AN ACT to Fund a Supplemental Highway Program and to Establish a Program to Fund the Construction of Extraordinary Bridges.

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

Whereas, the State has experienced 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
preservation of the public peace, health and safety;
now, therefore,

Be it enacted by the People of the State of Maine as
follows:

PART A

Sec. 1. 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 these extraordinary bridges are such
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. 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 Fund

1. Deposit of funds. Annually, 1/19th of the revenues derived from the tax levied in Title 36, chapters 451 and 459 shall be deposited by the Treasurer of State in a separate account to be known as the Extraordinary Bridge Construction Fund. In addition, $4,000,000 transferred to the department pursuant to sections 1961, 1965 and 1974 shall be placed by the Treasurer of State in this account.

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

3. Use of funds. Money in the Extraordinary Bridge Construction Fund 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. 2. 23 MRSA §1961, first ¶, as enacted by PL 1981, c. 595, §3, is amended to read:

The Legislature makes the following findings of fact. The economic and social well-being of the citizens of the State requires that the state's transportation system be developed in a comprehensive manner and depends upon the safety and, efficiency and modern functional state of the turnpike. The turnpike should be maintained as a closed toll facility whether there are turnpike bonds outstanding or not. 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 thereof, 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. The Department of
Transportation shall be provided each year a maximum
amount of $47,700,000 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 authority, which amount is deemed necessary for
use by the department to maintain, construct and
reconstruct access roads on the state highway system
which serves and benefits users of the
turnpike by providing direct and indirect access
to and from the turnpike as part of the state's
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.

Sec. 3. 23 MRSA §1965, sub-§1, ¶O, as enacted by
PL 1981, c. 595, §3, is amended to read:

0. Provide an annual amount not to exceed a
maximum of $47,700,000 of the department shall request and the authority shall
determine pursuant to section 1974, subsection 4,
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, to
be necessary for the use of the department each
year for the construction, operation and
maintenance of access roads and costs related
thereto;

Sec. 4. 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. 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; the financial impact of that maintenance, construction and reconstruction; and the probable availability of turnpike revenues to make these payments.
M. Existing sources of revenue; or

N. Such other factors deemed relevant including, but not limited to, expert opinion.

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

Pending the department's first report, which shall be submitted by May 1, 1983, for the period ending June 30, 1983, it is determined that for the current period the aggregate sum to be transferred to the department from operating revenues of the authority for benefits received and costs incurred by the department caused by turnpike users due to their utilization of the turnpike, is $47,700,000. In the event the authority subsequently determines that the aggregate sum transferred to the department during the period ending July 1, 1982 to June 30, 1983, exceeds by more than 10% the amount the authority would otherwise pay to the department under the provisions of this subsection, an amount equal to the amount of that excess shall be repaid by the department to the authority in such manner and at such times as may be agreed upon by the authority and the department, provided that, if within 6 months after the determination, the authority and the department have not so agreed and written notice thereof shall have been given to the department, the excess amount shall be repaid in 5 equal annual installments in each of the 5 years next succeeding.

Sec. 5. 36 MRSA §2903, sub-§l, as amended by PL 1983, c. 852, §4, is further amended to read:

1. Excise tax levied. Except as provided in subsection 2, an excise tax is levied and imposed at the rate of $14¢ 19¢ per gallon upon internal combustion engine fuel sold or used within this State, 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 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 14¢ per gallon tax
rate. Retailers, as defined in section 1752, subsection 10, shall be liable for the difference
between the 14¢ per gallon tax rate and the 9¢ per
gallon tax rate in effect prior to April 1, 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. 6. 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 1±25% 2.00% of the total
"gasoline tax" revenue, but certainly is more
than the 1±25% referred to. Based on this
legislative "finding of fact" there is set aside
1±25% 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 1±25% 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 1±25% 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 1±25% 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
1±25% 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. 7. 36 MRSA §2916 is enacted to read:
§2916. Inventory tax

Internal combustion engine fuel, as defined in section 2902, which is held by retailers at the close of April 30, 1988, shall be subject to the 19¢ per gallon tax rate. Retailers, as defined in section 1752, subsection 10, shall be liable for the difference between the 19¢ per gallon tax rate 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, and it shall be accompanied by the appropriate completed form prescribed by the State Tax Assessor.

Sec. 8. 36 MRSA §3223 is enacted to read:

§3223. Inventory tax

Special fuel, as defined in section 3202, subsection 6, and subject to tax under that section, which is held by retailers at the close of April 30, 1988, shall be subject to the 19¢ per gallon tax rate. Retailers, as defined in section 1752, subsection 10, shall be liable for the difference between the 19¢ per gallon tax rate 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, and it shall be accompanied by the appropriate completed form prescribed by the State Tax Assessor.

PART B

Allocation. The following funds are allocated from the Highway Fund to carry out the purposes of this Act.

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<th>Bureau of Project Development</th>
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<td>Positions</td>
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The purpose of this bill is to fund a supplemental highway program to address improvement needs on highway corridors of statewide or regional economic significance. This bill also increased to $2,000,000, or 2% of fuel tax revenues, whichever is less, the level of funds available for rebates for commercial motorboats, to the Commissioner of Marine Resources, and to the Boating Facilities Fund of the Bureau of Parks and Recreation.

Specifically, this bill increases the State's motor fuel tax by 5¢ per gallon. Four cents would be used for a state-funded, pay-as-you-go highway construction program. The program would be targeted toward capital improvements on selected highways that have been determined to play an important role in the economic well-being of the State. One cent would be used to fund a program to construct or reconstruct extraordinary bridges.
In order to deal effectively with the extraordinary bridge problems, a special fund is established. The revenue derived from 1/19th of the fuel tax increase would be set aside for the Extraordinary Bridge Construction Fund. In addition, up to $4,000,000 more may be transferred from the Maine Turnpike Authority to the Extraordinary Bridge Construction Fund. This transfer would take place only after all other Maine Turnpike Authority expenses are met.

The Department of Transportation, in conjunction with the State Planning Office and the Department of Economic and Community Development, has identified approximately 1,300 miles of highways that are of a particular statewide significance. These corridors would be improved over the course of approximately 20 years. Generally, improvements would take the form of passing and climbing lanes, paved shoulders, straightening curves and improving alignments. In 2 or 3 cases, bypasses may be warranted.

With respect to extraordinary bridges, the age, condition or absolute lack of big bridges in several areas of the State is resulting in deteriorating traffic conditions. Notable examples include the Million Dollar Bridge between Portland and South Portland, Carlton Bridge between Bath and Woolwich and the replacement of the Bangor-Brewer Bridge. In addition, new bridges are under consideration for Augusta, Skowhegan, Waterville and Winslow.