~(1) A dealer motorboat registration number may be used:~~

~~(A) for the purpose of testing or adjusting motorboats in the immediate vicinity of ~~his or her~~ the dealer's place of business;~~

~~***~~

~~(C) for demonstration when the prospective purchaser is operating the motorboat and is not accompanied by the dealer or ~~his or her~~ the dealer's employee, but not for more than three days;~~

~~***~~

~~(4) The Commissioner shall issue a registration certificate of number for each identifying number awarded to the dealer in the manner described in subsection ~~(a)~~(b) of this section, except that a motorboat shall not be described in the certificate. A dealer's registration certificate expires one year from the first day of the month of issuance.~~

~~(5) A dealer's identifying number shall be displayed as required by subsection ~~(a)~~(b) of this section except that the number may be temporarily attached.~~

~~***~~

~~(d)(1) Registration of a motorboat ends when the owner transfers title to another. The former owner shall immediately return directly to the Commissioner the registration certificate previously assigned to the transferred motorboat with the date of sale and the name and residence of the new owner endorsed on the back of the certificate.~~

~~(2) When a person transfers the ownership of a registered motorboat to another, files a new application, and pays a fee of \$6.00, ~~he or she~~ the person may have registered in ~~his or her~~ the person's name another motorboat of the same class for the remainder of the registration period without payment of any additional registration fee. However, if the fee for the registration of the motorboat sought to be registered is greater than the registration fee for the transferred motorboat, the applicant shall pay the difference between the fee first paid and the fee for the class of motorboat sought to be registered.~~

~~***~~

~~(g) The owner shall notify the Commissioner of the transfer of any part of the owner's interest other than the creation of a security interest in a motorboat numbered in this State under subsections ~~(a) and (b)~~ and (c) of this section or of the destruction or abandonment of the motorboat, within 15 days after the transfer, destruction, or abandonment. The transfer, destruction, or abandonment shall end the certificate of number for the motorboat except that in the case of a transfer of a part interest that does not affect the owner's right to operate the motorboat, the transfer shall not end the certificate of number.~~

~~(h) Any holder of a registration certificate shall notify the Commissioner within 15 days if ~~his or her~~ the holder's address ceases to be the address appearing on the certificate and shall, as a part of the notification, furnish the Commissioner with ~~his or her~~ the holder's new address. The Commissioner may provide by rule for the surrender of the certificate bearing the former address and its replacement with a certificate bearing the new address or for the alteration of an outstanding certificate to show the new address of the holder.~~

~~***~~

~~*** Personal Flotation Devices ***~~

~~Sec. 21. 23 V.S.A. § 3306 is amended to read:~~

~~§ 3306. LIGHTS AND EQUIPMENT~~

~~***~~

~~(b)(1) Personal flotation devices. Each vessel, except sailboards, shall, consistent with federal regulations, carry for each individual aboard at least one ~~wearable U.S. Coast Guard approved personal flotation device that is in~~~~

~~good and serviceable condition and capable of being used in accordance with the U.S. Coast Guard approval label.~~

~~***~~

~~(4) Cold weather.~~

~~(A) Except as otherwise provided pursuant to subdivision (B) of this subdivision (b)(4), on or before May 1 of each year and on or after November 1 of each year, all individuals aboard a vessel, while under way and the individual is on an open deck, shall wear a properly secured wearable U.S. Coast Guard-approved personal flotation device as intended by the manufacturer.~~

~~(B) The requirements of this subdivision (b)(4) shall not apply to an individual who is:~~

~~(i) aboard a vessel that is located in water that is not more than three feet deep; and~~

~~(ii) actively engaged in hunting or bow fishing and who holds a valid license issued under 10 V.S.A. part 4.~~

~~(5) Inspected commercial vessels. U.S. Coast Guard-inspected commercial vessels shall be exempt from the provisions of this subsection.~~

~~***~~

~~*** Kei Vehicles ***~~

~~Sec. 22. 23 V.S.A. § 4 is amended to read:~~

~~§ 4. DEFINITIONS~~

~~Except as may otherwise be provided by law, and unless the context otherwise requires in statutes relating to motor vehicles and enforcement of the law regulating vehicles, as provided in this title and 20 V.S.A. part 5, the following definitions shall apply:~~

~~***~~

~~(28) “Pleasure car” shall ~~include~~ includes all motor vehicles not otherwise defined in this title and shall ~~include~~ includes plug-in electric vehicles, battery electric vehicles, or plug-in hybrid electric vehicles, as defined pursuant to subdivision (85) of this section, and kei vehicles as defined pursuant to subdivision (90) of this section.~~

~~***~~

~~(72) “Farm truck” means a motor truck or kei truck that, at the option of the owner, may be registered under the provisions of subsection 367(f) of~~

~~this title or may be unregistered when used in accordance with subsection 370(b) of this title.~~

~~***~~

~~(89) "Kei truck" means a kei vehicle that is designed, used, or maintained primarily for the transportation of property.~~

~~(90) "Kei vehicle" means a motor vehicle that has four wheels, an engine displacement of 660 cubic centimeters or less, an overall length of 130 inches or less, an overall height of 78 inches or less, and an overall width of 60 inches or less.~~

~~Sec. 23. 23 V.S.A. § 1044 is added to read:~~

~~§ 1044. OPERATION OF KEI VEHICLES~~

~~(a) A kei vehicle registered as a pleasure car shall be subject to all provisions of this title that are applicable to pleasure cars.~~

~~(b) A kei truck registered as a farm truck shall be subject to all provisions of this title that are applicable to farm trucks.~~

~~(c) The Traffic Committee and political subdivisions of this State shall not adopt any rules or ordinances that would have the effect of prohibiting:~~

