L.D. 1587

DATE: 11/20/95

(Filing No. H-671)

REPORT A

TRANSPORTATION

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the House.

STATE OF MAINE
HOUSE OF REPRESENTATIVES
117TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 1148, L.D. 1587, Bill, "An
Act to Implement the Productivity Recommendations of the
Department of Transportation and Make Adjustments to Highway Fund
Appropriations and Allocations for Fiscal Years 1995-96 and
1996-97"

Amend the bill by striking out the title and substituting
the following:

'An Act to Implement the Productivity Recommendations of the
Department of Transportation and Make Adjustments to Highway Fund
Allocations for Fiscal Years 1995-96 and 1996-97'

Further amend the bill in Part A, in section 1 in the first
part designated "Highway and Bridge Improvement" in the 26th
line (page 3, line 44 in L.D.) by striking out the following:
"II" and inserting in its place the following: 'I'

Further amend the bill in Part A, in section 2 by striking
out the last 4 lines (page 12, line 2 to 6 in L.D.) and inserting
in their place the following:

'DEPARTMENT OF TRANSPORTATION
TOTAL
(63,729) (75,891)

SECTION A-2
TOTAL ALLOCATIONS
(63,729) (75,891)'

Further amend the bill by striking out all of Part C and
inserting in its place the following:

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COMMITTEE AMENDMENT
PART C

Sec. C-1. 23 MRSA §1961, sub-§2, as repealed and replaced by PL 1993, c. 680, Pt. A, §24, is amended to read:

2. Cooperation with the Department of Transportation. The Department of Transportation must be provided each year the operating surplus of the Maine Turnpike Authority. The Maine Turnpike Authority may issue bonds or other obligations to pay for Department of Transportation projects. These amounts are considered necessary for use by the department for construction, reconstruction, operation and maintenance of all 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.

Sec. C-2. 23 MRSA §1964, sub-§4-A is enacted to read:

4-A. Department of Transportation project. "Department of Transportation project" means the rehabilitation, reconstruction or construction of any highway or bridge on the state highway system determined by the department and the authority to have a sufficient relationship to the public's use of the turnpike in accordance with section 1974, subsection 6.

Sec. C-3. 23 MRSA §1964, sub-§6-A, as enacted by IB 1991, c. 1, §4, is amended to read:

6-A. Operating surplus. "Operating surplus" means the total annual operating revenues of the Maine Turnpike Authority, after money has been put aside to pay the reasonable operating expenses and to meet the requirements of any resolution authorizing bonds of the Maine Turnpike Authority, including any amounts pledged to secure obligations issued pursuant to section 1968, subsection 2-A or to pay principal, interest or premium, if any, with respect to these obligations.

Sec. C-4. 23 MRSA §1965, sub-§1, ¶¶0-1 and O-2 are enacted to read:
O-1. Provide for an annual amount not to exceed a maximum of $4,700,000 to secure obligations issued pursuant to section 1968, subsection 2-A or to pay principal, interest or premium, if any, with respect to these obligations, 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 revenue bonds of the authority;

O-2. Make a contract or enter into an agreement with or provide certifications and assurances to the Department of Transportation, or any other 3rd party, necessary in connection with the determination of Department of Transportation projects, the issuance of bonds or other obligations pursuant to section 1968, subsection 2-A, the pledge of revenues to the payment of these bonds or obligations or the payment of the costs or a portion of the costs of Department of Transportation projects;

Sec. C-5. 23 MRSA §1968, sub-§2-A is enacted to read:

Z-A. Bonds for Department of Transportation projects. In addition to bonds outstanding pursuant to subsections 1 and 2, the authority may provide by resolution from time to time but no later than June 30, 1997 for the issuance of special obligation bonds, including notes or other evidences of indebtedness or obligations defined to be bonds under this chapter, not exceeding $40,000,000 in aggregate principal amount exclusive of refundings, to pay to the Department of Transportation the costs, or a portion of the costs, of Department of Transportation projects. Department of Transportation projects paid for with bonds in accordance with this subsection must be determined by the Department of Transportation and the authority to have sufficient relationship to the public’s use of the turnpike in accordance with section 1974, subsection 6.

