

# MAINE STATE LEGISLATURE

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# 132nd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2025

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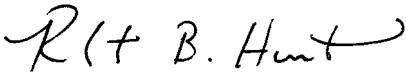
H.P. 87

House of Representatives, January 14, 2025

### An Act to Amend the Transportation Laws

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Submitted by the Department of Transportation pursuant to Joint Rule 204.  
Reference to the Committee on Transportation suggested and ordered printed.

  
ROBERT B. HUNT  
Clerk

Presented by Representative CRAFTS of Newcastle.

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

2 **Sec. 1. 23 MRSA §1654-A**, as enacted by PL 2011, c. 652, §4 and affected by §14,  
3 is amended to read:

4 **§1654-A. Transfers from the unallocated balance in Highway Fund unallocated**  
5 **surplus**

6 At the close of each fiscal year, the State Controller shall transfer to the Department of  
7 Transportation, ~~Secondary Road Program Fund, established in section 1803-C and referred~~  
8 ~~to in this section as "the fund," the uncommitted balance in the Highway Fund unallocated~~  
9 ~~surplus account. The amount transferred to the fund, when added to previous transfers to~~  
10 ~~the fund for the fiscal year in which the uncommitted balance is transferred, may not exceed~~  
11 ~~the program funding cap provided in section 1803-C, subsection 4. Any remaining~~  
12 ~~uncommitted balance in the Highway Fund after the transfer to the fund must be transferred~~  
13 ~~to the Department of Transportation, Highway and Bridge Capital program amounts~~  
14 ~~exceeding \$100,000 from the unallocated balance in the Highway Fund to the Department~~  
15 ~~of Transportation Highway and Bridge Capital; Highway Light Capital; Maintenance and~~  
16 ~~Operations; and Multimodal Transportation Fund programs, for capital and all other needs.~~  
17 The Commissioner of Transportation may allot these funds by financial order upon the  
18 recommendation of the State Budget Officer and the approval of the Governor. The  
19 transferred amounts are considered adjustments to allocations. Within 30 days after  
20 approval of the financial order, the Commissioner of Transportation shall provide to the  
21 joint standing committee of the Legislature having jurisdiction over transportation matters  
22 a report detailing the financial status of the Department of Transportation, Highway and  
23 Bridge Capital program.

24 For the purposes of this section, ~~"uncommitted balance in the Highway Fund~~  
25 ~~unallocated surplus account" or "uncommitted balance"~~ "unallocated balance in the  
26 Highway Fund" means the amount remaining in the account at the close of the fiscal year  
27 after the deduction of all allocations, budgeted financial commitments and ~~adjustments~~  
28 ~~considered necessary by the State Controller~~ any other transfers authorized by statute.

29 The State Controller shall include in the State Controller's official annual financial  
30 report at the close of each fiscal year a statement showing all transfers made from the  
31 ~~Highway Fund unallocated surplus account~~ unallocated balance in the Highway Fund for  
32 the fiscal period.

33 **Sec. 2. 23 MRSA §1801, first ¶**, as repealed and replaced by PL 1999, c. 473, Pt.  
34 D, §1, is amended to read:

35 Municipal transportation assistance funds must be targeted to the ~~capital~~ needs of rural  
36 local roads and highways, bridges and minor spans and must also reflect urban compact  
37 maintenance responsibilities on state and state aid roadways.

38 **Sec. 3. 23 MRSA §1801, 3rd ¶**, as amended by PL 2011, c. 652, §5 and affected  
39 by c. 652, §14, is further amended to read:

40 Responsibility for decisions regarding maintenance and improvement of roads must  
41 follow the principle that roads that primarily serve regional or statewide needs must be the  
42 State's responsibility, roads that primarily serve local needs must be a local responsibility

1 and roads that primarily serve as minor collector routes and major collector routes may be  
2 improved through a partnership between municipalities or counties and the State.

3 **Sec. 4. 23 MRSA §1801, 5th ¶**, as amended by PL 2011, c. 652, §5 and affected  
4 by §14, is further amended to read:

5 The purpose of the Local Road Assistance Program established in this subchapter is to  
6 provide equitable financial assistance to communities for their use in improving local roads  
7 and maintaining state roads in urban compact areas. ~~The purpose of the Secondary Road  
8 Program Fund established in this subchapter is to establish a partnership between  
9 communities and the State in making capital improvements to state aid minor collector  
10 highways and state aid major collector highways.~~

11 **Sec. 5. 23 MRSA §1803-B, sub-§1**, as amended by PL 2013, c. 354, Pt. I, §§1 and  
12 2 and affected by §4, is further amended to read:

13 **1. Distribution and use of funds.** Funds from the Local Road Assistance Program  
14 must be distributed to each eligible municipality, county or Indian reservation through rural  
15 road assistance and urban compact assistance funding as follows.

