

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	7,000,000	8,700,000	1,700,000
3	Total	7,000,000	8,700,000	1,700,000

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

10 * * * State Highway Bridges * * *

11 Sec. 5. STATE HIGHWAY BRIDGES

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

15	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
16	PE	4,143,897	4,143,897	0
17	ROW	414,000	414,000	0
18	Const.	78,935,408	78,935,408	0
19	Other	1,400,000	1,400,000	0
20	Total	84,893,305	84,893,305	0

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 V.S.A.
19 § 306(a). The amounts appropriated pursuant to this section shall be
20 supplemental to and shall not supplant or decrease any amounts appropriated
21 pursuant to the provisions of 19 V.S.A. § 306(a) in State fiscal year 2027.

1 **Sec. 14.** 2028 PROPOSED TRANSPORTATION PROGRAM;

2 TRANSPORTATION INFRASTRUCTURE BOND PROPOSAL;

3 **REPORT**

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

6 (1) a Transportation Program proposal that includes the use of
7 \$10,000,000.00 in transportation infrastructure bond proceeds to fund eligible
8 projects pursuant to 32 V.S.A. § 972(d); and

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

11 (b)(1) The Agency of Transportation shall, in consultation with the State
12 Treasurer and at the same time as the Agency submits the proposed State fiscal
13 year 2028 Transportation Program to the General Assembly, submit a written
14 report to the House and Senate Committees on Transportation that identifies
15 projects proposed for the State fiscal year 2028 Transportation Program that
16 are eligible to be funded with the proceeds from issuance of \$10,000,000.00 in
17 transportation infrastructure bonds pursuant to the provisions of 32 V.S.A.
18 § 972(d).

1 (2) The report shall include:

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

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

8 * * * Mileage-Based User Fee * * *

9 **Sec. 15. FINDINGS AND INTENT**

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

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

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

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

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

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

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

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

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

1 (9) Vermont’s taxes on gasoline and on diesel fuel were last increased in
2 2014, and the federal taxes on gasoline and on diesel fuel were last increased in
3 1993.

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

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

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

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

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

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

1 (2) ensure that owners and lessees of all light-duty motor vehicles
2 contribute to the Transportation Fund in an amount that reflects the annual
3 miles traveled by each vehicle by expanding the mileage-based user fee to
4 fuel-efficient light-duty motor vehicles, such as plug-in hybrids, hybrids, and
5 vehicles with efficient internal combustion engines on or before January 1,
6 2029, and to all light-duty motor vehicles on or before January 1, 2031; and

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

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

12 CHAPTER 43. MILEAGE-BASED USER FEE

13 § 4301. PURPOSE

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

1 § 4302. DEFINITIONS

2 As used in this chapter:

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

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

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

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

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

15 (6) “Mileage reporting period” means:

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

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

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

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

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

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

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

6 § 4303. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;
7 PAYMENT; EXEMPTIONS

8 (a) Assessment and payment of mileage-based user fee (MБУF).

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

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

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

18 (C) estimated payments of the MБУF in annual, quarterly, or
19 monthly installments as set forth in subdivision (4) of this subsection (a); or

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

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

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

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

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

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

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

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

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

7 (4) Estimated payment option.

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

13 (B) The owner or lessee shall either:

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

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

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

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

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

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

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

19 (6) Flat-rate option.

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

1 45 days after the commencement of each mileage reporting period [AOT
2 alternative: at the time of 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.

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;

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

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

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

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

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

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

17 (e) Mileage-based user fee rate. The mileage-based user fee rate shall be
18 \$0.014 per mile traveled by a covered vehicle during its mileage reporting
19 period.

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

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

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

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

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

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

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

19 § 4304. REPORTS

20 (a) Upon completion of an inspection of a covered vehicle pursuant to
21 section 1222 of this title, an inspection mechanic shall report the mileage

1 shown on the covered vehicle’s odometer to the Department in the manner
2 required by the Commissioner.

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

7 § 4305. FAILURE TO PAY FEE WHEN DUE; INTEREST

8 (a) Any person who fails to pay the full amount of the mileage-based user
9 fee when due shall owe, in addition to the unpaid amount of the mileage-based
10 user fee, interest calculated at one and one-half percent per month on the
11 amount of the mileage-based user fee that remains unpaid. The maximum
12 amount of interest that may accrue pursuant to this subsection shall not exceed
13 18 percent of the amount of the unpaid fee.

