



NFIB Vermont
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April 8, 2026

Sen. Richard Westman, Chair
Senate Committee on Natural Resources and Energy

H.944 (Mileage Based User Fee)

Dear Chair Westman and Committee Members,

The National Federation of Independent Business (NFIB) represents more than 800 small businesses in Vermont. Our members operate in every industry - from family farms to main street shops - and are typically very small, with 90% employing fewer than 20 people.

We write to share our members' concerns with the proposed amendment to the mileage-based user fee (MBUF) in H.944. The proposed language would expand the MBUF to all passenger vehicles at a future date while continuing to apply state fuel taxes.

Vermont small business owners and workers routinely travel long distances for work, daily errands, personal reasons, and other tasks. The average Vermont household drives 13,400 miles per year, with average miles traveled increasing substantially in rural counties.

If the MBUF is phased in as part of a phase out of the gas tax, the cost difference is modest for Vermonters. However, if the MBUF is applied on top of gas taxes, the average Vermonter would pay an extra ~\$180 per year (with most paying between \$130 and \$350).¹

An MBUF for all passenger vehicles should not be viewed in isolation. The additional costs above do not factor in financial stress from periods of extraordinarily high gas prices, nor does it consider potential fuel tax increases or the costs of a cap-and-invest system. The latter impact could range from 80 cents/gallon (WCI) to more than \$2/gallon (NY CLCPA).

We recognize the need for stable transportation revenue and understand that an MBUF may make sense for certain vehicle types. However, commuting costs can be a significant barrier to workforce participation. We encourage lawmakers to examine the results of the proposed implementation report - and consider the impact on small business owners, the workforce, and equity - prior to enshrining in law an MBUF for all vehicles.

Thank you for the opportunity to comment and for considering our members' perspective.

Sincerely,

A handwritten signature in black ink, appearing to read 'John L. Reynolds', is written over a horizontal line.

John L. Reynolds
NFIB Vermont State Director
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¹ Nelson, Rowangould, "[Data-Driven Analysis of Rural Equity and Cost Concerns for Mileage-Based User Fees in Vermont](#)," Transportation Research Record, 11/9/2023