

Rough road ahead: Maine needs more diverse source of transportation funding



Nick Sambides | BDN

A road crew hired by the Maine Department of Transportation caused a backup of traffic more than a hundred yards long on West Broadway in Bangor as it patched paving on the road in this 2009 file photo.

By The Editorial Board. The BDN Opinion Section operates independently and does not set newsroom policies, or contribute to reporting or editing articles elsewhere in the newspaper or on bangordailynews.com. • September 3, 2019 8:23 pm

Last week, Maine lawmakers agreed to send [a \\$105 million bond for transportation work](#) to Maine voters this fall. That is good news, but lawmakers need to take a hard look at other ways to pay for maintenance and upgrades to Maine's highways, bridges and other transportation infrastructure.

This November will be the fifth in a row when Maine voters have been asked to approve borrowing to pay for routine work on the state's bridges and roads. Voters should approve the bond in November, but **bonding is not a sustainable — or prudent — way to repeatedly cover the costs of routine work.** Borrowing should be devoted to construction of new facilities or substantial upgrades to existing infrastructure, known as capital investments.

Even with the \$105 million bond, Maine won't have enough money to pay for work that is already included on a long list of priority transportation work. In May, the Maine Department of Transportation said it is [shelving several construction projects](#) this year because they would cost much more than anticipated. A bid for road and bridge resurfacing on Interstate 295 in the Portland area was rejected because it was more than twice the department's estimate. The department put another 11 projects on hold.

With increasing costs for construction projects and a funding shortfall, **Maine's Commissioner of Transportation Bruce Van Note pegged the [annual gap](#) between available resources and construction needs at \$140 million.**

That gap won't be filled without tapping both new and existing funding sources. This means lawmakers must give strong consideration to raising the state's gas tax and levying new fees on vehicles, including hybrid and electric automobiles.

[A commission](#), which was established by the Legislature earlier this year, is examining a variety of funding sources with a goal of identifying \$160 million in annual funding. Those potential sources include new tolls, levies on electric and hybrid vehicles, and dedicating a portion of sales tax revenue to transportation.

Identifying potential funding sources won't be especially difficult. Selling them to lawmakers — many of whom are loathe to increase taxes or impose new fees — and to the public will be the hard part.

The Department of Transportation gets the bulk of its funding from three sources: the state Highway Fund, which is funded largely by state fuel taxes and vehicle registrations and fees; bonds; and the federal government. Over the next two years, 39 percent of the funding for projects [in the department's work plan](#) will come from the state's Highway Fund, 32 percent from the federal government and 20 percent from bonding. Maine's Highway Fund had more money in it in 2006 than it did in 2017.

The gas tax, which accounts for 69 percent of the state's highway fund revenue, is now 30 cents per gallon for gasoline and 31 cents per gallon for diesel fuel. This is unchanged since 2011.

These tax rates were adjusted annually for inflation until 2011, when [indexing was shortsightedly repealed](#). Now, like federal fuel taxes, the state gas tax is not keeping pace with transportation needs.

At the same time, the gas tax has become a less efficient way to fund transportation as higher-efficiency vehicles have become prevalent.

The bond that lawmakers sent to Maine voters represents an important investment in the state's infrastructure. But, without additional funding sources, the state will fall further behind in maintaining and improving that infrastructure.

[Click here to view this BDN editorial online.](#)

The DOT could find \$79.25 million—right now—by terminating the I-395/Route 9 Connector; a controversial project that does not satisfy the project's identified system linkage need of a Route 9 connection to the EAST of Route 46 and a project that many of us and the Brewer City Council see no need for.