

# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED BY THE**

**ONE HUNDRED AND NINETEENTH LEGISLATURE**

**FIRST REGULAR SESSION**  
**December 2, 1998 to June 19, 1999**

**THE GENERAL EFFECTIVE DATE FOR**  
**FIRST REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**SEPTEMBER 18, 1999**

**PUBLISHED BY THE REVISOR OF STATUTES**  
**IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,**  
**TITLE 3, SECTION 163-A, SUBSECTION 4.**

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**J.S. McCarthy Company**  
**Augusta, Maine**  
**1999**

tary of State may issue a permit to a specific truck tractor. The fee is \$80 for one year or \$140 for 2 years. The permittee may use the truck tractor to draw any semi-trailer subject to this subsection. The Secretary of State shall issue an identification decal of such size and design as the Secretary of State prescribes that must be permanently affixed to the exterior of the truck tractor.

**Sec. 27. 29-A MRSA §2401, sub-§5-A**, as enacted by PL 1995, c. 368, Pt. AAA, §5, is repealed.

**Sec. 28. 29-A MRSA §2412-A, sub-§1, ¶E**, as enacted by PL 1995, c. 368, Pt. AAA, §12, is amended to read:

E. Has failed to answer, pay a fine or to appear in court pursuant to a notice or order specified in section 2605 or 2608.

**Sec. 29. 29-A MRSA §2412-A, sub-§6**, as enacted by PL 1995, c. 368, Pt. AAA, §12, is repealed.

**Sec. 30. 29-A MRSA §2507**, as amended by PL 1997, c. 437, §45, is repealed.

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

Effective June 10, 1999.

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**CHAPTER 471**

**H.P. 306 - L.D. 422**

**An Act to Amend the Laws  
Regarding when A Merchant Must  
Remit Sales Tax**

**Be it enacted by the People of the State of  
Maine as follows:**

**Sec. 1. 36 MRSA §1951-A, sub-§2**, as amended by PL 1993, c. 395, §16, is repealed.

See title page for effective date.

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**CHAPTER 472**

**H.P. 1443 - L.D. 2064**

**An Act to Increase Load Weight on  
Farm Vehicles**

**Be it enacted by the People of the State of  
Maine as follows:**

**Sec. 1. 29-A MRSA §505, sub-§2, ¶¶R to  
U** are enacted to read:

R. For gross weight from 54,001 to 58,000  
pounds, the fee is \$378.

S. For gross weight from 58,001 to 62,000  
pounds, the fee is \$401.

T. For gross weight from 62,001 to 66,000  
pounds, the fee is \$446.

U. For gross weight from 66,001 to 69,000  
pounds, the fee is \$467.

**Sec. 2. 29-A MRSA §505, sub-§3**, as enacted by PL 1993, c. 683, Pt. A, §2 and affected by Pt. B, §5, is amended to read:

**3. Maximum weight.** The maximum registered weight of a farm truck is ~~54,000~~ 69,000 pounds, including product. The fine for exceeding the registered gross weight of a farm truck is the difference between the fee for a farm truck and a commercially registered truck or truck tractor within the category of the actual weight at the time of the violation.

**Sec. 3. 29-A MRSA §2353, sub-§7** is enacted to read:

**7. Exemption; farm vehicles transporting potatoes.** A farm vehicle transporting potatoes from the field to a storage or processing facility during the potato harvesting season is exempt from the axle weight limits and axle weight tolerance restrictions imposed by this chapter, except for the weight limits imposed under section 2355. To be eligible for this exemption, the farm vehicle must be in compliance with the gross weight limits established in this chapter and must have at least 8,000 pounds on the steering axle. This exemption does not apply on the Interstate Highway System, including that portion designated as the Maine Turnpike.

See title page for effective date.

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**CHAPTER 473**

**H.P. 690 - L.D. 957**

**An Act to Make Supplemental  
Allocations from the Highway Fund  
for the Fiscal Years Ending June 30,  
2000 and June 30, 2001**

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

**Whereas,** the 90-day period may not terminate until after the beginning of the next fiscal year; and

**Whereas,** certain obligations and expenses incident to the operation of state departments and institutions will become due and payable immediately after July 1, 1999; 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 enacted by the People of the State of Maine as follows:**

**PART A**

**Sec. A-1. Allocation.** The following funds are allocated from the Highway Fund for the fiscal years ending June 30, 2000 and June 30, 2001 to carry out the purposes of this Part.

