operation of the commission thereunder.

Section 3. Effective Date.-This act shall take effect July 1, 1965.

APPROVED-The 30th day of June, A. D. 1965.

WILLIAM W. SCRANTON

No. 104

AN ACT

HB 932

Empowering and authorizing the Department of Commerce and its Bureau of Community Development to establish and administer certain grant programs for the betterment of mass transportation systems and facilities throughout the Commonwealth; providing for State grants to counties, municipalities, agencies of the Commonwealth and their instrumentalities for studies, capital improvement and temporary emergency service sustaining programs, demonstration projects and mass transit promotion projects under certain conditions; and making continuing appropriations to the department therefor.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Short Title.—This act shall be known and may be cited as the "Urban Mass Transportation Assistance Law."

Section 2. Findings and Declaration of Policy.—(a) It is hereby determined and declared as a matter of legislative finding:

(1) That the welfare and vitality of urban areas in the Commonwealth, the satisfactory movement of people and goods within such areas, and the effectiveness of housing, urban renewal, highway, industrial development, and other programs are being jeopardized by the deterioration or inadequate provision of urban common carrier mass transportation facilities and services, the intensification of traffic congestion, and the lack of coordinated transportation and other development planning on a comprehensive and continuing basis.

(2) That State financial assistance for the development of efficient and coordinated urban common carrier mass transportation systems, facilities and services, is essential to the solution of these urban problems.

(3) That efficient and coordinated urban common carrier mass transportation systems, facilities and services will promote the public health, safety, convenience and welfare.

(b) Therefore, it is hereby declared to be the policy of the General Assembly of the Commonwealth of Pennsylvania to promote the health, safety, convenience and welfare of its inhabitants through the department by means of State financial assistance for the development of efficient and coordinated urban common carrier mass transportation systems, facilities and services. Such purposes are hereby declared to be public uses for which State moneys may be spent.

Section 3. Definitions.—The following terms, whenever used or referred to in this act, shall have the following meanings, except in those instances where the context clearly indicates a different meaning:

(1) "Counties" shall include any county.

(2) "Department" the Department of Commerce of the Commonwealth of Pennsylvania and its Bureau of Community Development or other bureaus involved in the administration of mass transportation projects.

(3) "Municipalities" shall include any city, borough, township, or town.

(4) "Urban common carrier mass transportation" shall include transportation within an area that includes a municipality or other built-up place which is appropriate, in the judgment of the department, for a common carrier transportation to serve commuters or others in the locality, taking into consideration the local patterns and trends of urban growth, by bus or rail or other conveyance, either publicly or privately owned, serving the general public (but not including school buses or charter or sightseeing service) and moving over prescribed routes.

Section 4. Formulation of a Long-Range State Mass Transportation Policy.—The Secretary of Commerce is hereby authorized and directed to make or cause to be made by an independent agency, a study to aid in the formulation of a long-range State mass transportation policy. Such study is to be completed on or before July 1, 1966. On the basis of such study, and other pertinent facts, the Governor is requested to recommend to the legislature, not later than December 31, 1966, a State longrange mass transportation policy to be enacted into law.

Section 5. Program Authorizations.—The department is hereby authorized, within the limitations hereinafter provided:

(1) To undertake and to provide financial support for research, by contract or otherwise, concerning urban common carrier mass transportation and high speed rail transportation, including the study authorized by section 4 of this act.

(2) To make grants to municipalities, counties, or their instrumentalities and to agencies and instrumentalities of the Commonwealth, for use:

(i) To supplement Federal or local funds or Federal and local funds to provide for studies, analysis, planning and development of programs for urban common carrier mass transportation service and facilities. (ii) To supplement Federal or local funds or Federal and local funds to provide for research, development and demonstration projects in all phases of urban common carrier mass transportation (including the development, testing and demonstration of new facilities, equipment, techniques and methods) to assist in the solution of urban transportation problems, the improvement of mass transportation service, and the contribution of such service toward meeting total urban transportation needs at minimum cost.

(iii) To supplement Federal or local funds or Federal and local funds to provide for programs designed solely to advertise, promote and stimulate the development and use of urban common carrier mass transportation facilities. In such case, State funds shall equal the funds from Federal or local or Federal and local sources.

(iv) To supplement Federal or local funds or Federal and local funds to assist in financing the acquisition, construction, reconstruction, and improvement of facilities and equipment, including land (but not public highways), buses and other rolling stock, and other real or personal property needed for an efficient and coordinated mass transportation system for use, by operation, lease or otherwise in urban common carrier mass transportation service and in coordinating such service with highway and other transportation, no such State grant shall exceed one-sixth of the portion of the cost of such facilities and equipment which cannot, as determined by the department, reasonably be financed from revenues. No such State grant shall be used to finance, directly or indirectly, the acquisition of any interest in, or the purchase of any facilities or other property of, a private urban common carrier mass transportation company.

