AN ACT

Amending the act of January 22, 1968 (P.L.42, No.8), entitled, "An act 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," ADDING AND further providing for definitions and program authorizations, making an editorial change, FURTHER PROVIDING FOR PROJECT GRANTS, further providing for intergovernmental cooperation, and making certain transfers and repeals. PROVIDING FOR STATE SUBSIDIES, AUTHORIZING THE CREATION OF A TRANSPORTATION AUTHORITY TO FUNCTION IN EACH METROPOLITAN AREA CONSISTING OF ANY COUNTY OF THE FIRST CLASS AND ALL NEARBY COUNTIES WITHIN A RADIUS OF TWENTY MILES OF ANY SUCH FIRST CLASS COUNTY, AS A BODY CORPORATE AND POLITIC FOR THE PURPOSE OF ESTABLISHING AN INTEGRATED MASS TRANSPORTATION SYSTEM WITH ALL PERTINENT POWERS INCLUDING, BUT NOT LIMITED TO, LEASING, ACQUIRING, OWNING, OPERATING AND MAINTAINING A SYSTEM FOR, OR OTHERWISE PROVIDING FOR, THE TRANSPORTATION OF PERSONS, AUTHORIZING THE BORROWING OF MONEY AND ISSUANCE OF BONDS THEREFOR, CONFEERING THE RIGHT OF EMINENT DOMAIN ON THE AUTHORITY; ALTERING THE JURISDICTION OF THE PUBLIC UTILITY COMMISSION, AUTHORIZING THE ACCEPTANCE OF GRANTS FROM FEDERAL, STATE AND LOCAL GOVERNMENTS, LIMITING ACTIONS AGAINST THE AUTHORITY AND EXEMPTING IT FROM TAXATION, AUTHORIZING COUNTIES AND MUNICIPALITIES TO ENTER INTO
COMPACTS FOR THE FINANCING OF EACH AUTHORITY AND TO MAKE
APPROPRIATIONS IN ACCORDANCE WITH SUCH COMPACTS, CREATING A
CITIZEN ADVISORY COMMITTEE CONFERRING EXCLUSIVE JURISDICTION
UPON CERTAIN COURTS WITH RESPECT TO MATTERS RELATING TO SUCH
AUTHORITY, EMPOWERING EACH AUTHORITY TO FUNCTION OUTSIDE OF
THE METROPOLITAN AREA UNDER CERTAIN TERMS AND CONDITIONS,
IMPOSING A REQUIREMENT TO SUBMIT A REORGANIZATION PLAN,
PROVIDING SANCTIONS FOR FAILURE TO SUBMIT A REORGANIZATION
PLAN AND MAKING APPROPRIATIONS, AND MAKING CERTAIN TRANSFERS
AND REPEALS.

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

Section 1. Section 3, act of January 22, 1968 (P.L.42, No.8), known as the "Pennsylvania Urban Mass Transportation Assistance Law of 1967," clause (6.1) added July 1, 1978 (P.L.691, No.118), is amended to read:

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. "Capital project" shall mean and include any system of public passenger or public passenger and mail transportation, including but not limited to any railway, street railway, subway, elevated and monorail passenger or passenger and mail rolling stock, including self-propelled and gallery cars, locomotives, passenger buses and wires, poles and equipment for the electrification of any of the foregoing, rails, tracks, roadbeds, guideways, elevated structures, buildings, stations, terminals, docks, shelters, airports and parking areas for use in connection with public passenger or public passenger and mail transportation systems, interconnecting lines and tunnels to
provide passenger or passenger and mail service connections
between transportation systems, transportation routes,
corridors, and rights-of-way for any thereof (but not for public
highways), signal and communication systems necessary or
desirable for the construction, operation or improvement of the
public passenger or passenger and mail transportation system
involved, or any improvement of or equipment or furnishings for
any of the foregoing or any part, or fractional and undivided
co-ownership interest in any one or combination of any of the
foregoing, that may be designated as a capital project by the
secretary.

"Construction" shall mean and include acquisition and
construction and the term "to construct" shall mean and include
to acquire and to construct, all in such manner as may be deemed
desirable.

[(2)] "Counties" shall include any county.