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

17 (2) The Commissioner may, upon receiving a request pursuant to
18 subdivision (1) of this subsection or on the Commissioner’s own motion,
19 wave some or all of the amount of the overdue fee and interest required
20 pursuant to subsection (a) of this section if the Commissioner determines that

1 good cause existed for the delay in payment or that requiring payment would
2 constitute an economic hardship.

3 § 4306. FAILURE TO FILE REPORT OR OBTAIN INSPECTION;

4 DEFAULT RATE

5 (a) The Commissioner shall charge the owner or lessee of a covered vehicle
6 a default rate of \$178.00 if the Commissioner is unable to determine the annual
7 vehicle miles traveled for the owner’s or lessee’s covered vehicle because the
8 owner or lessee:

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

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

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

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

20 [AOT proposal] (2) After being assessed the default amount pursuant to
21 this subsection, the owner or lessee of the covered vehicle may obtain an

1 inspection within 60 days after the date on which the vehicle's registration is
2 renewed. If the covered vehicle's mileage is such that the mileage-based user
3 fee would have been less than the default amount, the owner or lessee shall
4 receive a credit for the difference that is applied to reduce the amount of the
5 next mileage-based user fee due for the covered vehicle.

6 § 4307. REGISTRATION; SUSPENSION OR REFUSAL

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

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

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

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

17 (b) Notice and opportunity for hearing. The Commissioner shall provide
18 the owner or lessee of a covered vehicle with not less than 15 days' notice of
19 the intent to suspend or not to renew the registration of the covered vehicle
20 pursuant to the provisions of this section. The owner or lessee shall be

1 provided with the opportunity for a hearing and shall be permitted to be
2 represented by counsel at the hearing.

3 § 4308. POWERS OF THE COMMISSIONER

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

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

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

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

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

14 § 4309. APPEALS; JUDICIAL REVIEW

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

18 The Commissioner shall establish procedures for filing and hearing appeals
19 pursuant to this subsection that are consistent with the provisions of sections
20 105–107 of this title.

1 ~~programs administered by the Agency of Commerce and Community~~
2 ~~Development to increase Vermonters' access to level 1 and 2 electric vehicle~~
3 ~~supply equipment (EVSE) charging ports at workplaces or multiunit dwellings,~~
4 ~~or both.~~

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

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

11 (b)(1)(A) For a covered vehicle that has a valid Vermont registration on
12 December 31, 2026, the vehicle's initial mileage reporting period shall
13 commence with its first annual inspection occurring on or after January 1,
14 2027.

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

18 (2) For an initial registration or a registration renewal of a covered
19 vehicle that occurs on or after January 1, 2027, and prior to the completion of
20 the initial mileage reporting period, the owner or lessee of the covered vehicle

1 shall pay a one-time road usage charge of \$89.00 for a one-year registration or
2 \$178.00 for a two-year registration.

3 (3) At the conclusion of a covered vehicle’s initial mileage reporting
4 period, the mileage-based user fee for the vehicle shall be calculated as
5 provided pursuant to the annual mileage-based user fee payment option set
6 forth in 23 V.S.A. § 4303(a)(2).

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

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

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

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

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

6 (d) As used in this section, “covered vehicle” has the same meaning as in
7 23 V.S.A. § 4302.

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

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

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

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

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

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

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

10 (D) provide information on how to obtain additional information
11 regarding the mileage-based user fee, including how to obtain informational
12 resources provided by the Agency, the availability of user support resources,
13 and how to determine how the mileage-based user fee may apply to a user’s
14 specific circumstances;

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

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

6 (5) ongoing engagement and collaboration with relevant stakeholders,
7 including the Vermont Vehicle and Automotive Distributors Association and
8 Drive Electric Vermont, to obtain feedback on the mileage-based user fee
9 program and to educate members of the public about the mileage-based user
10 fee and program design.

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

15 **Sec. 20.** MILEAGE-BASED USER FEE TRANSITION PLAN;

16 REPORT

17 (a)(1) The Agency of Transportation and the Department of Motor
18 Vehicles, in consultation with the Agency of Digital Services, shall develop a
19 plan to expand the mileage-based user fee (MBUF) program to all light-duty
20 motor vehicles to ensure that each vehicle contributes an amount that bears a

1 direct relation to the estimated demands and impacts that the vehicle places
2 upon public infrastructure, as determined on the basis of vehicle miles traveled.

3 (2) The plan shall provide that:

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

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

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

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

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

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

20 (1) analyze the amounts paid by vehicles of different engine-fuel types
21 and classifications with respect to the diesel fuel tax pursuant to 23 V.S.A.

