L.D. 2463

(Filing No. H-762)

STATE OF MAINE
HOUSE OF REPRESENTATIVES
113TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE OF CONFERENCE AMENDMENT "A" to H.P. 1799, L.D. 2463, Bill, "AN ACT to Fund a Supplemental Highway Program and to Establish a Program to Fund the Construction of Extraordinary Bridges."

Amend the Bill by striking out everything after the title and inserting in its place the following:

'Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the State is experiencing an unanticipated loss of federal highway construction funds of approximately $20,000,000 this biennium due to federal budget cuts; and

Whereas, the State's highway system is in need of considerable improvements to reach safe, modern standards; and

Whereas, the State is faced with the need to construct or reconstruct several bridges of unusual size and complexity; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the
COMMITTEE OF CONFERENCE AMENDMENT "A" to H.P. 1799, L.D. 2463

1 preservation of the public peace, health and safety;
2 now, therefore,
3
4 Be it enacted by the People of the State of Maine as
5 follows:

PART A

Sec. 1. 5 MRSA §1513, sub-§4, as enacted by PL
1987, c. 349, Pt. H, §4, is amended to read:

4. Exception. Notwithstanding any other
provision of law, for the period starting July 1, 1988, and ending June 30, 1989, the fund may exceed $25,000,000 but not more than $48,000,000 and expenditures may be appropriated from the fund by the 2/3 vote of the Legislature upon recommendation of the Governor only for the purpose of paying to the Maine State Retirement System such amounts as may be deemed appropriate after the conclusion of the study authorized in Public Law 1987, chapter 68 and for purposes set out in subsection 2. In addition, during the period starting July 1, 1987 and ending June 30, 1988, the sum of $13,200,000 may be appropriated from the fund by the 2/3 vote of the Legislature only for the purpose of paying to the Department of Transportation $12,000,000 for highway and bridge construction and $1,200,000 to fund state assistance to municipalities for salt and sand storage facilities. In the event that federal highway funds are restored in sufficient amount that no additional fuel tax increase is made effective in fiscal year 1988-89, after receipt of the funds, the excess over $7,600,000 in restored funds, but not more than $12,000,000, shall be transferred to the Rainy Day Fund or, if that fund is at its ceiling, to the General Fund and no additional payment from the Highway Fund shall be required. This subsection shall be repealed June 30, 1989.

Sec. 2. 23 MRSA §§610-H to 610-J are enacted to read:

§610-H. Legislative findings

The Legislature finds that the construction or
replacement of several extraordinary bridges is vital

to the economic well-being of the State and necessary
to the movement of vehicular traffic.

The Legislature further finds that, due to the

size and complexity of these structures, the costs
associated with construction or replacement of these
extraordinary bridges are so high that special funding
provisions are warranted.

§610-I. Extraordinary bridges

For the first regular session of each Legislature,
the department shall prepare a work program for the
construction or major reconstruction of bridges that
the department considers to be extraordinary bridges.
Extraordinary bridges are those bridges which are a
vital part of the State's arterial highway system and
of such a size and complexity that they are
extraordinarily expensive to construct or
reconstruct. The work program shall be presented to
the joint standing committee of the Legislature having
jurisdiction over transportation and shall include
estimates of scope of work, cost estimates and
estimated completion dates.

§610-J. Extraordinary Bridge Construction Reserve

1. Deposit of funds. Such funds as are made
available for the purpose of extraordinary bridge
construction shall be deposited by the Treasurer of
State in a separate reserve within the Highway Fund to
be known as the Extraordinary Bridge Construction
Reserve.

2. Legislative approval of budget. Expenditures
from the Extraordinary Bridge Construction Reserve are
subject to legislative approval in the same manner as
any other expenditures from the Highway Fund.

3. Use of funds. Money in the Extraordinary
Bridge Construction Reserve may only be used to defray
the costs associated with the construction or major
reconstruction of bridges identified pursuant to
section 610-I as extraordinary bridges. Permissible
costs shall include preliminary engineering,
right-of-way acquisition, construction and major
reconstruction.

Sec. 3. 23 MRSA §1803-A is enacted to read:

§1803-A. One-time stipend

In fiscal year 1989, a one-time stipend payment
shall be distributed to municipalities and counties as
follows.

1. Supplementary stipend. The supplementary
stipend for each municipality or county shall be 22½
of the amount paid to the municipality or county under
section 1803 in fiscal year 1988.

