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May 6, 2025

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Webmaster William Lord Senator Tim Nangle, Senate Chair Representative Lydia Crafts, House Chair Joint Standing Committee on Transportation c/o Legislative Information Office 100 State House Station Augusta, ME 04333

Re: <u>Testimony of TrainRiders Northeast in Support of LD 1804, An Act</u> Concerning Funding and Oversight of Transportation Matters

Dear Senator Nangle and Representative Crafts:

I am the President of TrainRiders Northeast. TrainRiders is the grassroots citizens' organization that was the driving force behind the initiation of the Downeaster passenger rail service between Brunswick and Boston, and it continues to strongly support that service to this day. It also supports improvements and expansion of passenger rail service in Maine and throughout the Northeast, where such expansion is rationally justifiable as part of a balanced transportation system given current and projected economic and social conditions.

<u>TrainRiders Northeast supports the passage of LD 1804</u>. That bill deals with many matters, and, while TrainRiders supports its passage as a whole, it is concerned primarily with §§ 1, 2, 5-7, and 13. Sections 1 and 2 provide that the joint standing committee having jurisdiction over transportation matters shall have jurisdiction over the Highway Fund. This retains, continues, and expands upon current practice. Having what is now this Committee continue to have the primary role in budgeting for transportation ensures that funds for what is one of the largest parts of the State budget are presided over by a Committee that deals with Maine's transportation system as a whole, rather than through a potentially piecemeal approach.

Second, § 5 expands the Highway Fund to include automobile-related sales taxes, while § 13 increases the portion of those tax revenues to be transferred to the Highway Fund from 40% of sales taxes collected from automobile dealers, and by the Maine Bureau of Motor Vehicles, to 60%. This helps to ensure that sufficient funds will be available for transportation purposes now and in the future.

Third, § 8 of the bill sets minimum funding levels for various transportation

categories, including a minimum of \$30,000,000 for multimodal transportation. The funding for each of these categories will be automatically increased for inflation every two years, ensuring that each category will receive at least a minimum level of support each year and that the buying power of those funds will not decrease over time.

Fourth, and perhaps most importantly, § 7 of the bill adds multimodal transportation, including rail, as one of the categories for which the Highway Fund may be spent. As we have previously said and repeated, transportation is a system, and transportation modes cannot rationally be considered in isolation from one another. Instead, that system must be considered as a whole, with development of the mode best suited for a particular area and purpose. Such choices become difficult, if not impossible, to make where funds are dedicated to only a single mode, resulting in inefficiencies in constructing and maintaining Maine's transportation system. For example, in many instances, rail travel, whether for freight or passengers, is safer and more environmentally friendly than road use, and investment in trains may produce more overall economic benefits than a parallel road service. Still, under Maine's current system, the largest direct source of transportation funding, that is the Highway Fund, can only be used for roads, meaning that the funds to develop a railroad may not exist even where that is the most efficient and beneficial choice for a particular transportation project. This section of LD 1804 would reduce the existing transportation funding silos that can lead to such a result.

Finally, LD 1804 serves as the statutory implementation of LD 1549, which proposes to amend the current Constitutional provision limiting the use of Highway Fund monies to highways and bridges to permit at least a portion of those funds to be used for all other transportation modes as well. The provisions of those bills together will do much to reduce, if not eliminate, anticipated transportation funding shortfalls, while at the same time ensuring that those funds are spent to create and maintain a rational and efficient transportation system in this State.

For all these reasons, as well as others, this Committee should vote out LD 1804 as "Ought to Pass", with amendments dealing with the comments made in this letter. As always, TrainRiders appreciates this opportunity to provide the Committee with its comments and stands ready to assist the Committee in its consideration of this bill.

Sincerely.

F. Bruce Sleeper, President TrainRiders Northeast

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