

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

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

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

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

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

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

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

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

**7. Sales tax revenue.** Beginning July 1, ~~2009~~2012 and every July 1st thereafter, the State Controller shall transfer to the STAR Transportation Fund an amount, as certified by the State Tax Assessor, that is equivalent to ~~50%~~100% of 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 for the first 6 months of the prior fiscal year after the reduction for the transfer to the Local Government Fund under Title 30A, section 5681, subsection 5. Beginning on October 1, ~~2009~~2012 and every October 1st thereafter, the State Controller shall transfer to the STAR Transportation Fund an amount, as certified by the State Tax Assessor, that is equivalent to ~~50%~~100% of 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 for the last 6 months of the prior fiscal year after the reduction for the transfer to the Local Government Fund. The tax amount must be based on actual sales for that fiscal year and may not consider any accruals that may be required by law. The amount transferred from General Fund sales and use tax revenues does not affect the calculation for the transfer to the Local Government Fund.[PL 2007, c. 677, § 1 (NEW).]

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

### **SUMMARY**

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

SP0180, LD 597, item 1, 125th Maine State Legislature  
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It also increases from 50% to 100% the transfer to the STAR Transportation Fund of revenue from the tax imposed on the value of rental of an automobile.