2. Payment. The supplementary stipend shall be
paid to each municipality or county in a single
payment in January 1989.

3. Sunset. This section is repealed June 30,
1989.

Sec. 4. 23 MRSA §1851, first ¶, as enacted by
PL 1987, c. 473, is amended to read:

The department may administer bond issue funds
for the construction of municipal or county salt and
sand storage facilities in order to reduce salt
pollution of ground and surface waters. Any bonds
issued under this section shall be paid for out of the
Highway Fund. In administering these funds, the
department shall provide reimbursement to municipal
and county governmental entities for approved projects
according to the order of priority established
biannually by the Department of Environmental
Protection. Allocation of funds shall be based upon
1.25 times the ratio of miles of state and state-aid
roads maintained for winter maintenance, as described
in sections 1001 and 1003, to all miles maintained for
winter maintenance by the municipality,
 quasi-municipal agency or county. The department
shall establish guidelines to reimburse eligible local
government entities in a consistent and timely manner.

Sec. 5. 23 MRSA §1852 is enacted to read:
§1852. Salt and sand storage facilities

In addition to the provisions of section 1851, and prior to calculating reimbursement under that section, the department shall reimburse each municipality and county for 25% of the expenses permitted under section 1851 and incurred for the construction of salt and sand storage facilities approved under section 1851.

Sec. 6. 23 MRSA §1961, as amended by PL 1987, c. 457, §1, is repealed and the following enacted in its place:

§1961. Legislative findings; cooperation with the Department of Transportation; bonds; governmental function

1. Legislative findings. The Legislature makes the following findings of fact. The economic and social well-being of the citizens of the State require that the transportation system be developed in a comprehensive manner and depend upon the safety, efficiency and modern functional state of the turnpike. The turnpike should be maintained as a closed toll facility whether or not there are turnpike bonds outstanding. Toll revenues should be utilized to pay for retirement of any outstanding debt, including interest thereon; to pay for operation and maintenance of the turnpike; to pay for reconstruction of the turnpike; and to repay the Federal Government for grants or loans, the proceeds of which were used for the construction or reconstruction of the turnpike or portions of the turnpike, interchanges and certain interconnecting access roads, but only to the extent that the repayment is required as a result of maintaining tolls on the turnpike.

2. Cooperation with the Department of Transportation. The Department of Transportation shall be provided each year a maximum amount of $8,700,000 of the total annual operating revenue after money has been put aside to pay operating expenses and to meet the requirements of any resolution authorizing bonds of the Maine Turnpike Authority. Any funds received by the department under this provision in

Page 5-LR5684
excess of $4,700,000 shall be expended for highway and bridge improvements within counties which contain turnpike mileage. These amounts are deemed necessary for use by the department for construction, reconstruction, operation and maintenance of access roads on the state highway system which serve and benefit users of the turnpike by providing direct and indirect access to and from the turnpike as part of the integrated highway system. Due to the utilization of the state highway system by users of the turnpike, the turnpike and its users have received and will continue to receive a benefit from, or have caused and will continue to cause, or both, the State acting by and through the Department of Transportation to incur costs for the construction, operation and maintenance of the state highway system, which provides direct and indirect access to and from the turnpike to areas in the State for which the State may properly be and should be compensated from the tolls to be collected. The Maine Turnpike Authority should be maintained to carry out the purposes of this chapter in cooperation with the Department of Transportation.

3. Bonds. It is the expectation of the Legislature that, by July 1, 1982, all bonds outstanding on June 1, 1981, and the interest on the bonds will be paid or a sufficient amount for the payment of all bonds and the interest to maturity on the bonds will be set aside in trust for the benefit of the bondholders and shall continue to be held for that purpose. It is the expectation of the Legislature that further bonds will have to be issued for the purposes provided in this section. It is expected that tolls on the turnpike will have to be increased to implement this chapter.

4. Governmental function. It is declared that the purposes of this chapter are public and that the authority shall be regarded as performing a governmental function in carrying out this chapter.

