

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

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

## PART A

**Sec. A-1. Legislative purpose.** The Legislature declares that it is the purpose of this Act to augment the State's transportation capital improvement needs by:

1. Establishing quantifiable capital goals and reporting procedures to enhance accountability;
2. Establishing stable, reliable, long-term capital funding sources including rational and predictable transportation debt policy for planning purposes;
3. Establishing stable, reliable, long-term operational funding for transit;
4. Setting priorities that maximize the benefit to transportation users and that focus on corridors of regional economic significance for transportation; and
5. Providing additional transportation capital resources from transportation-related user fees and taxes.

## PART B

**Sec. B-1. 23 MRSA §73, sub-§6** is enacted to read:

**6. Capital goals and reporting.** To provide a capital transportation program that is geographically balanced and that addresses urban and rural needs, the department shall include the following goals as part of its multimodal transportation capital improvement planning and program delivery. The goals are to:

- A. Improve and modernize the interstate system to a good condition or better condition than on July 1, 2007 so as to maintain a free and safe flow of traffic;
- B. By 2022, reconstruct those principal and minor arterial highways that are not built to nationally accepted design standards;
- C. By 2027, reconstruct those state highway major collectors that are not built to the department's state design standards;
- D. Reconstruct state aid minor collector highways in partnership with municipalities, to the extent municipalities elect to undertake such reconstruction pursuant to chapter 19, subchapter 6;

E. By 2027, achieve an even distribution of the service life remaining before the arterial and state highway major collector inventory needs major rehabilitation of drainage or structural features;

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

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

The department shall report to the joint standing committee of the Legislature having jurisdiction over transportation matters by January 15th of each odd-numbered year quantifying progress realized and time that has elapsed since the goals were established. The department shall recommend any remedial actions, including additional funding or revisions to the goals, that the department determines to be necessary or appropriate.

**Sec. B-2. Extraordinary corridor investments for transportation and the economy.** The Department of Transportation shall consider the appropriate scope, priorities, schedule for community consensus and funding plans for significant new capacity projects of all modes and extraordinary bridge replacement, removal or rehabilitation projects. Such projects must be considered significant if they are estimated to exceed \$10,000,000 in cost. The department shall take into consideration all available funding options including federal funds, bonds, tolling and public-private partnerships. The department shall consider at a minimum partnerships with the Maine Turnpike Authority, the Maine Port Authority and the Northern New England Passenger Rail Authority.

The department shall consider significant new capacity projects of all modes, which must include at least the following: Aroostook North-South Highway; East-West corridor improvements; Gorham connector; I-295 South Portland to Brunswick capacity improvements; I-295 Brunswick to Gardiner rehabilitation; I-95 Bangor capacity and modernization improvements; Lewiston-Auburn I-95 to downtown connector; Portland to Brunswick passenger rail; Sanford connector; Wiscasset bypass; and the department's 3-port strategy including the ports of Eastport, Searsport and Portland.

The department also shall consider extraordinary bridge replacement, removal or rehabilitation projects, which must include at least the following: Carlton Bridge in Bath; Route 1 West approach in Bath; Beals Island Bridge in Beals; Knickerbocker Bridge in Boothbay; Frank J. Wood Bridge in Brunswick; Sibley Pond Bridge in Canaan; Aroostook River Bridge in Caribou; Deer Isle-Sedgwick Bridge in Deer Isle; International Bridge in Fort Kent; Turner Center Bridge in Greene; Bailey Island Bridge in Harpswell; Penobscot River Bridge in Howland; Piscataquis River Bridge in Howland; Memorial Bridge in Kittery; Sarah Mildred Long Bridge in Kittery; St. John Border Crossing in Madawaska; Covered Bridge in Norridgewock; Martin's Point Bridge in Portland; Waldo-Hancock Bridge removal in Prospect; Maine Kennebec Bridge in Richmond; Kennebec River Bridge in Skowhegan; Veterans Memorial Bridge in South Portland; and New Bridge in York.

The department shall submit a report to the Joint Standing Committee on Transportation by January 15, 2008 that includes the department's recommendations as to the appropriate scope, schedule for community consensus, additional study needs, priority and funding plans for significant new capacity

projects and extraordinary bridge replacement, removal or rehabilitation projects. Such funding plans must seek to avoid disruption in the achievement of goals set forth in the Maine Revised Statutes, Title 23, section 73, subsection 6.

## PART C

**Sec. C-1. 23 MRSA §1604** is enacted to read:

### **§ 1604. Transportation debt policy for capital planning purposes**

Due to the capital intensive nature of transportation investment and the dedicated nature of transportation revenue streams, the Department of Transportation shall plan its capital transportation program based upon the following assumed debt policies. Neither this section nor planning undertaken pursuant to this section authorizes the issuance of any debt. Debt may be issued only in accordance with applicable authorizing law.