[(3)] "Department" shall mean the Department of [Community
Affairs] Transportation.

"Equipment" and "furnishings" shall mean and include any
equipment and furnishings whatsoever as may be deemed desirable
and required for a capital project and approved by the
department for the use and occupancy of such capital project,
and the terms "to equip" or "to furnish" shall mean and include
the installation of such equipment and furnishings.

"Federal agency" shall mean and include the United States of
America, the President of the United States of America, and any
department of, or corporation, agency or instrumentality
heretofore or hereafter created, designated or established by
the United States of America.

"Improvement" shall mean and include extension, enlargement,
equipping, furnishing and improvement, and the term "to improve"
shall mean and include to extend, to enlarge, to equip, to
furnish and to improve, all in such manner as may be deemed
desirable.

[(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.

"Person" shall mean and include natural persons, firms,
associations, corporations, business trusts, partnerships and
public bodies, including local transportation organizations.

[(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.

"Property" shall mean all property, real, personal or mixed,
tangible or intangible or any interest therein including
fractional and undivided co-ownership interests.

[(6.1)] "Public highway" shall mean every way or place, of
whatever nature, open to the use of the public as a matter of
right, for purposes of vehicular travel. The term "public
highway" solely for the purpose of administering this act shall
not be deemed to include a bridge located wholly within this
Commonwealth which is open to the use of the public for the
purpose of vehicular traffic but which on March 15, 1964 [is]
was owned and maintained by a mass transportation or port
authority and which comprises a part of the transportation
system of the mass transportation or port authority.

{(7)} "Secretary" shall mean the Secretary of [Community
Affairs] Transportation.

{(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 2. Clauses (4) and (5) of section 4, subsection (e)
of section 5 and section 7 of the act, clause (5) of section 4
added December 27, 1972 (P.L.1631, No.339), are amended to read:

Section 4. Program Authorizations.—The department is hereby
authorized, within the limitations hereinafter provided:
(4) In connection with privately or locally assisted capital projects or capital projects financed with private or local and Federal funds, to [sublease] make grants for approved capital 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, including land (but not public highways), 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] capital project [from the authority] grant 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] capital project shall be based on a program or plan approved by the department. [The amount of authority funds used for any such leased] No capital project grant shall [not] exceed one-sixth of the "Net Project Cost," subject, however, to the following specific exceptions:

(i) if two or more capital projects [of the department] are combined for financing purposes, the amount of [authority] department funds used for [a leased project] any one of such projects may exceed one-sixth of the "Net Project Cost" provided that the total amount of [the authority] department 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 capital 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 capital project is essential and should proceed without delay, [the authority] department funds for [that leased] such capital project may be increased temporarily to an amount not to exceed...
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
capital project of a new or an additional Federal grant, the
amount of [the authority] department funds in excess of one-
sixth of the "Net Project Cost" be refunded to the [authority]
department or be applied as the [authority] department may
direct to help meet the [authority's] department's share of the
cost of another project, [subject to the terms of any indenture
or bond resolution of the authority] in which the department is
a participant.

(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] department funds for [that leased] such
project shall be limited to an amount not to exceed one-half of
the "Net Project Cost."

(5) To make grants to agencies and instrumentalities of the
Commonwealth and to municipalities, counties, or other
instrumentalities from the State Lottery Fund to pay estimated
transit losses resulting from granting free service to persons
sixty-five years of age or older on common carrier mass
transportation systems when such passage is by local public bus,
trolley or subway-elevated systems during nonpeak riding hours
and on holidays and weekends. The department shall promulgate
such rules and regulations as are necessary to carry out the
purposes of this clause.

In counties where there does not now exist a mass
transportation authority the department shall enter into
agreements with private carriers, authorized to carry passengers
for hire by the Public [Utilities] Utility Commission to carry
out the purposes of this clause.

Section 5. Grant Proposals.--*

(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.

***

Section 7. Cooperation with Other [Agencies.--] Governments
and Private Interests.--(a) 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 as effective and economical a program as
possible.

(b) The department is hereby authorized to enter into
agreements providing for mutual cooperation between or among it
and any Federal agency, local transportation organization or
transportation company, concerning any or all projects,
including joint applications for Federal grants.