	1999-00	2000-01
<b>ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF</b>		
<b>Salary Plan</b>		
Personal Services	\$481,948	
Provides for the allocation of funds for the salary plan.		
<b>DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES</b>		
<b>TOTAL</b>	481,948	
<b>PUBLIC SAFETY, DEPARTMENT OF</b>		
<b>State Police</b>		
All Other	(90,000)	(12,000)
Deallocates funds allocated in Public Law 1999, chapter 152 for the purchase of fleet management system software and maintenance.		

<b>DEPARTMENT OF PUBLIC SAFETY</b>	(90,000)	(12,000)
<b>TOTAL</b>		
<b>TRANSPORTATION, DEPARTMENT OF</b>		
<b>Highway and Bridge Improvement</b>		
Capital Expenditures	4,000,000	4,642,069
Provides for the allocation of funds to meet current services needs.		
<b>Highway Maintenance</b>		
Capital Expenditures	1,045,000	1,455,000
Provides for the allocation of funds for the replacement of state-owned sand and salt storage buildings.		
<b>Highway Maintenance</b>		
All Other	200,000	800,000
Capital Expenditures	(200,000)	(800,000)
<b>TOTAL</b>	0	0
Provides for the deallocation of Capital Expenditures funding for the construction of state-owned sand and salt facilities and the allocation of All Other funding for the municipal sand and salt cost-sharing program.		
<b>Urban-Rural Initiative Program</b>		
All Other	22,150,000	23,000,000
Provides for the allocation of funds to restore current services funding to the Local Road Assistance program and to augment the new Urban-Rural Initiative program.		
<b>DEPARTMENT OF TRANSPORTATION</b>		
<b>TOTAL</b>	27,195,000	29,097,069
<b>TOTAL ALLOCATIONS</b>	\$27,586,948	\$29,085,069

**PART B**

**Sec. B-1. 36 MRSA §2903, sub-§1**, as repealed and replaced by PL 1997, c. 738, §2, is amended to read:

**1. Excise tax imposed.** An excise tax is imposed on internal combustion engine fuel used or sold within this State, including sales to the State or a political subdivision of the State, at the rate of ~~19¢~~ 22¢ per gallon, except that the rate is 3.4¢ per gallon on internal combustion engine fuel, as defined in section 2902, bought or used for the purpose of propelling jet or turbojet engine aircraft.

**Sec. B-2. 36 MRSA §2903, sub-§1-B** is enacted to read:

**1-B. Inventory tax.** All internal combustion fuel on which the 19¢ per gallon tax rate in effect prior to August 1, 1999 has been imposed pursuant to subsection 1 that is held in inventory by a distributor or retail dealer as of the close of July 31, 1999 is subject to an inventory tax of 3¢ per gallon. Distributors and retail dealers holding such tax-paid inventory shall make payment of the inventory tax to the State Tax Assessor by September 15, 1999 accompanied by a form prescribed by the assessor.

**Sec. B-3. 36 MRSA §3203, sub-§1**, as enacted by PL 1997, c. 738, §10, is amended to read:

**1. Generally.** Except as provided in section 3204-A, an excise tax is levied and imposed on all suppliers of special fuel sold and on all users of special fuel used in this State for each gallon of distillate at the rate of ~~20¢~~ 23¢ per gallon and for each gallon of low-energy fuel at the rate of ~~18¢~~ 21¢ per gallon.

**Sec. B-4. 36 MRSA §3203-B** is enacted to read:

**§3203-B. Inventory tax**

All special fuel on which the 20¢ per gallon tax rate in effect prior to August 1, 1999 has been imposed pursuant to section 3203, subsection 1 that is held in inventory by a distributor or retail dealer as of the close of July 31, 1999 is subject to an inventory tax of 3¢ per gallon. Distributors and retail dealers holding such tax-paid inventory shall make payment of the inventory tax to the State Tax Assessor by September 15, 1999 accompanied by a form prescribed by the assessor.

