

MAINE STATE LEGISLATURE

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R. of S.

L.D. 23

(Filing No. S- 8)

STATE OF MAINE
SENATE
114TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT " A " to S.P. 50, L.D. 23, "An Act to Amend the Local Road Assistance Distribution Formula"

Amend the bill in section 4 by striking out all of subsection 4 (page 2, lines 12 to 41 in L.D.) and inserting in its place the following:

'4. Limitations. The distribution authorized in this section is subject to the following limitations.

A. The distribution to a municipality may not be reduced by more than the following percentages based on the distribution to that municipality in fiscal year 1988-89, including the 22% one-time stipend for that year:

(1) Ten percent for fiscal year 1989-90;

(2) Twenty percent for fiscal year 1990-91;

(3) Thirty-five percent for fiscal year 1991-92; and

(4) Fifty percent for fiscal year 1992-93.

B. The distribution to a municipality may not be increased by more than the following percentages based on the distribution to that municipality in fiscal year 1988-89, including the 22% one-time stipend for that year:

(1) Fifteen percent for fiscal year 1989-90;

(2) Thirty-five percent for fiscal year 1990-91;

(3) Seventy percent for fiscal year 1991-92; and

(4) One hundred percent for fiscal year 1992-93.'

Further amend the bill by inserting before the emergency clause the following:

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'Sec. 5. Allocation. The following funds are allocated from the Highway Fund to carry out the purposes of this Act.

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1989-90 1990-91

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TRANSPORTATION, DEPARTMENT OF

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Local Road Assistance

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All Other \$3,500,000 \$3,500,000

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Provides additional funds to local communities for use in maintaining and improving local roads.'

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Further amend the bill by inserting before the statement of fact the following:

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FISCAL NOTE

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This bill would eliminate all current distribution formulas of the Local Road Assistance Program and replace them with one formula based on average miles maintained by a municipality. Currently, funding of \$15,806,932 for fiscal years 1989-90 and 1990-91 for the Local Road Assistance Program has been requested in the Governor's Highway Fund budget bill, Legislative Document 151. It is the intent of this bill to bring the allocation up to \$19,306,932 annually for Local Road Assistance, so this bill requires an additional Highway Fund allocation in the amount of \$3,500,000 per year to the Department of Transportation, Local Road Assistance Program, Account #05733.2. Finally, it should be understood that this proposed adjustment to the current reimbursement formula will create gainers and losers of participating municipalities. However, a phase-in provision has been proposed to minimize the impact.'

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STATEMENT OF FACT

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This amendment maintains the concept of the original bill to provide greater equity in the distribution of funds under the Local Road Assistance Program by providing for all municipalities to receive the same amount per average mile maintained when phase-in period ends in fiscal year 1993-94. An average mile is the average of summer and winter miles maintained. Assuming full

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R. of S.

COMMITTEE AMENDMENT " A" to S.P. 50, L.D. 23

1 funding of the Local Road Assistance Program at the \$19,306,932
level, this payment will be \$1,216 per mile.

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5 The proposed adjustment will create gainers and losers among
the participating municipalities but, the amendment modifies the
7 phase-in provision for fiscal years 1990 through 1993 to minimize
the impact on any municipality from year to year.

9 The amendment adds an allocation and a fiscal note for
\$3,500,000 in each fiscal year. When added to the \$15,806,932
11 requested in the Governor's Highway Fund budget bill the annual
total will reach \$19,306,932, the same as in fiscal year 1988-89,
13 including the 22% one-time stipend for that year.

Reported by Senator Twitchell for the Committee on
Transportation. Reproduced and Distributed Pursuant
to Senate Rule 12.
(3/14/89)

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