

1 Introduced by House Committee on Transportation

2 Date:

3 Subject: Transportation; annual Transportation Program; Vermont Route 36;

4 locally managed projects; rail trails; Transportation Board; town

5 highways; mileage-based user fee; EV infrastructure fee; electric

6 vehicle supply equipment

7 Statement of purpose of bill as introduced: This bill proposes to adopt the

8 State’s annual Transportation Program and make miscellaneous changes to

9 laws related to transportation.

10 An act relating to the fiscal year 2026 Transportation Program and  
11 miscellaneous changes to laws related to transportation

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

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

14 Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

15 (a) Adoption. The Agency of Transportation’s Proposed Fiscal Year 2026

16 Transportation Program appended to the Agency of Transportation’s proposed

17 fiscal year 2026 budget, as amended by this act, is adopted to the extent

18 federal, State, and local funds are available.

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

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

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

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

11           (4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle  
12           supply equipment available to the public” have the same meanings as in  
13           30 V.S.A. § 201.

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

18           (6) “Mileage-based user fee” or “MBUF” means a fee for vehicle use of  
19           the public road system with distance, stated in miles, as the measure of use.

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

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

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

13                           \* \* \* Rail Program; Technical Correction \* \* \*

14           **Sec. 2. RAIL PROGRAM**

15           (a) Within the Agency of Transportation’s Proposed Fiscal Year 2026  
16           Transportation Program for Rail the following project is deleted: Barre–  
17           Berlin–Montpelier 04-9038–WACR Subsidy.

18           (b) Within the Agency of Transportation’s Proposed Fiscal Year 2026  
19           Transportation Program for Rail, the following project is added: Hartford  
20           HRRD(1) 25G002–White River Junction Depot Repairs.

1           (c) Within the Agency of Transportation’s Proposed Fiscal Year 2026  
2           Transportation Program for Rail, spending authority for Hartford HRRD(1)  
3           25G002–White River Junction Depot Repairs is authorized as follows:

| <u>FY26</u> | <u>As Proposed</u> | <u>As Amended</u> | <u>Change</u> |
|-------------|--------------------|-------------------|---------------|
| Other       | 0                  | 260,000           | 260,000       |
| Total       | 0                  | 260,000           | 260,000       |

7           Sources of funds

|       |   |         |         |
|-------|---|---------|---------|
| State | 0 | 260,000 | 260,000 |
| Total | 0 | 260,000 | 260,000 |

10           \* \* \* Relinquishment of Vermont Route 36 in the Town of St. Albans \* \* \*

11           Sec. 3. RELINQUISHMENT OF VERMONT ROUTE 36 IN THE TOWN  
12           OF ST. ALBANS

13           Pursuant to 19 V.S.A. § 15(a)(2), the General Assembly authorizes the  
14           Secretary of Transportation to enter into an agreement with the Town of St.  
15           Albans to relinquish a segment of the State highway in the Town of St. Albans  
16           known as Vermont Route 36. The segment authorized to be relinquished  
17           begins at mile marker 0.00, just east of the “Black Bridge” (B2), and continues  
18           14,963 feet (approximately 2.834 miles) easterly to mile marker 2.834, where  
19           Vermont Route 36 meets the boundary of the City of St. Albans, and includes  
20           the 0.106-mile westbound section of Vermont Route 36 and approaches at the  
21           entrance to the St. Albans Bay Town Park.

1                   \* \* \* Recovery of Funding for Cancelled Local Projects \* \* \*

2           Sec. 4. CANCELLATION OF LOCALLY MANAGED PROJECTS;

3                   PROPOSAL; REPORT

4                   (a) The Agency of Transportation, in consultation with the Vermont  
5                   League of Cities and Towns, the Vermont Association of Planning and  
6                   Development Agencies, and other interested stakeholders, shall:

7                   (1) clarify the current process pursuant to 19 V.S.A. § 309c for  
8                   determining whether a locally managed project that has received funding  
9                   through a grant agreement with the Agency has been cancelled due to  
10                   circumstances or events that are wholly or partly within the local sponsor's  
11                   control;

12                   (2) clarify the current process pursuant to 19 V.S.A. § 309c for  
13                   determining a local sponsor's obligation to repay a portion or all of the grant  
14                   funds provided by the Agency due to the cancellation of the project due to  
15                   circumstances or events that are wholly or partly within the local sponsor's  
16                   control;

17                   (3) identify changes to improve the processes described in subdivisions  
18                   (1) and (2) of this subsection; and

19                   (4) identify any legislative actions necessary to facilitate or implement  
20                   those changes.