1 chapter 27, the gasoline tax pursuant to 23 V.S.A. chapter 28, and the
2 infrastructure fee imposed pursuant to 23 V.S.A. § 361(c), as applicable;

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

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

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

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

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

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

20 (c) The Agency and Department shall also track the implementation costs
21 and operating expenses of and revenues generated by the mileage-based user

1 fee for State fiscal years 2027–2031. The Agency and Department shall
2 submit an annual report of these amounts to the House Committees on
3 Transportation and on Ways and Means and the Senate Committees on
4 Transportation and on Finance on or before each December 31 beginning on
5 December 31, 2027, and continuing until December 31, 2031.

6 (d)(1) On or before January 31, 2027, the Agency of Transportation and the
7 Department of Motor Vehicles shall submit to the House Committees on
8 Transportation and on Ways and Means and the Senate Committees on
9 Transportation and on Finance an initial plan and recommendation for
10 legislative action to:

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

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

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

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

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

4 (3) On or before September 15, 2028, the Agency of Transportation and
5 the Department of Motor Vehicles shall submit to the House Committees on
6 Transportation and on Ways and Means and the Senate Committees on
7 Transportation and on Finance:

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

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

13 (C) any additional recommendations for legislative action.

14 (e) As used in this section:

15 (1) “Fuel-efficient vehicle” means a motor vehicle with an estimated
16 fuel economy of at least 25 miles per gallon according to the U.S.
17 Environmental Protection Agency, a plug-in electric vehicle as defined
18 pursuant to 23 V.S.A. § 4, or a hybrid electric vehicle.

19 (2) “Light-duty motor vehicle” means any motor vehicle with a gross
20 vehicle weight rating of not more than 10,000 pounds.

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[AOT Proposal] **Sec. 21a.** 23 V.S.A. § 4303 is amended to read:

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

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

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

* * *

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

* * *

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

* * *

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

* * *

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

Sec. 22. 23 V.S.A. § 4302 is amended to read:

§ 4302. DEFINITIONS

As used in this chapter:

* * *

1 * * * Repeal of Municipal Equipment and Vehicle Loan Fund Rules * * *

2 **Sec. 24.** RULES REGARDING MUNICIPAL HEAVY EQUIPMENT LOAN
3 FUND; REPEAL

4 The Rules Regarding Municipal Heavy Equipment Loan Fund (CVR 14-
5 053-002) are repealed. The Municipal Equipment and Vehicle Loan Fund, as
6 the successor to the Municipal Heavy Equipment Loan Fund, shall be
7 administered as provided pursuant to 29 V.S.A. § 1601.

8 * * * Statement of Policy; Highways and Bridges * * *

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

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

11 * * *

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

19 * * *

1 ~~that it is in the best interest~~ interests of the State,] accept other good and
2 sufficient surety in lieu of a bond and, in cases involving contracts for
3 ~~\$100,000.00~~ \$250,000.00 or less, may waive the requirement of a performance
4 bond.

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

10 (9)(A) Require any contractor or contractors employed in any project of
11 the Agency for construction of a transportation improvement to file an
12 additional surety bond to the Secretary and the Secretary’s successor in office,
13 for the benefit of labor, materialmen, and others, executed by a surety company
14 authorized to transact business in this State. The surety bond shall be in ~~such~~
15 the sum as required by the Agency ~~shall direct~~, conditioned for the payment,
16 settlement, liquidation, and discharge of the claims of all creditors for
17 material;; merchandise;; labor;; rent;; hire of vehicles, power shovels, rollers,
18 concrete mixers, tools, and other appliances;; professional services;;
19 premiums;; and other services used or employed in carrying out the terms of
20 the contract between the contractor and the State ~~and~~. The surety bond shall be
21 further conditioned for the following accruing during the term of performance

1 of the contract: the payment of taxes, both State and municipal, and the
2 payment of unemployment insurance contributions to the Vermont
3 Commissioner of Labor; ~~provided, however, in~~

4 (B) In order to obtain the benefit of the security, the claimant shall
5 file with the Secretary a sworn statement of the claimant's claim, within 90
6 days after the final acceptance of the project by the State or within 90 days
7 from the time the taxes or unemployment contributions ~~to the Vermont~~
8 ~~Commissioner of Labor~~ are due and payable, and, within one year after the
9 filing of the claim, shall bring a petition in the Superior Court in the name of
10 the Secretary, with notice and summons to the principal, surety, and the
11 Secretary, to enforce the claim or intervene in a petition already filed. The
12 Secretary may, if the Secretary determines that it is in the best interests of the
13 State, accept other good and sufficient surety in lieu of a bond and, in cases
14 involving contracts for ~~\$100,000.00~~ \$250,000.00 or less, may waive the
15 requirement of a surety bond.

