

Mileage-based User Fee for Electric Vehicles: Introduction of Proposed Statutory Framework

SENATE TRANSPORTATION COMMITTEE, MARCH 10, 2026

PATRICK Ó. MURPHY, STATE POLICY DIRECTOR, AGENCY OF TRANSPORTATION

2025 Transportation Bill (Act 43, Sections 17-18)

Sec. 18. INTENT

It is the intent of the General Assembly that:

(1) the mileage-based user fee for a BEV pleasure car be approximately equivalent to the average amount collected by the State in fuel tax revenue from the use of a non-PEV pleasure car registered in Vermont and the average amount collected by the State in fuel tax revenue and Electric Vehicle Infrastructure fee from the use of a PHEV pleasure car; and

(2) that the mileage-based user fee for BEV pleasure cars will be an interim step towards gradually expanding the mileage-based user fee to all motor vehicles upon elimination of the State fuel taxes for motor vehicles.

Ford F-150: 2013 - present

<p>2013 Ford F150 Pickup 4WD X</p> <p>Gasoline Vehicle</p> <p>© Ford Motor Company</p>  <p>6.2 L, 8 cyl, Automatic (S6)</p> <p>MSRP: \$28,710 - \$53,300</p>	<p>2025 Ford F150 Pickup 4WD X</p> <p>Gasoline Vehicle</p>  <p>5.0 L, 8 cyl, Automatic (S10)</p> <p>MSRP: \$42,465 - \$75,210</p>	<p>2025 Ford F150 Pickup 4WD HEV X</p> <p>Hybrid Vehicle Gasoline</p>  <p>3.5 L, 6 cyl, Automatic (S10), Turbo</p>	<p>2025 Ford F-150 Lightning 4WD ER1 X</p> <p>Electric Vehicle</p>  <p>Automatic (A1)</p>
<p>Regular Gasoline</p> <p>13 MPG combined city highway 7.7 gal/100mi</p> <p>Gasoline  338 - 468 miles Total Range</p>	<p>Regular Gasoline</p> <p>19 MPG combined city highway 5.3 gal/100mi</p> <p>Gasoline  437 - 684 miles Total Range</p>	<p>Regular Gasoline</p> <p>23 MPG combined city highway 4.3 gal/100mi</p> <p>Gasoline  529 - 828 miles Total Range</p>	<p>Electricity</p> <p>70 MPGe combined city highway 48 kWh/100 mi</p> <p>Electricity  320 miles Total Range</p>
<p>\$271 annually On 11,000 miles</p> <p>\$0.025 / mile</p>	<p>\$185 annually On 11,000 miles</p> <p>\$0.017 / mile</p>	<p>\$153 annually On 11,000 miles</p> <p>\$0.014 / mile</p>	<p>\$89 annually On 11,000 miles</p> <p>\$0.008 / mile</p>

