# MAINE STATE LEGISLATURE

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1	L.D. 1110
2	Date: 3/16/16 (Filing No. H- 563)
3	TRANSPORTATION
4	Reproduced and distributed under the direction of the Clerk of the House.
5	STATE OF MAINE
6	HOUSE OF REPRESENTATIVES
7	127TH LEGISLATURE
8	SECOND REGULAR SESSION
9 10	COMMITTEE AMENDMENT "A" to H.P. 771, L.D. 1110, Bill, "An Act To Modernize Road User Fees"
11	Amend the bill by striking out the title and substituting the following:
12	'Resolve, To Study Transportation Funding Reform'
13	Amend the bill by striking out everything after the title and inserting the following:
14 15	'Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and
16 17	Whereas, adequate, sustainable and predictable transportation funding is critical to the safety and economic well-being of all Maine citizens; and
18 19	Whereas, funding for transportation infrastructure in Maine and the nation is seriously deficient; and
20 21 22	Whereas, the shortfall of funding related to Maine's state highway and bridge system is at least \$168,000,000 per year, without consideration of general obligation bonding; and
23 24	Whereas, the shortfall of capital funding related to Maine's multimodal system of ports, rail and other modes of transportation is substantial; and
25 26 27 28	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
29 30 31	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
32	Whereas, fuel prices are relatively low but surely will rise in the years ahead; and

Page 1 - 127LR0675(02)-1

# **COMMITTEE AMENDMENT**

## COMMITTEE AMENDMENT 'A" to H.P. 771, L.D. 1110

Whereas, approximately 30,000,000 people visit Maine each year, a state with
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 traffi
volumes; and

Whereas, through years of capital planning, prioritization and efficiency initiatives, the Department of Transportation has proven that it uses funding efficiently and effectively; and

Whereas, although federal transportation funding levels have been established for the next 5 years, these funding levels will not solve Maine's transportation funding problems and additional federal funding solutions are unlikely; and

Whereas, other states are finding transportation funding solutions and the State has an obligation to all its citizens to seek solutions now; and

Whereas, the Joint Standing Committee on Transportation is charged with analyzing options and recommending legislation and is best-equipped to study these issues and find ways to reform and supplement transportation funding in Maine; and

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

- **Sec. 1. Study established. Resolved:** That the Joint Standing Committee on Transportation, referred to in this resolve as "the committee," shall 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 state transportation system; and be it further
- Sec. 2. Convening of committee. Resolved: That the chairs of the committee shall call and convene the first meeting of the committee for the purposes of this resolve no later than 30 days following the effective date of this resolve; and be it further
- **Sec. 3. Meetings. Resolved:** That the committee may meet for the purposes of this resolve only when the Legislature is not in regular or special session. The committee may meet up to 4 times to accomplish its duties. At least 2 meetings must allow public comment; and be it further
- **Sec. 4. Duties. Resolved:** That the committee shall focus on funding the state highway and bridge system, but shall also consider capital funding through the issuance of bonds for multimodal infrastructure. The committee shall:
- 1. Identify mechanisms that will increase the predictability of general obligation bonding levels for capital planning at the Department of Transportation for the state highway and bridge system and multimodal infrastructure for the next 10 years;

Page 2 - 127LR0675(02)-1

## **COMMITTEE AMENDMENT**

COMMITTEE AMENDMENT "A " to H.P. 771, L.D. 1110
2. Consult with the Secretary of State to identify mechanisms to address the erosion of Highway Fund receipts and the rising inequity among drivers caused by higher automobile fuel efficiency and alternative fuel vehicles, such as adding a registration fee surcharge on hybrid, electric or other alternative fuel passenger automobiles or a voluntary so-called "vehicle miles traveled" pilot program for passenger automobiles;
3. Consult with the Secretary of State to consider adjustments to motor vehicle fees that will bring these fees in line with regional averages;
4. Consider dedicating a portion of sales tax receipts from transportation-related sales to transportation infrastructure;
5. Consider adding a wholesale fuel tax component, including options that would reduce baseline per gallon fuel tax rates;
6. Consider adjusting fuel tax rates, including a pump-price surcharge that is eliminated as fuel prices increase, or a reduction of the year-round baseline gasoline tax rates and the addition of a seasonal gasoline tax surcharge; and
7. Invite knowledgeable stakeholders to provide written and oral comments on draft recommendations of the committee. Knowledgeable stakeholders must include representatives from the American Council of Engineering Companies of Maine, the Maine Section of the American Society of Civil Engineers, the Associated General Contractors of Maine, the Maine Automobile Dealers Association, the Maine Better Transportation Association, the Maine State Chamber of Commerce, the Mayors' Coalition on Jobs and Economic Development, the Maine Motor Transport Association, the Maine Municipal Association, the Maine Service Center Coalition, the Maine Tourism Association and the Maine Turnpike Authority; and be it further
<b>Sec. 5. Cooperation. Resolved:</b> That the Commissioner of Transportation shall provide information and data to the committee as necessary for its work; and be it further
Sec. 6. Staff assistance. Resolved: That the Legislative Council shall provide necessary staffing services to the committee; and be it further
Sec. 7. Report. Resolved: That, no later than November 2, 2016, the committee shall submit a report that includes its findings and recommendations, including suggested legislation, for presentation to the First Regular Session of the 128th Legislature. The joint standing committee of the Legislature having jurisdiction over transportation matters may submit legislation to the First Regular Session of the 128th Legislature related to the report; and be it further
<b>Sec. 8. Funding. Resolved:</b> That the costs of the study must be provided from the Highway Fund by appropriate appropriation or allocation.

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

**SUMMARY** 

This amendment replaces the concept draft with a resolve directing the Joint Standing Committee on Transportation to study how to reform and adequately supplement funding

Page 3 - 127LR0675(02)-1

## **COMMITTEE AMENDMENT**

## COMMITTEE AMENDMENT "A" to H.P. 771, L.D. 1110

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 committee is authorized to meet for this purpose up to 4 time
when the Legislature is not in session, and the committee's report must be submitted by
November 2, 2016. The joint standing committee of the Legislature having jurisdiction
over transportation matters may submit legislation to the First Regular Session of the
128th Legislature relating to the subject matter of the report. The amendment adds at
emergency preamble and emergency clause.

### FISCAL NOTE REQUIRED

(See attached)

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Page 4 - 127LR0675(02)-1



### 127th MAINE LEGISLATURE

LD 1110

LR 675(02)

#### An Act To Modernize Road User Fees

Fiscal Note for Bill as Amended by Committee Amendment 'A' (H-563)

Committee: Transportation

Fiscal Note Required: Yes

### **Fiscal Note**

Legislative Cost/Study

#### Legislative Cost/Study

The general operating expenses of this study are projected to be \$3,250 in fiscal year 2015-16 and \$3,500 in fiscal year 2016-17. The Legislature's budget includes \$13,000 in fiscal year 2015-16 and \$8,125 in fiscal year 2016-17 for meetings of the Joint Standing Committee on Transportation that are held during the interim when the legislature is not in session. Whether or not sufficient funds exist for this study will depend on the total number of authorized meetings to be funded from the Legislative Highway Fund account.

#### **Fiscal Detail and Notes**

Additional costs to the Department of Transportation and the Secretary of State to provide information to the committee can be absorbed within existing budgeted resources.