16 (C) During an emergency event, the Secretary may, in the Secretary's
17 discretion, waive the requirements of this subdivision (9) for immediate
18 emergency stabilization work related to public safety or State infrastructure.
19 Permanent work shall be subject to the requirements of subdivision (A) of this
20 subdivision (9).

21 * * *

1 * * * Bridge Inspections; Posting; Closure * * *

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

3 § 1514. BRIDGE INSPECTION; POSTING; CLOSURE

4 (a) Definition. As used in this section, “bridge” means a structure to which
5 the National Bridge Inspection Standards apply pursuant to 23 C.F.R.
6 § 650.303.

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

10 (c) Municipally maintained bridges.

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

14 (2) The Agency shall notify a municipality if a bridge for which the
15 municipality has maintenance responsibility requires posting or closure and,
16 upon receiving notification, the municipality shall post or close the bridge, as
17 appropriate.

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

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

5 (d) Agency-maintained bridges.

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

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

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

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

1 **Sec. 28.** 23 V.S.A. § 2302 is amended to read:

2 § 2302. TRAFFIC VIOLATION DEFINED

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

4 * * *

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

9 (12) a violation of section 4123 of this title, relating to authorizing
10 railroad crossing violations; or

11 (13) a violation of 19 V.S.A. § 1514, relating to use of a bridge in
12 violation of a posting or closure.

13 * * *

14 * * * Public Transit Advisory Council * * *

15 **Sec. 29.** 24 V.S.A. § 5084 is amended to read:

16 § 5084. PUBLIC TRANSIT ADVISORY COUNCIL

17 (a) The Public Transit Advisory Council shall be created by the Secretary
18 of Transportation under 19 V.S.A. § 7(f)(5), ~~to~~ and shall consist of the
19 following members:

20 * * *

1 (8) a representative of ~~the Community of Vermont Elders~~ AARP

2 Vermont;

3 (9) ~~a representative of private bus operators and taxi services;~~

4 [Repealed.]

5 (10) a representative of Vermont ~~intercity~~ private bus operators;

6 * * *

7 * * * Green Mountain Transit Authority * * *

8 **Sec. 30.** 24 App. V.S.A. ch. 801, § 7 is amended to read:

9 § 7. Annual budget and assessments

10 (a) On or before February 15 in each year, the Board of Commissioners
11 shall prepare a budget for the Authority for the next fiscal year, which shall
12 include an estimate of the revenue of the Authority from fares and other
13 sources, except membership assessments, and the expenses for the next fiscal
14 year, including debt service, and at such time the Board of Commissioners
15 shall call a meeting of the residents of its members for the purpose of
16 presenting the proposed budget and inviting discussion thereon. The meeting
17 shall be held at a place within the County and shall be warned by a notice
18 published in a newspaper of general circulation in the County at least 15 days
19 prior to the meeting. The notice shall contain a copy of the proposed budget,
20 and members of the legislative body of each member municipality shall be
21 notified of the meeting by certified mail. The proposed budget may include, in

1 addition to revenues from fares and other sources, anticipated voluntary local
2 match contributions, grants, donations, and other nonassessment revenues that
3 may be offered by a member municipality or another public or private source.

4 * * *

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

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

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

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

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

18 * * * Public-Private Partnership Sunset Extension * * *

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

1 Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

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

3 * * * Transportation Board * * *

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

5 § 5. TRANSPORTATION BOARD; POWERS AND DUTIES

6 * * *

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

8 * * *

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

13 * * *

14 * * * Transportation Alternatives Grant Program * * *

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

16 § 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

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

18 (c) The Transportation Alternatives Grant Program is created. The Grant
19 Program shall be administered by the Agency and shall be funded in the
20 amount provided for in 23 U.S.C. § 133(h), less the funds set aside for the
21 Recreational Trails Program. Awards shall be made to eligible entities as

1 defined under 23 U.S.C. § 133(h), and awards under the Grant Program shall
2 be limited to the activities authorized under federal law and shall not exceed
3 ~~\$300,000.00~~ \$600,000.00 per grant allocation.

