

129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1435

H.P. 1045

House of Representatives, March 28, 2019

Resolve, Directing the Joint Standing Committee on Transportation To Study Transportation Funding Reform

(EMERGENCY)

Reference to the Committee on Transportation suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative McLEAN of Gorham.

- 1 **Emergency preamble. Whereas,** acts and resolves of the Legislature do not 2 become effective until 90 days after adjournment unless enacted as emergencies; and
- 3 **Whereas,** adequate, sustainable and predictable transportation funding is critical to 4 the safety and economic well-being of all Maine citizens; and
- 5 **Whereas,** funding for transportation infrastructure in Maine and the nation is 6 seriously deficient; and
- 7 **Whereas,** the shortfall of funding related to Maine's state highway and bridge 8 system is at least \$168,000,000 per year, without consideration of general obligation 9 bonding; and
- 10 **Whereas,** the shortfall of capital funding related to Maine's multimodal system of 11 ports, rail and other modes of transportation is substantial; and

Whereas, general obligation bonding levels are unpredictable due to the current short-term focus of the process that determines bonding levels and priorities, a process that usually takes place late in a legislative session after finalization of the General Fund budget, if at all; and

- Whereas, higher fuel efficiency of vehicles and alternative fuel vehicles continue to
 erode the funding provided by per gallon fuel taxes and increase the inequity among
 drivers in terms of the fee paid per mile for use of the highway and bridge system; and
- 19 Whereas, fuel prices are relatively low but surely will rise in the years ahead; and

Whereas, approximately 30,000,000 people visit Maine each year, a state with a year-round population of about 1,300,000 people, and the capacity and a significant portion of the cost of Maine's transportation system are driven by seasonal traffic volumes; and

- Whereas, through years of capital planning, prioritization and efficiency initiatives, the Department of Transportation has proven that it uses funding efficiently and effectively; and
- Whereas, although federal transportation funding levels have been established for the next 5 years, these funding levels will not solve Maine's transportation funding problems and additional federal funding solutions are unlikely; and
- Whereas, other states are finding transportation funding solutions and the State has
 an obligation to all its citizens to seek solutions now; and
- Whereas, the Joint Standing Committee on Transportation is charged with analyzing options and recommending legislation and is best equipped to study these issues and find ways to reform and supplement transportation funding in Maine; and

1 **Whereas,** the study must be initiated before the 90-day period expires in order that 2 the study may be completed and a report submitted in time for submission to the next 3 legislative session; and

4 **Whereas,** in the judgment of the Legislature, these facts create an emergency within 5 the meaning of the Constitution of Maine and require the following legislation as 6 immediately necessary for the preservation of the public peace, health and safety; now, 7 therefore, be it

8 **Sec. 1. Study. Resolved:** That the Joint Standing Committee on Transportation, 9 referred to in this resolve as "the committee," shall study how to reform and adequately 10 supplement funding for the State's transportation infrastructure to promote equity, 11 sustainability and predictability in a manner that allows the State to responsibly provide a 12 safe and reliable state transportation system.

- Sec. 2. Convening of committee. Resolved: That the chairs of the committee
 shall call and convene the first meeting of the committee for the purposes of this resolve
 no later than 30 days following the effective date of this resolve.
- 16 **Sec. 3. Meetings. Resolved:** That the committee may meet for the purposes of 17 this resolve only when the Legislature is not in regular or special session. The committee 18 may meet up to 4 times to accomplish its duties under section 4. At least 2 meetings must 19 allow public comment.
- 20 Sec. 4. Duties. Resolved: That the committee shall focus on funding the state 21 highway and bridge system, but shall also consider capital funding through the issuance 22 of bonds for multimodal infrastructure. The committee shall:
- I. Identify mechanisms that will increase the predictability of general obligation
 bonding levels for capital planning at the Department of Transportation for the state
 highway and bridge system and multimodal infrastructure for the next 10 years;
- 26 2. Consult with the Secretary of State to identify mechanisms to address the erosion 27 of Highway Fund receipts and the rising inequity among drivers caused by higher 28 automobile fuel efficiency and alternative fuel vehicles, such as adding a registration fee 29 surcharge on hybrid, electric or other alternative fuel passenger automobiles or a 30 voluntary so-called vehicle miles traveled pilot program for passenger automobiles;
- 31 3. Consult with the Secretary of State to consider adjustments to motor vehicle fees
 32 that will align these fees with regional averages;
- 4. Consider dedicating a portion of sales tax receipts from transportation-related sales
 to transportation infrastructure;
- 5. Consider adding a wholesale fuel tax component, including options that would
 reduce baseline per gallon fuel tax rates;

1 6. Consider adjusting fuel tax rates, including a pump-price surcharge that is 2 eliminated as fuel prices increase, or a reduction of the year-round baseline gasoline tax 3 rates and the addition of a seasonal gasoline tax surcharge; and

4 7. Invite knowledgeable stakeholders to provide written and oral comments on draft Knowledgeable stakeholders must include recommendations of the committee. 5 representatives from the American Council of Engineering Companies of Maine, the 6 Maine Section of the American Society of Civil Engineers, the Associated General 7 Contractors of Maine, the Maine Automobile Dealers Association, the Maine Better 8 9 Transportation Association, the Maine State Chamber of Commerce, the Mayors' Coalition on Jobs and Economic Development, the Maine Motor Transport Association, 10 the Maine Municipal Association, the Maine Service Center Coalition, the Maine 11 Tourism Association and the Maine Turnpike Authority. 12

- Sec. 5. Cooperation. Resolved: That the Commissioner of Transportation shall
 provide information and data to the committee as necessary for its work.
- 15 Sec. 6. Staff assistance. Resolved: That the Legislative Council shall provide 16 necessary staffing services to the committee.

17 Sec. 7. Report. Resolved: That, no later than December 4, 2019, the committee 18 shall submit a report that includes its findings and recommendations, including suggested 19 legislation, for presentation to the Second Regular Session of the 129th Legislature. The 20 committee may submit legislation to the Second Regular Session of the 129th Legislature 21 related to the report.

- Sec. 8. Funding. Resolved: That the costs of the study must be provided from the
 Highway Fund by appropriate appropriation or allocation.
- Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

26

SUMMARY

This resolve directs the Joint Standing Committee on Transportation to study how to 27 reform and adequately supplement funding for the State's transportation infrastructure to 28 promote equity, sustainability and predictability in a manner that allows the State to 29 responsibly provide a safe and reliable transportation system. The committee is 30 authorized to meet for this purpose up to 4 times when the Legislature is not in session, 31 and the committee's report must be submitted by December 4, 2019. The committee may 32 submit legislation to the Second Regular Session of the 129th Legislature relating to the 33 subject matter of the report. 34