Sec. 7. 23 MRSA §1965, sub-§1, ¶0, as enacted by PL 1981, c. 595, §3, is repealed and the following enacted in its place:

O. Provide an annual amount not to exceed a
maximum of $8,700,000 subject to the limitations
in section 1961 as the department shall request:
and the authority shall determine pursuant to
section 1974, subsection 4, to be necessary for
the use of the department each year for the
construction, operation and maintenance of access
roads and costs related thereto, after money has
been set aside or adequate provision has been
made, to pay operating expenses and to meet the
requirements of any resolution authorizing bonds
of the authority;

Sec. 8. 23 MRSA §1974, sub-§4, as amended by PL
1981, c. 698, §105, is further amended to read:

4. Revenues for access roads and the state
highway system. Subject to the terms and conditions
of this chapter, the authority, semi-annually on July
1st and January 1st of each fiscal year commencing
July 1, 1983, shall, upon making the determination
referred to in this subsection, authorize turnpike
revenues to be transferred to the Department of
Transportation for the costs of construction,
reconstruction, operation and maintenance of access
roads provided, first, that the department provide
certification as to the utilization of all or a part
of the state highway system by turnpike users with
respect to the benefit received by the turnpike and
its users and the costs incurred by the department for
the construction, reconstruction, operation and
maintenance of the access roads caused by the turnpike
and its users and supporting the transfer of turnpike
revenues for each 2-year period. The department shall
not request and the authority shall not approve a
transfer of turnpike revenues under this subsection in
any year that exceeds the cost to the department for
construction, reconstruction, operation and
maintenance of access roads fairly attributable to
vehicular traffic traveling to or from the turnpike.
Based on the certification and such other information
as the authority deems necessary, the authority shall
determine whether or not the turnpike and users
thereof are so benefited by the system, and thereupon
the authority shall have and exercise sole discretion
to determine the level of revenues to be so
transferred to the department, but that transfer
annually shall not exceed $4,700,000 $8,700,000.
In making its report, the department, as a basis for
requesting those revenues, and the authority in
determining the level of revenues to be transferred,
may consider the following factors, no one of which
may necessarily be determinative:

A. The existing access roads and the state
highway system;
B. The traffic impact of the maintenance,
construction or reconstruction on the existing
road network;
C. Total cost of the state highway system;
D. The probable change in departmental
expenditures resulting from maintenance,
construction or reconstruction;
E. The relative number of vehicles using or
expecting to use the access roads on the way to or
from the turnpike;
F. The road distance or average road distance of
the access roads or portions thereof from the
nearest entrance to or exit from the turnpike;
G. The effect that maintenance, construction or
reconstruction will have on the flow of traffic
to, from and on the turnpike, and in diverting
vehicular traffic off or away from the turnpike;
H. Proportionate usage of the state highway
system by vehicles using the turnpike and vehicles
not using the turnpike;
I. Vehicle classification and travel
characteristics;
J. Origins and destinations of trips;
K. Fuel type and consumption;
L. Financial condition of the turnpike authority;
the financial impact of that the maintenance,
COMMITTEE OF CONFERENCE AMENDMENT "A" to H.P. 1799,
L.D. 2463

1. construction and reconstruction of access roads;
2. and the probable availability of turnpike revenues
3. to make these payments;

4. M. Existing sources of revenue; or
5. N. Such other factors deemed relevant including,
6. but not limited to, expert opinion.

7. The authority shall cooperate with the department in
8. any surveys or studies required to provide this
9. report, the costs of which shall be borne by the
10. department.

11. Pending the department's first report which shall
12. be submitted by May 17, 1983, for the period ending
13. June 30, 1983, it is determined that for the current
14. period the aggregate sum to be transferred to the
15. department from operating revenues of the authority
16. for benefits received and costs incurred by the
17. department caused by turnpike users due to their
18. utilization of the turnpike, is $4,700,000. In the
19. event the authority subsequently determines that the
20. aggregate sum transferred to the department during the
21. period ending July 17, 1982 to June 30, 1983 exceeds
22. by more than 10% the amount the authority would
23. otherwise pay to the department under the provisions
24. of this subsection, an amount equal to the amount of
25. that excess shall be repaid by the department to the
26. authority in such manner and at such times as may be
27. agreed upon by the authority and the department,
28. provided that if within 6 months after the
determination, the authority and the department have
29. not so agreed and written notice thereof shall have
30. been given to the department, the excess amount shall
31. be repaid in 5 equal annual installments in each of
32. the 5 years next succeeding.

