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

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

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 E, §1, is repealed.

**Sec.** **2. 23 MRSA §8112, sub-§1,** as repealed and replaced by PL 2005, c. 312, §8, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**SUMMARY**

This bill does the following.

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

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

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

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

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

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

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