



121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 599

S.P. 208

In Senate, February 11, 2003

An Act To Implement the Recommendations of the Task Force on Rail Transportation

Reference to the Committee on Transportation suggested and ordered printed.

Brian

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator MARTIN of Aroostook. Cosponsored by Senators: DAVIS of Piscataquis, ROTUNDO of Androscoggin, SAVAGE of Knox, Representatives: COLLINS of Wells, MURPHY of Kennebunk.

	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 5 MRSA §13058, sub-§19 is enacted to read:
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	19. Coordinate assessment of transportation needs related
6	to economic development projects. The commissioner shall
	coordinate the activities of the department, the State Planning
8	Office within the Executive Department, the Department of
10	Transportation and regional planning and economic development
10	organizations to ensure that the location of rail lines,
10	potential use of passenger and freight rail and costs of
12	transportation improvements related to development are considered
14	during initial planning and locating of projects reviewed by the
Τ. 4	commissioner in administering economic development programs under this chapter.
16	<u>unis enapter</u> .
10	Sec. 2. 23 MRSA §74 is enacted to read:
18	occ. M. Mo MARDA 374 13 enacted to lead.
10	§74. Freight transportation advisory council
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	1. Purpose; membership. The Commissioner of Transportation
22	shall establish a freight transportation advisory council to
	facilitate discussion and provide insight into issues pertaining
24	to freight transportation in the State. The commissioner shall
	invite no fewer than 20 people from the private sector to
26	participate as members of the council. Membership must include
	representatives of various geographic areas of the State.
28	Membership must include at least one person with experience in
	each of the following:
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	A. Commercial trucking;
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	B. Rail freight;
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26	C. Waterborne freight;
36	D. Nonufacturing forget products:
38	D. Manufacturing forest products;
20	E. Shipping forest products;
40	b. Shipping forest produces,
40	F. Shipping agricultural products; and
42	<u>r, bhipping agricarcar produced/ and</u>
10	G. Distributing petroleum products.
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	2. Meetings; chair. The Commissioner of Transportation or
46	the commissioner's designee shall serve as chair of the council
	established in subsection 1. The Department of Transportation
48	shall provide staff support to the council. The council shall
	meet at the call of the chair but not less than 4

<u>times during a calendar year. Members of the council serve</u> without compensation.

Sec. 3. 23 MRSA §7103, sub-§1, as repealed and replaced by PL 1989, c. 398, §7, is amended to read:

the "Railroad is created Fund created. There 1. Preservation and Assistance Fund, "which shall-receive receives 8 all revenue derived from the tax levied pursuant to Title 36, chapter 361, except-that-no-more-than-\$150,000-from-this-revenue 10 shall-be-deposited-in the fund in -any-fiseal-year fines collected pursuant to Title 29-A, section 2602, subsection 4, paragraph D 12 and taxes paid under Title 36, section 1865. The fund shall is also be eligible to receive grants from other sources. The 14 Treasurer of State shall receive and deposit all revenue to the fund in a separate account to be known as the Railroad 16 Preservation and Assistance Fund.

Sec. 4. 23 MRSA §7107 is enacted to read:

§7107. Dismantling of state-owned track

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Except as provided in this section, the Department of Transportation may not dismantle or contract with a state agency 24 or private entity for the dismantling of state-owned track. When 26 the department, in consultation with a regional economic planning entity and a regional transportation advisory committee established in accordance with rules adopted under section 73, 28 subsection 4, determines that removal of a specific length of rail owned by the State will not have a negative impact on a 30 region or on future economic opportunities for that region, the 32 Commissioner of Transportation shall seek review and approval of the joint standing committee of the Legislature having 34 jurisdiction over transportation matters prior to removal.

36 Sec. 5. 23 MRSA §7230, 3rd ¶, as enacted by PL 1989, c. 398, §8, is amended to read:

The State may provide annually each railroad corporation For at-grade crossings, 40 with a reimbursement payment. the payment shall must be determined based on each railroad 42 corporation's verified average cost for crossing maintenance multiplied by the number of eligible crossings, with a maximum 44 payment of \$1,500 \$2,500 per crossing. For-grade-separation bridges, - the - payment - shall - be - determined - based - on - each - railread eerperation's--verified--average--maintenance--cest--for---grade 46 separation--bridges--multiplied--by--the--number--of--eligible 48 structures,-with-a-maximum-payment-of-\$2,500-per-structure,