~~(1) a kei vehicle that is registered as a pleasure car from being operated in the same manner and locations as other pleasure cars; and~~

~~(2) a kei truck that is registered as a farm truck from being operated in the same manner and locations as other farm trucks.~~

~~*** Inspection Manual ***~~

~~Sec. 24. INSPECTION MANUAL; AMENDMENT~~

~~(a)(1) The Department of Motor Vehicles shall amend the inspection manual to increase its focus on vehicle conditions that constitute genuine safety issues; eliminate outdated procedures; and provide clear, consistent guidance for both inspection mechanics and members of the public.~~

~~(2) It is the intent of the General Assembly that the amendments to the inspection manual adopted pursuant to this section shall ensure that:~~

~~(A) the inspection manual only requires failure of an inspection when, as determined by the Commissioner, the condition of a vehicle system or component constitutes an immediate safety risk; and~~

~~(B) a vehicle owner shall be advised of conditions of vehicle systems and components that do not constitute an immediate safety risk but may become a safety risk at some time in the future.~~

~~(3) In preparing the amendments to the inspection manual, the Department shall specifically determine whether amendments to the provisions relating to the following vehicle systems and components are necessary to comply with the legislative intent set forth in subdivision (2) of this subsection:~~

~~(A) tires;~~

~~(B) power steering;~~

~~(C) suspension;~~

~~(D) brake rotors;~~

~~(E) lighting;~~

~~(F) electrical systems and components;~~

~~(G) windshield;~~

~~(H) windows;~~

~~(I) windshield wipers;~~

~~(J) vehicle body; and~~

~~(K) in the discretion of the Commissioner, any other vehicle systems or components.~~

~~(4) In preparing the amendments to the inspection manual, the Department shall determine whether any tests or procedures require amendment or elimination, including the on-highway road test for brakes and the headlamp aiming test.~~

~~(5) In preparing the amendments to the inspection manual, the Department shall provide additional visual guidance regarding when certain conditions warrant failure of an inspection.~~

~~(b) On or before August 1, 2026, the Department of Motor Vehicles shall:~~

~~(1) file with the Secretary of State pursuant to the provisions of 3 V.S.A. § 838 proposed amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) necessary to implement the provisions of this section; and~~

~~(2) adopt emergency rules pursuant to 3 V.S.A. § 844 to implement the provisions of this section while permanent rule amendments are pending, which shall be deemed to have met the standard for emergency rulemaking set forth in 3 V.S.A. § 844(a).~~

~~(c) The Commissioner of Motor Vehicles shall submit to the House and Senate Committees on Transportation the following reports regarding the rule amendments proposed pursuant to this section:~~

~~(1) Not more than five days after the Department files proposed rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State pursuant to 3 V.S.A. § 838, the Commissioner shall submit a summary of the proposed amendments and an annotated copy of the inspection manual that shows the proposed changes.~~

~~(2) Not more than five days after the Department files final proposed rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State and Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 841, the Commissioner shall submit a summary of the proposed amendments, an annotated copy of the inspection manual that shows the proposed changes, and a copy of the responsiveness summary, if any, that is submitted with the final proposed rules pursuant to 3 V.S.A. § 841(b)(2).~~

~~(3) Not more than five days after the Department files the adopted rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State and Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 843, the Commissioner shall submit a brief written statement of the date on which the rule amendments were submitted pursuant to 3 V.S.A. § 843, the effective date of the rule amendments, and any changes to the final proposed rule that were approved by the Legislative Committee on Administrative Rules.~~

~~*** Limited-Use Specialty Vehicles ***~~

~~Sec. 25. 23 V.S.A. § 4 is amended to read:~~

~~§ 4. DEFINITIONS~~

~~Except as may otherwise be provided by law, and unless the context otherwise requires in statutes relating to motor vehicles and enforcement of the law regulating vehicles, as provided in this title and 20 V.S.A. part 5, the following definitions shall apply:~~

~~***~~

~~(91) "Limited-use specialty vehicle" means a motor vehicle that is:~~

~~(A) built by either:~~

~~(i) a manufacturer that manufactures not more than 325 vehicles per year for sale in the United States; or~~

~~(ii) an individual and not for resale;~~

~~(B) maintained solely for occasional transportation, including exhibitions, club activities, parades, and other functions of public interest; and~~

~~(C) not used for daily transportation of passengers or property or~~

~~any highway.~~

Sec. 26. 23 V.S.A. § 375 is added to read:

§ 375. LIMITED-USE SPECIALTY VEHICLES

(a) The Commissioner shall issue a certificate of registration for not more than 12 limited-use specialty vehicles per year.

(b) A vehicle that has been registered as a limited-use specialty vehicle shall not be permitted to be registered as any other type of vehicle.

(c) The annual fee for registration of a limited-use specialty vehicle shall be \$26.00.

(d) A vehicle registered under this section may be used on public highways:

(1) in exhibitions, club activities, parades, and other functions of public interest; and

(2) for occasional transportation of passengers or property, not to exceed one day per week.

Sec. 27. 23 V.S.A. § 1222 is amended to read:

§ 1222. INSPECTION OF REGISTERED VEHICLES

* * *

(f) Notwithstanding the provisions of subsection (a) of this section, a limited-use specialty vehicle registered pursuant to section 375 of this title shall undergo a safety inspection each year, but shall not be required to undergo a visual emissions inspection or OBD systems inspection.

* * * License Plates * * *

Sec. 28. 23 V.S.A. § 511 is amended to read:

§ 511. MANNER OF DISPLAY

(a) Number plates.

