

HOUSE No. 1129

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, March 21, 1928.

The committees on Metropolitan Affairs and Street Railways, sitting jointly, to whom were referred so much of the Governor's Address (Senate, No. 1) as relates to the Boston Elevated Railway; the report (taken from the files of the preceding year) of the special commission established to investigate relative to the purchase by the city of Boston of certain elevated structures used by the Boston Elevated Railway Company (Senate, No. 7 of 1927); the special report of the Department of Public Utilities relative to the value for transportation purposes of the property of the Boston Elevated Railway Company (House, No. 203); the further report of the Division of Metropolitan Planning relative to the extension and development of rapid transit service within the metropolitan district (House, No. 400); the Bill (taken from the files of the preceding year) extending the term of the lease to the Commonwealth of the properties of the Boston Elevated Railway Company and continuing public management and operation thereof (House, No. 348), the petition (accompanied by resolve, Senate, No. 194) of Thomas H. Bilodeau that the Division of Metropolitan Planning and the Boston Transit Commission be directed to investigate the desirability of extending rapid transit facilities from Forest Hills to or near Cleary Square in the Hyde Park district of the city of Boston; and the petition (accompanied by bill, House, No. 928) of Francis X. Coyne that the Boston Elevated Railway Company be directed to sell to the Commonwealth

through the Department of Public Utilities the assets, property and franchises of said company, report the accompanying bill (House, No. 1129).

For the committee,

JAMES J. TWOHIG.

Senators WARREN, BACON and FISH, and Representatives GILMAN of Boston, SANDBERG of Quincy, STANDISH of Stoneham, AMES of Lynn, RIPLEY of Hingham, HOLLIS of Newton and HOLMES of Weymouth, of the committee on Metropolitan Affairs, and Senators HARTSHORN and DAVIS, and Representatives BRADBURY of Cambridge and BRODBINE of Revere, of the committee on Street Railways, dissenting.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Twenty-Eight.

An Act establishing the Metropolitan Transit District for the Purpose of taking over and operating the Transportation System of the Boston Elevated Railway Company.

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. For the purpose of taking over the
2 ownership and operation of the assets, property and
3 franchises and assuming the indebtedness and lia-
4 bilities of the Boston Elevated Railway Company,
5 hereinafter called the company, in accordance with
6 the provisions of section sixteen of chapter one hun-
7 dred and fifty-nine of the Special Acts of nineteen
8 hundred and eighteen, there is hereby established a
9 political subdivision of the commonwealth within the
10 meaning of said section, to consist of the following
11 cities and towns now served by said company, to wit:
12 — the cities of Boston, Cambridge, Somerville, Med-
13 ford, Malden, Everett, Revere, Chelsea and Newton
14 and the towns of Arlington, Brookline, Watertown
15 and Belmont. The said cities and towns shall con-
16 stitute a body politic and corporate, and its affairs
17 shall be under the management and control of a com-
18 mission to be known as the Metropolitan Transit
19 Commission, hereinafter in this act called the com-

20 mission, to consist of five members to be appointed
21 by the governor with the advice and consent of the
22 council. Within days after the passage of
23 this act the initial members of said commission shall
24 be appointed as aforesaid to serve for ten, eight, six,
25 four, and two years, respectively, as the governor shall
26 designate, and as the terms of a member expires, or
27 as a vacancy occurs from any cause in the member-
28 ship of the commission, the governor, with the advice
29 and consent of the council, shall appoint a successor
30 for a ten year term or for the unexpired term, as the
31 case may be.

32 No person shall be appointed to membership on the
33 commission who is not a legal voter within the dis-
34 trict. The governor shall designate the chairman and
35 treasurer of the commission when making the initial
36 appointments thereto and may change such designa-
37 tion whenever he makes a subsequent appointment.
38 Any member may be removed by the governor, with
39 the advice and consent of the council. The treasurer
40 of the commission shall give bond in such sum and
41 with such sureties as may be approved by the state
42 treasurer and all the members thereof shall be sworn
43 before entering upon their official duties. Each mem-
44 ber shall receive an annual salary of five thousand
45 dollars, except the chairman, who shall receive six
46 thousand annually. Said salaries together with the
47 expenses of the commission, shall constitute a part
48 of the cost of service under section

1 SECTION 2. Within days after the
2 qualification of its members, the commission, acting
3 on behalf of the said metropolitan transit district,
4 hereinafter called the district, shall notify the com-

5 pany that the district elects, as of the day
6 of , nineteen hundred and , to
7 exercise the option conferred by said section sixteen of
8 said chapter one hundred and fifty-nine, by purchasing
9 its entire assets, property, and franchises and assum-
10 ing its outstanding indebtedness and liabilities, upon
11 the terms set forth in said section sixteen. The com-
12 mission may agree with the company upon the net
13 price to be paid for such assets, property, and fran-
14 chises, upon the basis of said terms, but in case of
15 failure to agree, said price shall be determined by the
16 department of public utilities, subject to review by
17 the supreme judicial court upon petition of the com-
18 pany or the commission by petition filed within
19 days after the rendition of the depart-
20 ments decision.