1           **(b) On or before January 15, 2026, the Agency of Transportation shall**  
2           **submit a written report to the House and Senate Committees on Transportation**  
3           **summarizing the Agency’s findings and recommendations for statutory**  
4           **amendments or other legislative language to be included in the State Fiscal**  
5           **Year 2027 Transportation Bill, including:**

6                   **(1) a description of the current processes pursuant to 19 V.S.A. § 309c**  
7                   **for determining whether a project that received funding through an Agency**  
8                   **grant was cancelled for reasons that are wholly or partly within the control of**  
9                   **the local sponsor and for determining a local sponsor’s obligation to repay a**  
10                   **portion or all of the grant funding provided by the Agency;**

11                   **(2) changes that the Agency and the stakeholders it consulted identified**  
12                   **as potential options for improving the processes described pursuant to**  
13                   **subdivision (1) of this subsection;**

14                   **(3) any legislative changes needed to implement or facilitate the**  
15                   **identified changes; and**

16                   **(4) a summary of any potential changes that were considered but not**  
17                   **agreed to by the Agency and the stakeholders that it consulted.**

18                   \* \* \* State-Owned Railroads; Rail Trails \* \* \*

19           **Sec. 5.** 5 V.S.A. chapter 58 is redesignated to read:

20                   Chapter 58. ~~State Acquisition of~~ State-Owned Railroads and Rail Trails

21           **Sec. 6.** 5 V.S.A. § 3408 is amended to read:

1 § 3408. RAILBANKING; NOTIFICATION

2 (a) If the Secretary finds that the continued operation of any State-owned  
3 railroad property is not economically feasible under present conditions, ~~he or~~  
4 ~~she~~ the Secretary may place the line in railbanked status after giving advance  
5 notice of ~~such~~ the planned railbanking to the House and Senate Committees on  
6 Transportation when the General Assembly is in session, and when the General  
7 Assembly is not in session, to the Joint Transportation Oversight Committee.  
8 The Agency, on behalf of the State, shall continue to hold the right-of-way of a  
9 railbanked line for reactivation of railroad service or for other public purposes  
10 not inconsistent with future reactivation of railroad service. ~~Such~~ The  
11 railbanking shall not be treated, for purposes of any law or rule of law, as an  
12 abandonment of the use of the rights-of-way for railroad purposes.

13 \* \* \*

14 (c)(1) The Secretary may, after consulting with municipalities, adopt rules  
15 consistent with the provisions of section 3408a of this chapter governing the  
16 interim trail use of State-owned railroad rights-of-way that have been placed in  
17 railbanked status.

18 (2) Signs indicating the rules shall be conspicuously posted in or near all  
19 areas affected.

20 (3) Any person who violates ~~these~~ rules adopted pursuant to this  
21 subsection shall be subject to a penalty of not more than \$300.00.

1 **Sec. 7.** 5 V.S.A. § 3408a is added to read:

2 § 3408a. USE OF RAIL TRAILS

3 (a) Definitions. As used in this section:

4 (1) “Rail trail” means the right-of-way of a State-owned railroad line  
5 that has been authorized for railbanking and interim trail use pursuant to  
6 16 U.S.C. § 1247(d) or section 3408 of this chapter.

7 (2) “Trail sponsor” means the Agency of Transportation in the case of a  
8 rail trail maintained by the Agency or the municipality in the case of a rail trail  
9 maintained by a municipality.

10 (b) Use of rail trails. The following acts are prohibited within a rail trail  
11 right-of-way:

12 (1) Throwing, dropping, or discarding bottles, cans, paper, garbage,  
13 rubbish, sewage, or other material of any kind.

14 (2) Cutting, mutilating, or removing any tree, shrub, flower, plant, top  
15 soil, or sod or attempting to do so.