4 * * *

5 (f)(1) In fiscal year ~~2024~~ 2027 and thereafter, ~~50 percent of Grant Program~~
6 ~~funds, or such lesser sum if all eligible applications amount to less than 50~~
7 ~~percent of Grant Program funds, shall be reserved for municipalities for~~
8 ~~environmental mitigation projects relating to stormwater and highways,~~
9 ~~including eligible salt and sand shed projects, and the balance of Grant~~
10 Program funds shall be awarded for any eligible activity, including
11 environmental mitigation projects relating to stormwater and highways, such
12 as eligible salt and sand shed projects, and infrastructure-related projects and
13 systems that will provide safe routes for nondrivers, and in accordance with the
14 priorities established in subdivision (2) of this subsection.

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

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

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

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

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

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

1 Airport prior to the issuance of any requests for proposals related to the
2 purchase or lease of the Airport.

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

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

13 (c) Any such conveyance shall:

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

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

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

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

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

12 ~~(6)~~(5) include, if the Airport is leased, that the lease cannot be either
13 assigned or the lessor cannot sub-lease all or substantially all of the Airport
14 without the written approval of the Vermont Secretary of Transportation.

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

16 (1) there is a fair market value offer, as required under 19 V.S.A.
17 § 10k(b) or 26a(a), that meets the requirements of subsection (c) of this
18 section; and

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

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

3 **Sec. 38.** 2023 Acts and Resolves No. 62, Sec. 9 is amended to read:

4 Sec. 9. REPEAL OF AUTHORITY FOR SALE OR LEASE OF
5 CALEDONIA COUNTY STATE AIRPORT

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

7 * * * Medical Transports * * *

8 **Sec. 39.** PUBLIC TRANSIT DEMAND RESPONSE MEDICAL

9 TRANSPORTS; VOLUNTEER DRIVERS; MOBILITY

10 MANAGEMENT; GRANTS; APPROPRIATION

11 The Agency of Transportation is authorized to utilize up to \$500,000.00 in
12 one-time funds appropriated from the [REDACTED] Fund to the Agency of
13 Transportation in fiscal year 2027 for the purpose of providing grants to public
14 transit agencies to support the recruitment and retention of volunteer drivers
15 and mobility management activities related to medical transports.

16 * * * Real-Time Status of Public EVSE * * *

17 **Sec. 40.** 19 V.S.A. § 2901 is amended to read:

18 § 2901. DEFINITIONS

19 As used in this chapter:

20 * * *

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

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

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

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

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

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

19 ~~(3)~~(8) “Electric cargo bicycle” means a motor-assisted bicycle, as
20 defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under
21 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for

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

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

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

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

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

20 (13) “Port” means a system or connecting outlet on EVSE that provides
21 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 publicly available.

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

8 § 2908. PUBLIC EVSE; REAL-TIME STATUS; AVAILABILITY

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

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

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

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

20 (4) the charging station operator name;

21 (5) the charging network provider name;

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

3 (7) charging station access information, including:

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

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

8 (8) charging port information, including:

9 (A) the number of charging ports;

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

11 (C) the connector types available by port;

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

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

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

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

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

19 (9) pricing and payment information, including:

20 (A) the pricing structure;

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

3 (C) the payment methods accepted at the charging station.

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

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

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

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

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

19 (e)(1) A State agency or department that provides a grant, loan, or other
20 incentive for the construction or operation of a charging station that is installed
21 or refurbished [refitted? or reconditioned?] on or after September 30, 2026,

1 shall notify the relevant charging network provider that the provisions of this
2 section apply to a charging station.

3 (2) A retail electricity provider shall notify the Department of Public
4 Service if it provides a grant, loan, or other incentive for the construction or
5 operation of a charging station that is installed or refurbished [refitted? or
6 reconditioned?] on or after September 30, 2026. The Department shall notify
7 the relevant charging network provider that the provisions of this section apply
8 to the charging station within a reasonable period of time after receiving notice
9 from the retail electricity provider.

10 (f) As used in this section:

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

13 (2) “Retail electricity provider” has the same meaning as in 30 V.S.A.
14 § 8002.

15 * * * EVSE Installation in Common Interest Communities * * *

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

17 § 1-204. PREEXISTING COMMON INTEREST COMMUNITIES

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

1 102(a)(1)-(6) and (11)-(16), and sections 3-111, 3-116, 3-
2 118, 4-109, and 4-117 to the extent necessary to construe the applicable
3 sections. The sections and subdivisions described in this subdivision apply
4 only to events and circumstances occurring after December 31, 1998, and do
5 not invalidate existing provisions of the declarations, bylaws, plats, or plans of
6 those common interest communities.

