

1 TO THE HONORABLE SENATE:

2 The Committee on Transportation to which was referred House Bill No.
3 944 entitled “An act relating to the fiscal year 2027 Transportation Program
4 and miscellaneous changes to laws related to transportation” respectfully
5 reports that it has considered the same and recommends that the Senate
6 propose to the House that the bill be amended by striking out all after the
7 enacting clause and inserting in lieu thereof the following:

8 * * * Legislative Findings * * *

9 Sec. 1. LEGISLATIVE FINDINGS

10 The General Assembly finds that:

11 (1) State fiscal year 2025 Transportation Fund revenues came in nearly
12 \$7,400,000.00 below the revenue forecast.

13 (2) In July 2025, the revenue forecast for the Transportation Fund was
14 downgraded for State fiscal years 2026–2030 because of reductions in the
15 projected revenues from the purchase and use tax and Department of Motor
16 Vehicles fees.

17 (3) Revenues from the taxes on gasoline and diesel fuel are projected to
18 gradually decrease in State fiscal years 2026–2030. That trend is expected to
19 continue because of improving vehicle fuel efficiency among all vehicles and
20 increasing adoption of electric vehicles.

1 (4) The July 2025 consensus revenue forecast estimates a 1.33 percent
2 compound annual growth rate in Transportation Fund revenues between 2026
3 and 2030, which is far below recent inflation levels.

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

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

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

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

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

19 (10) If Vermont is unable to keep up with the maintenance and capital
20 needs of its transportation system, the infrastructure will continue to

1 deteriorate, and restoring the system to a state of good repair will cost
2 significantly more.

3 (11) Prompt legislative action is necessary to ensure the future health
4 and stability of the Transportation Fund and to enable the Agency of
5 Transportation to keep Vermont’s transportation system in a state of good
6 repair.

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

8 Sec. 2. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

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

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

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

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

20 (3) “Development and evaluation (D&E) project” means a project
21 approved by the General Assembly that is anticipated to have preliminary

1 engineering expenditures or right-of-way expenditures, or both, during the
2 budget year and that the Agency is committed to delivering to construction on
3 a timeline driven by priority and available funding.

4 (4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle
5 supply equipment available to the public” have the same meanings as in
6 30 V.S.A. § 201.

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

11 (6) “Plug-in electric vehicle (PEV),” “plug-in hybrid electric vehicle
12 (PHEV),” and “battery electric vehicle (BEV)” have the same meanings as in
13 23 V.S.A. § 4(85).

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

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

17 (9) The table heading “As Proposed” means the Proposed
18 Transportation Program referenced in subsection (a) of this section; the table
19 heading “As Amended” means the amendments as made by this act; the table
20 heading “Change” means the difference obtained by subtracting the “As
21 Proposed” figure from the “As Amended” figure; the term “change” or

1 “changes” in the text refer to the project- and program-specific amendments,
2 the aggregate sum of which equals the net “Change” in the applicable table
3 heading; and “State” in any tables amending authorizations indicates that the
4 source of funds is State monies in the Transportation Fund, unless otherwise
5 specified.

6 * * * Summary of Transportation Investments * * *

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

11 This act includes the State’s fiscal year 2027 transportation investments
12 intended to reduce transportation-related greenhouse gas emissions, reduce
13 fossil fuel use, and save Vermont households money in furtherance of the
14 policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive
15 Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive
16 and Legislative Branches’ commitments to the Paris Agreement climate goals.
17 In fiscal year 2027, these efforts will include the following:

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

20 (2) Bike and Pedestrian Facilities Program. This act provides for a
21 fiscal year expenditure, including local match, of \$24,576,873.00, which will

1 fund 34 bike and pedestrian construction projects; 18 bike and pedestrian
2 design, right-of-way, or design and right-of way projects for construction in
3 future fiscal years; and eight scoping studies. The construction projects
4 include the creation, improvement, and rehabilitation of walkways, sidewalks,
5 shared-use paths, bike paths, and cycling lanes. Projects are funded in
6 Arlington, Bennington, Bethel, Brattleboro, Burke, Burlington, Castleton,
7 Chester, Danville, Essex Town, Fairfax, Greensboro, Guilford, Hartford,
8 Huntington, Hyde Park, Irasburg, Jamaica, Johnson, Lunenburg, Middlebury,
9 Montpelier, Moretown, Morristown, Newfane, Newport City, Northfield,
10 Pownal, Royalton, Rutland City, Rutland Town, Sheldon, South Burlington,
11 Springfield, St. Albans City, Swanton, Wallingford, Warren, Waterbury, West
12 Rutland, Williston, Wilmington, and Wolcott. This act also provides funding
13 for:

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

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

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

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

19 (3) Transportation Alternatives Program. This act provides for a fiscal
20 year expenditure of \$4,514,362.00, including local funds, which will fund 22
21 transportation alternatives construction projects; 28 transportation alternatives

1 design, right-of-way, or design and right-of-way projects; and one scoping
2 study. Of these 51 projects, 18 involve environmental mitigation related to
3 clean water or stormwater concerns, or both clean water and stormwater
4 concerns, and 30 involve bicycle and pedestrian facilities. Projects are funded
5 in Athens, Bennington, Bethel, Brandon, Brattleboro, Bristol, Burke,
6 Burlington, Derby, Enosburg Falls, Fairlee, Ferrisburgh, Glover, Guilford,
7 Hinesburg, Hyde Park, Jericho, Londonderry, Ludlow, Lyndon, Montgomery,
8 Newark, Putney, Rockingham, Rutland City, Shoreham, South Burlington,
9 Springfield, Swanton, Warren, Weathersfield, Williston, Wilmington, and
10 Windham.

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

13 Included in the authorization are:

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

18 (B) Mobility and Transportation Innovations (MTI) Grant Program,
19 with an authorization of \$315,000.00 in federal funds. This authorization
20 continues to support projects that improve both mobility and access to services

1 for transit-dependent Vermonters, reduce the use of single-occupancy vehicles,
2 and reduce greenhouse gas emissions.

3 (5) Rail Program. This act provides for a fiscal year expenditure of
4 \$60,289,410.00, including local funds and \$34,688,907.00 in federal funds, for
5 intercity passenger rail service, including funding for the Ethan Allen Express
6 and Vermonter Amtrak services, and rail infrastructure that supports freight
7 rail as well. Moving freight by rail instead of trucks lowers greenhouse gas
8 emissions by up to 75 percent, on average.

9 * * * Paving * * *

10 Sec. 4. PAVING; STATEWIDE DISTRICT LEVELING

11 (a) Within the Agency of Transportation’s Proposed Fiscal Year 2027
12 Transportation Program for Paving, authorized spending is amended as
13 follows:

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

1	Local	13,235	13,235	0
2	Total	148,145,420	149,845,420	1,700,000

3 (b) Within the Agency of Transportation’s Proposed Fiscal Year 2027

4 Transportation Program for Paving, authorized spending for STATEWIDE

5 District Leveling TBD is amended as follows:

6	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
7	Const.	7,000,000	8,700,000	1,700,000
8	Total	7,000,000	8,700,000	1,700,000

9 Sources of funds

10	State	7,000,000	8,700,000	1,700,000
11	Total	7,000,000	8,700,000	1,700,000

12 (c) It is the intent of the General Assembly to direct the maximum amount
13 of funding to the State highway system. Consistent with this intent, within the
14 Agency of Transportation’s Proposed Fiscal Year 2027 Transportation
15 Program for Paving, any unobligated amounts or carryforward resulting from
16 project delays or cost overruns or underruns shall be directed to State highway
17 paving projects.

