

MAINE STATE LEGISLATURE

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Date: 5/28/15

L.D. 706
(Filing No. H-223)

TRANSPORTATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
127TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 482, L.D. 706, "Resolve, To Establish a Commission To Study Transportation Funding Reform"

Amend the bill by striking out everything after the title and inserting the following:

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

Whereas, adequate, sustainable and predictable transportation funding is critical to the safety and economic well-being of all Maine citizens; and

Whereas, funding for transportation infrastructure in Maine and the nation is seriously deficient; and

Whereas, the shortfall of funding related to Maine's state highway and bridge system is at least \$150,000,000 per year, without consideration of general obligation bonding; and

Whereas, general obligation bonding levels are unpredictable due to the current short-term focus of the process that determines bonding levels and priorities, a process that usually takes place late in a legislative session after finalization of the General Fund budget, if at all; and

Whereas, higher fuel efficiency of vehicles and alternative fuel vehicles continue to erode the funding provided by per gallon fuel taxes and increase the inequity among drivers in terms of the fee paid per mile for use of the highway and bridge system; and

Whereas, fuel prices are relatively low but surely will rise in the years ahead; and

Whereas, approximately 30,000,000 people visit Maine each year, a state with a year-round population of about 1,300,000 people, and the capacity and a significant portion of the cost of Maine's transportation system are driven by seasonal traffic volumes; and

COMMITTEE AMENDMENT

ROFS

COMMITTEE AMENDMENT "A" to H.P. 482, L.D. 706

1 **Whereas**, through years of capital planning, prioritization and efficiency initiatives,
2 the Department of Transportation has proven that it uses funding efficiently and
3 effectively and can be trusted to do so with additional funding; and

4 **Whereas**, federal transportation funding is unpredictable and a predictable long-
5 term federal solution to Maine's transportation funding problem is unlikely; and

6 **Whereas**, other states are finding transportation funding solutions and the State of
7 Maine has an obligation to all Maine citizens to seek solutions now; and

8 **Whereas**, the Commission To Study Transportation Funding Reform established in
9 this resolve is a bipartisan commission charged with analyzing options and
10 recommending legislation and is the best way to reform and supplement transportation
11 funding in Maine; and

12 **Whereas**, the study must be initiated before the 90-day period expires in order that
13 the study may be completed and a report submitted in time for submission to the next
14 legislative session; and

15 **Whereas**, in the judgment of the Legislature, these facts create an emergency within
16 the meaning of the Constitution of Maine and require the following legislation as
17 immediately necessary for the preservation of the public peace, health and safety; now,
18 therefore, be it

19 **Sec. 1. Commission established. Resolved:** That the Commission To Study
20 Transportation Funding Reform, referred to in this resolve as "the commission," is
21 established; and be it further

22 **Sec. 2. Commission membership. Resolved:** That the commission consists of
23 11 members as follows:

24 1. Three Legislators appointed by the President of the Senate, at least one of whom is
25 from the party holding the 2nd largest number of seats in the Senate, including at least
26 one member of the Joint Standing Committee on Transportation and one member of
27 either the Joint Standing Committee on Appropriations and Financial Affairs or the Joint
28 Standing Committee on Taxation;

29 2. Seven Legislators appointed by the Speaker of the House of Representatives, at
30 least 3 of whom are from the party holding the 2nd largest number of seats in the House,
31 including at least one member of the Joint Standing Committee on Transportation and
32 one member of either the Joint Standing Committee on Appropriations and Financial
33 Affairs or the Joint Standing Committee on Taxation; and

34 3. The Commissioner of Transportation, or the commissioner's designee; and be it
35 further

36 **Sec. 3. Chairs. Resolved:** That the first-named Senate member is the Senate
37 chair and the first-named House of Representatives member is the House chair of the
38 commission. The first-named Senate member must be from the Joint Standing
39 Committee on Transportation and the first-named House member must be from the Joint
40 Standing Committee on Transportation; and be it further

ROFS

1 **Sec. 4. Appointments; convening of commission. Resolved:** That all
2 appointments must be made no later than 30 days following the effective date of this
3 resolve. The appointing authorities shall notify the Executive Director of the Legislative
4 Council once all appointments have been completed. After appointment of all members,
5 the chairs shall call and convene the first meeting of the commission. If 30 days or more
6 after the effective date of this resolve a majority of but not all appointments have been
7 made, the chairs may request authority and the Legislative Council may grant authority
8 for the commission to meet and conduct its business; and be it further

9 **Sec. 5. Duties. Resolved:** That the commission shall study how to reform and
10 adequately supplement funding for the State's transportation infrastructure to promote
11 equity, sustainability and predictability in a manner that allows the State to responsibly
12 provide a safe and reliable state transportation system. The study must focus on funding
13 the state highway and bridge system, but must also consider capital funding through
14 bonding of multimodal infrastructure. The commission shall:

15 1. Determine funding levels necessary to achieve the highway and bridge capital
16 goals set forth in the Maine Revised Statutes, Title 23, section 73, subsection 7,
17 paragraphs A to D, including anticipated shortfalls, for the next 10 years;

18 2. Identify mechanisms that will increase the predictability of general obligation
19 bonding levels for capital planning at the Department of Transportation for the state
20 highway and bridge system and multimodal infrastructure for the next 10 years;