16 (3) Injury, defacement, removal, or destruction of the surface of the rail  
17 trail or a rail trail’s structures, appurtenances, recreation facilities, or property.

18 (4) Except as authorized by the trail sponsor, erecting, placing, or  
19 displaying any advertising materials, posters, or placards of any kind. This  
20 prohibition shall not apply to official signs erected by the trail sponsor.



1           (5) Except as authorized by the trail sponsor, entering or remaining on  
2 the rail trail for the purpose of:

3                   (A) selling, hiring, or leasing any goods or services; or

4                   (B) distributing samples, pamphlets, or advertising materials, except  
5 for official information authorized by the trail sponsor.

6           (6) Parades, demonstrations, picnics, games, entertainment, or  
7 organizations, except at times and locations approved by the trail sponsor.

8           (7) Hunting, trapping, or molesting wildlife, except for fishing.

9           (8) Using or discharging any firearms or other weapons or fireworks,  
10 except by person authorized by the trail sponsor or as otherwise permitted by  
11 law.

12           (9) Igniting fires for any purpose, except in fireplaces or firepits at  
13 locations designated by the trail sponsor for trail maintenance purposes.

14           (10) Soliciting alms or contributions.

15           (11) Use of motorized vehicles, except for:

16                   (A) maintenance purposes;

17                   (B) snowmobiles, subject to applicable State rules, when the  
18 Vermont Association of Snow Travelers, Inc. has declared the Statewide  
19 Snowmobile Trail System officially open;



1 members may be appointed for two additional three-year terms but shall not be  
2 eligible for further reappointment. ~~No~~ Not more than four members of the  
3 Board shall belong to the same political party. No member of the Board shall:

4 \* \* \*

5 **Sec. 9.** 19 V.S.A. § 5 is amended to read:

6 § 5. TRANSPORTATION BOARD; POWERS AND DUTIES

7 \* \* \*

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

9 \* \* \*

10 (4) provide appellate review, when requested in writing, regarding legal  
11 disputes in the execution of contracts awarded by the Agency or by  
12 municipalities cooperating with the Agency to advance projects in the State's  
13 Transportation Program, except that the Agency shall provide appellate review  
14 relating to bids and the competitive negotiation process under 19 V.S.A. § 10a;

15 (5) provide appellate review, when requested in writing, of decisions of  
16 the Secretary in administering the provisions of Title 24, relating to ~~junkyards~~  
17 salvage yards;

18 \* \* \*

19 \* \* \* Green Mountain Transit Authority \* \* \*

20 **Sec. 10.** 24 App. V.S.A. chapter 801 is amended to read:

21 CHAPTER 801. GREEN MOUNTAIN TRANSIT AUTHORITY

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\* \* \*

§ 2. AREA OF OPERATION

The area of operation shall be Chittenden, Franklin, Grand Isle, and Washington Counties and the Towns of Orange, Washington, and Williamstown County for fixed-route bus service. The area of operation shall include Addison and Caledonia Counties and the Towns of Orange County other than Orange, Washington, and Williamstown Washington, Franklin, and Grand Isle Counties, but only for the provision of commuter services. The area of operation shall include Lamoille County, but only for the provision of published scheduled services.

\* \* \*

§ 10. IMPLEMENTATION

\* \* \*

(c) Immediately upon joining the Authority, the municipality shall appoint two commissioners as provided herein. The initial terms of the commissioners of the initial members shall be arranged by the Chittenden County Regional Planning Commission so that the terms of approximately one-third of the commissioners shall expire in each year. The initial terms of commissioners from municipalities joining after March 7, 1973, shall be set by the Board of Commissioners.

§ 11. ASSESSMENTS OF NEW MEMBERS OUTSIDE CHITTENDEN

1            **COUNTY**

2            ~~Municipalities outside Chittenden County that vote to join the Green~~  
3            ~~Mountain Transit Authority on or after July 1, 2010 shall negotiate with the~~  
4            ~~Board of Commissioners of the Green Mountain Transit Authority on the~~  
5            ~~amount of the levy to be assessed upon the municipality and terms of payment~~  
6            ~~of that assessment, and the municipality may not join prior to agreement with~~  
7            ~~the Authority on terms of the levy and payment. Upon the addition of one~~  
8            ~~municipality to the membership of the Green Mountain Transit Authority from~~  
9            ~~outside Chittenden County, the Authority shall immediately begin work on the~~  
10           ~~formula for assessment that will be approved in accordance with this chapter.~~

11           [Repealed.]

