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H.621

Introduced by Representative McCormack of Burlington

Referred to Committee on

Date:

Subject: Motor vehicles; gas tax; diesel tax; public transit; State Police

Statement of purpose of bill as introduced: This bill proposes to increase the gas tax by two cents per gallon, and the diesel tax by two cents per gallon, and to dedicate the revenues thereby generated to the Agency of Transportation's Public Transit Program and to the Department of Public Safety.

An act relating to the motor fuel tax and diesel tax

It is hereby enacted by the General Assembly of the State of Vermont:

\* \* \* Diesel Tax \* \* \*

Sec. 1. 23 V.S.A. § 3003 is amended to read:

§ 3003. IMPOSITION OF TAX; EXCEPTIONS

(a) A tax of ~~\$0.28~~ \$0.30, a fee of \$0.01 established pursuant to the provisions of 10 V.S.A. § 1942, and a \$0.03 motor fuel transportation infrastructure assessment which for purposes of the International Fuel Tax Agreement only shall be deemed to be a surcharge, are imposed on each gallon of fuel:

(1) sold or delivered by a distributor; or

1 (2) used by a user.

2 \* \* \*

3 (f) Of the revenues generated by the \$0.02 increase in the tax imposed  
4 under subsection (a) of this section effective on July 1, 2016:

5 (1) one-half shall be reserved for appropriation to support public  
6 transit-related projects or activities; and

7 (2) one-half shall be reserved for appropriation to the Department of  
8 Public Safety for the State Police.

9 \* \* \* Gas Tax \* \* \*

10 Sec. 2. 23 V.S.A. § 3106 is amended to read:

11 § 3106. IMPOSITION, RATE, AND PAYMENT OF TAX

12 (a)(1) Except for sales of motor fuels between distributors licensed in this  
13 State, which sales shall be exempt from the taxes and assessments authorized  
14 under this section, unless exempt under the laws of the United States at the  
15 time of filing the report required by section 3108 of this title, each distributor  
16 shall pay to the Commissioner:

17 (A) a tax of ~~\$0.121~~ \$0.141 upon each gallon of motor fuel sold by the  
18 distributor; and

19 (B) the following assessments:

20 (i) a motor fuel transportation infrastructure assessment that is the  
21 greater of:

1 (I) \$0.0396; or

2 (II) two percent of the tax-adjusted retail price upon each  
3 gallon of motor fuel sold by the distributor; and

4 (ii) a fuel tax assessment, which shall be used exclusively for  
5 transportation purposes and not be transferred from the Transportation Fund,  
6 that is the greater of:

7 (I) \$0.134 per gallon; or

8 (II) four percent of the tax-adjusted retail price or \$0.18 per  
9 gallon, whichever is less, upon each gallon of motor fuel sold by the  
10 distributor.

11 \* \* \*

12 (e) Of the revenues generated by the \$0.02 increase in the tax imposed  
13 under subdivision (a)(1)(A) of this section effective on July 1, 2016:

14 (1) one-half shall be reserved for appropriation to support public  
15 transit-related projects or activities; and

16 (2) one-half shall be reserved for appropriation to the Department of  
17 Public Safety for the State Police.

18 \* \* \* Annual Transportation Program Proposal \* \* \*

19 Sec. 3. 19 V.S.A. § 10g(a) is amended to read:

20 (a)(1) The Agency of Transportation shall annually present to the General  
21 Assembly a multiyear Transportation Program covering the same number of

1 years as the Statewide Transportation Improvement Plan (STIP), consisting of  
2 the recommended budget for all Agency activities for the ensuing fiscal year  
3 and projected spending levels for all Agency activities for the following fiscal  
4 years. The Program shall include a description and year-by-year breakdown of  
5 recommended and projected funding of all projects proposed to be funded  
6 within the time period of the STIP and, in addition, a description of all projects  
7 that are not recommended for funding in the first fiscal year of the proposed  
8 Program but which are scheduled for construction during the time period  
9 covered by the STIP.

10 (2) Starting with the fiscal year 2018 Transportation Program, the  
11 Agency shall propose funding the Public Transit Program with transportation  
12 funds at a level that exceeds the average level of transportation funds  
13 appropriated to the Public Transit Program over fiscal years 2014, 2015, and  
14 2016, by at least the amount of gas tax and diesel tax revenues generated by  
15 one-half of the \$0.02 per gallon increases in the gas tax and diesel tax under  
16 23 V.S.A. §§ 3003 and 3106 effective on July 1, 2016.

17 (3) The Program shall be consistent with the planning process  
18 established by 1988 Acts and Resolves No. 200, as codified in 3 V.S.A.  
19 chapter 67 and 24 V.S.A. chapter 117, the statements of policy set forth in  
20 sections 10b–10f of this title, and the long-range systems plan, corridor studies,

1 and project priorities developed through the capital planning process under  
2 section 10i of this title.

3 \* \* \* Effective Date \* \* \*

4 Sec. 4. EFFECTIVE DATE

5 This act shall take effect on July 1, 2016.