

1 TO THE HONORABLE SENATE:

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

8 * * * Legislative Findings * * *

9 **Sec. 1. LEGISLATIVE FINDINGS**

10 **The General Assembly finds that:**

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

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

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

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

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

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

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

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

15 (9) If Vermont is unable to keep up with the maintenance and capital
16 needs of its transportation system, the infrastructure will deteriorate, and
17 restoring the system to a state of good repair will cost significantly more.

18 (10) Prompt legislative action is necessary to ensure the future health
19 and stability of the Transportation Fund and to enable the Agency of
20 Transportation to keep Vermont's transportation system in a state of good
21 repair.

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

2 Sec. 2. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

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

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

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

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

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

19 (4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle
20 supply equipment available to the public” have the same meanings as in
21 30 V.S.A. § 201.

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

5 (6) “Plug-in electric vehicle (PEV),” “plug-in hybrid electric vehicle
6 (PHEV),” and “battery electric vehicle (BEV)” have the same meanings as in
7 23 V.S.A. § 4(85).

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

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

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

21 * * * Summary of Transportation Investments * * *

1 Sec. 3. FISCAL YEAR 2027 TRANSPORTATION INVESTMENTS
2 INTENDED TO REDUCE TRANSPORTATION-RELATED
3 GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL
4 USE, AND SAVE VERMONT HOUSEHOLDS MONEY

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

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

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

14 (2) Bike and Pedestrian Facilities Program. This act provides for a
15 fiscal year expenditure, including local match, of \$24,576,873.00, which will
16 fund 34 bike and pedestrian construction projects; 18 bike and pedestrian
17 design, right-of-way, or design and right-of way projects for construction in
18 future fiscal years; and eight scoping studies. The construction projects
19 include the creation, improvement, and rehabilitation of walkways, sidewalks,
20 shared-use paths, bike paths, and cycling lanes. Projects are funded in
21 Arlington, Bennington, Bethel, Brattleboro, Burke, Burlington, Castleton,

1 Chester, Danville, Essex Town, Fairfax, Greensboro, Guilford, Hartford,
2 Huntington, Hyde Park, Irasburg, Jamaica, Johnson, Lunenburg, Middlebury,
3 Montpelier, Moretown, Morristown, Newfane, Newport City, Northfield,
4 Pownal, Royalton, Rutland City, Rutland Town, Sheldon, South Burlington,
5 Springfield, St. Albans City, Swanton, Wallingford, Warren, Waterbury, West
6 Rutland, Williston, Wilmington, and Wolcott. This act also provides funding
7 for:

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

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

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

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

13 (3) Transportation Alternatives Program. This act provides for a fiscal
14 year expenditure of \$4,514,362.00, including local funds, which will fund 22
15 transportation alternatives construction projects; 28 transportation alternatives
16 design, right-of-way, or design and right-of-way projects; and one scoping
17 study. Of these 51 projects, 18 involve environmental mitigation related to
18 clean water or stormwater concerns, or both clean water and stormwater
19 concerns, and 30 involve bicycle and pedestrian facilities. Projects are funded
20 in Athens, Bennington, Bethel, Brandon, Brattleboro, Bristol, Burke,
21 Burlington, Derby, Enosburg Falls, Fairlee, Ferrisburgh, Glover, Guilford,

1 Hinesburg, Hyde Park, Jericho, Londonderry, Ludlow, Lyndon, Montgomery,
2 Newark, Putney, Rockingham, Rutland City, Shoreham, South Burlington,
3 Springfield, Swanton, Warren, Weathersfield, Williston, Wilmington, and
4 Windham.

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

7 Included in the authorization are:

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

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

17 (5) Rail Program. This act provides for a fiscal year expenditure of
18 \$60,289,410.00, including local funds and \$34,688,907.00 in federal funds, for
19 intercity passenger rail service, including funding for the Ethan Allen Express
20 and Vermonter Amtrak services, and rail infrastructure that supports freight

1 rail as well. Moving freight by rail instead of trucks lowers greenhouse gas
2 emissions by up to 75 percent, on average.