7 * * *

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

15 * * *

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

17 § 3-125. ELECTRIC VEHICLE SUPPLY EQUIPMENT

18 (a) As used in this section:

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

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

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

2 § 11. TRANSPORTATION FUND

3 The Transportation Fund shall comprise the following:

4 * * *

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

10 * * *

11 * * * Intelligent Speed Assistance * * *

12 Sec. 46. INTELLIGENT SPEED ASSISTANCE; IMPLEMENTATION AND
13 COST EVALUATION; REPORT

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

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

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

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

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

6 * * * Miscellaneous Transportation Jurisdiction Corrections * * *

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

8 § 3065. PENALTIES

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

13 (b) When the death or bodily injury of a person is caused by the explosion
14 of any explosive named in sections 3062–3064 and ~~3091–3092~~ 3091 and 3092
15 of this ~~title~~ chapter, while the ~~same~~ explosive is being placed upon a vessel or
16 vehicle to be transported in violation ~~hereof~~ of this chapter, or while the ~~same~~
17 explosive is being so transported, or while the ~~same~~ explosive is being
18 removed from ~~such~~ the vessel or vehicle, the person who knowingly places or
19 aids or permits the placement of ~~such~~ the explosives upon ~~such~~ the vessel or
20 vehicle to be so transported shall be imprisoned not more than ~~ten~~ 10 years.

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

2 § 5106. EXEMPTION FROM REGULATION

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

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

9 § 5. EXEMPTION FROM REGULATION

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

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

17 § 241. APPLICATION OF PROVISIONS

18 This subchapter shall apply to every person, ~~partnership, unincorporated~~
19 ~~association, or corporation~~ that shall drive or float lumber in any stream. The
20 use of any ~~such~~ stream for ~~such~~ that purpose shall constitute an election on the
21 part of ~~such~~ the person, ~~partnership, unincorporated association, or corporation~~

1 to be subject to and bound by the provisions of this subchapter ~~and to be bound~~
2 ~~thereby~~. This subchapter shall apply to every owner of the land adjoining any
3 stream ~~so~~ that is used for the purpose of driving or floating lumber, unless,
4 within 60 days after an alleged injury, the owner notifies, in writing, the Public
5 ~~Utility Commission~~ [Agency of Natural Resources/Superior Court for the
6 county in which the injury occurred] that the provisions of this subchapter are
7 not intended to apply.

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

9 § 242. ~~PETITION TO PUBLIC UTILITY COMMISSION~~ [AGENCY OF
10 NATURAL RESOURCES/SUPERIOR COURT]

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

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

19 § 243. NOTICE AND HEARING; DECISION

20 Upon due notice to all parties in interest, the ~~Public Utility Commission~~
21 [Agency of Natural Resources/Superior Court for the county in which the

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

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

9 § 244. JUDGMENT ON DECISION

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

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

19 § 245. BOND OF FOREIGN CORPORATION

20 A foreign corporation, before driving or floating any logs, lumber, or other
21 timber in any stream in this State, shall file in the Office of the Secretary of

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

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

16 § 8394. PETITION AND HEARING FOR RELIEF FROM TAXES

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

1 general good of the State, the ~~Public Utility Commission~~ Commissioner of
2 Taxes shall fix a time and place for a hearing ~~thereon~~ on the petition and give
3 due notice ~~thereof~~ of the hearing, including notice to the Attorney General who
4 shall attend ~~such~~ the hearing and represent the interests of the State.

5 [PLACEHOLDER FOR ADDITIONAL SECTIONS]

6 * * * Effective Dates * * *

7 Sec. __. EFFECTIVE DATES

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

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

12 (c) Secs. 16 (mileage-based user fee), 17 (infrastructure fee for PHEVs),
13 and 18 (transition to mileage-based user fee) shall take effect on January 1,
14 2027.

15 (d) Sec. 21 (expansion of mileage-based user fee to fuel-efficient vehicles)
16 [and Sec. 21a?] shall take effect on January 1, 2029.

17 (e) Sec. 22 (expansion of mileage-based user fee to all light-duty vehicles)
18 [and Sec. 22a?] shall take effect on January 1, 2031.

19 (f) Sec. 23 shall take effect on the sooner of January 1, 2031, or when the
20 mileage-based user fee created pursuant to 23 V.S.A. chapter 43 becomes

1 applicable to all motor vehicles with a gross vehicle weight rating of less than
2 10,000 pounds.

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

4

5

6

7 (Committee vote: _____)

8

9

Senator _____

10

FOR THE COMMITTEE