

# MAINE STATE LEGISLATURE

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# 129th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2019

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Legislative Document

No. 1266

S.P. 386

In Senate, March 14, 2019

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**An Act To Create Transportation Corridor Districts for the Purpose  
of Funding Transportation and Transit Services**

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Reference to the Committee on Transportation suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator CHIPMAN of Cumberland.  
Cosponsored by Representative BRYANT of Windham and  
Senator: DIAMOND of Cumberland, Representatives: COLLINGS of Portland, McLEAN of  
Gorham, SHEATS of Auburn, WHITE of Waterville.

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

2 **Sec. 1. 30-A MRSA §3501, sub-§1, ¶¶C and D**, as enacted by PL 1987, c. 737,  
3 Pt. A, §2 and Pt. C, §106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8  
4 and 10, are further amended to read:

5 C. A municipality voting to provide mass transportation service without the creation  
6 of a district; ~~and~~

7 D. A regional transportation corporation, except that sections 3510, 3512 and 3517  
8 do not apply to a regional transportation corporation-; and

9 **Sec. 2. 30-A MRSA §3501, sub-§1, ¶E** is enacted to read:

10 E. A transportation corridor district, except that section 3502, section 3505, section  
11 3516, subsections 2 and 3 and section 3517 do not apply to a transportation corridor  
12 district.

13 **Sec. 3. 30-A MRSA §3501, sub-§4** is enacted to read:

14 **4. Transportation corridor district.** "Transportation corridor district" means a  
15 specified area contiguous with a transportation route or facility that has been formed by a  
16 municipality or municipalities and approved by the voters as provided under section  
17 3502-A.

18 **Sec. 4. 30-A MRSA §3502-A** is enacted to read:

19 **§3502-A. Formation of a transportation corridor district; powers**

20 **1. Formation.** A municipality may, in accordance with the requirements of this  
21 section, by itself or in cooperation with one or more other municipalities, form a  
22 transportation corridor district for the purposes of funding public transportation and  
23 servicing accessibility needs, including passenger rail, ferry, bus, bicycle and pedestrian  
24 facilities and routes, and promoting economic development at transportation station areas  
25 and in downtown areas. The municipality or group of municipalities shall select the  
26 borders of the transportation corridor district. The transportation corridor district may  
27 include the entire municipality or group of municipalities or a portion of the municipality  
28 or portions of the municipalities, but must encompass an existing or proposed  
29 transportation corridor.

30 **2. Notice and hearing.** Before forming a transportation corridor district, a  
31 municipality or group of municipalities shall hold at least one public hearing on the  
32 proposed transportation corridor district in the municipality or in each of the participating  
33 municipalities. Notice of the hearing must be published at least 10 days before the  
34 hearing in a newspaper of general circulation within the municipality or municipalities  
35 and on each participating municipality's publicly accessible website if the municipality  
36 has a publicly accessible website. The municipality or group of municipalities shall  
37 provide notification by first-class mail of the public hearing to all owners of property  
38 within the borders of the proposed transportation corridor district. The municipality or  
39 group of municipalities shall provide notification of the public hearing to the Department

1 of Transportation and to adjoining municipalities of the proposed transportation corridor  
2 district. After adjoining municipalities are notified of the public hearing, but before voter  
3 approval under subsection 3, the municipality or group of municipalities may coordinate  
4 with adjoining municipalities along the transportation corridor to change the borders.

5 **3. Voter approval.** The formation of a transportation corridor district must be  
6 approved by a voter referendum in each participating municipality.

7 **4. General powers; area of service.** A transportation corridor district formed under  
8 this section is a body politic and corporate and may sue, be sued, plead and be impleaded,  
9 adopt a name, adopt and alter a common seal and do all things necessary to furnish  
10 transportation within that district, including charter service, for public purposes in the  
11 interest of the health, safety, comfort and convenience of the inhabitants of the  
12 municipality or municipalities composing the district.

13 **5. Incidental rights.** All incidental powers, rights and privileges necessary to  
14 accomplish the main objective set forth in this chapter are granted to a transportation  
15 corridor district formed under this section. Such a district is subject to the jurisdiction of  
16 the Public Utilities Commission only to the extent provided in this chapter.