3 * * * Paving * * *

4 Sec. 4. PAVING; STATEWIDE DISTRICT LEVELING

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

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

8	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
9	Other	1,150,000	1,150,000	0
10	PE	2,183,194	2,183,194	0
11	Const.	144,812,226	146,512,226	1,700,000
12	Total	148,145,420	149,845,420	1,700,000

13 Sources of funds

14	State	24,400,007	25,100,007	1,700,000
15	Federal	123,732,179	123,732,179	0
16	Local	13,235	13,235	0
17	Total	148,145,420	149,845,420	1,700,000

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

19 Transportation Program for Paving, authorized spending for STATEWIDE
20 District Leveling TBD is amended as follows:

21	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
----	-------------	--------------------	-------------------	---------------

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

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

10 Transportation Program for State Highway Bridges, authorized spending for

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

12	<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
13	PE	14,678	14,678	0
14	Const.	2,600,000	2,600,000	0
15	Total	2,614,678	2,614,678	0
16	<u>Sources of funds</u>			
17	State	521,000	0	-521,000
18	TIB	1,936	522,936	521,000
19	Federal	2,091,742	2,091,742	0
20	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 and any
17 amounts appropriated from the PILOT Special Fund to the Department of
18 Taxes for expenses related to grand list and appraisal assistance, three-fourths
19 of the excess amount shall be transferred to the Local Option Municipal
20 Transportation Special Fund established pursuant to 19 V.S.A. § 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 32 V.S.A. § 1001 as part of its net State tax-supported debt analysis provided
2 to the Governor and the General Assembly.

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

4 TRANSPORTATION INFRASTRUCTURE BOND PROPOSAL;

5 **REPORT**

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

8 (1) a Transportation Program proposal that includes the use of
9 transportation infrastructure bond proceeds to fund eligible projects pursuant to
10 32 V.S.A. § 972(d); and

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

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

14 As used in this chapter:

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

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

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

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

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

8 (6) “Mileage reporting period” means:

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

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

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

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

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

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

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

1 § 4302. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION;
2 PAYMENT; EXEMPTIONS

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

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

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

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

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

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

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

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

1 (B) The owner or lessee shall remit the amount due to the

2 Commissioner on or before the sooner of:

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

4 (ii) the termination of the covered vehicle’s Vermont registration;

5 or

6 (iii) the sale of the covered vehicle or termination of the lease of

7 the covered vehicle, as appropriate.

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

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

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

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

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

4 (4) Estimated payment option.

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

10 (B) The owner or lessee shall either:

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

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

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

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

20 (A) At the conclusion of each mileage reporting period for a covered
21 vehicle whose owner or lessee has elected either the pay-as-you-go or the

1 estimated payment option, the Commissioner shall determine if the amount of
2 the MBUF for the actual miles traveled by the covered vehicle during the
3 mileage reporting period is greater than or less than the amount of the
4 payments made by the owner or lessee during that period.

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

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

15 (6) Flat-rate option.

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

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

1 (ii) the termination of the covered vehicle’s Vermont registration;

2 or

3 (iii) the sale of the covered vehicle or termination of the lease of
4 the covered vehicle, as appropriate.

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

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

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

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

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

19 (c) Election of different payment option. An owner or lessee of a covered
20 vehicle may select a different option for payment of the MBUF pursuant to

1 subsection (a) of this section by providing notice to the Commissioner in the
2 time and manner prescribed by the Commissioner.

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

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

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

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

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

19 (e) Mileage-based user fee rate. The mileage-based user fee rate shall be
20 \$0.014 per mile traveled by a covered vehicle during its mileage reporting
21 period.

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

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

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

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

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

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

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

1 **§ 4303. REPORTS**

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

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

10 **§ 4304. FAILURE TO PAY FEE WHEN DUE; INTEREST**

11 (a) Any person who fails to pay the full amount of the mileage-based user
12 fee [AOT proposal: within 90 days after it is] required to be paid pursuant to
13 section 4302 shall owe, in addition to the unpaid amount of the mileage-based
14 user fee, interest calculated at one and one-half percent per month on the
15 amount of the mileage-based user fee that remains unpaid. The maximum
16 amount of interest that may accrue pursuant to this subsection shall not exceed
17 18 percent of the amount of the unpaid fee.

