

HOUSE No. 2986

The Commonwealth of Massachusetts

PRESENTED BY:

Antonio F. D. Cabral

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:

An Act creating the Massachusetts rail transit fund.

PETITION OF:

NAME:

Antonio F. D. Cabral

DISTRICT/ADDRESS:

13th Bristol

HOUSE No. 2986

By Mr. Cabral of New Bedford, a petition (accompanied by bill, House, No. 2986) of Antonio F. D. Cabral and others for legislation to create a rail transit fund from certain increased assessments and vehicle emissions classifications. Revenue.

The Commonwealth of Massachusetts

An Act creating the Massachusetts rail transit fund.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 90 of the General Laws, as appearing in the 2008 Official Edition,
2 is hereby amended by adding the following subsections:—

3 Section 34S. Vehicle Classification.

4 For purposes of sections 34T and 34U only, the registrar shall issue rules and regulations
5 to classify all vehicles required to be registered by this chapter into the following categories: zero
6 emission vehicle, motorcycle, automobile, hybrid automobile, light truck, heavy truck, hybrid
7 truck, sports utility vehicle, hybrid sports utility vehicle, van, luxury vehicle, motor home, trailer,
8 other emission producing vehicle and rental vehicle, which shall include all vehicles intended as
9 of the date of registration to be used as a rental vehicle. Said categories shall be known
10 collectively as registration classes. When any such vehicle is first registered pursuant to this
11 chapter, the registrar shall identify said vehicle as a member of one such registration class.

12 Section 34T. Green Fee.

13 (a) The registrar or his authorized agents shall collect the following fees, to be called a
14 green fee, each time a vehicle is registered or the vehicle registration is renewed for any reason:

15 (1) For every automobile, hybrid truck and hybrid sports utility vehicle the fee shall be
16 \$30 for a new or transfer registration and two year renewals, \$15 for vehicles renewing annually.

17 (2) For every hybrid automobile and motorcycle the fee shall be \$15 for a new or transfer
18 registration and for two year renewals, \$7.50 for vehicles renewing annually.

19 (3) For every light truck, van, luxury vehicle and sports utility vehicle the fee shall be \$60
20 for a new or transfer registration and for two year renewals, \$30 for vehicles renewing annually.

21 (4) For every heavy truck, motor home and bus the fee shall be \$85 for a new or transfer
22 registration and for two year renewals, \$42.50 for vehicles renewing annually.

23 (5) For every other emission producing vehicle the fee shall be \$60 for a new or transfer
24 registration and for two year renewals, \$30 for vehicles renewing annually.

25 (6) Zero emission vehicles and any vehicle owned by any subdivision of the
26 commonwealth and used solely for official business and any vehicle identified in subsections 29,
27 30 and 33 of section 33 of chapter 90 shall be exempt from the green fee.

28 Section 34U. Car Rental Fee.

29 There shall be a surcharge of 5 percent of the total cost of each vehicular rental
30 transaction contract in the commonwealth, which shall be administered by the commissioner of
31 revenue. Each vendor shall collect the surcharge and remit it to the department of revenue on a
32 quarterly basis. All provisions of chapter 62C of the general laws relative to assessment,
33 collection, payment, abatement, verification and administration, including penalties and interest,
34 shall, so far as pertinent, apply to this surcharge as though it were a tax enumerated in section 2
35 of said chapter 62C.

36 Section 34V. Parking Rental Fee.

37 There shall be a surcharge of 5 percent of the total cost charged to park a vehicle in the
38 commonwealth, which shall be administered by the commissioner of revenue. Each vendor shall
39 collect the surcharge and remit it to the department of revenue on a quarterly basis. All
40 provisions of chapter 62C of the general laws relative to assessment, collection, payment,
41 abatement, verification and administration, including penalties and interest, shall, so far as
42 pertinent, apply to this surcharge as though it were a tax enumerated in section 2 of said chapter
43 62C. Said surcharge shall not apply to parking owned by the commonwealth or a subdivision or
44 authority thereof or to parking rentals in municipalities during periods in which said parking is
45 subject to a surcharge pursuant to chapter 92 of the acts of 2005 or chapter 152 of the acts of
46 1997.

47 SECTION 2. The general laws are hereby amended by creating the following new
48 chapter.

49 Chapter 161E. Massachusetts Rail Transit Fund

50 Section 1. As used in this chapter 161E, the following words shall have the following
51 meanings:

52 "Authority", the Massachusetts Bay Transportation Authority, established by section 2 of
53 chapter 161A, or its successor.

