## No. 1980-183

## AN ACT

## HB 2254

Amending the act of February 11, 1976 (P.L.14, No.10), entitled "An act authorizing development of rural and intercity common carrier surface transportation," adding definitions, authorizing grants to provide free and reduced fare local transportation for persons sixty-five years of age or older.

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

Section 1. Subsection (b) of section 2, act of February 11, 1976 (P.L.14, No.10), known as the "Pennsylvania Rural and Intercity Common Carrier Surface Transportation Assistance Act," is amended to read:

Section 2. Findings and Declaration of Policy. - \* \* \*

(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 by means of State financed projects and financial assistance for the development of efficient and coordinated rural and intercity common carrier surface transportation systems, facilities and services and to provide free or reduced fare transit service for the elderly. Such purposes are hereby declared to be public uses.

Section 2. The definition of "transportation organization" in section 3 of the act is amended and the section is amended by adding definitions to read:

Section 3. Definitions.—As used in this act:

"Average fare" means total passenger revenue divided by the total linked passenger trips excluding trips by senior citizens participating in the free transit program for senior citizens.

\* \* \*

"County transportation system" shall mean and include buses, vans or other transit vehicles purchased, maintained and operated by any county and used to provide free or reduced rate transportation within the county to persons 65 years of age or older.

"Fixed route public transportation services" means regularly scheduled transportation that is available to the general public, and is provided according to published schedules along designated published routes with specified stopping points for the taking on and discharging of passengers. (Eligible services include: public bus and commuter rail systems.) Excluded from this definition are exclusive ride taxi service; charter or sightseeing services; nonpublic transportation; school bus or limousine services.

"Linked passenger trips" means and includes transit trips taken by initially boarding (originating) patrons paying a full fare, any reduced fare or no fare (free fare) but shall not mean and shall exclude all transfer rides and all charter rides.

\* \* \* "Shared

"Shared ride public transportation services" means demand responsive transportation that is available to the general public, operates on a nonfixed route basis and charges a fare to all riders. For transportation to be included in this definition the first fare paying passengers to enter the public transportation vehicle must not refuse to share the vehicle with other passengers during a given trip. This definition excludes: exclusive ride taxi service; charter and sightseeing services; nonpublic transportation; school bus or limousine services.

\* \*

"Transportation organization" means any political subdivision or any mass transportation or port authority or airport authority now or hereafter organized under the law of Pennsylvania or pursuant to an interstate compact or otherwise empowered to render transportation service, contract for the rendering or assist in the rendering of transportation service in the Commonwealth of Pennsylvania, even though it may also render transportation service in adjacent states, or any combination of two or more of such entities.

Section 3. Section 4 of the act is amended by adding a paragraph to read:

Section 4. Program Authorizations.—The department is hereby authorized, within the limitations hereinafter provided:

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- (3.1) To make grants from the State Lottery Fund to transportation companies, county transportation systems and local transportation organizations to pay estimated transit losses resulting from providing:
- (i) Free service or local common carrier mass transportation systems to persons 65 years or older when such passage is on fixed route public transportation services during nonpeak riding hours and on holidays and weekends. The losses resulting from granting service on mass transportation systems shall be reimbursable at 75% of such system's average fare multiplied by the number of trips made by senior citizens participating in such free transit program. Transit systems that currently receive a program reimbursement based upon a percentage of average fare greater than 75% shall receive their current amount of senior citizen program reimbursement until such time as the amount of reimbursement for these systems equals 75% of the average fare times the number of senior citizens trips: Provided, however, That reimbursement for the fiscal year 1980-1981 shall be calculated using the average fares as of January 1, 1980.
- (ii) Free or reduced fare on shared ride county transportation systems for persons 65 years or older:

- (A) In case of free service on such county systems, the county shall be reimbursed at 75% of the cost incurred or to be incurred in operating and maintaining such system, with the remainder of any such cost being paid by the county.
- (B) In case of reduced fare services on such county systems, the county shall be reimbursed at the same rate and under the same conditions as provided in subparagraph (iii).
- (iii) Reduced fare services on local common carrier mass transportation systems to persons 65 years of age or older when such passage is on shared ride public or contract transportation services during regular hours of operation. On shared public transportation, losses are reimbursable only if the elderly person pays 25¢ or 25% of the cost of the individual fare, whichever is greater.
- (iv) In no case shall the reimbursements for each succeeding year exceed the prior year's reimbursements increased by a percentage equal to the percentage increase in granting costs for all local transportation organizations, county transportation systems and transportation companies for the most recently completed State fiscal year as compared to the fiscal year immediately preceding such year.
- (v) The department shall promulgate such rules and regulations as are necessary to carry out the purposes of this subparagraph. In accordance with section 2203-A(27) of the act of April 9, 1929 (P.L.177, No.175), known as "The Administrative Code of 1929," no such regulation shall take effect until they are submitted to the Department of Aging for comment.
  - Section 4. The act is amended by adding a section to read:
- Section 4.1. Demand Response Entitlement Grants.—(a) Except for grants made for reduced fare service on local common carrier transportation systems in counties of the first and second class, the grants authorized under subparagraphs (ii) and (iii) of paragraph (3.1) of section 4 of this act shall be suspended for the fiscal years 1980-1981 and 1981-1982. In lieu of payment of such grants authorized under subparagraphs (ii) and (iii), the grants for such fiscal years shall be made directly to counties in such amount and for such purposes as is hereinafter provided:
- (1) For the fiscal years 1980-1981 and 1981-1982 only, grants from the State Lottery Fund shall be made directly to all counties, except counties of the first and second class. The total amount to be granted by the department for each fiscal year shall be computed by multiplying the following dollar amount fixed for a person 65 years of age or older by the total number of all such elderly persons residing in all counties other than in counties of the first and second class; for the fiscal year 1980-1981, the dollar amount of the multiplier shall be \$9.50 per elderly person; and for the fiscal year 1981-1982, the dollar amount of the multiplier shall be \$4.75 per elderly person. Each county entitled to receive a grant under this paragraph shall have five

years from the effective date of this act to apply for and receive such grant.

- (2) The department, after determining the total dollar amount of the grant for each fiscal year, shall then apportion each such fiscal vear amount by a fraction for each county, the numerator of which shall be the total number of persons 65 years of age or older residing within a particular county other than counties of the first and second class, and the denominator of which is the total number of persons 65 years of age or older residing in all of the counties other than counties of the first and second class. The amount thus apportioned for each county shall then be the grant entitlement for said county for each of said fiscal years, except that no county, by virtue of application of its apportionment fraction, shall receive less than a minimum of \$25,000 or a maximum of \$400,000 in the fiscal year 1980-1981 or less than a minimum of \$12,500 or a maximum of \$200,000 for the fiscal year 1981-1982. To aid the department in computing apportionment fractions, it shall be the duty of the Secretary of Aging to furnish to the department the latest statistical data then available on persons 65 years of age or older residing in such counties.
- (3) Counties other than counties of the first and second class may obtain their share of the fiscal year grants by filing for each fiscal year with the department an application on a form prescribed by it. The department shall require with such application a transportation plan plus such other information as the department may require to establish to the satisfaction of the department that the county plans to provide an integrated transportation system on a free or reduced rate basis for those persons 65 years of age or older residing in such county. The grants made by the department shall be utilized by the county as follows:
- (i) in counties where local mass transportation systems which provide shared ride public services now operate or where transportation services are established under the provisions of this section, losses resulting from providing such services shall be reimbursed from the counties' allocation using the reimbursement criteria outlined in paragraph (3.1) of section 4; and
- (ii) expenditures incurred or to be incurred in the planning, developing and establishing of local transportation systems in a county for persons 65 years or older; or
- (iii) expenditures incurred or to be incurred for the expansion or extension of now existing local mass transportation systems within a county for the purpose of providing transportation services for the elderly in those geographical areas of the county which are not serviced at all or are inadequately serviced by such system; or
- (iv) expenditures incurred or to be incurred by the county for the planning, developing and establishing of a county transportation system and for the purchase ownership, operation and maintenance of buses, vans or other passenger-type vehicles used for transporting within the county persons 65 years of age or older; or

- (v) the grants made to counties for categories (ii), (iii) and (iv) may be used as matching funds to obtain State or Federal aid for the establishing, expanding or acquiring transportation systems in order to provide transportation for the elderly.
- (b) The department shall have the authority to promulgate such rules and regulations as may be necessary to implement the purposes of this section. These rules and regulations shall include provisions to prevent the duplication of existing transportation services. Such regulations, in accordance with the provisions of the act of April 9, 1929 (P.L.177, No.175), known as "The Administrative Code of 1929," shall not take effect until the same are submitted to the Department of Aging for comment.
- (c) Upon the termination of the fiscal year 1981-1982, no further grants shall be made directly to the counties under this subsection: Provided, however, That no county receiving a fiscal year grant under this subsection shall forfeit such grant or be denied subsequent fiscal year grants solely on the basis that the county has failed within either the fiscal year 1980-1981 or 1981-1982 to fully and completely implement its transit system for the elderly, it being the intent of the General Assembly to provide each county five years from the effective date of this act in which to phase in and make operational some type of transit system for the elderly. In the event that any county fails within such five years to provide some type of an operational transit system for the elderly, any unspent and unencumbered grant moneys made to the counties for the fiscal years 1980-1981 or 1981-1982 shall be returned through the Department of Transportation for deposit in the State Lottery Fund for use in the grant program provided in paragraph (3.1) of section 4 or for other senior citizens programs.

Section 5. This act shall take effect immediately.

APPROVED—The 17th day of October, A. D. 1980.

DICK THORNBURGH