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

1 (2) The Commissioner may, upon receiving a request pursuant to
2 subdivision (1) of this subsection or on the Commissioner’s own motion,
3 waive some or all of the amount of the overdue fee and interest required
4 pursuant to subsection (a) of this section if the Commissioner determines that
5 good cause existed for the delay in payment or that requiring payment would
6 constitute an economic hardship.

7 § 4305. FAILURE TO FILE REPORT OR OBTAIN INSPECTION;

8 DEFAULT RATE

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

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

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

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

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

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

11 § 4306. REGISTRATION; SUSPENSION OR REFUSAL

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

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

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

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

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

7 § 4307. POWERS OF THE COMMISSIONER

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

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

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

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

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

18 § 4308. APPEALS; JUDICIAL REVIEW

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

1 The Commissioner shall establish procedures for filing and hearing appeals
2 pursuant to this subsection that are consistent with the provisions of sections
3 105–107 of this title.

4 (b) Appeal to Superior Court. Following a final decision on an appeal
5 pursuant to subsection (a) of this section or subsection 4302(h) of this chapter,
6 the appellant may appeal the decision pursuant to Rule 74 of the Vermont
7 Rules of Civil Procedure. The appeal shall be to the Washington Superior
8 Court or, in the discretion of the appellant, to the Superior Court in the county
9 where the appellant resides or has a principal place of business.

10 (c) Exclusivity of remedies. The appeals provided by this section and
11 subsection 4302(h) of this chapter shall be the exclusive remedies available to
12 any person for review of an assessment, decision, or order or finding of the
13 Commissioner under this chapter.

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

15 § 361. PLEASURE CARS

16 * * *

17 (c) In addition to the registration fee set forth in subsection (a) of this
18 section, there shall be an annual ~~EV~~ infrastructure fee for a pleasure car that is
19 a plug-in hybrid electric vehicle, as defined in subdivision ~~4(85)(B)~~ (4)(85)(B)
20 of this title, equal to one-half the amount of the annual fee collected in

1 subsection (a) of this section, or a biennial ~~EV~~ infrastructure fee equal to the
2 annual fee collected in subsection (a) of this section.

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

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

10 (a) Notwithstanding any provision of 23 V.S.A. § 4302 to the contrary,
11 during calendar years 2027 and 2028, the owner or lessee of a covered vehicle
12 shall pay the mileage-based user fee for the covered vehicle's first mileage
13 reporting period as provided pursuant to the provisions of either subsection (b)
14 or (c) of this section.

15 (b)(1)(A) For a covered vehicle that has a valid Vermont registration on
16 December 31, 2026, the vehicle's initial mileage reporting period shall
17 commence with its first annual inspection occurring on or after January 1,
18 2027.

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

1 (2) For an initial registration or a registration renewal of a covered
2 vehicle that occurs on or after January 1, 2027, and prior to the completion of
3 the initial mileage reporting period, the owner or lessee of the covered vehicle
4 shall pay a one-time road usage charge of \$89.00 for a one-year registration or
5 \$178.00 for a two-year registration.

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

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

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

14 (ii) for a covered vehicle whose owner or lessee did not pay the
15 road usage charge pursuant to subdivision (2) of this subsection (b) but paid
16 the EV infrastructure fee required pursuant to 23 V.S.A. § 361 at the most
17 recent registration or registration renewal of the vehicle prior to January 1,
18 2027, an amount equal to the amount of the EV infrastructure fee paid at the
19 most recent registration.

20 (B) Any amounts remaining after the initial mileage-based user fee
21 has been paid shall be carried forward and applied as a credit to reduce the

1 amount of future mileage-based user fees due in relation to the covered
2 vehicle.

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

8 (d) As used in this section, “covered vehicle” has the same meaning as in
9 23 V.S.A. § 4301.

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

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

17 (1) printed materials, web-based materials, mailings, and local media
18 outreach that describes the purpose of the mileage-based user fee, the
19 transportation funding challenges that the mileage-based user fee is intended to
20 help address, and how the mileage-based user fee will be implemented with
21 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)(i) provide at least two additional options for determining the
14 amount of the MBUF, including:

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

17 (II) an option that would enable vehicle owners and lessees to
18 track and differentiate between miles traveled in Vermont and miles traveled
19 outside Vermont, with the MBUF only applying to miles traveled in Vermont;
20 and

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

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

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

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

13 (2) On or before July 15, 2028, the Agency shall submit to the Joint
14 Transportation Oversight Committee and the House and Senate Committees on
15 Transportation a draft copy of the final report required to be submitted to the
16 Federal Highway Administration pursuant to the terms of the Agency’s federal
17 Strategic Innovation for Revenue Collection grant.

