

# MAINE STATE LEGISLATURE

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# 130th MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2021

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Legislative Document

No. 1562

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S.P. 505

In Senate, April 27, 2021

**An Act To Strengthen the Northern New England Passenger Rail  
Authority**

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Received by the Secretary of the Senate on April 23, 2021. Referred to the Committee on Transportation pursuant to Joint Rule 308.2 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 BENNETT of Oxford.  
Cosponsored by Representative CEBRA of Naples and  
Senators: CHIPMAN of Cumberland, LIBBY of Androscoggin, MOORE of Washington,  
Representatives: COLLINGS of Portland, O'CONNELL of Brewer.

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

2 **Sec. 1. 23 MRSA §4210-B, sub-§7-A**, as amended by PL 2017, c. 375, Pt. E, §1,  
3 is repealed.

4 **Sec. 2. 23 MRSA §8112, sub-§1**, as repealed and replaced by PL 2005, c. 312, §8,  
5 is amended to read:

6 **1. Board of directors.** The authority consists of a board of ~~7~~ 9 directors. The ~~7~~ 9  
7 directors are the Commissioner of Transportation, who is a director ex officio, the  
8 Commissioner of Economic and Community Development, who also is a director ex  
9 officio, ~~and 5~~ 5 directors who are members of the public, appointed by the Governor and  
10 confirmed by the Legislature for 5-year staggered terms, who shall serve until their  
11 respective successors are appointed and qualified, and 2 directors who are members of the  
12 public with expertise in passenger rail service, elected by the other directors for 5-year  
13 terms, who shall serve until their respective successors are elected. A vacancy in a position  
14 held by a director who is a member of the public, except for the positions held by the 2  
15 directors elected by the other directors, occurring other than by the expiration of a term  
16 must be filled by the Governor and confirmed by the Legislature for the unexpired term.

17 **Sec. 3. 23 MRSA §8112, sub-§5**, as enacted by PL 2005, c. 312, §8, is amended to  
18 read:

19 **5. Officers.** The board shall elect a treasurer, a secretary and any other officers the  
20 board from time to time considers necessary, none of whom needs to be a director, and  
21 shall hire executive-level staff to manage relationships and contracts between the authority  
22 and governmental or private entities involved in the delivery of passenger rail service,  
23 including but not limited to its responsibilities under section 8003, and any other staff  
24 necessary to oversee management of state rail assets and policy and planning for the  
25 expansion of passenger rail service statewide.

26 **Sec. 4. 23 MRSA §8121** is enacted to read:

27 **§8121. State Passenger Rail Fund**

28 **1. Establishment of fund.** The State Passenger Rail Fund is established as a  
29 nonlapsing Other Special Revenue Funds program through the Department of  
30 Administrative and Financial Services and referred to in this section as "the fund."

31 **2. Establishment of program.** The authority shall establish the State Passenger Rail  
32 Fund program through the Department of Administrative and Financial Services, Office of  
33 the State Controller.

34 **3. Use of funds.** The funds deposited into and disbursed from the fund must be used  
35 for the purposes of this subchapter, including but not limited to purchasing, operating,  
36 maintaining, improving, repairing, constructing and managing the assets of the authority.

37 **4. Sales tax revenue.** Beginning July 1, 2022 and every July 1st thereafter, the State  
38 Controller shall transfer to the fund an amount, as certified by the State Tax Assessor, that  
39 is equivalent to 100% of the revenue from the tax imposed on the value of rental of a pickup  
40 truck or van with a gross weight of less than 26,000 pounds rented from a person primarily  
41 engaged in the business of renting automobiles and the value of rental for a period of less  
42 than one year of an automobile pursuant to Title 36, section 1811 for the first 6 months of

1 the prior fiscal year after the reduction for the transfer to the Local Government Fund as  
2 described by Title 30-A, section 5681, subsection 5. Beginning on October 1, 2022 and  
3 every October 1st thereafter, the State Controller shall transfer to the fund an amount, as  
4 certified by the State Tax Assessor, that is equivalent to 100% of the revenue from the tax  
5 imposed on the value of rental of a pickup truck or van with a gross weight of less than  
6 26,000 pounds rented from a person primarily engaged in the business of renting  
7 automobiles and the value of rental for a period of less than one year of an automobile  
8 pursuant to Title 36, section 1811 for the last 6 months of the prior fiscal year after the  
9 reduction for the transfer to the Local Government Fund as described by Title 30-A, section  
10 5681, subsection 5. The tax amount must be based on actual sales for that fiscal year and  
11 may not consider any accruals that may be required by law.