(c) It is the purpose and intent of this act to authorize
the department to do any and all other things necessary or
desirable to secure the financial aid or cooperation of any
Federal agency in any of the department's projects, and to do
and perform all things which may be required by any statute of
the United States of America or by the lawful requirements of
any Federal agency authorized to administer any program of
Federal aid to transportation.

Section 3. (a) All allocations, appropriations, agreements, leases, claims, demands and causes of action of any nature whether or not subject to litigation on the date of this act, equipment, files, records, classified data files, maps, air photographs and other material which are used, employed or expended in connection with the duties, powers or functions of the Pennsylvania Transportation Assistance Authority are hereby transferred to the Department of Transportation with the same force and effect as if the appropriations had been made to and said items had been the property of the Department of Transportation in the first instance and as if said contracts, agreements, leases and obligations had been incurred or entered into by the Department of Transportation.

(b) The power to allocate excess funds from one project to another, given to the Pennsylvania Transportation Assistance Authority in the following acts is hereby transferred to the Department of Transportation, subject to the approval of the Secretary of the Budget:

(1) Section 2, act of April 13, 1976 (P.L.97, No.42), entitled "A supplement to the act of October 18, 1975 (P.L.408, No.112), entitled 'An act providing for the capital budget for the fiscal year 1975-1976,' itemizing a transportation assistance project to be acquired or constructed by The Pennsylvania Transportation Assistance Authority together with its estimated financial cost; authorizing the incurring of debt without the approval of the electors for the purpose of financing the project, stating the estimated useful life of the project, and making an appropriation."

(2) Section 2, act of July 9, 1976 (P.L.570, No.138),
entitled "A supplement to the act of July 9, 1976 (P.L.123, No.54), entitled 'An act providing for the capital budget for the fiscal year 1976-1977,' itemizing transportation assistance projects to be acquired or constructed by The Pennsylvania Transportation Assistance Authority together with their estimated financial cost; authorizing the incurring of debt without the approval of the electors for the purpose of financing the projects, stating the estimated useful life of the projects, and making an appropriation."

(3) Section 2, act of September 28, 1978 (P.L.811, No.159), entitled "A supplement to the act of September 28, 1978 (P.L.787, No.151), entitled 'An act providing for the capital budget for the fiscal year 1978-1979,' itemizing transportation assistance projects to be acquired or constructed by the Pennsylvania Transportation Assistance Authority together with their estimated financial cost; authorizing the incurring of debt without the approval of the electors for the purpose of financing the projects, stating the estimated useful life of the projects, and making an appropriation."

Section 4. The act of January 22, 1968 (P.L.27, No.7), known as the "Pennsylvania Transportation Assistance Authority Act of 1967," is repealed.

Section 5. This act shall take effect immediately.

SECTION 1. THE TITLE, ACT OF JANUARY 22, 1968 (1967 P.L.42, NO.8), KNOWN AS THE "PENNSYLVANIA URBAN MASS TRANSPORTATION ASSISTANCE LAW OF 1967," IS AMENDED TO READ:

AN ACT EMPOWERING AND AUTHORIZING THE DEPARTMENT OF [COMMUNITY AFFAIRS] TRANSPORTATION 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, AUTHORIZING THE CREATION OF A TRANSPORTATION AUTHORITY TO FUNCTION IN EACH METROPOLITAN AREA CONSISTING OF ANY COUNTY OF THE FIRST CLASS AND ALL NEARBY COUNTIES WITHIN A RADIUS OF TWENTY MILES OF ANY SUCH FIRST CLASS COUNTY, AS A BODY CORPORATE AND POLITIC FOR THE PURPOSE OF ESTABLISHING AN INTEGRATED MASS TRANSPORTATION SYSTEM WITH ALL PERTINENT POWERS INCLUDING, BUT NOT LIMITED TO, LEASING, ACQUIRING, OWNING, OPERATING AND MAINTAINING A SYSTEM FOR, OR OTHERWISE PROVIDING FOR, THE TRANSPORTATION OF PERSONS, AUTHORIZING THE BORROWING OF MONEY AND ISSUANCE OF BONDS THEREFOR, CONFERRING THE RIGHT OF EMINENT DOMAIN ON THE AUTHORITY; ALTERING THE JURISDICTION OF THE PUBLIC UTILITY COMMISSION, AUTHORIZING THE ACCEPTANCE OF GRANTS FROM FEDERAL, STATE AND LOCAL GOVERNMENTS, LIMITING ACTIONS AGAINST THE AUTHORITY AND EXEMPTING IT FROM TAXATION, AUTHORIZING COUNTIES AND MUNICIPALITIES TO ENTER INTO COMPACTS FOR THE FINANCING OF EACH AUTHORITY AND TO MAKE APPROPRIATIONS IN ACCORDANCE WITH SUCH COMPACTS, CREATING A CITIZEN ADVISORY COMMITTEE, CONFERRING EXCLUSIVE JURISDICTION UPON CERTAIN COURTS WITH RESPECT TO MATTERS RELATING TO SUCH AUTHORITY, EMPOWERING EACH AUTHORITY TO FUNCTION OUTSIDE OF THE METROPOLITAN AREA UNDER CERTAIN TERMS AND CONDITIONS.
SECTION 2. SECTIONS 1 THROUGH 12 OF THE ACT ARE REPEALED.

SECTION 3. THE ACT IS AMENDED BY ADDING ARTICLES TO READ:

ARTICLE I

PRELIMINARY PROVISIONS

SECTION 101. SHORT TITLE.--THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE "PENNSYLVANIA URBAN MASS TRANSPORTATION LAW."

ARTICLE I II

URBAN MASS TRANSPORTATION ASSISTANCE

SECTION 101. SHORT TITLE.--THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "PENNSYLVANIA URBAN MASS TRANSPORTATION ASSISTANCE LAW."

SECTION 102 201. FINDINGS AND DECLARATION OF POLICY.--(A) IT IS HEREBY DETERMINED AND DECLARED AS A MATTER OF LEGISLATIVE FINDING:


(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 AND
TO PROVIDE FREE OR REDUCED TRANSIT SERVICE FOR THE ELDERLY. SUCH
PURPOSES ARE HEREBY DECLARED TO BE PUBLIC USES FOR WHICH STATE
MONEYS MAY BE SPENT.

SECTION 103 202. DEFINITIONS.—THE FOLLOWING TERMS, WHenever
USED OR REFERRED TO IN THIS ACT ARTICLE, SHALL HAVE THE
FOLLOWING MEANINGS, EXCEPT IN THOSE INSTANCES WHERE THE CONTEXT
CLEARLY INDICATES A DIFFERENT MEANING:

"AVERAGE FARE" SHALL BE DEFINED AS TOTAL PASSENGER REVENUE
DIVIDED BY THE TOTAL LINKED PASSENGER TRIPS EXCLUDING TRIPS BY
SENIOR CITIZENS PARTICIPATING IN THE FREE TRANSIT PROGRAM FOR
SENIOR CITIZENS.

"CAPITAL PROJECT" SHALL MEAN AND INCLUDE ANY SYSTEM OF PUBLIC
PASSENGER OR PUBLIC PASSENGER AND RAIL TRANSPORTATION, INCLUDING
BUT NOT LIMITED TO ANY RAILWAY, STREET RAILWAY, SUBWAY, ELEVATED
AND MONORAIL PASSENGER OR PASSENGER AND RAIL ROLLING STOCK,
INCLUDING SELF-PROPELLED AND GALLERY CARS, LOCOMOTIVES,
PASSENGER BUSES AND WIRES, POLES AND EQUIPMENT FOR THE
ELECTRIFICATION OF ANY OF THE FOREGOING, RAILS, TRACKS,
ROADBEDS, GUIDeways, ELEVATED STRUCTURES, BUILDINGS, STATIONS,
TERMINALS, DOCKS, SHELTERS, AIRPORTS AND PARKING AREAS FOR USE
IN CONNECTION WITH PUBLIC PASSENGER OR PUBLIC PASSENGER AND RAIL
TRANSPORTATION SYSTEMS, INTERCONNECTING LINES AND TUNNELS TO
provide PASSENGER OR PASSENGER AND RAIL SERVICE CONNECTIONS
BETWEEN TRANSPORTATION SYSTEMS, TRANSPORTATION ROUTES,
CORRIDORS, AND RIGHTS-OF-WAY FOR ANY THEREOF (BUT NOT FOR PUBLIC HIGHWAYS), SIGNAL AND COMMUNICATION SYSTEMS NECESSARY OR DESIRABLE FOR THE CONSTRUCTION, OPERATION OR IMPROVEMENT OF THE PUBLIC PASSENGER OR PASSENGER AND RAIL TRANSPORTATION SYSTEM INVOLVED, OR ANY IMPROVEMENT OF OR EQUIPMENT OR FURNISHINGS FOR ANY OF THE FOREGOING OR ANY PART, OR FRACTIONAL AND UNDIVIDED CO-OWNERSHIP INTEREST IN ANY ONE OR COMBINATION OF ANY OF THE FOREGOING, THAT MAY BE DESIGNATED AS A CAPITAL PROJECT BY THE SECRETARY.

