



128th MAINE LEGISLATURE

SECOND REGULAR SESSION-2018

Legislative Document

No. 1765

H.P. 1219

House of Representatives, January 3, 2018

An Act To Provide a Source of Revenue To Preserve the Integrity of Maine's Transportation Infrastructure

Submitted by the Department of Transportation pursuant to Joint Rule 203.
Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative PARRY of Arundel.
Cosponsored by Representative: McLEAN of Gorham.

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

2 **Sec. 1. 23 MRSA §1651**, as amended by PL 1971, c. 593, §22, is further amended
3 to read:

4 **§1651. Highway Fund established; purpose; revenue**

5 To provide funds for the construction of state, state aid and town ways, for the
6 maintenance of state and state aid highways, and interstate, intrastate and international
7 bridges, and for other items of expenditure specified, there is established a fund to be
8 known as the ~~General~~ Highway Fund. This fund ~~shall~~ must include all fees received from
9 the registration of motor vehicles and licensing of operators thereof; all fees accruing to
10 the Treasurer of State under Title 25, section 1502; the receipts from the tax on internal
11 combustion engine fuels; 10% of the receipts from the sales and use tax imposed on
12 transportation-related items pursuant to Title 36, section 1966; and all sums received on
13 account of the department for permits to open highways, or from other sources, the
14 disposition of which is not otherwise designated by law. After payment from ~~said~~
15 ~~General~~ the Highway Fund of such sums for interest and retirement as are necessary to
16 meet the provisions of bond issues for state highway and bridge construction, the
17 remainder of ~~said the~~ fund ~~shall~~ must be segregated, apportioned and expended as
18 provided by the Legislature.

19 **Sec. 2. 36 MRSA §§1966 and 1967** are enacted to read:

20 **§1966. Transfer to Highway Fund**

21 By the 20th day of each month, the assessor shall notify the State Controller and the
22 Treasurer of State of the amount of revenue attributable to the tax collected under this
23 Part in the previous month on sales of transportation-related items reduced by the transfer
24 to the Local Government Fund corresponding to that tax revenue required by Title 30-A,
25 section 5681. When notified by the assessor, the State Controller shall transfer 10% of
26 that amount to the Highway Fund. As used in this section, "transportation-related items"
27 means motor vehicles and products for the repair and maintenance of motor vehicles,
28 including, but not limited to, tires, batteries and motor oil.

29 The assessor shall adopt routine technical rules pursuant to Title 5, chapter 375,
30 subchapter 2-A to implement this section.

31 **§1967. Transfer to Multimodal Transportation Fund**

32 By the 20th day of each month, the assessor shall notify the State Controller and the
33 Treasurer of State of the amount of revenue attributable to the tax collected under this
34 Part in the previous month on sales of transportation-related items reduced by the transfer
35 to the Local Government Fund corresponding to that tax revenue required by Title 30-A,
36 section 5681. When notified by the assessor, the State Controller shall transfer 2% of that
37 amount to the Multimodal Transportation Fund established in Title 23, section 4210-B.
38 As used in this section, "transportation-related items" means motor vehicles and products
39 for the repair and maintenance of motor vehicles, including, but not limited to, tires,
40 batteries and motor oil.

1 The assessor shall adopt routine technical rules pursuant to Title 5, chapter 375,
2 subchapter 2-A to implement this section.

3

SUMMARY

4 This bill diverts 10% of the sales tax revenue on the sale of motor vehicles and motor
5 vehicle-related items from the General Fund to the Highway Fund and 2% of that revenue
6 from the General Fund to the Multimodal Transportation Fund.