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Lawmakers urged to borrow funds for roads and high-speed internet

The bill, which would also need voter approval, would funnel \$90 million to the state's highway fund and \$15 million towards the expansion of high-speed internet for parts of rural Maine.

BY [SCOTT THISTLE](#) STAFF WRITER | [CLICK HERE TO VIEW ONLINE.](#)

AUGUSTA — Maine must pass another borrowing package to fix roads and bridges because longer-term solutions to pay for such projects are at least a year away, state Transportation Commissioner Bruce Van Note told lawmakers Wednesday.

A [special blue-ribbon task force on transportation](#) funding is scheduled to release a report to the Legislature on Thursday, but it [offers no long-term solutions and instead recommends the problem be put off for the Legislature to tackle in 2021](#), Van Note said. [Maine's ailing highway fund is about \\$230 million short each year for ongoing maintenance.](#)

Van Note said the task force determined that adding 9 cents a gallon to the state's gas tax would raise an additional \$68 million a year for the highway fund, but it is not formally recommending doing that.

Van Note, speaking to the Legislature's budget-writing Appropriations and Financial Affairs Committee, was testifying in support of a new state borrowing package that would provide some [\\$90 million for the state's highway fund](#) and another \$15 million for other transportation projects, including bike and pedestrian paths, and ports and rail lines. The package also includes \$15 million to expand high-speed internet to underserved parts of the state.

The bonding bill, which would need two-thirds support in the Legislature and statewide voter ratification in the fall, is the latest in an ongoing pattern of borrowing to pay for highway maintenance in Maine. [Van Note told lawmakers that, even though he supports the borrowing bill, it would add to the state's debt payment for transportation projects, which is now about \\$52 million a year.](#)

Van Note called the bond proposal "mission critical" and noted that the department's 2020 work plan lists more than 2,000 projects that are ongoing or planned.

“Simply put, Maine DOT’s work plan, which has already been pared back to unsustainable levels due to recent cost increases, cannot be delivered without this bond, similar bonds in the future or replacement funding,” Van Note said.

A sustainable long-term funding source for transportation has been elusive, and many lawmakers have opposed increasing the state’s gas tax. Republicans have pushed for additional funding from the state’s general fund surplus and [have criticized Gov. Janet Mills for only offering \\$10 million to the fund](#) in her supplemental budget proposal this year.

Van Note said the need to invest in expanding high-speed internet in rural Maine has been exacerbated by the coronavirus outbreak, noting that delivering educational programming for K-12 and colleges and universities was going to depend on the internet.

About a dozen advocates, including Commissioner of Community and Economic Development Heather Johnson, testified in support of the borrowing package. But it whether it will get two-thirds support in the Legislature is unclear. A near carbon copy of the bill was rejected twice by Republicans in 2019.

While Republicans eventually approved transportation borrowing in September, and voters approved that bond in November, [the road ahead for another borrowing bill could be politically difficult with all 186 legislative seats up for election this year.](#)

But Johnson said funding for transportation and internet connectivity improvements are critical to the state’s economy.

“A strong economy that provides family-supporting incomes and productivity growth allows us to invest in other areas that collectively improve the high quality of life that we all enjoy in Maine,” Johnson said.

She said Maine is at an economic crossroads in 2020. While industries are making breakthroughs in areas from renewable fuels to new wood fiber products, they need stable infrastructure, especially roads to get products to market and connectivity to market and manage distribution of those goods.

“I believe that the value of broadband is widely agreed upon,” Johnson said. But some 85,000 Mainers are without reliable connectivity, she said. “Broadband is not a partisan issue. It is a lifeline to rural Maine.”

The bonding package would also help the state pull down private and federal matching funds. [The highway bonds, for example, would draw down an additional \\$275 million in federal funds](#) and the funds to expand high-speed internet would be matched with federal and private funding, Johnson said. The bill will be the subject of a work session before it is sent to the full Legislature, likely later this month.