Average Annual User Fees

Credit: EPA Fuel Economy

Proposed Mileage-based User Fee for EVs

Ford F-150:
2013 - present

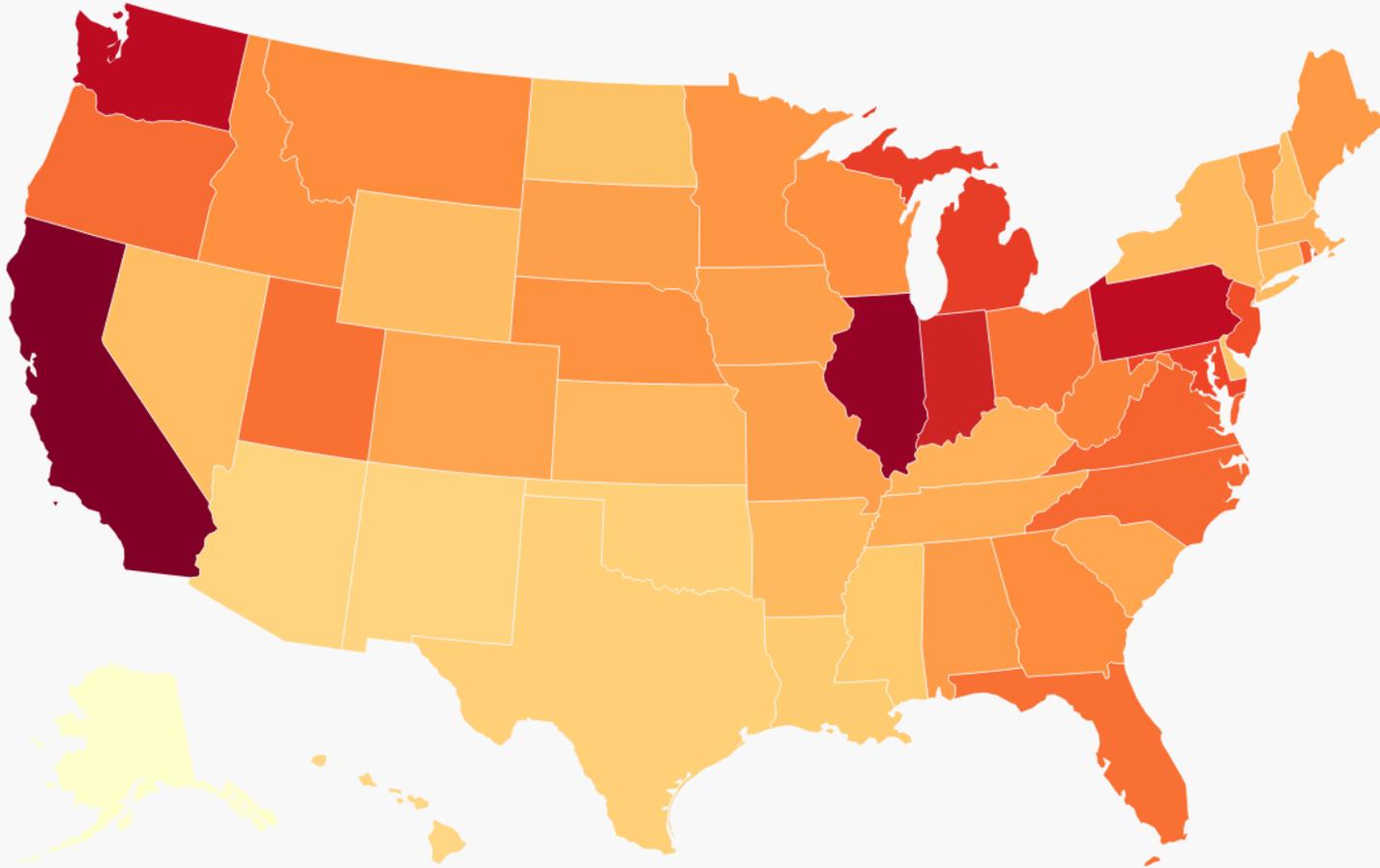
2013 Ford F150 Pickup 4WD	2025 Ford F150 Pickup 4WD	2025 Ford F150 Pickup 4WD HEV	2025 Ford F-150 Lightning 4WD ER1
<p>Gasoline Vehicle</p>  <p>6.2 L, 8 cyl, Automatic (S6)</p> <p>MSRP: \$28,710 - \$53,300</p>	<p>Gasoline Vehicle</p>  <p>5.0 L, 8 cyl, Automatic (S10)</p> <p>MSRP: \$42,465 - \$75,210</p>	<p>Hybrid Vehicle Gasoline</p>  <p>3.5 L, 6 cyl, Automatic (S10) Turbo</p>	<p>Electric Vehicle</p>  <p>Automatic (A1)</p>
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<p>\$271 annually On 11,000 miles</p> <p>\$0.025 / mile</p>	<p>\$185 annually On 11,000 miles</p> <p>\$0.017 / mile</p>	<p>\$153 annually On 11,000 miles</p> <p>\$0.014 / mile</p>	<p>\$154 annually On 11,000 miles</p> <p>\$0.014 / mile</p>

Average Annual User Fees

Credit: [EPA Fuel Economy](#)

How Do Gas Taxes Compare in Your State?

