



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 1189

H.P. 880

House of Representatives, March 21, 2011

An Act To Require Bicyclists To Contribute to the Improvement of Bikeways

Reference to the Committee on Transportation suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative SARTY of Denmark.
Cosponsored by Senator COLLINS of York and
Representatives: BRYANT of Windham, CEBRA of Naples, COTTA of China, DAVIS of
Sangerville, JOHNSON of Greenville, PLUMMER of Windham, SHAW of Standish.

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

2 **Sec. 1. 23 MRSA §613** is enacted to read:

3 **§613. Bikeway construction surcharge; fund**

4 **1. Fund established.** The Bikeway Construction Fund, referred to in this section as
5 "the fund," is established within the Department of Transportation to be used by the
6 department to provide funding for the construction and maintenance of bikeways. For
7 purposes of this section, "bikeway" means a bikeway for use primarily by bicyclists and
8 pedestrians.

9 **2. Bikeway construction surcharge.** In addition to the tax imposed on the sale of a
10 bicycle pursuant to Title 36, section 1811, there is imposed a surcharge of 2% on the
11 value of any bicycle sold at retail in this State.

12 **3. Funding; administration.** All surcharges collected under subsection 2 must be
13 credited to the fund. The surcharge must be collected at the time of the sale of the bicycle
14 and remitted to the State Tax Assessor in the same manner as the sales tax. The State Tax
15 Assessor shall forward any amount collected pursuant to subsection 2 to the Department
16 of Transportation, less the cost of administering the surcharge, which may not exceed
17 10% of the amount collected.

18 **4. Budget.** The expenditures from the fund are subject to legislative approval in the
19 same manner as the Highway Fund budgets of the Department of Transportation.

20 **5. Use of fund.** The fund must be used by the Department of Transportation to
21 construct, improve and maintain bikeways in this State. Any amount in the fund that is
22 not expended at the end of a fiscal year does not lapse but must be carried forward.

23 **Sec. 2. Rulemaking.** The State Tax Assessor shall adopt routine technical rules
24 pursuant to the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A to
25 implement the provisions regarding the imposition and collection of the surcharge
26 imposed pursuant to Title 23, section 613, subsection 2, including revising the sales tax
27 return to allow for a retailer to indicate what portion of the return is attributable to the
28 surcharge imposed pursuant to Title 23, section 613, subsection 2.

29 **Sec. 3. Effective date.** This Act applies to retail sales of bicycles occurring on or
30 after October 1, 2011.

31 **SUMMARY**

32 This bill imposes a 2% surcharge on the retail sale of bicycles. The proceeds are to
33 be used by the Department of Transportation to construct, improve and maintain
34 bikeways for use primarily by bicyclists and pedestrians.