33. Sec. 9. 36 MRSA §2903, sub-§1, as enacted by
34. PL 1983, c. 852, §4, is amended to read:

35. 1. Excise tax levied. Except as provided in
36. subsection 2, an excise tax is levied and imposed at
37. the rate of $1.60 per gallon upon internal
38. combustion engine fuel sold or used within this State,
39. including these sales when made to the State or any

Page 9-LRS5634
political subdivision thereof, for any purpose
whatsoever, except the internal combustion engine fuel
sold or used in such form and under such circumstances
as shall preclude the collection of this tax by reason
of the laws of the United States, or sold wholly for
exportation from the State, or brought into the State
in the ordinary standardized equipment fuel tank
attached to and forming a part of a motor vehicle and
used in the operation of that vehicle within the
State, except that no tax may be levied upon internal
combustion engine fuel, as defined in section 2902,
bought or used by any person, association of persons,
firm or corporation for the purpose of propelling jet
or turbojet engine aircraft, or sold wholly for
exportation from the State, or brought into the State
in the fuel tanks of an aircraft, or on or after July
1, 1983, sold in bulk to any political subdivision of
the State. On the same fuel only one tax shall be
paid to the State, for which tax the distributor first
receiving the fuel in the State shall be primarily
liable to the State, except when that fuel has been
sold and delivered to a licensed exporter wholly for
exportation from the State, or to another distributor
in the State, in which case the purchasing distributor
shall be primarily liable to the State for the tax.

Internal combustion fuel, as defined in section
2902, which is held by retailers at the close of March
31, 1983, shall be subject to the $4 per gallon tax
rate. Retailers, as defined in section 1752,
subsection 10, shall be liable for the difference
between the $4 per gallon tax rate and the 90 per
gallon tax rate in effect prior to April 17, 1983.
Payment shall be made to the State Tax Assessor before
May 15, 1983, and it shall be accompanied by the
appropriate completed form described by the State Tax
Assessor.

Sec. 10. 36 MRSA §2903-A, as amended by PL
1985, c. 481, Pt. A, §81, is further amended to read:

§2903-A. Finding of fact

The Legislature makes a finding of fact that the
percentage relationship of "gasoline tax" paid by that
segment of the nonhighway gasoline user, the motorboat
user, is not less than \( \frac{25}{100} \times 2.00\% \) of the total "gasoline tax" revenue. But certainty is more than the \( \frac{25}{100} \times 2.00\% \) referred to. Based on this legislative "finding of fact" there is set aside \( \frac{25}{100} \times 2.00\% \) of the total excise tax, not to exceed $2,000,000, on internal combustion engine fuel sold or used within the State, but not including internal combustion engine fuel sold for use in the propulsion of aircraft. From this \( \frac{25}{100} \times 2.00\% \) allocation shall be deducted the refunds paid out under section 2908 to purchasers and users of internal combustion engine fuel for commercial motorboats; 20% of the balance of \( \frac{25}{100} \times 2.00\% \) after paying out such refunds shall be paid to the Treasurer of State to be made available to the Commissioner of Marine Resources for the purpose of conducting research, development and propagation activities by the department, and it is the responsibility of the Commissioner of Marine Resources to select activities and projects that will be most beneficial to the commercial fisheries of the State as well as the development of sports fisheries activities in the State; the remaining 80% of the balance of \( \frac{25}{100} \times 2.00\% \) after paying out such refunds shall be credited to the Boating Facilities Fund, established under Title 38, section 322, within the Maine State Bureau of Parks and Recreation. The State Tax Assessor shall certify to the State Controller, on or before the 15th day of each month, the amounts to be credited under the previous sentence, as of the close of the State Controller's records for the previous month. When refunds paid to purchasers and users of internal combustion engine fuel for commercial motorboats in any month exceed \( \frac{25}{100} \times 2.00\% \) of gasoline tax revenues for that month, such excess shall be carried forward in computing amounts to be credited to the Department of Marine Resources and to the Boating Facilities Fund under this section for the succeeding month or months. Funds credited to the Department of Marine Resources shall be allocated by the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs.

Sec. 11. 36 MRSA §2916 is enacted to read:

§2916. Inventory tax; internal combustion fuel
Committee of Conference Amendment "A" to H.P. 1799, L.D. 2463

1 Internal combustion engine fuel which is held by retailers, as defined in section 1752, at 12 midnight, April 30, 1988, shall be subject to a 16¢ per gallon excise tax. Retailers shall be liable for the difference between the 16¢ per gallon tax rate existing on May 1, 1988, and the 14¢ per gallon tax rate in effect prior to May 1, 1988. Payment shall be made to the State Tax Assessor before June 15, 1988, accompanied by the appropriate completed form prescribed by the State Tax Assessor.

