MAINE STATE LEGISLATURE

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(EMERGENCY) SECOND REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

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Whereas,

NO. 2463

H.P. 1799 House of Representatives, March 7, 1988 Reference to the Committee on Transportation suggested and ordered printed.

EDWIN H. PERT, Clerk
Presented by Representative WHITCOMB of Waldo.
Cosponsored by Senators EMERSON of Penobscot, TWITCHELL
of Oxford and Representative TAMMARO of Baileyville.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-EIGHT

AN ACT to Fund a Supplemental Highway Program and to Establish a Program to Fund

3 4	the Construction of Extraordinary Bridges.				
5 6 7	Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and				

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unanticipated loss of federal highway construction

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experienced

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the State

- funds of approximately \$20,000,000 this biennium due to federal budget cuts; and
- Whereas, the State's highway system is in need of considerable improvements to reach safe, modern standards; and
- Whereas, the State is faced with the need to construct or reconstruct several bridges of unusual size and complexity; 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,
- 15 Be it enacted by the People of the State of Maine as 16 follows:

17 PART A

- 18 Sec. 1. 23 MRSA §§610-H to 610-J are enacted to 19 read:
- 20 §610-H. Legislative findings
- The Legislature finds that the construction or replacement of several extraordinary bridges is vital to the economic well-being of the State and necessary to the movement of vehicular traffic.
- The Legislature further finds that due to the size and complexity of these structures, the costs associated with these extraordinary bridges are such that special funding provisions are warranted.
 - §610-I. Extraordinary bridges

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For the first regular session of each Legislature, the department shall prepare a work program for the construction or major reconstruction of bridges that

- the department considers to be extraordinary bridges. 2 The work program shall be presented to the joint 3 standing committee of the Legislature having jurisdiction over transportation and shall include 4 estimates 5 estimates of scope of work, cost estimated completion dates. §610-J. Extraordinary Bridge Construction Fund 8 Deposit of funds. Annually, 1/19th of revenues derived from the tax levied in Title 9 451 and 459 shall be deposited by 10 chapters 11 Treasurer of State in a separate account to be known as the Extraordinary Bridge Construction Fund. 12 addition, \$4,000,000 transferred 13 department to the 14 to sections 1961, 1965 and 1974 shall pursuant
- placed by the Treasurer of State in this account.

 2. Legislative approval of budget. Expenditures from the Extraordinary Bridge Construction Fund are subject to legislative approval in the same manner as expenditures from the Highway Fund.
- 20 Use of funds. Money in the Extraordinary Bridge Construction Fund may only be used to defray 21 the costs associated with the construction or major 22 23 reconstruction of bridges identified pursuant section 610-I as extraordinary bridges. Permissible 24 include preliminary 25 shall engineering, 26 right-of-way acquisition, construction and 27 reconstruction.
- 28 Sec. 2. 23 MRSA §1961, first ¶, as enacted by PL 29 1981, c. 595, §3, is amended to read:

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The Legislature makes the following findings of economic and social well-being of fact. The of the State requires that the transportation system be developed in a comprehensive manner and depends upon the safety and, efficiency modern functional state of the turnpike. turnpike should be maintained as a closed facility whether there are turnpike bonds outstanding Toll revenues should be utilized: To pay for retirement of any outstanding debt, including interest

thereon; to pay for operation and maintenance of the turnpike; to pay for reconstruction of the turnpike; 2 3 and to repay the Federal Government for grants or proceeds the of which were used for 5 construction or reconstruction of the turnpike 6 thereof, portions interchanges certain and 7 interconnecting access roads, but only to the extent 8 the repayment is required as a result maintaining tolls on the turnpike. The Department of 9 Transportation shall be provided each year a maximum 10 amount of \$4,700,000 \$8,700,000 of the total annual 11 operating revenue after moneys have money has been put aside to pay operating expenses and to meet the 12 13 14 requirements of any resolution authorizing bonds of 15 the authority, which amount is deemed necessary for use by the department to maintain, construct and reconstruct access roads on the state highway system 16 17 18 serves serve and benefits benefit users 19 the turnpike by providing direct and indirect access 20 to and from the turnpike as part of the state's 21 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 22 23 24 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 25 26 costs for the construction, operation and maintenance 27 28 of the state highway system, which provides direct and indirect access to and from the turnpike to areas in 29 the **S**tate for which the State may properly <u>be</u> and should be compensated from the tolls to be collected. 30 31 32 The Maine Turnpike Authority should be maintained to carry out the purposes of this chapter in cooperation 33 34 with the Department of Transportation.

