

No. 8

AN ACT

SB 1129

Empowering and authorizing the Department of Community Affairs to establish and administer certain grant programs for the betterment of mass transportation systems and facilities throughout the Commonwealth; providing for State grants to transportation companies, municipalities, counties, or their instrumentalities and to agencies and instrumentalities of the Commonwealth for studies, research, demonstration programs, promotion programs, purchase of service projects, and capital improvement projects under certain conditions; authorizing grants by counties or municipalities in metropolitan areas to local transportation organizations.

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 “Pennsylvania Urban Mass Transportation Assistance Law of 1967.”

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) “Authority” shall mean the body created by section 3 of “The

Pennsylvania Transportation Assistance Authority Act of 1967.”

(2) “Counties” shall include any county.

(3) “Department” shall mean the Department of Community Affairs.

(4) “Local transportation organization” shall mean 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 or assist in the rendering of transportation service in a limited area in the Commonwealth of Pennsylvania, even though it may also render transportation service in adjacent states.

(5) “Municipalities” shall include any city, borough, township, incorporated town or town.

(6) “Project grant” shall mean and include the Commonwealth’s share of the cost of carrying out the particular project, which cost may include costs incurred prior to the effective date of this act and which cost shall include an appropriate allowance for the administrative expenses involved in carrying out the project.

(7) “Secretary” shall mean the Secretary of Community Affairs.

(8) “Transportation company” shall mean and include any person, firm or corporation rendering public passenger or public passenger and mail transportation service, with or without the rendering of other service, in this State pursuant to common carrier authorization from the Pennsylvania Public Utility Commission or the Interstate Commerce Commission.

(9) “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 system 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. 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.

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

(i) for the purpose of studies, analysis, planning and development of programs for urban common carrier mass transportation service and facilities, and for the purpose of activities related to the planning, engineering, and designing of specific projects which are a part of a comprehensive program including but not limited to activities such as

studies relating to management, operations, capital requirements, and economic feasibility, to the preparation of engineering and architectural surveys, plans, and specifications, and to other similar or related activities preliminary to and in preparation for the construction, acquisition, or improved operation of urban common carrier mass transportation systems, facilities, and equipment.

(ii) 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, in the improvement of mass transportation service, and the contribution of such service toward meeting total urban transportation needs at minimum cost.

(iii) to provide for programs designed solely to advertise, promote and stimulate the development and use of urban common carrier mass transportation facilities: Provided, however, That the amount of local funds to be provided in connection with a particular project grant under subclauses (i), (ii), and (iii) above, including the value of services, if any, provided for such project from local sources, shall not exceed, and may be less than the amount of the project grant, whether or not Federal funds are provided.

(iv) to assist in financing purchase of service projects designed to continue necessary service to the public, to permit needed improvements in service which are not self-supporting, and to permit service which may be socially desirable but economically unjustified. Each project and project grant shall be subject to an annual review and renewal. The amount of State funds for a particular project grant shall not exceed two thirds of the costs, as defined by the department, which cannot, as determined by the department, reasonably be financed from revenues. Each purchase of service project grant shall be based on a program or plan approved by the department and determined by the department to be in the public interest and to be in furtherance of a coordinated mass transportation plan for the area. No State grant shall be made for a particular purchase of service project that the department determines will involve unnecessary and unfair competition and no State grant shall be made for a particular purchase of service project unless the department determines and finds for said project that:

(I) the purchase of the service project is necessary;

(II) the mass transportation carrier is taking or will take continuing action to improve the service and hold losses to a minimum.

(3) To make project grants to any transportation company or companies to supplement Federal, private or local or Federal and private or local funds for use in financing purchase of service projects designed to continue necessary service to the public, to permit needed improvements in services which are not self-supporting, and to permit services which may be socially desirable but economically unjustified. In view of the particular sensitivity of special instrumen-

talities and agencies of the Commonwealth created to serve or coordinate the local transportation needs of substantial metropolitan areas, no project for use exclusively or principally in the local service area of any such agency or instrumentality in which a city or county of the first or second class has membership, shall receive a project grant except in accordance with a system of priorities agreed upon by the department and such agency or instrumentality. In the case of a project grant for a project to be operated exclusively or principally within the local service areas of such agency or instrumentality no project grant shall be made except in accordance with agreements by the department and such agency or instrumentality with respect to such use. In the case of a project not falling within the scope of the preceding sentence but covering use both within and without the local service area of such agency or instrumentality, the project grant shall require that the routes, schedules, and fares applicable only within such service areas shall be those mutually agreed upon by the department and such agency or instrumentality. No agreement referred to in this subsection shall impair, suspend, contract, enlarge or extend or affect in any manner the powers of the Pennsylvania Public Utility Commission or the Interstate Commerce Commission otherwise applicable by law. The amount of State funds for a particular project grant shall not exceed two-thirds of the cost, as defined by the department, which cannot, as determined by the department, reasonably be financed from revenues. Each purchase of service project grant shall be based upon a program or plan approved by the department and determined by the department to be in the public interest, to be in furtherance of a coordinated mass transportation plan for the area, and not to involve unnecessary and unfair competition.

No State grant shall be made for a particular purchase of service project unless the department determines and finds for said project that:

(i) the purchase of service project is necessary in the public interest; and

(ii) the mass transportation carrier is taking or will take continuing action to improve the service and hold losses to a minimum.