**1. Highway Fund general obligation bonding.** The rolling, 3-year average ratio of Highway Fund general obligation debt service payments to Highway Fund revenue must be assumed to be not more than 10%. Highway Fund general obligation bond terms must be assumed to be 10 years.

**2. GARVEE bonding.** The rolling, 3-year average ratio of GARVEE bond debt service payments to funds received from the Federal Highway Administration must be assumed to be not more than 15%, except that sufficient debt service capacity must be assumed to be reserved under the 15% level for a \$25,000,000 GARVEE bond issuance for extraordinary, unprogrammed needs. GARVEE bonds must be assumed to have terms of not more than 15 years and to be available only for capital projects that have an anticipated useful life of at least 20 years. GARVEE bonds must be authorized by the Legislature as provided in section 1612. For purposes of this section, "GARVEE bond" has the same meaning as in section 1611.

**3. TransCap revenue bonding.** The level of TransCap revenue bonding as authorized by Title 30-A, section 6006-G is limited by the level of revenue authorized and exclusively dedicated to the Maine Municipal Bond Bank for debt service for such bonds. TransCap bonds must be assumed to have terms of not more than 15 years and to be available only for capital projects that have an anticipated useful life of at least 5 years greater than the bond term. TransCap bonds must be authorized by the Legislature as provided in Title 30-A, section 6006-G.

## PART D

**Sec. D-1. 23 MRSA c. 19, sub-c. 3-A** is enacted to read:

### **SUBCHAPTER 3-A**

#### **Garvee bonding**

### **§ 1611. Definitions**

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

**1. Bank.** "Bank" means the Maine Municipal Bond Bank, established under Title 30-A, chapter 225.

**2. GARVEE bond.** "GARVEE bond" means a grant anticipation revenue vehicle debt financing instrument repaid with federal highway funds as authorized by 23 United States Code, Section 122.

**3. Qualified transportation project.** "Qualified transportation project" means a project to reconstruct, rehabilitate or replace existing bridges and existing arterial highways that:

A. Will forward the capital goals set forth in Title 23, section 73, subsection 6;

B. Has a useful life of 20 years or more; and

C. Meets eligibility requirements of the United States Department of Transportation, Federal Highway Administration.

"Qualified transportation project" does not include a project that predominantly consists of a new highway on a new location or a new bridge on a new location, other than a replacement bridge located in close proximity to the bridge it is replacing, unless specifically approved by the Legislature.

**4. Qualified transportation project costs.** "Qualified transportation project costs" includes, without limitation:

A. The purchase price or acquisition of any properties or interest in those properties or other rights necessary or convenient for the project;

B. The costs of the study, permitting and engineering of the project, including the preparation of plans and specifications, surveys and estimates of cost;

C. The costs of construction, reconstruction, paving, repaving, building, alteration, repair, restoration, environmental review or remediation, enlargement or other improvement, including all labor, materials, machinery, fixtures and equipment, including rolling stock or vehicles;

D. The costs of engineering, architectural, legal and other professional services;

E. The costs of reserves, insurance, letters of credit or other financial guarantees for payment of future debt service on bonds or notes; and

F. All other costs or expenses necessary or convenient to the project, including financing or refinancing costs.

**5. Revenue.** "Revenue" means, in the case of bonds or notes issued by the bank to finance the qualified transportation project, payment of funds derived from the United States Department of Transportation, Federal Highway Administration and any other investment, gift, grant, contribution, appropriation and income and any other amount pledged to secure payment of such bonds or notes.

### **§ 1612. GARVEE bonding authorized**

Notwithstanding any other provision of law, upon certification, the bank may issue from time to time GARVEE bonds for qualified transportation projects and qualified transportation project costs in such amounts as are authorized by the Legislature, as long as the rolling, 3-year average ratio of GARVEE bond debt service payments to federal funds received from the United States Department of Transportation, Federal Highway Administration does not exceed 15%, less the amount of capacity necessary to issue a \$25,000,000 GARVEE bond for extraordinary, unprogrammed needs.

Beginning with the budget presented for the fiscal year beginning July 1, 2009, the Department of Transportation shall present for review and approval by the Legislature as part of the Highway Fund budget the level of programmed biennial GARVEE bond financing.

