

No. 2013-72

AN ACT

SB 700

Amending the act of April 6, 1956 (1955 P.L.1414, No.465), entitled, as amended, "An act to promote the welfare of the people of this Commonwealth; creating Port Authorities to function in counties of the second class as bodies corporate and politic, with power to plan, acquire, construct, maintain and operate facilities and projects for the improvement and development of the port district and to borrow money and issue bonds therefor; providing for the payment of such bonds and prescribing the rights of the holders thereof; conferring the right of eminent domain on the authorities; authorizing the authorities to enter into contracts with and to accept grants from the Federal government or any agency thereof; and conferring exclusive jurisdiction on certain courts over rates and services; and authorizing the authorities to collect tolls, fares, fees, rentals and charges for the use of facilities; defining the authorities' powers and duties, and defining the port districts; granting Port Authorities the right to engage in the business of owning, operating, and maintaining a transportation system for the transportation of persons in counties of the second class, providing, when necessary, for extension of transportation systems into adjoining counties and outside of said counties as provided in the act; limiting the jurisdiction of the Public Utility Commission over Port Authorities; authorizing municipalities to make loans and grants and to transfer existing facilities; authorizing Port Authorities to enter into contracts with and to accept grants from State and local governments or agencies thereof; exempting the property and facilities of such Port Authorities from taxation and limiting the time to commence civil action against said Authorities," further providing for membership of the authority; and providing for Department of Transportation Regionalization and Privatization Study.

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

Section 1. Section 6 of the act of April 6, 1956 (1955 P.L.1414, No.465), known as the Second Class County Port Authority Act, amended June 13, 2012 (P.L.619, No.61), is amended to read:

Section 6. *(a)* Subject to the provisions of section 6.1, the powers of an authority shall be exercised by a board, composed of **[the number of members, not more than nine, as shall be fixed by the county council of the county where the authority is located. The county executive of that county shall appoint the members of the board, one of whom shall at all times be a member of the county council, all of whom shall be residents of such county and citizens of the United States, whose terms of office shall commence on the date of appointment, one member shall serve for one year, one for two years, one for three years, and one for four years, and one for five years, from the first day of January next succeeding the date of approval of this act, and terms of other members shall be staggered in a similar manner but in no instance shall exceed five years. Thereafter, whenever a vacancy has occurred or is about to occur by reason of the expiration of the term of any member, the county executive shall appoint a member for a term of five years to succeed the member whose term has expired or is about to expire. Members shall**

hold office until their successors have been appointed, and may succeed themselves.] *eleven members.*

(b) The terms of members serving on the board on the effective date of this subsection shall expire in sixty days. Nothing in this subsection shall be construed to prohibit a current member from being reappointed by an appointing authority under this act.

(c) The board shall be composed of the following members:

(1) One member appointed by the Governor under subsection (d).

(2) Four members appointed by officers of the General Assembly under subsection (e).

(3) Six members appointed by the county executive of the county where the authority is located composed of the following:

(i) Four appointees by the county executive of the county where the authority is located.

(ii) Two appointees who are recommended by the organizations in subsection (g) by the county executive of the county where the authority is located subject to confirmation by a majority vote of the members of the county council.

(d) A member appointed by the Governor under subsection (c)(1) shall serve a four-year term.

(e) (1) Appointments by officers of the General Assembly under subsection (c)(2) shall be made as follows:

(i) One individual shall be appointed by the President pro tempore of the Senate.

(ii) One individual shall be appointed by the Minority Leader of the Senate.

(iii) One individual shall be appointed by the Speaker of the House of Representatives.

(iv) One individual shall be appointed by the Minority Leader of the House of Representatives.

(2) Members appointed by the President pro tempore of the Senate and the Minority Leader of the Senate under subsection (c)(2) shall serve a four-year term.

(3) Members appointed by the Speaker of the House of Representatives and the Minority Leader of the House of Representatives shall serve an initial three-year term immediately following the effective date of this subsection, to be followed thereafter by a four-year term.