18 (3) On or before September 15, 2028, the Agency of Transportation and
19 the Department of Motor Vehicles shall submit to the House Committees on
20 Transportation and on Ways and Means and the Senate Committees on
21 Transportation and on Finance;

1 ~~Protection Agency, a PEV, or a hybrid electric vehicle~~ motor vehicle with a
2 gross vehicle weight rating of not more than 10,000 pounds.

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

6 * * *

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

8 * * *

9 Sec. 23. 23 V.S.A. § 4302(e) is amended to read:

10 (e) Mileage-based user fee rate.

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

13 (2) Beginning on January 1, 2032, and on each succeeding January 1,
14 the mileage-based user fee rate shall be increased by the percentage change in
15 the National Highway Construction Cost Index, or successor index, for the
16 year ending on September 30 of the preceding calendar year [or by ___ percent,
17 whichever is less]. If the percentage change in the National Highway
18 Construction Cost Index, or successor index, is zero or negative, the rate per
19 mile shall remain the same as in the preceding year.

1 ~~\$100,000.00~~ \$250,000.00 or less, may waive the requirement of a performance
2 bond.

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

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

1 payment of unemployment insurance contributions to the Vermont
2 Commissioner of Labor; ~~provided, however, in,~~

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

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

20 * * *

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

20 * * *

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

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

3 Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant
4 Program awards in State fiscal years 2024 to ~~2027~~ 2026 shall not exceed
5 \$600,000.00 per grant allocation. Notwithstanding 19 V.S.A. § 38(c),
6 Transportation Alternatives Grant Program awards in State fiscal year 2027
7 shall not exceed \$1,200,000.00 per grant allocation.

8 * * * Consultation Regarding Municipal Programs * * *

9 Sec. 35. MUNICIPAL TRANSPORTATION PROGRAMS; ONGOING
10 EVALUATION; IDENTIFICATION OF IMPROVEMENTS

11 (a) In addition to ongoing work pursuant to 2025 Acts and Resolves No.
12 43, Sec. 15, the Agency of Transportation, in consultation with the Vermont
13 League of Cities and Towns and the Vermont Association of Planning and
14 Development Agencies, shall:

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

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

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

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

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

14 * * * Drive Electric Vermont * * *

15 Sec. 36. DRIVE ELECTRIC VERMONT; APPROPRIATION

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

21 (1) stakeholder coordination;

- 1 (2) consumer education and outreach;
2 (3) infrastructure development; and
3 (4) the provision of technical assistance and support to Vermont
4 municipalities and Vermont businesses desiring to electrify their vehicle fleets.

5 * * * Caledonia County State Airport * * *

6 Sec. 37. 2023 Acts and Resolves No. 62, Sec. 8 is amended to read:

7 Sec. 8. SALE OR LEASE OF CALEDONIA COUNTY STATE
8 AIRPORT

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

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

20 (b) Subject to obtaining any necessary approvals from the U.S. Federal
21 Aviation Administration, the Vermont Secretary of Transportation, as agent for

1 the State, is authorized to convey the Airport property by warranty deed
2 according to the terms of a purchase and sale agreement or through a long-term
3 lease.

4 (c) Any such conveyance shall:

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

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

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

16 ~~(4) ensure that the Airport continues to be identified as a public use~~
17 ~~airport within the National Plan of Integrated Airport Systems until at least~~
18 ~~2050, subject to federal determination;~~

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

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

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

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

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

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

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

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

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

16 CALEDONIA COUNTY STATE AIRPORT

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

18 * * * Medical Transports * * *

19 Sec. 39. PUBLIC TRANSIT DEMAND RESPONSE MEDICAL

20 TRANSPORTS; VOLUNTEER DRIVERS; MOBILITY

21 MANAGEMENT; GRANTS; APPROPRIATION

1 person or contract with another person for charging station operation and
2 maintenance.