### **§ 1613. Bank resolution; pledge; bond terms**

**1. Issuance.** The bank shall issue GARVEE bonds from time to time pursuant to a resolution adopted by the bank. The GARVEE bonds issued must be secured pursuant to a pledge and certificate issued by the Department of Transportation and approved by the State Budget Officer. The pledge and certificate must contain provisions that dedicate and pledge receipt of future federal transportation funds to secure the payment of the GARVEE bonds, including principal, interest and issuance costs. The terms of the GARVEE bonds, their repayment schedule and other provisions to facilitate their creditworthiness are determined by the bank in consultation with the Department of Transportation and the State Budget Officer. The pledge and certificate are a part of the contract with the holders of the GARVEE bonds to be authorized.

**2. Form and term.** The GARVEE bonds must be in the form, bear the date or dates, mature at the time or times and have such other terms as determined by the bank and approved by the Department of Transportation and the State Budget Officer, except that a GARVEE bond may not mature more than 15 years from the date of its issue.

**3. Not a state liability.** GARVEE bonds issued under this section do not constitute a debt or liability of the State or of any political subdivision of the State, or a pledge of the full faith and credit of the State or of any political subdivision of the State, but are payable solely from the funds and revenues pledged for that purpose.

**4. Proceeds.** The proceeds from the sale of the GARVEE bonds must be deposited into the appropriate highway fund capital account or other appropriate dedicated revenue account.

### **§ 1614. Power and duty of the bank**

The powers and duties of the bank provided under Title 30-A, chapter 225 are modified and supplemented as set out in this section.

**1. Qualified transportation projects.** The bank may assist the State by borrowing money to finance or refinance from time to time all or a portion of the costs of qualified transportation projects and make the proceeds of such borrowing available to the Department of Transportation at terms agreed upon by the bank, the State Budget Officer and the Department of Transportation. The principal of and interest on any bonds or notes issued by the bank to finance or refinance the qualified transportation projects must be secured by a pledge of funds paid by the United States Department of Transportation, Federal Highway Administration and may further be secured by a pledge of any rights, grants, reserves, contracts, agreements or other revenues or property as may be determined by resolution of the bank. Bonds, notes, leases, agreements or other forms of debt or liability entered into or issued by the bank under this section are not in any way a debt or liability of the State and do not constitute a loan of the credit of the State or create any debt or liability on behalf of the State or constitute a pledge of the faith and credit of the State. Each bond, note, lease, agreement or other evidence of debt or liability entered into by the bank must contain a statement to the effect that the bank is obligated to pay the principal, interest, redemption premium, if any, and other amounts payable solely from the sources pledged for that purpose by the bank and that neither the faith and credit nor the taxing power of the State is pledged to the payment of the principal, interest, premium, charge, fee or other amount on the bond, note, lease, agreement or other form of indebtedness.

**2. Additional powers.** In addition to all other powers elsewhere granted to the bank, the bank may, with respect to qualified transportation projects:

A. Acquire title to or an interest in the qualified transportation projects;

B. Make, enter into and enforce contracts and all other instruments, including any amendments or modifications to the extent permitted under its contract with holders of its bonds or notes, with the State, the United States Department of Transportation, Federal Highway Administration or any other legal entity in furtherance of the purposes of this section;

C. Invest any funds or money of the bank not then required for funding costs of the qualified transportation projects in the same manner as permitted for the investment of funds belonging to the State or held by the Treasurer of State, except as otherwise permitted or provided by this section;

D. Fix and prescribe any form of application or procedure to be required of the State or of any agency or department of the State with respect to the qualified transportation projects and fix the terms and conditions of the qualified transportation projects and enter into agreements with the State or any agency or department of the State in connection with the qualified transportation projects; and

E. Lease the qualified transportation projects to the State or any agency or department of the State to further the purposes of this section, as long as the obligation of the State or of any such agency or department to make any rental or other payments is considered executory only to the extent of funds paid by the United States Department of Transportation.

## **§ 1615. Pledge of federal highway funds**

The Department of Transportation may transfer, assign or pledge any or all of the funds paid to it, directly or indirectly, by the United States Department of Transportation, Federal Highway Administration with respect to the qualified transportation projects. Any such pledge does not constitute a debt or liability on behalf of, a loan of the credit of or a pledge of the faith and credit of the State or of any political subdivision of the State. A decision by the Department of Transportation not to allocate such federal transportation funds for the payment of such bonds or notes or related costs and expenses may not be construed to constitute an action impairing any contract entered into by the bank under this section.

**§ 1616. Contracts are subject to continuing federal appropriations of federal transportation funds**

Every contract relating to the issuance of bonds or notes to finance all or a part of the costs of qualified transportation projects must provide that all financial obligations of the State or of any agency or department of the State in regard to the portion of the principal of and interest on the bonds or notes and the related costs and expenses that may be paid from federal transportation funds pursuant to federal law and any agreement between the United States Department of Transportation, Federal Highway Administration or any agency of the Federal Highway Administration and the Department of Transportation that is or will be the initial recipient of such federal transportation funds are subject to continuing federal appropriations of federal transportation funds at a level equal to or greater than the amount needed to pay the federal share of principal, interest and costs and expenses on any such bonds or notes.

