

MAINE STATE LEGISLATURE

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Date: 3/20/24

MINORITY
TRANSPORTATION

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STATE OF MAINE
SENATE
132ND LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 704, L.D. 1804, "An Act Concerning Funding and Oversight of Transportation Matters"

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

'Sec. 1. 3 MRSA §521, as enacted by PL 1981, c. 702, Pt. S, is repealed and the following enacted in its place:

§521. Committees

1. Oversight of financial matters. The joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs is authorized to provide oversight of financial matters, excluding financial matters described in subsection 2 or those items over which the Legislative Council has statutory authority.

2. Oversight of Highway Fund. The joint standing committee of the Legislature having jurisdiction over transportation matters is authorized to provide oversight of financial matters related to the Highway Fund, including all allocations and subdivisions of an allocation from the Highway Fund and excluding those items over which the Legislative Council has statutory authority.

Sec. 2. 3 MRSA §522, as amended by PL 1997, c. 24, Pt. DD, §1, is further amended to read:

§522. Purpose and powers

The joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs, referred to in this section as "the committee," shall oversee the transfer of funds in accordance with Title 5, section 1585, the transfer of funds in accordance with any other provision of law, block grant changes in accordance with Title 5, section 1670 and any other related fiscal matters, except that the committee may not oversee any financial matters that are overseen by the joint standing committee of the Legislature having jurisdiction over transportation matters pursuant to section 522-C. The committee shall also review all other financial orders that have been submitted to the Office of Fiscal and Program Review since the last meeting, except for those financial orders reviewed by

COMMITTEE AMENDMENT

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COMMITTEE AMENDMENT "A" to S.P. 704, L.D. 1804 (S.S. 67)

1 the joint standing committee of the Legislature having jurisdiction over transportation
2 matters pursuant to section 522-C. The committee may meet monthly or as often as is
3 determined necessary by the chairs.'

4 Amend the bill in section 2 in §522-C in the first indented paragraph in the 3rd line
5 (page 1, line 20 in L.D.) by inserting after the following: "changes" the following:
6 'pertaining to transportation matters'

7 Amend the bill in section 2 in §522-C in the first indented paragraph in the 5th line
8 (page 1, line 22 in L.D.) by striking out the following: "or" and inserting the following: ';

9 Amend the bill in section 2 in §522-C in the first indented paragraph in the 5th line
10 (page 1, line 22 in L.D.) by inserting after the following: "Vehicles" the following: '; and
11 the Department of Public Safety, Bureau of Highway Safety and Bureau of State Police
12 pursuant to Title 23, section 1653, subsections 2-A and 2-B'

13 Amend the bill by striking out all of section 3 and inserting the following:

14 'Sec. 3. 5 MRSA §1585, sub-§1, as amended by PL 2009, c. 291, §1, is further
15 amended to read:

16 1. **Transfer procedures.** Any balance of any appropriation or subdivision of an
17 appropriation made by the Legislature for any state department or agency, except for those
18 balances transferred in accordance with Title 23, section 1652, which at any time may not
19 be required for the purpose named in such appropriations or subdivision, may be transferred
20 at any time prior to the closing of the books to any other appropriation or subdivision of an
21 appropriation made by the Legislature for the use of the same department or agency for the
22 same fiscal year subject to review by the joint standing committee of the Legislature having
23 jurisdiction over appropriations and financial affairs. Financial orders describing such
24 transfers must be submitted by the Bureau of the Budget to the Office of Fiscal and Program
25 Review 30 days before the transfer is to be implemented. In case of extraordinary
26 emergency transfers, the 30-day prior submission requirement may be waived by vote of
27 the committee. Positions, or funding for those positions, that are currently funded with
28 federal or other funds may not be transferred by financial order to the General Fund.
29 Financial orders proposing to transfer 4th or 3rd quarter allotments to the 3rd, 2nd or 1st
30 quarters that result from trends that will cause financial commitments to exceed current
31 appropriations or allocations are subject to the provisions of this section. The Department
32 of Health and Human Services is authorized to transfer funds within the TANF program
33 account to the ASPIRE-TANF program account as often as necessary in order to support
34 and assist participants in obtaining or retaining employment during the fiscal year. In
35 making a transfer of TANF program funds to the ASPIRE-TANF program account, the
36 department does not need to submit a financial order to the committee in advance of the
37 transfer. For purposes of this subsection, "TANF" and "ASPIRE-TANF program" have the
38 same meaning as in Title 22, section 3762, subsection 1, paragraph E and Title 22, section
39 3781-A, subsection 1, respectively.

40 Sec. 4. 5 MRSA §1664-A is enacted to read:

41 §1664-A. Baseline Highway Fund expenditure and appropriation requirements for
42 capital

43 Beginning July 1, 2027, the baseline expenditure and appropriation requirements,
44 submitted to the State Budget Officer pursuant to section 1665, for capital expenditures in

COMMITTEE AMENDMENT

1 the Department of Transportation, Highway and Bridge Capital; Highway Light Capital;
2 and Multimodal Transportation Fund programs must be no less than:

3 1. Highway and Bridge Capital program. For the Department of Transportation,
4 Highway and Bridge Capital program, \$150,000,000;

5 2. Highway Light Capital program. For the Department of Transportation, Highway
6 Light Capital program, \$20,000,000; and

7 3. Multimodal Transportation Fund program. For the Department of
8 Transportation, Multimodal Transportation Fund program, \$30,000,000.

9 Beginning in 2030 and in every even-numbered year thereafter, on or before September
10 1st, the State Budget Officer shall adjust the baseline expenditure requirements outlined in
11 this section by the percentage change in the Consumer Price Index, as defined in section
12 17001, subsection 9, from the 2 complete calendar years preceding the biennial budget.'