Sec. 12. 36 MRSA §3203 as repealed and replaced by PL 1987, c. 402, Pt. A, §185, is amended to read:

§3203. Tax levied

An excise tax is levied and imposed upon all suppliers of special fuel sold and on all users of special fuel used in this State on each gallon of distillate at the rate prescribed in section 2903 of 14¢ per gallon and, beginning July 1, 1988, at the rate prescribed in section 2903, plus 3¢ per gallon and, on each gallon of low-energy fuel at the rate prescribed in section 2903, less 1 cent, except sales of special fuel made to the State or any political subdivision of the State; the special fuel sold or used in such form and under such circumstances as shall preclude the collection of this tax by reasons of the laws of the United States; sold only for exportation from this State; delivered into a tank used solely for heating or cooking purposes, sold for resale to a licensed or registered supplier; and sold to a person for the generation of power for resale or manufacturing. When special fuel is delivered by a supplier on a consignment basis to a consumer or to a retail outlet, whether the retail outlet is wholly owned by the supplier or not, it shall be considered to have been "sold" within the meaning of the Special Fuel Tax Act. All taxes collected under this section shall be credited to the Highway Fund. When kerosene is delivered into a separate tank for retail sale, the excise tax is not to be collected by the supplier, rather licensed users shall remit the tax in accordance with section 3207.

Sec. 13. 36 MRSA §3223 is enacted to read:
§3223. Inventory tax; special fuel

Special fuel subject to tax under this chapter, which is held by retailers, as defined in section 1752, at 12 midnight, June 30, 1988, shall be subject to a 19c per gallon excise tax. Retailers shall be liable for the difference between the 19c per gallon tax rate existing on July 1, 1988, and the 14c per gallon tax rate in effect prior to July 1, 1988. Payment shall be made to the State Tax Assessor before August 15, 1988, accompanied by the appropriate completed form prescribed by the State Tax Assessor.

Sec. 14. Study of the Local Road Assistance Program. The Joint Standing Committee on Transportation, with the assistance of the Department of Transportation, the Maine Municipal Association and other interested parties shall study the distribution of funds among municipalities and counties under the Local Road Assistance Program and report its findings and recommendations, including any proposed legislation to the Legislature on or before December 6, 1988. The committee shall establish a 5-member subcommittee to conduct the study and shall hold a public hearing in the course of the study. Members of the Joint Standing Committee on Transportation shall receive the legislative per diem, as defined in the Maine Revised Statutes, Title 3, section 2, for each day of attendance at meetings of the study, and shall receive reimbursement for expenses upon application to the Executive Director of the Legislative Council. Staff assistance shall be requested from the Legislative Council.

Sec. 15. Additional study of gross vehicle weight. In the event of any statutory change creating new authority for any vehicle or combination vehicle to be operated or authorized to be operated in this State with a maximum gross weight of 100,000 pounds, the Department of Transportation shall include within the cost allocation study presently underway, a determination of the cost to the State resulting from the additional road and bridge consumption caused by this additional weight allowance. This study and analysis shall be completed prior to the issuance
under that new authority of any permit allowing
operation with a maximum gross weight of 100,000
pounds. Permits issued under the existing authority
of the Maine Revised Statutes, Title 29, section 1655,
shall be subject to this section on or after November
1, 1989.

Sec. 16. Study of overweight enforcement, and
the highway maintenance and safety implications of
heavy trucks. The Joint Standing Committee on
Transportation, with the assistance of the Department
of Transportation, the Department of Public Safety and
other interested parties shall study the impacts and
implications of overweight trucks on highway safety,
highway and bridge consumption and trucking
competition and the enforcement of truck weight limits
and report its findings and recommendations, including
any proposed legislation to the Legislature, on or
before December 6, 1988. The committee shall
establish a 5-member subcommittee to conduct the study
and shall hold a public hearing in the course of the
study. Members of the Joint Standing Committee on
Transportation shall receive the legislative per diem,
as defined in the Maine Revised Statutes, Title 3,
section 2, for each day of attendance at meetings of
the study and shall receive reimbursement for expenses
upon application to the Executive Director of the
Legislative Council. Staff assistance shall be
requested from the Legislative Council.