54 "Cost", as applied to a project and the site thereof, all costs, whenever incurred, of
55 acquiring land and of acquiring, developing, constructing, improving, furnishing, equipping,
56 finishing and carrying out a project and placing the same in operation, including without limiting
57 the generality of the foregoing, the cost of all lands, property, rights, easements and interests
58 acquired pursuant hereto and all labor, materials, machinery and equipment necessary to carry
59 out a project and place the same in operation, financing charges, interest prior to and during
60 construction and for a period not exceeding two years after completion of construction, the cost
61 of environmental investigation, analyses and remediation, the cost of demolition and removal of
62 any buildings or structures on lands acquired and removal or relocation of any public utilities and
63 other facilities, relocation payments as defined in, and any other costs of relocation assistance
64 required under chapter 79A of the General Laws and this act, the costs of architectural,
65 engineering and legal services, plans, specifications, surveys, estimates of cost and of revenues,
66 other expenses necessary or incident to determining the feasibility or practicability of the project,
67 administrative, marketing and promotion expenses, reserves for debt service, and other capital
68 and current expenses and such other expenses as may be necessary or incident to the construction
69 of a project and the acquisition of land therefore.

70 "Green Fee", an amount collected by the registrar pursuant to section 35T of chapter 90.

71 "Local Project Receipts," receipts described in section 11 of this chapter.

72 "Operating costs," all direct costs, whenever incurred, of operating a rail project that
73 received funding from the Massachusetts Rail Transit Fund.

74 "Rail Project", the planning, design, acquisition, development, construction, expansion,
75 rehabilitation, improvement, furnishing, equipping and finishing or any combination of the
76 foregoing, necessary to provide subway or commuter rail service to a municipality which does
77 not have such service or to increase the frequency or speed of such service to a community that
78 the secretary determines is underserved by its existing subway or commuter rail service, together
79 with all necessary and related furnishings, machinery, equipment, facilities, approaches,
80 driveways, walkways, parking facilities, roadways, public transportation and landscaping, and
81 including without limitation the acquisition of lands or other property, or rights, easements, and
82 interests acquired for or in respect of any such lands or property for a project, the demolition or
83 removal of any buildings or structures on lands so acquired or in or with respect to which
84 interests are so acquired, relocation payments and other assistance therefore, and site preparation
85 and environmental remediation. Notwithstanding the foregoing, rail project may not include
86 funds for routine maintenance to existing subway or commuter rail facilities or for capital
87 projects to improve the accessibility of existing infrastructure for passengers with disabilities or
88 to improve access to existing service, such as parking expansion, installation of bicycle racks or
89 improvements to pedestrian approaches.

90 "Registrar", the registrar of motor vehicles, established pursuant to chapter 90.

91 "Secretary", the secretary of the executive office of transportation and public works,
92 established pursuant to chapter 6A.

93 Section 2. There shall be established and set up on the books of the commonwealth a
94 separate fund, to be known as the Massachusetts Rail Transit Fund, consisting of amounts
95 credited to the fund in accordance with section 3. The fund shall be administered in accordance
96 with the provisions of this act by the state treasurer and shall be held in trust exclusively for the
97 purposes and the beneficiaries described herein. The state treasurer shall be treasurer-custodian
98 of the fund and shall have the custody of its monies and securities.

99 Section 3. Commencing on the first day of the first full calendar month following 30
100 days after the effective date of this act, the following receipts shall be credited to, and deposited
101 by the state treasurer in, the Massachusetts Rail Transit Fund and used in accordance with this
102 section: (i) the proceeds from one cent per gallon of the fee collected in the previous fiscal year
103 pursuant to chapter 21J; (ii) the green fee, created by section 36T of chapter 90; (iii) the car
104 rental fee created by section 36U of chapter 90; and (iv) the parking rental fee created by section
105 36V of chapter 90. In addition, in accordance with section 8, the local project receipts shall be
106 credited to, and deposited by the state treasurer in the Massachusetts Rail Transit Fund and shall
107 be kept in segregated accounts for each rail project to be used in accordance with this chapter.

108 Section 4. Notwithstanding any general or special law to the contrary, the secretary shall
109 annually rank all of the rail projects contained in the capital investment program's of MassDOT
110 and its member agencies. The secretary shall group said rail projects into two groups. Group 1
111 will include all of said rail projects that would provide new rail service to a city or town in the
112 commonwealth that does not have a commuter rail or rapid transit stop within its borders or, if a
113 rail project would establish new stations in more than one city or town, those rail projects that
114 would provide new rail service to cities or towns in the commonwealth half or more of whom do
115 not have a commuter rail or rapid transit stop within their borders. Group 2 shall include all rail
116 projects contained in said capital investment program that are not included in Group 1. The
117 secretary shall rank the rail projects within each group based on each rail project's performance
118 relative to the other rail projects in that group on the following evaluation criteria: the cost
119 effectiveness of air quality improvements which the capital investment program predicts a rail
120 project would achieve, the rail project's projected cost per rider and cost per new mass transit
121 rider, whether a rail project constitutes a transit commitment made in connection to the central
122 artery project or is otherwise required by law, the likely economic benefits of a rail project, the
123 likelihood that a rail project will result in sprawl or smart growth development and whether a rail
124 project would serve any environmental justice target, all as defined and described in the capital
125 investment program. The secretary shall report said ranking of rail projects along with his
126 reasons therefore to the clerk of the senate and the clerk of the house and the house and senate
127 chairmen of the Joint Committee on Transportation no later than January 31 of each year.