"CONSTRUCTION" SHALL MEAN AND INCLUDE ACQUISITION AND CONSTRUCTION AND THE TERM "TO CONSTRUCT" SHALL MEAN AND INCLUDE TO ACQUIRE AND TO CONSTRUCT, ALL IN SUCH MANNER AS MAY BE DEEMED DESIRABLE.

"COUNTIES" SHALL INCLUDE ANY COUNTY.

"COUNTRY 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 SIXTY-FIVE YEARS OF AGE OR OLDER.

"DEPARTMENT" SHALL MEAN THE DEPARTMENT OF TRANSPORTATION.

"EQUIPMENT" AND "FURNISHINGS" SHALL MEAN AND INCLUDE ANY EQUIPMENT AND FURNISHINGS WHATSOEVER AS MAY BE DEEMED DESIRABLE AND REQUIRED FOR A CAPITAL PROJECT AND APPROVED BY THE DEPARTMENT FOR THE USE AND OCCUPANCY OF SUCH CAPITAL PROJECT, AND THE TERMS "TO EQUIP" OR "TO FURNISH" SHALL MEAN AND INCLUDE THE INSTALLATION OF SUCH EQUIPMENT AND FURNISHINGS.

"FEDERAL AGENCY" SHALL MEAN AND INCLUDE THE UNITED STATES OF AMERICA, THE PRESIDENT OF THE UNITED STATES OF AMERICA, AND ANY DEPARTMENT OF, OR CORPORATION, AGENCY OR INSTRUMENTALITY HERETOFORE OR HEREAFTER CREATED, DESIGNATED OR ESTABLISHED BY
"FIXED ROUTE PUBLIC TRANSPORTATION SERVICES" SHALL INCLUDE 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.

"IMPROVEMENT" SHALL MEAN AND INCLUDE EXTENSION, ENLARGEMENT, EQUIPPING, FURNISHING AND IMPROVEMENT, AND THE TERM "TO IMPROVE" SHALL MEAN AND INCLUDE TO EXTEND, TO ENLARGE, TO EQUIP, TO FURNISH AND TO IMPROVE, ALL IN SUCH MANNER AS MAY BE DEEMED DESIRABLE.

"LINKED PASSENGER TRIPS" SHALL MEAN AND INCLUDE 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.

"LOCAL TRANSPORTATION ORGANIZATION" SHALL MEAN ANY POLITICAL SUBDIVISION OR ANY MASS TRANSPORTATION OR PORT AUTHORITY, PORT, REDEVELOPMENT 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 A LIMITED AREA IN THE COMMONWEALTH OF PENNSYLVANIA, EVEN THOUGH IT MAY ALSO RENDER OR ASSIST IN RENDERING TRANSPORTATION SERVICE IN ADJACENT STATES.

"MUNICIPALITIES" SHALL INCLUDE ANY CITY, BOROUGH, TOWNSHIP, INCORPORATED TOWN OR TOWN.
"PERSON" SHALL MEAN AND INCLUDE NATURAL PERSONS, FIRMS, ASSOCIATIONS, CORPORATIONS, BUSINESS TRUSTS, PARTNERSHIPS AND PUBLIC BODIES, INCLUDING LOCAL TRANSPORTATION ORGANIZATIONS.