(1) A motor vehicle operated on any highway shall have displayed in a conspicuous place either one or two number plates as the Commissioner may require. ~~Such~~ The number plates shall be furnished by the Commissioner and shall show the number assigned to ~~such~~ the vehicle by the Commissioner. If only one number plate is furnished, the same plate shall be securely attached to the rear of the vehicle. If two are furnished, one shall be securely attached to the rear and one to the front of the vehicle.

(2)(A) The number Number plates shall be kept entirely unobscured, and ~~the numerals and letters thereon on the plates shall be plainly legible at all~~

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

(C) A person shall not cover or obscure any numerals or letters on a number plate with any material or substance.

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

* * *

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

* * * Motorcycle Exhaust Requirements * * *

Sec. 29. 23 V.S.A. § 1221 is amended to read:

§ 1221. CONDITION OF VEHICLE; EXCESSIVE NOISE

(a) A motor vehicle, operated on any highway, shall be in good mechanical condition and shall be properly equipped.

(b)(1) An individual shall not operate on a highway a motorcycle manufactured after December 31, 1985, that is not labeled in compliance with 40 C.F.R. § 205.158 and equipped with a muffler that meets the requirements of 40 C.F.R. § 205.169.

(2) The prohibition in subdivision (1) of this subsection shall not apply when a motorcycle is operated in a race, contest, or demonstration of speed or skill at an authorized public exhibition held in accordance with applicable State or municipal law and land use permits.

~~(2) A motorcycle that does not meet the requirements of subdivision (1)~~

~~of this subsection shall not pass an inspection required under section 1222 of this title.~~

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

~~Sec. 30. EFFECTIVE DATES~~

~~(a) Secs. 1 (nondriver identification cards), 3 (detained individuals' operator's licenses), and 5 (detained individuals' learner's permits) shall take effect on January 1, 2027.~~

~~(b) This section and the remaining sections of this act shall take effect on July 1, 2026.~~

~~*** Nondriver Identification Cards ***~~

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

~~§ 115. NONDRIVER IDENTIFICATION CARDS~~

~~(a)(1) Any Vermont resident who does not have an operator's license may make application to the Commissioner and be issued an identification card that is attested by the Commissioner as to true name, correct age, residential address unless the listing of another address is requested by the applicant or is otherwise authorized by law, and any other identifying data as the Commissioner may require that shall include, in the case of minor applicants, the written consent of the applicant's parent, guardian, or other person standing in loco parentis.~~

~~***~~

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

~~***~~

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

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

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

~~(B) Except that a renewal by an individual required to have a photograph or imaged likeness under this subsection must be made An identification card issued pursuant to this section shall be renewed in person~~

~~so that an updated imaged likeness of the individual is obtained not less often than at least once every nine years to permit an updated photograph or imaged 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:~~

* * *

* * * *Insufficient Funds for Fees* * * *

Sec. 2. 23 V.S.A. § 110 is amended to read:

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

~~(a) Whenever any check or electronic funds transfer, including a credit or debit charge, issued in payment of any fee or for any other purpose is tendered to the Department of Motor Vehicles and payment is not honored by the bank on which the check is drawn or entity to which the electronic funds transfer is submitted, the Commissioner shall send a written notice of its nonpayment to the maker or person presenting the check and if the check is not immediately made good who provided insufficient funds and, if the required amounts are not promptly paid as required by the Commissioner, the Commissioner shall suspend the license or registration of the person or persons. In no case shall the license or registration be reinstated until settlement has been made in full. Settlement in full shall also include the payment of any penalties assessed by the State Treasurer.~~

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

* * *

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

Sec. 3. 23 V.S.A. § 1006b is amended to read:

§ 1006b. SMUGGLERS' NOTCH; WINTER CLOSURE OF VERMONT ROUTE 108; VEHICLE OPERATION PROHIBITED

* * *

~~(b) Vehicle operation prohibition.~~

* * *

(2) The employer of an operator who is operating a vehicle in the scope of employment and violates this subsection or the operator of a vehicle who is operating a vehicle for personal purposes and violates this subsection shall be subject to a civil penalty of ~~\$1,000.00~~ \$10,000.00 or, if the violation results in substantially impeding the flow of traffic on Vermont Route 108, a civil penalty of ~~\$2,000.00~~ \$20,000.00. For a second or subsequent conviction within a three-year period, the applicable penalty shall be doubled.

* * *

Sec. 4. SMUGGLERS' NOTCH; UPDATED SIGNAGE

The Agency of Transportation shall update signage leading to Smugglers' Notch that relates to the prohibitions and penalties set forth in 23 V.S.A. § 1006b to make drivers aware of the increased penalties for operating an oversize vehicle in Smugglers' Notch that are imposed pursuant to Sec. 3 of this act.

* * * Salvage Titles * * *

Sec. 5. 23 V.S.A. § 2091 is amended to read:

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

* * *

(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

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

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

(i) shall not require a notarized signature;

(ii) may be signed electronically; and

(iii) may be printed on hard copy.

(B) As used in this subdivision (b)(2):

(i) "Signed electronically" means that a person, with the intent to sign the record, uses an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person. For

purposes of this subdivision (b)(2), an electronic signature on a supporting document shall utilize a secure authentication system that identifies the signatory with a degree of certainty equivalent to or greater than level 2 as described in the National Institute of Standards and Technology's June 2017 Digital Identity Guidelines, NIST Special Publication 800-63-3, Revision 3.

(ii) "Supporting documents" include bills of sale, title documents, odometer disclosure forms, and powers of attorney.

(C) An insurer shall indemnify and hold harmless the Department for any claims arising from the issuance of a certificate of title based upon supporting documents meeting the requirements of this subdivision (b)(2).

