Transportation Bill Section-by-Section Review
June 18, 2026
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H.933 (2026 Act 164 Misc. Tax Bill)
H.944 (2026 Act 168 Transportation Bill)
H.951 (2026 Act 144 Appropriations Bill)

Section 1 – Legislative Findings

- Describes fiscal challenges in transportation for both the State and its municipalities.

Section 2 – Transportation Program

- Adopts the Transportation Program.
- Provides definitions that appear throughout the bill.

Section 3 – Climate Investments

- Summarizes transportation investments in GHG reducing projects: Park and Rides, Bike and Pedestrian Facilities, Transportation Alternatives, Public Transit (incl GoVermont! & MTI), Rail

Section 4 – Paving; Statewide District Leveling

- Increases funding to the paving budget for district leveling by $1.7 million
- Directs any unobligated or carryforward amounts from delays, overruns or underruns to State highway paving projects

Section 5 – State Highway Bridges

- Amends in the 2026 Transportation Program to replace $1.75 million in transportation funds with TIB funds (this switch uses TIB funds for eligible expense and frees up t-funds for Section 4)

Section 6 – FY2028 Proposed Transportation Program; Transportation Infrastructure Bond

- Requires report to the House and Senate Transportation Committees by February 1, 2027 on projects that have not been proposed for SFY2028 transportation program but eligible to be funded by transportation infrastructure funds and able to advance in SFY2028 or 2029
- Report shall include analysis of funding with TIB vs. pay-go

***** MILEAGE-BASED USER FEE *****

Section 7 – Findings and Intent

- Describes historical context for fuel tax decline and recent cost pressures for the Agency.

Section 8 – 23 V.S.A. Chapter 43 added for MBUF § 4301-4307

- Enables the implementation of a mileage fee for battery-electric vehicles by January 1, 2027
- Defines terms, establishes payment options including a $178 flat fee, a $178 cap, and a $178 default flat fee in the absence of odometer reading data
- Describes powers of the Commissioner to suspend registration, make rules, and the process for users to appeal assessments

Section 9 – 23 V.S.A. § 361 is amended

- Clarifies that EV infrastructure fee (now "infrastructure fee") revenue will go to transportation fund instead of ACCD charging program

Section 10 – Mileage-based User Fee; Initial Transition

- Establishes $89 road usage charge (or $178 with 2-year registration) in lieu of repealed EV infrastructure fee and applies those as a credit against the first mileage reporting periods

Section 11 – MBUF Outreach and Education

- Requires Agency to develop and submit a public outreach and education strategy to JTOC in September 2026

Section 12 – MBUF Transition Plan

- Requires Agency/DMV work with ADS design and submit for approval by the General Assembly a plan and proposed legislation to expand MBUF to plug-in hybrids by January 1, 2029.
- The plan must address payment and mileage reporting options for in-state and out-of-state travel, a system of fuel tax credits, inclusion of medium- and heavy-duty electric vehicles and weight factor, etc.
- Requires Agency to submit annual report to House and Senate Transportation, as well as House Ways and Means and Senate Finance tracking implementation and operating expenses in SFY2027 through SFY2031. Reports are due on December 31, beginning in calendar year 2027

Section 13 – Evaluation of Fee on Public Electric Vehicle Charging

- Directs Tax Department to work with AOT, PSD, and PUC at the potential to generate revenue from sale of electricity at public EV charging stations, investigating the following:
    - Per kWh fee in lieu of current sales tax
    - Tax on the retail sale of electricity in lieu of the sales tax
- Requires report to be submitted by January 15, 2027 to House and Senate Transportation, House Ways and Means and Senate Finance with cost/benefit analysis and revenue projections

Section 14 – Rules Regarding Municipal Heavy Equipment Loan Fund; Repeal

- Technical language correction

Section 15 – 19 V.S.A. § 10c is amended

- Cleans language to align with updated design standards

Section 16 – 19 V.S.A. § 10 is amended (Bonding requirements)

- Increases the threshold requirement for performance bond from $100,000 to $250,000
- Authorizes the Secretary to waive bonding requirements related to emergency repairs

Section 17 – 19 V.S.A. § 1514 is amended (Bridge inspections and closures)

- Clarifies authority and process for bridge inspections, notices and closures
- Allows for $1,000 civil penalty for violations of a bridge posting or closure

Section 18 – 23 V.S.A. § 2302 is amended

- Clarifies what constitutes a traffic violation related to section 17 regarding bridge closures.

Section 19 – 24 V.S.A. § 5084 is amended

- Cleans up language on composition of the Public Transit Advisory Council

Section 20 – Green Mountain Transit Authority, 24 App. V.S.A. Ch. 801 § 7 is amended

- Amends authority of GMT to accept gifts, voluntary match contributions, grants, donations

Section 21 – Public-Private Partnership Sunset Extension

- Extends repeal of P3 authority until July 2029

Section 22 – Amends 19 V.S.A. § 5; Transportation Board; Powers and Duties

- Amends Sec. 1111 permit language to limit appeals to the applicant or permittee (and clarify that no such right exists for an abutter)

Section 23 – Amends 19 V.S.A. § 38; Transportation Alternatives Grant Program

- Increases grant funding limits from $300k to $600k
- Affirms priority for sand and salt shed projects and bike and pedestrian projects, but gives more discretion to the Agency than the previously fixed 50/50 split

Section 24 – Transportation Alternatives Grant Program Award Maximum

- Temporarily doubles the granting limit to $1.2 million for SFY2027

Section 25 – Municipal Transportation Programs; Evaluation and Improvements

- Continues work with VLCT and VAPDA on cancellation of locally managed projects, identifying efficiencies and improvements to the municipal grant programs, and adds an examination of VT statute related to establishing local speed limits
- Requires report by January 15, 2027 to House and Senate Transportation on recommendations

Section 26– Drive Electric Vermont Appropriation

- Appropriates $242,000 to support DEV activities under its MUVES contract with EPS

Section 27 – Sale or Lease of Caledonia County State Airport

- Removes the federal NPIAS requirement for the buyer of the airport.

Section 28 – Repeal of Authority for Sale or Lease of Caledonia County State Airport

- Extends authority to sell or lease airport until November 1, 2027.

Section 29 – Public Transit Demand Response Medical Transports; Volunteer Drivers; Mobility Management

- Authorizes the Agency to expend appropriation for supplemental NEMT funding ($300k in appropriations bill) to continue supporting recruitment and retention of volunteer drivers.

Section 30 – 19 V.S.A. § 2908 is added for Public EVSE Regulation

- Requires EV charging network providers receiving public or ratepayer funds to make real-time data available to 3rd party software developers in a manner mirroring NEVI regulations

Section 31 – Amends 27A V.S.A. § 1-204; EVSE installation in Common Interest Communities

- Allows condo owners right to install EV charging in certain circumstances

Section 32 – Adds 27A V.S.A. § 3-125; EVSE installation in Common Interest Communities

- Establishes process by which a condo unit owner may install EV charging by right provided certain conditions are met

Section 33 – Intelligent Speed Assistance; Implementation and Evaluation

- Requires written report by January 15, 2027 to House and Senate Transportation Committees on programs that have been or will be implemented in other states, potential costs to implement and to drivers participating

Section 34 – Repeal of Log Drives

- Repeals log drives.

Section 35 – Effective Dates

- Sections 8, 9, and 30 on January 1, 2027.
- Section 28 is retroactive to April 30, 2026.
- All remaining sections July 1, 2026.