**Sec. B-5. Application.** Those sections of this Part that amend the Maine Revised Statutes, Title 36, section 2903, subsection 1 and section 3203, subsection 1 apply to transactions involving internal

combustion fuel used or sold on or after August 1, 1999.

**PART C**

**Sec. C-1. 23 MRSA §704, first ¶**, as amended by PL 1971, c. 593, §22, is further amended to read:

~~It shall be~~ is unlawful to construct or maintain any driveway, entrance or approach within the right-of-way of any state or state aid highway ~~which that~~ lies outside of the compact or built-up section, so called area of an urban compact municipality, as defined in section 754, without a written permit from the department, or if within the compact or built-up section, so-called area, without a written permit from the proper town officials, and such the right-of-way ~~shall be deemed~~ is considered the full width of the right-of-way as laid out by the State, county or the town. The department is directed and towns are authorized ~~and directed~~ to make such rules and regulations as to design, location and construction of driveways, entrances and approaches on ~~said those~~ those highways as will adequately protect and promote the safety of the traveling public, but the department and the towns ~~shall in no case may not~~ may not deny reasonable ingress ~~to~~ and egress ~~to~~ from property abutting the highway except on limited access highways. ~~No~~ A permit ~~shall be~~ is not required for any existing driveway, entrance or approach unless the grade or location of the same is changed, but if any driveway, entrance or approach is changed in location or grade or improved, a permit ~~shall be~~ is required. If any existing driveway, entrance or approach is changed in degree or kind of use, a permit ~~shall be~~ is required.

**Sec. C-2. 23 MRSA §705**, as repealed and replaced by PL 1989, c. 46, §1, is amended to read:

**§705. Culverts**

The Department of Transportation ~~shall be~~ is responsible for administering the placement of culverts within the right-of-way on improved state and state aid highways lying outside the compact ~~section, or within the compact section of a municipality having a population of less than 6,000~~ area of an urban compact municipality as defined in section 754. Whenever When an abutter wants an entrance to be constructed on these highways, the abutter shall petition the department for a permit as provided under section 704. Should a permit be issued and a culvert is required, the abutter shall provide, at the abutter's expense, a culvert satisfactory to the department, which the department shall install and ~~thereafter~~ maintain.

For locations on town ways and on state and state aid highways within the compact area of a an urban compact municipality ~~having a population of~~

~~6,000 and over~~ pursuant to section 754, the municipality ~~shall~~ must be petitioned by the abutter pursuant to section 704. Should a permit be issued, the abutter shall provide, at the abutter's expense, a culvert satisfactory to the municipality, which the municipality shall install and ~~thereafter~~ maintain.

**Sec. C-3. 23 MRSA §754**, as amended by PL 1997, c. 539, §1 and affected by §2, is repealed and the following enacted in its place:

**§754. Town maintenance in compact areas**

**1. Jurisdiction.** Except as otherwise provided, all state and state aid highways within compact areas of urban compact municipalities, as defined in subsection 2, as determined by the department must be maintained in good repair by the town in which the highways are located at the expense of the town. Municipalities must be notified one year in advance of changes in compact or built-up sections that place additional maintenance responsibilities on the municipalities. Municipalities may waive the requirement of the one-year notice. When any town neglects to maintain the highways within 14 days after notice given its municipal officers by the department, the department may proceed to make necessary repairs to that way, which must be paid for by the State and the cost for the repairs must be withheld from funds due the town under the Urban-Rural Initiative Program, established in chapter 19, subchapter VI. The amounts collected from these towns must be added to the fund for maintenance of state and state aid highways.

**2. Urban compact municipalities and compact areas; opt-out provision.** Urban compact municipalities and compact areas are defined as follows and may opt out in accordance with this subsection.

A. Compact areas are compact or built-up sections as defined in section 2 and include intermittent compact sections separated by short intervals that are not compact. The department may exclude from the compact area controlled access highways within compact sections. Compact areas may be designated only in urban compact municipalities. Compact areas on local roads, for the purposes of calculation of distributions pursuant to chapter 19, subchapter VI, are those road segments in urban compact municipalities lying within compact areas as documented by the department as of January 1, 1999.