* * *

* * * Duplicate Titles * * *

Sec. 6. 23 V.S.A. § 2022 is amended to read:

§ 2022. DUPLICATE CERTIFICATE

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

* * *

Sec. 7. 23 V.S.A. § 3801 is amended to read:

§ 3801. DEFINITIONS

Except when the context otherwise requires, as used in this chapter:

* * *

(20) "Title or certificate of title" means a written instrument or document that certifies ownership of a vessel, snowmobile, or all-terrain vehicle and is issued by the Commissioner or equivalent official of another jurisdiction.

* * *

Sec. 8. 23 V.S.A. § 3815 is amended to read:

§ 3815. DUPLICATE CERTIFICATE

(a) If a certificate of title is lost, stolen, mutilated, or destroyed or becomes

illegible, the first lienholder or, if none, the owner or legal representative of the owner named in the certificate of title, as shown by the records of the Commissioner; shall promptly make application for and may obtain a duplicate title upon furnishing information satisfactory to the Commissioner. ~~It~~ The duplicate title shall be mailed or, if the person is at a Department of Motor Vehicles location, hand delivered to the first lienholder named in ~~it~~ the title or, if none, to the owner.

* * *

** * * Title Appeals * * **

Sec. 9. 23 V.S.A. § 2005 is amended to read:

§ 2005. APPEAL

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

** * * Abandoned Motor Vehicles * * **

Sec. 10. 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. 11. 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~~ \$250.00 for towing an abandoned motor vehicle from public property under the provisions of sections 2151–2157 of this subchapter.

(2) This fee shall be paid to;

(A) the a towing service upon the issuance by the Department of Motor Vehicles of a certificate of abandoned motor ~~vehieles~~ vehicle under section 2156 of this title; or

(B) the Agency of Transportation if the Agency has a vehicle towed from a State right-of-way and submits proof acceptable to the Commissioner that the Agency has paid a towing service to tow the vehicle from the State right-of-way.

(3) The Commissioner of Motor Vehicles shall notify the Commissioner of Finance and Management, who shall issue payment to the towing service or Agency of Transportation, as applicable, for vehicles removed from public property.

* * *

Sec. 11a. 23 V.S.A. § 2154 is amended to read:

§ 2154. IDENTIFICATION AND RECLAMATION OF ABANDONED
MOTOR VEHICLES

(a) The Department shall make a reasonable attempt to locate and provide notice to an owner of an abandoned motor vehicle.

* * *

(3) The Department shall maintain and keep current on its website a list of vehicles for which an application for a certificate of abandoned motor vehicle has been filed and contact information for Department personnel to whom evidence of ownership may be presented under subsection (b) of this section. At a minimum and to the extent permitted by federal law, the list shall include the vehicle's make; registration plate number or public vehicle identification number; or both if available; model; model year; and the name and contact information of the person who applied for the certificate of abandoned motor vehicle.

* * *

* * * Diesel Fuel Tax * * *

Sec. 12. 23 V.S.A. § 3015 is amended to read:

§ 3015. COMPUTATION AND PAYMENT OF TAX

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

* * *

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

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

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

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

* * * *Operation of Snowmobiles* * * *

Sec. 13. 23 V.S.A. § 3207 is amended to read:

*§ 3207. PENALTIES AND REVOCATION OR SUSPENSION OF
REGISTRATION*

* * *

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

~~§ 3202 operation of an unregistered snowmobile~~

* * *

(g) A person who violates the provisions of section 3202 of this chapter shall be subject to a civil penalty of \$450.00 for a first offense and \$500.00 for a second or subsequent offense within a three-year period.

(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:

** * **

(h)(i) Civil penalties established under this section shall be mandatory and ~~may~~ shall not be reduced.

** * * Commercial Driver's Licenses * * **

Sec. 14. 23 V.S.A. § 4107 is amended to read:

§ 4107. COMMERCIAL DRIVER'S LICENSE REQUIRED

** * **

(d)(1) Notwithstanding the provisions of this section, during an emergency declared by the Governor, an employee of a State agency or a Vermont municipality may operate a commercial motor vehicle with a weight of 26,001 or more pounds without being required to hold a commercial driver's license while the emergency or emergency condition is ongoing if:

(A) expressly permitted to do so pursuant to the terms of the Governor's declaration; and

(B) the individual is performing official duties or activities related to the execution of emergency governmental functions pursuant to 49 C.F.R. § 383.3(d)(2).

(2) An individual operating a vehicle pursuant to the provisions of this subsection shall have a valid operator's license issued pursuant to chapter 9 of this title or the applicable laws of another state.

(3) As used in this subsection, "emergency" means a situation, condition, or event that involves significant imminent or ongoing risk to public health and safety, infrastructure, or property.

Sec. 15. 23 V.S.A. § 4110 is amended to read:

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

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

** * **

(8)(A) The applicable fee for the commercial driver's license being applied for. The four-year fee for a commercial driver's license shall be \$108.00. The two-year fee shall be \$72.00. The one-year fee for a

nondomiciled commercial driver's license shall be \$40.00. In those instances where the applicant surrenders a valid Vermont Class D license, the total fees due shall be reduced by:

** * **

Sec. 16. 25 V.S.A. § 4125 is amended to read.

§ 4125. TEXTING VIOLATIONS; HANDHELD MOBILE TELEPHONE VIOLATIONS

(a) Definitions. As used in this section,;

(1) ~~“Driving”~~ “Driving” means operating a commercial motor vehicle on a public highway, including while temporarily stationary because of traffic, a traffic control device, or other momentary delays. “Driving” does not include operating a commercial motor vehicle with or without the motor running when the operator has moved the vehicle to the side of or off a highway and has halted in a location where the vehicle can safely remain stationary.

(2) “Hands-free use” means the use of a portable electronic device without utilizing either hand by employing an internal feature of, or an attachment to, the device or the commercial motor vehicle.

(3) “Public highway” means a State or municipal highway as defined in 19 V.S.A. § 1(12).

