

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) [PLACEHOLDER]

12 (2) PLACEHOLDER]

13 (3) PLACEHOLDER]

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

15 Sec. 2. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

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

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

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

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

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

13           (4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle  
14        supply equipment available to the public” have the same meanings as in  
15        30 V.S.A. § 201.

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

1           (6) “Plug-in electric vehicle (PEV),” “plug-in hybrid electric vehicle  
2           (PHEV),” and “battery electric vehicle (BEV)” have the same meanings as in  
3           23 V.S.A. § 4(85).

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

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

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

17                   \* \* \* Summary of Transportation Investments \* \* \*

18           Sec. 3. FISCAL YEAR 2027 TRANSPORTATION INVESTMENTS

19                   INTENDED TO REDUCE TRANSPORTATION-RELATED

20                   GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL

21                   USE, AND SAVE VERMONT HOUSEHOLDS MONEY

1        This act includes the State’s fiscal year 2027 transportation investments  
2        intended to reduce transportation-related greenhouse gas emissions, reduce  
3        fossil fuel use, and save Vermont households money in furtherance of the  
4        policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive  
5        Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive  
6        and Legislative Branches’ commitments to the Paris Agreement climate goals.

7        In fiscal year 2027, these efforts will include the following:

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

10           (2) Bike and Pedestrian Facilities Program. This act provides for a  
11           fiscal year expenditure, including local match, of \$24,576,873.00, which will  
12           fund 34 bike and pedestrian construction projects; 18 bike and pedestrian  
13           design, right-of-way, or design and right-of way projects for construction in  
14           future fiscal years; and eight scoping studies. The construction projects  
15           include the creation, improvement, and rehabilitation of walkways, sidewalks,  
16           shared-use paths, bike paths, and cycling lanes. Projects are funded in  
17           Arlington, Bennington, Bethel, Brattleboro, Burke, Burlington, Castleton,  
18           Chester, Danville, Essex Town, Fairfax, Greensboro, Guilford, Hartford,  
19           Huntington, Hyde Park, Irasburg, Jamaica, Johnson, Lunenburg, Middlebury,  
20           Montpelier, Moretown, Morristown, Newfane, Newport City, Northfield,  
21           Pownal, Royalton, Rutland City, Rutland Town, Sheldon, South Burlington,

1 Springfield, St. Albans City, Swanton, Wallingford, Warren, Waterbury, West  
2 Rutland, Williston, Wilmington, and Wolcott. This act also provides funding  
3 for:

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

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

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

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

9 (3) Transportation Alternatives Program. This act provides for a fiscal  
10 year expenditure of \$4,514,362.00, including local funds, which will fund 22  
11 transportation alternatives construction projects; 28 transportation alternatives  
12 design, right-of-way, or design and right-of-way projects; and one scoping  
13 study. Of these 51 projects, 18 involve environmental mitigation related to  
14 clean water or stormwater concerns, or both clean water and stormwater  
15 concerns, and 30 involve bicycle and pedestrian facilities. Projects are funded  
16 in Athens, Bennington, Bethel, Brandon, Brattleboro, Bristol, Burke,  
17 Burlington, Derby, Enosburg Falls, Fairlee, Ferrisburgh, Glover, Guilford,  
18 Hinesburg, Hyde Park, Jericho, Londonderry, Ludlow, Lyndon, Montgomery,  
19 Newark, Putney, Rockingham, Rutland City, Shoreham, South Burlington,  
20 Springfield, Swanton, Warren, Weathersfield, Williston, Wilmington, and  
21 Windham.

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

3           Included in the authorization are:

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

8                   (B) Mobility and Transportation Innovations (MTI) Grant Program,  
9           with an authorization of \$315,000.00 in federal funds. This authorization  
10          continues to support projects that improve both mobility and access to services  
11          for transit-dependent Vermonters, reduce the use of single-occupancy vehicles,  
12          and reduce greenhouse gas emissions.

13           (5) Rail Program. This act provides for a fiscal year expenditure of  
14          \$60,289,410.00, including local funds and \$34,688,907.00 in federal funds, for  
15          intercity passenger rail service, including funding for the Ethan Allen Express  
16          and Vermonter Amtrak services, and rail infrastructure that supports freight  
17          rail as well. Moving freight by rail instead of trucks lowers greenhouse gas  
18          emissions by up to 75 percent, on average.

\*\*\* Paving \*\*\*

Sec. 4. PAVING; STATEWIDE DISTRICT LEVELING

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

Transportation Program for Paving, authorized spending is amended as follows:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	1,150,000	1,150,000	0
PE	2,183,194	2,183,194	0
Const.	144,812,226	146,512,226	1,700,000
Total	148,145,420	149,845,420	1,700,000
<u>Sources of funds</u>			
State	24,400,007	25,100,007	1,700,000
Federal	123,732,179	123,732,179	0
Local	13,235	13,235	0
Total	148,145,420	149,845,420	1,700,000

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

Transportation Program for Paving, authorized spending for STATEWIDE

District Leveling TBD is amended as follows:

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



1	<u>Sources of funds</u>			
2	State	2,873,295	1,123,295	-1,750,000
3	TIB	6,180,851	7,930,851	1,750,000
4	Federal	67,312,444	67,312,444	0
5	Local/Other	1,247,049	1,247,049	0
6	Inter Unit	7,279,666	7,279,666	0
7	Total	84,893,305	84,893,305	0

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

9 Transportation Program for State Highway Bridges, authorized spending for

10 SHAFTSBURY STP 014-1(6) is amended as follows:

11	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
12	PE	14,678	14,678	0
13	Const.	2,600,000	2,600,000	0
14	Total	2,614,678	2,614,678	0

15 Sources of funds

16	State	521,000	0	-521,000
17	TIB	1,936	522,936	521,000
18	Federal	2,091,742	2,091,742	0
19	Total	2,614,678	2,614,678	0

1           (c) Within the Agency of Transportation’s Proposed Fiscal Year 2027  
2           Transportation Program for State Highway Bridges, authorized spending for  
3           SUNDERLAND BM20102 is amended as follows:

4	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
5	PE	85,287	85,287	0
6	Const.	2,000,000	2,000,000	0
7	Total	2,085,287	2,085,287	0

8           Sources of funds

9	State	415,057	0	-415,057
10	TIB	2,000	417,057	415,057
11	Federal	1,668,230	1,668,230	0
12	Total	2,085,287	2,085,287	0

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

16	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
17	PE	53,182	53,182	0
18	Const.	2,000,000	2,000,000	0
19	Total	2,053,182	2,053,182	0

1	<u>Sources of funds</u>			
2	State	408,636	141,686	-266,950
3	TIB	2,000	268,950	266,950
4	Federal	1,642,546	1,642,546	0
5	Total	2,053,182	2,053,182	0

6 (e) Within the Agency of Transportation’s Proposed Fiscal Year 2027

7 Transportation Program for State Highway Bridges, authorized spending for

8 TOPSHAM BF 031-1(13) is amended as follows:

9	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
10	PE	10,000	10,000	0
11	ROW	1,000	1,000	0
12	Const.	2,733,967	2,733,967	0
13	Total	2,744,967	2,744,967	0

