

ARTICLE IV.

REPEALS AND EFFECTIVE DATES

Section 61. The following acts and parts of acts and their amendments are hereby repealed absolutely.

Act of January 21, 1947, P. L. 3, as amended, repealed where inconsistent.

(1) The act of January 21, 1947 (P. L. 3), entitled "An act relating to officers and employes of the General Assembly; fixing the number, qualifications, compensation, mileage and duties of the officers and employes of the Senate and of the House of Representatives; providing for their election or appointment, term of office, or of service, removal, and manner of filling vacancies; and making appropriations to the Senate, House of Representatives and Legislative Reference Bureau," and its amendments, are repealed in so far as they are inconsistent herewith.

Sections 2406, 2409 and 2410, act of April 9, 1929, P. L. 177, repealed where inconsistent.

(2) Sections 2406, 2409 and 2410 of the act of April 9, 1929 (P. L. 177), known as "The Administrative Code of 1929," are repealed in so far as they are inconsistent herewith.

General repeal.

(3) All other acts or parts of acts are repealed in so far as they are inconsistent herewith.

Act effective immediately.

Section 62. This act shall take effect immediately.

APPROVED—The 2nd day of October, A. D. 1959.

DAVID L. LAWRENCE

No. 429

AN ACT

Amending the act of April 6, 1956 (P. L. 1414), entitled "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 exclusive 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 Au-

thorities; 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.

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

Second class
counties—Port
Authorities.

Section 1. The title, section 1 and clauses (11) and (12) of section 2, act of April 6, 1956 (P. L. 1414), entitled "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," are amended to read:

Title, section 1,
and clauses (11)
and (12), section
2, act of April 6,
1956, P. L. 1414,
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 exclusive 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*

New title.

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.

Legislative findings.

Section 1. It is hereby determined and declared as a matter of legislative finding:

(1) That a greater utilization of the rivers in the Commonwealth is necessary for the increased commerce and prosperity of the people of the Commonwealth.

(2) The increased commerce and prosperity of the people of the Commonwealth require, in counties of the second class, more effective coordination of the combined facilities of water, rail, air and highway.

(3) That the expanding industrial activities of the Commonwealth require the planning, designing, construction, erection and operation of port facilities in counties of the second class.

(4) That property values in counties of the second class are threatened with irreparable loss for the lack of port facilities available to industry.

(5) The crisis in industrial transportation, which threatens the welfare of the Commonwealth, can be reduced by providing adequate port facilities.

(6) That in counties of the second class there has been and is an ever increasing growth in the industrial, commercial and residential areas, requiring adequate and modern facilities for the mass transportation of passengers.

(7) That the existing transportation facilities are and have been unable to adequately serve the growing areas in counties of the second class, to the detriment of the health, safety and general welfare of the inhabitants.

(8) That the well-being and economic health of the counties of the second class require an integrated system of mass passenger transportation.

(9) That it is desirable that the public transportation system be combined, improved, extended and supplemented by the creation of authorities as herein provided.

(10) That the establishment of a port authority will promote the public safety, convenience and welfare.

[7] (11) That it is intended that the authority cooperate with [all] *and/or acquire* existing transportation facilities, that private enterprise and government may mutually provide adequate port facilities for the convenience of the public.

(12) *That it is intended that the authorities created hereunder will cooperate with all municipalities and other public bodies in which they operate so that the mass passenger transportation system may best serve the interests of the residents thereof.*

Therefore, it is hereby declared to be the policy of the Commonwealth of Pennsylvania to promote the safety and welfare of the inhabitants thereof by the creation of a body corporate and politic for each second class county, to be known as The Port of (insert name county) Authority, which shall exist and operate for the purposes contained in this act. Such purposes are hereby declared to be public uses for which public money may be spent and private property may be acquired by the exercise of the power of eminent domain.

Section 2. As used in this act:

Definitions.

* * * * *

(11) The term ["terminal"] "*port terminal*" shall include any marine, motor truck, railroad and air terminal, also any coal, grain, bulk liquids and lumber terminal and any union, freight and other terminals, used or to be used, in connection with the transportation or transfer of freight and equipment, materials and supplies.