(4) “Securely mounted” means the portable electronic device is placed in an accessory specifically designed or built to support the hands-free use of a portable electronic device that is not affixed to the windshield in violation of section 1125 of this title and either:

(A) is utilized in accordance with manufacturer specifications; or

(B) causes the portable electronic device to remain completely stationary under typical driving conditions.

(5) “Texting” means the reading or manual composing or sending of electronic communications, including text messages, instant messages, or email, using a portable electronic device.

(6) “Use” means the use of a portable electronic device in any way that is not a hands-free use, including an operator of a motor vehicle holding a portable electronic device in the operator's hand or hands while operating a motor vehicle.

(b) General prohibition on texting

~~(1) No operator shall engage in texting while driving a commercial motor vehicle on a public highway in Vermont or in a location that is either temporarily or permanently open to the public or the general circulation of vehicles.~~

~~(2) Texting while driving is permissible by operators of a commercial motor vehicle when necessary to communicate with law enforcement officials or other emergency services.~~

~~(3) No person may individual shall be issued traffic complaints alleging a violation of this section and a violation of section 1099 of this title from the same incident.~~

~~(4) The prohibition set forth in this subsection does not apply to:~~

~~(A) hands-free use;~~

~~(B) the activation or deactivation of hands-free use, provided the portable electronic device is securely mounted or the activation or deactivation is carried out through an internal feature of the device or the commercial motor vehicle being operated and without the operator utilizing either hand to hold the portable electronic device;~~

~~(C) the use of a global positioning or navigation system that is installed by the manufacturer of the commercial motor vehicle or securely mounted in the vehicle; or~~

~~(D) instances where the operator has moved the vehicle to the side of or off the public highway and has stopped the vehicle, with or without the motor running, in a location where the vehicle can safely and lawfully remain stationary.~~

Sec. 16. 23 V.S.A. § 4125 is amended to read:

§ 4125. TEXTING VIOLATIONS; HANDHELD MOBILE TELEPHONE VIOLATIONS

(a) Definitions. As used in this section:

(1) ~~“driving” “Driving” means operating a commercial motor vehicle on a public highway, including while temporarily stationary because of traffic, a traffic control device, or other momentary delays. “Driving” does not include operating a commercial motor vehicle with or without the motor running when the operator has moved the vehicle to the side of or off a highway and has halted in a location where the vehicle can safely remain stationary.~~

(2) “Hands-free use” means the use of a portable electronic device without utilizing either hand by employing an internal feature of, or an attachment to, the device or the commercial motor vehicle.

(3) “Public highway” means a State or municipal highway as defined in 19 V.S.A. § 1(12).

(4) “Securely mounted” means the portable electronic device is placed in an accessory specifically designed or built to support the hands-free use of a portable electronic device that is not affixed to the windshield in violation of section 1125 of this title and either:

(A) is utilized in accordance with manufacturer specifications; or

(B) causes the portable electronic device to remain completely stationary under typical driving conditions.

(5) “Texting” means the reading or manual composing or sending of electronic communications, including text messages, instant messages, or email, using a portable electronic device.

(6) “Use” means the use of a portable electronic device in any way that is not a hands-free use, including an operator of a motor vehicle holding a portable electronic device in the operator’s hand or hands while operating a motor vehicle.

(b) General prohibition on texting.

(1) No operator shall engage in texting while driving a commercial motor vehicle on a public highway in Vermont or in a location that is either temporarily or permanently open to the public or the general circulation of vehicles.

(2) Texting while driving is permissible by operators of a commercial motor vehicle when necessary to communicate with law enforcement officials or other emergency services.

(3) No ~~person may~~ individual shall be issued traffic complaints alleging a violation of this section and a violation of section 1099 of this title from the same incident.

* * *

(e) The prohibitions set forth in this section do not apply to:

(1) hands-free use;

(2) the activation or deactivation of hands-free use;

(3) the use of a global positioning or navigation system that is installed by the manufacturer of the commercial motor vehicle or securely mounted in the vehicle; or

(4) instances where the operator has moved the vehicle to the side of or off the public highway and has stopped the vehicle, with or without the motor running, in a location where the vehicle can safely and lawfully remain stationary.

* * *

* * * *Motorboat Validation Stickers* * * *

Sec. 17. 23 V.S.A. § 3305 is amended to read:

§ 3305. FEES

* * *

(b)(1) Annually or biennially, the owner of each motorboat required to be registered by this State shall file an application for a number with the Commissioner of Motor Vehicles on forms approved by ~~him or her~~ the Commissioner.

(2) The application shall be signed by the owner of the motorboat and shall be accompanied by:

(A) an annual fee of \$31.00, or a biennial fee of \$57.00, for a motorboat in class A; ~~by~~

(B) an annual fee of \$49.00, or a biennial fee of \$93.00, for a motorboat in class 1; ~~by~~

(C) an annual fee of \$80.00, or a biennial fee of \$155.00, for a motorboat in class 2; ~~by~~ or

(D) an annual fee of \$153.00, or a biennial fee of \$303.00, for a motorboat in class 3.

(3)(A) Upon receipt of the application in approved form, the Commissioner shall enter the application upon the records of the Department of Motor Vehicles and issue to the applicant a registration certificate stating the number awarded to the motorboat and the name and address of the owner.

(B) The owner shall paint on or attach to each side of the bow of the motorboat the identification number in ~~such~~ the manner as may be prescribed by rules of the Commissioner in order that it may be clearly visible. Validation stickers shall be placed within six inches preceding the registration number on the port side of the motorboat and within six inches following the registration number on the starboard side of the motorboat.

(C) The registration shall be void one year from the first day of the month following the month of issue in the case of annual registrations or void two years from the first day of the month following the month of issue in the case of biennial registrations.