14	<u>Sources of funds</u>			
15	State	546,993	0	-546,993
16	TIB	2,000	548,993	546,993
17	Federal	2,195,974	2,195,974	0
18	Total	2,744,967	2,744,967	0

19 \* \* \* Funding for Municipal Grant Programs \* \* \*

20 Sec. 6. 32 V.S.A. § 3709 is amended to read:

21 § 3709. PILOT SPECIAL FUND

1 (a) There is hereby established a PILOT Special Fund consisting of local  
2 option tax revenues paid to the State Treasurer pursuant to 24 V.S.A. § 138.  
3 This Fund shall be managed by the Commissioner of Taxes pursuant to chapter  
4 7, subchapter 5 of this title. Notwithstanding subdivision 588(3) of this title,  
5 all interest earned on the Fund shall be retained in the Fund for use in meeting  
6 future obligations. The Fund shall be exclusively for payments required under  
7 ~~chapter 123~~, subchapters 4 and 4C of this ~~title~~ chapter, ~~and~~ for any additional  
8 State payments in lieu of taxes for correctional facilities, and as provided in  
9 subsection (c) of this section. The Commissioner of Finance and Management  
10 may draw warrants for disbursements from this Fund in anticipation of  
11 receipts.

12 \* \* \*

13 (c) If the local option tax revenues deposited in the PILOT Special Fund  
14 pursuant to 24 V.S.A. § 138 in any State fiscal year exceed the full amount of  
15 all payments made under subchapters 4 and 4C of this chapter plus any  
16 additional State payments in lieu of taxes for correctional facilities, three-  
17 fourths of the excess amount shall be transferred to the Local Option  
18 Municipal Transportation Special Fund established pursuant to 19 V.S.A.  
19 § 306b.

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

2 § 306b. LOCAL OPTION MUNICIPAL TRANSPORTATION SPECIAL  
3 FUND

4 (a) The Local Option Municipal Transportation Special Fund is established  
5 in the Agency of Transportation and shall be managed in accordance with  
6 32 V.S.A. chapter 7, subchapter 5. The purpose of the Fund is to provide  
7 additional State aid for town highways pursuant to the provisions of section  
8 306 of this chapter.

9 (b) The Fund shall consist of:

10 (1) transfers from the PILOT Special Fund pursuant to 32 V.S.A.  
11 § 3709(c);

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

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

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

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

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

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



1 apportionment for each town shall be that town's percentage of class 2 town  
2 highways of the total class 2 town highway mileage in the State.

3 (C) Fifty percent of the State's annual town highway appropriation  
4 shall be apportioned to class 3 town highways. The apportionment for each  
5 town shall be that town's percentage of class 3 town highways of the total class  
6 3 town highway mileage in the State.

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

10 (E) Each town shall use the monies apportioned to it solely for town  
11 highway construction, improvement, and maintenance purposes or as the  
12 nonfederal share for public transit assistance. These funds may also be used  
13 for the establishment and maintenance of bicycle routes and sidewalks. The  
14 members of the selectboard shall be personally liable to the State, in a civil  
15 action brought by the Attorney General, for making any unauthorized  
16 expenditures from money apportioned to the town under this section.

17 (4)(A) In addition to the amounts appropriated pursuant to subdivision  
18 (1) of this subsection (a), a portion of the anticipated annual revenue of the  
19 Local Option Municipal Transportation Special Fund may be appropriated for  
20 class 1, 2, and 3 town highways in each State fiscal year in an amount that is  
21 consistent with the provisions of subdivision 306b(c)(4) of this chapter.

1 Amounts appropriated from the Fund shall be apportioned, distributed, and  
2 used in the same manner as provided pursuant to subdivision (3) of this  
3 subsection (a).

4 (B) Amounts appropriated pursuant to this subdivision (4) shall be  
5 supplemental to and shall not supplant or decrease the amount appropriated  
6 pursuant to subdivision (1) of this subsection (a) or be subject to the annual  
7 inflationary adjustment provided for in subdivisions (1) and (2) of this  
8 subsection (a).

9 \* \* \*

10 (e) State aid for town highway structures.

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

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

3 \* \* \*

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

7 (6)(A) In addition to the amounts appropriated pursuant to subdivision  
8 (1) of this subsection (e), 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 (e).

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 (e) or be subject to the annual  
18 inflationary adjustment provided for in subdivisions (1)–(3) of this subsection  
19 (e).

20 \* \* \*

1 (h) Class 2 Town Highway Roadway Program.

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

10 \* \* \*

11 (4) In a given fiscal year, should expenditures in the Class 2 Town  
12 Highway Roadway Program exceed the amount appropriated, the Agency shall  
13 advise the Governor of the need to request a supplemental appropriation from  
14 the General Assembly to fund the additional project cost, provided that the  
15 Agency has previously committed to completing those projects.

16 (5) Funds received as grants for State aid under the Class 2 Town  
17 Highway Roadway Program may be used by a municipality to satisfy a portion  
18 of the matching requirements for federal earmarks, subject to subsection  
19 309b(c) of this title.

20 (6)(A) In addition to the amounts appropriated pursuant to subdivision  
21 (1) of this subsection (h), a portion of the anticipated annual revenue of the

1 Local Option Municipal Transportation Special Fund may be appropriated for  
2 town highway structures in each State fiscal year in an amount that is  
3 consistent with the provisions of subdivision 306b(c)(4) of this chapter.

4 Amounts appropriated from the Fund shall be used in the same manner and for  
5 the same purposes as provided pursuant to subdivisions (1) and (5) of this  
6 subsection (h).

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

12 \* \* \*

13 Sec. 9. GENERAL STATE AID FOR TOWN HIGHWAYS; ADDITIONAL  
14 APPROPRIATION

15 Notwithstanding any provision of 32 V.S.A. § 3709(a) to the contrary, the  
16 sum of \$3,000,000.00 is appropriated in State fiscal year 2027 from the PILOT  
17 Special Fund to the Agency of Transportation to provide additional grants  
18 through the General State Aid to Town Highways program pursuant to  
19 19 V.S.A. § 306(a). The amounts appropriated pursuant to this section shall be  
20 in addition to any amounts appropriated pursuant to the provisions of 19  
21 V.S.A. § 306(a) in State fiscal year 2027.





1       Sec. 14. PROJECTS ELIGIBLE FOR FUNDING WITH  
2                               TRANSPORTATION INFRASTRUCTURE BONDS; REPORT

3               (a) On or before November 1, 2026, the Agency of Transportation, in  
4               consultation with the State Treasurer, shall submit a written report to the Joint  
5               Transportation Oversight Committee that identifies projects proposed for the  
6               State fiscal year 2028 Transportation Program that are eligible to be funded  
7               with the proceeds from issuance of \$10,000,000.00 in transportation  
8               infrastructure bonds pursuant to the provisions of 32 V.S.A. § 972(d).

