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**Testimony of Meghan Russo
Maine Department of Transportation
Before the 132nd Legislature, Joint Standing Committee on Transportation**

In Support

LD 154, An Act to Amend the Transportation Laws

Senator Nangle, Representative Crafts and distinguished members of the Joint Standing Committee on Transportation, I am Meghan Russo, Director of Government Affairs at MaineDOT and I am before you today to present LD 154, *An Act to Amend Transportation Laws*.

LD 154 represents MaineDOT's omnibus bill. It proposes changes to sections in Title 23 of the Maine Revised Statutes. To simplify these changes, I will address each section of the bill individually.

Sec. 1. 23 MRSA §1654-A

Section one proposes to remove reference to the Secondary Road Program Fund in statute. This is due to the Secondary Road Program Fund never being utilized. MaineDOT currently has five programs that assist communities with performing capital projects on state roadways. These programs, such as the popular Municipal Partnership Initiative (MPI) are available to municipalities and are intended to address municipal requests that deal with transportation infrastructure issues on state and state aid highways, encourage economic opportunities, and make improvements to infrastructure to increase its life or correct safety deficiencies. These programs are designed to promote partnerships between MaineDOT and municipalities by leveraging additional resources on a voluntary basis to match limited state resources.

This section also adds language that codifies what has been long-standing unallocated language included in biennial budgets. The transfer of the unallocated balance – except for \$100,000 after all obligations have been met - of the Highway Fund to the Department of Transportation's capital program creates a mechanism to offset a portion of the perpetual shortfall for capital funding for the Department of Transportation with unused Highway Fund balances in acknowledgement that the costs of constructing, purchasing, and maintaining transportation infrastructure have increased.

Sec. 2, 3, & 4. 23 MRSA § 1801

Sections two and three propose changes to the Local Road Assistance Program (LRAP). The annual funding dedicated for LRAP is established in statute as 9% of the Highway Fund allocation to MaineDOT. Currently, the statute requires that non-compact municipalities use LRAP funds for only capital projects on local roads. Section two of our bill proposes to remove that requirement to give municipalities more flexibility and the ability to utilize LRAP funding for maintenance activities as well as capital improvements. Section three simply adds counties into the third paragraph of Section 1801. This accounts for unorganized territories in Maine, where counties maintain responsibility for local roads. Section four again strikes reference to the Secondary Road Program Fund.

Sec. 5. 23 MRSA § 1803-B, Sub-§ 1.

LRAP payments are currently distributed to non-compact municipalities at \$600 per lane-mile for all minor collector/state aid roadways and local town roads. Municipalities designated by MaineDOT as an urban compact receive \$2500 to \$4200 per lane-mile for urban state roads. This amount is different because urban compact municipalities receive larger amounts of funds from MaineDOT as these communities are responsible for maintenance activities within compact boundaries, both on local and state roadways.

Section five proposes to add major collector state aid roadways to the types of roads which municipalities are eligible to receive LRAP funds by striking the reference to solely minor collectors. For the committee's reference, Major Collectors and Minor Collectors are federally designated types of roadways. Major collectors generally connect larger towns within a county, serve the county seat, and are not served by an arterial. Minor collectors provide service to smaller communities and link them together, eventually leading to major collectors or arterials. This change would make municipalities eligible for LRAP funds for all state aid roads and town roads as it was historically before being changed several years ago. Section five also proposes to increase funds to urban-compact communities by adding language that would provide funds to compact municipalities for their urban local roads, of which they currently do not receive payment for. MaineDOT has done a preliminary review of what adding extra eligible lane miles to municipalities will do in terms of LRAP payments. Based on the LRAP allocated amount in the FY26-FY27 Highway Fund our calculations show that every municipality in Maine will receive more in LRAP funding.

Sec. 6. 23 MRSA § 1803-C

Section six repeals the Secondary Road Program Fund.

Sec. 7. 23 MRSA § 7101

Section seven removes the requirement that MaineDOT consult with a regional economic planning entity prior to dismantling or changing the use of a state-owned rail line. We are proposing this change because it is redundant. The Rail Use Advisory Council, outlined in 23 MRSA § 75, includes a "member representing a chamber of commerce or other regional or local economic development entity of the geographic area containing the rail corridor," as a member of the RUAC.

This concludes my testimony. I thank you for your attention and would be happy to take your questions and bring additional information back to the work session.