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MBUF Alternative Proposal

Expansion to fuel-efficient in 2029, deletion of expansion to all light-duty in  
2031

First: By striking out Sec. 22, 23 V.S.A. § 4301, and Sec. 23, 23 V.S.A.  
§ 4302(e), and their reader assistance heading in their entireties and inserting in  
lieu thereof two new Secs. 22 and 23 to read as follows:

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

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

\* \* \*

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

(1) The mileage-based user fee for a covered vehicle shall equal the  
amount of the base mileage-based user fee pursuant to subdivision (2) of this  
subsection less the amount of the applicable fuel tax credit pursuant to  
subdivision (3) of this subsection, if any.

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

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

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

9           ~~(2)(3) Notwithstanding any provision of subdivision (1) of this~~  
10 ~~subsection to the contrary, the mileage-based user fee assessed for a mileage~~  
11 ~~reporting period shall not exceed \$178.00~~ For each covered vehicle, the  
12 Commissioner shall deduct the amount of the fuel tax credit determined  
13 pursuant to subdivision (e)(2) of this section, if any, from the amount of the  
14 mileage-based user fee calculated pursuant to subdivision (1) of this subsection  
15 to determine the amount due from the owner or lessee of each covered vehicle  
16 pursuant to this section. The Commissioner shall ensure that the combined  
17 amount of estimated fuel taxes and the mileage-based user fee paid by the  
18 owner or lessee of a covered vehicle does not exceed the amount of the base  
19 mileage-based user fee calculated pursuant to subdivision (2) of this  
20 subsection.

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

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

4 (2) At the conclusion of each mileage reporting period, the  
5 Commissioner shall calculate for all vehicles, except battery electric vehicles, a  
6 fuel tax credit by dividing the miles traveled by the vehicle during the mileage  
7 reporting period by the vehicle’s estimated average combined fuel economy as  
8 determined by the U.S. Environmental Protection Agency and multiplying that  
9 amount by the applicable tax per gallon on gasoline or diesel fuel pursuant to  
10 23 V.S.A. chapters 27 and 28.

11 \* \* \*

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

13 § 4304. FAILURE TO FILE REPORT OR OBTAIN INSPECTION;

14 DEFAULT RATE

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

19 \* \* \*

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

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