

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the amendment in Part W by inserting before section 1 the following:

‘**Sec. W-1. 23 MRSA §73, sub-§6, ¶F**, as enacted by PL 2007, c. 470, Pt. B, §1, is amended to read:

F. By 2027, achieve an even distribution of the service life remaining before bridges need major rehabilitation or replacement, excepting extraordinary-cost bridges as determined by the department or low use bridges or redundant bridges as defined in section 562; ~~and~~

**Sec. W-2. 23 MRSA §73, sub-§6, ¶G**, as enacted by PL 2007, c. 470, Pt. B, §1, is amended to read:

G. Maximize the benefit of capital improvements to freight and passenger transportation users while mitigating, to the extent practicable, energy and environmental impacts; and

**Sec. W-3. 23 MRSA §73, sub-§6, ¶H** is enacted to read:

H. Provide a maintenance paving treatment every 7 years on average on roads for which the State has summer maintenance responsibility that have not been built to state design standards and that have poor pavement condition, which will require, on average, 600 miles of maintenance paving at 550 tons per mile per year.’

Amend the amendment in Part W in section 1 by striking out all of subsection 1 (page 78, lines 9 to 22 in amendment) and inserting the following:

‘**1. Excise tax imposed.** An excise tax is imposed on internal combustion engine fuel used or sold within this State, including sales to the State or a political subdivision of the State, at the rate of ~~22¢~~28.4¢ per gallon, except that the rate is 3.4¢ per gallon on internal combustion engine fuel, as defined in section 2902, bought or used for the purpose of propelling jet ~~or turbojet~~ engine aircraft. Beginning July 1, 2009, an excise tax is imposed on internal combustion engine fuel used or sold within this State, including sales to the State or a political subdivision of the State, at the rate of 29.5¢ per gallon, plus the maintenance paving surcharge calculated pursuant to section 3351, except that the rate is 3.4¢ per gallon on internal combustion engine fuel bought or used for the purpose of propelling jet engine aircraft. The tax rate provided by this section is subject to annual inflation adjustment pursuant to section 3321 except with respect to the tax imposed upon fuel bought or used for the purpose of propelling jet or turbojet engine aircraft and the surcharge calculated pursuant to section 3351. Any fuel containing at least 10% internal combustion engine fuel is subject to the rate of tax imposed by this section.

Amend the amendment in Part W in section 2 in subsection 1-B in the 7th line (page 78, line 31 in amendment) by inserting after the following: "gallon" the following: 'plus the maintenance paving surcharge imposed pursuant to section 3351'

Amend the amendment in Part W in section 2 in subsection 1-B in the 13th line (page 78, line 37 in amendment) by inserting after the following: "3321" the following: ', except for the surcharge calculated pursuant to section 3351'

Amend the amendment in Part W in section 3 in §3203-C in the indented paragraph in the 3rd line (page 79, line 39 in amendment) by inserting after the following: "tax" the following: 'and any surcharge'

Amend the amendment in Part W in section 4 in subsection 1 in the last line (page 80, line 19 in amendment) by inserting after the following: "dealers." the following: 'The surcharge calculated pursuant to section 3351 is not subject to indexing under this subsection.'

Amend the amendment in Part W by striking out all of section 6 and inserting the following:

**Sec. W-6. 36 MRSA §3321, sub-§3**, as enacted by PL 2001, c. 688, §8, is amended to read:

**3. Exclusion.** This section does not apply to internal combustion engine fuel purchased or used for the purpose of propelling jet or turbojet engine aircraft.

**Sec. W-7. 36 MRSA c. 467** is enacted to read:

## **CHAPTER 467**

### **MAINTENANCE PAVING SURCHARGE**

#### **§ 3351. Surcharge on tax rates for maintenance paving**

**1. Generally.** Beginning July 1, 2009 a surcharge for maintenance paving treatments calculated pursuant to this section must be added to the excise tax imposed upon internal combustion engine fuel pursuant to section 2903, subsection 1 and the excise tax imposed upon distillates pursuant to section 3203, subsection 1-B.

**2. Certification of cost.** By April 1st of each odd-numbered year, the Commissioner of Transportation shall certify to the State Tax Assessor the cost of performing maintenance paving treatments that achieve the goal specified in Title 23, section 73, subsection 6, paragraph H for the biennium starting on July 1st of that odd-numbered year. This certification must be based upon actual competitive bids received for that year in accordance with the laws and rules governing the competitive bid process and the practices of the Department of Transportation and upon the assumption that the prices reflected in those bids will be the same in the 2nd year of that biennium.