(12) The term "port facility [or facility]" shall include all real and personal property used in the operation of a *port terminal*, including, but without being limited to, wharves, piers, slips, ferries, docks, drydocks, ship repair yards, bulkheads, dock walls, basins, car-floats, float-bridges, dredging equipment, radio receiving and sending stations, grain or other storage elevators, warehouses, cold storage, tracks, yards, sheds, switches, connections, overhead appliances, bunker coal, oil and fresh water stations, railroads, motor trucks, floating elevators, airports, barges, scows or harbor craft of any kind, markets and every kind of terminal storage or supply [facility] *depot*, now in use or hereafter designed for use, to facilitate transportation and for the handling, storage, loading or unloading of freight at terminals, and equipment, materials and supplies therefor.

* * * * *

Section 2 of the act, amended by adding new clauses (13), (14), (15), (16) and (17).

Definitions.

Section 2. Section 2 of the act is amended by adding, after clause (12), the following new clauses to read:

Section 2. As used in this act:

* * * * *

(13) *The term "transportation system" shall mean all property, real and personal, useful for the transportation of passengers for hire, including but not limited to power plants, substations, terminals, garages, bridges, tunnels, subways, monorails, railroad motive power, trains, railroad passenger cars, and equipment, belt conveyors, inclines, car barns, street cars, buses, rails, lines, poles, wires, off-street parking facilities, as well as the franchises, rights and licenses therefor: Provided, That such term shall not include taxicabs or bus companies, the main purpose of which is the transportation of children to and from school.*

(14) *The term "facility" shall mean port facility and transportation system.*

(15) *The term "local authorities" shall mean the officers of a municipality, elected or appointed, authorized to consent to the use of the municipality's streets, highways, bridges and tunnels and to enter into agreements relative to such use with the port authority.*

(16) *The term "Public Utility Commission" shall mean the Public Utility Commission of the Commonwealth of Pennsylvania, created by the act of March 31, 1937 (P. L. 160).*

(17) *The term "service area" shall mean the entire county incorporating the authority and those portions of adjacent counties necessary to permit the authority to acquire existing transportation systems, eighty per centum of whose revenue vehicle miles for the preceding calendar year are operated within the incorporating county.*

* * * * *

Subsection (a) and clauses (5), (9), (11) and (17), subsection (b), section 3 of the act, amended.

Creation of Port Authority in second class counties with enumerated powers.

Section 3. Subsection (a) and clauses (5), (9), (11) and (17) of subsection (b) of section 3 of the act, are amended to read:

Section 3. (a) There are hereby created bodies corporate and politic in counties of the second class, to be known as Port of (Name of County) Authority, which shall constitute public bodies corporate and politic, exercising the public powers of the Commonwealth as an agency thereof. Each authority shall be for the purpose of planning, acquiring, holding, constructing, improving, maintaining and operating, owning, leasing, either as lessor or lessee, port facilities within the port district, and a transportation system in the county by

which it is incorporated and outside of the county to the extent necessary for an integrated system.

(b) Each authority is hereby granted and shall have and may exercise all powers necessary or convenient for the carrying out of the aforesaid purposes, including but without limiting the generality of the foregoing, the following rights or powers:

* * * * *

(5) To acquire, purchase, hold, lease as lessee and use any franchise, property, real, personal or mixed, tangible or intangible, or any interest therein, necessary or desirable for carrying out the purposes of the authority, and to sell, lease as lessor, transfer and dispose of any property, or interest therein, at any time, required by it. *In exercising the power granted by this subsection, the authority shall consider the same value factors as provided in section 7 of this act in determining compensation under the exercise of eminent domain.*

* * * * *

(9) To fix, alter, [change] *charge* and collect *fares*, rates, rentals and other charges for its facilities *by zones or otherwise* at reasonable rates to be determined exclusively by it, subject to appeal, as hereinafter provided, for the purpose of providing for the payment of the expenses of the authority, the *acquisition*, construction, improvement, repair, maintenance and operation of its facilities and properties, the payment of the principal and interest on its obligations, and to comply fully with the terms and provisions of any agreements made with the purchasers or holders of any such obligations. The authority shall determine by itself exclusively, the facilities to be operated by it and the services to be available to the public. Any person questioning the reasonableness of any rate *or services* fixed by an authority may bring suit against the authority in the court of common pleas of the county [wherein the facilities are located] *incorporating the authority*. The court of common pleas shall have exclusive jurisdiction to determine the reasonableness of *fares*, rates and other charges *or services* fixed, altered, charged or collected by an authority. *The court shall make such order as to fares, rates and other charges or services as to it shall be just and proper.* Appeals may be taken to the Superior Court within thirty days after the court of common pleas has rendered a final decision. *No suit or appeal shall act as a supersedeas. The court shall give priority to all such suits or appeals and no bond shall be*

required of any party instituting such action or appeal under the provisions of this section.

