

MAINE STATE LEGISLATURE

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8M4
ROFS

L.D. 1149

2 Date: 3/23/18

Majority

(Filing No. H-682)

3 TRANSPORTATION

4 Reproduced and distributed under the direction of the Clerk of the House.

5 STATE OF MAINE

6 HOUSE OF REPRESENTATIVES

7 128TH LEGISLATURE

8 SECOND REGULAR SESSION

9 COMMITTEE AMENDMENT "A" to H.P. 812, L.D. 1149, Bill, "An Act To
10 Provide Revenue To Fix and Rebuild Maine's Infrastructure"

11 Amend the bill by striking out all of section 1 and inserting the following:

12 'Sec. 1. 23 MRSA §1651, as amended by PL 1971, c. 593, §22, is further amended
13 to read:

14 **§1651. Highway Fund established; purpose; revenue**

15 To provide funds for the construction of state, state aid and town ways, for the
16 maintenance of state and state aid highways, and interstate, intrastate and international
17 bridges, and for other items of expenditure specified, there is established a fund to be
18 known as the ~~General~~ Highway Fund. This fund ~~shall~~ must include all fees received from
19 the registration of motor vehicles and licensing of operators thereof; all fees accruing to
20 the Treasurer of State under Title 25, section 1502; the receipts from the tax on internal
21 combustion engine fuels; 10% of the receipts from the sales tax imposed on
22 transportation-related items pursuant to Title 36, section 1966; and all sums received on
23 account of the department for permits to open highways, or from other sources, the
24 disposition of which is not otherwise designated by law. After payment from ~~said~~
25 ~~General~~ the Highway Fund of such sums for interest and retirement as are necessary to
26 meet the provisions of bond issues for state highway and bridge construction, the
27 remainder of ~~said~~ the fund ~~shall~~ must be segregated, apportioned and expended as
28 provided by the Legislature.'

29 Amend the bill by striking out all of sections 2 and 3.

30 Amend the bill by striking out all of sections 5 and 6.

31 Amend the bill by striking out all of sections 10 to 13.

32 Amend the bill by striking out all of section 15 and inserting the following:

33 'Sec. 15. 36 MRSA §2903, sub-§1, as amended by PL 2011, c. 240, §24, is
34 further amended to read:

1 **1. Excise tax imposed.** Beginning July 1, 2008 and ending June 30, 2009, an excise
 2 tax is imposed on internal combustion engine fuel used or sold in this State, including
 3 sales to the State or a political subdivision of the State, at the rate of 28.4¢ per gallon,
 4 except that the rate is 3.4¢ per gallon on internal combustion engine fuel bought or used
 5 for the purpose of propelling jet or turbojet engine aircraft. Beginning July 1, 2009 and
 6 ending December 31, 2018, an excise tax is imposed on internal combustion engine fuel
 7 used or sold in this State, including sales to the State or a political subdivision of the
 8 State, at the rate of 29.5¢ per gallon, except that the rate is 3.4¢ per gallon on internal
 9 combustion engine fuel bought or used for the purpose of propelling jet engine aircraft.
 10 ~~The tax rate provided by this subsection except the rate of tax imposed on fuel bought or~~
 11 ~~used for the purpose of propelling jet engine aircraft is subject to an annual inflation~~
 12 ~~adjustment pursuant to section 3321~~ Beginning January 1, 2019 and ending December 31,
 13 2019, an excise tax is imposed on internal combustion engine fuel used or sold in this
 14 State, including sales to the State or a political subdivision of the State, at the rate of
 15 32.5¢ per gallon, except that the rate is 3.4¢ per gallon on internal combustion engine fuel
 16 bought or used for the purpose of propelling jet engine aircraft. Beginning January 1,
 17 2020, an excise tax is imposed on internal combustion engine fuel used or sold in this
 18 State, including sales to the State or a political subdivision of the State, at the rate of
 19 35.5¢ per gallon, except that the rate is 3.4¢ per gallon on internal combustion engine fuel
 20 bought or used for the purpose of propelling jet engine aircraft. Any fuel containing at
 21 least 10% internal combustion engine fuel is subject to the tax imposed by this section.

22 **Sec. 16. Appropriations and allocations.** The following appropriations and
 23 allocations are made.

24 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**
 25 **Revenue Services, Bureau of 0002**

26 Initiative: Provides funding for one Tax Examiner position and related costs to review
 27 and process sales tax returns with transportation-related items.