Section 6. Temporary Emergency Program Authorization.—Until the enactment into law of a long-range State mass transportation policy, to be developed and recommended pursuant to section 4 hereof, but in no event continuing beyond June 30, 1967, the department may make grants to municipalities, counties or their instrumentalities, or to agencies and instrumentalities of the Commonwealth, to supplement Federal or local funds or Federal and local funds to pay, in the ratio of two-thirds State Funds and one-third Federal or local or Federal and local funds, the cost of continuing such necessary service to the public, so long as the Secretary of Commerce finds that:

(1) There is an imminent danger of a substantial reduction of necessary service to the public as a direct result of losses attributable solely to the continuation of such service, and

(2) The mass transportation carrier incurring such losses is taking

or will take continuing ¹ action which the Secretary of Commerce finds ² is designed to continue or improve the service and ³ hold losses to a minimum.

Section 7. Grant Proposals.-(a) The Governing bodies of municipalities, counties, or their instrumentalities, and agencies and instrumentalities of the Commonwealth may, by formal resolution, apply to the department for State grant funds provided by this act. If such action is taken by any such governing body, a certified copy of the resolution shall be forwarded to the department with a proposal of the governing body, which shall set forth the use to be made of State grant funds and the amount of funds required.

(b) The department shall give preference to any proposal which will assist in carrying out a plan, meeting criteria established by the department, for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area, which is necessary for the sound, economic and desirable development of such area, and which shall encourage to the maximum extent feasible the participation of private enterprise.

(c) The use of the funds shall be for the purposes set forth in section 5 of this act and, without limiting the generality of the foregoing, may be used for local contributions required by the Federal Urban Mass Transportation Act of 1964 or other Federal law concerning common carrier mass transportation.

(d) The department shall review the proposal and, if satisfied that the proposal is in accordance with the purposes of this act, shall, with the approval of the Governor, enter into a grant agreement subject to the condition that the grant be used in accordance with the terms of the proposal.

(e) The time of payment of the grant and any conditions concerning such payment shall be set forth in the grant agreement.

Rules and Regulations of the Department.-In order to Section 8. effectuate and enforce the provisions of this act, the department is authorized to promulgate necessary rules and regulations and prescribe conditions and procedures in order to assure compliance in carrying out the purposes for which grants may be made hereunder.

Cooperation with Other Agencies.-The department is Section 9. directed to administer this program with such flexibility as to permit full cooperation between Federal, State and local governments, agencies

¹ "actions" in original.
² "are" in original.
³ "holding" in original.

and instrumentalities, as well as private interests, so as to result in as effective and economical a program as possible.

Section 10. Appropriations, Restrictions.—(a) The sum of two million dollars (\$2,000,000), or as much thereof as may be necessary, is hereby specifically appropriated to the Department of Commerce for use from the effective date of this act for the payment of grants authorized by subclause (iv) of clause (2) of section 5.

(b) The sum of ten million nine hundred thousand dollars (\$10,900,-000), or as much thereof as may be necessary, is hereby specifically appropriated to the Department of Commerce for use beginning July 1, 1965 for the purposes set forth in this act.

(1) No more than two hundred thousand dollars (\$200,000) thereof shall be used by the department for the purposes set forth in clause (1) of section 5.

(2) No more than eight hundred thousand dollars (\$800,000) thereof shall be used by the department for the payment of grants authorized by subclauses (i) and (ii) of clause (2) of section 5.

(3) No more than two hundred thousand dollars (\$200,000) thereof shall be used by the department for the payment of grants authorized by subclause (iii) of clause (2) of section 5.

(c) The appropriations made hereunder shall be continuing appropriations and shall be available to the department and its bureaus for the purposes of this act until the funds thereof are entirely exhausted, but in no event later than June 30, 1967.

Section 11. Limitation on Decisions, Findings and Regulations Made by the Secretary of Commerce.—All decisions, findings and regulations made by the Secretary of Commerce pursuant to the act, shall be for the purposes of this act only and shall not constitute evidence before any regulatory body of this Commonwealth or any other jurisdiction.

Section 12. Effective Date .--- This act shall take effect immediately.

APPROVED-The 30th day of June, A. D. 1965.

WILLIAM W. SCRANTON

No. 105

AN ACT

HB 1389

Amending the act of June 1, 1959 (P. L. 350), entitled "An act relating to the retirement of public school employes; amending, revising, consolidating and changing the laws relating thereto," changing State compensation of former school employes.