16 A. Rural road assistance funds must be distributed as follows.

17 (1) Funds are distributed at a rate of \$600 per year per lane mile for all rural state  
18 aid ~~minor collector~~ roads and all public roads maintained by a municipality located  
19 outside urban compact areas as defined in section 754, except that funds are  
20 distributed at a rate of \$300 per year per lane mile for all seasonal public roads.

21 (2) Funds must be used for maintenance or for capital improvements ~~as defined  
22 by this chapter, or for capital improvements to state aid minor collector highways  
23 and state aid major collector highways as described in section 1803-C. In  
24 municipalities, counties and Indian reservations in which there are no rural state  
25 aid minor collector or major collector roads, funds may also be used for winter  
26 highway maintenance, acquisition of highway maintenance equipment or the  
27 construction of highway maintenance buildings if the governing legislative body  
28 affirmatively votes that its town ways and local bridges are in sufficiently good  
29 condition so as to not require significant repair or improvement for at least 10 years  
30 of roadway infrastructure, bridges and drainage structures.~~

31 B. Urban compact assistance funds must be distributed as follows.

32 (1) Funds are distributed at a rate of \$2,500 per year per lane mile for summer  
33 maintenance performed by municipalities on state and state aid highways in  
34 compact areas as defined in section 754. For each lane mile beyond the 2nd lane  
35 on a highway with more than 2 lanes, funds are reimbursed at a rate of \$1,250 per  
36 lane mile for summer maintenance in compact areas. Funds are distributed at a  
37 rate of \$1,700 per year per lane mile for winter maintenance performed by  
38 municipalities on state highways in compact areas as defined in sections 754 and  
39 1001 regardless of the number of lanes. Funds are distributed at a rate of \$600 per  
40 year per lane mile for all other public roads maintained by a municipality and  
41 located inside a compact area, except that funds are distributed at a rate of \$300  
42 per year per lane mile for all seasonal public roads.

1 (2) Funds must be used only for the maintenance or for capital improvement of  
2 public roads infrastructure, bridges and drainage structures.

3 D. Beginning July 1, 2014, the annual funding dedicated for the Local Road Assistance  
4 Program must be 9% of the Highway Fund allocation to the Department of  
5 Transportation. On July 1, 2014 and every July 1st thereafter, the Commissioner of  
6 Transportation shall administratively adjust the base funding and the reimbursement  
7 rates per lane mile proportionately according to revenue available.

8 **Sec. 6. 23 MRSA §1803-C**, as amended by PL 2023, c. 646, Pt. A, §§30 and 31, is  
9 repealed.

10 **Sec. 7. 23 MRSA §7107, first ¶**, as amended by PL 2021, c. 239, §3, is further  
11 amended to read:

12 Except as provided in this section, the Department of Transportation may not dismantle  
13 or change state-owned track for a nonrail use or contract with a state agency or private  
14 entity for the dismantling or changing of state-owned track for a nonrail use. When the  
15 department, in consultation with a ~~regional economic planning entity~~ and a regional  
16 transportation advisory committee established in accordance with rules adopted under  
17 section 73, subsection 4, determines that removal of a specific length of rail owned by the  
18 State will not have a negative impact on a region or on future economic opportunities for  
19 that region, the Commissioner of Transportation shall seek review by the joint standing  
20 committee of the Legislature having jurisdiction over transportation matters prior to  
21 removal.

## 22 SUMMARY

23 This bill extends rural road assistance funds under the Local Road Assistance Program  
24 for maintenance or capital improvements of roadway infrastructure, bridges and drainage  
25 structures to all rural state aid roads and all public roads that a municipality maintains.  
26 Under current law, certain rural state aid roads and urban town ways are excluded from  
27 receiving these funds and funds may be used only for capital improvements and for  
28 maintenance in limited circumstances.

29 The bill amends the provision of law governing the distribution of urban compact  
30 assistance funds under the Local Road Assistance Program to allow distribution of funds  
31 for all other public roads maintained by a municipality located inside an urban compact  
32 area not otherwise covered by that provision. Funds are distributed at a rate of \$600 per  
33 year per lane mile except that funds for all seasonal public roads are distributed at a rate of  
34 \$300 per year per lane mile.

35 The bill further adjusts the Local Road Assistance Program by amending the provision  
36 governing responsibility for decisions related to roads that primarily serve as minor  
37 collector routes and major collector routes by clarifying that those roads may be improved  
38 through a partnership between the State and counties or the State and municipalities, as  
39 opposed to current law, which recognizes only partnerships between the State and  
40 municipalities.

41 The bill repeals the provision of law establishing the Secondary Road Program Fund,  
42 removes cross-references to that section and changes the provision of law that directs

1 transfer of the uncommitted balance in the Highway Fund unallocated surplus account at  
2 the close of each fiscal year.

3 The bill also removes an outdated reference in the State Railroad Preservation and  
4 Assistance Act.