18 * * * State Highway Bridges * * *

19 Sec. 5. STATE HIGHWAY BRIDGES

1 (a) Within the Agency of Transportation’s Proposed Fiscal Year 2027
2 Transportation Program for State Highway Bridges, authorized spending is
3 amended as follows:

4	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
5	PE	4,143,897	4,143,897	0
6	ROW	414,000	414,000	0
7	Const.	78,935,408	78,935,408	0
8	Other	1,400,000	1,400,000	0
9	Total	84,893,305	84,893,305	0

10 Sources of funds

11	State	2,873,295	1,123,295	-1,750,000
12	TIB	6,180,851	7,930,851	1,750,000
13	Federal	67,312,444	67,312,444	0
14	Local/Other	1,247,049	1,247,049	0
15	Inter Unit	7,279,666	7,279,666	0
16	Total	84,893,305	84,893,305	0

17 (b) Within the Agency of Transportation’s Proposed Fiscal Year 2027
18 Transportation Program for State Highway Bridges, authorized spending for
19 SHAFTSBURY STP 014-1(6) is amended as follows:

20	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
21	PE	14,678	14,678	0

1	Const.	2,600,000	2,600,000	0
2	Total	2,614,678	2,614,678	0
3	<u>Sources of funds</u>			
4	State	521,000	0	-521,000
5	TIB	1,936	522,936	521,000
6	Federal	2,091,742	2,091,742	0
7	Total	2,614,678	2,614,678	0

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

9 Transportation Program for State Highway Bridges, authorized spending for

10 SUNDERLAND BM20102 is amended as follows:

11	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
12	PE	85,287	85,287	0
13	Const.	2,000,000	2,000,000	0
14	Total	2,085,287	2,085,287	0
15	<u>Sources of funds</u>			
16	State	415,057	0	-415,057
17	TIB	2,000	417,057	415,057
18	Federal	1,668,230	1,668,230	0
19	Total	2,085,287	2,085,287	0

1 (d) Within the Agency of Transportation’s Proposed Fiscal Year 2027
2 Transportation Program for State Highway Bridges, authorized spending for
3 SUNDERLAND NH CULV 122 is amended as follows:

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

13 (e) Within the Agency of Transportation’s Proposed Fiscal Year 2027
14 Transportation Program for State Highway Bridges, authorized spending for
15 TOPSHAM BF 031-1(13) is amended as follows:

16	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
17	PE	10,000	10,000	0
18	ROW	1,000	1,000	0
19	Const.	2,733,967	2,733,967	0
20	Total	2,744,967	2,744,967	0
21	<u>Sources of funds</u>			

1 all payments made under subchapters 4 and 4C of this chapter plus any
2 additional State payments in lieu of taxes for correctional facilities and any
3 amounts appropriated from the PILOT Special Fund to the Department of
4 Taxes for expenses related to grand list and appraisal assistance, three-fourths
5 of the excess amount shall be transferred to the Local Option Municipal
6 Transportation Special Fund established pursuant to 19 V.S.A. § 306b.

7 Sec. 7. 19 V.S.A. § 306b is added to read:

8 § 306b. LOCAL OPTION MUNICIPAL TRANSPORTATION SPECIAL
9 FUND

10 (a) The Local Option Municipal Transportation Special Fund is established
11 in the Agency of Transportation and shall be managed in accordance with
12 32 V.S.A. chapter 7, subchapter 5. The purpose of the Fund is to provide
13 additional State aid for town highways pursuant to the provisions of section
14 306 of this chapter.

15 (b) The Fund shall consist of:

16 (1) transfers from the PILOT Special Fund pursuant to 32 V.S.A.
17 § 3709(c);

18 (2) any gifts, grants, or contributions made to the Fund; and

19 (3) any amounts transferred to the Fund by the General Assembly.

1 (c)(1) All interest earned on Fund balances shall be credited to the Fund.

2 (2) The Secretary may seek and accept gifts, donations, and grants from
3 any source, public or private, to be dedicated for deposit into the Fund.

4 (3) The Commissioner of Finance and Management shall anticipate
5 receipts to the Fund and shall issue warrants based on the anticipated amounts.

6 (4)(A) Monies in the Fund shall be used solely to provide State aid to
7 municipalities pursuant to subsections 306(a), (e), and (h) of this chapter and
8 for any administrative costs incurred in administering the Fund.

9 (B) Notwithstanding any provision of subsections 306(a), (e), and (h)
10 of this chapter to the contrary, the aggregate amount of monies appropriated
11 from the Fund pursuant to those subsections in any given State fiscal year shall
12 not exceed 95 percent of the anticipated receipts to the Fund for that fiscal
13 year.

14 Sec. 8. 19 V.S.A. § 306 is amended to read:

15 § 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

16 (a) General State aid to town highways.

17 (1) An annual appropriation to class 1, 2, and 3 town highways shall be
18 made. This appropriation shall increase over the previous fiscal year's
19 appropriation by the same percentage change as the following, whichever is
20 less, or shall remain at the previous fiscal year's appropriation if either of the
21 following are negative or zero:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

* * *

(3) The funds appropriated shall be distributed to towns as follows:

(A) Six percent of the State’s annual town highway appropriation shall be apportioned to class 1 town highways. The apportionment for each town shall be that town’s percentage of class 1 town highways of the total class 1 town highway mileage in the State.

(B) Forty-four percent of the State’s annual town highway appropriation shall be apportioned to class 2 town highways. The apportionment for each town shall be that town’s percentage of class 2 town highways of the total class 2 town highway mileage in the State.

(C) Fifty percent of the State’s annual town highway appropriation shall be apportioned to class 3 town highways. The apportionment for each town shall be that town’s percentage of class 3 town highways of the total class 3 town highway mileage in the State.

(D) Monies apportioned under subdivisions (1), (2), and (3) of this subsection (a) shall be distributed to each town in quarterly payments beginning July 15 in each year.

(E) Each town shall use the monies apportioned to it solely for town highway construction, improvement, and maintenance purposes or as the nonfederal share for public transit assistance. These funds may also be used for the establishment and maintenance of bicycle routes and sidewalks. The

1 members of the selectboard shall be personally liable to the State, in a civil
2 action brought by the Attorney General, for making any unauthorized
3 expenditures from money apportioned to the town under this section.

4 (4)(A) In addition to the amounts appropriated pursuant to subdivision
5 (1) of this subsection (a), a portion of the anticipated annual revenue of the
6 Local Option Municipal Transportation Special Fund may be appropriated for
7 class 1, 2, and 3 town highways in each State fiscal year in an amount that is
8 consistent with the provisions of subdivision 306b(c)(4) of this chapter.
9 Amounts appropriated from the Fund shall be apportioned, distributed, and
10 used in the same manner as provided pursuant to subdivision (3) of this
11 subsection (a).

12 (B) Amounts appropriated pursuant to this subdivision (4) shall be
13 supplemental to and shall not supplant or decrease the amount appropriated
14 pursuant to subdivision (1) of this subsection (a) or be subject to the annual
15 inflationary adjustment provided for in subdivisions (1) and (2) of this
16 subsection (a).

17 * * *

18 (e) State aid for town highway structures.

19 (1) There shall be an annual appropriation for grants to municipalities
20 for maintenance ~~(, including actions to extend life expectancy),~~ and for
21 construction of bridges and culverts; for maintenance and construction of other

1 structures, including causeways and retaining walls, intended to preserve the
2 integrity of the traveled portion of class 1, 2, and 3 town highways; and for
3 alternatives that eliminate the need for a bridge, culvert, or other structure,
4 such as the construction or reconstruction of a highway, the purchase of parcels
5 of land that would be landlocked by closure of a bridge, the payment of
6 damages for loss of highway access, and the substitution of other means of
7 access. This appropriation shall increase over the previous fiscal year's
8 appropriation by the same percentage change as the following, whichever is
9 less, or shall remain at the previous fiscal year's appropriation if either of the
10 following are negative or zero:

11 * * *

12 (5) Funds received as grants for State aid for town highway structures
13 may be used by a municipality to satisfy a portion of the matching
14 requirements for federal earmarks, subject to subsection 309b(c) of this title.

15 (6)(A) In addition to the amounts appropriated pursuant to subdivision
16 (1) of this subsection (e), a portion of the anticipated annual revenue of the
17 Local Option Municipal Transportation Special Fund may be appropriated for
18 town highway structures in each State fiscal year in an amount that is
19 consistent with the provisions of subdivision 306b(c)(4) of this chapter.
20 Amounts appropriated from the Fund shall be used in the same manner and for

1 the same purposes as provided pursuant to subdivisions (1) and (5) of this
2 subsection (e).

3 (B) Amounts appropriated pursuant to this subdivision (6) shall be
4 supplemental to and shall not supplant or decrease the amount appropriated
5 pursuant to subdivision (1) of this subsection (e) or be subject to the annual
6 inflationary adjustment provided for in subdivisions (1)–(3) of this subsection
7 (e).

8 * * *

9 (h) Class 2 Town Highway Roadway Program.