9               (b) The report shall include:

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

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

16       Sec. 15. 2028 PROPOSED TRANSPORTATION PROGRAM;  
17                               TRANSPORTATION INFRASTRUCTURE BOND PROPOSAL

18               The Agency of Transportation shall, when preparing the 2028  
19               Transportation Program, prepare both:

1           (1) a Transportation Program proposal that includes the use of  
2           \$10,000,000.00 in transportation infrastructure bond proceeds to fund eligible  
3           projects pursuant to 32 V.S.A. § 972(d); and

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

6                           \* \* \* Mileage-Based User Fee \* \* \*

7           Sec. 16. FINDINGS AND INTENT

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

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

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

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

19                   (4) Since 1923, the variety of mass-produced light-duty motor vehicles  
20                   available to consumers has expanded greatly, resulting in a wide variety of

1 internal combustion engine and vehicle types and designs with significant  
2 differences in vehicle fuel efficiency.

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

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

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

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

19 (9) Vermont’s taxes on gasoline and on diesel fuel were last increased in  
20 2014, and the federal taxes on gasoline and on diesel fuel were last increased in  
21 1993.

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

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

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

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

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

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

18           (2) ensure that owners and lessees of all light-duty motor vehicles  
19           contribute to the Transportation Fund in an amount that reflects the annual  
20           miles traveled by each vehicle by expanding the mileage-based user fee to  
21           fuel-efficient light-duty motor vehicles, such as plug-in hybrids, hybrids, and

1 vehicles with efficient internal combustion engines on or before January 1,  
2 2029, and to all light-duty motor vehicles on or before January 1, 2031; and

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

7 Sec. 17. 23 V.S.A. chapter 43 is added to read:

8 CHAPTER 43. MILEAGE-BASED USER FEE

9 § 4301. PURPOSE

10 The purpose of this chapter is to impose a mileage-based user fee for battery  
11 electric vehicle pleasure cars [covered vehicles?] to ensure that battery electric  
12 vehicles [covered vehicles?] contribute to the Transportation Fund in an  
13 amount that reflects the annual miles traveled by each vehicle. [Keep? Amend  
14 in future years?]

15 § 4302. DEFINITIONS

16 As used in this chapter:

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

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

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

2           (4) “Mileage-based user fee” or “MBUF” means the fee charged for the  
3 annual vehicle miles traveled by a covered vehicle pursuant to section 4303 of  
4 this chapter.

5           (5) “Mileage-based user fee rate” means the per-mile usage fee charged  
6 to the owner or lessee of a covered vehicle pursuant to section 4303 of this  
7 chapter.

8           (6) “Mileage reporting period” means:

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

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

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

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

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

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

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

1     § 4303. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;  
2             PAYMENT; EXEMPTIONS

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

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

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

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

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

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

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

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

1           (B) Not more than 45 days after a mileage-based user fee assessment  
2           is mailed pursuant to subdivision (A) of this subdivision (a)(2), the owner or  
3           lessee of the covered vehicle shall remit the full amount of the mileage-based  
4           user fee to the Commissioner.

5           (3) Pay-as-you-go option.

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

10           (B) As soon as practicable after receiving each report, the  
11           Commissioner shall calculate pursuant to subsection (d) of this section the  
12           applicable MBUF due for the covered vehicle and mail to the owner or lessee a  
13           statement of the amount of the mileage-based user fee assessed.

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

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

1           (4) Estimated payment option.

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

7           (B) The owner or lessee shall either:

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

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

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

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

17           (A) At the conclusion of each mileage reporting period for a covered  
18 vehicle whose owner or lessee has elected either the pay-as-you-go or the  
19 estimated payment option, the Commissioner shall determine if the amount of  
20 the MBUF for the actual miles traveled by the covered vehicle during the

1 mileage reporting period is greater than or less than the amount of the  
2 payments made by the owner or lessee during that period.

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

8 (C) If the actual MBUF is more than the amount paid, the owner or  
9 lessee of the covered vehicle shall be assessed an amount equal to the  
10 difference between the actual MBUF and the amount paid, which shall be  
11 added to the next amount due from the owner or lessee pursuant to this  
12 subsection (a).

13 (6) Flat-rate option.

14 (A) An owner or lessee who elects the flat-rate option shall pay the  
15 fee set pursuant to subdivision (1)(D) of this subsection (a) not more than  
16 45 days after the commencement of each mileage reporting period [AOT  
17 alternative: at the time of registration].

18 (B) An owner or lessee enrolled in the flat-rate option shall not be  
19 required to report vehicle mileage to the Commissioner pursuant to the  
20 provisions of this chapter. Nothing in this subdivision (6)(B) shall be  
21 construed to exempt an owner or lessee enrolled in the flat-rate option from

1 any other requirements in State law related to vehicle inspections or odometer  
2 disclosures.

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

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

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

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

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

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

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

20 (A) for a mileage reporting period, the difference between the  
21 mileage shown on the covered vehicle's odometer at the end of the mileage

1 reporting period and the mileage shown on the covered vehicle's odometer at  
2 the beginning of the mileage reporting period; and

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

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

10 (e) Mileage-based user fee rate. The mileage-based user fee rate shall be  
11 \$0.014 per mile traveled by a covered vehicle during its mileage reporting  
12 period.

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

15 (1) covered vehicles owned or operated by the government of the United  
16 States;

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

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

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

1        (h) Review of amount assessed. A person may, within 45 days after an  
2        assessment is mailed pursuant to subsection (a) of this section, appeal the  
3        amount of the assessment to the Commissioner. The Commissioner shall  
4        establish procedures for filing and hearing appeals pursuant to this subsection  
5        that are consistent with the provisions of sections 105–107 of this title. The  
6        procedures shall include a process by which an appellant can resolve the  
7        dispute prior to the issuance of a final administrative decision on the appeal.

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

12       § 4304. REPORTS

13       (a) Upon completion of an inspection of a covered vehicle pursuant to  
14       section 1222 of this title, an inspection mechanic shall report the mileage  
15       shown on the covered vehicle’s odometer to the Department in the manner  
16       required by the Commissioner.

17       (b) Upon the occurrence of a terminating event, the owner or lessee of a  
18       covered vehicle shall report the mileage shown on the covered vehicle’s  
19       odometer at the time of the terminating event to the Department in the time and  
20       manner required by the Commissioner.

1        § 4305. FAILURE TO PAY FEE WHEN DUE; INTEREST

2            (a) Any person who fails to pay the full amount of the mileage-based user  
3        fee when due shall owe, in addition to the unpaid amount of the mileage-based  
4        user fee, interest calculated at one and one-half percent per month on the  
5        amount of the mileage-based user fee that remains unpaid. The maximum  
6        amount of interest that may accrue pursuant to this subsection shall not exceed  
7        18 percent of the amount of the unpaid fee.

8            (b)(1) An individual may request at any time that the Commissioner waive  
9        some or all of the amount of the overdue fee or interest due, or both, pursuant  
10       to subsection (a) of this section.

11           (2) The Commissioner may, upon receiving a request pursuant to  
12        subdivision (1) of this subsection or on the Commissioner's own motion,  
13        wave some or all of the amount of the overdue fee and interest required  
14        pursuant to subsection (a) of this section if the Commissioner determines that  
15        good cause existed for the delay in payment or that requiring payment would  
16        constitute an economic hardship.

