

I am deeply concerned that Vermont is moving far too quickly toward adopting a Mileage-Based User Fee for electric vehicles. The policy is not ready, the impacts are not fully understood, and pushing it forward now risks undermining the state's own transportation and climate goals. After reviewing new testimony and the fiscal analysis, I strongly oppose adopting the MBUF at this time.

The Joint Fiscal Office's note makes it clear that the MBUF would reduce Transportation Fund revenues until FY 2028 compared to the current EV registration fee. It also shows that repealing the existing EV fee would cost the state more than the MBUF would bring in for several years. Implementing a new system that loses money in the near term makes little sense.

I am also alarmed that some EV owners could end up paying more than drivers of inefficient, high-polluting gas vehicles. That outcome directly contradicts Vermont's commitment to reducing transportation emissions and would send the wrong signal at a time when the state is trying to accelerate electrification.

On top of that, major structural questions remain unanswered. There is no clear plan for ensuring equity for low- and moderate-income drivers, for collecting fees from out-of-state motorists, or for exempting miles driven outside Vermont. With ongoing discussions about eliminating vehicle inspections, it is also unclear how the state would even verify mileage without creating new burdens for EV drivers.

Adopting the Mileage-Based User Fee would lock Vermont into a system that is not yet fair, functional, or aligned with the state's climate strategy. I urge the Legislature to reject the current proposal and delay implementation until FY 2032. That timeline would give policymakers the opportunity to design a program that is equitable, financially sound, and does not create new barriers to EV adoption.

I appreciate all the work you continue to do for Vermonters and your time in addressing this important matter.

Respectfully,
Thomas Fagan, West Rutland