

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 1164

S.P. 412

March 7, 2007

An Act To Sustain Island Communities

Reference to the Committee on Transportation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator DAMON of Hancock.
Cosponsored by Representative PINGREE of North Haven and Senator: SAVAGE of Knox,
Representatives: MacDONALD of Boothbay, MARLEY of Portland, MAZUREK of
Rockland, RECTOR of Thomaston.

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

2 **Sec. 1. 23 MRSA §4408** is enacted to read:

3 **§4408. Private ferry service payment program**

4 The Department of Transportation shall establish a private ferry service payment
5 program for the purpose of providing financial assistance to private ferry services. For
6 purposes of this section, “private ferry service” means a privately contracted vessel or
7 company that provides year-round service to islands with year-round residents, referred to
8 in this section as “year-round island communities,” not otherwise served by the Maine
9 State Ferry Service. The private ferry service payment program is governed by the
10 provisions of this section.

11 **1. Application.** A private ferry service may apply to the Department of
12 Transportation for financial assistance if:

13 A. At least 50% of the private ferry service’s operating budget is supported by
14 passenger fares, freight or mail revenues or a combination thereof;

15 B. The year-round island community served has supported at least 10% of the private
16 ferry service’s operating budget through tax dollars; and

17 C. When more than one private ferry service serves an island, the year-round island
18 community designates one private ferry service to be eligible for the Department of
19 Transportation’s private ferry service payment program.

20 **2. Use of funds.** Funds received pursuant to this section may be applied to the
21 private ferry service’s operating budget only and are limited to costs for labor, insurance,
22 taxes, fuel, supplies, repairs and maintenance, interest only on debt service for capital
23 expenditures and employee retirement benefits.

24 **3. Program funding cap.** The annual private ferry service payment for each private
25 ferry service may not exceed \$1,000 times the total year-round population of the year-
26 round island community as certified by the year-round island community based on the
27 previous year’s census or 30% of the private ferry service’s operating budget, whichever
28 is greater.

29 **4. Distribution of funds.** A private ferry service must apply to the Department of
30 Transportation to be eligible to receive funds under this section.

31 **5. Rules.** The Commissioner of Transportation shall adopt rules to implement this
32 section. Rules adopted pursuant to this subsection are major substantive rules as defined
33 in Title 5, chapter 375, subchapter 2-A.

34 **SUMMARY**

35 This bill provides that privately contracted vessels or companies that provide
36 scheduled year-round ferry service to year-round island communities and that have been

1 designated by the communities they serve may be eligible for Department of
2 Transportation financial assistance based on certain conditions and terms.