US Gas Tax Rates, Cents per Gallon, July 2025



Vermont Neighbors and their taxes:

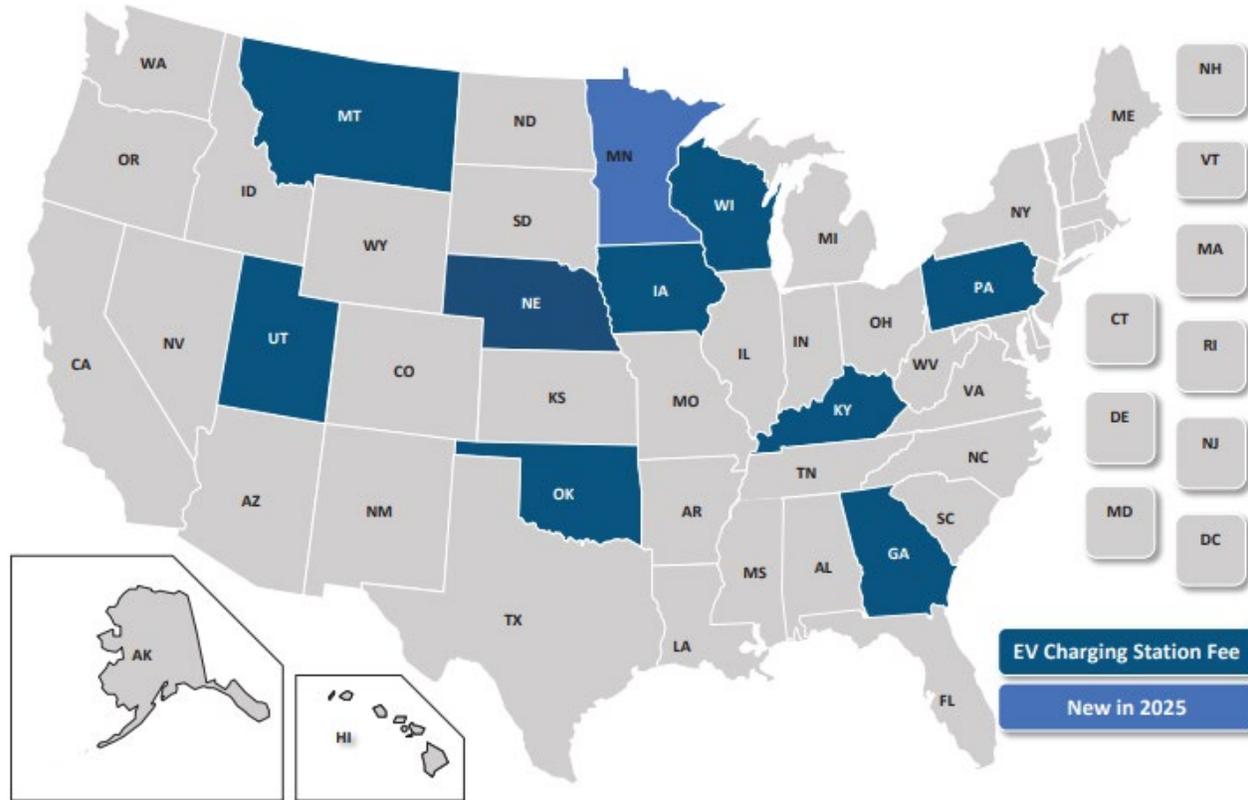
New Hampshire:	\$0.24 / gallon
New York :	\$0.25 / gallon + 4%
Massachusetts:	\$0.27 / gallon
Maine:	\$0.31 / gallon
Connecticut:	\$0.25 / gallon + 8%
Rhode Island:	\$0.41 / gallon
Quebec:	\$0.53 / gallon

Vermont, at \$0.32 / gallon,
ranks 24th in nation

Note: Does not include some local taxes, taxes on net or gross receipts, or indirect burdens from environmental programs

Source: US Energy Information Administration; State Statutes; Author Calculations