(D) A motorboat of less than 10 horsepower used as a tender to a registered motorboat shall be deemed registered, at no additional cost, and shall have painted or attached to both sides of the bow the same registration number as the registered motorboat with the number "1" after the number.

(E) The number shall be maintained in legible condition.

(F) The registration certificate shall be pocket size and shall be available at all times for inspection on the motorboat for which issued, whenever the motorboat is in operation.

(G) A duplicate registration may be obtained upon payment of a fee of \$3.00 to the Commissioner.

(H) Registration fees shall be allocated in accordance with section 3319 of this title.

(c) ~~A person engaged in the business of selling or exchanging~~ dealer in motorboats, as defined in subdivision 4(8) of this title, of a type otherwise required to be registered by this subchapter shall register and obtain registration certificates for use as described under subdivision (1) of this subsection, subject to the requirements of chapter 7 of this title. A manufacturer of motorboats may register and obtain registration certificates under this section.

(1) A dealer motorboat registration number may be used:

(A) for the purpose of testing or adjusting motorboats in the immediate vicinity of ~~his or her~~ the dealer's place of business;

** * **

(C) for demonstration when the prospective purchaser is operating the motorboat and is not accompanied by the dealer or ~~his or her~~ the dealer's employee, but not for more than three days;

** * **

(4) The Commissioner shall issue a registration certificate of number for each identifying number awarded to the dealer in the manner described in subsection ~~(a)~~(b) of this section, except that a motorboat shall not be described in the certificate. A dealer's registration certificate expires one year from the first day of the month of issuance.

(5) *A dealer's identifying number shall be displayed as required by subsection ~~(a)~~(b) of this section except that the number may be temporarily attached.*

* * *

(d)(1) *Registration of a motorboat ends when the owner transfers title to another. The former owner shall immediately return directly to the Commissioner the registration certificate previously assigned to the transferred motorboat with the date of sale and the name and residence of the new owner endorsed on the back of the certificate.*

(2) *When a person transfers the ownership of a registered motorboat to another, files a new application, and pays a fee of \$6.00, ~~he or she~~ the person may have registered in ~~his or her~~ the person's name another motorboat of the same class for the remainder of the registration period without payment of any additional registration fee. However, if the fee for the registration of the motorboat sought to be registered is greater than the registration fee for the transferred motorboat, the applicant shall pay the difference between the fee first paid and the fee for the class of motorboat sought to be registered.*

* * *

(g) *The owner shall notify the Commissioner of the transfer of any part of the owner's interest other than the creation of a security interest in a motorboat numbered in this State under subsections ~~(a) and (b)~~ and (c) of this section or of the destruction or abandonment of the motorboat, within 15 days after the transfer, destruction, or abandonment. The transfer, destruction, or abandonment shall end the certificate of number for the motorboat except that in the case of a transfer of a part interest that does not affect the owner's right to operate the motorboat, the transfer shall not end the certificate of number.*

(h) *Any holder of a registration certificate shall notify the Commissioner within 15 days if ~~his or her~~ the holder's address ceases to be the address appearing on the certificate and shall, as a part of the notification, furnish the Commissioner with ~~his or her~~ the holder's new address. The Commissioner may provide by rule for the surrender of the certificate bearing the former address and its replacement with a certificate bearing the new address or for the alteration of an outstanding certificate to show the new address of the holder.*

* * *

* * * *Personal Flotation Devices* * * *

Sec. 18. 23 V.S.A. § 3306 is amended to read:

§ 3306. *LIGHTS AND EQUIPMENT*

* * *

(b)(1) Personal flotation devices. Each vessel, except sailboards, shall, consistent with federal regulations, carry for each individual aboard at least one wearable U.S. Coast Guard-approved personal flotation device that is in good and serviceable condition and capable of being used in accordance with the U.S. Coast Guard approval label.

* * *

(4) Cold weather.

(A) Except as otherwise provided pursuant to subdivision (B) of this subdivision (b)(4), on or before May 1 of each year and on or after November 1 of each year, all individuals aboard a vessel, while under way and the individual is on an open deck, shall wear a properly secured wearable U.S. Coast Guard-approved personal flotation device as intended by the manufacturer.

(B) The requirements of this subdivision (b)(4) shall not apply to an individual who is:

(i) aboard a vessel that is located in water that is not more than three feet deep; and

(ii) actively engaged in hunting or bow fishing and who holds a valid license issued under 10 V.S.A. part 4.

(C) A violation of this subdivision (b)(4) shall not be subject to the penalty set forth in section 3317 of this chapter or constitute a traffic violation pursuant to section 2302 of this title.

(5) Inspected commercial vessels. U.S. Coast Guard-inspected commercial vessels shall be exempt from the provisions of this subsection.

* * *

*Sec. 19. PERSONAL FLOTATION DEVICES; COLD WEATHER
REQUIREMENTS; EDUCATION AND OUTREACH*

On or before September 30, 2026, the Department of Public Safety, in consultation with the U.S. Coast Guard and the Departments of Fish and Wildlife, of Forests, Parks, and Recreation, of Motor Vehicles, and of Health, shall develop and implement a public education and outreach campaign to make the public aware of the requirements under 23 V.S.A. § 3306(b)(4) related to the use of personal flotation devices from November 1 through May 1. The outreach campaign shall include online and written information, which may be distributed to municipalities, retailers, and public and water safety organizations.

