



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 597

S.P. 180

In Senate, February 17, 2011

An Act To Provide Funding for the State Transit, Aviation and Rail Transportation Fund

Reference to the Committee on Transportation suggested and ordered printed.

Joseph G. Carleton Jr.

JOSEPH G. CARLETON, JR.
Secretary of the Senate

Presented by Senator COLLINS of York.

Cosponsored by Representative CEBRA of Naples and

Senator: DIAMOND of Cumberland, Representatives: MAZUREK of Rockland, PARRY of
Arundel, RIOUX of Winterport, THERIAULT of Madawaska.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 23 MRSA §1807, sub-§4**, as enacted by PL 2001, c. 681, §1, is amended
3 to read:

4 **4. Lapse of program funds.** ~~The annual amount available for distribution under this~~
5 ~~section may not exceed 2.5% of the annual funding dedicated for the Urban Rural~~
6 ~~Initiative Program.~~ All funds not distributed each year under this section lapse to the
7 Highway Fund.

8 **Sec. 2. 23 MRSA §1807, sub-§5**, as enacted by PL 2001, c. 681, §1, is amended
9 to read:

10 **5. Distribution of funds.** ~~Beginning July 1, 2003, the~~ The department shall increase
11 an Urban-Rural Initiative Program payment for a municipality that applies under
12 subsection 1 on a dollar-for-dollar basis. ~~After the total of qualifying applications for~~
13 ~~reimbursement exceeds the annual amount available for distribution provided under~~
14 ~~subsection 4, funds must be apportioned according to the amount of each municipality's~~
15 ~~increase of qualifying expenditures, ridership or other factors determined by the~~
16 ~~department.~~

17 **Sec. 3. 23 MRSA §4210-B, sub-§7**, as enacted by PL 2007, c. 677, §1, is
18 amended to read:

19 **7. Sales tax revenue.** Beginning July 1, ~~2009~~ 2012 and every July 1st thereafter, the
20 State Controller shall transfer to the STAR Transportation Fund an amount, as certified
21 by the State Tax Assessor, that is equivalent to ~~50%~~ 100% of the revenue from the tax
22 imposed on the value of rental for a period of less than one year of an automobile
23 pursuant to Title 36, section 1811 for the first 6 months of the prior fiscal year after the
24 reduction for the transfer to the Local Government Fund under Title 30-A, section 5681,
25 subsection 5. Beginning on October 1, ~~2009~~ 2012 and every October 1st thereafter, the
26 State Controller shall transfer to the STAR Transportation Fund an amount, as certified
27 by the State Tax Assessor, that is equivalent to ~~50%~~ 100% of the revenue from the tax
28 imposed on the value of rental for a period of less than one year of an automobile
29 pursuant to Title 36, section 1811 for the last 6 months of the prior fiscal year after the
30 reduction for the transfer to the Local Government Fund. The tax amount must be based
31 on actual sales for that fiscal year and may not consider any accruals that may be required
32 by law. The amount transferred from General Fund sales and use tax revenues does not
33 affect the calculation for the transfer to the Local Government Fund.

34 **Sec. 4. Effective date.** This Act takes effect July 1, 2012.

35 **SUMMARY**

36 This bill removes the cap on the annual amount available for distribution under the
37 transit bonus payment program, which is currently set at 2.5% of the annual funding
38 dedicated for the Urban-Rural Initiative Program.

1 It also increases from 50% to 100% the transfer to the STAR Transportation Fund of
2 revenue from the tax imposed on the value of rental of an automobile.