PART B

Sec. 1. 36 MRSA §2903, sub-§1-A is enacted to
read:

l-A. Excise tax levied. Except as provided in
subsection 2, an excise tax is levied and imposed at
the rate of 17¢ per gallon upon internal combustion
engine fuel sold or used within this State on or after
April 1, 1989, including these sales when made to the
State or any political subdivision thereof, for any
purpose whatsoever, except the internal combustion
engine fuel sold or used in such form and under such
circumstances as shall preclude the collection of this
tax by reason of the laws of the United States, or
sold wholly for exportation from the State, or brought
COMMITTEE OF CONFERENCE AMENDMENT "A" to H.P. 1799,
L.D. 2463

into the State in the ordinary standardized equipment
fuel tank attached to and forming a part of a motor
vehicle and used in the operation of that vehicle
within the State, except that no tax may be levied
upon internal combustion engine fuel, as defined in
section 2902, bought or used by any person,
association of persons, firm or corporation for the
purpose of propelling jet or turbojet engine aircraft,
or sold wholly for exportation from the State, or
brought into the State in the fuel tanks of an
aircraft, or on or after July 1, 1983, sold in bulk to
any political subdivision of the State. On the same
fuel only one tax shall be paid to the State, for
which tax the distributor first receiving the fuel in
the State shall be primarily liable to the State, for
except when that fuel has been sold and delivered to a
licensed exporter wholly for exportation from the
State, or to another distributor in the State, in
which case the purchasing distributor shall be
primarily liable to the State for the tax.

This subsection shall take effect on April 1, 1989,
and subsection 1 is be repealed on April 1, 1989, if
the Commissioner of Transportation certifies to the
Governor that the Federal Government has not
appropriated to the State all federal highway funds
anticipated in fiscal year 1989 based on the United
States Highway Authorization Act and in addition has
restored the $10,000,000 which was withheld in federal
fiscal year 1988. This subsection is repealed April
1, 1989, if it does not take effect.

Sec. 2. 36 MRSA §2916-A is enacted to read:

§2916-A. Inventory tax; internal combustion fuel

Internal combustion engine fuel which is held by
retailers, as defined in section 1752, at 12 midnight,
March 30, 1989, shall be subject to a 17¢ per gallon
excise tax. Retailers shall be liable for the
difference between the 17¢ per gallon tax rate
existing on April 1, 1989, and the 16¢ per gallon tax
rate in effect prior to April 1, 1989. Payment shall
be made to the State Tax Assessor before May 15, 1989.
accompanied by the appropriate completed form
prescribed by the State Tax Assessor. Section 2916 is
repealed on April 1, 1989.

This section shall take effect on April 1, 1989, and section 2916 is repealed on April 1, 1989, if the Commissioner of Transportation certifies to the Governor that the Federal Government has not appropriated to the State all federal highway funds anticipated in fiscal year 1989 based on the United States Highway Authorization Act and in addition has restored the $10,000,000 which was withheld in federal fiscal year 1988. This section is repealed April 1, 1989 if it does not take effect.

Sec. 3. 36 MRSA §3223-A is enacted to read:

§3223-A. Inventory tax; special fuel

Special fuel subject to tax under this chapter, which is held by retailers, as defined in section 1752, at 12 midnight, March 30, 1989, shall be subject to a 20¢ per gallon excise tax. Retailers shall be liable for the difference between the 20¢ per gallon tax rate existing on April 1, 1989, and the 19¢ per gallon tax rate in effect prior to April 1, 1989. Payment shall be made to the State Tax Assessor before May 15, 1988, accompanied by the appropriate completed form prescribed by the State Tax Assessor. Section 3223 is repealed on April 1, 1989.

This section shall take effect on April 1, 1989, and section 3223 is repealed on April 1, 1989 if the Commissioner of Transportation certifies to the Governor that the Federal Government has not appropriated to the State all federal highway funds anticipated in fiscal year 1989 based on the United States Highway Authorization Act and in addition has restored the $10,000,000 which was withheld in federal fiscal year 1988. This section is repealed April 1, 1989 if it does not take effect.

Sec. 4. Funding for Bureau of State Police.
The Legislature determines that, beginning July 1, 1989, funding for the Department of Public Safety, Bureau of State Police, shall be provided as follows: Fifty percent shall be appropriated from the General Fund and 50% shall be allocated from the Highway Fund.
COMMITTEE OF CONFERENCE AMENDMENT "A" to H.P. 1799, L.D. 2463

Sec. 5. Highway cost allocation. On or before January 1, 1989, the Department of Transportation shall report to the Governor and the Legislature the results of the Highway Cost Allocation Study being conducted in 1988, and if necessary, in order to maintain equity among various classes of motor vehicles, the Governor shall recommend legislation to modify the provisions of the Maine Revised Statutes, Title 36, as they apply to special fuel.