10 (1) There shall be an annual appropriation for grants to municipalities
11 for resurfacing, rehabilitation, or reconstruction of paved or unpaved class 2
12 town highways. Municipalities that have no State highways or class 1 town
13 highways within their borders may use the grants for such activities with
14 respect to both class 2 and class 3 town highways. This appropriation shall
15 increase over the previous fiscal year's appropriation by the same percentage
16 change as the following, whichever is less, or shall remain at the previous
17 fiscal year's appropriation if either of the following are negative or zero:

18 * * *

19 (4) In a given fiscal year, should expenditures in the Class 2 Town
20 Highway Roadway Program exceed the amount appropriated, the Agency shall
21 advise the Governor of the need to request a supplemental appropriation from

1 the General Assembly to fund the additional project cost, provided that the
2 Agency has previously committed to completing those projects.

3 (5) Funds received as grants for State aid under the Class 2 Town
4 Highway Roadway Program may be used by a municipality to satisfy a portion
5 of the matching requirements for federal earmarks, subject to subsection
6 309b(c) of this title.

7 (6)(A) In addition to the amounts appropriated pursuant to subdivision
8 (1) of this subsection (h), a portion of the anticipated annual revenue of the
9 Local Option Municipal Transportation Special Fund may be appropriated for
10 town highway structures in each State fiscal year in an amount that is
11 consistent with the provisions of subdivision 306b(c)(4) of this chapter.
12 Amounts appropriated from the Fund shall be used in the same manner and for
13 the same purposes as provided pursuant to subdivisions (1) and (5) of this
14 subsection (h).

15 (B) Amounts appropriated pursuant to this subdivision (6) shall be
16 supplemental to and shall not supplant or decrease the amount appropriated
17 pursuant to subdivision (1) of this subsection (h) or be subject to the annual
18 inflationary adjustment provided for in subdivisions (1)–(3) of this subsection
19 (h).

20 * * *

1 Sec. 9. GENERAL STATE AID FOR TOWN HIGHWAYS; ADDITIONAL
2 APPROPRIATION

3 Notwithstanding any provision of 32 V.S.A. § 3709(a) to the contrary, the
4 sum of \$3,000,000.00 is appropriated in State fiscal year 2027 from the PILOT
5 Special Fund to the Agency of Transportation to provide additional grants
6 through the general State aid to town highways program pursuant to 19 V.S.A.
7 § 306(a). The amounts appropriated pursuant to this section shall be
8 supplemental to and shall not supplant or decrease any amounts appropriated
9 pursuant to the provisions of 19 V.S.A. § 306(a) in State fiscal year 2027.

10 * * * Transfer from General Fund * * *

11 Sec. 10. TRANSFER

12 In State fiscal year 2027, the amount of \$10,400,000.00 is transferred from
13 the General Fund to the Transportation Fund.

14 * * * Allocation of Purchase and Use Tax Revenues * * *

15 Sec. 11. 16 V.S.A. § 4025 is amended to read:

16 § 4025. EDUCATION FUND

17 (a) The Education Fund is established to comprise the following:

18 * * *

19 (5) ~~one third of the revenues raised from the purchase and use tax~~
20 ~~imposed by 32 V.S.A. chapter 219, notwithstanding 19 V.S.A. § 11(1), the~~
21 amount received from the purchase and use tax imposed pursuant to 32 V.S.A.

1 chapter 219 as follows: \$43,500,000.00 for the fiscal year beginning on July 1,
2 2027; \$33,500,000.00 for the fiscal year beginning on July 1, 2028;
3 \$23,500,000.00 for the fiscal year beginning on July 1, 2029; and
4 \$13,500,000.00 for the fiscal year beginning on July 1, 2030;

5 * * *

6 Sec. 12. 16 V.S.A. § 4025 is amended to read:

7 § 4025. EDUCATION FUND

8 (a) The Education Fund is established to comprise the following:

9 * * *

10 (5) ~~notwithstanding 19 V.S.A. § 11(1), the amount received from the~~
11 ~~purchase and use tax imposed pursuant to 32 V.S.A. chapter 219 as follows:~~
12 ~~\$43,500,000.00 for the fiscal year beginning on July 1, 2027; \$33,500,000.00~~
13 ~~for the fiscal year beginning on July 1, 2028; \$23,500,000.00 for the fiscal year~~
14 ~~beginning on July 1, 2029; and \$13,500,000.00 for the fiscal year beginning on~~
15 ~~July 1, 2030; [Repealed.]~~

16 * * *

17 * * * Authority to Issue Transportation Infrastructure Bonds * * *

18 Sec. 13. AUTHORITY TO ISSUE TRANSPORTATION

19 INFRASTRUCTURE BONDS; FISCAL YEARS 2028–2032

1 (a) The State Treasurer is authorized to issue transportation infrastructure
2 bonds pursuant to 32 V.S.A. § 972 for State fiscal years 2028–2032 in an
3 amount approved by the General Assembly.

4 (b) For State fiscal years 2028–2032, the Capital Debt Affordability
5 Advisory Committee (CDAAC) shall annually report to the House and Senate
6 Committees on Transportation on or before September 30 of the preceding
7 fiscal year an estimate of the maximum amount of transportation infrastructure
8 bonds that prudently may be authorized for the next fiscal year.

9 (c) The Treasurer, in consultation with the CDAAC, shall review annually
10 any requested issuance of transportation infrastructure bonds pursuant to
11 32 V.S.A. § 1001 as part of its net State tax-supported debt analysis provided
12 to the Governor and the General Assembly.

13 Sec. 14. 2028 PROPOSED TRANSPORTATION PROGRAM;

14 TRANSPORTATION INFRASTRUCTURE BOND PROPOSAL;
15 REPORT

16 (a) The Agency of Transportation shall, when preparing the 2028
17 Transportation Program, prepare both:

18 (1) a Transportation Program proposal that includes the use of
19 transportation infrastructure bond proceeds to fund eligible projects pursuant to
20 32 V.S.A. § 972(d); and

1 (2) a Transportation Program proposal that does not include the use of
2 transportation infrastructure bond proceeds.

3 (b)(1) The Agency of Transportation shall, in consultation with the State
4 Treasurer and at the same time as the Agency submits the proposed State fiscal
5 year 2028 Transportation Program to the General Assembly, submit a written
6 report to the House and Senate Committees on Transportation that identifies
7 projects proposed for the State fiscal year 2028 Transportation Program that
8 are eligible to be funded with the proceeds from the issuance of transportation
9 infrastructure bonds pursuant to the provisions of 32 V.S.A. § 972(d).

10 (2) The report shall include:

11 (A) an analysis comparing the present value of the estimated cost to
12 pay for the identified projects using transportation infrastructure bond proceeds
13 to the cost to pay for the projects on a pay-as-you-go basis; and

14 (B) a comparison of the projects' schedules if funded with
15 transportation infrastructure bonds to the projects' schedules if funded on a
16 pay-as-you-go basis.

17 * * * Mileage-Based User Fee * * *

18 Sec. 15. FINDINGS AND INTENT

19 (a) Findings. The General Assembly finds that:

20 (1) Vermont adopted its first tax on gasoline in 1923.

1 (2) In 1923, the most common motor vehicle in the Unites States was
2 the Ford Model T, whose annual production peaked at more than 2,000,000
3 new vehicles that year.

4 (3) Because of the limited variety of mass-produced vehicles available
5 when it was adopted, the gasoline tax, and the later-adopted diesel fuel tax,
6 served as use fees that required drivers of light-duty motor vehicles to
7 contribute to the State’s Transportation Fund in an amount that reflected the
8 amount of miles that each vehicle was driven on Vermont’s surface
9 transportation system.

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

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

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

1 (7) As a result of differences in fuel consumption between different
2 types and ages of light-duty motor vehicles, the current system for funding
3 Vermont’s surface transportation system through fuel taxes has become
4 inequitable when the impacts of each vehicle on the transportation system are
5 considered.

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

10 (9) Vermont’s taxes on gasoline and on diesel fuel were last increased in
11 2014, and the federal taxes on gasoline and on diesel fuel were last increased in
12 1993.

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

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

19 (12) The July 2025 consensus revenue forecast estimates a 1.33 percent
20 compound annual growth rate in Transportation Fund revenues between 2026
21 and 2030.

1 (13) In comparison, highway construction costs, as measured by the
2 National Highway Construction Cost Index, have increased by 62 percent,
3 nationally, since 2020.