Sec. 6. 29-A MRSA §2602, sub-§4, ¶¶B and C, as enacted by PL 2 1997, c. 750, Pt. A, §3, are amended to read:

B. Of the fines and forfeitures collected for traffic infractions under sections 511, 2356, 2360, 2380, 2387 and
2388, 7% accrues to the General Fund, 6% accrues to the Law Enforcement Agency Reimbursement Fund and the balance
accrues to the General Highway Fund; and

10 C. Of the fines and forfeitures collected for violations other than traffic infractions under sections 511, 2356,
12 2360, 2380, 2387 and 2388, only \$5 or 13%, whichever is greater, accrues to the General Fund and the balance accrues
14 to the Highway Fund.; and

16 Sec. 7. 29-A MRSA §2602, sub-§4, ¶D is enacted to read:

 D. All fines and forfeitures collected for violations under section 2354, subsection 2 accrue to the Railroad
 Preservation and Assistance Fund established in Title 23, section 7103.

Sec. 8. 36 MRSA §1865 is enacted to read:

- §1865. Deposit of use taxes paid on certain fuels
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The Treasurer of State shall deposit all use taxes received for fuel consumed by vehicles operating on rails and gualifying for a fuel tax refund under section 3218 and taxed under this chapter into the Rail Preservation and Assistance Fund established in Title 23, section 7103.

Sec. 9. 36 MRSA §2621-A. sub-§3. ¶F, as enacted by PL 1991, c.
34 591, Pt. N, §3 and affected by §4, is repealed.

36 Sec. 10. 36 MRSA §2625, as repealed and replaced by PL 1983, c. 571, §8, is amended to read:

§2625. Return and payment

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Every railroad company incorporated under the laws of this 42 State or doing business in this State shall file with the State Tax Assessor annually, on or before April 15th, a railroad excise 44 tax return, on a form prescribed by the State Tax Assessor. The tax shall must be paid in equal installments on the next June 46 15th, September 15th and December 15th. The Treasurer of State shall deposit all taxes paid under this chapter into the Railroad 48 Preservation and Assistance Fund established under Title 23, section 7103.

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Sec. 11. 36 MRSA §3218-A is enacted to read:

§3218-A. Refunds of tax for fuel used by railroads

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4 Beginning July 1, 2004, the assessor shall monitor the 6 amount of refunds paid under section 3218 for fuel consumed by vehicles operating on rails and monitor the amount of use tax paid on fuel consumed by vehicles operating on rails under 8 chapter 215. 10 Sec. 12. Review of taxes imposed on railroads; legislation. The chairs of the Joint Standing Committee on Taxation shall appoint 12 a subcommittee to review statutory provisions for taxes that apply to companies operating railroads in the State and consider 14 the impact of these provisions. The subcommittee shall recommend statutory revisions to Maine tax laws to improve the viability of 16 railroads operating in the State. The Joint Standing Committee 18 on Taxation may report out legislation to the Second Regular Session of the 121st Legislature pertaining to taxation of companies operating railroads in Maine. 20 22 SUMMARY 24 This bill does the following: 26 Directs the Commissioner of Economic and Community 1. 28 Development to ensure that transportation needs and the potential use of rail are considered when economic development projects are 30 planned; 32 2. Establishes a freight transportation advisory council in statute; 34 3. Requires the Commissioner of Transportation to seek the 36 review and approval of the joint standing committee of the Legislature having jurisdiction over transportation matters prior 38 to the dismantling of state-owned railroad tracks; 40 4. Increases maximum the reimbursement to railroad companies for maintaining a railroad crossing from \$1,500 to 42 \$2,500 per crossing; 44 5. Provides for fines imposed for 6-axle truck weight violations to be deposited into the Railroad Preservation and Assistance Fund when the weight exceeds 100,000 pounds; 46 48 6. Repeals the tax credit cap on the railroad excise tax;

Provides for all revenue from the railroad excise tax to
 be deposited in the Railroad Preservation and Assistance Fund;

8. Provides for use taxes paid on fuel consumed by vehicles operating on rails and eligible for a refund from the gas tax to
be deposited in the Railroad Preservation and Assistance Fund; and

9. Directs the Joint Standing Committee on Taxation to review and make recommendations for statutory revisions to Maine
10 tax laws affecting railroads. The bill authorizes the committee to report out legislation to implement recommendations during the
12 Second Regular Session of the 121st Legislature.