

1 MBUF Alternative Proposal

2 Expansion to hybrids in 2029, deletion of expansion to all light-duty in 2031

3

4 Second: By striking out Sec. 21, 23 V.S.A. § 4301, Sec. 22, 23 V.S.A.
5 § 4301, and Sec. 23, 23 V.S.A. § 4302(e), and their reader assistance headings
6 in their entireties and inserting in lieu thereof three new Secs. 21, 22, and 23
7 and their reader assistance heading to read as follows:

8 * * * Expansion of MBUF to Hybrid Vehicles * * *

9 Sec. 21. 23 V.S.A. § 4301 is amended to read:

10 § 4301. DEFINITIONS

11 As used in this chapter:

12 * * *

13 (3) “Covered vehicle” means a ~~battery electric vehicle~~ PEV or a hybrid
14 electric pleasure car.

15 (4) “Hybrid electric pleasure car” means a pleasure car that can be
16 powered by an electric motor drawing current from a rechargeable energy
17 storage system but also has an onboard combustion engine.

18 (5) “Mileage-based user fee” or “MBUF” means the fee charged for the
19 annual vehicle miles traveled by a covered vehicle pursuant to section 4302 of
20 this chapter.

1 subdivision (e)(1) of this section. The number of miles traveled shall be equal
2 to:

3 (A) for a mileage reporting period, the difference between the
4 mileage shown on the covered vehicle’s odometer at the end of the mileage
5 reporting period and the mileage shown on the covered vehicle’s odometer at
6 the beginning of the mileage reporting period; and

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

11 ~~(2)(3) Notwithstanding any provision of subdivision (1) of this~~
12 ~~subsection to the contrary, the mileage-based user fee assessed for a mileage~~
13 ~~reporting period shall not exceed \$178.00~~ For each covered vehicle, the
14 Commissioner shall deduct the amount of the fuel tax credit determined
15 pursuant to subdivision (e)(2) of this section, if any, from the amount of the
16 mileage-based user fee calculated pursuant to subdivision (1) of this subsection
17 to determine the amount due from the owner or lessee of each covered vehicle
18 pursuant to this section. The Commissioner shall ensure that the combined
19 amount of estimated fuel taxes and the mileage-based user fee paid by the
20 owner or lessee of a covered vehicle does not exceed the amount of the base

1 mileage-based user fee calculated pursuant to subdivision (2) of this
2 subsection.

3 (e) Mileage-based user fee rate and fuel tax credits.

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

6 (2) At the conclusion of each mileage reporting period, the
7 Commissioner shall calculate for all vehicles, except battery electric vehicles, a
8 fuel tax credit by dividing the miles traveled by the vehicle during the mileage
9 reporting period by the vehicle’s estimated average combined fuel economy as
10 determined by the U.S. Environmental Protection Agency and multiplying that
11 amount by the applicable tax per gallon on gasoline or diesel fuel pursuant to
12 chapters 27 and 28 of this title.

13 * * *

14 Sec. 23. 23 V.S.A. § 4304 is amended to read:

15 § 4304. FAILURE TO FILE REPORT OR OBTAIN INSPECTION;

16 DEFAULT RATE

17 (a) The Commissioner shall charge the owner or lessee of a covered vehicle
18 a default rate of ~~\$178.00~~ \$375.00 if the Commissioner is unable to determine
19 the annual vehicle miles traveled for the owner’s or lessee’s covered vehicle
20 because the owner or lessee:

21 * * *

1 Second: In Sec. 57, effective dates, by striking out subsections (d), (e), and
2 (f) in their entirety and inserting in lieu thereof a new subsection (d) to read
3 as follows:

4 (d) Sec. 21 (expansion of mileage-based user fee to hybrid vehicles), Sec.
5 22 (addition of fuel tax credit), and Sec. 23 (increase in default mileage-based
6 user fee rate) shall take effect on January 1, 2029.

7 and by relettering the remaining subsection to be alphabetically correct