4 (b) Intent. It is the intent of the General Assembly to:

5 (1) implement a mileage-based user fee for BEVs, which will replace
6 the existing infrastructure fee beginning on January 1, 2027, to ensure that
7 owners and lessees of BEVs contribute to the Transportation Fund in an
8 amount that reflects the annual miles traveled by each vehicle;

9 (2) ensure that owners and lessees of all light-duty motor vehicles
10 contribute to the Transportation Fund in an amount that reflects the annual
11 miles traveled by each vehicle by expanding the mileage-based user fee to
12 fuel-efficient light-duty motor vehicles, such as plug-in hybrids, hybrids, and
13 vehicles with efficient internal combustion engines on or before January 1,
14 2029, and to all light-duty motor vehicles on or before January 1, 2031; and

15 (3) develop and implement the mileage-based user fee in a manner that
16 does not discourage ownership and use of BEVs and fuel-efficient vehicles,
17 consistent with the intent of the Global Warming Solutions Act and the State's
18 Climate Action Plan.

1 Sec. 16. 23 V.S.A. chapter 43 is added to read:

2 CHAPTER 43. MILEAGE-BASED USER FEE

3 § 4301. DEFINITIONS

4 As used in this chapter:

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

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

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

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

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

17 (6) “Mileage reporting period” means:

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

19 (B) the time period between an initial odometer reading related to the
20 purchase of a covered vehicle or beginning of a lease of a covered vehicle and
21 an annual inspection; or

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

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

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

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

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

8 § 4302. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;
9 PAYMENT; EXEMPTIONS

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

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

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

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

20 (C) estimated payments of the MBUF in annual, quarterly, or
21 monthly installments as set forth in subdivision (4) of this subsection (a); or

1 (D) a flat rate of \$178.00.

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

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

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

10 (i) the next required registration renewal for the covered vehicle;
11 (ii) the termination of the covered vehicle’s Vermont registration;

12 or

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

15 (3) Pay-as-you-go option.

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

20 (B) As soon as practicable after receiving each report, the
21 Commissioner shall calculate pursuant to subsection (d) of this section the

1 applicable MBUF due for the covered vehicle and mail to the owner or lessee a
2 statement of the amount of the mileage-based user fee assessed.

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

6 (D) At the end of each mileage reporting period, the amount paid by
7 the owner or lessee shall be reconciled against the actual mileage driven as set
8 forth in subdivision (5) of this subsection.

9 (4) Estimated payment option.

10 (A) An owner or lessee who elects to make estimated payments shall
11 be assessed upon registration of the covered vehicle, or registration renewal, an
12 estimated mileage-based user fee equal to the rate established pursuant to
13 subsection (e) of this section multiplied by the average annual vehicle miles
14 traveled by pleasure cars registered in Vermont.

15 (B) The owner or lessee shall either:

16 (i) pay the estimated MBUF as a lump sum not more than 45 days
17 after the date of registration or registration renewal; or

18 (ii) enter into an agreement with the Commissioner to pay the
19 estimated amount in monthly or quarterly installments.

1 (C) At the end of each mileage reporting period, the amount paid by
2 the owner or lessee shall be reconciled against the actual mileage driven as set
3 forth in subdivision (5) of this subsection.

4 (5) Reconciliation of mileage for pay-as-you-go and estimated payment
5 options.

6 (A) At the conclusion of each mileage reporting period for a covered
7 vehicle whose owner or lessee has elected either the pay-as-you-go or the
8 estimated payment option, the Commissioner shall determine if the amount of
9 the MBUF for the actual miles traveled by the covered vehicle during the
10 mileage reporting period is greater than or less than the amount of the
11 payments made by the owner or lessee during that period.

12 (B) If the actual MBUF is less than the amount paid, the owner or
13 lessee of the covered vehicle shall receive a credit equal to the difference
14 between the amount paid and the actual amount, which shall be applied to
15 reduce the amount of future fees due from the owner or lessee for the covered
16 vehicle pursuant to this subsection (a).

17 (C) If the actual MBUF is more than the amount paid, the owner or
18 lessee of the covered vehicle shall be assessed an amount equal to the
19 difference between the actual MBUF and the amount paid, which shall be
20 added to the next amount due from the owner or lessee pursuant to this
21 subsection (a).

1 (6) Flat-rate option.

2 (A) The Commissioner shall send an owner or lessee who elects the
3 flat-rate option an assessment for the flat fee due at the conclusion of each
4 mileage reporting period. The owner or lessee shall remit the amount due to
5 the Commissioner on or before the sooner of:

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

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

8 or

9 (iii) the sale of the covered vehicle or termination of the lease of
10 the covered vehicle, as appropriate.

11 (B) An owner or lessee enrolled in the flat-rate option shall not be
12 required to report vehicle mileage to the Commissioner pursuant to the
13 provisions of this chapter. Nothing in this subdivision (6)(B) shall be
14 construed to exempt an owner or lessee enrolled in the flat-rate option from
15 any other requirements in State law related to vehicle inspections or odometer
16 disclosures.

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

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

1 (2) the estimated payment option set forth in subdivision (a)(4) of this
2 section; or

3 (3) the flat-rate option set forth in subdivision (a)(6) of this section.

4 (c) Election of different payment option. An owner or lessee of a covered
5 vehicle may select a different option for payment of the MBUF pursuant to
6 subsection (a) of this section by providing notice to the Commissioner in the
7 time and manner prescribed by the Commissioner.

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

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

13 (A) for a mileage reporting period, the difference between the
14 mileage shown on the covered vehicle's odometer at the end of the mileage
15 reporting period and the mileage shown on the covered vehicle's odometer at
16 the beginning of the mileage reporting period; and

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

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

4 (e) Mileage-based user fee rate. The mileage-based user fee rate shall be
5 \$0.014 per mile traveled by a covered vehicle during its mileage reporting
6 period.

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

9 (1) covered vehicles owned or operated by the government of the United
10 States;

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

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

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

16 (h) Review of amount assessed. A person may, within 45 days after an
17 assessment is mailed pursuant to subsection (a) of this section, appeal the
18 amount of the assessment to the Commissioner. The Commissioner shall
19 establish procedures for filing and hearing appeals pursuant to this subsection
20 that are consistent with the provisions of sections 105–107 of this title. The

1 procedures shall include a process by which an appellant can resolve the
2 dispute prior to the issuance of a final administrative decision on the appeal.

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

7 § 4303. REPORTS

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

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

16 § 4304. FAILURE TO FILE REPORT OR OBTAIN INSPECTION;

17 DEFAULT RATE

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

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

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

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

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

12 (2) After being assessed the default amount pursuant to this subsection,
13 the owner or lessee of the covered vehicle may obtain an inspection within 90
14 days after the date on which the vehicle’s registration is renewed. If the
15 covered vehicle’s mileage is such that the mileage-based user fee would have
16 been less than the default amount, the owner or lessee shall receive a credit for
17 the difference that is applied to reduce the amount of the next mileage-based
18 user fee due for the covered vehicle.

19 § 4305. REGISTRATION; SUSPENSION OR REFUSAL

20 (a) Suspension of registration. The Commissioner may suspend or refuse
21 to renew the registration of a covered vehicle if the Commissioner determines,

1 following notice and an opportunity for a hearing as provided pursuant to
2 subsection (b) of this section, that the owner or lessee of the covered vehicle:

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

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

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

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

15 § 4306. POWERS OF THE COMMISSIONER

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

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

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

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

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

6 § 4307. APPEALS; JUDICIAL REVIEW

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

10 The Commissioner shall establish procedures for filing and hearing appeals
11 pursuant to this subsection that are consistent with the provisions of sections
12 105–107 of this title.

13 (b) Appeal to Superior Court. Following a final decision on an appeal
14 pursuant to subsection (a) of this section or subsection 4302(h) of this chapter,
15 the appellant may appeal the decision pursuant to Rule 74 of the Vermont
16 Rules of Civil Procedure. The appeal shall be to the Washington Superior
17 Court or, in the discretion of the appellant, to the Superior Court in the county
18 where the appellant resides or has a principal place of business.

19 (c) Exclusivity of remedies. The appeals provided by this section and
20 subsection 4302(h) of this chapter shall be the exclusive remedies available to

1 any person for review of an assessment, decision, or order or finding of the
2 Commissioner under this chapter.