21 3. Identify mechanisms to address the erosion of Highway Fund receipts and the
22 rising inequity among drivers caused by higher automobile fuel efficiency and alternative
23 fuel vehicles, such as adding a registration fee surcharge on hybrid, electric or other
24 alternative fuel passenger automobiles;

25 4. Consider a voluntary so-called "vehicle miles traveled" pilot program for
26 passenger automobiles;

27 5. Identify methods to more equitably share the costs of the highway system between
28 residents of this State and nonresidents, including exploring the feasibility of reducing
29 year-round baseline gasoline tax rates and adding a seasonal gasoline tax surcharge;

30 6. Consider new highway tolling options;

31 7. Consider adding a wholesale fuel tax component, including options that would
32 reduce baseline per gallon fuel tax rates;

33 8. Consider adjusting fuel tax rates, including options that can be implemented or
34 eliminated as fuel prices rise due to market forces or increases to the federal fuel tax
35 rates;

36 9. Consider dedicating a portion of sales tax receipts from transportation-related
37 sales to transportation infrastructure;

38 10. Evaluate the likelihood, extent and time frame of possible future funds being
39 dedicated to transportation infrastructure from revenues from potential additional casinos
40 in the State; and

41 11. Invite knowledgeable stakeholders to provide written and oral comments on draft
42 recommendations of the commission. Knowledgeable stakeholders must include

ROFS

COMMITTEE AMENDMENT "A" to H.P. 482, L.D. 706

1 representatives from the American Council of Engineering Companies of Maine, the
2 Maine Section of the American Society of Civil Engineers, the Associated General
3 Contractors of Maine, the Maine Automobile Dealers Association, the Maine Better
4 Transportation Association, the Maine State Chamber of Commerce, the Mayors'
5 Coalition on Jobs and Economic Development, the Maine Motor Transport Association,
6 the Maine Municipal Association, the Maine Service Center Coalition, the Maine
7 Tourism Association and the Maine Turnpike Authority.

8 The commission may meet up to 6 times. At least 3 meetings must allow public
9 comment and be held at different locations to allow input from several regions in the
10 State; and be it further

11 **Sec. 6. Staff assistance. Resolved:** That the Office of Policy and Legal
12 Analysis and the Office of Fiscal and Program Review shall provide necessary staffing
13 services to the commission; and be it further

14 **Sec. 7. Report. Resolved:** That, no later than December 2, 2015, the commission
15 shall submit a report that includes its findings and recommendations, including suggested
16 legislation, to the Joint Standing Committee on Transportation. The Joint Standing
17 Committee on Transportation may submit legislation to the Second Regular Session of
18 the 127th Legislature related to the report; and be it further

19 **Sec. 8. Funding. Resolved:** That the costs of the study must be provided from
20 the Highway Fund by appropriation or allocation; and be it further

21 **Sec. 9. Appropriations and allocations. Resolved:** That the following
22 appropriations and allocations are made.

23 **LEGISLATURE**

24 **Study Commissions - Funding 0444**

25 Initiative: Allocates funds on a one-time basis for the per diem costs and other expenses
26 of 3 members of the Senate and 7 members of the House of Representatives to participate
27 in up to 6 meetings of the Commission To Study Transportation Funding Reform during
28 the interim between legislative sessions.

29	HIGHWAY FUND	2015-16	2016-17
30	Personal Services	\$3,300	\$0
31	All Other	\$4,450	\$0
32			
33	HIGHWAY FUND TOTAL	<u>\$7,750</u>	<u>\$0</u>

34 **Emergency clause.** In view of the emergency cited in the preamble, this
35 legislation takes effect when approved.'

36 **SUMMARY**

37 This amendment, which strikes and replaces the concept draft, establishes the
38 Commission To Study Transportation Funding Reform. The commission is required to

COMMITTEE AMENDMENT

ROFS

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study how to reform and adequately supplement funding for the State's transportation infrastructure to promote equity, sustainability and predictability in a manner that allows the State to responsibly provide a safe and reliable transportation system. The commission is required to report its findings and recommendations, including suggested legislation, to the Joint Standing Committee on Transportation no later than December 2, 2015. The Joint Standing Committee on Transportation may submit legislation to the Second Regular Session of the 127th Legislature relating to the subject matter of the report. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)



127th MAINE LEGISLATURE

LD 706

LR 674(02)

Resolve, To Establish a Commission To Study Transportation Funding Reform

Fiscal Note for Bill as Amended by Committee Amendment *A(H-223)*

Committee: Transportation

Fiscal Note Required: Yes

Fiscal Note

Legislative Cost/Study

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
Net Cost (Savings)				
Highway Fund	\$7,750	\$0	\$0	\$0
Appropriations/Allocations				
Highway Fund	\$7,750	\$0	\$0	\$0

Legislative Cost/Study

Provides a one-time Highway Fund allocation of \$7,750 in fiscal year 2015-16 for legislative per diem and expenses for 10 legislators for up to 6 meetings of the Commission to Study Transportation Funding Reform.

Fiscal Detail and Notes

Additional costs to the Department of Transportation associated with the commissioner or his designee serving on the commission can be absorbed within existing budgeted resources.