

MAINE STATE LEGISLATURE

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ADS

L.D. 2020

DATE: 4-1-02

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MAJORITY
TRANSPORTATION

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1516, L.D. 2020, Bill, "An Act to Promote the Fiscal Sustainability of the Highway Fund"

Amend the bill in section 8 in that part designated "§3321." by striking out all of subsection 2 and inserting in its place the following:

'2. Method of calculation; inflation index defined. The inflation index for 2003 is 1.118, representing annual inflation adjustments for the years 1999 to 2002, inclusive. Starting in 2004 and every year thereafter, the inflation index is the Consumer Price Index as defined in section 5402, subsection 1 for the calendar year ending on the December 31st immediately preceding the calculation date, divided by the Consumer Price Index for the prior calendar year.'

Further amend the bill in section 8 in that part designated "§3321." by inserting after subsection 3 the following:

'4. Legislative review. Starting in 2003 and each odd-numbered year thereafter, the Department of Transportation shall submit a bill by the cloture date established for departments and agencies that repeals any adjustment in fuel tax rates in the upcoming biennium resulting from the operation of this section.'

Further amend the bill by inserting after section 8 the following:

R. O. S.

COMMITTEE AMENDMENT "A" to H.P. 1516, L.D. 2020

2 'Sec. 9. Appropriations and allocations. The following
appropriations and allocations are made.

4 ADMINISTRATIVE AND FINANCIAL
SERVICES, DEPARTMENT OF

6 Bureau of Revenue Services

8 Initiative: Provides funds on a one-time basis for computer
10 programming and on an on-going basis for forms printing and
12 processing associated with certain changes in Highway Fund
revenues.

14	General Fund	2001-02	2002-03
16	All Other	0	\$16,655'

18 Further amend the bill by inserting at the end before the
summary the following:

20 FISCAL NOTE

22 2002-03

24 APPROPRIATIONS/ALLOCATIONS

26	General Fund	\$16,655
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28 Retroactively indexing annual motor fuel taxes from 1999 to
30 reflect inflation will: increase Highway Fund revenues by
\$21,397,887 and \$25,857,503 in fiscal years 2003-04 and 2004-05,
32 respectively; increase Other Funds revenue dedicated to the
Snowmobile Trail Fund and the ATV Recreation Management account
34 by a total of \$115,659 and \$139,234 in fiscal years 2003-04 and
2004-05, respectively; and, increase undedicated General Fund
36 revenue from the aeronautical gas tax by \$2,669 and \$6,314 in
fiscal years 2003-04 and 2004-05, respectively.

38 Retroactively indexing annual motor fuel taxes from 1999 to
40 reflect inflation will also increase annual General Fund revenue
collected by the Department of Inland Fisheries and Wildlife by
42 \$8,696 and \$10,469 in fiscal years 2003-04 and 2004-05. In order
to meet the constitutional requirement that the total level of
44 General Fund appropriations must at least be equal to the
undedicated revenues collected by the department, the department
46 will require additional General Fund appropriations in those same
fiscal years to the Enforcement Operations - IF&W program to be
48 used for snowmobile and ATV operational and enforcement costs.

COMMITTEE AMENDMENT

R. of S.
COMMITTEE AMENDMENT "A" to H.P. 1516, L.D. 2020

2 The Bureau of Revenue Services within the Department of
Administrative and Financial Services will require a one-time
4 General Fund appropriation of \$10,000 in fiscal year 2002-03 to
implement the necessary computer programming changes to
6 administer certain tax changes. In addition, the bureau will
require an on-going appropriation for forms printing and
processing that in fiscal year 2002-03 amounts to \$6,655.'

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SUMMARY

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This amendment is the majority report. It establishes an
annual index for motor fuel tax rates that is based on the
14 Consumer Price Index and is retroactive to 1999. This amendment
also requires that the Department of Transportation must submit a
16 bill to the Legislature that repeals any forthcoming adjustment
in fuel tax rates for each biennium.