3 Sec. 17. 23 V.S.A. § 361 is amended to read:

4 § 361. PLEASURE CARS

5 * * *

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

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

18 Sec. 18. MILEAGE-BASED USER FEE; INITIAL TRANSITION

19 (a) Notwithstanding any provision of 23 V.S.A. § 4302 to the contrary,
20 during calendar years 2027 and 2028, the owner or lessee of a covered vehicle
21 shall pay the mileage-based user fee for the covered vehicle's first mileage

1 reporting period as provided pursuant to the provisions of either subsection (b)
2 or (c) of this section.

3 (b)(1)(A) For a covered vehicle that has a valid Vermont registration on
4 December 31, 2026, the vehicle’s initial mileage reporting period shall
5 commence with its first annual inspection occurring on or after January 1,
6 2027.

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

10 (2) For an initial registration or a registration renewal of a covered
11 vehicle that occurs on or after January 1, 2027, and prior to the completion of
12 the initial mileage reporting period, the owner or lessee of the covered vehicle
13 shall pay a one-time road usage charge of \$89.00 for a one-year registration or
14 \$178.00 for a two-year registration.

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

19 (4)(A) The amount of the covered vehicle’s mileage-based user fee
20 calculated pursuant to subdivision (3) of this subsection shall be reduced by:

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

3 (ii) for a covered vehicle whose owner or lessee did not pay the
4 road usage charge pursuant to subdivision (2) of this subsection (b) but paid
5 the EV infrastructure fee required pursuant to 23 V.S.A. § 361 at the most
6 recent registration or registration renewal of the vehicle prior to January 1,
7 2027, an amount equal to the amount of the EV infrastructure fee paid at the
8 most recent registration.

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

13 (c) As an alternative to paying the mileage-based user fee as set forth in
14 subsection (b) of this section, the owner or lessee of a covered vehicle may
15 elect to pay a flat fee of \$178.00 for the initial mileage reporting period. The
16 provisions of 23 V.S.A. § 4302(a)(6) shall apply to an owner or lessee who
17 elects to pay a flat fee pursuant to this subsection.

18 (d) As used in this section, “covered vehicle” has the same meaning as in
19 23 V.S.A. § 4301.

1 Sec. 19. OUTREACH AND EDUCATION; USER EXPERIENCE; REPORT

2 (a) The Agency of Transportation and the Department of Motor Vehicles
3 shall develop and implement a public outreach, education, and
4 communications strategy regarding the mileage-based user fee program
5 established pursuant to 23 V.S.A. chapter 43 to build public awareness and
6 understanding of the program and to solicit public feedback regarding the
7 program. The strategy shall include the following:

8 (1) printed materials, web-based materials, mailings, and local media
9 outreach that describes the purpose of the mileage-based user fee, the
10 transportation funding challenges that the mileage-based user fee is intended to
11 help address, and how the mileage-based user fee will be implemented with
12 respect to battery electric vehicles and, later, other light-duty vehicles;

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

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

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

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

1 (D) provide information on how to obtain additional information
2 regarding the mileage-based user fee, including how to obtain informational
3 resources provided by the Agency, the availability of user support resources,
4 and how to determine how the mileage-based user fee may apply to a user’s
5 specific circumstances;

6 (3) prior to initial implementation of the mileage-based user fee in
7 January 2027, Agency engagement with owners and lessees of various types of
8 light-duty motor vehicles registered in Vermont to obtain feedback on the
9 design of the user experience for the mileage-based user fee, with particular
10 attention to universal accessibility and specific needs for translated materials
11 and services;

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

17 (5) ongoing engagement and collaboration with relevant stakeholders,
18 including the Vermont Vehicle and Automotive Distributors Association and
19 Drive Electric Vermont, to obtain feedback on the mileage-based user fee
20 program and to educate members of the public about the mileage-based user
21 fee and program design.

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

5 Sec. 20. MILEAGE-BASED USER FEE TRANSITION PLAN;

6 REPORT

7 (a)(1) The Agency of Transportation and the Department of Motor
8 Vehicles, in consultation with the Agency of Digital Services, shall develop a
9 plan to expand the mileage-based user fee (MBUF) program to all light-duty
10 motor vehicles to ensure that each vehicle contributes an amount that bears a
11 direct relation to the estimated demands and impacts that the vehicle places
12 upon public infrastructure, as determined on the basis of vehicle miles traveled.

13 (2) The plan shall provide that:

14 (A) plug-in hybrid electric, hybrid electric, and fuel-efficient light-
15 duty motor vehicles shall begin participating in the MBUF program on or
16 before January 1, 2029; and

17 (B) all light-duty motor vehicles shall begin participating in the
18 MBUF program on or before January 1, 2031.

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

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

4 (B) a system of fuel tax credits for vehicles that use gasoline or diesel
5 fuel based on the vehicle’s fuel economy as estimated by the U.S.
6 Environmental Protection Agency to ensure that all covered vehicles contribute
7 to Vermont’s transportation system in an equitable manner.

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

9 (1) analyze the amounts paid by vehicles of different engine-fuel types
10 and classifications with respect to the diesel fuel tax pursuant to 23 V.S.A.
11 chapter 27, the gasoline tax pursuant to 23 V.S.A. chapter 28, and the
12 infrastructure fee imposed pursuant to 23 V.S.A. § 361(c), as applicable;

13 (2) develop a proposed schedule for the inclusion of plug-in hybrid
14 electric, hybrid electric, and fuel-efficient light-duty vehicles in the MBUF
15 program on or before January 1, 2029;

16 (3) identify any other light-duty vehicles that currently contribute less to
17 the Transportation Fund than they would under the mileage-based user fee for
18 inclusion in the MBUF program on or before January 1, 2029;

19 (4) consider possible methods to account for and differentiate between
20 in-state and out-of-state vehicle miles traveled by vehicles registered in
21 Vermont and vehicles registered in another state;

1 (5) examine the potential for integrating alternative mileage reporting
2 methods into the mileage-based user fee program and related costs;

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

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

9 (c) The Agency and Department shall also track the implementation costs
10 and operating expenses of and revenues generated by the mileage-based user
11 fee for State fiscal years 2027–2031. The Agency and Department shall
12 submit an annual report of these amounts to the House Committees on
13 Transportation and on Ways and Means and the Senate Committees on
14 Transportation and on Finance on or before each December 31 beginning on
15 December 31, 2027, and continuing until December 31, 2031.

16 (d)(1) On or before January 31, 2027, the Agency of Transportation and the
17 Department of Motor Vehicles shall submit to the House Committees on
18 Transportation and on Ways and Means and the Senate Committees on
19 Transportation and on Finance an initial plan and recommendation for
20 legislative action to:

1 (A) incorporate plug-in hybrid electric, hybrid electric, and fuel-
2 efficient light-duty vehicles into the MBUF program;

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

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

7 (II) an option that would enable vehicle owners and lessees to
8 track and differentiate between miles traveled in Vermont and miles traveled
9 outside Vermont, with the MBUF only applying to miles traveled in Vermont;
10 and

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

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

16 (ii) recommend how to apply the flat fee to plug-in hybrid, hybrid,
17 and internal combustion engine vehicles, including whether to provide
18 different flat fees based on vehicle type or to provide credits against the
19 amount of the flat fee based on vehicle fuel efficiency;

20 (D) provide at least one option to enable vehicle owners and lessees
21 to track and differentiate between miles traveled in Vermont and miles traveled

1 outside Vermont, with the MBUF only applying to miles traveled in Vermont;

2 and

3 (E) recommend a maximum amount by which the mileage-based user
4 fee rate can increase from year to year after all light-duty vehicles are subject
5 to the mileage-based user fee.

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

11 (3) On or before September 15, 2028, the Agency of Transportation and
12 the Department of Motor Vehicles shall submit to the House Committees on
13 Transportation and on Ways and Means and the Senate Committees on
14 Transportation and on Finance:

15 (A) a final plan and proposal for legislative action necessary to
16 expand the MBUF program to all light-duty motor vehicles on or before
17 January 1, 2031;

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

20 (C) any additional recommendations for legislative action.