17        § 4306. FAILURE TO FILE REPORT OR OBTAIN INSPECTION;

18            DEFAULT RATE

19           (a) The Commissioner shall charge the owner or lessee of a covered vehicle  
20        a default rate of \$178.00 if the Commissioner is unable to determine the annual

1 vehicle miles traveled for the owner’s or lessee’s covered vehicle because the  
2 owner or lessee:

3 (1) failed to file a report required by section 4304 of this chapter within  
4 a reasonable period of time after the report is due;

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

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

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

14 [AOT proposal] (2) After being assessed the default amount pursuant to  
15 this subsection, the owner or lessee of the covered vehicle may obtain an  
16 inspection within 60 days after the date on which the vehicle’s registration is  
17 renewed. If the covered vehicle’s mileage is such that the mileage-based user  
18 fee would have been less than the default amount, the owner or lessee shall  
19 receive a credit for the difference that is applied to reduce the amount of the  
20 next mileage-based user fee due for the covered vehicle.

1     § 4307. REGISTRATION; SUSPENSION OR REFUSAL

2           (a) Suspension of registration. The Commissioner may suspend or refuse  
3     to renew the registration of a covered vehicle if the Commissioner determines,  
4     following notice and an opportunity for a hearing as provided pursuant to  
5     subsection (b) of this section, that the owner or lessee of the covered vehicle:

6           (1) failed to file a report required pursuant to section 4304 of this  
7     chapter;

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

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

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

18     § 4308. POWERS OF THE COMMISSIONER

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

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

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

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

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

9        § 4309. APPEALS; JUDICIAL REVIEW

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

13        The Commissioner shall establish procedures for filing and hearing appeals  
14        pursuant to this subsection that are consistent with the provisions of sections  
15        105–107 of this title.

16        (b) Appeal to Superior Court. Following a final decision on an appeal  
17        pursuant to subsection (a) of this section or subsection 4303(h) of this chapter,  
18        the appellant may appeal the decision pursuant to Rule 74 of the Vermont  
19        Rules of Civil Procedure. The appeal shall be to the Washington Superior  
20        Court or, in the discretion of the appellant, to the Superior Court in the county  
21        where the appellant resides or has a principal place of business.



1       Sec. 19. MILEAGE-BASED USER FEE; INITIAL TRANSITION

2           (a) Notwithstanding any provision of 23 V.S.A. § 4303 to the contrary,  
3       during calendar years 2027 and 2028, the owner or lessee of a covered vehicle  
4       shall pay the mileage-based user fee for the covered vehicle’s first mileage  
5       reporting period as provided pursuant to the provisions of either subsection (b)  
6       or (c) of this section.

7           (b)(1)(A) For a covered vehicle that has a valid Vermont registration on  
8       December 31, 2026, the vehicle’s initial mileage reporting period shall  
9       commence with its first annual inspection occurring on or after January 1,  
10       2027.

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

14           (2) For an initial registration or a registration renewal of a covered  
15       vehicle that occurs on or after January 1, 2027, and prior to the completion of  
16       the initial mileage reporting period, the owner or lessee of the covered vehicle  
17       shall pay a one-time road usage charge of \$89.00 for a one-year registration or  
18       \$178.00 for a two-year registration.

19           (3) At the conclusion of a covered vehicle’s initial mileage reporting  
20       period, the mileage-based user fee for the vehicle shall be calculated as

1 provided pursuant to the annual mileage-based user fee payment option set  
2 forth in 23 V.S.A. § 4303(a)(2).

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

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

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

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

17 (c) As an alternative to paying the mileage-based user fee as set forth in  
18 subsection (b) of this section, the owner or lessee of a covered vehicle may  
19 elect to pay a flat fee of \$178.00 for the initial mileage reporting period. The  
20 provisions of 23 V.S.A. § 4303(a)(6) shall apply to an owner or lessee who  
21 elects to pay a flat fee pursuant to this subsection.

1        (d) As used in this section, “covered vehicle” has the same meaning as in  
2        23 V.S.A. § 4302.

3        Sec. 20. OUTREACH AND EDUCATION; USER EXPERIENCE; **REPORT**

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

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

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

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

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

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

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

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

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

20          (5) ongoing engagement and collaboration with relevant stakeholders,  
21          including the Vermont Vehicle and Automotive Distributors Association and

1 Drive Electric Vermont, to obtain feedback on the mileage-based user fee  
2 program and to educate members of the public about the mileage-based user  
3 fee and program design.

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

8 Sec. 21. MILEAGE-BASED USER FEE TRANSITION PLAN;

9 REPORT

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

16 (2) The plan shall provide that:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19           (d)(1) On or before January 31, 2027, the Agency of Transportation and the  
20           Department of Motor Vehicles shall submit to the House Committees on  
21           Transportation and on Ways and Means and the Senate Committees on

1 Transportation and on Finance an initial plan and recommendation for  
2 legislative action to:

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

5 (B) provide at least two additional options for determining the  
6 amount of the MBUF, including the option of utilizing vehicle systems or an  
7 aftermarket device to track vehicle miles traveled;

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

10 (D) provide at least one option to enable vehicle owners and lessees  
11 to track and differentiate between miles traveled in Vermont and miles traveled  
12 outside Vermont, with the MBUF only applying to miles traveled in Vermont.

13 (2) On or before January [AOT proposal: July or August] 1, 2028, the  
14 Agency shall submit a draft copy of the plan required pursuant to the terms of  
15 the Agency’s federal Strategic Innovation for Revenue Collection grant.

16 (3) On or before September 15, 2028, the Agency of Transportation and  
17 the 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:





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

2 \* \* \*

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

4 \* \* \*

5 (2) Notwithstanding any provision of subdivision (1) of this subsection

6 to the contrary, the mileage-based user fee assessed for a mileage reporting

7 period shall not exceed ~~\$178.00~~ \$\_\_\_\_\_.

8 \* \* \*

9 \* \* \* Expansion of MBUF to All Light-Duty Motor Vehicles \* \* \*

10 Sec. 23. 23 V.S.A. § 4302 is amended to read:

11 § 4302. DEFINITIONS

12 As used in this chapter:

13 \* \* \*

14 (3) “Covered vehicle” means a ~~pleasure car with an estimated fuel~~  
15 ~~economy of at least 25 miles per gallon according to the U.S. Environmental~~  
16 ~~Protection Agency, a PEV, or a hybrid electric vehicle~~ motor vehicle with a  
17 gross vehicle weight rating of not more than 10,000 pounds.

18 (4) “~~Hybrid electric vehicle~~” means a ~~pleasure car that can be powered~~  
19 ~~by an electric motor drawing current from a rechargeable energy storage~~  
20 ~~system but also has an onboard combustion engine.~~ [Repealed.]