B. Urban compact municipalities are those in which the population according to the last United States census exceeds 7,500 inhabitants. Urban compact municipalities are also those in which the population according to the last United States census is less than 7,500 inhabitants but more than 2,499 inhabitants, and in which the ratio of

people whose place of employment is in a given municipality to employed people residing in that same municipality according to the last United States census is 1.0 or greater, and when the municipality has not exercised the opt-out provision of this section.

**C. Municipalities may opt out as provided in this paragraph.**

(1) Any municipality with a population less than 7,500 according to the most recent United States census and otherwise eligible to be an urban compact municipality, and with no compact area summer maintenance responsibilities as of January 1, 1999, may opt not to be an urban compact municipality and not to have a compact area, within one year of the effective date of this subparagraph, or within 6 months of notification under this section. A municipality that has made a decision to opt out may at a later date opt to become an urban compact municipality. A municipality that does not opt out may not at a later date do so, until or unless an intervening United States census makes the municipality ineligible under paragraph B. A municipality may not opt out of maintenance jurisdiction over roads upon an expansion of an established compact area. A municipality that is an urban compact municipality during one census period but does not meet the criteria of this section according to the subsequent United States census may continue to be an urban compact municipality.

(2) Any municipality eligible to be an urban compact municipality, that has compact area state highway winter maintenance responsibilities on January 1, 1999, and that has opted out of summer maintenance responsibilities shall continue winter maintenance responsibilities on compact areas of state highways. Any municipality eligible to be an urban compact municipality and that has no compact area state highway winter maintenance responsibilities on January 1, 1999, and that has opted out of summer maintenance responsibilities, may choose to undertake winter maintenance responsibilities on compact areas of state highways. In any case, the department and the municipality may negotiate winter maintenance responsibilities based on the most cost-effective routes and schedules for winter maintenance activities. These municipalities may not be urban compact municipalities, but must be reimbursed for winter maintenance on state highways pur-

suant to section 1803-B, subsection 1, paragraph B, subparagraph (1). Municipalities reimbursed for winter maintenance under this paragraph are not also eligible for reimbursement for those same highway segments based on any other provision of law.

**3. Good condition upon transfer.** When the responsibility for maintenance of a section of state or state aid highway is to be transferred to a municipality as a result of population growth, and when the municipality is not eligible to opt out of summer maintenance pursuant to subsection 2, paragraph C, the department shall prepare a capital and maintenance plan to ensure that the section of state or state aid highway is in good repair at the time of transfer. The plan must be developed in consultation with the affected municipality. For the purpose of this subsection, "good repair" means actions intended to reasonably avoid nonroutine maintenance activities for a minimum of 10 years and includes consideration of ditching, culverts, major structural defects and pavement condition ratings of 3.3 or higher as determined by the department. This subsection applies to a municipality that has previously opted out of summer maintenance pursuant to subsection 2, paragraph C at such point as population growth makes the municipality ineligible to opt out.

**Sec. C-4. 23 MRSA §802**, as amended by PL 1981, c. 492, Pt. C, §7, is further amended to read:

#### **§802. Maintenance by State**

State aid highways ~~shall~~ must be continually maintained under the direction and control of the department at the expense of the State except as provided in section 754 and 1003.

**Sec. C-5. 23 MRSA §1001, 4th ¶**, as amended by PL 1981, c. 588, §2, is repealed and the following enacted in its place:

The maintenance provisions of this section and sections 705, 751, 1003 and 1005-A do not apply to compact areas of urban compact municipalities as defined in section 754.

### **PART D**

**Sec. D-1. 23 MRSA §1801**, as enacted by PL 1981, c. 492, Pt. C, §26, is repealed and the following enacted in its place:

#### **§1801. Findings and purpose**

Municipal transportation assistance funds must be targeted to the capital needs of rural roads and highways and must also reflect urban maintenance responsibilities on state and state aid roadways.

Municipal transportation assistance funds must be adjusted according to increases or decreases in Highway Fund resources available for transportation.

Responsibility for decisions regarding maintenance and improvement of roads must follow the principle that roads that primarily serve regional or statewide needs must be the State's responsibility, roads that primarily serve local needs must be a local responsibility and roads that primarily serve as minor collector routes may be improved through a partnership between municipalities and the State.

The Legislature recognizes that without municipal participation the State has few resources to make necessary capital improvements to state aid minor collector highways.