Sec. 3. 23 MRSA §1965, sub-§1, ¶0, as enacted by
PL 1981, c. 595, §3, is amended to read:

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42 43 O. Provide an annual amount not to exceed a maximum of \$4.790.00 \$8.700.00 as the department shall request and the authority shall determine pursuant to section 1974, subsection 4, after moneys have money has been set aside, or adequate provision has been made, to pay operating expenses and to meet the requirements of any

resolution authorizing bonds of the authority, to be necessary for the use of the department each year for the construction, operation and maintenance of access roads and costs related thereto;

6 Sec. 4. 23 MRSA §1974, sub-§4, as amended by PL 1981, c. 698, §105, is further amended to read:

Revenues 8 for access roads and the state highway system. Subject to the terms and conditions 9 of this chapter, the authority, semi-annually on July lst and January 1st of each fiscal year commencing 10 11 12 1983, shall, upon making the determination 13 referred to in this subsection, authorize turnpike 14 to be transferred to the Department of revenues 15 for the Transportation costs of construction, 16 reconstruction, operation and maintenance of access roads provided, first, that the department provide certification as to the utilization of all or a part 17 18 of the state highway system by turnpike users with 19 the benefit received by the turnpike and 20 respect to its users and the costs incurred by the department for 21 22 construction, reconstruction, operation 23 maintenance of the access roads caused by the turnpike 24 and its users and supporting the transfer of turnpike 25 revenues for each 2-year period. The department shall not request and the authority shall not approve a 26 27 transfer of turnpike revenues under this subsection in any year that exceeds the cost to the department for 28 construction, 29 reconstruction, operation 30 maintenance of access roads fairly attributable to 31 vehicular traffic traveling to or from the turnpike. Based on the certification and such other information 32 33 as the authority deems necessary, the authority shall 34 determine whether or not the turnpike and users 35 thereof are so benefited by the system, and thereupon 36 the authority shall have and exercise sole discretion 37 determine the level of revenues to 38 transferred to the department, but that transfer annually shall not exceed \$4,700,000. 39 40 In making its report, the department, as a basis for 41 requesting those revenues, and the authority 42 determining the level of revenues to be transferred,

- 1 may consider the following factors, no one of which
 2 may necessarily be determinative:
- 3 A. The existing access roads and the state 4 highway system;
- 5 B. The traffic impact of the maintenance, 6 construction or reconstruction on the existing 7 road network;
- 8 C. Total cost of the state highway system;
- 9 D. The probable change in departmental
- 10 expenditures resulting from maintenance, 11 construction or reconstruction:
- 11 construction or reconstruction;
- 12 E. The relative number of vehicles using or 13 expecting to use the access roads on the way to or 14 from the turnpike;
- 15 F. The road distance or average road distance of the access roads or portions thereof from the
- the access roads or portions thereof from the nearest entrance to or exit from the turnpike;
- 18 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;
- 22 H. Proportionate usage of the state highway 23 system by vehicles using the turnpike and vehicles 24 not using the turnpike;
- 25 I. Vehicle classification and travel characteristics;
- 27 J. Origins and destinations of trips;
- 28 K. Fuel type and consumption;
- 29 L. Financial condition of the turnpike; the
- financial impact of that maintenance, construction and reconstruction; and the probable availability
- of turnpike revenues to make these payments;