**§ 1617. State agency powers**

**1. Transportation projects.** The Department of Transportation, and all other agencies or departments of the State working in conjunction with the Department of Transportation, for the purpose of aiding and cooperating in the financing, construction, operation or maintenance of qualified transportation projects, may:

- A. Sell, lease, loan, donate, grant, convey, pledge, assign or otherwise transfer to the bank any real or personal property or interests in any real or personal property; and
- B. Enter into agreements, including loan and pledge agreements, with any person for the joint financing, construction, operation or maintenance of the qualified transportation projects and agree to make payments, without limitation as to amount except as set forth in the agreements, from revenues received in one or more fiscal years by the Department of Transportation or with any person to defray the costs of the financing, construction, operation or maintenance of the qualified transportation projects.

**2. Federal transportation funds.** To assist in the financing, construction, operation or maintenance of the qualified transportation project, a state agency or department may by contract or pledge assign or otherwise transfer to the Department of Transportation or otherwise as directed by the bank all or a portion of federal transportation funds paid to the state agency or department or the revenues from any other legally available source.

**§ 1618. Exception to prohibited acts and limitation of powers**

Notwithstanding Title 30-A, section 5958, the bank may make loans to the State or any agency or department of the State in connection with the financing of qualified transportation projects. Notwithstanding Title 30-A, section 6003, the bank may issue its bonds from time to time in any principal amounts that it considers necessary to provide funds for any of the purposes authorized by this section, including the financing or refinancing of all or a portion of the costs of qualified transportation projects. Notwithstanding Title 30-A, section 6019, the bank may enter into any agreements or contracts with any commercial banks, trust companies or banking or other financial institutions within or outside the State that are necessary, desirable or convenient in the opinion of the bank to provide any other services to the bank to assist the bank in effectuating the purposes of this section.

### **§ 1619. Receipt of federal appropriation money**

The Treasurer of State may receive from the Federal Government any amount of money as appropriated, allocated, granted, turned over or in any way provided for the purposes of this subchapter. In connection with the financing of qualified transportation projects, these amounts must be credited to and deposited in the Federal Expenditures Fund and are available to the bank.

### **§ 1620. Remedies of holders of bonds and notes**

In addition to all other rights or remedies set forth in Title 30-A, section 6023, subsection 2, the trustee appointed pursuant to Title 30-A, section 6023 may, and upon written request of the holders of 25% in principal amount of all bonds then outstanding that have been issued to finance or refinance all or a portion of the costs of qualified transportation projects shall, in the trustee's or the bank's own name, by mandamus or other suit, action or proceeding at law or in equity, enforce all rights of the bondholders, including the right to require the bank to collect payments and other amounts and to collect interest and amortization payments under agreements payable to the bank and pledged to payment of the bonds adequate to carry out any agreement as to, or pledge of, those payments and other amounts and of such interest and amortization payments and to require the bank to carry out any other agreements with the bondholders and to perform its duties under this section.

### **Sec. D-2. Programmed GARVEE bonding level for 2008-2009 biennium.**

Notwithstanding any other provision of law and pursuant to the Maine Revised Statutes, Title 23, chapter 19, subchapter 3-A, the Maine Municipal Bond Bank may issue from time to time up to \$50,000,000 of GARVEE bonds for projects programmed in the 2008-2009 biennium to be repaid solely from annual federal transportation appropriations for funding for qualified transportation projects.

## **PART E**

### **Sec. E-1. 30-A MRSA §6006-G is enacted to read:**

### **§ 6006-G. TransCap Trust Fund**

**1. Establishment; purposes.** The TransCap Trust Fund, referred to in this section as "the fund," is established in the custody of the bank to provide transportation capital investment for the Department of Transportation and municipalities in accordance with this section. The purpose of the fund



is to provide financial assistance for the planning, design, acquisition, reconstruction and rehabilitation of transportation capital improvements of all modes including improvements that will forward the capital goals set forth in Title 23, section 73, subsection 6.