Sec. C-6. 23 MRSA §1969, sub-§1, ¶A, as enacted by PL 1981, c. 595, §3, is amended to read:

A. To the payment of the cost of the construction and reconstruction of the turnpike or to the payment to the Department of Transportation of the cost of Department of Transportation projects;

Sec. C-7. 23 MRSA §1974, sub-§6 is enacted to read:

6. Revenues to secure special obligation bonds for Department of Transportation projects; determination of project eligibility for funding. Subject to the terms and conditions of this chapter, the authority may authorize turnpike revenues to be
COMMITTEE AMENDMENT "A" to H.P. 1148, L.D. 1587

transferred to a trustee or agent designated by the authority and
that trustee or agent shall hold these revenues in trust to
secure or to be applied to the payment of obligations issued
pursuant to section 1968, subsection 2-A and as provided for in a
resolution authorizing the issuance of these bonds or in a
related trust indenture or loan or other security agreement.

The Department of Transportation shall provide the authority with
a list of proposed Department of Transportation projects and any
other information requested by the authority and relating to a
project on the list. The Department of Transportation and the
authority shall determine Department of Transportation projects
that are eligible for funding with proceeds from bonds authorized
by section 1968, subsection 2-A. In making this determination,
the department and the authority may consider the following
factors:

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. The total cost of the state highway system;

D. The probable change in departmental expenditures
resulting from maintenance, construction or reconstruction
of the project;

E. The relative number of vehicles using or expected to use
the project on the way to or from the turnpike;

F. The road distance or average road distance of the
project or portions of the project 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. The 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. Existing sources of revenue; and

M. Any other factors considered relevant, including, but not limited to, expert opinion.

Sec. C-8. 23 MRSA §4206, sub-§1, ¶M, as amended by PL 1983, c. 477, Pt. E, sub-pt. 26, §8, is further amended to read:

M. Acting upon the advice of the State Tax Assessor, to negotiate a compact with other states, the District of Columbia and Canadian provinces for the administration of user license fees on condition that the compact provides for:

(1) The collection of the annual user license fee for any other state or province by the state or province in which the motor truck is registered;

(2) The disbursement of revenues due to other states or provinces subject to the compact;

(3) The free exchange of information between and among the states or provinces subject to the compact; and

(4) The establishment of identification tags or decals.

The compact shall provide for reciprocal enforcement of the laws establishing the annual user license fees and for the auditing of all books, records and logs of the operator of a motor truck by the state or province in which the motor truck is registered, which pertains to travel in it and any other state or province subject to the compact.

Sec. C-9. 23 MRSA §4206, sub-§1, ¶N is enacted to read:

N. To make contracts and enter into agreements with and make assurances and certifications to the Maine Turnpike Authority, and other 3rd parties, necessary in connection with determination of Department of Transportation projects and the issuance of bonds or obligations pursuant to section 1968, subsection 2-A.


Further amend the bill by striking out all of the fiscal note and inserting in its place the following:

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COMMITTEE AMENDMENT "A" to H.P. 1148, L.D. 1587

FISCAL NOTE

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<tr>
<th>APPROPRIATIONS/ALLOCATIONS</th>
<th>1995-96</th>
<th>1996-97</th>
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<td>Highway Fund</td>
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<td>PART A, Section A-1</td>
<td>33,107,164</td>
<td>6,083,568</td>
<td>39,190,732</td>
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<td>HIGHWAY FUND, TOTAL</td>
<td>33,107,164</td>
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<td>Federal Expenditures Fund</td>
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<td>PART A, Section A-2</td>
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<td>(75,891)</td>
<td>(139,620)</td>
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<td>Highway Garage Fund</td>
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<td>PART A, Section A-3</td>
<td>(180,621)</td>
<td>(188,717)</td>
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<td>HIGHWAY GARAGE FUND, TOTAL</td>
<td>(180,621)</td>
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HIGHWAY FUND UNDEDICATED REVENUES

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<td>HIGHWAY FUND UNDEDICATED REVENUE, TOTAL</td>
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The balance carried forward from fiscal year 1994-95 of $12,254,051 is sufficient to cover the difference between the increase of Highway Fund allocations and Highway Fund revenue in fiscal years 1995-96 and 1996-97 and a balanced budget is maintained.

This bill will result in future losses of Highway Fund revenue of $4,700,000 annually for 10 years beginning in fiscal year 1997-98.

STATEMENT OF FACT

This amendment is the majority report.
This amendment requires special obligation bonds to be issued no later than June 30, 1997. It clarifies the process by which the Department of Transportation and the Maine Turnpike Authority determine projects eligible for funding from this source. It adds a section of unallocated law to state that the provisions of the Maine Revised Statutes, Title 23, section 1974, former subsection 4 are reflected in Title 23, section 1974, subsection 6 for purposes of any resolution initially adopted prior to the repeal of subsection 4. It also makes technical changes to the bill.