21 \* \* \*

1 (8) ~~“PEV” means a plug-in electric vehicle pleasure car. [Repealed.]~~

2 \* \* \*

3 [AOT Proposal] Sec. 23a. 23 V.S.A. § 4303 is amended to read:

4 § 4303. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;

5 PAYMENT; EXEMPTIONS

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

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

9 \* \* \*

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

14 (C) estimated payments of the MBUF in annual, quarterly, or  
15 monthly installments as set forth in subdivision (4) of this subsection; ~~or,~~

16 (D) a flat rate of \$178.00. [Repealed.]

17 \* \* \*

18 (6) ~~Flat rate option.~~

19 (A) ~~An owner or lessee who elects the flat rate option shall pay the~~  
20 ~~fee set pursuant to subdivision (1)(D) of this subsection not more than 45 days~~

1 ~~after the commencement of each mileage reporting period [at the time of~~  
2 ~~registration].~~

3 ~~(B) An owner or lessee enrolled in the flat rate option shall not be~~  
4 ~~required to report vehicle mileage to the Commissioner pursuant to the~~  
5 ~~provisions of this chapter. Nothing in this subdivision (6)(B) shall be~~  
6 ~~construed to exempt an owner or lessee enrolled in the flat rate option from~~  
7 ~~any other requirements in State law related to vehicle inspections or odometer~~  
8 ~~disclosures. [Repealed.]~~

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

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

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

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

17 \* \* \*

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

19 \* \* \*



1 the successor to the Municipal Heavy Equipment Loan Fund, shall be  
2 administered as provided pursuant to 29 V.S.A. § 1601.

3 \* \* \* Statement of Policy; Highways and Bridges \* \* \*

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

5 § 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES

6 \* \* \*

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

14 \* \* \*

15 \* \* \* Agency of Transportation Duties \* \* \*

16 Sec. 27. 19 V.S.A. § 10 is amended to read:

17 § 10. DUTIES

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

19 \* \* \*

20 (8)(A) Require any contractor or contractors employed in any project of  
21 the Agency for construction of a transportation improvement to file in the

1 office of the Secretary a good and sufficient surety bond to the State of  
2 Vermont, executed by a surety company authorized to transact business in this  
3 State in ~~such~~ the sum as required by the Agency shall direct, conditioned for  
4 the compliance by the contractor or contractors and their agents and servants,  
5 with all matters and things set forth and specified to be by the principal kept,  
6 done, and performed at the time and in the manner in the contract between the  
7 Agency and the contractor or contractors specified and to pay over, make  
8 good, and reimburse the State of Vermont for all loss or losses and damage or  
9 damages that the State of Vermont may sustain by reason of failure or default  
10 on the part of the contractor or contractors. The Agency is authorized to  
11 require any other condition in the bond that may ~~from time to time~~ be  
12 necessary. The Secretary ~~at his or her discretion as to~~, as the Secretary  
13 determines is in the best interest interests of the State, may *[AOT Proposal:*  
14 *The Secretary at his or her discretion as to may, if the Secretary determines*  
15 *that it is in the best interests interests* of the State,] accept other good and  
16 sufficient surety in lieu of a bond and, in cases involving contracts for  
17 ~~\$100,000.00~~ \$250,000.00 or less, may waive the requirement of a performance  
18 bond.

19 (B) During an emergency event, the Secretary may, in the Secretary's  
20 discretion, waive the bonding requirements of this subdivision (8) for  
21 immediate, temporary stabilization work related to public safety or State

1 infrastructure. Permanent work shall be subject to the requirements of  
2 subdivision (A) of this subdivision (8).

3 (9)(A) Require any contractor or contractors employed in any project of  
4 the Agency for construction of a transportation improvement to file an  
5 additional surety bond to the Secretary and the Secretary's successor in office,  
6 for the benefit of labor, materialmen, and others, executed by a surety company  
7 authorized to transact business in this State. The surety bond shall be in ~~such~~  
8 the sum as required by the Agency shall direct, conditioned for the payment,  
9 settlement, liquidation, and discharge of the claims of all creditors for  
10 material;<sub>;</sub> merchandise;<sub>;</sub> labor;<sub>;</sub> rent;<sub>;</sub> hire of vehicles, power shovels, rollers,  
11 concrete mixers, tools, and other appliances;<sub>;</sub> professional services;<sub>;</sub>  
12 premiums;<sub>;</sub> and other services used or employed in carrying out the terms of  
13 the contract between the contractor and the State ~~and~~. The surety bond shall be  
14 further conditioned for the following accruing during the term of performance  
15 of the contract: the payment of taxes, both State and municipal, and the  
16 payment of unemployment insurance contributions to the Vermont  
17 Commissioner of Labor; ~~provided, however, in~~.

18 (B) In order to obtain the benefit of the security, the claimant shall  
19 file with the Secretary a sworn statement of the claimant's claim, within 90  
20 days after the final acceptance of the project by the State or within 90 days  
21 from the time the taxes or unemployment contributions ~~to the Vermont~~

1 ~~Commissioner of Labor~~ are due and payable, and, within one year after the  
2 filing of the claim, shall bring a petition in the Superior Court in the name of  
3 the Secretary, with notice and summons to the principal, surety, and the  
4 Secretary, to enforce the claim or intervene in a petition already filed. The  
5 Secretary may, if the Secretary determines that it is in the best interests of the  
6 State, accept other good and sufficient surety in lieu of a bond and, in cases  
7 involving contracts for ~~\$100,000.00~~ \$250,000.00 or less, may waive the  
8 requirement of a surety bond.

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

14 \* \* \*

15 \* \* \* Bridge Inspections; Posting; Closure \* \* \*

16 Sec. 28. 19 V.S.A. § 1514 is added to read:

17 § 1514. BRIDGE INSPECTION; POSTING; CLOSURE

18 (a) Definition. As used in this section, “bridge” means a structure to which  
19 the National Bridge Inspection Standards apply pursuant to 23 C.F.R.  
20 § 650.303.

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

4        (c) Municipally maintained bridges.

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

8            (2) The Agency shall notify a municipality if a bridge for which the  
9        municipality has maintenance responsibility requires posting or closure and,  
10       upon receiving notification, the municipality shall post or close the bridge, as  
11       appropriate.

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

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

19        (d) Agency-maintained bridges.

20           (1) For any bridge for which the Agency has maintenance responsibility,  
21       the Agency shall have the sole responsibility and authority to determine

1 whether the bridge shall be posted or closed, except that a municipality may  
2 close an Agency-maintained bridge during an emergency.

3 (2) If a municipality becomes aware of any deficiencies or structural  
4 conditions that could impact the Agency’s determination of whether to post or  
5 close a bridge, the municipality shall promptly notify the Agency.

6 (3) The Agency shall be responsible for all costs and expenses  
7 associated with posting or closing an Agency-maintained bridge, including any  
8 required notifications, procedures, signage or traffic control devices, and  
9 barricades.

10 (e) Enforcement and penalties. In addition to any other penalties provided  
11 by law, a person that violates a bridge posting or closure by a municipality or  
12 the Agency shall be subject to a civil penalty of not more than \$1,000.00.