* * * * *

(11) To make contracts of every name and nature, and to execute all instruments necessary or convenient for the carrying on of its business. *Without limiting the generality of the foregoing, the authority is authorized to enter into contracts for the purchase, lease, operation or management of facilities subject to the jurisdiction of the Interstate Commerce Commission.*

* * * * *

(17) To enter into contracts of group insurance for the benefit of its employes, *or to continue in existence any existing insurance and/or pension or retirement system and/or any other employe benefit arrangement covering employes of an acquired existing transportation system, and/or to set up a retirement or pension fund or any other employe benefit arrangement for such employes.*

* * * * *

Subsection (b), section 3 of the act, amended by adding new clauses (20), (21) and (22).

Section 4. Subsection (b) of section 3 of the act is amended by adding, at the end thereof, the following new clauses to read:

Section 3. * * *

(b) Each authority is hereby granted and shall have and may exercise all powers necessary or convenient for the carrying out of the aforesaid purposes, including but without limiting the generality of the foregoing, the following rights or powers:

* * * * *

(20) *To have the right to use any public road, street, way, highway, bridge or tunnel for the operation of a transportation system within the service area of its integrated system as set forth in the authority's plan of integrated operation as provided in section 13.1 hereof: Provided, That in the case of street railway or trolley coach facilities or pole and wire facilities or overhead structures, such right shall not be exercised within the limits of any county, city, borough or township, without the consent of the local authorities thereof and/or the State Highway Department, which consent shall not be unreasonably withheld and cannot be conditioned upon the payment of any bridge tolls or license fees, notwithstanding any existing agreements with the predecessor*

company or individual; and to enter into agreements with and accept franchises and licenses from such cities, boroughs and townships for such use.

(21) To establish such carrier routes as it deems necessary for the efficient operation of the transportation system owned or otherwise acquired by it under the terms of this act, subject to any limitations herein provided for; and to alter and vary and discontinue such carrier routes at its discretion.

(22) To self insure or otherwise provide for the insurance of any property or operations of the authority against any risks or hazards.

Section 5. Section 6 of the act is amended to read:

Section 6 of the act amended.

Section 6. [The] *Subject to the provisions of section 6.1, the powers of the authority shall be exercised by a board, composed of the number of members, not more than eight, as shall be fixed by the county commissioners of each county of the second class. The county commissioners of each county of the second class shall appoint the members of the board, 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, from the first day of January next succeeding the date of approval of this act, and if there are more than four members of the board their terms 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 commissioners 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. A member shall receive [no] such compensation for his services [but] as the county commissioners shall determine and shall be entitled to the necessary expenses, including traveling expenses incurred in the performance of his duties. Within ninety days after the creation of the authority, 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. 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. Four members of the board shall constitute a quorum for its*

Creation, composition, appointment of a board.

meetings. 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 such authority. 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. 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. *Copies of such by-laws, rules and regulations shall be filed with the county commissioners of the county incorporating the authority. Members may be removed at the will of the appointing power.*

If a vacancy occurs by reason of the death, resignation or removal of a member, the board of county commissioners shall appoint a successor to fill his unexpired term.

Act of April 6, 1956, P. L. 1414, amended by adding a new section 6.1.

Powers of county commissioners of adjoining counties to appoint representatives to the board with limited rights.

Section 6. The act is amended by adding, after section 6, a new section to read:

Section 6.1. In addition to the members of the board provided for in section 6 of this act, the county commissioners of each county adjoining to a county of the second class, may appoint a representative of such adjoining county to the board, who shall have the power to participate in and vote only on matters directly affecting rates and services within the county represented by such member. Such representative shall be appointed for a term of five (5) years and shall receive compensation in accordance with the provisions of section 6.

Specific repeal.

Section 7. Section 7 of the act is repealed.

Act amended by adding a new section 7.1.

Section 8. The act is amended by adding, after section 7, a new section to read:

Exercise of power of eminent domain by authority.

Section 7.1. The authority shall exercise its power of eminent domain in the manner prescribed by the provisions of Article XXVI. of the act of July 28, 1953 (P. L. 723), known as the "Second Class County Code," except as such provisions are in conflict with the provisions of this section: Provided, That no property owned or used by the United States, the Commonwealth of Pennsylvania, any political subdivision thereof, or any body politic and corporate organized as an "authority" under any law of the Commonwealth or by any agency of any of them, nor any property used by a public utility other

than a transportation system, nor any common carrier subject to the jurisdiction of the Interstate Commerce Commission, nor any property used for burial purposes or places of public worship, shall be taken under the right of eminent domain.