The purpose of the Urban-Rural Initiative Program established in this subchapter is to provide equitable financial assistance to communities for their use in improving local roads, maintaining state roads in urban compact areas and assisting the State in making capital improvements to state aid minor collector highways.

In order to meet the purposes set out in this section, the Urban-Rural Initiative Program has a Rural Road Initiative and an Urban Compact Initiative as components.

**Sec. D-2. 23 MRSA §1802-A, sub-§1**, as amended by PL 1995, c. 678, §1 and affected by §7, is repealed.

**Sec. D-3. 23 MRSA §1802-A, sub-§1-A** is enacted to read:

**1-A. Capital improvement.** "Capital improvement" means any work on a road or bridge that has a life expectancy of at least 10 years or restores the load-carrying capacity.

**Sec. D-4. 23 MRSA §1803-B**, as amended by PL 1995, c. 678, §3 and affected by §7, is repealed and the following enacted in its place:

#### **§1803-B. Rural Road Initiative and Urban Compact Initiative**

**1. Distribution and use of funds.** Funds from the Urban-Rural Initiative Program must be distributed to each eligible municipality, county or Indian reservation under the Rural Road Initiative and the Urban Compact Initiative.

A. Rural Road Initiative funds must be distributed as follows.

(1) Funds are distributed at a rate of \$600 per year per lane mile for all rural state aid minor collector roads and all local roads lo-

cated outside urban compact areas as defined in section 754, except that funds are distributed at a rate of \$300 per year per lane mile for all seasonal town ways.

(2) Effective July 1, 2000, funds must be used for capital improvements as defined by this chapter, or for capital improvements to state aid minor collector roads as described in subsection 4. Prior to July 1, 2000, funds may be used only for the maintenance and improvement of public roads.

B. Urban Compact Initiative funds must be distributed as follows.

(1) Funds are distributed at a rate of \$2,500 per year per lane mile for summer maintenance performed by municipalities on state and state aid highways in compact areas as defined in section 754. For each lane mile beyond the 2nd lane on a highway with more than 2 lanes, funds are reimbursed at a rate of \$1,250 per lane mile for summer maintenance in compact areas. Funds are distributed at a rate of \$1,700 per year per lane mile for winter maintenance performed by municipalities on state highways in compact areas as defined in sections 754 and 1001 regardless of the number of lanes.

(2) Funds must be used only for the maintenance or improvement of public roads.

C. The Urban-Rural Initiative Program payment defined as the combined Urban Compact Initiative and Rural Road Initiative annual payment to any municipality, county, or Indian reservation may not be less than the fiscal year 1999 Local Road Assistance Program payment.

D. Beginning July 1, 2001, the annual funding dedicated for the Urban-Rural Initiative Program must bear the same percentage relationship to the sum of the General Fund and Highway Fund allocation to the department for highway purposes as was provided during fiscal year 2000-01. On July 1, 2001 and every July 1st thereafter, the commissioner shall administratively adjust the base funding and the reimbursement rates per lane mile proportionately according to revenue available.

**2. Retention of allocation for Urban-Rural Initiative Program.** Prior to apportioning funds to each municipality, the department shall retain sufficient funds from the allocation for the Urban-Rural Initiative Program to ensure equitable funds are provided for roads in unorganized areas and for administration.

**3. Payment of funds.** One quarter of the funds apportioned to each municipality must be paid by the State to the municipality before September 1st, December 1st, March 1st and June 1st each year.

**5. State aid minor collector capital projects.** State aid minor collector capital projects as determined by the department are financed with contributions of Rural Road Initiative funds not to exceed 33% of project costs with the remainder provided by the State. Local funds other than Rural Road Initiative funds committed to the projects are matched by state funds at the discretion of the department and at a ratio that may exceed 33% of local funds. If the department is not allocated sufficient funds to match offered municipal funds, then the department must reject or defer any new municipal offers and award matching funds to municipalities with pending offers based on a priority order consistent with an established departmental 6-year plan for state aid minor collector capital projects.