12           **§ 12. MUNICIPALITIES AUTHORIZED TO VOTE FOR MEMBERSHIP**

13           **IN THE GREEN MOUNTAIN TRANSIT AUTHORITY**

14           ~~The following municipalities are authorized to hold an election for the~~  
15           ~~purpose of determining membership in the Green Mountain Transit Authority:~~  
16           ~~Barre City, Berlin, Colchester, Hinesburg, Montpelier, Morristown, Richmond,~~  
17           ~~St. Albans City, Stowe, and Waterbury. [Repealed.]~~

18           **§ 13. OTHER REPRESENTATION**

19           ~~If Washington, Lamoille, Franklin, or Grand Isle County does not have a~~  
20           ~~municipal member from its county on the Board of Commissioners of the~~  
21           ~~Green Mountain Transit Authority, the regional planning commission serving~~

1 ~~the county may appoint a Board member to the Green Mountain Transit~~  
2 ~~Authority from a member of its regional planning commission or regional~~  
3 ~~planning commission staff to represent its interests on the Green Mountain~~  
4 ~~Transit Authority Board. [Repealed.]~~

5 \* \* \* Town Highways \* \* \*

6 **Sec. 11.** 19 V.S.A. § 306 is amended to read:

7 § 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

8 \* \* \*

9 (e) State aid for town highway structures.

10 (1) There shall be an annual appropriation for grants to municipalities  
11 for maintenance (including actions to extend life expectancy) and for  
12 construction of bridges and culverts; for maintenance and construction of other  
13 structures, including causeways and retaining walls, intended to preserve the  
14 integrity of the traveled portion of class 1, 2, and 3 town highways; and for  
15 alternatives that eliminate the need for a bridge, culvert, or other structure,  
16 such as the construction or reconstruction of a highway, the purchase of parcels  
17 of land that would be landlocked by closure of a bridge, the payment of  
18 damages for loss of highway access, and the substitution of other means of  
19 access. This appropriation shall increase over the previous fiscal year's  
20 appropriation by the same percentage change as the following, whichever is

1 less, or shall remain at the previous fiscal year’s appropriation if either of the  
2 following are negative or zero:

3 (A) the percentage change in the Agency’s total appropriations  
4 funded by Transportation Fund revenues, excluding appropriations for town  
5 highway structures under this subsection (e), for the most recently closed fiscal  
6 year as compared to the fiscal year immediately preceding the most recently  
7 closed fiscal year; or

8 (B) the percentage change in the Bureau of Labor Statistics  
9 Consumer Price Index for All Urban Consumers (CPI-U).

10 ~~(2) Each fiscal year, the Agency shall approve qualifying projects with a~~  
11 ~~total estimated State share cost of \$7,200,000.00 at a minimum as new grants.~~  
12 ~~The Agency’s proposed appropriation for the Program shall take into account~~  
13 ~~the estimated amount of qualifying invoices submitted to the Agency with~~  
14 ~~respect to project grants approved in prior years but not yet completed as well~~  
15 ~~as with respect to new project grants to be approved in the fiscal year. For~~  
16 purposes of subdivision (1)(B) of this subsection, the percentage change in the  
17 CPI-U is calculated by determining the increase or decrease, to the nearest one-  
18 tenth of a percent, in the CPI-U for the month ending on June 30 in the  
19 calendar year one year prior to the first day of the fiscal year for which the  
20 appropriation will be made compared to the CPI-U for the month ending on

1 June 30 in the calendar year two years prior to the first day of the fiscal year  
2 for which the appropriation will be made.

3 (3) In a given fiscal year, should expenditures in the Town Highway  
4 Structures Program exceed the amount appropriated, the Agency shall advise  
5 the Governor of the need to request a supplemental appropriation from the  
6 General Assembly to fund the additional project cost, provided that the Agency  
7 has previously committed to completing those projects.