128 Section 5. No funds from the Massachusetts Rail Transit Fund shall be used for any
129 purpose other than paying the cost or operating costs of a rail project and only that portion of a
130 rail project's cost or operating costs not available from other sources.

131 Section 6. (a) The Authority shall notify the secretary, the state treasurer and the clerks of
132 the senate and of the house in writing when it determines: 1) that the Massachusetts Rail Transit
133 Fund contains and is likely to continue to contain funds, minus those funds already committed to
134 other rail projects but including those local project revenues dedicated to a rail project pursuant
135 to this chapter, necessary to cover: a) the cost of the rail project ranked first in group 1 by the
136 secretary pursuant to section 4 minus all other funds available to the authority to cover such cost,
137 calculated based on not less than 105 per cent of the debt service on all special obligation bonds
138 to be issued pursuant to section 17 that are required to cover the cost of such rail project and b)
139 the amount of any projected annual operating deficit determined by the Authority, calculated as
140 the average of the projected operating deficits of the first ten years of the rail project's operation;
141 and 2) that all plans, approvals, licenses and permits necessary to begin construction of said rail
142 project are in the Authority's possession. Upon the sale of bonds by the state treasurer for a rail
143 project described herein, that rail project shall be removed from the secretary's group rankings
144 made pursuant to section 5.

145 (b) Subsequent to the first rail project having been removed from the secretary's group
146 rankings pursuant to subsection (a), the Authority shall notify the secretary, the state treasurer
147 and the clerks of the senate and of the house in writing when it determines: 1) that the
148 Massachusetts Rail Transit Fund contains and is likely to continue to contain funds, minus those
149 funds already committed to other rail projects but including those local project revenues
150 dedicated to a rail project pursuant to this chapter, necessary to cover: a) the cost of either or
151 both, if available funds exist, of the rail projects ranked first in either group 1 or group 2 by the
152 secretary pursuant to section 4 minus all other funds available to the authority to cover such cost,
153 calculated based on not less than 105 per cent of the debt service on all special obligation bonds
154 to be issued pursuant hereto that are required to cover the cost of such rail project and b) the
155 amount of any projected annual operating deficit determined by the Authority, calculated as the
156 average of the projected operating deficits of the first ten years of the rail project's operation; and
157 2) that all plans, approvals, licenses and permits necessary to begin construction of said rail
158 project are in the Authority's possession. Upon the sale of bonds by the state treasurer for a rail
159 project pursuant hereto, that rail project shall be removed from the secretary's group rankings
160 made pursuant to section 4. No later than ninety days after receiving said determination, the
161 secretary shall certify to the state treasurer that he has received said determination and that said
162 determination meets the requirements of this chapter and shall name the next project to be
163 funded. In making his choice, the secretary shall continue to give preference, in his discretion, to
164 projects listed in group 1.

165 (c) Determinations described in subsections (a) and (b), shall include: (1) project plans
166 sufficiently complete to indicate the project's boundaries, such land acquisition, demolition and

167 removal of structures, and such redevelopment and general public improvements, as may be
168 proposed to be carried out and proposed land uses including preliminary project designs and a
169 description of the project programs; (2) the proposed method for relocation of persons and
170 organizations to be displaced by the project, if any; (3) cost estimates of the project, including
171 acquisition, and identification of parcels to be acquired and the estimated cost thereof; (4)
172 proposals for informing and communicating with the affected communities; and (5) a description
173 of measures to mitigate environmental and neighborhood impacts of the project and such other
174 planning and urban design issues as the Authority shall determine are presented by the project.