**6. Municipal, county or Indian reservation administration.** Municipalities or counties or Indian reservations may choose to administer rural minor collector capital projects based on mutual agreement guided by policies and procedures adopted by the department. The state share must be available prior to construction or contract. Municipal, county or Indian reservation equipment and material contributions are included as part of the contribution of Rural Road Initiative funds. Project cost overruns or savings are shared by the municipality, county or Indian reservation and the State according to the cost-sharing ratio established in subsection 5. State savings must be used for the purposes of state aid minor collector capital projects within the State. Municipal, county or Indian reservation savings may be used for any purpose allowed pursuant to subsection 1, paragraph A. At the discretion of the municipality, county or Indian reservation, project cost savings including matched state funds may accrue entirely toward additional or expanded minor collector state aid capital projects within that same jurisdiction.

**Sec. D-5. 23 MRSA §1804**, as enacted by PL 1981, c. 492, Pt. C, §26, is amended to read:

**§1804. Municipal, county or Indian reservation requirements**

To be eligible to receive funds from the ~~Local Road Assistance Program~~ Urban-Rural Initiative Program, each municipality, county or Indian reservation shall, prior to August 1st each year, certify in a manner acceptable to the department that the funds will be are used only for the maintenance or improvement of public roads in a manner consistent with this chapter. To be guaranteed to receive state matching funds for any Rural Road Initiative funds



directed to state-aid minor collector capital projects, each municipality, county and Indian reservation, prior to May 1st of each even-numbered year, shall submit a 6-year plan to the department describing the intended state aid minor collector projects to be financed with funds currently available, funds provided over the 6-year period beginning July 1st of the following year and any other funds or financing. The report must include details sufficient to estimate needed state matching funds, and must indicate whether the municipality intends to administer the project. The report also must describe any funds held in reserve for future state aid minor collector projects.

**Sec. D-6. 23 MRSA §1805**, as enacted by PL 1981, c. 492, Pt. C, §26, is repealed.

**Sec. D-7. 23 MRSA §1914, sub-§9**, as amended by PL 1995, c. 390, §2, is further amended to read:

**9. Jurisdiction by local authority in compact areas.** Except as otherwise provided in this chapter, administration of this chapter by the Department of Transportation does not apply to ~~on-premise on-premises~~ advertisements located in compact ~~or built-up sections~~ areas of an urban compact municipality, as defined in section 754, the administration of which is the responsibility of local authority. In compact ~~or built-up~~ areas of an urban compact municipality adjacent to the interstate, the Department of Transportation is responsible for the administration of this section. ~~The "compact or built-up section" of any town or city is the territory contiguous to any highway that is built up with buildings devoted to business or dwelling purposes that are situated less than 200 feet apart for a distance of at least 1/4 of a mile.~~

**Sec. D-8. 35-A MRSA §2502, sub-§1, ¶¶A and B**, as amended by PL 1993, c. 163, §1, are further amended to read:

A. The Department of Transportation, when the public way is a state, state-aid or federal-aid highway, except for state or state-aid highways in the compact areas of urban compact municipalities having a population over 6,000 as defined in Title 23, section 754;

B. The municipal officers or their designees, when the public way is a city street or town way or a state or state-aid highway in the compact areas of urban compact municipalities and having a population over 6,000 as defined in Title 23, section 754; and

**Sec. D-9. 35-A MRSA §2502, sub-§2**, as amended by PL 1993, c. 163, §2, is repealed.

**Sec. D-10. Maine Revised Statutes amended; revision clause.** Wherever in the Maine

Revised Statutes the words "Local Road Assistance Program" appear or reference is made to that program or those words, they are amended to read and mean "Urban-Rural Initiative Program," or "program" and the Revisor of Statutes shall implement this revision when updating, publishing or republishing the statutes.

## PART E

**Sec. E-1. Reports.** The Department of Transportation shall report to the joint standing committee of the Legislature having jurisdiction over transportation matters by January 12, 2001 on matters including but not limited to:

1. Joint state and municipal efforts to address urban capital planning and programming, including the capital condition of urban compact highways; and
2. The nature and extent of municipal participation in state aid minor collector capital projects.

## PART F

**Sec. F-1. Transitional clause.** Disbursements to municipalities during the first quarter of fiscal year 1999-00, beginning July 1, 1999, must be equal to those made during the final quarter of fiscal year 1998-99.

