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

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

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

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

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

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

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

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

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

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

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

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

2. Notice and hearing. Before forming a transportation corridor district, a municipality or group of municipalities shall hold at least one public hearing on the proposed transportation corridor district in the municipality or in each of the participating municipalities. Notice of the hearing must be published at least 10 days before the hearing in a newspaper of general circulation within the municipality or municipalities and on each participating municipality's publicly accessible website if the municipality has a publicly accessible website. The municipality or group of municipalities shall provide notification

by first-class mail of the public hearing to all owners of property within the borders of the proposed transportation corridor district. The municipality or group of municipalities shall provide notification of the public hearing to the Department of Transportation and to adjoining municipalities of the proposed transportation corridor district. After adjoining municipalities are notified of the public hearing, but before voter approval under subsection 3, the municipality or group of municipalities may coordinate with adjoining municipalities along the transportation corridor to change the borders.

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

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

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

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

§ 3503. Addition to or modification of a district

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

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

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

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

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

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

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

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

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

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

- A. Borrow money temporarily and issue its negotiable notes for that money; and
- B. From time to time, issue securities of the district in one series or in separate series in such amount or amounts, bearing interest at such rate or rates and having such terms and provisions as the board of directors determines. These securities may be issued with or without provision for calling the securities before maturity and, if callable, may be made callable at par or at any premium determined by the board of directors. The board of directors may from time to time issue its securities in one series or in separate series for the purpose of paying, redeeming or refunding outstanding securities.

SUMMARY

This bill provides for the formation of transportation corridor districts within the current law relating to transit districts and regional transportation corporations. The bill provides that a municipality may, by itself or in cooperation with one or more other municipalities, form a transportation corridor district for the purposes of providing an environment to fund public transportation and serve accessibility needs, including passenger rail, ferry, bus, bicycle and pedestrian facilities and routes, and promoting economic development at transportation station areas and in downtown areas.

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