8 ~~(3)~~(4) Funds received as grants for State aid for town highway structures  
9 may be used by a municipality to satisfy a portion of the matching  
10 requirements for federal earmarks, subject to subsection 309b(c) of this title.

11 \* \* \*

12 (h) Class 2 Town Highway Roadway Program.

13 (1) There shall be an annual appropriation for grants to municipalities  
14 for resurfacing, rehabilitation, or reconstruction of paved or unpaved class 2  
15 town highways. ~~However, municipalities~~ Municipalities that have no State  
16 highways or class 1 town highways within their borders may use the grants for  
17 such activities with respect to both class 2 and class 3 town highways. ~~Each~~  
18 ~~fiscal year, the Agency shall approve qualifying projects with a total estimated~~  
19 ~~State share cost of \$8,600,000.00 at a minimum as new grants. The Agency's~~  
20 ~~proposed appropriation for the Program shall take into account the estimated~~  
21 ~~amount of qualifying invoices submitted to the Agency with respect to project~~



1 ~~grants approved in prior years but not yet completed as well as with respect to~~  
2 ~~new project grants to be approved in the fiscal year.~~ This appropriation shall  
3 increase over the previous fiscal year’s appropriation by the same percentage  
4 change as the following, whichever is less, or shall remain at the previous  
5 fiscal year’s appropriation if either of the following are negative or zero:

6 (A) the percentage change in the Agency’s total appropriations  
7 funded by Transportation Fund revenues, excluding appropriations for town  
8 highway structures under this subsection (h), for the most recently closed fiscal  
9 year as compared to the fiscal year immediately preceding the most recently  
10 closed fiscal year; or

11 (B) the percentage change in the Bureau of Labor Statistics  
12 Consumer Price Index for All Urban Consumers (CPI-U).

13 (2) For purposes of subdivision (1)(B) of this subsection, the percentage  
14 change in the CPI-U is calculated by determining the increase or decrease, to  
15 the nearest one-tenth of a percent, in the CPI-U for the month ending on June  
16 30 in the calendar year one year prior to the first day of the fiscal year for  
17 which the appropriation will be made compared to the CPI-U for the month  
18 ending on June 30 in the calendar year two years prior to the first day of the  
19 fiscal year for which the appropriation will be made.

20 (3) In a given fiscal year, should expenditures in the Class 2 Town  
21 Highway Roadway Program exceed the amount appropriated, the Agency shall

1 advise the Governor of the need to request a supplemental appropriation from  
2 the General Assembly to fund the additional project cost, provided that the  
3 Agency has previously committed to completing those projects. Funds  
4 received as grants for State aid under the Class 2 Town Highway Roadway  
5 Program may be used by a municipality to satisfy a portion of the matching  
6 requirements for federal earmarks, subject to subsection 309b(c) of this title.

7 \* \* \*

8 \* \* \* Mileage Based User Fee \* \* \*

9 **Sec. 12.** 2023 Acts and Resolves No. 62, Secs. 27–30 are amended to read:

10 Sec. 27. MILEAGE-BASED USER FEE LEGISLATIVE INTENT

11 It is the intent of the General Assembly for the State:

12 (1) to start collecting a mileage-based user fee from all battery-electric  
13 vehicles registered in Vermont starting on July 1, ~~2025~~ 2026, which is  
14 expected to be the first day of the first fiscal year when more than 15 percent  
15 of new pleasure car registrations in the State are plug-in electric vehicles  
16 (PEVs);

17 (2) to start subjecting plug-in hybrid electric vehicles (PHEVs) that are a  
18 pleasure car to an ~~increased~~ annual or a biennial ~~registration~~ electric vehicle  
19 infrastructure fee starting on ~~July~~ January 1, 2025, and that PHEVs shall not be  
20 subject to a mileage-based user fee;

1           (3) to work towards collecting a fee on kWhs that are dispensed through  
2 certain electric vehicle supply equipment available to the public so as to  
3 supplant lost gas tax revenue from PEVs; and

4           (4) to not commence collecting a mileage-based user fee until such  
5 authorizing language is codified in statute and becomes effective.