175 (d) In connection with the preparation of the plans described in subsection (c) and the
176 exercise by the Authority of its powers under this act, the Authority and its authorized agents and
177 contractors are hereby authorized, whenever the Authority deems it necessary or convenient, to
178 enter onto any properties and the improvements thereon and to undertake appraisals, surveys,
179 environmental analyses and investigations, including subsurface investigations, permitting
180 analyses and investigations, and other investigations and analyses, for the purpose of determining
181 the value and condition of such properties. The Authority shall provide 20 days written notice by
182 certified mail to the owners of properties, as such owners are recorded in the office of the city
183 assessor, prior to any such entry. Such entry, appraisals, surveys, analyses and investigations
184 shall not be deemed a trespass, a taking by eminent domain or an entry under any eminent
185 domain or condemnation proceedings. The Authority shall make reimbursement for any actual
186 injury or actual damage resulting to such properties and any improvements thereon from the
187 entry, appraisals, surveys, analyses and investigations authorized hereunder, and the Authority
188 shall, as far as possible, restore such properties and the improvements thereon to their condition
189 prior to such entry, appraisals, surveys, analyses and investigations. Without derogating from the
190 foregoing, the Authority is hereby authorized to exercise the power of eminent domain as
191 provided in clause (d) of section 11 of chapter 121B of the General Laws in order to temporarily
192 obtain access to properties and the improvements thereon for the Authority and its agents and
193 contractors for the purpose of conducting the appraisals, surveys, analyses and investigations
194 authorized by this act. If the Authority restores the properties and improvements as required
195 hereunder, the damages for the temporary taking hereby authorized shall be nominal in the
196 absence of extraordinary circumstances unique to particular properties.

197 Section 7. In order to provide for a portion of the costs of each rail project and the
198 payment of the principal of and interest on special obligation bonds of the commonwealth issued
199 pursuant hereto, there is hereby established on the first day of the first full calendar year
200 following the receipt by the secretary of the determination of the Authority described in section 6
201 district improvement financing districts in the any city or town or portion thereof that will
202 receive one or more new stations or enhanced service as part of said rail project and any portion
203 of any other city or town designated by the governor that is adjacent to a city or town that will
204 receive one or more new stations or enhanced service as part of said rail, which shall operate in
205 accordance with the provisions of section 1 of chapter 40Q.

206 Section 8. Commencing on the first day of the first full calendar year following the
207 receipt by the secretary of the determination of the Authority described in section 6, the receipts
208 collected pursuant to section 7, together with investment earnings thereon, shall be credited to,
209 and deposited by the state treasurer in the segregated account within the Massachusetts Rail
210 Transit Fund created by the state treasurer for each rail project pursuant to section 3.
211 Notwithstanding anything in section 35J of chapter 10 of the General Laws to the contrary,
212 amounts described in this section shall not be included in the computation of the amount to be
213 deposited in the Massachusetts Tourism Fund pursuant to said section 35J.

214 Section 9. For all rail projects constructed pursuant to this chapter all construction
215 employees employed in the construction of said project shall be paid no less than the wage rate
216 established for such work pursuant to a project labor agreement with the appropriate labor
217 organization or labor organizations, which includes (1) a uniform grievance and arbitration
218 procedure for the resolution of work-related disputes on job sites; (2) mutually agreeable uniform
219 work rules and schedules for the project; and (3) an obligation for any such labor organization
220 and its constituent members not to strike with respect to work on such project, provided that it
221 shall not be a precondition to the award of a contract that a bidder have previously entered into a
222 collective bargaining agreement with a labor organization, but only that the bidder be willing to
223 execute and comply with said project labor agreement for the project if it is awarded a contract.

224 Section 9. Expenditures from Massachusetts Rail Transit Fund funds not segregated
225 pursuant to section 3 shall be made for the following purposes only if and when the amounts
226 available in each rail project's segregated fund, created pursuant to section 3, are inadequate to
227 the meet the cost or operating costs of that rail project: (i) for the payment of the principal,
228 including sinking fund payments and premium, if any, and interest on special obligation bonds of
229 the commonwealth issued pursuant hereto and on notes issued in anticipation of such bonds for
230 the relevant project; (ii) for the maintenance of, or provision for, any reserves for debt service
231 and other capital and current expenses, including without limitation any capital reserve fund
232 created for such purpose, and for any additional security, insurance or other form of credit
233 enhancement required or provided for in any trust or other security agreement entered into
234 pursuant to this chapter to secure such bonds; and (iii) for direct expenditure for any cost of the
235 rail project and for the operation, promotion and marketing thereof incurred by the Authority.

