

MAINE STATE LEGISLATURE

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L.D. 1827

STATE OF MAINE
HOUSE OF REPRESENTATIVES (Filing No. H-873)
109TH LEGISLATURE
SECOND REGULAR SESSION

HOUSE AMENDMENT "F" to COMMITTEE AMENDMENT "A" to H.P.
1723, L.D. 1827, Bill, "AN ACT to Amend Allocations from the
Highway Fund for the Fiscal Years from July 1, 1979 to June
30, 1980 and from July 1, 1980 to June 30, 1981, Decrease
the State Aid Bonus from 40% to 20%, and Revise Drivers'
License and Examination Fees."

Amend the amendment by striking out the title and inserting
in its place the following:

'AN ACT to Revise Allocations from the Highway Fund for
the Fiscal Years Beginning July 1, 1979, and Ending June 30,
1981, Revise Drivers' Examination Fees and to Provide Voter
Ratification of an Increase in the Gasoline Tax.'

Further amend the amendment by striking out everything
after the 2nd paragraph and inserting in its place the follow-
ing:

Sec. 1. 29 MRSA, §582, sub-§§ 1 and 2, as

enacted by PL 1975, c. 589, §21, are amended to read:

1. Class 1 or 2 license. The examination fee shall be ~~€8~~
~~\$13~~, which shall include the first road test. All subsequent
examination fees shall be ~~€5~~ \$8.

2. Class 3 license. The examination fee shall be ~~€5~~ \$10,
which shall include the first road test. All subsequent exam-
ination fees shall be ~~€3~~ \$5.

Sec. 2. 36 MRSA, §2903, first sentence, as last amended by
PL 1977, c. 572, §2, is further amended to read:

An excise tax is levied and imposed at the rate of ~~9¢~~ 11¢
per gallon upon internal combustion engine fuel sold or used

within this State, including such sales when made to the State or any political subdivision thereof, for any purpose whatsoever, excepting such 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 such vehicle within the State, except that the rate shall be 1¢ per gallon 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, not for international flights, including such sales when made to the State or any political subdivision thereof, and except that the rate shall be 2¢ per gallon 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 for international flights excepting such fuel sold or used 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 fuel tanks of an aircraft.

Sec. 3. 36 MRSA §2905, as last amended by PL 1971, c. 529, §2, is further amended to read:

§2905. Distributor or importer collects 11¢ additional

Each distributor or importer paying or becoming liable to pay the tax imposed by this chapter shall be entitled to charge and collect ~~9¢~~ 11¢ per gallon only as a part of the selling price of the internal combustion engine fuels subject to the tax.

Sec. 4. 36 MRSA, §2906, 4th sentence, as repealed and replaced by PL 1973, c. 7, §1, is amended to read:

At the time of the filing of said report, each distributor and importer shall pay to the State Tax Assessor a tax of ~~9¢~~ 11¢ upon each gallon so reported as sold, distributed or used and the State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily.

Sec. 5. 36 MRSA, §2908, as last amended by PL 1979, c. 549, is further amended to read:

§2908. Refund of 10/11 of tax in certain cases; time limit

Any person, association of persons, firm or ~~corporation~~ corporation who shall buy and use any internal combustion engine fuel as defined in this chapter for the purpose of operating or propelling commercial motor boats, tractors used for agricultural purposes not operating on public ways, or vehicles owned or operated by railroad companies while operating on rails or tracks, or in stationary engines, or in the mechanical or industrial arts, or for any other commercial use except in nonrailroad motor vehicles operated or intended to be operated upon any of the public highways of this State, or turnpikes operated and main-

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tained by the Maine Turnpike Authority, or except as provided in section 2910, in the operation of aircraft, and who shall have paid any tax on internal combustion engine fuel levied or directed to be paid as provided by this chapter, either directly by the collection of the tax by the vendor from the consumer, or indirectly by adding the amount of that tax to the price of that fuel and paid by that consumer, shall be reimbursed and repaid to the extent of ~~8/9~~ 10/11 of the amount of the tax paid by him upon presenting to the State Tax Assessor a sworn statement accompanied by the original invoices or other evidence as the State Tax Assessor may require showing those purchases, which statement shall show the total amount of the fuel so purchased and used by that consumer other than in nonrailroad motor vehicles operated or intended to be operated upon any of the public highways of the State and in the operation of aircraft. Applications for refunds shall be filed with the State Tax Assessor within 15 months from the date of purchase.

Sec. 6. 36 MRSA, §2910, as last amended by PL 1971, c. 529, §6, is further amended to read:

§2910. Refund of 7/11 of tax to users of aircraft

Any person, association of persons, firm or corporation who shall buy and use any internal combustion engine fuel as defined in section 2902, for the purpose of propelling piston engine aircraft and who shall have paid any tax on internal combustion engine fuel levied or directed to be paid as provided by this chapter, either directly by the collection of such tax by the vendor

from such consumer, or indirectly by adding the amount of such tax to the price of such fuel and paid by such consumer, shall be reimbursed and repaid to the extent of ~~5/9~~ 7/11 of the amount of such tax paid by him upon presenting to the State Tax Assessor a statement accompanied by the original invoices showing such purchases. Applications for refunds must be filed with the State Tax Assessor within 12 months from the date of purchase.

Sec. 7. 36 MRSA, §3025, first sentence, as last amended by PL 1971, c. 529, §7, is further amended to read:

An excise tax is imposed on all users of fuel upon the use of such fuel by any person within this State, only when such fuel is used in an internal combustion engine for the generation of power to propel motor vehicles of any kind or character on the public highways or turnpikes operated and maintained by the Maine Turnpike Authority, at the rate of ~~9¢~~ 11¢ per gallon, to be computed in the manner set forth in this chapter.

