



**Testimony of Maria Fuentes, Maine Better Transportation Association
Before the Joint Standing Committee on Transportation
In Opposition to**

**LD 1194 – Act to Phase Out Vehicle Excise Taxes and Implement a Fee for Infrastructure
Funding Based on a Vehicle's Annual Mileage**

April 11, 2025

Senator Nangle, Representative Crafts, and members of the Joint Standing Committee on Transportation. My name is Maria Fuentes. I live in Hallowell and am testifying today on behalf of the Maine Better Transportation Association in opposition to LD 1194 – Act to Phase Out Vehicle Excise Taxes and Implement a Fee for Infrastructure Funding Based on a Vehicle's Annual Mileage.

MBTA represents over 700 members who plan, design, build, maintain, or use our transportation system including transportation contractors, engineers and suppliers, bus and rail companies, airports, marine and port interests, municipalities and others committed to investing in our multimodal transportation infrastructure to boost the state's economy and quality of life.

We spoke with the sponsor of this bill, and while we appreciate its intent, we are opposed to it because of the impact it would have on municipalities and their ability to maintain their infrastructure. Excise taxes are a critical revenue stream that every municipality in the state counts on to take care of its local transportation infrastructure. Our municipal members report that they use most, if not all, of the excise tax collected at the time of automobile registration to fund their transportation infrastructure, particularly roads and bridges.

Maine has a vast network of roads and bridges, and few people to pay for it. As you know, Maine is almost the size of the other New England states combined. We receive about the same amount of money as neighboring New Hampshire from the federal funding formula, even though New Hampshire has half the miles of roads we have. That puts the state at a disadvantage.

Municipalities are even more challenged by the lack of funding to maintain their infrastructure and depend on vehicle excise taxes to do so. While we understand that the bill aims to replace lost excise tax revenue with a vehicle miles traveled fee, the alternate funding piece does not kick in until two years later, and we do not know the amount of revenue that would be generated to replace it.

To sum, MBTA believes that if this bill were passed, it would cripple municipalities who use excise taxes to fund their transportation maintenance program. And it would shift more of the burden for funding onto the property tax, which is already difficult for many Mainers to pay.

Thank you for your attention. We respectfully ask you to vote "Ought not to Pass" on LD 1194.