M. Existing sources of revenue; or

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- N. Such other factors deemed relevant including,
 but not limited to, expert opinion.
- The authority shall cooperate with the department in any surveys or studies required to provide this report, the costs of which shall be borne by the department.
- 8 Pending the department's first report, which shall be submitted by May 1, 1983, for the period ending June 9 10 30, 1983, it is determined that for the current period 11 the aggregate sum to be transferred to the department from operating revenues of the authority for benefits 12 13 received and costs incurred by the department caused 14 by turnpike users due to their utilization of the 15 turnpike, is \$4,700,000 \$8,700,000. Ιn the event authority subsequently determines 16 that the aggregate sum transferred to the department during the 17 18 period ending July 1, 1982 to June 30, 1983, exceeds 19 more than 10% the amount the authority would by otherwise pay to the department under the provisions 20 21 of this subsection, an amount equal to the amount of that excess shall be repaid by the department to the authority in such manner and at such times as may be 22 23 24 agreed upon by the authority and the department, 25 that, if within 6 provided months after determination, the authority and the department have not so agreed and written notice thereof shall have 26 27 28 been given to the department, the excess amount shall 29 be repaid in 5 equal annual installments in each of 30 the 5 years next succeeding.
- 31 Sec. 5. 36 MRSA §2903, sub-§1, as amended by PL 32 1983, c. 852, §4, is further amended to read:
- 1. Excise tax levied. Except as provided in subsection 2, an excise tax is levied and imposed at the rate of 14¢ 19¢ per gallon upon internal combustion engine fuel sold or used within this State, including these sales when made to the State or any political subdivision thereof, for any purpose

whatsoever, except the internal combustion engine fuel 1 2 sold or used in such form and under such circumstances as shall preclude the collection of this tax by reason 3 of the laws of the United States, or sold wholly for 4 5 exportation from the State, or brought into the State standardized equipment 6 ordinary fuel tank 7 attached to and forming a part of a motor vehicle and used in the operation of that vehicle within the State, except that no tax may be levied upon internal 8 9 10 combustion engine fuel, as defined in section 11 bought or used by any person, association of persons, 12 firm or corporation for the purpose of propelling jet 13 turbojet engine aircraft, or sold wholly 14 exportation from the State, or brought into the State in the fuel tanks of an aircraft, or on or after July 15 1, 1983, sold in bulk to any political subdivision of 16 17 On the same fuel only one tax shall be the State. paid to the State, for which tax the distributor first receiving the fuel in the State shall be primarily 18 19 liable to the State, except when that fuel has been 20 21 sold and delivered to a licensed exporter wholly for exportation from the State, or to another distributor in the State, in which case the purchasing distributor 22 23 shall be primarily liable to the State for the tax. 24

25 combustion fuel, defined **Internal** 85 in section 26 29027 which is held by retailers at the close of March 27 31, 1983, shall be subject to the 14¢ per gallon tax 28 defined in section 17527 rate-Retailers, as 29 1θ, shall be liable for the difference subsection 30 between the 14- per gallon tax rate and the 9¢ per gallon tax rate in effect prior to April 1, 1983. Payment shall be made to the State Tax Assessor before 31 32 33 May 15_7 1983_7 and it shall be accompanied by the 34 appropriate completed form described by the State Tax 35 Assessor-

Sec. 6. 36 MRSA §2903-A, as amended by PL 1985, c. 481, Pt. A, §81, is further amended to read:

§2903-A. Finding of fact

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The Legislature makes a finding of fact that the percentage relationship of "gasoline tax" paid by that segment of the nonhighway gasoline user, the motorboat

2.00% of user, is not less than 1-25% the total "gasoline tax" revenue 7 but certainly is 3 the 1.25% referred to. Based than on this legislative "finding of fact" there is 4 set aside 5 1-25% 2.00% of the total excise tax not to exceed 6 \$2,000,000, on internal combustion engine fuel sold or used within the State, but not including internal 7 8 combustion engine fuel sold for use in the propulsion 9 aircraft. From this 1-25% 2.00% allocation shall be deducted the refunds paid out under section 2908 to purchasers and users of internal combustion 10 11 12 engine fuel for commercial motorboats; 20% of 13 1.25% 2.00% after paying out balance of 14 refunds shall be paid to the Treasurer of State to be 15 made available to the Commissioner of Marine Resources 16 the purpose of conducting research, development and propagation activities by the department, and it is the responsibility of the Commissioner of Marine 17 18 19 Resources to select activities and projects that will be most beneficial to the commercial fisheries of the State as well as the development of sports fisheries 20 21 activities in the State; the remaining 80% of the 22 23 balance of 1.25% 2.00% after paying out refunds shall be credited to the Boating Facilities Fund, established under Title 38, section 322, within 24 25 26 the Maine State Bureau of Parks and Recreation. The 27 State Tax Assessor shall certify to the State 28 Controller, on or before the 15th day of each month, 29 to be credited under the amounts previous 30 sentence, as of the close of the State Controller's records for the previous month. When refunds paid to 31 32 purchasers and users of internal combustion engine 33 fuel for commercial motorboats in any month exceed 34 ±-25% 2.00% of gasoline tax revenues for that month, 35 such excess shall be carried forward in computing 36 amounts to be credited to the Department of Marine 37 Resources and to the Boating Facilities Fund under this section for the succeeding month or months. Funds 38 39 credited to the Department of Marine Resources shall 40 be allocated by the joint standing committee of the Legislature having jurisdiction over appropriations 41 42 and financial affairs.