236 Section 10. (a) The Authority is hereby authorized and directed to acquire all lands,
237 properties, rights, air rights, sub-surface rights, easements and other interests necessary to
238 complete the projects. To carry out and effectuate the foregoing purposes, the Authority may
239 take by eminent domain under chapter 79 or chapter 80A of the General Laws, or acquire by
240 purchase, lease, gift, bequest, grant or otherwise from any party, public or private, and hold,
241 clear, repair, operate and, after having taken or acquired the same, convey as provided in this
242 chapter, any lands and other property, real or personal, improved or unimproved, tangible or
243 intangible, and any interest therein, including, to the extent not inconsistent with federal law,
244 railroad properties, necessary to complete the projects, as stipulated in the reports to be produced

245 pursuant to section 6, after a public hearing of which the land owners of record have been
246 notified by certified mail and of which at least 20 days' notice has been given by publication in a
247 newspaper having general circulation in the city in which the land is located; provided, however,
248 that no such taking or acquisition shall be effected until 30 days after the Authority has notified
249 the land owner of record by certified mail and has caused a notice of such determination to be
250 published in a newspaper having general circulation in the city in which the land is located. The
251 value of any lands or real property acquired by the Authority by eminent domain shall be
252 reduced by the costs necessary to remediate the environment of said site. To the extent not
253 inconsistent with federal law, the taking or other acquisition by the Authority of railroad rights of
254 way or related facilities from any department, authority, agency or political subdivision of the
255 commonwealth, from any railroad company, or from any other party, shall be exempt from the
256 procedures, findings and requirements of section 7 of chapter 161C of the General Laws.

257 It is hereby declared that, for purposes of any constitutional entitlement to damages in the
258 event of a taking, all properties and interests taken by the Authority by eminent domain by any
259 subdivision of the commonwealth are being held by the Authority in a governmental and not a
260 proprietary capacity and it is not the intent of this act to confer on the Authority any rights to
261 damages for such taking. Any such taking of property shall be effective notwithstanding any
262 inconsistent prior public use. The Authority may make relocation payments to persons and
263 businesses displaced as a result of carrying out a project and shall otherwise provide relocation
264 assistance as provided in chapter 79A and chapter 121B of the General Laws.

265 To the extent not inconsistent with federal law, if there is a taking or other acquisition of
266 railroad lines, rights of way, easements or related facilities from any party, the Authority is
267 hereby authorized and directed to relocate such railroad lines.

268 (b) The Authority shall have all the powers necessary and convenient to carry out the
269 purposes of this act. Without limiting the generality of the foregoing, the Authority may exercise
270 with respect to the projects and any property acquired in accordance with this section all powers,
271 and shall have all immunities, consistent with this chapter, granted to operating agencies, as
272 defined in chapter 121B of the General Laws or otherwise granted to the Authority under any
273 general or special law.

274 (c) The Authority is hereby authorized and directed to prepare or cause to be prepared a
275 report in accordance with section 62B of chapter 30 of the General Laws for those of the projects
276 for which such a report has not yet been prepared or is no longer valid at the time required by
277 law. Notwithstanding the provisions of sections 62 to 62H, inclusive, of said chapter 30, the
278 Authority may commence and undertake research, planning, design and other work necessary for
279 the projects and may engage an owner's representative, architects and engineers and a
280 construction manager therefore for each rail project individually, and the Authority may take all
281 actions necessary or appropriate or required for acquisition of lands, air rights, sub-surface rights
282 or other property interests prior to the publication of a final environmental impact report pursuant

283 to this section and section 62C of said chapter 30; provided, however, that the Authority shall not
284 record a notice of taking with respect to any lands or other property by eminent domain as
285 provided in this section until the secretary of energy and environmental affairs has issued a
286 notice of availability of a report submitted to said secretary in accordance with said section 62C
287 which demonstrates to the satisfaction of said secretary that a project may be carried out with
288 appropriate mitigation measures as may be necessary to minimize and prevent damage to the
289 environment.

290 (d) The Authority shall be excluded from the definition of an owner or operator of a
291 project with respect to releases of hazardous materials that occur before the Authority acquires
292 ownership of any portion of a site pursuant to this act upon or from which such a release may
293 occur as if the Authority were a city or town that has purchased or taken such land for the
294 nonpayment of taxes, in accordance with paragraph (d) of the definition of "Owner" or
295 "Operator" of section 2 of chapter 21E of the General Laws; provided, however, that the
296 Authority complies with all of the requirements set forth in subparagraphs (2) and (3) of said
297 paragraph (d), except that the Authority shall have no obligation to comply with clause (F) of
298 subparagraph (3) of said subsection (d).

299 Section 11. (a) No person shall be precluded by chapter 7 or chapter 268A of the General
300 Laws from participating by contract or otherwise in the activities of the commonwealth or the
301 Authority with regard to the planning, acquisition, construction and operation of a rail project
302 contained in this act solely by reason of a financial interest, direct or indirect, in any contract or
303 extension thereof for services with respect to the project report or otherwise with respect to the
304 development of the rail project executed by such person with the commonwealth or the Authority
305 prior to the effective date hereof. For purposes of the foregoing, the Authority shall have all of
306 the powers granted to it by general or special law not inconsistent with this chapter. Each rail
307 project shall be exempt from compliance with applicable zoning codes and any regulations
308 promulgated thereunder.

