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**LD 1549, “Resolution, Proposing an Amendment to the Constitution of Maine Regarding  
the Use and Oversight of Transportation-Related Revenues”  
Before the Joint Standing Committee on Transportation  
May 1, 2025**

Senator Nangle, Representative Crafts, and members of the Joint Standing Committee on Transportation:

My name is Senator Brad Farrin, and I am here today to present LD 1549, “Resolution, Proposing an Amendment to the Constitution of Maine Regarding the Use and Oversight of Transportation-Related Revenues.”

If approved by the voters, this constitutional amendment would allocate at least 60 percent of the sales and use tax revenue collected from motor vehicle dealers and the Bureau of Motor Vehicles directly to the Highway Fund, effective July 1, 2027. These funds would be constitutionally restricted for transportation-related purposes, including highways, bridges, aviation, railroads, ferries, ports, trails, pedestrian and bicycle facilities, and associated utilities.

The amendment also ensures that all financial matters relating to the Highway Fund will fall under the sole jurisdiction of the Legislature’s Transportation Committee, strengthening legislative oversight and accountability.

In 2020, the Blue Ribbon Commission to Continue Studying and Recommending Funding Solutions for the State’s Transportation System unanimously concluded that Maine faces an estimated annual shortfall of \$232 million in transportation funding. More recently, the Maine Budget Forecasting Committee projected a \$280 million shortfall for fiscal years 2026 to 2027. These numbers underscore the urgent need for a stable and sustainable funding solution.

This amendment protects transportation revenues by ensuring that at least 60 percent of motor vehicle-related sales taxes are used exclusively for maintaining and improving Maine’s transportation infrastructure, aligning with the expectation of Maine taxpayers.

Transportation today means more than highways alone. It includes airports, rail, ferry systems, and active transportation options such as bicycle and pedestrian facilities. This measure recognizes and addresses the full spectrum of Maine’s mobility needs, modernizing the Highway Fund for a multimodal future.

The bill also strengthens legislative oversight by entrusting all Highway Fund financial matters to the Transportation Committee. This guarantees focused and specialized oversight from legislators who understand the complexity and critical importance of our state’s transportation network.

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LD 1549 builds upon previous efforts, including work by the Transportation Committee and the 2020 Blue Ribbon Commission, to reduce reliance on annual bonding by dedicating 40 percent of vehicle sales and parts taxes to transportation. This measure locks in and increases that commitment to 60 percent, providing a permanent, stable funding source that will help Maine secure federal matching funds and address our infrastructure backlog for generations to come.

Importantly, this amendment does not create any new taxes. It simply redirects existing revenues to the purposes for which Maine drivers and taxpayers reasonably expect them to be used, our transportation infrastructure.

Good roads, reliable bridges, efficient ports, and active transportation options are essential to Maine's economy and the safety of our citizens. Supporting this amendment is an investment in Maine's future prosperity and quality of life.

Thank you for your time and your consideration of LD 1549.