



STATE OF MAINE
DEPARTMENT OF TRANSPORTATION
16 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0016

Janet T. Mills
GOVERNOR

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COMMISSIONER

**Testimony of
Katharine Wiltuck,
Director of the Bureau of Finance and Administration
Maine Department of Transportation**

In Support of

LD 275

"An Act Making Supplemental Allocations from the Highway Fund and Other Funds for the Expenditures of State Government and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Year Ending June 30, 2025"

to the

Joint Standing Committee on Transportation

February 27, 2025

Senator Nangle, Representative Crafts, and Members of the Transportation Committee, my name is Katharine Wiltuck and I am the Director of the Bureau of Finance and Administration for the Maine Department of Transportation (MaineDOT). I am here in support of the portion of the Governor's proposed supplemental Highway Fund (HF) budget that pertains to MaineDOT.

This is the first time MaineDOT has had the opportunity to address this Committee of the 132nd Legislature regarding financial matters. Although there is much to talk about - including the projected state and federal funding outlook, bonding, and the potential impacts on the 2025 Edition of MaineDOT's Three-Year Work Plan published one week ago, my testimony focuses on changes MaineDOT requested to the current FY25 HF budget – which ends June 30, 2025.

MaineDOT has two initiatives in this HF supplemental budget. The first affects two accounts and thus appears as the first and third MaineDOT items on pages 3 and 6 of the budget document provided to the Committee by the Office of Fiscal and Program Review (OFPR) for LD 275, respectively. This initiative uses projected personal services cost savings in the Maintenance and Operations program to fund a one-time capital need in the Multimodal Transportation Fund program. The transfer is necessary now because MaineDOT has reclassified expenditures that historically have been paid out of the Highway Bridge Capital program to the Multimodal Transportation program, and some projects are coming in over their original estimate. As MaineDOT always strives to do, we are self-funding this one-time need through savings created from the current challenge hiring for our crew and other personnel in our Bureau of Maintenance and Operations. The net effect to the Highway Fund is zero.

The second initiative is at the bottom of page 3 of your budget document. This initiative reduces allocation in the Multimodal Transportation Fund program, Other Special Revenue account by about \$138k based on the December 2024 Revenue Forecast. Maine's Constitution prohibits deficit spending, which requires state budgets to stay within the latest revenue forecasts. Me. Const. art. IX, § 14 & art. V, pt. 3, § 5. This reduction is less than 1% of the total revenue in this line. Looking forward, the forecast for this revenue is expected to be higher in the next biennium.

That concludes my testimony. I would be happy to answer any questions you may have now or in work session.