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

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

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

8 ~~(3)~~(8) “Electric cargo bicycle” means a motor-assisted bicycle, as
9 defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under
10 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for
11 transporting loads, including at least one or more of the following: goods, one
12 or more individuals in addition to the operator, or one or more animals. A
13 motor-assisted bicycle that is not specifically designed and constructed for
14 transporting loads, including a motor-assisted bicycle that is only capable of
15 transporting loads because an accessory rear or front bicycle rack has been
16 installed, is not an electric cargo bicycle.

17 ~~(4)~~(9) “Electric vehicle supply equipment (EVSE)” and “electric
18 vehicle supply equipment available to the public” have the same meanings as
19 in 30 V.S.A. § 201.

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

4 (11) “NEVI standards” means the minimum standards and requirements
5 for projects funded under the National Electric Vehicle Infrastructure (NEVI)
6 Formula Program that were published in the Federal Register on February 28,
7 2023 (88 FR 12752).

8 ~~(5)~~(12) “Plug-in electric vehicle (PEV),” “battery electric vehicle
9 (BEV),” and “plug-in hybrid electric vehicle (PHEV)” have the same meanings
10 as in 23 V.S.A. § 4(85).

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

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

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

20 § 2908. PUBLIC EVSE; REAL-TIME STATUS; AVAILABILITY

1 (a) Except as provided in subsection (b) of this section, a charging network
2 provider shall, for any networked publicly funded and available charging
3 station in Vermont that is installed or reconditioned on or after September 30,
4 2026, ensure that the following data fields are made available, free of charge,
5 to third-party software developers via an application programming interface:

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

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

9 (3) the geographic coordinates in decimal degrees of the exact charging
10 station location;

11 (4) the charging station operator name;

12 (5) the charging network provider name;

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

15 (7) charging station access information, including:

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

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

20 (8) charging port information, including:

21 (A) the number of charging ports;

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

2 (C) the connector types available by port;

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

4 (E) the maximum power delivery rating in kilowatts by charging
5 port;

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

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

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

10 (9) pricing and payment information, including:

11 (A) the pricing structure;

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

14 (C) the payment methods accepted at the charging station, including
15 whether credit, debit, or touchless forms of payment are permitted.

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

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

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

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

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

12 (e)(1) A State agency or department that provides a grant, loan, or other
13 incentive for the construction or operation of a charging station that is installed
14 or reconditioned on or after September 30, 2026, shall notify the relevant
15 charging network provider that the provisions of this section apply to a
16 charging station.

17 (2) A retail electricity provider shall notify the Department of Public
18 Service if it provides a grant, loan, or other incentive for the construction or
19 operation of a charging station that is installed or reconditioned on or after
20 September 30, 2026. The Department shall notify the relevant charging
21 network provider that the provisions of this section apply to the charging

1 station within a reasonable period of time after receiving notice from the retail
2 electricity provider.

3 (f) As used in this section:

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

6 (2) “Retail electricity provider” has the same meaning as in 30 V.S.A.
7 § 8002.

8 * * * EVSE Installation in Common Interest Communities * * *

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

10 § 1-204. PREEXISTING COMMON INTEREST COMMUNITIES

11 (a)(1) Unless excepted under section 1-203 of this title, the following
12 sections and subdivisions of this title apply to a common interest community
13 created in this State before January 1, 1999: sections 1-103, 1-105, 1-106, 1-
14 107, 2-103, 2-104, and 2-121, subdivisions ~~3-102(a)(1) through (6)~~ 3-
15 102(a)(1)–(6) and ~~(11) through (16)~~ (11)–(16), and sections 3-111, 3-116, 3-
16 118, 4-109, and 4-117 to the extent necessary to construe the applicable
17 sections. The sections and subdivisions described in this subdivision apply
18 only to events and circumstances occurring after December 31, 1998, and do
19 not invalidate existing provisions of the declarations, bylaws, plats, or plans of
20 those common interest communities.