13 Sec. 29. 23 V.S.A. § 2302 is amended to read:

14 § 2302. TRAFFIC VIOLATION DEFINED

15 (a) As used in this chapter, “traffic violation” means:

16 \* \* \*

17 (11) a violation of subsection 1006b(b) of this title, relating to operation  
18 of a prohibited vehicle in Smugglers’ Notch; section 1006c of this title, relating  
19 to requirements for use of tire chains; or subsections 4120(a) and (b) of this  
20 title, relating to violations of an out-of-service order; ~~or~~





- 1           (A) meeting federal, State, or other grant matching requirements; and  
2           (B) supporting Authority programs, capital projects, and operations.  
3           (3) A voluntary local match contribution accepted pursuant to this  
4           subsection shall be in addition to any assessment required pursuant to this  
5           section and shall not reduce, offset, or otherwise modify the assessment  
6           apportioned to any member municipality pursuant to the formula for  
7           apportionment unless the formula is amended in accordance with the  
8           provisions of this section.

9                           \* \* \* Public-Private Partnership Sunset Extension \* \* \*

10           Sec. 32. 2018 Acts and Resolves No. 158, Sec. 21 as amended by 2023 Acts  
11           and Resolves No. 62, Sec. 41 is further amended to read:

12           Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

13           19 V.S.A. chapter 26, subchapter 2 shall be repealed on July 1, ~~2026~~ 2029.

14                           \* \* \* Transportation Board \* \* \*

15           Sec. 33. 19 V.S.A. § 5 is amended to read:

16           § 5. TRANSPORTATION BOARD; POWERS AND DUTIES

17                           \* \* \*

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

19                           \* \* \*

20           (7) provide appellate review, when requested in writing by an applicant  
21           or permittee, of Agency decisions and rulings regarding private and

1 commercial access to State highway rights-of-way pursuant to the permit  
2 process established in section 1111 of this title;

3 \* \* \*

4 \* \* \* Transportation Alternatives Grant Program \* \* \*

5 Sec. 34. 19 V.S.A. § 38 is amended to read:

6 § 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

7 (a), (b) [Repealed.]

8 (c) The Transportation Alternatives Grant Program is created. The Grant  
9 Program shall be administered by the Agency and shall be funded in the  
10 amount provided for in 23 U.S.C. § 133(h), less the funds set aside for the  
11 Recreational Trails Program. Awards shall be made to eligible entities as  
12 defined under 23 U.S.C. § 133(h), and awards under the Grant Program shall  
13 be limited to the activities authorized under federal law and shall not exceed  
14 ~~\$300,000.00~~ \$600,000.00 per grant allocation.

15 \* \* \*

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

1 environmental mitigation projects relating to stormwater and highways, such  
2 as eligible salt and sand shed projects, and infrastructure-related projects and  
3 systems that will provide safe routes for nondrivers, and in accordance with the  
4 priorities established in subdivision (2) of this subsection.

5 [Option 1] (2) In evaluating applications for Transportation Alternatives  
6 grants, the Agency shall give preferential weighting to sand and salt shed  
7 projects and projects involving as a primary feature a bicycle or pedestrian  
8 facility. The degree of preferential weighting and the circumstantial factors  
9 sufficient to overcome the weighting shall be in the complete discretion of the  
10 Agency.

11 [Option 2] (2) In evaluating applications for Transportation Alternatives  
12 grants, the Agency shall give preferential weighting to projects involving ~~as a~~  
13 ~~primary feature a bicycle or pedestrian facility~~ a sand or salt shed. The degree  
14 of preferential weighting and the circumstantial factors sufficient to overcome  
15 the weighting shall be in the complete discretion of the Agency.

16 \* \* \*

17 Sec. 35. 2023 Acts and Resolves No. 62, Sec. 11 is amended to read:

18 Sec. 11. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

19 AWARDS IN STATE FISCAL YEARS 2024 TO 2027

20 Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant  
21 Program awards in State fiscal years 2024 to ~~2027~~ 2026 shall not exceed

1 \$600,000.00 per grant allocation. Notwithstanding 19 V.S.A. § 38(c),  
2 Transportation Alternatives Grant Program awards in State fiscal year 2027  
3 shall not exceed \$1,200,000.00 per grant allocation.

4 \* \* \* Consultation Regarding Municipal Programs \* \* \*

5 Sec. 36. MUNICIPAL TRANSPORTATION PROGRAMS; ONGOING  
6 EVALUATION; IDENTIFICATION OF IMPROVEMENTS

7 (a) In addition to ongoing work pursuant to 2025 Acts and Resolves No.  
8 43, Sec. 15, the Agency of Transportation, in consultation with the Vermont  
9 League of Cities and Towns and the Vermont Association of Planning and  
10 Development Agencies, shall:

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

18 (2) continue evaluating the State’s Town Highway Aid and municipal  
19 grant programs administered by the Agency, as set forth in 2025 Acts and  
20 Resolves No. 43, Sec. 16, to identify potential efficiencies and improvements

1 related to the administration of Town Highway Aid and municipal grant  
2 programs; and

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

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

8 (b) The Agency shall, on or before January 15, 2027, submit to the House  
9 and Senate Committees on Transportation any recommendations for legislative  
10 action.

11 \* \* \* Drive Electric Vermont \* \* \*

12 Sec. 37. DRIVE ELECTRIC VERMONT; APPROPRIATION

13 In State fiscal year 2027, the sum of \$242,000.00 is appropriated from the  
14 Transportation Fund to the Agency of Transportation to support the  
15 continuation of the Agency's partnership with Drive Electric Vermont. The  
16 monies shall be used for programs and activities that support increased  
17 ownership and use of plug-in electric vehicles in the State through:

18 (1) stakeholder coordination;

19 (2) consumer education and outreach;

20 (3) infrastructure development; and

1           (4) the provision of technical assistance and support to Vermont  
2           municipalities and Vermont businesses desiring to electrify their vehicle fleets.

3                           \* \* \* Caledonia County State Airport \* \* \*

4           Sec. 38. 2023 Acts and Resolves No. 62, Sec. 8 is amended to read:

5           Sec. 8. SALE OR LEASE OF CALEDONIA COUNTY STATE

6                           AIRPORT

7           (a)(1) The Agency of Transportation is authorized to issue a request for  
8           proposals for the purchase or lease of the Caledonia County State Airport,  
9           located in the Town of Lyndon, and the Agency shall consult with the Town of  
10          Lyndon on any requests for proposals related to the purchase or lease of the  
11          Airport prior to the issuance of any requests for proposals related to the  
12          purchase or lease of the Airport.

13          (2) The request for proposal shall include a request for a business plan,  
14          which shall, at a minimum, include the prospective purchaser's or lessor's  
15          plans for investments in the Airport and the surrounding communities and may  
16          include plans for partnerships with secondary and post-secondary institutions  
17          in the surrounding communities.

18          (b) Subject to obtaining any necessary approvals from the U.S. Federal  
19          Aviation Administration, the Vermont Secretary of Transportation, as agent for  
20          the State, is authorized to convey the Airport property by warranty deed

1 according to the terms of a purchase and sale agreement or through a long-term  
2 lease.