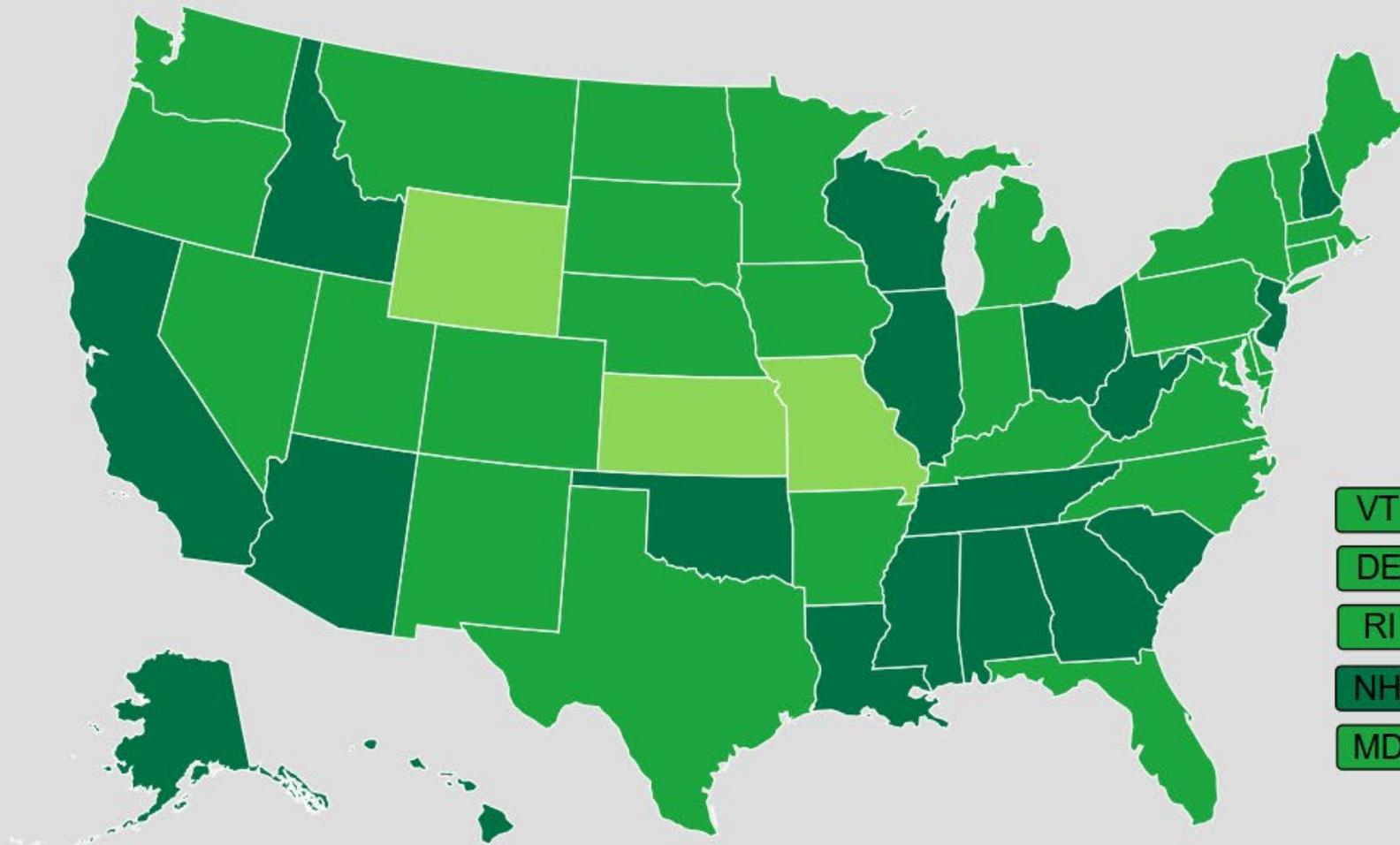
10 States Have Enacted an EV Charging Station Tax or Fee