12 **5. Other fund sources.** The fund may accept funds from other sources, including but  
13 not limited to the United States Department of Transportation, Federal Transit  
14 Administration and Federal Railroad Administration, to carry out the provisions of this  
15 section.

16 **Sec. 5. Transfer of funds from Multimodal Transportation Fund.** On the  
17 effective date of this Act, the Department of Administrative and Financial Services, Office  
18 of the State Controller shall transfer all funds previously deposited into the Multimodal  
19 Transportation Fund pursuant to the Maine Revised Statutes, Title 23, section 4210-B,  
20 former subsection 7-A to the State Passenger Rail Fund, established under Title 23, section  
21 8121.

22 **Sec. 6. Transfer of state rail assets.** The Department of Transportation and the  
23 Northern New England Passenger Rail Authority shall enter into agreements to transfer all  
24 state rail assets the department controls to the Northern New England Passenger Rail  
25 Authority, except for the state rail assets listed under section 7. The department shall  
26 conduct a review of existing laws relevant to state rail assets and submit a report to the  
27 Joint Standing Committee on Transportation no later than January 1, 2022 identifying any  
28 legislation necessary to facilitate the transfer of rail assets to the Northern New England  
29 Passenger Rail Authority.

30 **Sec. 7. Trail until rail plan.** The Department of Transportation shall develop a plan  
31 to allow for the recreational use of the following rail corridors while also preserving the  
32 corridors for future passenger rail development:

33 1. The portion of the Mountain Division Trail corridor from the crossing at  
34 Chadbourne Road in the Town of Standish to the New Hampshire state line in the Town of  
35 Fryeburg; and

36 2. The 9-mile portion of the Down East Sunrise Trail corridor from the intersection at  
37 Ayers Junction Road in the Town of Pembroke to the Canadian border in the Town of  
38 Calais.

39 **Sec. 8. Passenger rail bonding review.** The Northern New England Passenger  
40 Rail Authority shall analyze and develop recommendations on whether the authority should  
41 have bonding authority and how that authority could most effectively be exercised to carry  
42 out its responsibilities under the Maine Revised Statutes, Title 23, chapter 621 and report  
43 its findings to the Joint Standing Committee on Transportation no later than January 1,  
44 2022.

1 **SUMMARY**

2 This bill does the following.

3 1. It establishes the State Passenger Rail Fund and transfers all funds from the  
4 automobile and truck rental sales tax in the Multimodal Transportation Fund to the State  
5 Passenger Rail Fund.

6 2. It directs the Northern New England Passenger Rail Authority to hire additional  
7 executive management and staff positions.

8 3. It creates 2 new director positions on the Northern New England Passenger Rail  
9 Authority board of directors.

10 4. It directs the Department of Transportation and the Northern New England  
11 Passenger Rail Authority to enter into agreements to transfer all state rail assets the  
12 department controls to the Northern New England Passenger Rail Authority.

13 5. It directs the Department of Transportation to develop a plan to allow for the  
14 recreational use of certain rail corridors while also preserving the corridors for future  
15 passenger rail development.

16 6. It directs the Department of Transportation to conduct a review of existing laws  
17 relevant to state rail assets and submit a report to the Joint Standing Committee on  
18 Transportation no later than January 1, 2022 identifying any legislation necessary to  
19 facilitate the transfer of rail assets to the Northern New England Passenger Rail Authority.

20 7. It directs the Northern New England Passenger Rail Authority to look into options  
21 for issuing bonds necessary to carry out its responsibilities under the Maine Revised  
22 Statutes, Title 23, chapter 621 and report its findings to the Joint Standing Committee on  
23 Transportation no later than January 1, 2022.