3 (c) Any such conveyance shall:

4 (1) include assignment of the State’s interest in easements, leases,  
5 licenses, and other agreements pertaining to the Airport and the acceptance of  
6 the State’s obligations under such easements, leases, licenses, and other  
7 agreements that requires, at a minimum, that any leases and terms of leases that  
8 are in effect at the time of the conveyance of the Airport are fully honored for  
9 the balance of the lease term;

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

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

15 ~~(4) ensure that the Airport continues to be identified as a public-use~~  
16 ~~airport within the National Plan of Integrated Airport Systems until at least~~  
17 ~~2050, subject to federal determination;~~

18 ~~(5)~~ include, if the Airport is conveyed through a purchase and sale  
19 agreement, a six-month right of first refusal, running from the date that the  
20 owner of the Airport provides notice to the State of an intent to sell the Airport,

1 for the State to repurchase the Airport at fair market value before the Airport is  
2 resold or transferred to a new owner; and

3 ~~(6)~~(5) include, if the Airport is leased, that the lease cannot be either  
4 assigned or the lessor cannot sub-lease all or substantially all of the Airport  
5 without the written approval of the Vermont Secretary of Transportation.

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

7 (1) there is a fair market value offer, as required under 19 V.S.A.  
8 § 10k(b) or 26a(a), that meets the requirements of subsection (c) of this  
9 section; and

10 (2) the Town of Lyndon is given the opportunity to review and comment  
11 on the final purchase and sale agreement or lease as applicable.

12 (e) This section shall constitute specific prior approval, including of any  
13 sale or lease terms, by the General Assembly for purposes of 5 V.S.A. § 204.

14 Sec. 39. 2023 Acts and Resolves No. 62, Sec. 9 is amended to read:

15 Sec. 9. REPEAL OF AUTHORITY FOR SALE OR LEASE OF

16 CALEDONIA COUNTY STATE AIRPORT

17 Sec. 8 of this act shall be repealed on ~~May 1, 2026~~ November 1, 2027.

18 \* \* \* Medical Transports \* \* \*

19 Sec. 40. PUBLIC TRANSIT DEMAND RESPONSE MEDICAL

20 TRANSPORTS; VOLUNTEER DRIVERS; MOBILITY

21 MANAGEMENT; GRANTS; APPROPRIATION



1 area in the immediate vicinity of a group of one or more chargers and includes  
2 the chargers, supporting equipment, parking areas adjacent to the chargers, and  
3 lanes for vehicle ingress and egress. A charging station may comprise only a  
4 portion of the property on which it is located.]

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

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

13 (6) “Direct current fast charger” or “DCFC” means EVSE that enables  
14 rapid charging through the delivery of direct current electricity to a PEV’s  
15 battery. [ChargePoint proposes deleting the word “rapid”]

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

17 ~~(3)~~(8) “Electric cargo bicycle” means a motor-assisted bicycle, as  
18 defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under  
19 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for  
20 transporting loads, including at least one or more of the following: goods, one  
21 or more individuals in addition to the operator, or one or more animals. A

1 motor-assisted bicycle that is not specifically designed and constructed for  
2 transporting loads, including a motor-assisted bicycle that is only capable of  
3 transporting loads because an accessory rear or front bicycle rack has been  
4 installed, is not an electric cargo bicycle.

5 ~~(4)~~(9) “Electric vehicle supply equipment (EVSE)” and “electric  
6 vehicle supply equipment available to the public” have the same meanings as  
7 in 30 V.S.A. § 201.

8 (10) “Level 2 EVSE” means EVSE with a single-phase input voltage  
9 range from 208 to 240 volts of alternating current (AC) and maximum output  
10 current of not more than 80 amperes AC. [ChargePoint proposes replacing  
11 “240 volts” with “277 volts”]

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

16 ~~(5)~~(12) “Plug-in electric vehicle (PEV),” “battery electric vehicle  
17 (BEV),” and “plug-in hybrid electric vehicle (PHEV)” have the same meanings  
18 as in 23 V.S.A. § 4(85).

19 (13) “Port” means a system or connecting outlet on EVSE that provides  
20 power to charge a PEV, provided that a port may be equipped with more than

1 one connector but shall only use one connector at a time to provide power to a  
2 PEV.

3 (14) “Publicly funded and available charging station” means a charging  
4 station that has received, or expects to receive, a grant, loan, or other incentive  
5 from a federal or State government source or from funds provided by Vermont  
6 retail electricity providers and that is located at a publicly available parking  
7 space. [ChargePoint proposes: “Publicly funded and publicly available  
8 charging station” means a charging station that has received an incentive for  
9 the deployment of infrastructure from the State or a charge on ratepayers and  
10 that is located at a publicly available parking space.]

11 Sec. 42. 19 V.S.A. § 2908 is added to read:

12 § 2908. PUBLIC EVSE; REAL-TIME STATUS; AVAILABILITY;

13 RULEMAKING

14 (a) Except as provided in subsection (b) of this section, a charging network  
15 provider shall, for any networked publicly funded and available charging  
16 station in Vermont, ensure that the following data fields are made available,  
17 free of charge, to third-party software developers via an application  
18 programming interface: [ChargePoint proposes: Except as provided in  
19 subsection (b) of this section, a charging network provider shall, for any  
20 networked publicly funded and publicly available charging station installed in  
21 Vermont on or after January 1, 2028, ensure that the following data fields are

1 made available, free of charge, to third-party software developers via an  
2 application programming interface:]

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

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

6 (3) the geographic coordinates in decimal degrees of the exact charging  
7 station location;

8 (4) the charging station operator name;

9 (5) the charging network provider name;

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

12 (7) charging station access information, including:

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

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

17 (8) charging port information, including:

18 (A) the number of charging ports;

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

20 (C) the connector types available by port;

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

1           (E) the maximum power delivery rating in kilowatts by charging  
2 port;

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

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

5           (H) the real-time status by port in terms defined by Open Charge  
6 Point Interface 2.2.1;

7           (9) pricing and payment information, including all fees associated with  
8 charging, such as parking fees, plug-in fees, and roaming fees;

9           (10) the real-time price to charge, in U.S. dollars per kilowatt-hour or  
10 megajoule, at each charging port, in terms defined by Open Charge Point  
11 Interface 2.2.1; and

12           (11) the payment methods accepted at the charging station, including  
13 charging network providers and charging station operators that have roaming  
14 agreements that would allow their customers to use the charger.

15           [ChargePoint proposes replacing 9–11 with: (9) pricing and payment  
16 information, including: (A) the pricing structure; (B) the real-time price to  
17 charge at each charging port, in terms defined by Open Charge Point Interface  
18 2.2.1; and (C) the payment methods accepted at the charging station.]

19           (b) If EVSE available to the public is made available to the public for only  
20 limited time periods, it shall comply with this section during those limited time  
21 periods.

1           (c) The provisions of this section may be enforced by any State agency or  
2           department that provides grants, loans, or other incentives to support the  
3           construction or operation of publicly funded and available charging stations.