(4) In connection with privately or locally assisted projects or projects financed with private or local and Federal funds, to sublease approved projects leased from the authority to a local transportation organization or a transportation company, subject to section 11 (b) of "The Pennsylvania Transportation Assistance Authority Act of 1967," including 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 lease of a project from

the authority shall be made for the purpose of financing, 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. Each lease from the authority shall be based on a program or plan approved by the department. The amount of authority funds used for any such leased project shall not exceed one-sixth of the "Net Project Cost," subject, however, to the following specific exceptions:

(i) if two or more projects of the department are combined for financing purposes, the amount of authority funds used for a leased project may exceed one-sixth of the "Net Project Cost" provided that the total amount of the authority funds provided for all the projects of the department so combined does not exceed one-sixth of the total "Net Project Costs" of all of the projects so combined.

(ii) if a project is eligible to receive Federal financial assistance under the Federal "Urban Mass Transportation Act of 1964," as amended, and if the Federal grant for that project is limited to one-half of the "Net Project Cost" as provided by section 5, of that act, pending the completion within a three-year period of the planning requirements specified by section 4 (a) of that act, and if the department has determined that the project is essential and should proceed without delay, the authority funds for that leased project may be increased temporarily to an amount not to exceed one-fourth of the "Net Project Cost," with the requirement that upon the making to the project of the additional Federal grant in an amount not to exceed one-sixth of the "Net Project Cost," the amount of the authority funds used in excess of one-sixth of the "Net Project Cost" be refunded to the authority or be applied as the authority may direct to help meet the authority's share of the cost of another project subject to the terms of any indenture or bond resolution of the authority.

(iii) if a project is eligible to receive Federal financial assistance under the Federal "Urban Mass Transportation Act of 1964," as amended, and if the project application for such Federal financial assistance has been rejected or delayed because of a lack of Federal funds or if the normal amount of Federal grant cannot be provided because of a lack of Federal funds, and if the department has determined that the project is essential and should proceed without delay, the authority funds for that leased project may be increased temporarily to an amount not to exceed five-sixths of the "Net Project Cost" so long as the funds provided from local sources shall equal at least one-sixth of the "Net Project Cost," with the requirement that upon the availability of additional Federal funds and the making to the project of a new or an additional Federal grant, the amount of the authority funds in excess of one-sixth of the "Net Project Cost" be refunded to the authority or be applied as the authority may direct to help meet the authority's share of the cost of another project, subject to the terms of any indenture or bond resolution of the authority.

(iv) if a project is ineligible to receive Federal financial assistance under the Federal "Urban Mass Transportation Act of 1964," as amended, and if the department has determined that the project is essential and should proceed without delay, the amount of authority funds for that leased project shall be limited to an amount not to exceed one-half of the "Net Project Cost."

Section 5. Grant Proposals.—(a) Grants may be made hereunder with reference to any appropriate project irrespective of when it was first commenced or considered and regardless of whether costs with respect thereto shall have been incurred prior to the time the grant is applied for or made.

(b) The governing bodies of municipalities, counties or their instrumentalities, and agencies and instrumentalities of the Commonwealth may, by formal resolution, apply and transportation companies by application may 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 and in the case of transportation companies, an application shall be forwarded to the department with a proposal of the governing body or company, which shall set forth the use to be made of State grant funds and the amount of funds required.

(c) 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.

(d) The use of the State grant funds shall be for the purposes set forth in section 4 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," as amended, or other Federal law concerning common carrier mass transportation.

(e) 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.

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

Section 6. Rules and Regulations of the Department.—In order to 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.

Section 7. Cooperation with Other Agencies.—The department is directed to administer this program with such flexibility as to permit full cooperation between Federal, State and local governments,

agencies and instrumentalities, as well as private interests, so as to result in ¹ as effective and economical a program as possible.

Section 8. Grants by Counties or Municipalities.—Any county or municipality in any metropolitan area which is a member of a local transportation organization shall be and it is hereby authorized to make annual grants from current revenues to such local transportation organization to assist in defraying the costs of operations, maintenance and debt service of such local transportation organization or of a particular mass transportation project of such local transportation organization and to enter into long-term agreements providing for the payment of the same. The obligation of a municipality or county under any such agreement shall not be considered to be a part of its indebtedness, nor shall such obligation be deemed to impair the status of any indebtedness of such municipality or county which would otherwise be considered as self-sustaining.

Section 9. Limitation on Decisions, Findings and Regulations Made by the Secretary.—All decisions, findings and regulations made by the secretary pursuant to this 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 10. Repealer.—The act of June 30, 1965 (P. L. 163), known as the "Urban Mass Transportation Assistance Law," is hereby repealed.

Section 11. Constitutional Construction.—The provisions of this act shall be severable, and if any of the provisions thereof shall be held unconstitutional, such decisions shall not affect the validity of any of the remaining provisions of this act. It is hereby declared as the legislative intent that this act would have been adopted had such unconstitutional provision not been included herein.

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

APPROVED—The 22nd day of January, A. D. 1968.

RAYMOND P. SHAFER.

No. 9

AN ACT

HB 1038

Authorizing grants by the Commonwealth of Pennsylvania to duly constituted community action agencies providing conditions and making an appropriation.

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

¹ "an" in original.