**2. Administration.** The bank shall administer the fund. The fund must be invested in the same manner as permitted for investment of funds belonging to the State or held in the State Treasury. The fund must be established and held separate from any other funds or money of the State or the bank and used and administered exclusively for the purpose of this section. The fund consists of the following:

A. Sums that are transferred to the fund from time to time by the Treasurer of State pursuant to Title 36, section 2903, subsection 5 and Title 36, section 3203, subsection 4;

B. Sums transferred to the fund from time to time by the Treasurer of State pursuant to Title 29-A, section 159;

C. Sums transferred to the fund from time to time by the Treasurer of State pursuant to Title 36, section 1766; and

D. Other revenues or funds including:

(1) Principal and interest received from the repayment of loans made from the fund;

(2) Capitalization grants and awards made to the State or an instrumentality of the State by the Federal Government for any of the purposes for which the fund has been established. These amounts must be paid directly into the fund without need for appropriation by the State;

(3) Interest earned from the investment of fund balances;

(4) Private gifts, bequests and donations made to the State for any of the purposes for which the fund has been established;

(5) The proceeds of notes or bonds issued by the State for the purpose of deposit in the fund;

(6) The proceeds of notes or bonds issued by the bank for the purpose of deposit in the fund; and

(7) Other funds from any public or private source received for use for any of the purposes for which the fund has been established.

**3. Bond terms; authorized levels.** Bonds issued pursuant to this section may not have terms of more than 15 years. Commencing with the budget presented for the fiscal year beginning July 1, 2009, the level of TransCap revenue bonding must be presented for review and approval by the Legislature as part of the Highway Fund budget.

**4. Uses.** Revenues deposited in the fund from sources enumerated in the Constitution of Maine, Article IX, Section 19 may be used or applied only in accordance with that provision. Within this limitation, the fund may be used for one or more of the following purposes:

A. To make grants and loans to the Department of Transportation and municipalities under this section, except that such bonds may be used only for capital projects that have an anticipated useful life of at least 5 years greater than the bond term;

B. To guarantee or insure, directly or indirectly, the payment of notes or bonds issued or to be issued by the State for the purpose of financing capital improvements that will forward the capital goals set forth in Title 23, section 73, subsection 6;

C. To guarantee or insure, directly or indirectly, funds established by municipalities for the purpose of financing any capital improvements described in Title 23, section 1803-B;

D. To invest available fund balances and to credit the net interest income on those balances to the fund;

E. To invest as a source of revenue or security for the payment of principal and interest on general or special obligations of the bank if the proceeds of the sale of the obligations have been deposited in the fund or loaned to eligible participants in the programs financed with the fund or as a source of revenue to subsidize municipal loan payment obligations; and

F. To pay the costs of the bank associated with the administration of the fund and projects financed by it as long as no more than 2% of the aggregate of the highest fund balance in any fiscal year is used for these purposes.

**5. Establishment of accounts.** The bank may establish accounts and subaccounts within the fund as it determines desirable to effectuate the purposes of this section, including, but not limited to, accounts to segregate a portion of the fund for grants and as security for bonds issued by the bank for deposit in the fund and to be invested for the benefit of specified projects receiving financial assistance from the fund.

## **PART F**

**Sec. F-1. 25 MRSA §1509,** as enacted by PL 2005, c. 664, Pt. R, §1, is repealed.

**Sec. F-2. 25 MRSA §1509-A** is enacted to read:

### **§ 1509-A. State Police funding**

Beginning July 1, 2009, state funding for the Department of Public Safety, Bureau of State Police must be provided in accordance with this section.

**1. General Fund.** The percentage of state funding for the Department of Public Safety, Bureau of State Police appropriated from the General Fund must be according to the following schedule.

<u>Fiscal Year</u>	<u>General Fund %</u>
<u>2010</u>	<u>50%</u>
<u>2011</u>	<u>50%</u>
<u>2012</u>	<u>60%</u>
<u>2013</u>	<u>60%</u>
<u>2014</u>	<u>70%</u>
<u>2015</u>	<u>70%</u>
<u>2016 and thereafter</u>	<u>75%</u>

**2. Highway Fund.** The percentage of state funding for the Department of Public Safety, Bureau of State Police allocated from the Highway Fund must be according to the following schedule.

<u>Fiscal Year</u>	<u>Highway Fund %</u>
<u>2010</u>	<u>50%</u>
<u>2011</u>	<u>50%</u>
<u>2012</u>	<u>40%</u>
<u>2013</u>	<u>40%</u>
<u>2014</u>	<u>30%</u>
<u>2015</u>	<u>30%</u>
<u>2016 and thereafter</u>	<u>25%</u>

**Sec. F-3. 36 MRSA §2903, sub-§5** is enacted to read:

**5. Deposit to trust fund.** Beginning January 1, 2009 the Treasurer of State shall deposit monthly into the TransCap Trust Fund established in Title 30-A, section 6006-G 7.5% of the excise tax imposed under subsection 1.

**Sec. F-4. 36 MRSA §3203, sub-§4,** as enacted by PL 1997, c. 738, §10, is amended to read:

**4. Highway Fund.** All taxes and fines collected under this chapter must be credited to the Highway Fund, except that beginning January 1, 2009 the Treasurer of State shall deposit monthly into the TransCap Trust Fund established in Title 30-A, section 6006-G 7.5% of the excise tax imposed under subsection 1.