In case the authority shall repeal any resolution passed or discontinued any proceeding taken with respect to the exercise of its right of eminent domain prior to the entry upon, taking, appropriation or injury to any property, the authority shall not thereafter be liable to pay any damages which have been or might have been assessed, but all costs and expenses upon any proceeding had thereon shall be paid by the authority together with any actual damage, loss or injury sustained by reason of such proceeding.

In ascertaining, assessing and determining the amount of compensation or damages to be paid by the authority, the board of viewers may determine every fact, matter or thing, which in its judgment does or may have any bearing on the fair amount of the compensation. The factors thus to be taken into account shall include, among other things, the gross annual revenue, the original cost of construction, with particular reference to the amount expended, in existing and useful permanent improvements, with such consideration for the amount in market value of the owner's bonds and stocks, if the owner be a corporation, as to the board of viewers may seem just and fair; the probable earning capacity of the property under particular rates prescribed by statute or ordinance or other municipal contract or fixed by any regulatory body; and for the items of expenditures for obsolete equipment and construction as the circumstances and historical development of the properties may warrant. The reproduction cost of the property based upon the fair average price of materials, property and labor, and the development and going-concern value of such properties, facilities, and franchises, any element of delay under these proceedings, and other elements of value, shall be given such weight by the board of viewers as may, in its judgment, be just and right in each case, as in other matters involving the valuation of properties and facilities devoted to the public service and coming before the said board of viewers for determination. The determination of the board of viewers shall award compensation or damages to each owner separately, and, in case any owner is also the lessee of the properties, facilities and franchises of any other company whose properties, facilities or franchises are acquired or to be acquired hereunder, the total amount awarded with respect thereto

shall be apportioned between the owner or owners of such properties, facilities and franchises and any person or persons, company or companies, having an interest therein by virtue of any such lease or series of leases, the purpose of this provision being that the gross amount of damages or compensations, ascertained and determined as hereinabove provided, shall be distributed among those rightfully entitled thereto in such manner as may be just and equitable, having in view their respective interests therein.

When the authority exercises its right of eminent domain, it shall, prior to taking possession of the property, pay into the court of common pleas of the county in which said authority is created in the manner to be provided by the rules of court, a sum equal to seventy-five per centum (75%) of the amount estimated by it as the damages which will result from such exercise. Upon such payment into court, the authority shall have the right to immediate possession of the property and the authority shall be relieved of all obligation to see to the application or distribution of said money paid into court. The court shall direct the payment of said sum of money to the person or persons entitled thereto upon petition and proof of such entitlement and upon such conditions, including the filing of a refunding bond, as the court shall, by general or special rule, provide.

Any payments made pursuant to this act shall be credited upon the award or verdict and final judgment, provided such award and judgment is in a greater amount. Any payment made in excess of the award and verdict and final judgment shall be refunded to the authority. Detention damages and interest on the award of damages shall be limited to the amount, if any, by which the amount of money paid into court, as hereinabove required, is less than the award or verdict and final judgment.

Section 8 of act amended.

Money of authority to be paid to the treasurer who shall make deposits.

Section 9. Section 8 of the act is amended to read :

Section 8. All moneys of the authority, from whatever source derived, shall be paid to the treasurer of the authority. The moneys shall be deposited in the first instance by the treasurer in one or more banks or trust companies, in one or more special accounts, and each of such special accounts to the extent the same is not insured shall be continuously secured by a pledge of direct obligations of the United States of America or the Commonwealth of Pennsylvania, having an aggregate market value exclusive of accrued interest, at all times, at least equal to the balance on deposit in such account. The securities shall either be deposited with the treasurer or held by a trustee or agent satisfactory to the authority.

All banks and trust companies are authorized to give such security for such deposits. The moneys in said accounts shall be paid out on the warrant or other order of the chairman of the authority or of such other person or persons as the authority may authorize to execute such warrants or orders. [The authority shall have at least an annual examination of its books, accounts and records by a certified public accountant. A copy of the audit shall be delivered to the board of county commissioners. A concise financial statement shall be published annually, at least once in a newspaper of general circulation in the county where the principal office of the authority is located.] *As soon after the end of each fiscal year as may be expedient, the board shall cause to be prepared and printed a report and financial statement certified to by an independent certified public accountant of its operations and of its assets and liabilities. A condensed annual financial report of the authority shall be published each year, once a week for two consecutive weeks, in at least two newspapers of general circulation in the county creating the authority. A copy of the annual report shall be filed with the county commissioners of the county creating the authority and with the governing body of each *municipality in which the authority operates.*

Financial statement to be certified, published and filed.

