MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1435

H.P. 1045

House of Representatives, March 28, 2019

Resolve, Directing the Joint Standing Committee on Transportation To Study Transportation Funding Reform

(EMERGENCY)

Reference to the Committee on Transportation suggested and ordered printed.

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative McLEAN of Gorham.

2	become effective until 90 days after adjournment unless enacted as emergencies; and
3 4	Whereas, adequate, sustainable and predictable transportation funding is critical to the safety and economic well-being of all Maine citizens; and
5 6	Whereas, funding for transportation infrastructure in Maine and the nation is seriously deficient; and
7 8 9	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
10 11	Whereas, the shortfall of capital funding related to Maine's multimodal system of ports, rail and other modes of transportation is substantial; and
12 13 14 15	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
16 17 18	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
19	Whereas, fuel prices are relatively low but surely will rise in the years ahead; and
20 21 22 23	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
24 25 26	Whereas, through years of capital planning, prioritization and efficiency initiatives the Department of Transportation has proven that it uses funding efficiently and effectively; and
27 28 29	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
30 31	Whereas, other states are finding transportation funding solutions and the State has an obligation to all its citizens to seek solutions now; and
32 33 34	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. 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.
- **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.
- **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 under section 4. At least 2 meetings must allow public comment.
- **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;
- 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 align these fees 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.
- **Sec. 5. Cooperation. Resolved:** That the Commissioner of Transportation shall provide information and data to the committee as necessary for its work.
- **Sec. 6. Staff assistance. Resolved:** That the Legislative Council shall provide necessary staffing services to the committee.
- **Sec. 7. Report. Resolved:** That, no later than December 4, 2019, the committee shall submit a report that includes its findings and recommendations, including suggested legislation, for presentation to the Second Regular Session of the 129th Legislature. The committee may submit legislation to the Second Regular Session of the 129th Legislature related to the report.
- **Sec. 8. Funding. Resolved:** 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.

26 SUMMARY

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This resolve directs the Joint Standing Committee on Transportation to 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 committee is authorized to meet for this purpose up to 4 times when the Legislature is not in session, and the committee's report must be submitted by December 4, 2019. The committee may submit legislation to the Second Regular Session of the 129th Legislature relating to the subject matter of the report.