## PART G

**Sec. G-1. 29-A MRSA §159** is enacted to read:

**§ 159. Application of certain fees**

Notwithstanding any other provision of law, beginning July 1, 2008 the Treasurer of State shall deposit quarterly in the TransCap Trust Fund established in Title 30-A, section 6006-G 15% of the fees collected under section 501, subsection 1; section 504, subsection 1; and section 512.

**Sec. G-2. 29-A MRSA §453, sub-§2,** as enacted by PL 1993, c. 683, Pt. A, §2 and affected by Pt. B, §5, is amended to read:

**2. Fee.** The annual service fee for a vanity registration plate is ~~\$15~~\$25 in addition to the regular motor vehicle registration fee. The service fee must be credited to the ~~General~~ Highway Fund. A sum sufficient to defray the cost of this program must be allocated annually from the ~~General~~ Highway Fund.

**Sec. G-3. 29-A MRSA §501, sub-§1,** as amended by PL 1999, c. 790, Pt. C, §3 and affected by §19, is further amended to read:

**1. Automobiles; pickup trucks.** The fee for an automobile or pickup truck used for the conveyance of passengers or interchangeably for passengers or property is ~~\$25~~\$30.

An automobile used for the conveyance of passengers or property is a "combination" vehicle and may be issued a special plate with the word "combination" instead of "Vacationland." A passenger vehicle used under contract with the State, a municipality or a school district to transport students must be designated as "combination." A vehicle owned or operated by parents or legal guardians is exempt from this subsection.

Commercial plates may not be issued for or displayed on an automobile.

The gross weight of a pickup truck registered as provided by this subsection may not exceed 6,000 pounds. An owner of a pickup truck who operates the pickup truck with a gross weight in excess of 6,000 pounds or the pickup truck drawing a semitrailer with a combined gross weight in excess of 6,000 pounds must register the truck as provided in section 504.

Notwithstanding any other provision of law, a combination of vehicles consisting of a pickup truck as defined in section 101, subsection 55 and a semitrailer with a registered weight of 2,000 pounds or less may be registered under this section for the combined gross weight of the pickup truck and the semitrailer.

**Sec. G-4. 29-A MRSA §502, sub-§1,** as enacted by PL 1993, c. 683, Pt. A, §2 and affected by Pt. B, §5, is amended to read:

**1. Transferring registration.** A person who transfers the ownership or discontinues the use of a registered motor vehicle, trailer or semitrailer and applies for registration of another motor vehicle, trailer or semitrailer in the same registration year may use the same number plates on payment of a transfer fee of ~~\$8~~\$10, as long as the registration fee is the same as that of the former vehicle. If the fee for the vehicle to be registered is greater than the fee for the vehicle first registered, that person must also pay the difference. If application is made for a truck camper or a trailer with a gross weight of 2,000 pounds or less, the transfer fee is ~~\$5~~\$7.

**Sec. G-5. 29-A MRSA §504, sub-§1, ¶A,** as amended by PL 1999, c. 790, Pt. C, §8 and affected by §19, is further amended to read:

A. For gross weight from 0 to 6,000 pounds, the fee is ~~\$25~~\$30.

**Sec. G-6. 29-A MRSA §511, sub-§1,** as amended by PL 2003, c. 253, §1 and affected by §5, is further amended to read:

**1. Registration fees; trailers and semitrailers.** The following annual registration fee applies to trailers, semitrailers and camp trailers.

A. The fee is ~~\$10.50~~\$12.50 for a:

(1) Trailer, camp trailer or semitrailer not exceeding 2,000 pounds gross vehicle weight; or

(3) Mobile home.

B. The fee is ~~\$20~~\$22 for a camp trailer exceeding 2,000 pounds.

C. The fee is ~~\$20~~\$22 for a semitrailer exceeding 2,000 pounds.

D. Except as provided in paragraph A, a trailer exceeding 2,000 pounds must be registered on the basis of gross weight in accordance with the schedule under section 504.

Fees paid under this section and section 512 are administrative fees and nonapportionable. The Secretary of State may collect apportionable fees for trailers and semitrailers pursuant to the International Registration Plan.

Except for camp trailers, registrations under this section may be issued for 2 years for a fee twice that of the annual registration fee.

**Sec. G-7. 29-A MRSA §512, sub-§1, ¶B,** as amended by PL 2003, c. 253, §2 and affected by §5, is further amended to read:

B. The fee is ~~\$12~~\$14 for each semitrailer, and the fee is \$5 for each trailer of not more than 2,000 pounds gross vehicle weight.

