

MAINE STATE LEGISLATURE

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**STATE OF MAINE
113TH LEGISLATURE
SECOND REGULAR SESSION**



**BILL SUMMARY
JOINT STANDING COMMITTEE
ON
TRANSPORTATION**

MAY 1988

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**ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST & SECOND SPECIAL SESSIONS
SECOND REGULAR SESSION**

**JOINT STANDING COMMITTEE
BILL SUMMARIES
MAY 1988**

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The summaries are arranged by LD number under each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor for floor amendments. Final action is listed to the right of the title. If final House and Senate action differ, both are listed. Committee Reports and Floor Action are indicated as follows::

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-A	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

Each individual summary was prepared by the analyst assigned, as noted for each committee. But, this document was produced by the efforts of all the office staff, including Secretaries: Charlene Brann, Janet Jean, Earl Knox, Valarie Parlin; Research Assistant Hartley Palleschi. Finally, Secretary Lorette Knox, Legal Assistant Carolyn Chick, and Research Assistant Robert Dunn had special responsibilities in the preparation of the overall document.

Please give us your suggestions and comments on these summaries and tell us of any inaccuracies.

LD An Act to Make Supplemental Allocations from the Highway Fund for the Fiscal Years Ending June 30, 1988, and June 30, 1989 P & S 115
 EMERGENCY

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
SALSBURY	OTP-AM	H-584
THERIAULT		
CAHILL		
SOUCY		

SUMMARY

This bill makes supplemental allocations from the Highway Fund totalling \$52,496 to the State Police, \$133,135 to the Division of Motor Vehicles, and \$64,426 to the Department of Transportation for the fiscal year ending June 30, 1988, and \$22,361 to the State Police, \$171,338 to the Division of Motor Vehicles and \$66,416 to the Department of Transportation for the fiscal year ending June 30, 1989. Most of the money is for reclassification of positions and salary changes.

The Committee Amendment (H-584) makes adjustments to the allocations, as suggested by the Bureau of the Budget. Among these is a continuing allocation of the funds for purchase of computer hardware and software by the Division of Motor Vehicles. These funds were authorized in FY1987 but have not yet been obligated. As amended, the bill allocates from the Highway Fund \$250,057 for FY88 and \$260,115 for FY89.

LD An Act to Fund a Supplemental Highway Program and to **PUBLIC**
2463 Establish a Program to Fund the Construction of **793**
 Extraordinary Bridges

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
WHITCOMB	TRN CTE: OPTA; ONTP	CONF CTE: OPTA (H-762)
EMERSON	TAX CTE: OPTA; ONTP	
TWITCHELL		
TAMMARO		

SUMMARY

The original bill provided additional highway funding by increasing the State gasoline tax from 14 cents per gallon to 19 cents per gallon, which would generate about \$35 million additional revenue. The last increase was a 5 cent increase in 1983. It also increased the transfer of funds from the Maine Turnpike Authority to the Department of Transportation from \$4,700,000 to \$8,700,000 per year. The bill allocated the increased revenue to fund the previously-agreed Transportation Investment Program (red book) in the face of cuts of about \$20 million in federal highway aid in this biennium, to provide \$11 million per year for extraordinary bridges, and \$18 million per year for the DOT's supplemental highway construction program, with emphasis on corridors of statewide or regional economic significance.

The Committee Amendment (H-588) supported by the Transportation Committee Majority and the Taxation Committee Majority made certain changes in the allocation of funds from the bill: it allocates \$3.5 million to municipalities under the Local Road Assistance program which would give a 22 percent bonus in

FY 1989, while future allocation would be the subject of a study. It also provides \$1.2 million in FY 1988 for municipal salt and sand storage sheds. The Senate adopted the Committee Amendment, but the House adopted another amendment (H-643) which provided no increase in the gas tax and substituted alternate sources of funding, including the Rainy Day Fund and surplus. As a result, a Conference Committee was appointed.

The Conference Committee Amendment (H-762) which was finally enacted supports the highway program proposed in the original bill, as modified by the Committee amendment. The source of funding was modified as follows.

It raises \$19,900,000 by increasing the gasoline tax by 2 cents per gallon immediately, and establishing a differential fuel tax on diesel motor fuel by increasing the tax on diesel fuel by 5 cents per gallon on July 1, 1988. That differential would remain unless the Governor recommends legislation to modify it, as a result of the ongoing cost allocation study.

It uses the \$1,700,000 per year raised by the \$2 increase in the motor vehicle registration fees, as embodied in LD 2630.

The amendment uses \$12,000,000 from the Rainy Day Fund to pay for highway and extraordinary bridge improvements, but all or part of that could be repaid if federal highway funds are restored in fiscal year 1989. The amendment also uses \$1,200,000 from the Rainy Day Fund to assist municipalities and counties in the development of sand/salt storage sheds.

The amendment takes \$3,500,000 from the existing surplus in the Highway Fund to provide a 22% bonus to municipalities under the Local Road Assistance Program in FY 1989. There would be no change in the formula at this time, but that would be the subject of a study by a Subcommittee of the Joint Standing Committee on Transportation.

As in the original bill, there would be an additional contribution of \$4,000,000 to the Highway Fund, if available, from the Maine Turnpike Authority. The amendment designates this for highways and bridges in adjacent counties.

The amendment adds a legislative study on Truck Weight and Enforcement, as well as a departmental study of the effect of raising the truck weight limit to 100,000 pounds.

If the Commissioner of Transportation certifies that the federal Highway Fund dollars are not released, the fuel tax would increase by another cent on April 1, 1989. If Federal Highway Fund money is released then the Department of Transportation would use \$7,600,000 to avoid this increase in the fuel tax and use any excess money to pay back up to \$12 million of the Rainy Day Fund.

The amendment also expresses legislative intent to increase the general fund appropriation for the State Police from 25% to 50%, which would save \$5.5 million for the Highway Fund. The amendment also makes available \$1,000,000 for preliminary work on the building for the Division of Motor Vehicles. Legislative intent is to use \$6,000,000 from the Rainy Day Fund in fiscal year 1990 to provide for that building.

Finally, the amendment retains the emergency clause; with an effective date of May 1, 1988. However, the diesel differential is not effective until July 1, 1988 in order to allow time for implementation.

The recent history of the gasoline tax is:

Year	Tax Rate* (cents per gallon)	Net Revenues to Highway Fund (\$million)
1978	9	\$55.1
1979	9	55.6
1980	9	50.2
1981	9	47.9
1982	9	48.4
1983	14	54.5
1984	14	82.2
1985	14	84.1
1986	14	86.1
1987	14	90.9

*This includes the tax on diesel fuel which is called "special fuel" or "use fuel".

LD An Act to Clarify and Correct the Motor Vehicle Laws LV/WD
2491

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
DOW	LV/WD	
MOHOLLAND		
POULIOT		
STROUT D		

SUMMARY
See LD2630

LD RESOLVE, to Create a Commission to Study the Feasibility of LV/WD
2513 a Toll-Based Highway in Mid-Coast Maine

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
KILKELLY	LV/WD	
COLES		
HOLT		
DOW		

SUMMARY
This resolve creates a commission to study the feasibility and options available for constructing a highway to bypass route 1 from Bath to Lincolnville, including various funding options: a toll-based highway; federal & state funding; and private bond financing. Their report is due January 15, 1990.