Section 10. Section 9 of the act is repealed.

Specific repeal.

Section 11. The act is amended by adding, after section 9, a new section to read:

Act amended by adding a new section 9.1.

Section 9.1. (a) All contracts or purchases in excess of one thousand dollars (\$1000) shall be in writing and, except those hereinafter mentioned, shall not be made except with and from the lowest responsible bidder meeting specifications, after due notice in at least one newspaper of general circulation, published or circulating in the county at least three (3) times, at intervals of not less than three (3) days where daily newspapers of general circulation are employed for such publication, or in case weekly newspapers are employed, then the notice shall be published once a week for two (2) successive weeks. The first advertisement shall be published not less than ten (10) days prior to the date fixed for the opening of bids.

Contracts over \$1000 require public notice, acceptance by public announcement, performance bonds, except for maintenance, improvements, patented articles, insurance and professional services.

(b) The acceptance of bids shall only be made by public announcement at the meeting of the board at which bids are received or at a subsequent meeting, the time and place of which shall be publicly announced when bids are received. If for any reason one or both of the above meetings shall not be held, the same business

* "municipality" in original.

may be transacted at any subsequent meeting, if at least five (5) days' notice thereof shall be published in the newspaper aforesaid.

(c) The successful bidder, when advertising is required herein, shall be required to furnish a bond with suitable reasonable requirements guaranteeing performance of the contract, with sufficient surety in the amount of fifty per centum (50%) of the amount of the contract, within twenty (20) days after the contract has been awarded unless the board shall prescribe a shorter period of not less than ten (10) days, and upon failure to furnish such bond within such time, the previous awards shall be void. Deliveries, accomplishment and guarantees may be required in all cases of expenditures, including the exceptions herein, and in the case of construction contracts, the successful bidder shall be required to furnish an additional bond in an amount of at least fifty per centum (50%) of the amount of the contract for the protection of all persons furnishing labor or materials in the performance of such construction contract. Any person furnishing labor or materials in the performance of a construction contract may maintain an action on the additional bond to recover for such labor or materials as though such person were named in the bond as obligee: Provided, That such person shall have commenced his action within one (1) year from the time the cause of action accrued.

(d) The contracts or purchases made by the board involving an expenditure of over one thousand dollars (\$1000), which shall not require advertising or bidding as hereinbefore provided, are as follows:

(1) Those for maintenance, repairs or replacements for water, electric light, or other public works: Provided, That they do not constitute new additions, extensions or enlargements of existing facilities and equipment, but a bond may be required by the board as in other cases of work done.

(2) Those made for improvements, repairs and maintenance of any kind made or provided by the board through its own employes: Provided, That this shall not apply to construction materials used in a street improvement.

(3) Those where particular types, models or pieces of new equipment, article, apparatus, appliances, vehicles or parts thereof are desired by the board, which are patented and manufactured products or copyrighted products.

(4) *Those involving any policies of insurance or surety company bonds, those made with a municipality or a county, the Commonwealth of Pennsylvania, the Federal government, any agency of the Commonwealth or the Federal government, or any municipal authority, including the sale, leasing or loan of any supplies or materials by the Commonwealth or the Federal government or their agencies, but the price thereof shall not be in excess of that fixed by the Commonwealth, the Federal government or their agencies.*

(5) *Those involving personal or professional services.*

Section 12. Sections 12 and 13 of the act are amended to read:

Sections 12 and 13 of the act, amended.

Section 12. The effectuation of the authorized purposes of any authority created under this act, shall and will be in all respects for the benefit of the people of the Commonwealth, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions; and since the authority will be performing essential government functions in effectuating such purposes, the authority shall not be required to pay any taxes or assessments upon any property acquired or used by it for such purposes, *or fee, bridge tolls or other charge imposed or authorized to be imposed by virtue of any law of the Commonwealth of Pennsylvania, except vehicle registration fees, liquid fuels taxes, fuel use taxes, gross receipts taxes imposed as an excise on the use of public highways, and tolls imposed by the Pennsylvania Turnpike Commission.* In lieu of taxes or special assessments, the authority may agree to make payments to any municipality. The bonds issued by the authority, their transfer and the income therefrom, including any profits made on the sale therefrom, shall at all times be free from taxation, other than inheritance and estate taxation, within the Commonwealth of Pennsylvania.