Fees for the first 3 years of a registration may not be refunded. Fees for the 4th and subsequent years may be refunded prior to the start of the registration year provided that the registration plate and certificate are returned to the Secretary of State. After the start of the registration year, fees for the current year may be refunded if the plate and certificate are returned within 120 days and the Secretary of State is satisfied that the credentials were not used during the registration period.

**Sec. G-8. 29-A MRSA §512, sub-§2, ¶A,** as amended by PL 2003, c. 253, §3 and affected by §5, is further amended to read:

A. The fee for each registration is ~~\$12~~\$14 per year or portion of a year. The Secretary of State shall establish a procedure to bill each registrant using semipermanent semitrailer registrations once annually except the billing at the time of purchase of a full 20-year registration must be for a 3-year period. Fees for the first 3 years are nonrefundable. A fee for a registration of less than 20 years must be prorated accordingly. If any registrant fails to remit the payment in a timely manner, the Secretary of State shall suspend all registrations issued to that registrant pursuant to this subsection.

**Sec. G-9. 29-A MRSA §603, sub-§1**, as amended by PL 2001, c. 440, Pt. C, §1, is further amended to read:

**1. Fee of \$30.** A fee of ~~\$23~~\$30 must be paid to the Secretary of State for the following:

A. A report of a search of the records of the Bureau of Motor Vehicles for each name or identification number;

B. Filing an application for a first certificate of title, including security interest;

C. Filing notice of a security interest after the first certificate of title has been issued;

D. A certificate of title after a transfer;

E. A certificate of salvage;

F. A corrected certificate of title or salvage;

G. A duplicate certificate; or

H. Assignment of a new vehicle identification number.

For a person who possesses a trailer or semitrailer registration pursuant to section 512, subsection 3, the fee is \$18.

**Sec. G-10. Effective date.** Those sections of this Part that amend the Maine Revised Statutes, Title 29-A, section 453, subsection 2; section 501, subsection 1; section 502, subsection 1; section 504, subsection 1, paragraph A; section 512, subsection 1, paragraph B; section 512, subsection 2, paragraph A; and section 603, subsection 1 take effect October 1, 2007.

## PART H

**Sec. H-1. 23 MRSA §4210-B, sub-§7** is enacted to read:

**7. Sales tax revenue.** Beginning July 1, 2009 and every July 1st thereafter, the Treasurer of State shall transfer to the STAR Transportation Fund an amount, as certified by the State Tax Assessor, that is equivalent to the revenue from the tax imposed on the value of rental for a period of less than one year of an automobile pursuant to Title 36, section 1811. The tax amount must be based on actual cash

receipts for that fiscal year and may not consider any accruals that may be required by law. The amount transferred under this subsection does not affect the calculation for the transfer of General Fund sales and use tax revenues to the Local Government Fund under Title 30-A, section 5681, subsection 5.

## **PART I**

**Sec. I-1. 36 MRSA §1766** is enacted to read:

### **§ 1766. Application of certain sales tax receipts**

For purposes of this section, "transportation-related sales tax receipts" means 19% of total sales tax receipts collected pursuant to this Part.

**1. Percentages identified.** The following percentages of the transportation-related sales tax receipts must be calculated and certified to the Treasurer of State by the State Tax Assessor within 60 days after the end of each calendar quarter:

- A. On or after July 1, 2009, 4%;
- B. On or after July 1, 2010, 8%;
- C. On or after July 1, 2011, 12%;
- D. On or after July 1, 2012, 16%; and
- E. On or after July 1, 2013, 20%.

**2. Deposit of funds.** Within 20 days of receiving certification from the State Tax Assessor under section 1, the Treasurer of State shall transfer from the General Fund to the following funds the following percentages of the amounts certified:

- A. Ninety percent to the TransCap Trust Fund established in Title 30-A, section 6006-G; and
- B. Ten percent to the STAR Transportation Fund established in Title 23, section 4210-B.

## **PART J**

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

### **MUNICIPAL BOND BANK, MAINE**

#### **TransCap Trust Fund N031**

Initiative: Allocates funds to authorize transfers to the TransCap Trust Fund at the Maine Municipal Bond Bank.

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2007-08</b>	<b>2008-09</b>
All Other	\$0	\$19,163,740
	<hr/>	<hr/>
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$0</b>	<b>\$19,163,740</b>

<b>MUNICIPAL BOND BANK, MAINE DEPARTMENT TOTALS</b>	<b>2007-08</b>	<b>2008-09</b>
<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$0</b>	<b>\$19,163,740</b>
	<hr/>	<hr/>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$19,163,740</b>

**TRANSPORTATION, DEPARTMENT OF**

**Highway and Bridge Improvement 0406**

Initiative: Allocates additional funds on a one-time basis for the Highway and Bridge Improvements capital program.