21 * * *

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

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

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

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

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

- 1 (1) comply with federal, State, and local health and safety laws,
2 including any applicable building codes or safety standards;
- 3 (2) comply with reasonable architectural standards adopted by the
4 association that govern the dimensions, placement, or external appearance of
5 the EVSE, provided that such standards shall not prohibit the installation of
6 such EVSE or substantially increase the costs thereof;
- 7 (3) engage the services of a licensed electrician to install the EVSE;
- 8 (4) if the EVSE is installed in a common element or limited common
9 element, reimburse the association for the actual costs of any increased
10 insurance premium amount attributable to the EVSE with 14 days after
11 receiving the association’s insurance premium invoice; and
- 12 (5) comply with any other reasonable restrictions the association may
13 impose.
- 14 (d) Notwithstanding any provision to the contrary in the association’s
15 governing documents, if the executive board of the association determines that
16 the cumulative or additional use of electricity due to the installation and use of
17 EVSE requires infrastructure improvements to provide a sufficient supply of
18 electricity for the EVSE, the association may assess the cost of the required
19 improvements against the unit of each unit owner that has installed, or will
20 install, EVSE.

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

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

11 (1) costs for damage to the EVSE, common element, or limited common
12 element resulting from the installation, maintenance, repair, removal, or
13 replacement of the EVSE;

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

17 (3) cost of electricity associated with the EVSE; and

18 (4) unless the successor owner of the unit agrees in writing to undertake
19 and comply with the unit owner’s responsibilities with respect to the EVSE,
20 removing the EVSE prior to the sale and restoring any affected common
21 element or limited common element.

1 from the portion of a local option tax on the sale of aviation jet fuel specified
2 in 24 V.S.A. § 138, and from the transportation infrastructure surcharge on
3 aviation jet fuel pursuant to 32 V.S.A. § 9784;

4 * * *

5 * * * Intelligent Speed Assistance * * *

6 Sec. 46. INTELLIGENT SPEED ASSISTANCE; IMPLEMENTATION AND
7 COST EVALUATION; REPORT

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

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

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

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

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

20 * * * Miscellaneous Transportation Jurisdiction Corrections * * *

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

1 § 3065. PENALTIES

2 (a) A person who knowingly violates, or causes to be violated, a provision
3 of sections 3062–3064 of this ~~title, or a regulation made by the Public Utility~~
4 ~~Commission in pursuance thereof,~~ chapter shall be imprisoned not more than
5 18 months or fined not more than \$2,000.00, or both.

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

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

15 § 5106. EXEMPTION FROM REGULATION

16 The public transportation systems and facilities operating under this
17 authority are exempt from any of the regulatory provisions of Title 30, except
18 that the ~~Public Utility Commission~~ Transportation Board may impose any
19 regulatory provisions of Title 30 that it ~~may determine from time to time~~
20 determines to be necessary.

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

1 § 5. EXEMPTION FROM REGULATION

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

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

9 § 241. APPLICATION OF PROVISIONS

10 This subchapter shall apply to every person, ~~partnership, unincorporated~~
11 ~~association, or corporation~~ that shall drive or float lumber in any stream. The
12 use of any ~~such~~ stream for ~~such~~ that purpose shall constitute an election on the
13 part of ~~such~~ the person, ~~partnership, unincorporated association, or corporation~~
14 to be subject to and bound by the provisions of this subchapter ~~and to be bound~~
15 ~~thereby~~. This subchapter shall apply to every owner of the land adjoining any
16 stream ~~so~~ that is used for the purpose of driving or floating lumber, unless,
17 within 60 days after an alleged injury, the owner notifies, in writing, the ~~Public~~
18 ~~Utility Commission~~ Agency of Natural Resources that the provisions of this
19 subchapter are not intended to apply.

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

21 § 242. PETITION TO ~~PUBLIC UTILITY COMMISSION~~ AGENCY OF

1 NATURAL RESOURCES

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

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

9 § 243. NOTICE AND HEARING; DECISION

10 Upon due notice to all parties in interest, the ~~Public Utility Commission~~
11 Agency of Natural Resources shall hear and determine the cause of ~~such the~~
12 injury to the land or other property adjoining ~~such the~~ stream. When the
13 ~~Commission~~ Agency determines that ~~such the~~ injury was caused by the driving
14 or floating of lumber, it shall fix the compensation to be paid ~~therefor~~,
15 including expense for witnesses and a reasonable ~~attorney fee~~ attorney's fees,
16 and render a decision accordingly, which decision shall be final and a bar to
17 any other action brought for such damages.