1 SECTION 3. For the purpose of providing the funds
2 necessary to effect said purchase, including the ac-
3 quisition of the property and franchises of the Eastern
4 Massachusetts Street Railway Company in Chelsea
5 and Revere, as provided in section five, and to meet
6 such expenses as may be incurred in carrying out the
7 provisions of this act in anticipation of operating
8 revenues, the commission may, with the approval of
9 the governor and council, borrow on the credit of the
10 district such sums as may be necessary and may issue
11 the bonds and notes of the district therefor, such
12 bonds shall be issued as coupon or registered bonds,
13 for such term of years and for such interest rates as
14 may be fixed by the state treasurer, with the approval
15 of the governor and council. To the extent that the
16 amounts necessary to meet interest and serial payment
17 requirements on said bonds are not available under

18 the provisions of section the same shall
19 be assessed upon the cities and towns constituting the
20 district in proportion to the number of persons in
21 said cities and towns using the transportation service
22 provided by the district, said proportion to be deter-
23 mined by the department of public utilities with the
24 approval of the governor and council. All securities
25 issued by the district under this section shall bear
26 on their face the words: — Metropolitan Transit Dis-
27 trict Loan, Act of 1928, — and payment of principal
28 and interest thereof shall be guaranteed by the com-
29 monwealth, and such guarantee shall be set forth on
30 the face thereof and attested by the signature of the
31 state treasurer. Said bonds shall be exempt from all
32 state and local taxation.

1 SECTION 4. The commission shall, on behalf of
2 the district, manage and operate or cause to be oper-
3 ated the transportation system acquired by the dis-
4 trict as hereinbefore provided and as provided in
5 section five and for such purposes may exercise all
6 the powers heretofore vested in and exercised by the
7 board of public trustees acting under the provisions
8 of said chapter one hundred and fifty-nine and the
9 directors of the company, except as otherwise pro-
10 vided in this act. The commission may appoint and
11 remove such officers and employees as may be neces-
12 sary to such operation and may fix their compensation
13 and conditions of employment, but no such officer
14 or employee shall be subject to the provisions of
15 chapter thirty-one of the General Laws relating to
16 the civil service. Until otherwise ordered by the
17 commission, all present officers and employees of the
18 company shall continue to perform their usual duties.

1 SECTION 5. The commission shall have authority
2 to make such contracts as may be necessary in the
3 name and in behalf of the district, but such authority
4 shall not extend to the construction of any rapid
5 transit extensions, subways, or surface trolley lines
6 or tunnels in addition to those in use on the effective
7 date hereof unless authorized by the general court;
8 provided, that the commission may acquire the
9 property and franchises of the Eastern Massachu-
0 setts Street Railway Company in the cities of Chel-
1 sea and Revere and operate the same as part of
2 the transportation system of the district without
3 such authority. Any municipality or municipalities
4 included in the district, may as authorized by the
5 general court and subject to the approval of the
6 commission, construct such additional transit facilities
7 as may be desirable.

1 SECTION 6. The commission shall from time to
2 time fix such rates of fare as will insure sufficient
3 income to meet the cost of the service, which shall
4 include the items set forth in section six of said chap-
5 ter one hundred and fifty-nine, except dividends,
6 and such sums as may be necessary to meet interest
7 and serial payment requirements on securities issued
8 under section

1 SECTION 7. The moneys in the reserve fund es-
2 tablished under said chapter one hundred and fifty-
3 nine shall continue to constitute such a fund in the
4 custody and control of the commission, and the
5 provisions of said chapter one hundred and fifty-
6 nine relative to the use thereof, and payments there-
7 unto and therefrom shall, in so far as applicable,
8 continue to apply to said fund in said custody and
9 control.

1 SECTION 8. So much of the provisions of this
2 act as provides for the appointment of the members
3 of the commission shall take effect upon its passage.
4 All other provisions thereof shall take effect upon
5 the qualifications of said members, provided that the
6 public operation and management of the company
7 by the public trustees under the provisions of said
8 chapter one hundred and fifty-nine shall continue
9 until the assets, property and franchises are taken
10 over by the commission as provided in section .