<b>HIGHWAY FUND</b>	<b>2007-08</b>	<b>2008-09</b>
Capital Expenditures	\$8,012,100	\$0
	<hr/>	<hr/>
<b>HIGHWAY FUND TOTAL</b>	<b>\$8,012,100</b>	<b>\$0</b>

<b>TRANSPORTATION, DEPARTMENT OF DEPARTMENT TOTALS</b>	<b>2007-08</b>	<b>2008-09</b>
<b>HIGHWAY FUND</b>	<b>\$8,012,100</b>	<b>\$0</b>
	<hr/>	<hr/>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$8,012,100</b>	<b>\$0</b>

<b>SECTION TOTALS</b>	<b>2007-08</b>	<b>2008-09</b>
<b>HIGHWAY FUND</b>	<b>\$8,012,100</b>	<b>\$0</b>
<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$0</b>	<b>\$19,163,740</b>
	<hr/>	<hr/>
<b>SECTION TOTAL - ALL FUNDS</b>	<b>\$8,012,100</b>	<b>\$19,163,740</b>



## SUMMARY

This amendment replaces the bill. This amendment:

1. Amends the legislative purposes of the bill, which include long-term transportation goal setting and prioritization and stable, long-term transportation funding;
2. Establishes capital goals for the Department of Transportation including with respect to interstate modernization, reconstructing arterial highways, reconstructing major collectors and reconstructing state aid minor collectors. It also establishes biennial reporting requirements to track progress toward the goals;
3. Requires the Department of Transportation to report to the Legislature by January 15, 2008 with recommendations on the appropriate scope, priorities, schedule for community consensus and funding plans for significant new capacity projects and extraordinary bridge replacement, removal or rehabilitation projects estimated to cost in excess of \$10,000,000;
4. Establishes a transportation debt policy for capital planning purposes. Actual authorization for and issuance of debt will occur as otherwise provided by law;
5. Provides enabling legislation for GARVEE bonds. Such bonds would be used only to fund projects to reconstruct, rehabilitate or replace existing bridges and existing arterial highways that have a useful life of at least 20 years. The maximum federal debt to revenue ratio is set at 15%, provided sufficient debt service capacity under the 15% level is reserved for a \$25,000,000 GARVEE bonding in emergencies. It directs that GARVEE bonding levels must be presented for legislative approval as part of the Highway Fund budget;
6. Provides an initial authorization for \$50,000,000 in GARVEE bonding to allow the Department of Transportation to deliver on its published Capital Work Plan;
7. Establishes a TransCap Trust Fund at the Maine Municipal Bond Bank to allow dedicated revenue streams to leverage revenue bonds to be used to achieve long-term transportation capital goals. It provides that bonding levels using the TransCap Trust Fund must be presented for legislative approval as part of the Highway Fund budget;
8. Beginning in fiscal year 2010, gradually increases the General Fund percentage of the Department of Public Safety, Bureau of State Police funding from the current 40% to 75% over 7 years and correspondingly decreases the Highway Fund percentage;
9. Beginning January 1, 2009, dedicates 7.5% of motor fuel tax revenues to the newly created TransCap Trust Fund at the Maine Municipal Bond Bank;
10. Effective October 1, 2007, increases the registration fee for vehicles under 6,000 pounds from \$25 to \$30 per year; increases title, certificate of salvage and related fees from \$23 to \$30 per year; increases the vanity plate fee from \$15 to \$25 per year; increases the semipermanent registration plate fees for trailers and semitrailers from \$12 to \$14; increases the annual registration fees for trailers and semitrailers by \$2; and increases the registration transfer fee from \$8 to \$10 per transaction;

11. Beginning July 1, 2008, dedicates 15% of the automobile registration fee, commercial vehicle registration fees and semipermanent and permanent registration fees for trailers and semitrailers to the newly created TransCap Trust Fund at the Maine Municipal Bond Bank. This amount approximately equals the amount of revenue generated by the various fee increases under the amendment;

12. Beginning July 1, 2009, dedicates the revenue from the tax on auto rentals to the STAR Transportation Fund for operational funding for transit, including the Downeaster train service;

13. Defines "transportation-related sales tax receipts" as 19% of total sales tax receipts and gradually dedicates an increasing percentage of these transportation-related sales tax receipts for transportation-related purposes. By July 1, 2013, 20% of the defined transportation-related sales tax receipts are dedicated to transportation-related purposes. Of these amounts dedicated to transportation-related purposes, each year 90% are deposited in the newly created TransCap Trust Fund at the Maine Municipal Bond Bank and 10% are deposited in the STAR Transportation Fund; and

14. Adds an appropriations and allocations section to the bill.

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