Sec. 8. 36 MRSA §3035, 3rd ¶, as last amended by PL 1971, c. 529, §8, is further amended to read:

At the time of the filing of said report each use fuel dealer shall pay to the State Tax Assessor a tax of ~~9¢~~ 11¢ upon each gallon so reported as sold or used, and the State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily.

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Sec. 9. 36 MRSA §3035, 5th ¶, as last amended by PL 1971, c. 529, §8, is further amended to read:

Each dealer paying or becoming liable to pay the tax imposed by this section shall be entitled to charge and collect ~~9¢~~ 11¢ per gallon only as a part of the selling price of the fuels subject to the tax.

Sec. 10. PL 1979, c. 439, Part A, §1, under the caption "29 DEPARTMENT OF THE SECRETARY OF STATE," is amended to read:

0077 Motor Vehicles - Administration...2-117		
Unallocated	4,066,377	4,173,265
	<u>4,016,377</u>	<u>3,717,265</u>

Sec. 11. PL 1979, c. 439, Part A, §1, under the caption

"16 DEPARTMENT OF PUBLIC SAFETY," is amended to read:

0291 State Police....2-681		
Unallocated	8,443,538	8,607,628
		<u>8,307,628</u>

Sec. 12. PL 1979, c. 439, Part A, §1, under the caption

"17 DEPARTMENT OF TRANSPORTATION," is amended to read:

0341 Transportation-Planning & Services..2-715		
Unallocated	730,809	768,000
	<u>630,809</u>	<u>668,000</u>
0339 Highway-Administration ...2-701		
Unallocated	3,594,645	3,827,050
	<u>3,594,645</u>	<u>3,627,050</u>
0330 Highway-Summer Maintenance..2-720		
Unallocated	27,285,700	28,719,900
		<u>28,219,900</u>
0354 Highway-Winter Maintenance..2-741		
Unallocated	17,111,208	17,908,874
	<u>16,611,208</u>	
0358 Highway-Bond Interest..2-749		
Unallocated	2,688,667	3,276,497
	<u>2,469,267</u>	<u>3,065,897</u>

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0359	Highway-Bond Retirement...2-751		
	Unallocated	5,180,000	1,860,000 <u>1,290,000</u>
0406	Highway-Highway and Bridge		
	Improvements....2-753		
	Unallocated	1,200,000	3,200,000 <u>2,900,000</u>
Total Allocations		<u>95,008,943</u>	<u>95,786,207</u>
		<u>94,039,543</u>	<u>93,149,607</u>

Sec. 13. PL 1979, c. 439, Part A, §1, last ¶, is amended

to read:

Amounting to ~~95,008,943~~ 94,039,543 for the fiscal year
ending June 30, 1980, and ~~95,786,207~~ 93,149,607 for the fiscal
year ending June 30, 1981.

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Sec. 14. Repeal. Sections 2 to 9 of this Act are repealed on June 30, 1981, unless approved at referendum pursuant to section 15 of this Act. If sections 2 to 9 of this Act are not approved at referendum, the provisions of the Maine Revised Statutes amended by sections 2 to 9 of this Act shall, after June 30, 1981, be applied as if sections 2 to 9 of this Act had not been enacted.

Sec. 15. Emergency; statutory referendum procedure; submission at general election; form of question; effective date. In view of the emergency cited in the preamble, all sections of this Act shall take effect when approved. Sections 2 to 9 of this Act shall be submitted to the legal voters of the State of Maine at the next general election in the month of November following passage of this Act. The city aldermen, town selectmen and plantation assessors of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the continuation, after June 30, 1981, of sections 2 to 9 of this Act by voting on the following question:

"Shall the gasoline excise tax and the use fuel tax increase as passed by the 109th Legislature remain in effect after June 30, 1981?"

The legal voters of each city, town and plantation shall vote by ballot on this question, and shall designate their choice by a cross or check mark placed within a corresponding square below the words "Yes" or "No." The ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns and, if it appears that a majority of the legal votes are in favor of sections 2 to 9 of this Act, the Governor shall proclaim that fact without delay, and sections 2 to 9 of this Act shall remain in effect after June 30, 1981.

The Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this Act necessary to carry out the purpose of this referendum.

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Statement of Fact

This amendment proposes to compensate for the expected shortfall in revenues of \$16,700,000 to the Highway Fund by:

1. Increasing fees for operators' license examinations for increased revenues of \$306,000 per year;
2. Increasing the gasoline tax from 9¢ to 11¢ for increased revenue of \$13.1 million for the biennium;
3. Making the gas tax increase effective April 1, 1980, with a sunset provision effective June 30, 1981, except that the voters in November 1980 may by referendum continue this increase beyond June 30, 1981; and
4. Reducing allocations to the Division of Motor Vehicles, State Police and the Department of Transportation.

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The reduced allocations in the highway budget are described below:

PROGRAM	Amount of Reduction <u>1979-80</u>	Amount of Reduction <u>1980-81</u>
Motor Vehicle Administration	\$50,000	\$456,000
State Police		300,000
Transportation - Planning and Services	100,000	100,000
Transportation - Administration	100,000	200,000
Winter Maintenance	500,000	
Bond Interest	219,400	210,600
Summer Maintenance		500,000
Bond Retirement		570,000
Highway and Bridge Improvements		300,000
Total	\$969,400	\$2,636,600

Filed by Mr. Morton of Farmington
 Reproduced and distributed under the direction of the Clerk of the
 House
 3/10/80 (Filing No. H-873)