



STATE OF MAINE
DEPARTMENT
OF THE
SECRETARY OF STATE

SHENNA BELLOWES
SECRETARY OF STATE

TESTIMONY OF
SHENNA BELLOWES, SECRETARY OF STATE
DEPARTMENT OF THE SECRETARY OF STATE

Before the Joint Standing Committees on Appropriations and Financial Affairs and
Transportation

March 2, 2023

L.D. 258, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025.

Senators Rotundo and Chipman, Representatives Sachs and Williams, and distinguished members of the Joint Standing Committees on Appropriations and Financial Affairs and Transportation, my name is Shenna Bellows and I am the Secretary of State. I am here today to present testimony in support of those items presented in the 2024-2025 Biennial Budget for the Department of the Secretary of State.

Department information begins on page **A-626** of the **Budget Document**.

ADMINISTRATION - MOTOR VEHICLES 0077

The Bureau of Motor Vehicles oversees the driver licensing process, provides motor vehicle registrations and titling services, commercial vehicle licensing, dealer licensing and provides oversight of driver education schools and instructors. The bureau ensures that applicants applying for operator's licenses have the ability, knowledge and necessary skills for safe vehicle operation; investigates and licenses motor vehicle and trailer dealers; conducts hearings on violations of motor vehicle laws to determine if an individual's or company's privilege to operate or register a vehicle should be suspended, withheld or revoked and also determines when reinstatement is permissible.

The Federal Expenditures Fund provides funds for the purpose of administering grant programs that become available. Some of the past grants awarded were for Motorcycle Safety, the Commercial Driver's License Improvement Program and the REAL ID License Security Grant. The Federal Expenditures Fund request is **\$485,423 in FY24 and \$485,423 in FY25**.

The Other Special Revenue Funds provides funding for the production of specialty license plates and for the Motor Vehicle Franchise board. This includes administration and enforcement of business practices between motor vehicle manufacturers, distributors and dealers. The Other Special Revenue Funds request is **\$339,664 in FY24 and \$341,311 in FY25.**

There is 1 Other Special Revenue Funds initiative.

1. Initiative: Provides funding for the increase in monthly fee and mileage rate for state vehicle leases. The Other Special Revenue request is **\$282 in FY24 and \$467 in FY25.**

MUNICIPAL EXCISE TAX REIMBURSEMENT FUND 0871- On Page A-631

The Municipal Excise Tax Reimbursement Fund is a dedicated, non-lapsing fund established by 29A MRSA, section 533-A1. An apportioned excise tax is collected and deposited into the fund from nonresident owners of commercial vehicles participating in the International Registration Plan who are paying an apportioned registration fee to the State of Maine. The revenue collected is used to reimburse municipalities for lost excise tax revenue. The Secretary of State reimburses participating municipalities the difference between the amount of excise tax that would have been collected on certain commercial vehicles in the previous fiscal year based on the manufacturer's suggested retail price (MSRP), and the actual amount of excise tax that was collected in the previous year based on the vehicle selling price. Municipal participation in the reimbursement program is optional. Any revenue collected in the previous fiscal year over and above the total amount reimbursed to all participating municipalities in the current fiscal year reverts back to the Highway Fund.

There are no new initiatives and the Other Special Revenue Funds request is **\$1,100,000 in FY 24 and \$1,100,000 in FY 25.**

This concludes my testimony on the items included in the Governor's proposed 2024-2025 Biennial budget.

I would be happy to answer your questions now or at the work session.

Thank you.