Exemption from certain taxes and charges.

Section 13. Any municipality or owner is hereby authorized to sell, lease, lend, grant, *transfer* or convey to the authority, *with or without consideration*, any facility or any part or parts thereof, or any interest in real or personal property which may be used by the authority in the construction, improvement, maintenance or operation of any facility. Any municipality is also authorized to transfer, sell, assign and set over to the authority any contracts which may have been awarded by such municipality for the construction of facilities not begun, or if begun, not completed. *Any county of the second class is hereby empowered to issue general obligation or non-debt revenue bonds for the purpose of providing funds for the acquisition, construction or im-*

Political subdivisions empowered to cooperate with authority legally.

provement of any facility. Any county of the second class may and it is hereby authorized to make grants or loans from current revenues or the proceeds of general obligation bonds to the authority to assist in defraying the costs of studies in preparation of a plan of integrated operation and for the operation or maintenance of any facility and to enter into long term agreements providing for the payment of such grants.

Act amended by adding new sections 13.1, 13.2, 13.3, 13.4 and 13.5.

Section 13. The act is amended by adding, after section 13, the following new sections to read:

*Section 13.1. The authority, immediately upon its organization, shall commence its study of an integrated system of mass transportation within the service area. Such study shall include, but not be limited to the estimated cost of acquisition of existing transportation systems, the development of facilities, the estimates of revenues and the financial feasibility of an integrated system of mass transportation. Thereafter, the authority shall prepare a plan of integrated operation showing the service area and the pattern of its integrated system. The plan of integrated operation shall be submitted for approval to the board of county commissioners of the county incorporating the authority, and simultaneously, the authority shall submit to the board of county commissioners the recommendation of the authority on the plan of integrated operation, and a schedule disclosing estimated cost of acquisition of existing transportation systems, estimates of revenue and expenditures for the proposed plan of integrated operation, and the proposed method of financing the acquisition and the plan of integrated operation. The board of county commissioners shall advertise the fact that the plan of integrated operation has been submitted and is available for public inspection at least once each week for two consecutive weeks in a newspaper of general circulation in the county: Provided, That no action may be taken by the board of county commissioners until the plan of integrated operation has been on file in the office of the county commissioners and available for public inspection for a period of at least thirty days following the date of publication of the second notice. The board of county commissioners may approve or reject the plan of integrated operation as submitted or, at any time thereafter, direct the authority to revise the original plan of integrated operation. In the event of a revision *of the original plan of integrated operation, such revised plan of integrated operation shall be resubmitted to the board of county commissioners and shall be acted upon in the same manner as herein provided in the case of*

* "of" not in original.

the submission by the authority of the original plan of integrated operation. Prior to approving or rejecting the plan of integrated operation or revised plan of integrated operation, the board of county commissioners may submit the question of approval of such plan or revised plan of integrated operation for referendum at any general, municipal or primary election. In the event of a referendum, the question shall be submitted on the ballot or on voting machines in the manner provided by the election laws of the Commonwealth and shall be in substantially the following form:

*Shall the board of county commissioners of
 County approve the integrated Yes
 plan of operation of a mass transportation
 system submitted under the provisions of No
 the Second *Class County Port Authority
 Act?*

The referendum on this question shall be governed in all respects by the election laws of the Commonwealth in so far as they are applicable. Upon final approval by the board of county commissioners, the original or revised plan of integrated operation shall be recorded in the office of the recorder of deeds of the county or counties affected thereby and a copy of said plan of integrated operation shall also be filed with the Public Utility Commission. The authority shall, thereafter, have the right to make such changes in the pattern of its integrated system as it may deem proper, subject to appeal to the court of common pleas in the same manner as provided for in clause (9) of subsection (b) of section 3 of this act, by adopting an amendment to the plan of integrated operation and filing and recording the same in the office of the recorder of deeds and with the Public Utility Commission as above provided. The authority shall not have power to acquire by purchase, condemnation or otherwise, any existing transportation systems, or engage in the operation of a transportation system as provided under this act, until it has met the requirements for recording and filing of the plan of integrated operation as provided herein: Provided, however, That the authority may enter into option agreements with any existing transportation systems for the purchase, lease or operation thereof, subject to the final approval of the plan of integrated operation by the board of county commissioners.