(f) A member appointed by the county executive shall serve an initial term as follows to be immediately followed thereafter by a four-year term:

(1) Two appointees under subsection (c)(3)(i) shall serve an initial term of two years and two appointees under subsection (c)(3)(i) shall serve an initial term of three years, as designated by the county executive.

(2) The appointees under subsection (c)(3)(ii) shall serve an initial term of two years.

(g) The appointments made by the county executive under subsection (c)(3)(ii) shall be made in accordance with the following:

(1) The county executive shall select from a list of recommendations submitted by each of the following organizations to the appropriate appointing authority:

(i) The Allegheny Conference.

(ii) The Southwestern Pennsylvania Commission.

(iii) Councils of Government with constituent members in the county.

(iv) The Committee for Accessible Transportation.

(2) (Reserved).

(h) Except for an appointee under subsection (c)(1) who shall be a resident of this Commonwealth, appointees shall be residents of the county where the authority is located and have expertise or substantial experience in budgeting, finance, economic development, transportation or mass transit operations.

(i) Appointing authorities shall appoint initial board members within sixty days of the effective date of this subsection.

(j) Members' initial terms shall commence sixty days following the effective date of this subsection.

(k) No member shall serve more than three consecutive terms, including initial terms.

*(l) (1) A member shall **not** receive [such] compensation for his services [as the county executive shall determine and] **but** shall be entitled to the necessary expenses, including traveling expenses incurred in the performance of his duties.*

*(2) Within ninety days after the [creation of the authority] **effective date of this paragraph**, the board shall meet and organize by electing from their number a chairman, a vice chairman, and such other officers as the board may determine.*

(3) The board may employ a secretary, an executive director, its own counsel and legal staff and such technical experts and other agents and employes, permanent or temporary, as it may require, and may determine the qualifications and fix the compensation of such persons.

(4) Six members of the board shall constitute a quorum for its meetings.

*(4.1) **The consent of at least seven members of the board shall be necessary to take action on behalf of the authority.***

*(4.2) **Board action on the following matters will be tabled upon motion and seconded by the two board members appointed pursuant to subsection (c)(2) by officers of the General Assembly who are not of the same political party affiliation as the county executive:***

(i) Adopting bylaws.

(ii) Appointing a chief executive officer.

(iii) Authorizing bonds, other borrowing and leases.

(iv) Approving contracts which will entail expenditures in excess of five million dollars.

(5) Members of the board shall not be liable personally on the bonds or other obligations of the authority, and the rights of creditors shall be solely against the authority.

(6) The board may delegate to one or more of its agents or employes such of its powers as it shall deem necessary to carry out the purposes of this act, subject always to the supervision and control of the board.

(7) The board shall have full authority to manage and operate the business of the authority and to prescribe, amend and repeal by-laws, rules and regulations governing the manner in which the business of the authority

may be conducted and the powers granted to it may be exercised and embodied.

(8) Copies of such by-laws, rules and regulations shall be filed with the county council of the county.

(9) A member may be removed for cause by the court of common pleas of the county in which the authority is located after having been provided with a copy of the charges against the member for at least ten days and a full hearing by the court.

(m) If a vacancy occurs by reason of the death, resignation or removal of a member, the [county executive] *designated appointing authority* shall appoint a successor to fill the unexpired term *within sixty days*.

Section 2. The act is amended by adding a section to read:

Section 15. (a) The Department of Transportation shall study the consolidation of the authority with other local transportation organizations within geographical proximity as a means of reducing annual expenses or increasing annual revenues. The study shall examine the creation of service regions to determine whether consolidation would reduce annual expenses or increase annual revenues.

(b) The department shall study the potential privatization of authority services as a means of reducing annual expenses or increasing annual revenues.

(c) The department shall submit a report on its findings and recommendations to the Governor, the General Assembly and the authority within two hundred seventy days of the effective date of this section.

Section 3. This act shall take effect immediately.

APPROVED—The 18th day of July, A.D. 2013

TOM CORBETT