MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 1487

H.P. 1042

House of Representatives, June 4, 2009

An Act To Provide Funding for the Highway Fund Biennial Budget

(AFTER DEADLINE)

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Transportation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative MAZUREK of Rockland.
Cosponsored by Senator DAMON of Hancock and
Representatives: BLANCHARD of Old Town, CAREY of Lewiston, HARLOW of Portland,
HOGAN of Old Orchard Beach, MITCHELL of the Penobscot Nation, PEOPLES of
Westbrook, THERIAULT of Madawaska.

1 2	Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and
3 4 5	Whereas, certain obligations and expenses incident to the operation of the biennial Highway Fund are necessary concurrent with the commencement of the state fiscal years 2009-10 and 2010-11; and
6 7	Whereas, the continued operation and sustainability of the Highway Fund is dependent on adequate funding; and
8 9 10 11	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,
12	Be it enacted by the People of the State of Maine as follows:
13	Sec. 1. 36 MRSA §2903, sub-§7 is enacted to read:
14 15 16 17 18 19 20	7. Surcharge. Beginning Jul 1, 2009, a surcharge must be charged on internal combustion engine fuel at the rate of 5¢ per gallon, except that the surcharge does not apply to internal combustion engine fuel bought or used for the purpose of propelling jet engine aircraft. This surcharge accrues to the Highway Fund to provide funding to the Department of Transportation for highway and bridge capital purposes, except that the Treasurer of State shall deposit monthly into the TransCap Trust Fund established in Title 30-A, section 6006-G 7.5% of this surcharge.
21	This subsection is repealed July 1, 2011.
22	Sec. 2. 36 MRSA §3203, sub-§1, as amended by PL 2007, c. 650, §1, is repealed.
23 24	Sec. 3. 36 MRSA §3203, sub-§4, as amended by PL 2007, c. 538, Pt. L, §2, is further amended to read:
25 26 27 28	4. Highway Fund. All taxes and fines collected under this chapter must be credited to the Highway Fund, except that beginning July 1, 2009 the Treasurer of State shall deposit monthly into the TransCap Trust Fund established in Title 30-A, section 6006-G 7.5% of the excise tax imposed under subsection 1 1-B.
29	Sec. 4. 36 MRSA §3203, sub-§7 is enacted to read:
30 31 32 33 34 35 36	7. Surcharge. Beginning July 1, 2009, a surcharge must be charged on all suppliers of distillates sold, on all retailers of low-energy fuel sold and on all users of special fuel used in this State for each gallon of special fuel at the rate of 5¢ per gallon. This surcharge accrues to the Highway Fund to provide funding to the Department of Transportation for highway and bridge capital purposes, except that the Treasurer of State shall deposit monthly into the TransCap Trust Fund established in Title 30-A, section 6006-G 7.5% of this surcharge.
37	This subsection is repealed July 1, 2011.

1 2		Sec. 5. Appropriations and allocations. The allocations are made.	following appr	opriations and					
3		TRANSPORTATION, DEPARTMENT OF							
4		Highway and Bridge Capital 0406							
. 5		Initiative: Provides funding for Capital Expenditures projects.							
6			•						
7 8	• :	HIGHWAY FUND Capital Expenditures	2009-10 \$12,561,894	2010-11 \$5,307,482					
9 10		HIGHWAY FUND TOTAL	\$12,561,894	\$5,307,482					
11		Highway and Bridge Light Capital Z095	•						
12		Initiative: Provides funding for Capital Expenditures projects.							
13									
14		HIGHWAY FUND	2009-10	2010-11					
15		Capital Expenditures	\$21,050,000	\$22,925,000					
16 17		HIGHWAY FUND TOTAL	\$21,050,000	\$22,925,000					
18		Urban-Rural Initiative Program 0337							
19 20		Initiative: Replaces funding to the Urban-Rural Initiative Program that was reduced in the Governor's proposed 2010-2011 Highway Fund biennial budget, LD 333.							
21									
22 23	•	HIGHWAY FUND All Other	2009-10 \$0	2010-11 \$5,000,000					
24 25		HIGHWAY FUND TOTAL	\$0	\$5,000,000					
26		Urban-Rural Initiative Program 0337							
27 28	•	Initiative: Adjusts funding for the Urban-Rural Initiative Program at the correct proportioned rate per the Maine Revised Statutes, Title 23, section 1803-B.							
29			,						
30		HIGHWAY FUND	2009-10	2010-11					
31		All Other	\$3,582,356	\$3,009,018					
32 33		HIGHWAY FUND TOTAL	\$3,582,356	\$3,009,018					

34

1 2	TRANSPORTATION, DEPARTMENT OF DEPARTMENT TOTALS	2009-10	2010-11
3	HIGHWAY FUND	\$37,194,250	\$36,241,500
6	DEPARTMENT TOTAL - ALL FUNDS	\$37,194,250	\$36,241,500
7 8	Emergency clause. In view of the emergency legislation takes effect July 1, 2009.	cited in the	preamble, this
9	SUMMARY		
10	This bill adds a surcharge of 5¢ per gallon on gasol	ine and special	fuels, such as
11	diesel, for a period of 2 years, beginning July 1, 2009 a		
12	surcharge provides funding to the Department of Transpor	tation for high	vay and bridge
13	capital purposes. It also makes technical corrections to the	e Special Fuel	Tax Act in the
14	Maine Revised Statutes, Title 36.	•	

FISCAL NOTE REQUIRED (See attached)



124th MAINE LEGISLATURE

LD 1487

LR 2008(01)

An Act To Provide Funding for the Highway Fund Biennial Budget

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Mazurek of Rockland Committee: Transportation Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
Net Cost (Savings)				
Highway Fund	\$0	\$0	\$0	\$0
Appropriations/Allocations				
Highway Fund	\$37,194,250	\$36,241,500	\$0	\$0
Revenue		·	· · · · · · · · · · · · · · · · · · ·	
Highway Fund	\$37,194,250	\$36,241,500	\$0	\$0
Other Special Revenue Funds	\$3,015,750	\$2,938,500	\$0	\$0
•				

Fiscal Detail and Notes

This legislation proposes a \$.05 per gallon surcharge on gasoline and special fuels beginning July 1, 2009 and ending July 1, 2011. Highway Fund revenue is estimated to increase by \$37,194,250 in fiscal year 2009-10 and \$36,241,500 in fiscal year 2010-11. Other Special Revenue Funds, which is the portion of this surcharge deposited into the TransCap Fund with the Maine Municipal Bond Bank, is estimated to increase by \$3,015,750 in fiscal year 2009-10 and \$2,938,500 in fiscal year 2010-11. These revenue estimates could be impacted by other changes to the gasoline and special fuel rates proposed in the Highway Fund 2010-2011 biennial budget, LD 333. The resulting Highway Fund revenue increase has been allocated to the Department of Transportation for highway and bridge capital projects.