**Sec. F-2. Major collector state aid municipal match.** During the fiscal years ending July 1, 2000, and July 1, 2001, the department shall apply any balance remaining in the Urban-Rural Initiative Program toward payment of municipal debts to the department incurred as a result of planned or executed major collector state aid reconstruction projects, which payments would otherwise be due to the department after September 1, 1999.

## PART G

**Sec. G-1. 29-A MRSA §451, sub-§1-B**, as enacted by PL 1997, c. 776, §7, is amended to read:

**1-B. New dealer plate issue.** The Secretary of State shall provide for a new issue of dealer plates and shall begin issuing the new dealer plates no later than December 31, ~~1999~~ 2000 to all dealers licensed pursuant to chapter 9, subchapter III.

## PART H

**Sec. H-1. Alternative to gas tax; report.** By January 3, 2000 the Commissioner of Administrative and Financial Services, the Commissioner of Transportation, the Commissioner of Public Safety and the Secretary of State shall jointly report to the Joint Standing Committee on Transportation. This report must include an analysis and recommendations about replacing the current fuel taxes authorized in

statute with alternative revenue sources that can provide the Highway Fund with a principal revenue source that would have greater flexibility to provide revenue and that keeps pace with normal inflationary pressures.

**PART I**

**Sec. I-1. Appropriation.** The following funds are appropriated from the General Fund to carry out the purpose of this Part.

	1999-00	2000-01
<b>INLAND FISHERIES AND WILDLIFE, DEPARTMENT OF</b>		
<b>Enforcement Operations</b>		
All Other	\$8,726	\$9,666
Provides for the appropriation of funds for snowmobile enforcement costs.		

**PART J**

**Sec. J-1. 29-A MRSA §526** is enacted to read:

**§526. Surcharge on certain registrations**

All revenues collected from surcharges assessed under this section must be credited to the Highway Fund. Notwithstanding any other provision of this Title, on and after October 1, 1999, an additional \$2 fee payable at the time of registration is assessed on registration fees established under any of the following sections: 457; 501; 504 to 506; 508; 509; 511; 513; 515; 516; or 520.

**PART K**

**Sec. K-1. Allocation.** The following funds are allocated from the Highway Fund to carry out the purposes of this Part.

	2000-01
<b>TRANSPORTATION, DEPARTMENT OF</b>	
<b>Highway and Bridge Improvement</b>	
All Other	(\$2,500,000)
Deallocates funds previously allocated by Public Law 1999, chapter 152.	

**Emergency clause.** In view of the emergency cited in the preamble, this Act takes effect July 1, 1999.

Effective July 1, 1999.

**CHAPTER 474**

**H.P. 1032 - L.D. 1454**

**An Act to Promote Ethanol Production as Alternative Fuel**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 5 MRSA §12004-I, sub-§6-F** is enacted to read:

<b>6-F.</b> <u>Economic Development</u>	<u>Agricultural Products Utilization Commission</u>	<u>Legislative per diem for appointed members plus expenses</u>	<u>10 MRSA §997-B</u>
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**Sec. 2. 10 MRSA §§997-A and 997-B** are enacted to read:

**§997-A. Agriculturally Derived Fuel Fund**

**1. Purpose.** The purpose of this section is to provide assistance to promote the production and use of agriculturally derived fuels. For the purposes of this section, "agriculturally derived fuel" means methanol or ethanol produced from organic matter that is available on a renewable basis, including agricultural crops and agricultural wastes and residues.

**2. Establishment of fund.** The Agriculturally Derived Fuel Fund, referred to in this section as the "fund," is established as a nonlapsing fund under the jurisdiction and control of the authority. The authority, in consultation with the Agricultural Products Utilization Commission, as established in Title 5, section 12004-I, subsection 6-F, may apply for and accept any appropriation, grant, gift or service made available from public or private sources consistent with the purpose of this section.

**3. Application of fund.** Money in the fund may be used for direct loans and direct subsidies to a business or cooperative for the design and construction of a facility to produce an agriculturally derived fuel. The authority, pursuant to Title 5, chapter 375, subchapter II-A, in consultation with the Agricultural Products Utilization Commission shall adopt rules for determining eligibility, feasibility, terms, conditions and security for direct loans, secured loans and