PART C

Sec. 1. Appropriation. Notwithstanding the Maine Revised Statutes, Title 5, section 1513, subsection 2, the following sums are appropriated from the General Fund to carry out the purposes of this Act.

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maine Rainy Day Fund Program</td>
<td>($13,200,000)</td>
</tr>
<tr>
<td>Highway Maintenance - Summer</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>Highway and Bridge Improvement</td>
<td>$1,050,000</td>
</tr>
</tbody>
</table>

Provides funds to assist municipalities and counties with sand and salt storage facilities. These funds shall not lapse but shall be carried forward for the purposes identified.
COMMITTEE OF CONFERENCE AMENDMENT "A" to H.P. 1799, L.D. 2463

1 Capital Expenditures 10,950,000
2 Total $12,000,000

4 Provides $7,000,000 in
5 All Other and Capital
6 Expenditures to be
7 used for the
8 construction or
9 reconstruction of
10 extraordinary bridges
11 in accordance with the
12 Maine Revised
13 Statutes, Title 23,
14 section 610-J, and
15 $5,000,000 for Capital
16 Expenditures for
17 highway improvements.
18 These funds shall not
19 lapse, but shall be
20 carried forward for
21 the purposes
22 identified.

23 TOTAL APPROPRIATIONS $ 0

25 Sec. 2. Allocation. The following funds are
26 allocated from the Highway Fund to carry out the
27 purposes of this Act.

28 1988-89
29 TRANSPORTATION, DEPARTMENT OF
30 Local Road Assistance Program

31 All Other $ 3,500,000
32 Total $3,500,000

34 Provides funds to
35 local communities
36 through the Local Road
37 Assistance Program as
38 a one-time stipend

Page 18-LR5684
COMMITTEE OF CONFERENCE AMENDMENT "A" to H.P. 1799, L.D. 2463

1 payment during January 1989.

Highway and Bridge Improvement

<table>
<thead>
<tr>
<th>Positions</th>
<th>(4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$85,750</td>
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<tr>
<td>All Other</td>
<td>3,407,881</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>16,397,244</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$19,890,875</strong></td>
</tr>
</tbody>
</table>

Allocates funds for a supplemental highway construction program. In addition, this allocation includes 4 assistant engineer positions.

Highway and Bridge Improvement

| All Other | $600,000 |
| Capital Expenditures | 3,400,000 |
| **Total** | **$4,000,000** |

Allocates anticipated funds from the Maine Turnpike Authority for highway and bridge improvements within counties that contain turnpike mileage.

DEPARTMENT OF TRANSPORTATION

| TOTAL | **$27,390,875** |

LEGISLATURE

Study Commission - Funding

| Personal Services | $1,815 |
| All Other | 9,000 |

Provides funds for

Page 19-LR5684
COMMITTEE OF CONFERENCE AMENDMENT "A" to H.P. 1799, L.D. 2463

per diem, travel and related expenses of the members of the Joint Committee on Transportation involved in the study of the Local Road Assistance Program. Funds are also provided to contract for staff assistance.

Study Commission - Funding

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$1,815</td>
</tr>
<tr>
<td>All Other</td>
<td>$9,000</td>
</tr>
</tbody>
</table>

Provides funds for per diem, travel and related expenses of the members of the Joint Committee on Transportation involved in the study of the impact of truck weight on the highways. Funds are also provided to contract for staff assistance.

LEGISLATURE

TOTAL $21,630

SECRETARY OF STATE, DEPARTMENT OF

Division of Motor Vehicles

An amount not to exceed $1,000,000 from any available surplus funds in the Division of Motor Vehicles as
COMMITTEE OF CONFERENCE AMENDMENT "A" to H.P. 1799, L.D. 2463

1 of June 30, 1988 shall not lapse, but shall be carried forward and is hereby allocated to be used for preliminary Division of Motor Vehicles' building construction - related items such as land acquisition, architectural design and permit application and processing expenditures in fiscal year 1988-89.

Administration - Motor Vehicles

<table>
<thead>
<tr>
<th>Capital Expenditures</th>
<th>($750,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unallocated</td>
<td>750,000</td>
</tr>
</tbody>
</table>

Transfers funds allocated for the purchase of a computer hardware system into unallocated reserve. These funds shall only be allotted in an amount sufficient to make up the difference between the surplus carried forward from fiscal year 1988 for preliminary Division of Motor Vehicles' building construction-related items and the $1,000,000 required for these purposes.