1 Sec. 25. 19 V.S.A. § 10c is amended to read:

2 § 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES

3 * * *

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

11 * * *

12 * * * Agency of Transportation Duties * * *

13 Sec. 26. 19 V.S.A. § 10 is amended to read:

14 § 10. DUTIES

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

16 * * *

17 (8)(A) Require any contractor or contractors employed in any project of
18 the Agency for construction of a transportation improvement to file in the
19 office of the Secretary a good and sufficient surety bond to the State of
20 Vermont, executed by a surety company authorized to transact business in this
21 State in ~~such~~ the sum as required by the Agency shall direct, conditioned for

1 the compliance by the contractor or contractors and their agents and servants,
2 with all matters and things set forth and specified to be by the principal kept,
3 done, and performed at the time and in the manner in the contract between the
4 Agency and the contractor or contractors specified and to pay over, make
5 good, and reimburse the State of Vermont for all loss or losses and damage or
6 damages that the State of Vermont may sustain by reason of failure or default
7 on the part of the contractor or contractors. The Agency is authorized to
8 require any other condition in the bond that may ~~from time to time~~ be
9 necessary. The Secretary ~~at his or her discretion as to~~ may, if the Secretary
10 determines that it is in the best interest interests of the State, accept other good
11 and sufficient surety in lieu of a bond and, in cases involving contracts for
12 ~~\$100,000.00~~ \$250,000.00 or less, may waive the requirement of a performance
13 bond.

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

19 (9)(A) Require any contractor or contractors employed in any project of
20 the Agency for construction of a transportation improvement to file an
21 additional surety bond to the Secretary and the Secretary's successor in office,

1 for the benefit of labor, materialmen, and others, executed by a surety company
2 authorized to transact business in this State. The surety bond shall be in ~~such~~
3 the sum as required by the Agency shall direct, conditioned for the payment,
4 settlement, liquidation, and discharge of the claims of all creditors for
5 material;₂ merchandise;₂ labor;₂ rent;₂ hire of vehicles, power shovels, rollers,
6 concrete mixers, tools, and other appliances;₂ professional services;₂
7 premiums;₂ and other services used or employed in carrying out the terms of
8 the contract between the contractor and the State ~~and~~. The surety bond shall be
9 further conditioned for the following accruing during the term of performance
10 of the contract: the payment of taxes, both State and municipal, and the
11 payment of unemployment insurance contributions to the Vermont
12 Commissioner of Labor; ~~provided, however, in,~~

13 (B) In order to obtain the benefit of the security, the claimant shall
14 file with the Secretary a sworn statement of the claimant's claim, within 90
15 days after the final acceptance of the project by the State or within 90 days
16 from the time the taxes or unemployment contributions ~~to the Vermont~~
17 ~~Commissioner of Labor~~ are due and payable, and, within one year after the
18 filing of the claim, shall bring a petition in the Superior Court in the name of
19 the Secretary, with notice and summons to the principal, surety, and the
20 Secretary, to enforce the claim or intervene in a petition already filed. The
21 Secretary may, if the Secretary determines that it is in the best interests of the

1 State, accept other good and sufficient surety in lieu of a bond and, in cases
2 involving contracts for ~~\$100,000.00~~ \$250,000.00 or less, may waive the
3 requirement of a surety bond.

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

9 * * *

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

11 Sec. 27. 19 V.S.A. § 1514 is added to read:

12 § 1514. BRIDGE INSPECTION; POSTING; CLOSURE

13 (a) Definition. As used in this section, “bridge” means a structure to which
14 the National Bridge Inspection Standards apply pursuant to 23 C.F.R.
15 § 650.303.

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

19 (c) Municipally maintained bridges.

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

4 (2) The Agency shall notify a municipality if a bridge for which the
5 municipality has maintenance responsibility requires posting or closure and,
6 upon receiving notification, the municipality shall post or close the bridge, as
7 appropriate.

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

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

15 (d) Agency-maintained bridges.

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

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

14 * * *

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

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

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

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

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

7 * * * Public-Private Partnership Sunset Extension * * *

8 Sec. 31. 2018 Acts and Resolves No. 158, Sec. 21 as amended by 2023 Acts
9 and Resolves No. 62, Sec. 41 is further amended to read:

10 Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

11 19 V.S.A. chapter 26, subchapter 2 shall be repealed on July 1, ~~2026~~ 2029.

12 * * * Transportation Board * * *

13 Sec. 32. 19 V.S.A. § 5 is amended to read:

14 § 5. TRANSPORTATION BOARD; POWERS AND DUTIES

15 * * *

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

17 * * *

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

* * *

* * * Transportation Alternatives Grant Program * * *

Sec. 33. 19 V.S.A. § 38 is amended to read:

§ 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

(a), (b) [Repealed.]

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

* * *

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

1 systems that will provide safe routes for nondrivers, and in accordance with the
2 priorities established in subdivision (2) of this subsection.

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

8 * * *

9 Sec. 34. 2023 Acts and Resolves No. 62, Sec. 11 is amended to read:

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

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

17 * * * Consultation Regarding Municipal Programs * * *

18 Sec. 35. MUNICIPAL TRANSPORTATION PROGRAMS; ONGOING
19 EVALUATION; IDENTIFICATION OF IMPROVEMENTS

20 (a) In addition to ongoing work pursuant to 2025 Acts and Resolves No.
21 43, Sec. 15, the Agency of Transportation, in consultation with the Vermont

1 League of Cities and Towns and the Vermont Association of Planning and
2 Development Agencies, shall:

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

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

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

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

1 located in the Town of Lyndon, and the Agency shall consult with the Town of
2 Lyndon on any requests for proposals related to the purchase or lease of the
3 Airport prior to the issuance of any requests for proposals related to the
4 purchase or lease of the Airport.

5 (2) The request for proposal shall include a request for a business plan,
6 which shall, at a minimum, include the prospective purchaser's or lessor's
7 plans for investments in the Airport and the surrounding communities and may
8 include plans for partnerships with secondary and post-secondary institutions
9 in the surrounding communities.

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

15 (c) Any such conveyance shall:

16 (1) include assignment of the State's interest in easements, leases,
17 licenses, and other agreements pertaining to the Airport and the acceptance of
18 the State's obligations under such easements, leases, licenses, and other
19 agreements that requires, at a minimum, that any leases and terms of leases that
20 are in effect at the time of the conveyance of the Airport are fully honored for
21 the balance of the lease term;

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

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

6 ~~(4) ensure that the Airport continues to be identified as a public use~~
7 ~~airport within the National Plan of Integrated Airport Systems until at least~~
8 ~~2050, subject to federal determination;~~

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

14 ~~(6)~~(5) include, if the Airport is leased, that the lease cannot be either
15 assigned or the lessor cannot sub-lease all or substantially all of the Airport
16 without the written approval of the Vermont Secretary of Transportation.

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

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

1 * * *

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

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

9 (4) “Charging station operator” means a person that owns or provides
10 the EVSE and the supporting equipment and facilities at one or more charging
11 stations and is responsible for operating and maintaining the EVSE, supporting
12 equipment, and facilities. A charging station operator may delegate to another
13 person or contract with another person for charging station operation and
14 maintenance.

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

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

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

20 ~~(3)~~(8) “Electric cargo bicycle” means a motor-assisted bicycle, as
21 defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under

1 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for
2 transporting loads, including at least one or more of the following: goods, one
3 or more individuals in addition to the operator, or one or more animals. A
4 motor-assisted bicycle that is not specifically designed and constructed for
5 transporting loads, including a motor-assisted bicycle that is only capable of
6 transporting loads because an accessory rear or front bicycle rack has been
7 installed, is not an electric cargo bicycle.

8 ~~(4)~~(9) “Electric vehicle supply equipment (EVSE)” and “electric
9 vehicle supply equipment available to the public” have the same meanings as
10 in 30 V.S.A. § 201.

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

14 (11) “NEVI standards” means the minimum standards and requirements
15 for projects funded under the National Electric Vehicle Infrastructure (NEVI)
16 Formula Program that were published in the Federal Register on February 28,
17 2023 (88 FR 12752).

18 ~~(5)~~(12) “Plug-in electric vehicle (PEV),” “battery electric vehicle
19 (BEV),” and “plug-in hybrid electric vehicle (PHEV)” have the same meanings
20 as in 23 V.S.A. § 4(85).

1 (13) “Port” means a system or connecting outlet on EVSE that provides
2 power to charge a PEV, provided that a port may be equipped with more than
3 one connector but shall only use one connector at a time to provide power to a
4 PEV.