Source: TIAC, "ELECTRIC VEHICLE EXCISE TAX MODEL LANGUAGE," April 2024

States with EV charging fees

Today's AAA
US Average:
\$0.390



0.400 or greater
0.300 to 0.400
0 to 0.300

VT Average:
\$0.325

- VT
- NJ
- DE
- DC
- RI
- CT
- NH
- MA
- MD

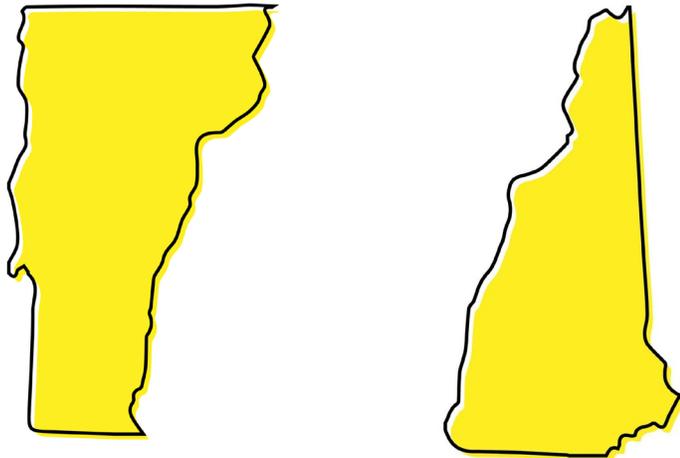
Average EV charging prices by State

New Hampshire:	\$0.443 / kWh
New York :	\$0.386 / kWh
Massachusetts:	\$0.365 / kWh
Maine:	\$0.394 / kWh
Connecticut:	\$0.392 / kWh
Rhode Island:	\$0.369 / kWh

MBUF Rate Comparisons

Program Attributes	Utah	Oregon (Current)	Oregon (Proposed)	Hawaii	Virginia	Vermont (Proposed)
Administrative Model	DOT via single CAM	DOT via multiple CAMs/OAM	DOT via multiple CAMs	DOT via DMVs (No CAM)	DMV via single CAM	DMV - no Commercial Account Manager (CAM)
Reporting Options	Telematics/Odo Photo	OBD-II/Telematics/Odo Photo	TBD	Odometer @ annual safety inspection	OBD-II/Telematics	Odometer @ annual safety inspection
Annual Registration Surcharge	EV = \$143.25	EV = \$115; 40+ MPG = \$35	EV = \$340; 40+ MPG = \$35	EV = \$50	EV = \$131.88; gas cars vary by MPG	PHEVs = \$77
Eligible Vehicle Types	EVs	EVs and 20+ MPG	EVs and 20+ MPG	EVs	EVs and 25+ MPG	EVs
RUC Rate	\$0.0111/mi Reduced from \$0.015/mi	\$0.02/mi (5% of 20 mpg fuel tax)	\$0.023/mi	\$0.008 for EVs + Regional RUC	\$0.019/mi for EVs	\$0.014/mi for EVs
RUC Cap	\$143.25/yr	N/A	N/A	\$50/yr	EVs = \$131.88; varies for 25+ MPG cars	N/A
Mandatory/ Voluntary RUC	Voluntary	Voluntary	EVs voluntary until 7/1/27, then mandatory. 20+ MPG Voluntary	Voluntary now but mandatory 7/1/28	Voluntary	Mandatory
RUC Payment Frequency / Method	Quarterly e-wallet	Monthly e-wallet	Monthly e-wallet	Annual with registration	Monthly e-wallet	Monthly, annually, possibly pay-go