Sec. 7. 36 MRSA §2916 is enacted to read:

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1	§2916. Inventory tax
2 3 4 5 6 7 8 9 10 11 12	Internal combustion engine fuel, as defined in section 2902, which is held by retailers at the close of April 30, 1988, shall be subject to the 19¢ per gallon tax rate. Retailers, as defined in section 1752, subsection 10, shall be liable for the difference between the 19¢ per gallon tax rate and the 14¢ per gallon tax rate in effect prior to May 1, 1988. Payment shall be made to the State Tax Assessor before June 15, 1988, and it shall be accompanied by the appropriate completed form prescribed by the State Tax Assessor. Sec. 8. 36 MRSA §3223 is enacted to read:
- 3 L 4	§3223. Inventory tax
15 16 17 18 19 20 21 22 23 24 25	Special fuel, as defined in section 3202, subsection 6, and subject to tax under that section, which is held by retailers at the close of April 30, 1988, shall be subject to the 19¢ per gallon tax rate. Retailers, as defined in section 1752, subsection 10, shall be liable for the difference between the 19¢ per gallon tax rate and the 14¢ per gallon tax rate in effect prior to May 1, 1988. Payment shall be made to the State Tax Assessor before June 15, 1988, and it shall be accompanied by the appropriate completed form prescribed by the State Tax Assessor.
27	PART B
28 29 30	Allocation. The following funds are allocated from the Highway Fund to carry out the purposes of this Act.
31 32 33	TRANSPORTATION, DEPARTMENT OF
3 4 3 5	Bureau of Project Development
36	Positions (4)

1 2 3	Personal Services \$ 85,750 All Other \$ 435,000 5,164,250 Capital Expenditures 2,465,000 29,750,000
4 5 6 7 8	Provides funds for a supplemental highway capital improvement program.
9 10	Total \$2,900,000 \$35,000,000
11 12 13	Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect May 1, 1988.
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14	STATEMENT OF FACT
15 16 17 18 19 20 21 22 23	The purpose of this bill is to fund a supplemental highway program to address improvement needs on highway corridors of statewide or regional economic significance. This bill also increased to \$2,000,000, or 2% of fuel tax revenues, whichever is less, the level of funds available for rebates for commercial motorboats, to the Commissioner of Marine Resources, and to the Boating Facilities Fund of the Bureau of Parks and Recreation.
24 25 26 27 28 29 30 31 32	Specifically, this bill increases the State's motor fuel tax by 5¢ per gallon. Four cents would be used for a state-funded, pay-as-you-go highway construction program. The program would be targeted toward capital improvements on selected highways that have been determined to play an important role in the economic well-being of the State. One cent would be used to fund a program to construct or reconstruct extraordinary bridges.

order to deal effectively with the Ιn extraordinary bridge problems, a special 3 established. The revenue derived from 1/19th of 4 tax increase would be set aside for 5 Extraordinary Bridge Construction Fund. In addition, 6 up to \$4,000,000 more may be transferred from the Maine Turnpike Authority to the Extraordinary Bridge 7 8 Construction Fund. This transfer would take place 9 only after all other Maine Turnpike Authority expenses 10 are met.

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The Department of Transportation, in conjunction with the State Planning Office and the Department of Economic and Community Development, has identified approximately 1,300 miles of highways that are of a particular statewide significance. These corridors would be improved over the course of approximately 20 years. Generally, improvements would take the form of passing and climbing lanes, paved shoulders, straightening curves and improving alignments. In 2 or 3 cases, bypasses may be warranted.

With respect to extraordinary bridges, the age, condition or absolute lack of big bridges in several areas of the State is resulting in deteriorating traffic conditions. Notable examples include the Million Dollar Bridge between Portland and South Portland, Carlton Bridge between Bath and Woolwich and the replacement of the Bangor-Brewer Bridge. In addition, new bridges are under consideration for Augusta, Skowhegan, Waterville and Winslow.