

MAINE STATE LEGISLATURE

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(Governor's Bill)
(EMERGENCY)
SECOND REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1827

H. P. 1723

House of Representatives, January 18, 1980

Referred to Committee on Transportation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk of the House

Presented by Mr. Carroll of Limerick.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY

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.

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

Whereas, the 90-day period may not terminate until after the beginning of the next fiscal year; and

Whereas, revenues from motor fuel taxes are running substantially behind budget estimates; and

Whereas, sufficient funds are not going to be available for the allocations authorized for the current fiscal year, as well as the allocations authorized for the fiscal year beginning July 1, 1980; 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:

Sec. 1 23 MRSA § 1103, last ¶, as repealed and replaced by PL 1977, c. 696, § 193, is amended to read:

The department shall increase its apportionment of state aid by ~~40%~~ **20%** of the state aid joint fund so expended for reconstruction of improved state or state aid highways or for construction of unimproved bridges and approaches under the Bridge Act, provided the bridge is located between sections of improved state aid highways.

Sec. 2. 23 MRSA § 1105, first sentence, as amended by PL 1971, c. 593, § 22, is further amended to read:

If the department finds that in any year the aggregate ~~appropriations~~ **expenditures** contemplated to be made by it under section 1102 exceed the amount available therefor in the said fund for state aid construction, the department shall make a pro rata reduction of the several amounts appropriated by the towns so that the aggregate of the same shall be proportioned to the amount available from said fund as set forth in said section 1102.

Sec. 3. 29 MRSA § 542, first ¶, last sentence, as repealed and replaced by PL 1977, c. 212, § 2, is amended to read:

The fee for such license shall be ~~\$10~~ **\$16**.

Sec. 4. 29 MRSA § 542, 2nd ¶, last sentence, as enacted by PL 1977, c. 212, § 2, is amended to read:

The fee for such license shall be ~~\$5~~ **\$8**.

Sec. 5. 29 MRSA § 542, last sentence, as enacted by PL 1977, c. 212, § 3, is amended to read:

The fee for all 2-year licenses shall be ~~\$5~~ **\$8**.

Sec. 6. 29 MRSA § 582, sub-§§ 1 and 2, as repealed and replaced 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 examination fees shall be ~~\$3~~ **\$5**.

Sec. 7 PL 1979, c. 439, under the caption "29 DEPARTMENT OF THE SECRETARY OF STATE" is amended to read:

	1979-80	1980-81
0077 Motor Vehicles — Administration..... 2-117		
Unallocated		\$4,173,265
	\$4,066,377	<u>\$3,867,265</u>

Sec. 8 PL 1979, c. 439, under the caption "06 PUBLIC PROTECTION" is amended to read:

	1979-80	1980-81
0291 State Police 2-681		
Unallocated	\$8,443,538	\$8,607,628
	<u>\$8,206,145</u>	<u>\$6,845,021</u>

This reduction in allocation is possible because of increased participation by the General Fund. Funds are included in the General Fund Appropriation Act to permit a rate of 60% participation from the Highway Fund for fiscal year 1981.

Sec. 9. PL 1979, c. 439, under the caption "07 TRANSPORTATION" is amended to read:

	1979-80	1980-81
0336 Highway — State Aid Construction 2-733		
Unallocated	\$7,900,000	\$7,900,000
	<u>\$6,950,00</u>	
0355 Highway — Town Road Improvement Fund..... 2-734		
Unallocated	\$1,000,000	\$1,000,000
0330 Highway — Summer Maintenance..... 2-720		
Unallocated	27,285,700	28,719,900
		<u>26,219,900</u>
0358 Highway — Bond Interest 2-749		
Unallocated	2,688,667	3,276,497
	<u>2,469,267</u>	<u>3,065,897</u>
0359 Highway — Bond Retirement..... 2-751		
Unallocated	5,180,000	1,860,000
		<u>1,290,000</u>
Total Allocations	\$95,786,207	\$95,008,943
	<u>81,537,000</u>	<u>93,602,150</u>

Amounting to ~~\$95,008,943~~ **\$93,602,150** for the fiscal year ending June 30, 1980, and ~~\$95,786,207~~ **\$81,537,000** for the fiscal year ending June 30, 1981.

Emergency Clause. In view of the emergency cited in the preamble, this Act shall take effect when approved, except sections 1 to 6 of the Act shall take effect on July 1, 1980.

STATEMENT OF FACT

The basic purpose of this bill is to make adjustments to the highway program in response to shortfalls in revenue from the motor fuel tax. Since the beginning of the biennium in July and through December, motor fuel tax revenue is \$3.7 million less than budget projections. It is estimated that revenue will be down by \$15.7 million from budget estimates by the end of the biennium. It is also expected that this bill together with other program savings, will provide sufficient funds to meet the requirements of additional employee benefits being negotiated.

This bill:

1. Reduces the allocation for the State Aid Program during the biennium by \$7.5 million. The State has traditionally appropriated funds to match all revenues raised by local communities for work on state aid highways. In many cases, communities have allowed their state aid units to accrue by being carried forward over the years so that they can afford major projects. It is expected that all contractual obligations will be met during the biennium and actual funds paid by towns into the joint fund will be matched even with this one-time reduction of \$7.5 million in this allocation. This adjustment will not significantly affect the amount of work actually done on state aid roads this year or next year. This is included in Sec. 9—State Aid Construction and Sec. 2;

2. Reduces the state aid bonus from 40% to 20%. The state aid bonus program, which encourages work on state aid highways maintained by the State, has been an effective program in the interest of both the State and local communities. Reducing the state's share of this work from 40% to 20% is not expected to create any significant impact on communities and will result in an additional \$1.35 million in savings in the highway budget. This is also included in Sec. 9—State Aid Construction;

3. Eliminates the 1981 Town Road Improvement allocation. An additional \$1.0 million in savings will be realized through this budget reduction. This is included in Sec. 9—Town Road Improvement Fund;

4. Increases fees for drivers' licenses. An increase of \$1.50 a year for drivers' licenses will produce approximately \$1.05 million annually. The license fees have been frozen for the past 15 years. This is included in sections 3-5;

5. Increases fees for driver license exams. At this time the applicant pays only ½ the cost of his or her driver's license test. An increase in the fee for

administering examinations to accurately reflect the true cost raises an additional \$306,000 per year. The elderly will continue to be exempted. This is included in sections 7 and 5;

6. Reduces General Highway Fund support for the State Police. The allocation for the State Police is reduced by \$2.0 million. The General Fund portion of State Police financing will be increased by \$2.0 million by other legislation. This will more accurately reflect the highway-related activities of the State Police. This is included in Sec. 8;

7. Reduces summer maintenance allocation. Savings of \$2.5 million can be achieved in the highway budget by maintaining the resurfacing program at approximately last year's levels, by reducing mowing along roadsides and by closing the least used picnic areas. This is included in Sec. 9—Summer Maintenance;

8. Defers the sale of bonds. Deferring the sale of bonds will permit additional savings of \$1.0 million. This is included in Sec. 3 Highway—Bond Interest and Highway—Bond Retirement; and

The emergency clause of the bill provides that the increased fees and the change in the State Aid bonus will become effective July 1, 1980.