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

19 § 244. JUDGMENT ON DECISION

20 A party in interest may file in the Superior Court for the county in which the
21 inquiry was held a certified copy of the decision of the ~~Commission~~ Agency

1 awarding compensation, whereupon ~~such~~ the court shall render judgment in
2 accordance ~~therewith~~ with the decision and notify the parties ~~thereof~~ of the
3 judgment. ~~Such~~ The judgment shall have the same effect, and all proceedings
4 in relation ~~thereto~~ to the judgment shall ~~thereafter~~ be the same as though ~~such~~
5 the judgment had been rendered in an action duly heard and determined by
6 ~~such~~ the court, and there shall be no appeal ~~therefrom~~ from the judgment.

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

8 § 245. BOND OF FOREIGN CORPORATION

9 A foreign corporation, before driving or floating any logs, lumber, or other
10 timber in any stream in this State, shall file in the Office of the Secretary of
11 State for the benefit of the owners of land adjoining any stream used by ~~such~~
12 the corporation, a good and sufficient bond to be approved by the Secretary
13 and in ~~such a sum as he or she directs~~ the Secretary determines is appropriate.
14 ~~Such~~ The bond shall be given to the Secretary as trustee of the corporation, for
15 each and all of the riparian owners, and shall be conditioned for the payment of
16 all damages and compensation awarded by the ~~Commission~~ Agency and any
17 judgment rendered by any court from which an appeal has not been taken.
18 Upon breach of the condition of ~~such~~ the bond, the Secretary, upon application
19 by a riparian owner whose award by the ~~Commission~~ Agency or judgment
20 remains unpaid for more than 30 days, shall institute proceedings thereon in ~~his~~
21 ~~or her~~ the Secretary's name as trustee for the benefit of all landowners to

1 whom ~~such~~ the corporation may be indebted, ~~as hereinbefore provided,~~
2 pursuant to the provisions of this section at the time ~~such~~ the proceedings shall
3 be instituted.

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

5 § 8394. PETITION AND HEARING FOR RELIEF FROM TAXES

6 Upon the written petition of any railroad corporation operating a railroad
7 located in whole or in part within this State, setting forth that the financial
8 condition of ~~such~~ the corporation is such that the payment of any taxes
9 assessed against it under the provisions of this chapter would imperil the
10 continued operation of ~~such~~ the railroad and would be detrimental to the
11 general good of the State, the ~~Public Utility Commission~~ Commissioner of
12 Taxes shall fix a time and place for a hearing ~~thereon~~ on the petition and give

13 **Sec. 56. VEHICLE HISTORY INFORMATION; REPORT**

14 **(a) The Commissioner of Motor Vehicles and the Attorney General, in**
15 **consultation with the Vermont Vehicle and Automotive Distributors**
16 **Association, the Alliance for Automotive Innovation, and other interested**
17 **stakeholders, shall examine the use and reliability of vehicle history reports**
18 **utilized in relation to the purchase and sale of used motor vehicles in Vermont.**
19 **The report shall address:**

20 **(1) how information provided in vehicle history reports is gathered and**
21 **disseminated;**

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

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

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

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

9 (6) potential legislative or regulatory actions that could reduce the
10 occurrence of inaccurate or incomplete vehicle history information appearing
11 in vehicle history reports.

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

16 (c) As used in this section:

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

19 (A) accident or damage information;

20 (B) the number of previous owners;

1 (c) Secs. 16 (mileage-based user fee), 17 (infrastructure fee for PHEVs),
2 and 18 (transition to mileage-based user fee) shall take effect on January 1,
3 2027.

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

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

8 (f) Sec. 23 shall take effect on the sooner of January 1, 2031, or when the
9 mileage-based user fee created pursuant to 23 V.S.A. chapter 43 becomes
10 applicable to all motor vehicles with a gross vehicle weight rating of less than
11 10,000 pounds.

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

13

14

15

16 (Committee vote: _____)

17

18

Senator _____

19

FOR THE COMMITTEE