6           Sec. 28. MILEAGE-BASED USER FEE AUTHORIZATION

7           (a) Within the Agency of Transportation’s Proposed Fiscal Year 2024  
8 Transportation Program for Environmental Policy and Sustainability, the  
9 Agency of Transportation, including the Department of Motor Vehicles, is  
10 authorized to apply for and accept a competitive federal Strategic Innovation  
11 for Revenue Collection grant established pursuant to the Infrastructure  
12 Investment and Jobs Act, Pub. L. No. 117-58 (IIJA), Sec. 13001, with up to  
13 \$350,000.00 in Transportation Fund monies authorized for the nonfederal  
14 match in fiscal year 2024 and a to-be-determined amount for the nonfederal  
15 match in subsequent fiscal years.

16           (b) As permitted under federal regulations and grant terms, the Agency  
17 shall utilize grant monies to design a mileage-based user fee that is consistent  
18 with Secs. 27 and 29 of this act.

19           (c) Subject to State procurement requirements, the Agency may retain one  
20 or more contractors or consultants, or both, to assist with the design of a

1 process to commence collecting a mileage-based user fee on July 1, ~~2025~~  
2 2026.

3 Sec. 29. MILEAGE-BASED USER FEE DESIGN

4 (a) Definitions. As used in Secs. 27–30 of this act:

5 (1) “Account manager” means a person under contract with the Agency  
6 of Transportation or Department of Motor Vehicles to administer and manage  
7 the mileage-based user fee.

8 (2) “Annual vehicle miles traveled” means the total number of miles that  
9 a BEV is driven between annual inspections as reported by an inspection  
10 mechanic to the Department of Motor Vehicles.

11 (3) “Mileage-based user fee” means the total amount that an owner or  
12 lessee of a BEV registered in Vermont owes the State and is calculated by  
13 multiplying the mileage-based user fee rate by the annual vehicle miles  
14 traveled or, in the case of a terminating event, by multiplying the mileage-  
15 based user fee rate by the vehicle miles traveled between the last Vermont  
16 annual inspection and the terminating event.

17 (4) “Mileage-based user fee rate” means the per-mile usage fee charged  
18 to the owner or lessee of a BEV registered in Vermont.

19 (5) “Mileage reporting period” means the time between annual  
20 inspections or the time between an annual inspection and a terminating event.

21 (6) “Pleasure car” has the same meaning as in 23 V.S.A. § 4(28).

1           (7) “Plug-in electric vehicle (PEV)” has the same meaning as in  
2           23 V.S.A. § 4(85) and includes battery electric vehicles (BEVs) and plug-in  
3           hybrid electric vehicles (PHEVs), which have the same meaning as in  
4           23 V.S.A. § 4(85)(A) and (B).

5           (8) “Terminating event” means either the registering of a BEV that had  
6           been registered in Vermont in a different state or a change in ownership or  
7           lesseeship of the BEV, or both.

8           (b) Commencement date. The Agency shall design a process to collect a  
9           mileage-based user fee for miles driven by a BEV registered in Vermont to  
10          commence collecting revenue on July 1, ~~2025~~ 2026.

11          (c) Covered vehicles. The Agency shall design a process to collect a  
12          mileage-based user fee based on the annual vehicle miles traveled by BEVs  
13          registered in the State.

14          (d) Imposition of a mileage-based user fee. The Agency shall design a  
15          process to collect a mileage-based user fee from the owner or lessee of a BEV  
16          registered in Vermont for each mileage reporting period within 60 days after  
17          the Vermont annual inspection or terminating event that closes the mileage  
18          reporting period.