**3. Calculation of surcharge.** By April 15th of each odd-numbered year, the Commissioner of Transportation, in consultation with the State Tax Assessor, shall calculate the per gallon surcharge, rounded to the nearest 0.10¢, that is required to fund the cost of maintenance paving treatments as certified under subsection 2 by the Commissioner of Transportation for that biennium and the additional cost of providing proportional funding to municipalities for the Urban-Rural Initiative Program pursuant to Title 23, section 1803-B. The surcharge calculated pursuant to this section is effective for the biennium starting July 1st of that odd-numbered year. The assessor shall publish the adjusted fuel tax rates and shall provide all necessary forms and reports to suppliers, distributors and retail dealers.

**Sec. W-8. Maintenance paving surcharge for 2009-2010 biennium.** Notwithstanding the Maine Revised Statutes, Title 36, section 3351, the biennial surcharge on tax rates for maintenance paving for the 2009-2010 biennium is 3.3¢ per gallon.

**Sec. W-9. Effective date.** This Part takes effect July 1, 2009.'

Amend the amendment in Part X by striking out all of section 2 (page 80, lines 37 to 42 and page 81, lines 1 to 3 in amendment) and inserting the following:

**'Sec. X-2. Authorization to issue TransCap Trust Fund revenue bonds for highways.** The Maine Municipal Bond Bank, at the request of the Department of Transportation, is authorized to issue additional TransCap Trust Fund revenue bonds as provided in the Maine Revised Statutes, Title 30-A, section 6006-G in amounts not to exceed \$30,000,000 for the purpose of funding capital highway projects with an estimated useful life of 10 years or greater.'

Amend the amendment by inserting after Part X the following:

## PART Y

**Sec. Y-1. Appropriations and allocations.** The following appropriations and allocations are made.

### TRANSPORTATION, DEPARTMENT OF

#### Highway and Bridge Capital 0406

Initiative: Allocates funding from the return of a portion of the 7.5% of fuel taxes previously transferred to the Maine Municipal Bond Bank TransCap Trust Fund.

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2009-10</b>	<b>2010-11</b>
Capital Expenditures	\$9,688,225	\$6,143,637
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$9,688,225</b>	<b>\$6,143,637</b>

#### Highway and Bridge Capital 0406

Initiative: Provides funding for capital projects utilizing the \$30,000,000 Maine Municipal Bond Bank TransCap Trust Fund revenue bond in Part X.

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2009-10</b>	<b>2010-11</b>
Capital Expenditures	\$10,000,000	\$20,000,000
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$10,000,000</b>	<b>\$20,000,000</b>

**Highway and Bridge Light Capital Z095**

Initiative: Provides funding for Capital Expenditures projects.

<b>HIGHWAY FUND</b>	<b>2009-10</b>	<b>2010-11</b>
Capital Expenditures	\$22,210,092	\$21,633,315
<b>HIGHWAY FUND TOTAL</b>	<b>\$22,210,092</b>	<b>\$21,633,315</b>

**Urban-Rural Initiative Program 0337**

Initiative: Restores funding on a one-time basis to the Urban-Rural Initiative Program deallocated in Part A by allocating funding from the return of a portion of the 7.5% of fuel taxes previously transferred to the Maine Municipal Bond Bank TransCap Trust Fund.

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$0	\$5,000,000
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$0</b>	<b>\$5,000,000</b>

**Urban-Rural Initiative Program 0337**

Initiative: Adjusts funding on a one-time basis for the Urban-Rural Initiative Program at the correct proportioned rate per the Maine Revised Statutes, Title 23, section 1803-B.

<b>HIGHWAY FUND</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$2,367,158	\$2,305,685
<b>HIGHWAY FUND TOTAL</b>	<b>\$2,367,158</b>	<b>\$2,305,685</b>

<b>TRANSPORTATION, DEPARTMENT OF</b>	<b>2009-10</b>	<b>2010-11</b>
<b>DEPARTMENT TOTALS</b>		
<b>HIGHWAY FUND</b>	<b>\$24,577,250</b>	<b>\$23,939,000</b>
<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$19,688,225</b>	<b>\$31,143,637</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$44,265,475</b>	<b>\$55,082,637</b>

Amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

## **SUMMARY**

This amendment makes the following changes to Committee Amendment "A."

1. It amends the transportation goals of the Sensible Transportation Policy Act to include a maintenance paving treatment every 7 years on average covering an estimated 600 miles per year of roads for which the State has summer maintenance responsibility.

2. It establishes a maintenance paving treatment surcharge to be added to the excise tax imposed on internal combustion engine fuel and distillates. The surcharge is adjusted every biennium and is established as 3.3¢ per gallon for the 2009-2010 biennium.

3. It establishes the amount of TransCap Trust Fund revenue bonds that the Maine Municipal Bond Bank, at the request of the Department of Transportation, is authorized to issue at \$30,000,000.

4. It allocates a portion of the TransCap Trust Fund revenue to replace the \$5,000,000 reduction to the funding for the Urban-Rural Initiative Program and allocates the remainder of the revenues in the TransCap Trust Fund to capital projects.

**FISCAL NOTE REQUIRED**  
**(See attached)**