17 **Sec. 5. 30-A MRS §3503**, as enacted by PL 1987, c. 737, Pt. A, §2 and Pt. C,  
18 §106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is repealed  
19 and the following enacted in its place:

20 **§3503. Addition to or modification of a district**

21 **1. Application for membership to a district.** A municipality that is contiguous to  
22 any other municipality authorized to provide transportation services under this chapter or  
23 contiguous to any municipality that is a member of a transit district may apply to the  
24 transit district for membership, and the board of directors may accept or refuse the  
25 application for membership.

26 **2. Modification of borders of a transportation corridor district.** The board of  
27 directors, with approval from all municipalities in the transportation corridor district, may  
28 change the borders of a transportation corridor district.

29 **3. Joining a transportation corridor district.** Notwithstanding anything to the  
30 contrary in subsection 1, a municipality with an existing or proposed transportation  
31 corridor connecting to an established transportation corridor district may apply to join the  
32 transportation corridor district. The municipality applying to join an established  
33 transportation corridor district must receive approval by a majority of voters within the  
34 municipality. The board of directors of the established transportation corridor district,  
35 with approval from all municipalities in the district, may approve the municipality's  
36 application by a majority vote.

37 **Sec. 6. 30-A MRS §3504, first ¶**, as enacted by PL 1987, c. 737, Pt. A, §2 and  
38 Pt. C, §106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is  
39 further amended to read:

1 The affairs of a district formed under section 3502 ~~shall~~ or 3502-A must be managed  
2 by a board of directors chosen from the inhabitants of the municipality or municipalities  
3 ~~comprising~~ composing the district.

4 **Sec. 7. 30-A MRSA §3504, sub-§2**, as enacted by PL 1987, c. 737, Pt. A, §2 and  
5 Pt. C, §106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is  
6 further amended to read:

7 **2. Appointment; terms; quorum.** The municipal officers of each municipality  
8 shall appoint the directors of a ~~transit~~ district. Initially, the directors' terms of office ~~shall~~  
9 must be determined by lot at their first organizational meeting as follows: One-third of  
10 those appointed ~~shall~~ serve for 3 years, 1/3 for 2 years and the remaining number for one  
11 year. All subsequent appointments are for a term of 3 years. Directors ~~shall~~ serve until  
12 their successors have been appointed, with vacancies being filled for the unexpired  
13 portion of the respective terms.

14 A majority of the directors constitutes a quorum for the transaction of business. Action  
15 taken by 2/3 of the directors present at any meeting at which a quorum is in attendance is  
16 considered to be the action of the full board of directors.

17 **Sec. 8. 30-A MRSA §3512, sub-§2**, as enacted by PL 1987, c. 737, Pt. A, §2 and  
18 Pt. C, §106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is  
19 further amended to read:

20 **2. Notes and securities authorized.** For accomplishing the purposes of this chapter  
21 and for paying any indebtedness and any necessary expenses and liabilities incurred for  
22 that purpose, including organizational and other necessary expenses, ~~the a district, except~~  
23 for a transportation corridor district, by vote of its board of directors, or a transportation  
24 corridor district, if approved by voter referendum in each municipality participating in the  
25 transportation corridor district, may:

26 A. Borrow money temporarily and issue its negotiable notes for that money; and

27 B. From time to time, issue securities of the district in one series or in separate series  
28 in such amount or amounts, bearing interest at such rate or rates and having such  
29 terms and provisions as the board of directors determines. These securities may be  
30 issued with or without provision for calling the securities before maturity and, if  
31 callable, may be made callable at par or at any premium determined by the board of  
32 directors. The board of directors may from time to time issue its securities in one  
33 series or in separate series for the purpose of paying, redeeming or refunding  
34 outstanding securities.

## 35 SUMMARY

36 This bill provides for the formation of transportation corridor districts within the  
37 current law relating to transit districts and regional transportation corporations. The bill  
38 provides that a municipality may, by itself or in cooperation with one or more other  
39 municipalities, form a transportation corridor district for the purposes of providing an  
40 environment to fund public transportation and serve accessibility needs, including

1 passenger rail, ferry, bus, bicycle and pedestrian facilities and routes, and promoting  
2 economic development at transportation station areas and in downtown areas.

3 The bill requires a municipality or group of municipalities to select the borders of the  
4 transportation corridor district. The bill requires that the formation of a transportation  
5 corridor district be approved by voter referendum in each participating municipality. The  
6 bill authorizes a district's board of directors, with approval from all municipalities in the  
7 district, to change the borders of the district. The bill also provides that a transportation  
8 corridor district, if approved by voter referendum in each municipality participating in the  
9 district, may borrow money temporarily and issue its negotiable notes for that money and  
10 issue securities of the district.