

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-FIVE

H.P. 87 - L.D. 154

An Act to Amend the Transportation Laws

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

Sec. 1. 23 MRSA §1654-A, as enacted by PL 2011, c. 652, §4 and affected by §14, is amended to read:

§1654-A. Transfers from the unallocated balance in Highway Fund unallocated surplus

At the close of each fiscal year, the State Controller shall transfer to the Department of Transportation, Secondary Road Program Fund, established in section 1803-C and referred to in this section as "the fund," the uncommitted balance in the Highway Fund unallocated surplus account. The amount transferred to the fund, when added to previous transfers to the fund for the fiscal year in which the uncommitted balance is transferred, may not exceed the program funding cap provided in section 1803-C, subsection 4. Any remaining uncommitted balance in the Highway Fund after the transfer to the fund must be transferred to the Department of Transportation, Highway and Bridge Capital program amounts exceeding \$100,000 from the unallocated balance in the Highway Fund to the Department of Transportation Highway and Bridge Capital; Highway Light Capital; Maintenance and Operations; and Multimodal Transportation Fund programs, for capital and all other needs. The Commissioner of Transportation may allot these funds by financial order upon the recommendation of the State Budget Officer and the approval of the Governor. The transferred amounts are considered adjustments to allocations. Within 30 days after approval of the financial order, the Commissioner of Transportation shall provide to the joint standing committee of the Legislature having jurisdiction over transportation matters a report detailing the financial status of the Department of Transportation, Highway and Bridge Capital program.

For the purposes of this section, "~~uncommitted balance in the Highway Fund unallocated surplus account~~" or "~~uncommitted balance~~" "unallocated balance in the Highway Fund" means the amount remaining in the account at the close of the fiscal year after the deduction of all allocations, budgeted financial commitments and ~~adjustments considered necessary by the State Controller~~ any other transfers authorized by statute.

The State Controller shall include in the State Controller's official annual financial report at the close of each fiscal year a statement showing all transfers made from the ~~Highway Fund unallocated surplus account~~ unallocated balance in the Highway Fund for the fiscal period.

Sec. 2. 23 MRSA §1801, first ¶, as repealed and replaced by PL 1999, c. 473, Pt. D, §1, is amended to read:

Municipal transportation assistance funds must be targeted to the ~~capital~~ needs of rural local roads and highways, bridges and minor spans and must also reflect urban compact maintenance responsibilities on state and state aid roadways.

Sec. 3. 23 MRSA §1801, 3rd ¶, as amended by PL 2011, c. 652, §5 and affected by c. 652, §14, is further amended to read:

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 and major collector routes may be improved through a partnership between municipalities or counties and the State.

Sec. 4. 23 MRSA §1801, 5th ¶, as amended by PL 2011, c. 652, §5 and affected by §14, is further amended to read:

The purpose of the Local Road Assistance Program established in this subchapter is to provide equitable financial assistance to communities for their use in improving local roads and maintaining state roads in urban compact areas. ~~The purpose of the Secondary Road Program Fund established in this subchapter is to establish a partnership between communities and the State in making capital improvements to state aid minor collector highways and state aid major collector highways.~~

Sec. 5. 23 MRSA §1803-B, sub-§1, as amended by PL 2013, c. 354, Pt. I, §§1 and 2 and affected by §4, is further amended to read:

1. Distribution and use of funds. Funds from the Local Road Assistance Program must be distributed to each eligible municipality, county or Indian reservation through rural road assistance and urban compact assistance funding as follows.

A. Rural road assistance 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 public roads maintained by a municipality located 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 public roads.

(2) Funds must be used for maintenance or for capital improvements ~~as defined by this chapter, or for capital improvements to state aid minor collector highways and state aid major collector highways as described in section 1803-C.~~ In municipalities, counties and Indian reservations in which there are no rural state aid minor collector or major collector roads, funds may also be used for winter highway maintenance, acquisition of highway maintenance equipment or the construction of highway maintenance buildings if the governing legislative body affirmatively votes that its town ways and local bridges are in sufficiently good

~~condition so as to not require significant repair or improvement for at least 10 years of roadway infrastructure, bridges and drainage structures.~~

B. Urban compact assistance 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. Funds are distributed at a rate of \$600 per year per lane mile for all other public roads maintained by a municipality and located inside a compact area, except that funds are distributed at a rate of \$300 per year per lane mile for all seasonal public roads.

(2) Funds must be used only for the maintenance or for capital improvement of public roads infrastructure, bridges and drainage structures.

D. Beginning July 1, 2014, the annual funding dedicated for the Local Road Assistance Program must be 9% of the Highway Fund allocation to the Department of Transportation. On July 1, 2014 and every July 1st thereafter, the Commissioner of Transportation shall administratively adjust the base funding and the reimbursement rates per lane mile proportionately according to revenue available.

Sec. 6. 23 MRSA §1803-C, as amended by PL 2023, c. 646, Pt. A, §§30 and 31, is repealed.

Sec. 7. Appropriations and allocations. The following appropriations and allocations are made.

TRANSPORTATION, DEPARTMENT OF

Highway and Bridge Capital 0406

Initiative: Eliminates the Secondary Road Program Fund and removes the base allocation.

OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
All Other	(\$500)	(\$500)
OTHER SPECIAL REVENUE FUNDS TOTAL	<u>(\$500)</u>	<u>(\$500)</u>