DEPARTMENT OF SECRETARY OF STATE

TOTAL 0

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect May 1, 1988.
This amendment provides funds and makes additional allocations for a supplemental highway program. Section 1, Part C deappropriates $13,200,000 from the Rainy Day Fund and appropriates it to the Department of Transportation for extraordinary bridges, capital expenditures for highway improvements and salt and sand storage buildings for municipalities and counties. The bill also raises additional revenue in the amount of $19,900,000 by an increase in gas tax and establishment of a diesel differential tax. It also allocates funds to be raised in other legislation from a continuation of a $2 registration fee for license plates. These funds, in conjunction with the allocation of $3,500,000 in unallocated surplus, are used to fund a local road assistance program, a one-time stipend for localities and various supplemental highway construction programs. An additional $4,000,000 is allocated from funds transferred from the Turnpike Authority, if available, for specific geographic highway and bridge improvements and $21,630 is allocated for legislative studies, including contractual services by a research assistant for 6 months. Finally, if available, surplus funds are allocated to the Division of Motor Vehicles to be used for preliminary construction of a Division of Motor Vehicles building. To the extent that $1,000,000 is not available in fiscal year 1987-88 surplus, $750,000 is deallocated in fiscal year 1988-89 and made available for preliminary construction activity. There is a potential future revenue gain associated with the 10¢ increase in both gas taxes on April 1, 1989 and a future cost to the General Fund associated with the funding split for the Maine State Police. The statement of legislative intent also identifies an amount of potential future cost: $6,000,000 appropriation from the Rainy Day Fund in fiscal year 1990.

It is the intent of the Legislature that up to $6,000,000 be allocated from the Rainy Day Fund in fiscal year 1989-90 for construction of a new building.
The conference committee amendment provides funding for the highway program proposed in the original bill, as modified by the transportation committee amendment, thus providing funds to compensate for the withholding of federal highway dollars and to fund the supplemental highway program proposed by the Department of Transportation. Funds for this purpose are derived from the Rainy Day Fund, available surplus in the Highway Fund, a contribution from the Maine Turnpike Authority, and a smaller increase in the gas tax than in the original bill.

Specifically, the amendment would immediately increase the gasoline tax by 2¢ per gallon, and establish a differential fuel tax on diesel motor fuel by increasing the tax on diesel fuel by 5¢ per gallon on July 1, 1988. That differential would remain unless the Governor recommends legislation to modify it, as a result of the ongoing cost allocation study.

The amended bill would take advantage of the continuation of last year's $2 increase in the motor vehicle registration fee connected with the lobster plate as an increase in the annual registration fee, as embodied in LD 2630, by applying those funds to the highway program.

The amendment would use $12,000,000 from the Rainy Day Fund to pay for highway and extraordinary bridge improvements, but all or part of that could be repaid if federal highway funds are restored in fiscal year 1989. The amendment also uses $1,200,000 from the Rainy Day Fund to assist municipalities and counties in the development of salt and sand storage sheds.

The amendment takes money from the existing surplus in the Highway Fund to provide a 22% bonus to municipalities under the Local Road Assistance Program in fiscal year 1989. There would be no change in the formula at this time, but that would be the subject of a study by a Subcommittee of the Joint Standing Committee of Conference.
Committee on Transportation.

Under the amendment, as in the original bill, there would be an additional contribution of $4,000,000 to the Highway Fund, if available, from the Maine Turnpike Authority, and this is designated for highways and bridges in adjacent counties.

The amendment includes a legislative study on truck weight and enforcement. It also includes a departmental study of the effect of raising the truck weight limit to 100,000 pounds.

If the Commissioner of Transportation certifies that the federal Highway Fund dollars are not released, another would increase the fuel tax by another 1¢ on April 1, 1989. If Federal Highway Fund money is released then the Department of Transportation would use $7,600,000 to avoid this increase in the fuel tax and use any excess money to pay back up to $12,000,000 of the Rainy Day Fund. The amendment also expresses legislative intent to increase the General Fund appropriation for the Maine State Police from 25% to 50%, which would save $5,500,000 for the Highway Fund. The amendment also makes available $1,000,000 for Division of Motor Vehicles building preliminary construction-related items. Legislative intent is to use $6,000,000 from the Rainy Day Fund in fiscal year 1990 to provide for that building.

Finally, the amendment retains the emergency clause, with an effective date of May 1, 1988. However, the diesel differential is not effective until July 1, 1988, in order to allow time for implementation.