4           *[ChargePoint proposed language: (b) A charging network provider may*  
5           *attach reasonable conditions to data use that are designed to protect*  
6           *confidential business information, provided that the conditions do not prevent*  
7           *third-party software developers from accessing real time information required*  
8           *pursuant to subsection (a) of this section.*

9           (c) *[A State agency] shall provide a list of charging stations that are*  
10           *subject to this section to the EV charging network on a quarterly basis.*

11           (d) As used in this section, “real-time” means that the applicable data field  
12           must be updated within one minute following the charging port’s status  
13           changing.

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

15           Sec. 43. 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) through (16)~~ (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. 44. 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 by a unit owner or the occupants of the unit  
19           owner’s unit or is in conflict with this section is void and unenforceable.

20           (2) This subsection shall not apply to provisions that impose reasonable  
21           restrictions on EVSE. However, it is the policy of the State to promote,

1 encourage, and remove obstacles to the use of plug-in electric vehicles,  
2 including access to EVSE at home.

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

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

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

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

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

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

18 (5) comply with any other reasonable restrictions the association may  
19 impose.

20 (d) Notwithstanding any provision to the contrary in the association's  
21 governing documents, if the executive board of the association determines that

1 the cumulative or additional use of electricity due to the installation and use of  
2 EVSE requires infrastructure improvements to provide a sufficient supply of  
3 electricity for the EVSE, the association may assess the cost of the required  
4 improvements against the unit of each unit owner that has installed, or will  
5 install, EVSE.

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

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

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

19 (2) costs for the installation, maintenance, repair, and replacement of the  
20 EVSE until the EVSE has been removed and for the restoration of the common  
21 element or limited common element after removal;

- 1           (3) cost of electricity associated with the EVSE; and  
2           (4) unless the successor owner of the unit agrees in writing to undertake  
3 and comply with the unit owner’s responsibilities with respect to the EVSE,  
4 removing the EVSE prior to the sale and restoring any affected common  
5 element or limited common element.

6                           \* \* \* Surcharge on Jet Fuel \* \* \*

7           Sec. 45. 32 V.S.A. § 9784 is added to read:

8           § 9784. JET FUEL TRANSPORTATION INFRASTRUCTURE

9                           SURCHARGE

10           (a) A vendor shall collect a transportation infrastructure surcharge of two  
11 percent on the sale of aviation jet fuel.

12           (b) The surcharge shall be in addition to the tax imposed under section  
13 9771 of this subchapter. The surcharge assessed under this section shall be  
14 paid, collected, remitted, and enforced under this chapter in the same manner  
15 as the sales tax assessed under section 9771 of this title.

16           (c) The surcharge imposed under this section shall be deposited in the  
17 Transportation Infrastructure Bond Fund pursuant to 19 V.S.A. § 11f and shall  
18 be used exclusively for aviation purposes consistent with 49 U.S.C. § 47133  
19 and applicable Federal Aviation Administration regulations and policies.



1 (1) the rehabilitation, reconstruction, or replacement of State bridges,  
2 culverts, roads, railroads, airports, and necessary buildings that, after such  
3 work, have an estimated minimum remaining useful life of 10 years;

4 \* \* \*

5 (3) up to \$100,000.00 per year for operating costs associated with  
6 administering the capital expenditures.

7 \* \* \*

8 (j) Notwithstanding any provision of this section to the contrary, proceeds  
9 from the jet fuel transportation infrastructure surcharge pursuant to 32 V.S.A.  
10 § 9784 shall be used exclusively for aviation purposes consistent with 49  
11 U.S.C. § 47133 and applicable Federal Aviation Administration regulations  
12 and policies.

13 \* \* \* Intelligent Speed Assistance \* \* \*

14 Sec. 47. 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. 48. 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. 49. 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. 50. 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. 51. 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/Superior Court for the  
8 county in which the injury occurred] that the provisions of this subchapter are  
9 not intended to apply.

10 Sec. 52. 25 V.S.A. § 242 is amended to read:

11 § 242. PETITION TO PUBLIC UTILITY COMMISSION [AGENCY OF  
12 NATURAL RESOURCES/SUPERIOR COURT]

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

20 Sec. 53. 25 V.S.A. § 243 is amended to read:

21 § 243. NOTICE AND HEARING; DECISION

1        Upon due notice to all parties in interest, the ~~Public Utility Commission~~  
2        [Agency of Natural Resources/Superior Court for the county in which the  
3        injury occurred] shall hear and determine the cause of ~~such~~ the injury to the  
4        land or other property adjoining ~~such~~ the stream. When the ~~Commission~~  
5        [Agency/Superior Court] determines that ~~such~~ the injury was caused by the  
6        driving or floating of lumber, it shall fix the compensation to be paid ~~therefor~~,  
7        including expense for witnesses and a reasonable ~~attorney fee~~ attorney's fees,  
8        and render a decision accordingly, which decision shall be final and a bar to  
9        any other action brought for such damages.

10       Sec. 54. 25 V.S.A. § 244 is amended to read:

11       **§ 244. JUDGMENT ON DECISION**

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

20       Sec. 55. 25 V.S.A. § 245 is amended to read:

1 § 245. BOND OF FOREIGN CORPORATION

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

18 Sec. 56. 32 V.S.A. § 8394 is amended to read:

19 § 8394. PETITION AND HEARING FOR RELIEF FROM TAXES

20 Upon the written petition of any railroad corporation operating a railroad  
21 located in whole or in part within this State, setting forth that the financial

1 condition of ~~such~~ the corporation is such that the payment of any taxes  
2 assessed against it under the provisions of this chapter would imperil the  
3 continued operation of ~~such~~ the railroad and would be detrimental to the  
4 general good of the State, the ~~Public Utility Commission~~ Commissioner of  
5 Taxes shall fix a time and place for a hearing ~~thereon~~ on the petition and give  
6 due notice ~~thereof~~ of the hearing, including notice to the Attorney General who  
7 shall attend ~~such~~ the hearing and represent the interests of the State.

8 [PLACEHOLDER FOR ADDITIONAL SECTIONS]

9 \* \* \* Effective Dates \* \* \*

10 Sec. \_\_. EFFECTIVE DATES

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

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

15 (c) Secs. 17 (mileage-based user fee), 18 (infrastructure fee for PHEVs),  
16 and 19 (transition to mileage-based user fee) shall take effect on January 1,  
17 2027.

18 (d) Sec. 22 (expansion of mileage-based user fee to fuel-efficient vehicles)  
19 [and Sec. 22a?] shall take effect on January 1, 2029.

20 (e) Sec. 23 (expansion of mileage-based user fee to all light-duty vehicles)  
21 [and Sec. 23a?] shall take effect on January 1, 2031.

1        (f) Sec. 24 shall take effect on the sooner of January 1, 2031, or when the  
2        mileage-based user fee created pursuant to 23 V.S.A. chapter 43 becomes  
3        applicable to all motor vehicles with a gross vehicle weight rating of less than  
4        10,000 pounds.

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

6

7

8

9        (Committee vote: \_\_\_\_\_)

10

\_\_\_\_\_

11

Senator \_\_\_\_\_

12

FOR THE COMMITTEE