**** Kei Vehicles ****

Sec. 20. 23 V.S.A. § 4 is amended to read:

§ 4. DEFINITIONS

Except as may otherwise be provided by law, and unless the context otherwise requires in statutes relating to motor vehicles and enforcement of the law regulating vehicles, as provided in this title and 20 V.S.A. part 5, the following definitions shall apply:

(28) “Pleasure car” ~~shall include~~ includes all motor vehicles not otherwise defined in this title and ~~shall include~~ includes plug-in electric vehicles, battery electric vehicles, or plug-in hybrid electric vehicles as defined pursuant to subdivision (85) of this section, and kei vehicles as defined pursuant to subdivision (90) of this section.

(72) “Farm truck” means a motor truck or kei truck that, at the option of the owner, may be registered under the provisions of subsection 367(f) of this title or may be unregistered when used in accordance with subsection 370(b) of this title.

(89) “Kei truck” means a kei vehicle that is designed, used, or maintained primarily for the transportation of property.

(90) “Kei vehicle” means a motor vehicle that has four wheels, an engine displacement of 660 cubic centimeters or less, an overall length of 130 inches or less, an overall height of 78 inches or less, and an overall width of 60 inches or less.

Sec. 21. 23 V.S.A. § 1044 is added to read:

§ 1044. OPERATION OF KEI VEHICLES

(a) A kei vehicle registered as a pleasure car shall be subject to all provisions of this title that are applicable to pleasure cars.

(b) A kei truck registered as a farm truck shall be subject to all provisions of this title that are applicable to farm trucks.

(c) The Traffic Committee and political subdivisions of this State shall not adopt any rules or ordinances that would have the effect of prohibiting:

(1) a kei vehicle that is registered as a pleasure car from being operated in the same manner and locations as other pleasure cars; and

(2) a kei truck that is registered as a farm truck from being operated in the same manner and locations as other farm trucks.

** * * Inspection Manual * * **

Sec. 22. INSPECTION MANUAL; AMENDMENT

(a)(1) The Department of Motor Vehicles shall amend the inspection manual to increase its focus on vehicle conditions that constitute genuine safety issues; eliminate outdated procedures; and provide clear, consistent guidance for both inspection mechanics and members of the public.

(2) It is the intent of the General Assembly that the amendments to the inspection manual adopted pursuant to this section shall ensure that:

(A) the inspection manual only requires failure of an inspection when, as determined by the Commissioner, the condition of a vehicle system or component constitutes an immediate safety risk; and

(B) a vehicle owner shall be advised of conditions of vehicle systems and components that do not constitute an immediate safety risk but may become a safety risk at some time in the future.

(3) In preparing the amendments to the inspection manual, the Department shall specifically determine whether amendments to the provisions relating to the following vehicle systems and components are necessary to comply with the legislative intent set forth in subdivision (2) of this subsection:

(A) tires;

(B) power steering;

(C) suspension;

(D) brake rotors;

(E) lighting;

(F) electrical systems and components;

(G) windshield;

(H) windows;

(I) windshield wipers;

(J) vehicle body; and

(K) in the discretion of the Commissioner, any other vehicle systems or components.

(4) In preparing the amendments to the inspection manual, the Department shall determine whether any tests or procedures require

amendment or elimination, including the on-highway road test for brakes and the headlamp aiming test.

(5) In preparing the amendments to the inspection manual, the Department shall provide additional visual guidance regarding when certain conditions warrant failure of an inspection.

(b) On or before August 1, 2026, the Department of Motor Vehicles shall:

(1) file with the Secretary of State pursuant to the provisions of 3 V.S.A. § 838 proposed amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) necessary to implement the provisions of this section; and

(2) adopt emergency rules pursuant to 3 V.S.A. § 844 to implement the provisions of this section while permanent rule amendments are pending, which shall be deemed to have met the standard for emergency rulemaking set forth in 3 V.S.A. § 844(a).

(c) The Commissioner of Motor Vehicles shall submit to the House and Senate Committees on Transportation the following reports regarding the rule amendments proposed pursuant to this section:

(1) Not more than five days after the Department files proposed rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State pursuant to 3 V.S.A. § 838, the Commissioner shall submit a summary of the proposed amendments and an annotated copy of the inspection manual that shows the proposed changes.

(2) Not more than five days after the Department files final proposed rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State and Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 841, the Commissioner shall submit a summary of the proposed amendments, an annotated copy of the inspection manual that shows the proposed changes, and a copy of the responsiveness summary, if any, that is submitted with the final proposed rules pursuant to 3 V.S.A. § 841(b)(2).

(3) Not more than five days after the Department files the adopted rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State and Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 843, the Commissioner shall submit a brief written statement of the date on which the rule amendments were submitted pursuant to 3 V.S.A. § 843, the effective date of the rule amendments, and any changes to the final proposed rule that were approved by the Legislative Committee on Administrative Rules.

(d) Nothing in this section shall be construed to permit the Department of Motor Vehicles to amend the rules relating to emissions inspections for motor vehicles.

** * * Limited-Use Specialty Vehicles * * **

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

§ 4. DEFINITIONS

Except as may otherwise be provided by law, and unless the context otherwise requires in statutes relating to motor vehicles and enforcement of the law regulating vehicles, as provided in this title and 20 V.S.A. part 5, the following definitions shall apply:

** * **

(91) "Limited-use specialty vehicle" means a motor vehicle that is:

(A) built by either:

(i) a manufacturer that manufactures not more than 325 vehicles per year for sale in the United States; or

(ii) an individual and not for resale;

(B) maintained solely for occasional transportation, including exhibitions, club activities, parades, and other functions of public interest; and

(C) not used for daily transportation of passengers or property on any highway.

Sec. 24. 23 V.S.A. § 375 is added to read:

§ 375. LIMITED-USE SPECIALTY VEHICLES

(a) The Commissioner shall issue a certificate of registration for not more than 12 additional limited-use specialty vehicles per year.

(b) A vehicle that has been registered as a limited-use specialty vehicle shall not be permitted to be registered as any other type of vehicle.