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

9 Sec. 41. 19 V.S.A. § 2908 is added to read:

10 § 2908. PUBLIC EVSE; REAL-TIME STATUS; AVAILABILITY

11 (a) Except as provided in subsection (b) of this section, a charging network
12 provider shall, for any networked publicly funded and available charging
13 station in Vermont that is installed or reconditioned on or after September 30,
14 2026, ensure that the following data fields are made available, free of charge,
15 to third-party software developers via an application programming interface:

16 (1) a unique charging station name or identifier;

17 (2) the address of the property where the charging station is located,
18 including street address, city, and ZIP code;

19 (3) the geographic coordinates in decimal degrees of the exact charging
20 station location;

21 (4) the charging station operator name;

1 (5) the charging network provider name;

2 (6) the charging station status, including whether the station is
3 operational, under construction, planned, or decommissioned;

4 (7) charging station access information, including:

5 (A) the charging station access type, such as whether it may be used
6 by the public or is limited to use by commercial vehicles; and

7 (B) the charging station access days and times, including the hours of
8 operation for the charging station;

9 (8) charging port information, including:

10 (A) the number of charging ports;

11 (B) the unique port identifier for each port;

12 (C) the connector types available by port;

13 (D) the charging level by port, such as DCFC or AC Level 2;

14 (E) the maximum power delivery rating in kilowatts by charging
15 port;

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

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

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

20 (9) pricing and payment information, including:

21 (A) the pricing structure;

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

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

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

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

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

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

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

20 (e)(1) A State agency or department that provides a grant, loan, or other
21 incentive for the construction or operation of a charging station that is installed

1 or reconditioned on or after September 30, 2026, shall require the recipient to
2 notify the relevant charging network provider that the provisions of this section
3 apply to a charging station.

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

9 (f) As used in this section:

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

12 (2) “Retail electricity provider” has the same meaning as in 30 V.S.A.
13 § 8002.

14 * * * EVSE Installation in Common Interest Communities * * *

15 Sec. 42. 27A V.S.A. § 1-204 is amended to read:

16 § 1-204. PREEXISTING COMMON INTEREST COMMUNITIES

17 (a)(1) Unless excepted under section 1-203 of this title, the following
18 sections and subdivisions of this title apply to a common interest community
19 created in this State before January 1, 1999: sections 1-103, 1-105, 1-106, 1-
20 107, 2-103, 2-104, and 2-121, subdivisions ~~3-102(a)(1) through (6)~~ 3-
21 102(a)(1)–(6) and (11)–(16), and sections 3-111, 3-116, 3-

1 118, 4-109, and 4-117 to the extent necessary to construe the applicable
2 sections. The sections and subdivisions described in this subdivision apply
3 only to events and circumstances occurring after December 31, 1998, and do
4 not invalidate existing provisions of the declarations, bylaws, plats, or plans of
5 those common interest communities.

6 * * *

7 (3) Unless excepted under section 1-203 of this title, section 3-125 of
8 this title shall apply to all common interest communities that contain 12 or
9 more units that may be used for residential purposes created in this State on or
10 before January 1, 2011. Section 3-125 applies only to events and
11 circumstances occurring after June 30, 2026, and does not invalidate existing
12 provisions of the declarations, bylaws, plats, or plans of those common interest
13 communities.

14 * * *

15 Sec. 43. 27A V.S.A. § 3-125 is added to read:

16 § 3-125. ELECTRIC VEHICLE SUPPLY EQUIPMENT

17 (a) As used in this section:

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

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

6 (3) “Plug-in electric vehicle” has the same meaning as in 23 V.S.A.
7 § 4(85).

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

11 (b)(1) Any covenant, restriction, or condition contained in any deed,
12 contract, security instrument, or other instrument affecting the transfer or sale
13 of any interest in a common interest community, and any provision of a
14 governing document associated with a common interest community, such as a
15 declaration, bylaw, or rule, that either effectively prohibits or unreasonably
16 restricts the installation of EVSE within the boundaries of a unit owner’s unit
17 or limited common element or the unit owner’s exclusively designated parking
18 space or the use of such EVSE for noncommercial purposes by a unit owner or
19 the occupants of the unit owner’s unit or is in conflict with this section is void
20 and unenforceable.

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

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

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

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

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

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

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

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

1 (d) Notwithstanding any provision to the contrary in the association’s
2 governing documents, if the executive board of the association determines that
3 the cumulative or additional use of electricity due to the installation and use of
4 EVSE requires infrastructure improvements to provide a sufficient supply of
5 electricity for the EVSE, the association may assess the cost of the required
6 improvements against the unit of each unit owner that has installed, or will
7 install, EVSE.

8 (e) If approval is required for the installation or use of EVSE, the
9 application for approval shall be processed and approved by the association in
10 the same manner as an application for approval of an architectural modification
11 to the common interest community and shall not be intentionally avoided or
12 delayed. The approval or denial of an application shall be in writing. If an
13 application is not denied in writing within 60 days from the date of receipt of
14 the application, the application shall be deemed approved, unless that delay is
15 the result of a reasonable request for additional information.

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

18 (1) costs for damage to the EVSE, common element, or limited common
19 element resulting from the installation, maintenance, repair, removal, or
20 replacement of the EVSE;

1 § 47133 and applicable Federal Aviation Administration regulations and
2 policies.

3 Sec. 45. 19 V.S.A. § 11 is amended to read:

4 § 11. TRANSPORTATION FUND

5 The Transportation Fund shall comprise the following:

6 * * *

7 (4) monies received from the sales and use tax on aviation jet fuel and
8 on natural gas used to propel a motor vehicle under 32 V.S.A. chapter 233, ~~and~~
9 from the portion of a local option tax on the sale of aviation jet fuel specified
10 in 24 V.S.A. § 138, and from the transportation infrastructure surcharge on
11 aviation jet fuel pursuant to 32 V.S.A. § 9784;

12 * * *

13 * * * Intelligent Speed Assistance * * *

14 Sec. 46. INTELLIGENT SPEED ASSISTANCE; IMPLEMENTATION AND
15 COST EVALUATION; REPORT

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

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

1 (2) costs for the State to implement an intelligent speed assistance
2 program; and

3 (3) potential costs to drivers who choose to participate in an intelligent
4 speed assistance program.

5 (b) On or before January 15, 2027, the Department shall submit a written
6 report to the House and Senate Committees on Transportation regarding its
7 findings and any recommendations for legislative action.

8 * * * Miscellaneous Transportation Jurisdiction Corrections * * *

9 Sec. 47. 20 V.S.A. § 3065 is amended to read:

10 § 3065. PENALTIES

11 (a) A person who knowingly violates, or causes to be violated, a provision
12 of sections 3062–3064 of this title, ~~or a regulation made by the Public Utility~~
13 ~~Commission in pursuance thereof,~~ chapter shall be imprisoned not more than
14 18 months or fined not more than \$2,000.00, or both.

15 (b) When the death or bodily injury of a person is caused by the explosion
16 of any explosive named in sections 3062–3064 and ~~3091–3092~~ 3091 and 3092
17 of this ~~title~~ chapter, while the ~~same~~ explosive is being placed upon a vessel or
18 vehicle to be transported in violation ~~hereof~~ of this chapter, or while the ~~same~~
19 explosive is being so transported, or while the ~~same~~ explosive is being
20 removed from ~~such~~ the vessel or vehicle, the person who knowingly places or

1 aids or permits the placement of ~~such~~ the explosives upon ~~such~~ the vessel or
2 vehicle to be so transported shall be imprisoned not more than ~~ten~~ 10 years.

3 Sec. 48. 24 V.S.A. § 5106 is amended to read:

4 § 5106. EXEMPTION FROM REGULATION

5 The public transportation systems and facilities operating under this
6 authority are exempt from any of the regulatory provisions of Title 30, except
7 that the ~~Public Utility Commission~~ Transportation Board may impose any
8 regulatory provisions of Title 30 that it ~~may determine from time to time~~
9 determines to be necessary.

10 Sec. 49. 24 App. V.S.A. ch. 801, § 5 is amended to read:

11 § 5. EXEMPTION FROM REGULATION

12 The public transportation systems and facilities operating under this
13 Authority are generally exempt from any of the regulatory provisions of Title
14 30 of the Vermont Statutes Annotated. However, the ~~Public Utility~~
15 ~~Commission~~ Transportation Board may impose those regulatory provisions of
16 Title 30 of the Vermont Statutes Annotated that it ~~may determine from time to~~
17 ~~time~~ determines to be necessary.