19          Sec. 30. REPORTS

20          The Secretary of Transportation and the Commissioner of Motor Vehicles  
21          shall file a written report not later than January 31, 2024 with the House and

1 Senate Committees on Transportation, the House Committee on Ways and  
2 Means, and the Senate Committee on Finance that provides the following:

3 (1) a comprehensive implementation plan to commence collecting, on  
4 July 1, 2025, a mileage-based user fee for miles driven by a BEV registered in  
5 Vermont;

6 (2) a recommendation on what language should be codified in statute to  
7 enable the State to commence collecting, on July 1, 2025, a mileage-based user  
8 fee for miles driven by a BEV registered in Vermont, which shall include a  
9 recommendation for the mileage-based user fee rate and that includes, for that  
10 recommendation:

11 (A) an explanation for how the recommended mileage-based user fee  
12 rate was calculated;

13 (B) what the recommended mileage-based user fee rate is estimated  
14 to yield in revenue for the State in total per year; and

15 (C) how the anticipated mileage-based user fee for a pleasure car is  
16 expected to compare to the amount collected by the State in gas tax revenue  
17 from the use of a non-PEV pleasure car registered in Vermont and the amount  
18 collected by the State in gas tax revenue and increased registration fee from the  
19 use of a PHEV pleasure car registered in Vermont based on estimates of low,  
20 medium, and high annual vehicle miles traveled;

1           (3) a recommendation on what should be required in annual reporting on  
2 the mileage-based user fee starting in 2026 for fiscal year 2025, which shall, at  
3 a minimum, address whether the following should be reported on:

4                   (A) the total amount of revenue collected in mileage-based user fees  
5 for the prior fiscal year and an estimate of the total amount of revenue  
6 anticipated to be collected in mileage-based user fees during the subsequent  
7 fiscal year;

8                   (B) the average mileage-based user fee collected for a BEV with low,  
9 medium, and high annual vehicle miles traveled in the prior fiscal year;

10                  (C) an estimate of the average amount in motor fuel revenue that was  
11 collected for a pleasure car that is not a PEV with low, medium, and high  
12 annual vehicle miles traveled in the prior fiscal year;

13                  (D) an estimate of the average amount in motor fuel revenue and  
14 increased registration fee that was collected for a pleasure car that is a PHEV  
15 with low, medium, and high annual vehicle miles traveled in the prior fiscal  
16 year;

17                  (E) the total number of delinquent mileage-based user fees in the  
18 prior fiscal year;

19                  (F) the total number of outstanding payment plans for delinquent  
20 mileage-based user fees; and

1 (G) the cost to collect the mileage-based user fees in the prior fiscal  
2 year;

3 (4) an outline of what the Agency intends to adopt, if authorized, as rule  
4 in order to commence collecting, on July 1, 2025, a mileage-based user fee for  
5 miles driven by a BEV registered in Vermont, which shall, at a minimum,  
6 establish:

7 (A) a process to calculate and report the annual vehicle miles traveled  
8 by a BEV registered in Vermont;

9 (B) payment periods and other payment methods and procedures for  
10 the payment of the mileage-based user fee, which shall include the option to  
11 prepay the anticipated mileage-based user fee in installments on a monthly,  
12 quarterly, or annual basis;

13 (C) standards for mileage reporting mechanisms for an owner or  
14 lessee of a BEV to report vehicle miles traveled throughout the year;

15 (D) procedures to provide security and protection of personal  
16 information and data connected to a mileage-based user fee;

17 (E) penalty and appeal procedures necessary for the collection of a  
18 mileage-based user fee, which, to the extent practicable, shall duplicate and  
19 build upon existing Department of Motor Vehicles processes; and

20 (F) Agency oversight of any account manager, including privacy  
21 protection of personal information and access and auditing capability of



1 financial and other records related to administration of the process to collect a  
2 mileage-based user fee; and

3 (5) an update on what other states and the federal government are doing  
4 to address lost gas tax revenue from the adoption of PEVs along with any  
5 applicable suggestions for opportunities for regional collaboration and an  
6 explanation of the source of the information provided under this subdivision.

7 \* \* \* EVSE; One-Time Appropriation \* \* \*

8 **Sec. 13. EVSE; ONE-TIME APPROPRIATION**

9 In fiscal year 2026, the amount of \$1,400,000.00 is appropriated from the  
10 Transportation Fund to the Agency of Transportation for distribution to the  
11 Agency of Commerce and Community Development for programs to increase  
12 Vermonters' access to level 1 and 2 EVSE charging ports at workplaces or  
13 multiunit dwellings, or both.

14 \* \* \* Effective Date \* \* \*

15 **Sec. 14. EFFECTIVE DATE**

16 This act shall take effect on July 1, 2025.