(c) The annual fee for registration of a limited-use specialty vehicle shall be \$26.00.

(d) A vehicle registered under this section may be used on public highways:

(1) in exhibitions, club activities, parades, and other functions of public interest; and

(2) for occasional transportation of passengers or property, not to exceed one day per week.

Sec. 25. 23 V.S.A. § 1222 is amended to read:

§ 1222. INSPECTION OF REGISTERED VEHICLES

* * *

(f) Notwithstanding the provisions of subsection (a) of this section, a limited-use specialty vehicle registered pursuant to section 375 of this title shall undergo a safety inspection and visual emissions inspection each year but shall not be required to undergo an OBD systems inspection.

* * * License Plates * * *

Sec. 26. 23 V.S.A. § 511 is amended to read:

§ 511. MANNER OF DISPLAY

(a) Number plates.

(1) A motor vehicle operated on any highway shall have displayed in a conspicuous place either one or two number plates as the Commissioner may require. ~~Such~~ The number plates shall be furnished by the Commissioner and shall show the number assigned to ~~such~~ the vehicle by the Commissioner. If only one number plate is furnished, the ~~same~~ plate shall be securely attached to the rear of the vehicle. If two are furnished, one shall be securely attached to the rear and one to the front of the vehicle.

(2) Except as otherwise provided by law:

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

(B) A person shall not color, tint, or change in any manner the numerals, letters, or background of the plate from their appearance at the time the plate was issued.

(C) A person shall not cover or obscure any numerals or letters on a number plate with any material or substance.

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

* * *

(e) Temporary and in-transit registration plates. A motor vehicle issued a temporary or in-transit registration plate under sections section 312, 458, 463, and 516-518, or 517 of this title operated on any highway shall have the temporary or in-transit registration plate displayed horizontally in a conspicuous place on the rear of the vehicle, including in the rear window. The temporary or in-transit registration plate shall be kept entirely unobscured, and the numerals and letters ~~thereon~~ on the plate shall be plainly legible at all times as provided pursuant to subsection (a) of this section.

Sec. 27. REPEAL

23 V.S.A. § 518 (electronic issuance of temporary plate and temporary registration) is repealed.

** * * Tax Record Confidentiality; Disclosure; Agency of Transportation * * **

Sec. 28. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

** * **

(e) The Commissioner may, in the Commissioner's discretion and subject to such conditions and requirements as the Commissioner may provide, including any confidentiality requirements of the Internal Revenue Service, disclose a return or return information:

** * **

(25) To the Agency of Transportation, provided that the disclosure relates to tax revenue generated on the premises of airports in the State and is necessary to demonstrate compliance with Federal Aviation Administration grant funding requirements relating to airport revenue.

** * **

** * * Motorcycle Exhaust Requirements * * **

~~*Sec. 29. 23 V.S.A. § 1260 is added to read:*~~

~~*§ 1260. MOTORCYCLE EXHAUST; EXCESSIVE NOISE; PROHIBITIONS*~~

~~*(a) A motorcycle operated on a highway shall be equipped with an exhaust system that includes a muffler or other mechanical device designed to reduce the noise emitted by the motorcycle.*~~

~~*(b) A motorcycle shall be in violation of this section if the motorcycle's exhaust system:*~~

~~*(1) has missing or removed internal baffles;*~~

~~(2) has a cutout or bypass,~~
~~(3) has been modified to bypass the muffler system; or~~
~~(4) is a straight pipe or similar type of exhaust system that does not include any mechanical features to reduce the noise emitted by the motorcycle.~~
~~(c) A motorcycle that violates the requirements of this section shall not pass an inspection required under section 1222 of this chapter.~~
~~(d) The provisions of this section shall not apply when a motorcycle is operated in a race, contest, or demonstration of speed or skill at an authorized public exhibition held in accordance with applicable State and municipal laws.~~

Sec. 29. 23 V.S.A. § 1260 is added to read:

§ 1260. MOTORCYCLE EXHAUST; EXCESSIVE NOISE;
PROHIBITIONS

(a) A motorcycle operated on a highway shall be equipped with an exhaust system that includes a muffler or other mechanical device designed to reduce the noise emitted by the motorcycle.

(b) A motorcycle shall be in violation of this section if the motorcycle's exhaust system:

(1) has missing or removed internal baffles;

(2) has a cutout or bypass;

(3) has been modified to bypass the muffler system;

(4) is not equipped with a muffler that meets the requirements of 40 C.F.R. § 205.169; or

(5) is a straight-pipe or similar type of exhaust system that does not include any mechanical features to reduce the noise emitted by the motorcycle.

(c)(1) A motorcycle that violates the requirements of this section shall not pass an inspection required under section 1222 of this chapter.

(2) Notwithstanding subdivision (1) of this subsection, if the orientation or location of a motorcycle's muffler prevents an inspection mechanic from reasonably determining if the muffler has a label certifying compliance with 40 C.F.R. § 205.169, the inspection mechanic shall presume that the muffler meets the requirements of 40 C.F.R. § 205.169.

(d) The provisions of this section shall not apply when a motorcycle is operated in a race, contest, or demonstration of speed or skill at an authorized public exhibition held in accordance with applicable State and municipal laws.

*Sec. 30. MOTORCYCLE EXHAUST; INSPECTION MANUAL;
RULEMAKING*

The Commissioner of Motor Vehicles shall, pursuant to the provisions of 3 V.S.A. chapter 25, amend the Inspection of Motor Vehicles rules (CVR 14-050-022) as necessary to implement the provisions of 23 V.S.A. § 1260.

** * * Effective Date * * **

Sec. 31. EFFECTIVE DATE

This act shall take effect on July 1, 2026.