Border Travel: 60/40 in VT/NH

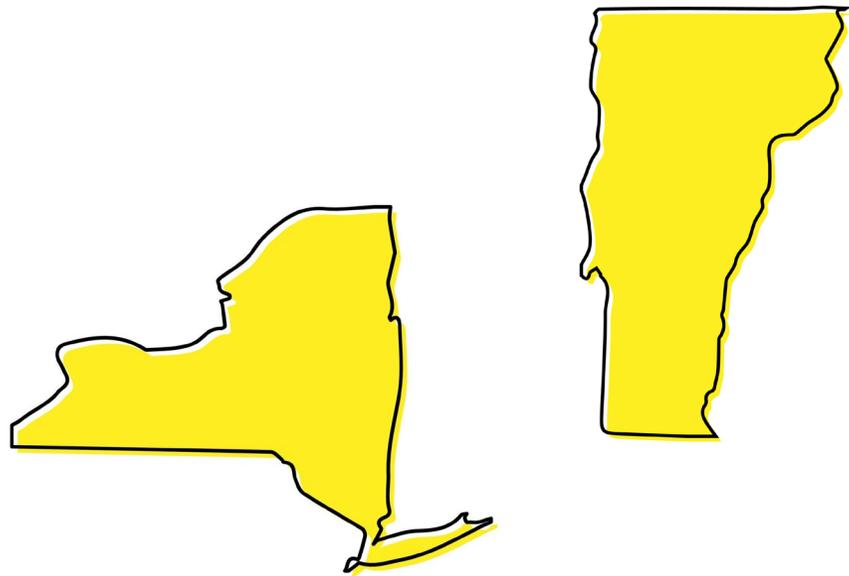


EVs pay slightly more ~ \$15/yr

2025 Ford F150 Pickup 4WD	2025 Ford F150 Pickup 4WD HEV	2025 Ford F-150 Lightning 4WD ER1
<p>Gasoline Vehicle</p> <p>5.0 L, 8 cyl, Automatic (S10) MSRP: \$42,465 - \$75,210</p>	<p>Hybrid Vehicle Gasoline</p> <p>3.5 L, 6 cyl, Automatic (S10), Turbo</p>	<p>Electric Vehicle</p> <p>Automatic (A1)</p>
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VT Only:	\$185 annually On 11,000 miles	\$153 annually On 11,000 miles	\$154 annually On 11,000 miles
VT/NH:	\$167 annually	\$138 annually	\$154 annually

Border Travel: 60/40 in VT/NY



EVs pay slightly less ~ \$9/yr

2025 Ford F150 Pickup 4WD	2025 Ford F150 Pickup 4WD HEV	2025 Ford F-150 Lightning 4WD ER1
Gasoline Vehicle 	Hybrid Vehicle Gasoline 	Electric Vehicle
5.0 L, 8 cyl, Automatic (S10) MSRP: \$42,465 - \$75,210	3.5 L, 6 cyl, Automatic (S10), Turbo	Automatic (A1)
Regular Gasoline 19 MPG combined city highway city/highway 5.3 gal/100mi	Regular Gasoline 23 MPG combined city highway city/highway 4.3 gal/100mi	Electricity 70 MPGe combined city highway city/highway 48 kWh/100 mi
Gasoline 437 - 684 miles Total Range	Gasoline 529 - 828 miles Total Range	Electricity 320 miles Total Range

VT Only:	\$185 annually On 11,000 miles	\$153 annually On 11,000 miles	\$154 annually On 11,000 miles
VT/NY:	\$197 annually	\$163 annually	\$154 annually

UVM TRC recommended an initial **1.4 ¢ per mile** rate for BEV pleasure cars

Approx. **equivalent** to what current gas and diesel vehicle owners pay in **motor fuel taxes**

Using a **5-year average** accounts for fluctuations in gas prices that effect the state tax

ICEV-Equivalent
Mileage Fee

=

5-year Average State Gas Tax

2023 Distance-weighted Average Light-Duty Fuel Economy

Recent data prevents BEV owners from paying much more than current ICEV owners

Distance weighting controls for the fact that vehicles are driven different amounts

Fuel economy comes from the 2023 VT gas and diesel vehicle registrations, matched by vehicle attributes to EPA light-duty fuel economies