28	GENERAL FUND	2017-18	2018-19
29	POSITIONS - LEGISLATIVE COUNT	0.000	1.000
30	Personal Services	\$0	\$88,558
31	All Other	\$0	\$36,000
32			
33	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$124,558</u>

34	ADMINISTRATIVE AND FINANCIAL		
35	SERVICES, DEPARTMENT OF		
36	DEPARTMENT TOTALS	2017-18	2018-19
37			
38	GENERAL FUND	\$0	\$124,558
39			
40	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$124,558</u>

ROFS

COMMITTEE AMENDMENT "A" to H.P. 812, L.D. 1149

1

SECRETARY OF STATE, DEPARTMENT OF

2

Administration - Motor Vehicles 0077

3

Initiative: Provides a one-time allocation for programming changes.

4

HIGHWAY FUND

2017-18

2018-19

5

All Other

\$0

\$54,790

6

7

HIGHWAY FUND TOTAL

\$0

\$54,790

8

SECRETARY OF STATE, DEPARTMENT OF

9

DEPARTMENT TOTALS

2017-18

2018-19

10

11

HIGHWAY FUND

\$0

\$54,790

12

13

DEPARTMENT TOTAL - ALL FUNDS

\$0

\$54,790

14

SECTION TOTALS

2017-18

2018-19

15

16

GENERAL FUND

\$0

\$124,558

17

HIGHWAY FUND

\$0

\$54,790

18

19

SECTION TOTAL - ALL FUNDS

\$0

\$179,348

20

21

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

22

23

SUMMARY

24

This amendment removes the provisions in the bill that impose a surcharge on the registration of hybrid motor vehicles, battery-electric motor vehicles and hydrogen fuel cell motor vehicles.

25

26

27

The amendment removes certain examination fee increases for driver's licenses since these fees were increased in the Highway Fund budget bill, Public Law 2017, chapter 283.

28

29

30

The amendment removes certain fee increases for a nondriver identification card, a duplicate nondriver identification card and a duplicate registration certificate.

31

32

The amendment removes tax increases imposed on motor vehicle fuel by 7¢ per gallon, from 29.5¢ per gallon to 36.5¢ per gallon, beginning October 1, 2017. Instead,

33

ROFS

COMMITTEE AMENDMENT "A" to H.P. 812, L.D. 1149

1 the amendment proposes to increase the tax on motor vehicle fuel by 3¢ per gallon, from
2 29.5¢ per gallon to 32.5¢ per gallon, beginning January 1, 2019 and by another 3¢ per
3 gallon, from 32.5¢ per gallon to 35.5¢ per gallon, beginning January 1, 2020.

4

FISCAL NOTE REQUIRED

5

(See attached)

COMMITTEE AMENDMENT



128th MAINE LEGISLATURE

LD 1149

LR 862(02)

An Act To Provide Revenue To Fix and Rebuild Maine's Infrastructure

Fiscal Note for Bill as Amended by Committee Amendment *A(H-682)*

Committee: Transportation

Fiscal Note Required: Yes

Fiscal Note

	FY 2017-18	FY 2018-19	Projections FY 2019-20	Projections FY 2020-21
Net Cost (Savings)				
General Fund	\$0	\$20,448,470	\$27,395,217	\$29,346,006
Highway Fund	\$0	(\$24,040,441)	(\$38,034,904)	(\$46,206,162)
Appropriations/Allocations				
General Fund	\$0	\$124,558	\$110,362	\$116,362
Highway Fund	\$0	\$54,790	\$0	\$0
Revenue				
General Fund	\$0	(\$20,323,912)	(\$27,284,855)	(\$29,229,644)
Highway Fund	\$0	\$24,095,231	\$38,034,904	\$46,206,162
Other Special Revenue Funds	\$0	\$261,230	\$580,393	\$1,247,566

Fiscal Detail and Notes

This legislation increases several motor vehicle fees, transfers 10% of the sales tax on transportation-related items from the General Fund to the Highway Fund and increases the gasoline tax from 29.5¢ per gallon to 32.5¢ effective January 1, 2019 and to 35.5¢ effective January 1, 2020. These provisions would increase Highway Fund revenue by \$24,095,231 in fiscal year 2018-19 and reduce General Fund revenue by \$20,323,912 in fiscal year 2018-19. The increases to the gasoline tax will also increase Other Special Revenue Funds to the Departments of Agriculture, Conservation and Forestry, Inland Fisheries and Wildlife, Marine Resources and the Maine Municipal Bond Bank by \$261,230 in fiscal year 2018-19.

The bill includes a General Fund appropriation to the Department of Administrative and Financial Services of \$124,558 in fiscal year 2018-19 for one Tax Examiner position and related programming costs to review and process sales tax returns with transportation-related items. It also includes a one-time Highway Fund allocation to the Department of Secretary of State of \$54,790 for programming costs.