Yet another reason to invest in Maine’s transportation infrastructure

The Maine Department of Transportation has come to rely on about $100 million in bonds each year to cover the cost of road and bridge maintenance and repairs. Although borrowed money should generally not be used for repair projects that may not last as long as the interest payments, this remains a vital source of funding for MDOT.

Deputy Transportation Commissioner Nina Fisher told the BDN last month that the department “can’t function” as it needs to in the coming year without the roughly $100 million proposed bond funding, which is still up in the air after lawmakers failed to reach a bond agreement in June.

The expectation — and our hope — has been that the Legislature will reconvene for a special session to complete a bond package this summer, but time is running short to get a proposal prepared by voter consideration in November. The Maine Secretary of State’s Office says it needs any potential bonds by the end of August in order for ballots to be printed on time ahead of the election this fall.

The short-term imperative to address this bond situation in time for November is clear. But in the long term, Policymakers must look beyond this impending problem to consider more sustainable and predictable sources of funding for infrastructure projects. Raising fuel taxes, at the state and federal level, must be part of the solution.

The tax, which makes up a substantial portion 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These tax rates were adjusted annually for inflation until 2011, when indexing was repealed. Now, like federal fuel taxes, the state gas tax is not keeping pace with transportation needs. Nobody likes talking about raising taxes, but given this lag and Maine’s well-documented need for transportation investment, it’s time for a difficult conversation.