18 Sec. 50. 25 V.S.A. § 241 is amended to read:

19 § 241. APPLICATION OF PROVISIONS

20 This subchapter shall apply to every person, ~~partnership, unincorporated~~
21 ~~association, or corporation~~ that shall drive or float lumber in any stream. The

1 use of any ~~such~~ stream for ~~such~~ that purpose shall constitute an election on the
2 part of ~~such~~ the person, ~~partnership, unincorporated association, or corporation~~
3 to be subject to and bound by the provisions of this subchapter ~~and to be bound~~
4 ~~thereby~~. This subchapter shall apply to every owner of the land adjoining any
5 stream ~~so~~ that is used for the purpose of driving or floating lumber, unless,
6 within 60 days after an alleged injury, the owner notifies, in writing, the ~~Public~~
7 ~~Utility Commission~~ Agency of Natural Resources that the provisions of this
8 subchapter are not intended to apply.

9 Sec. 51. 25 V.S.A. § 242 is amended to read:

10 § 242. PETITION TO ~~PUBLIC UTILITY COMMISSION~~ AGENCY OF
11 NATURAL RESOURCES

12 When damage is done to ~~such~~ the owner by ~~such~~ the lumber in the driving
13 or floating of the ~~same~~ lumber and ~~such~~ the owner and the owner of the lumber
14 do not agree upon the damages, either party may prefer a petition to the ~~Public~~
15 ~~Utility Commission~~ Agency of Natural Resources setting forth the injury
16 alleged to be sustained and ~~praying for the~~ seeking redress ~~provided for by~~
17 pursuant to the provisions of this subchapter.

18 Sec. 52. 25 V.S.A. § 243 is amended to read:

19 § 243. NOTICE AND HEARING; DECISION

20 Upon due notice to all parties in interest, the ~~Public Utility Commission~~
21 Agency of Natural Resources shall hear and determine the cause of ~~such~~ the

1 injury to the land or other property adjoining ~~such~~ the stream. When the
2 ~~Commission Agency~~ determines that ~~such~~ the injury was caused by the driving
3 or floating of lumber, it shall fix the compensation to be paid ~~therefor~~,
4 including expense for witnesses and a reasonable ~~attorney fee~~ attorney's fees,
5 and render a decision accordingly, which decision shall be final and a bar to
6 any other action brought for such damages.

7 Sec. 53. 25 V.S.A. § 244 is amended to read:

8 § 244. JUDGMENT ON DECISION

9 A party in interest may file in the Superior Court for the county in which the
10 inquiry was held a certified copy of the decision of the ~~Commission Agency~~
11 awarding compensation, whereupon ~~such~~ the court shall render judgment in
12 accordance ~~therewith~~ with the decision and notify the parties ~~thereof~~ of the
13 judgment. ~~Such~~ The judgment shall have the same effect, and all proceedings
14 in relation ~~thereto~~ to the judgment shall ~~thereafter~~ be the same as though ~~such~~
15 the judgment had been rendered in an action duly heard and determined by
16 ~~such~~ the court, and there shall be no appeal ~~therefrom~~ from the judgment.

17 Sec. 54. 25 V.S.A. § 245 is amended to read:

18 § 245. BOND OF FOREIGN CORPORATION

19 A foreign corporation, before driving or floating any logs, lumber, or other
20 timber in any stream in this State, shall file in the Office of the Secretary of
21 State for the benefit of the owners of land adjoining any stream used by ~~such~~

1 the corporation, a good and sufficient bond to be approved by the Secretary
2 and in ~~such a~~ sum as ~~he or she~~ directs the Secretary determines is appropriate.
3 ~~Such~~ The bond shall be given to the Secretary as trustee of the corporation, for
4 each and all of the riparian owners, and shall be conditioned for the payment of
5 all damages and compensation awarded by the ~~Commission~~ Agency and any
6 judgment rendered by any court from which an appeal has not been taken.
7 Upon breach of the condition of ~~such~~ the bond, the Secretary, upon application
8 by a riparian owner whose award by the ~~Commission~~ Agency or judgment
9 remains unpaid for more than 30 days, shall institute proceedings thereon in ~~his~~
10 ~~or her~~ the Secretary's name as trustee for the benefit of all landowners to
11 whom ~~such~~ the corporation may be indebted, ~~as hereinbefore provided,~~
12 pursuant to the provisions of this section at the time ~~such~~ the proceedings shall
13 be instituted.

14 Sec. 55. 32 V.S.A. § 8394 is amended to read:

15 § 8394. PETITION AND HEARING FOR RELIEF FROM TAXES

16 Upon the written petition of any railroad corporation operating a railroad
17 located in whole or in part within this State, setting forth that the financial
18 condition of ~~such~~ the corporation is such that the payment of any taxes
19 assessed against it under the provisions of this chapter would imperil the
20 continued operation of ~~such~~ the railroad and would be detrimental to the

1 general good of the State, the ~~Public Utility Commission~~ Commissioner of
2 Taxes shall fix a time and place for a hearing ~~thereon~~ on the petition and give

3 Sec. 56. VEHICLE HISTORY INFORMATION; REPORT

4 (a) The Commissioner of Motor Vehicles, in consultation with the Attorney
5 General, the Vermont Vehicle and Automotive Distributors Association, the
6 Alliance for Automotive Innovation, and other interested stakeholders, shall
7 examine the use and reliability of vehicle history reports utilized in relation to
8 the purchase and sale of used motor vehicles in Vermont. The report shall
9 address:

10 (1) how information provided in vehicle history reports is gathered and
11 disseminated;

12 (2) the accuracy of vehicle history information provided in vehicle
13 history reports;

14 (3) the frequency with which complaints regarding the accuracy of
15 vehicle history reports are submitted to the State;

16 (4) the frequency and potential causes of inaccurate or incomplete
17 vehicle history information being provided in vehicle history reports;

18 (5) potential causes for inaccurate or incomplete vehicle history
19 information being included in vehicle history reports; and

1 (6) potential legislative or regulatory actions that could reduce the
2 occurrence of inaccurate or incomplete vehicle history information appearing
3 in vehicle history reports.

4 (b) On or before December 15, 2026, the Commissioner shall submit a
5 written report to the House and Senate Committees on Transportation
6 regarding their findings pursuant to subsection (a) of this section and any
7 recommendations for legislative action.

8 (c) As used in this section:

9 (1) “Vehicle history information” includes the following related to a
10 motor vehicle:

11 (A) accident or damage information;

12 (B) the number of previous owners;

13 (C) information regarding service or maintenance history, including
14 diagnostic information generated while performing service or maintenance;

15 (D) odometer readings; and

16 (E) title information.

17 (2) “Vehicle history report” means any written or electronic
18 communication of vehicle history information made by a vehicle history report
19 provider that is made available to consumers.

20 (3) “Vehicle history report provider” means an entity that generates
21 vehicle history reports from a vehicle history database that are provided

1 directly to consumers. “Vehicle history report provider” does not include a
2 dealer that obtains a vehicle history report from a third party that is not an
3 affiliate of the dealer and that then communicates the vehicle history report
4 without altering the vehicle history information in the report.

5 * * * Effective Dates * * *

6 Sec. 57. EFFECTIVE DATES

7 (a) Sec. 11 (purchase and use tax payments to Education Fund) shall take
8 effect on July 1, 2027.

9 (b) Sec. 12 (repeal of purchase and use tax payments to Education Fund)
10 shall take effect on July 1, 2031.

11 (c) Secs. 16 (mileage-based user fee), 17 (infrastructure fee for PHEVs),
12 and 18 (transition to mileage-based user fee) shall take effect on January 1,
13 2027.

14 (d) Sec. 21 (expansion of mileage-based user fee to fuel-efficient vehicles)
15 shall take effect on January 1, 2029.

16 (e) Sec. 22 (expansion of mileage-based user fee to all light-duty vehicles)
17 shall take effect on January 1, 2031.

18 (f) Sec. 23 shall take effect on the sooner of January 1, 2031, or when the
19 mileage-based user fee created pursuant to 23 V.S.A. chapter 43 becomes
20 applicable to all motor vehicles with a gross vehicle weight rating of less than
21 10,000 pounds.

1 (g) The remaining sections shall take effect on July 1, 2026.

2

3

4

5 (Committee vote: _____)

6

7

Senator _____

8

FOR THE COMMITTEE