* "Class" not in original.

Upon the recording of the plan of integrated operation, any law to the contrary notwithstanding, the authority shall have exclusive jurisdiction with respect to all matters regarding a transportation system within the service area as set forth in the plan of operation. The Public Utility Commission shall have no authority to grant certificates of public convenience for a transportation system or otherwise regulate in any respect within the said service area.

The authority shall have the exclusive right to operate a transportation system within the service area as set forth in the plan of integrated operation, except for those transportation systems operating into the said service area from points outside of said area, which companies shall have the right to pick up and discharge passengers destined to and from the territory outside of said area but not the right to pick up and discharge passengers entirely within the service area. Said excepted transportation systems by agreement with the authority may arrange for the pick up and discharge of passengers within the said service area when, in the opinion of the authority, such privilege will serve the purpose for which the authority was created. The authority may, also by agreement with an existing transportation system now servicing the said service area, permit a continuation of such services where, in the opinion of the authority, such privilege will serve the purpose for which the authority was created. In the event no such agreement is entered into between the excepted transportation systems and the authority prior to the authority commencing to operate a mass transportation system in the service area, the authority shall be liable for all direct and consequential damages for any loss in value of the remaining portions of the system arising from the loss of the right to pick up and discharge passengers entirely within the service area.

The authority shall submit its original plan of integrated operation to the board of county commissioners of the county incorporating the authority within two years from the effective date of this amendment to the act and the authority shall, within two years after approval by the board of county commissioners and the recording and filing of the plan of integrated operation in the office of the recorder of deeds and with the Public Utility Commission as hereinabove provided, acquire by purchase, lease or eminent domain, or shall enter into an operation contract with all transportation systems operating entirely within the county in which the authority is created or eighty per centum of whose revenue vehicle miles for the preceding calendar year are operated within said county, except those transportation systems subject to

the jurisdiction of the Interstate Commerce Commission: Provided, That the court of common pleas of the county in which such authority is created may, upon cause shown, extend either or both of the two-year periods hereinbefore mentioned: And provided, That if the authority shall at any time desire to abandon or change any portion of a transportation system outside the territorial limits of the county incorporating the authority, the approval for such abandonment or change must be secured by the authority from the Public Utility Commission.

Section 13.2. The authority through its boards shall deal with and enter into written contracts with the employes of the authority through accredited representatives of such employes or representatives of any labor organization authorized to act for such employes concerning wages, salaries, hours, working conditions and pension or retirement provisions.

In case of any labor dispute where collective bargaining does not result in agreement, the authority shall offer to submit such dispute to arbitration by a board composed of three persons, one appointed by the authority, one appointed by the labor organization representing the employes, and a third member to be agreed upon by the labor organization and the authority. The member selected by the labor organization and the authority shall act as chairman of the board. The determination of the majority of the board of arbitration thus established shall be final and binding on all matters in dispute. If, after a period of ten days from the date of the appointment of the two arbitrators representing the authority and the labor organization, the third arbitrator has not been selected, then either arbitrator may request the American Arbitration Association to furnish a list of five persons from which the third arbitrator shall be selected. The arbitrators appointed by the authority and the labor organization, promptly, after the receipt of such list, shall determine, by lot, the order of elimination and, thereafter, each shall, in that order alternately, eliminate one name until only one name remains. The remaining person on the list shall be the third arbitrator. The term "labor dispute" shall be broadly construed and shall include any controversy concerning wages, salaries, hours, working conditions or benefits, including health and welfare, sick leave insurance or pension or retirement provisions but not limited thereto, and including any controversy concerning any differences or questions that may arise between the parties including, but not limited to the making or maintaining of collective bargaining agreements, the terms to be included in such agreements and the interpretation or application of such collective bargaining agreements and any grievances that may

arise. Each party shall pay one-half of the expenses of such arbitration.

If the authority acquires an existing transportation system, such of the employes of such transportation system, except executive and administrative officers, as are necessary for the operation thereof by the authority, shall be transferred to and appointed as employes of the authority subject to all the rights and benefits of this act. These employes shall be given seniority credit and sick leave, vacation, insurance and pension credits in accordance with the records or labor agreements from the acquired transportation system. Members and beneficiaries of any pension or retirement system or other benefits established by the acquired transportation system shall continue to have rights, privileges, benefits, obligations and status with respect to such established system. The authority shall assume the obligations of any transportation system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement provisions for employes. It shall assume the provisions of any collective bargaining agreement between such acquired transportation system and the representatives of its employes. The authority and the employes through their representatives for collective bargaining purposes shall take whatever action may be necessary to have pension trust funds presently under the joint control of the acquired transportation system and the participating employes through their representatives transferred to the trust fund to be established, maintained and administered jointly by the authority and the participating employes through their representatives.

