Governor’s Economic Recovery Subcommittee
Infrastructure (Transportation, Construction, Broadband, and Banking)
AGENDA
Friday, 6/12/20

• Introductions

• Recap of 6/11/20 Presentations:
o Andy Bickmore, Director of Results & Information Office, Maine DOT
o Tony Grande, Board Vice President, Maine Better Transportation Assoc.

Key Takeaways

When it comes to transportation infrastructure, the thing that will make the most difference is money. We will need to make a priority of transportation within State policy and funding. We should continue to push to allow CARES Act funding to be used for transportation infrastructure.

It may be possible to use earlier funding for transportation through the passage of the Smart Act. This would allow flexibility in the usage of the 1.25B (CARES Act funding) that currently must be used for economic purposes (not revenue losses).

Would it be possible to revisit the gas tax? Can we tax individuals with hybrid vehicles as well?
- The difficulty here is partisan; there are some individuals who believe that taxing hybrid vehicles will disincentivize individuals from buying them (which takes an environmental toll)

Do we know if other states have used their CARES Act funding for infrastructure?
- Some states have dispersed their funds, but we aren’t sure how many have. We can investigate it. Our understanding is that the Governor has been waiting to see if the State will receive other funding first.

Specific local governments were able to receive CARES Act funding directly because they were CDBG-designated communities.

Action Steps
N/A

• Economic Recovery Committee feedback from Chairs (these are recommendations from Chairs based on the initial report that we submitted)

Key Takeaways

Broadband to support remote learning and telehealth is one of the priorities in the report from the Chairs; but would be better worded as “to support remote learning and work and telehealth”

Transportation: Projected $110mm state Highway Fund revenue shortfall due to COVID-19 – should be in “Now” category

Electric vehicles are not short-term, and should be moved to the long-term category
Infrastructure: Need clear, reliable funding
- Hospitals – help with broadband and telehealth infrastructure support
- Broadband – rural divide (remote work and schooling)
  - Plan for a substantial broadband push – make sure it meets high aspirational broadband – 1 gig to every home
  - Update and expand the ConnectME Authority’s statutory and rules with the goal of adding to its staff and capacity – having it lead efforts to secure federal funds from existing sources and stimulus to come; pushing for something of this nature would place the state in a very good position if the federal government wanted to provide us with a grant for a rural program
  - Can people afford broadband service? There are many lower-income populations in Maine that may not even be able to support a service like this in their areas. The affordability issue will need to be addressed (digital equity). There are some programs (Lifeline) that cover broadband subsidies, while other programs can offer reduced fees to their customer.

**Action Steps**

Speak to ERC co-chairs about the additional recommendations they added to clarify their intent.

- **Immediate research needs**

**Key Takeaways**
- Is broadband directly related to COVID – can we use CARES funding for this?
- How is the Governor interpreting funding requirements in terms of what we can/cannot use?
- What’s the “now”, the “soon”, and the “long-term” of tax burdens on individuals who buy electric vehicles? Raising the gas tax will disproportionately affect lower-income individuals.
- Does the Governor expect our committee to make suggestions for the use of the CARES Act funding? Does she already have her own ideas?
- We have an obligation to put forward recommendations and tell the Governor what we have created/what we think. She is most likely looking for recommendations from subcommittees to assist her with decision-making.

- **Speaker 6/18/20: Dillon from Spacex**
  - Potentially Dillon for 30mins and another speaker for 30mins

- **Other speakers? Infrastructure? Banking?**
  - Maine Bankers Association
  - Maine Community Credit Unions
  - Rural Digital Opportunity Fund (RDOF)
  - Allied General Contractors – CEO
  - Peter DelGreco – Maine & Company
  - Opportunity Alabama

**From our Chairs:**

**Announcing some new sub-committee deadlines to guide our work in the coming weeks:**
- June 26th to complete initial brainstorming, categorize quick start, July 15, and Dec recommendations.
  - Drop dead date to submit quick start ideas prior to July 15th is June 26th
- July 7th to have initial July 15th deliverable recommendations fleshed out and submitted to co-chairs
• July 15th co-chairs submit final draft to Governor