13 Amend the bill by inserting after section 4 the following:

14 'Sec. 5. 23 MRSA c. 19, sub-c. 4, headnote is amended to read:

15 SUBCHAPTER 4

16 GENERAL HIGHWAY FUND'

17 Amend the bill in section 6 in §1653 by inserting after subsection 2 the following:

18 '2-A. State police. Beginning July 1, 2027, for the Department of Public Safety,
19 Bureau of State Police for the purposes described in Title 25, section 1509-B, subsection
20 2;

21 2-B. Highway safety. Beginning July 1, 2027, for the administration of the
22 Department of Public Safety, Bureau of Highway Safety;'

23 Amend the bill in section 6 in §1653 in subsection 5 in the first line (page 3, line 18 in
24 L.D.) by striking out the following: "said tax" and inserting the following: 'said tax the tax
25 described in subsection 4'

26 Amend the bill in section 6 in §1653 in subsection 8 in the first line (page 3, line 22 in
27 L.D.) by striking out the following: "Pursuant to" and inserting the following: 'Subject to
28 the limitations in'

29 Amend the bill by striking out all of section 7.

30 Amend the bill in section 8 in §1984 in the first indented paragraph in the first line
31 (page 4, line 10 in L.D.) by striking out the following: "2026" and inserting the following:
32 '2028'

33 Amend the bill in section 9 in §4241 in subsection 1 in the 2nd line (page 4, line 22 in
34 L.D.) by inserting after the following: "including" the following: 'public'

35 Amend the bill in section 10 in §4245 in the first indented paragraph in the first line
36 (page 4, line 37 in L.D.) by striking out the following: "2026" and inserting the following:
37 '2028'

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

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COMMITTEE AMENDMENT "A" to S.P. 704, L.D. 1804 (S. 567)

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1. It excludes financial matters related to the Highway Fund, including transfers of allocations from the Highway Fund, from oversight by the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs.

2. It clarifies that use of the Highway Fund for the multimodal transportation fund is subject to limitations provided in the Constitution of Maine, Article IX, Section 19.

3. It removes provisions of the bill that require allocations from the Highway Fund to meet minimum funding levels for construction and maintenance of highway bridges, lights and multimodal transportation and replaces those provisions with language that establishes, beginning July 1, 2027, baseline expenditure requirements to be used for capital in the Department of Transportation, Highway and Bridge Capital; Highway Light Capital; and Multimodal Transportation Fund programs.

4. It requires, beginning in fiscal year 2030-31, the State Budget Officer to adjust the baseline for the Highway and Bridge Capital, Highway Light Capital and Multimodal Transportation Fund programs in the Department of Transportation by the percentage change in the Consumer Price Index from the 2 complete calendar years preceding the biennial budget on or before September 1st of each even-numbered year.

5. It requires that, beginning in fiscal year 2027-28, state funding for the Department of Public Safety, Bureau of State Police is no longer divided to require 35% from the Highway Fund and 65% from the General Fund, but instead requires that certain functions of the bureau be funded by the Highway Fund and certain other functions be funded by the General Fund.

6. It clarifies that, beginning July 1, 2027, the Highway Fund may be used to fund the administration of the Department of Public Safety, Bureau of State Police for certain specified purposes only. It also provides that the Highway Fund may be used to fund the Department of Public Safety, Bureau of Highway Safety.

7. It modifies language in the bill that amends the Maine Revised Statutes, Title 36, section 1821 by increasing from 60% to 100% the percentage of revenue from automobile-related sales and use taxes that must be transferred from the General Fund to the Highway Fund beginning July 1, 2027.

FISCAL NOTE REQUIRED
(See attached)



132nd MAINE LEGISLATURE

LD 1804

LR 1627(02)

An Act Concerning Funding and Oversight of Transportation Matters

Fiscal Note for Bill as Amended by Committee Amendment "A" (S. 507)
 Committee: Transportation
 Fiscal Note Required: Yes

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$0	\$0	\$157,657,264	\$158,575,609
Highway Fund	\$0	\$0	(\$117,664,751)	(\$118,583,096)
Appropriations/Allocations				
General Fund	\$0	\$0	\$34,873,115	\$35,791,460
Highway Fund	\$0	\$0	(\$34,873,115)	(\$35,791,460)
Revenue				
General Fund	\$0	\$0	(\$122,784,149)	(\$122,784,149)
Highway Fund	\$0	\$0	\$82,791,636	\$82,791,636
Other Special Revenue Funds	\$0	\$0	\$39,992,513	\$39,992,513

Fiscal Detail and Notes

Under current law, revenue from the contract for wholesale spirits activities and marketing is distributed with the first \$7,000,000 deposited into the General Fund and the remaining revenue, currently estimated at \$59,000,000 annually, deposited into the Highway Fund.

This bill repeals that distribution and directs that all proceeds from the contract be deposited into the General Fund. This change would result in the removal of \$7,000,000 in revenue from the General Fund and approximately \$59,000,000 in revenue from the Highway Fund. Instead, all contract revenue, approximately \$66,000,000 annually, would be deposited into the General Fund.

Additionally, the bill increases the percentage of auto sales tax revenue transferred from the General Fund to the Highway Fund from 40% to 100% beginning in fiscal year 2027-28.

The net effect of these changes is an annual General Fund revenue decrease of \$122,784,149 with a corresponding annual Highway Fund revenue increase of \$82,791,636 beginning in fiscal year 2027-28.

Beginning in fiscal year 2027-28, the bill transfers funding for the State Police and State Police - Support programs from the Highway Fund to the General Fund. In fiscal year 2027-28, the Department of Public Safety would see an increase in General Fund appropriations of \$34,873,115 with a corresponding decrease in Highway Fund allocations.