No employe of any acquired transportation system, who is transferred to a position with the authority, shall by reason of such transfer be placed in any worse position with respect to workmen's compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance or any other benefits than he enjoyed as an employe of such acquired transportation system.

Employes who have left the employ of any acquired transportation system or leave the employ of the authority to enter the military service of the United States shall have such reemployment rights with the authority as may be granted under any law of the United States or the Commonwealth of Pennsylvania.

Section 13.3. (a) The authority shall have the power to purchase equipment such as cars, trolley buses, motor buses, railroad equipment and all types of transportation equipment and may execute agreements, leases and equipment trust certificates, in the form customarily used in such cases, appropriate to effect such purchase and may

dispose of such equipment trust certificates. All money required to be paid by the authority under the provisions of such agreements, leases and equipment trust certificates shall be payable solely from the revenue or income to be derived from the transportation system and from grants and loans. Payment for such equipment or rental therefor may be made in installments and the deferred installments may be evidenced by equipment trust certificates payable solely from such revenue or income and title to such equipment shall not vest in the authority until the equipment trust certificates are paid.

(b) The agreement to purchase may direct the vendor to sell and assign the equipment to a bank or trust company duly authorized to transact business in the Commonwealth as trustee for the benefit and security of the equipment trust certificates and may direct the trustee to deliver the equipment to the authority and may authorize the trustee, simultaneously therewith, to execute and deliver a lease of the equipment to the authority. Such equipment trust certificates shall be authorized by resolution of the board and shall contain such covenants, conditions and provisions as may be deemed necessary or appropriate to insure the payment of the equipment trust certificates from the revenue or income to be derived from the transportation system. The covenants, conditions and provisions of the agreements, leases and equipment trust certificates shall not conflict with any of the provisions of any trust agreement securing the payment of bonds of the authority.

Section 13.4. No civil action shall be commenced in any court against the authority by any person for any injury to his person unless it is commenced within two years from the date that the injury was received or the cause or action accrued within six months from the date that the injury was received or within six months from the date the cause of action accrued. Any person claiming damages from the authority shall file, in the office of the secretary of the authority, either by himself or his agent or attorney, a notice in writing of the claim against the authority stating briefly the facts upon which the claim is based. No cause of action may be validly entered of record where there was a failure to file such notice within the time required herein, except leave of court to enter such action upon a showing of a reasonable excuse for such failure to file said notice shall first have been secured.

Section 13.5. This act shall be known and may be cited as the "Second Class County Port Authority Act."

Section 14. If any provision of this act or the application of any provision to particular circumstances is

Severability.

held invalid, the remainder of the act or the application of such provision to other circumstances shall not be affected.

Act effective immediately.

Section 15. This act shall take effect immediately.

APPROVED—The 7th day of October, A. D. 1959.

DAVID L. LAWRENCE

No. 430

AN ACT

Amending the act of March 10, 1949 (P. L. 30), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," increasing compensation and mileage rates for attendance at conventions for the election of county superintendents.

Public School Code of 1949.

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

Section 1024, act of March 10, 1949, P. L. 30, amended September 26, 1951, P. L. 1471, further amended.

Section 1. Section 1024, act of March 10, 1949 (P. L. 30), known as the "Public School Code of 1949," amended September 26, 1951 (P. L. 1471), is amended to read:

Section 1024. Compensation and Mileage.—Every school director attending a convention for the election of a county superintendent shall be paid the sum of [eight dollars (\$8)] *ten dollars (\$10)* per day, and mileage at the rate of [six cents (6¢)] *seven cents (7¢)* per mile for each mile necessary to be traveled between the county seat and the home of such director, such sum to be paid by the school district in which the director resides, by a proper order drawn on the treasurer of such district.

APPROVED—The 7th day of October, A. D. 1959.

DAVID L. LAWRENCE

No. 431

AN ACT

Authorizing the Department of Property and Supplies, with the approval of the Governor and the Executive Director of the Pennsylvania Fish Commission, to sell and convey real property situate in the Township of East Saint Clair, Bedford County.

Real property.

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

Section 1. The Department of Property and Supplies, with the approval of the Governor and the Execu-