MBUF Rate Calculation: \$0.014 per mile

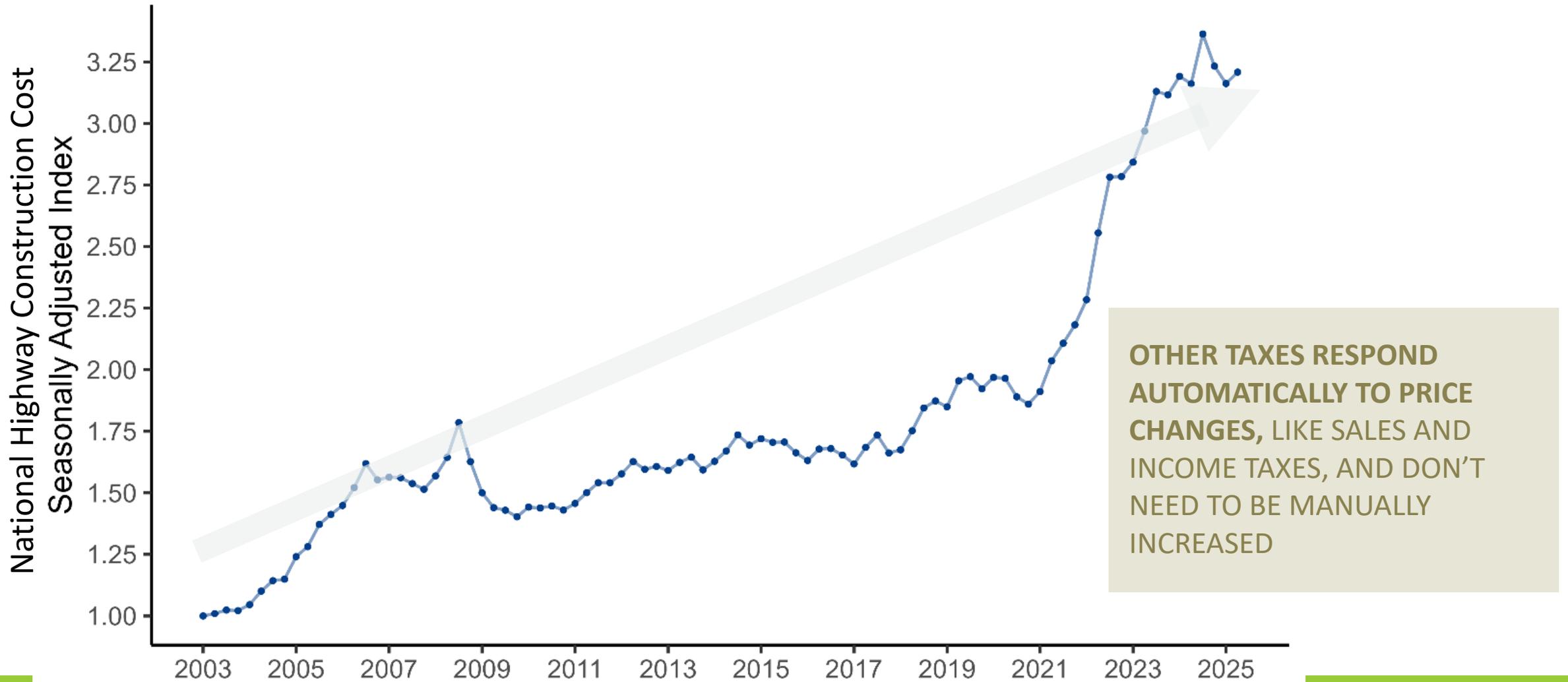
(c) Calculation of the mileage-based user fee.

For mileage reporting periods commencing in calendar year 2027, the Commissioner shall calculate the mileage-based user fee at the rate of \$0.014 per mile traveled by each BEV during its mileage reporting period. The number of miles traveled shall be equal to the difference between the mileage shown on the BEV's odometer at the end of the mileage reporting period and the mileage shown on the BEV's odometer at the beginning of the mileage reporting period.

NHCCI: Annual Inflation Adjustment Factor

Purpose	Index	Calculated by	Description
Transportation materials and labor	National Highway Construction Cost Index (NHCCI)	U.S. Federal Highway Administration (FHWA)	Measures changes in highway construction costs using price data from winning federal-aid highway contracts. Reflects transportation-specific inputs such as asphalt, concrete, steel, equipment, and construction labor, making it well suited for capital and maintenance-heavy programs.

NHCCI: Annual Inflation Adjustment Factor



NHCCI: Annual Inflation Adjustment Factor

(d) Annual adjustment of mileage-based user fee rate.

Beginning on January 1, 2028, and on each succeeding January 1, the mileage-based user fee rate shall be increased by the percentage change in the National Highway Construction Cost Index, or successor index, for the year ending on September 30 of the preceding calendar year. If the percentage change in the National Highway Construction Cost Index, or successor index, is zero or negative, the rate per mile shall remain the same as in the preceding year.

Contact

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