309 (b) The Authority shall prepare quarterly reports for each rail project described by this
310 chapter which shall include, but not be limited to: (i) the total dollars expended on the project to
311 date, (ii) the number of contracts entered into to date; (iii) the number of contracts entered into
312 with minority businesses; (iv) the number of contracts entered into with women-owned
313 businesses; (v) the dollar value of contracts entered into with minority businesses; (vi) the dollar
314 value of contracts entered into with women-owned businesses; (vii) the total number of
315 employees working on the project; and (viii) the total number of employees working on the
316 project, broken down by race, ethnicity and gender. Said quarterly reports shall be submitted to
317 the secretary of the executive office for administration and finance, the house ways and means
318 committee, the senate ways and means committee, the clerk of the house and the clerk of the
319 senate.

320 Section 12. Upon the certification by the secretary of his receipt of a determination made
321 pursuant to section 6, the state treasurer shall issue bonds in such amounts and at such time as he
322 determines, after consultation with the secretary and the Authority, necessary to meet the
323 expenditures required for the rail project which is the subject of said determination. Any such
324 bonds shall be special obligations of the commonwealth payable first from the project funds
325 created pursuant to section 8 to the extent available and second from the unsegregated funds
326 described in section 3.

327 Section 18 (a) The administration of the fees imposed under section 8 of chapter 161E is
328 hereby vested in the commissioner of revenue. Said fees shall be collected by the municipal tax
329 officials and remitted to the department of revenue on a quarterly basis. All provisions of this act
330 relative to assessment, collection, payment, abatement, verification and administration, including
331 penalties and interest, shall, so far as pertinent, be applicable to the fees imposed by this act as
332 though they were taxes enumerated in section 2 of chapter 62C.

333 Section 13. The Massachusetts Bay Transportation Authority or its successor is hereby
334 authorized and directed to take whatever actions are necessary to pursue any federal funds for
335 which the projects or any portions thereof are eligible and to seek or coordinate with partners
336 where warranted.

337 Section 14. The Executive Office of Transportation and Public Works or its successor
338 shall choose a regional planning agency or agencies established pursuant to Chapter 40B to
339 conduct corridor land use planning for the projects. Each regional planning agency or agencies
340 shall work with municipalities, state agencies and other stakeholders to complete the land use
341 corridor plan prior to November 1, 2012. Each land use corridor plan shall include the necessary
342 actions to be taken by municipal or state government, including zoning and other bylaw changes,
343 in order to maximize the long term benefit of the expansion, preserve capacity added by the
344 project, promote sustainable economic and residential development, protect critical open space
345 and other natural resources, and mitigate environmental and neighborhood impacts, including
346 sprawl and gentrification.

347 The Massachusetts Bay Transportation Authority or its successor shall not begin
348 construction on new rail stations to be completed pursuant to chapter 161E until the secretary
349 finds that the municipality in which the station would be located has taken substantial actions to
350 implement the applicable provisions and requirements of the corridor land use plan and have
351 taken actions to reasonably ensure ongoing implementation of the plan after construction is
352 complete.

353 One tenth of one percent of the cost of each rail project shall be used for corridor land use
354 planning pursuant to this section, and shall be allocated from the Massachusetts Rail Transit
355 Fund to the regional planning agencies identified by the Executive Office of Transportation and
356 Public Works or its successor for the purposes of corridor land use planning pursuant to this

357 section. Each regional planning agency receiving funds shall file a report with the Executive
358 Office of Transportation and Public Works or its successor and the House and Senate
359 Committees on Ways and Means detailing their activities.

360 Section 15. The provisions of this act shall be deemed to provide an exclusive, additional,
361 alternative and complete method for the doing of the things authorized hereby and shall be
362 deemed and construed to be supplemental and additional to, and not in derogation of, powers
363 conferred upon the Massachusetts Bay Transportation Authority or its successor; provided,
364 however, that insofar as the provisions of this act are inconsistent with the provisions of any
365 general or special law, administrative order or regulation or any limitation imposed by a
366 corporate or municipal charter, the provisions of this act shall be controlling.

367 Section 16. This act, being necessary for the welfare of the commonwealth and its
368 inhabitants, shall be liberally construed to affect its purposes.

369 SECTION 3. (a) To meet the expenditures necessary to carry out the provisions of
370 section 2, the state treasurer may issue and sell bonds of the commonwealth in any amount. Any
371 such bonds shall be special obligations of the commonwealth payable first from the project funds
372 described in section 8 of chapter 161E to the extent available and second from the receipts
373 described in section 3 of chapter 161E to the extent available.

374 (b) Bonds of the commonwealth may be issued under authority of this section in such
375 manner and on such terms and conditions as the state treasurer, with the concurrence of the
376 secretary of administration and finance, may determine in accordance with the provisions of this
377 subsection and, to the extent not inconsistent with the provisions hereof, provisions of General
378 Law for the issuance of bonds of the commonwealth. Bonds may be secured by a trust agreement
379 or other security agreement entered into by the state treasurer, with the concurrence of the
380 secretary of administration and finance, on behalf of the commonwealth, which trust agreement
381 or other security agreement may pledge or assign all or any part of the local project receipts
382 credited to the fund pursuant to sections 3 and 8 of chapter 161E, and any other pledged funds as
383 hereinafter provided, and rights to receive the same, whether existing or coming into existence
384 and whether held or thereafter acquired, and the proceeds thereof. The state treasurer is also
385 authorized, with the concurrence of the secretary of administration and finance, to enter into
386 additional security, insurance or other forms of credit enhancement which may be secured on a
387 parity or subordinate basis with the bonds. A pledge in any such trust or other security agreement
388 or credit enhancement agreement shall be valid and binding from the time such pledge shall be
389 made without any physical delivery or further act, and the lien of such pledge shall be valid and
390 binding as against all parties having claims of any kind in tort, contract or otherwise, irrespective
391 of whether such parties have notice thereof. Any such pledge shall be perfected by filing of the
392 trust or other security agreement or credit enhancement agreement in the records of the state
393 treasurer, and no filing need be made under chapter 106 of the General Laws. Any such trust
394 agreement, security agreement or credit enhancement agreement may establish provisions

395 defining defaults and establishing remedies and other matters relating to the rights and security
396 of the holders of the bonds or other secured parties as determined by the state treasurer, including
397 provisions relating to the establishment of reserves, the issuance of additional or refunding
398 bonds, whether or not secured on a parity basis, the application of the moneys and funds pledged
399 pursuant to such agreement, in this act referred to as pledged funds, and other matters deemed
400 necessary or desirable by the state treasurer for the security of such bonds, and may also regulate
401 the custody, investment and application of moneys.

402 (c) As additional security for bonds of the commonwealth issued under authority of this
403 section, the state treasurer, with the concurrence of the secretary of administration and finance,
404 shall create and establish a special fund for each rail project, herein referred to as the Capital
405 Reserve Funds, within the Massachusetts Rail Transit Fund established under section 3 of
406 chapter 161E or otherwise under a trust or other security agreement securing such bonds, and
407 shall pay into the capital reserve funds any receipts available for such purpose as provided in
408 chapter 161E and section 3(a) of this act and any other moneys appropriated and made available
409 for the purposes of such fund, any proceeds of such bonds to the extent determined by the state
410 treasurer, with the concurrence of the secretary of administration and finance, or as may be
411 provided in any such trust or other security agreement, and any other moneys available for
412 purposes of such fund as provided in this section, all of which shall be pledged funds for
413 purposes of this act.

414 (d) All moneys held in the Capital Reserve Funds, except as hereinafter provided, shall be
415 used solely for the payment of the principal of bonds of the commonwealth issued under
416 authority of this section as the same mature, the purchase of such bonds, the payment of interest
417 on such bonds or the payment of any redemption premium required to be paid when such bonds
418 are redeemed prior to maturity; provided, however, that, moneys in the capital reserve funds
419 shall not be withdrawn therefrom at any time in such amount as would reduce the amount of any
420 such fund to less than the maximum amount of principal and interest maturing and becoming due
421 in any succeeding fiscal year on all such bonds outstanding or such lesser amount as shall be
422 established by the state treasurer, with the concurrence of the secretary of administration and
423 finance, as necessary or appropriate to secure such bonds, in this act referred to as the capital
424 reserve fund requirements, except for the purpose of paying the principal of and interest on such
425 bonds maturing and becoming due and for the payment of which other receipts held in the funds
426 are not available.

427 (e) Notwithstanding any provision of this act to the contrary, the state treasurer shall not
428 issue bonds of the commonwealth under authority of this section at any time if following such
429 issuance the balance on deposit in the Capital Reserve Funds would be less than the capital
430 reserve fund requirements with respect to all such bonds then outstanding.

431 (f) If on the last day of any fiscal year during which any bonds of the commonwealth
432 issued under authority of this section are outstanding, the balance on deposit in the Capital

433 Reserve Funds shall be less than the capital reserve fund requirements as then calculated, after
434 deposit therein of all amounts available therefore in the funds or otherwise under the trust or
435 other security agreement securing such bonds, the motor fuel excise tax shall be increased and all
436 newly created revenue directed into the Massachusetts Rail Transit Fund until the balance of said
437 capital reserve fund shall again equal the capital reserve fund requirement as so certified by the
438 secretary of administration and finance but in no event shall the total amount of the excise
439 imposed pursuant to sections 3 and 3A of chapter 64G of the General Laws and section 22 of
440 chapter 546 of the acts of 1969 exceed 14 per cent.

441 (g) In order to increase the marketability of any bonds issued by the commonwealth
442 under authority of this section, and in consideration of the acceptance of payment for any such
443 bonds, the commonwealth covenants with the purchasers and all subsequent holders and
444 transferees of any such bonds that until all such bonds, including all bonds issued to refund such
445 bonds, and the interest thereon, shall be paid or, if earlier, shall be deemed paid within the
446 meaning of any trust or other security agreement or credit enhancement agreement securing the
447 same, (i) receipts shall not be diverted from the purposes identified in this act; (ii) no pledged
448 funds shall be diverted from the funds established by section 3 of chapter 161E or the capital
449 reserve funds except as provided in this act; (iii) in any fiscal year of the commonwealth, unless
450 and until an appropriation has been made which is sufficient to pay the principal, including
451 sinking fund payments, of and interest on all such bonds and to provide for or maintain any
452 reserves, additional security, insurance or other form of credit enhancement required or provided
453 for in any trust or other security agreement or credit enhancement agreement securing any such
454 bonds or notes, no pledged funds shall be applied to any other use; and (iv) so long as such
455 revenues are necessary, as determined by the state treasurer in accordance with any applicable
456 trust or other security agreement or credit enhancement agreement, for the purposes for which
457 they have been pledged, the rate of any fees imposed by chapter 161E or which may constitute
458 pledged funds under this section shall not be reduced below the amount in effect at the time of
459 issuance of any such bond.

460 (h) Any bonds issued under authority of this section, and any notes of the commonwealth
461 issued in anticipation thereof as hereinafter provided, shall be deemed to be investment securities
462 under chapter 106 of the General Laws, shall be securities in which any public officer, fiduciary,
463 insurance company, financial institution or investment company may properly invest funds and
464 shall be securities which may be deposited with any public custodian for any purpose for which
465 the deposit of bonds is authorized by law. Any such bonds and notes, their transfer and the
466 income therefrom, including profit on the sale thereof, shall at all times be exempt from taxation
467 by and within the commonwealth.

468 SECTION 4. The state treasurer may borrow, from time to time, on the credit of the
469 commonwealth such sums of money as may be necessary for the purposes of meeting payments
470 as authorized by chapter 161E in anticipation of the receipt of proceeds of special obligation
471 bonds of the commonwealth issued under authority of section 17, and may issue and renew, from

472 time to time, notes of the commonwealth therefore, bearing interest payable at such time and at
473 such rate as shall be fixed by the state treasurer. Such notes shall be issued and may be renewed
474 one or more times for such maximum term of years, not exceeding seven years, as the governor
475 may recommend to the general court in accordance with Section 3 of Article LXII of the
476 Amendments to the Constitution; provided, however, that all such notes shall be payable no later
477 than seven years after issuance. Notes and the interest thereon issued under the authority of this
478 section, notwithstanding any other provisions of this act, shall be general obligations of the
479 commonwealth.

480 SECTION 5. This act shall be construed in all respects so as to meet all constitutional
481 requirements. In carrying out the purposes and provisions of this act, all steps shall be taken
482 which are necessary to meet constitutional requirements whether or not such steps are required
483 by statute.

484 SECTION 6. Section 1 of chapter 161C of the General Laws is hereby amended by
485 adding after the last sentence the following sentence:–

486 Furthermore, to carry out the purposes of this section, the Commonwealth of
487 Massachusetts shall preserve intact the right of way for the proposed North South Rail Link.
488 This right of way is extremely vulnerable to the impact of development and redevelopment
489 around the existing rail tracks and terminals. In addition, rail projects already in planning and
490 construction phases will exceed the capacity of the South Station terminal. Preservation of the
491 right of way for the North South Rail Link will assure that rail transportation can be enhanced or
492 expanded in our region.

493 SECTION 7. Chapter 161C of the General Laws is hereby amended by inserting after
494 section 7 the following section:–

495 SECTION 8. This section requires the Commonwealth of Massachusetts through its
496 executive office of transportation and construction, in consultation with the Massachusetts
497 turnpike authority and the Massachusetts Bay Transportation Authority or their successors to
498 perform a study to specifically identify and map the necessary right of way to allow for the
499 construction of the proposed North South Rail Link connecting North Station to South Station.
500 This study must include particular reference to the Major Investment Study/Draft Environmental
501 Impact Report (EOEA#10270), prepared under the aegis of the executive office of environmental
502 affairs which was concluded on March 31, 2003. A plan to preserve said right of way, once
503 identified, shall be determined and implemented immediately.

504