"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 ARTICLE AND WHICH COST SHALL INCLUDE AN APPROPRIATE ALLOWANCE FOR THE ADMINISTRATIVE EXPENSES INVOLVED IN CARRYING OUT THE PROJECT.

"PROPERTY" SHALL MEAN ALL PROPERTY, REAL, PERSONAL OR MIXED, TANGIBLE OR INTANGIBLE OR ANY INTEREST THEREIN INCLUDING FRACTIONAL AND UNDIVIDED CO-OWNERSHIP INTERESTS.

"PUBLIC HIGHWAY" SHALL MEAN EVERY WAY OR PLACE, OF WHATEVER NATURE, OPEN TO THE USE OF THE PUBLIC AS A MATTER OF RIGHT, FOR PURPOSES OF VEHICULAR TRAVEL. THE TERM "PUBLIC HIGHWAY" SOLELY FOR THE PURPOSE OF ADMINISTERING THIS ACT ARTICLE SHALL NOT BE DEEMED TO INCLUDE A BRIDGE LOCATED WHOLLY WITHIN THIS COMMONWEALTH WHICH IS OPEN TO THE USE OF THE PUBLIC FOR THE PURPOSE OF VEHICULAR TRAFFIC BUT WHICH ON MARCH 15, 1964 WAS OWNED AND MAINTAINED BY A MASS TRANSPORTATION OR PORT AUTHORITY AND WHICH COMPRIZES A PART OF THE TRANSPORTATION SYSTEM OF THE MASS TRANSPORTATION OR PORT AUTHORITY.

"SECRETARY" SHALL MEAN THE SECRETARY OF TRANSPORTATION.

"SHARED RIDE PUBLIC TRANSPORTATION SERVICES" SHALL INCLUDE 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. SERVICES EXCLUDED UNDER
THIS DEFINITION ARE: EXCLUSIVE RIDE TAXI SERVICE; CHARTER AND SIGHTSEEING SERVICES; NONPUBLIC TRANSPORTATION; SCHOOL BUS OR LIMOUSINE SERVICES.

"TRANSIT VEHICLE" SHALL MEAN A SELF-PROPELLED OR ELECTRICALLY PROPELLED VEHICLE DESIGNED FOR CARRYING FIFTEEN OR MORE PASSENGERS, EXCLUSIVE OF THE DRIVER, OTHER THAN A TAXICAB, DESIGNED AND USED FOR THE TRANSPORTATION OF PERSONS FOR COMPENSATION INCLUDING, BUT NOT LIMITED TO, SUBWAY CARS, TROLLEYS, TRACKLESS TROLLEYS AND RAILROAD PASSENGER CARS.

"TRANSPORTATION COMPANY" SHALL MEAN AND INCLUDE ANY PERSON, FIRM OR CORPORATION RENDERING PUBLIC PASSENGER OR PUBLIC PASSENGER AND RAIL 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.

"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 104 203. PROGRAM AUTHORIZATIONS.--THE DEPARTMENT IS HEREBY AUTHORIZED, WITHIN THE LIMITATIONS HEREINAFTER PROVIDED AND IS REQUIRED WHERE THE PROVISIONS OF SECTION 105 204 APPLY: (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 RELATED 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. STATE FUNDING UNDER THIS SUBCLAUSE SUBPARAGRAPH SHALL NOT EXCEED EIGHTY PERCENT OR ONE-HALF OF THE NON-FEDERAL SHARE OF THE PROJECT COSTS, WHICHEVER IS LESS.

(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. STATE FUNDING UNDER THIS SUBCLAUSE SUBPARAGRAPH SHALL NOT EXCEED EIGHTY PERCENT OR ONE-HALF OF THE NON-FEDERAL SHARE OF THE PROJECT COSTS, WHICHEVER IS LESS.
(III) 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. STATE FUNDING UNDER THIS SUBCLAUSE SUBPARAGRAPH SHALL NOT EXCEED THREE-FOURTHS OF THE NON-FEDERAL SHARE OF PROJECT COSTS AS DEFINED BY THE DEPARTMENT WHICH CANNOT, AS DETERMINED BY THE DEPARTMENT, REASONABLY BE FINANCED FROM REVENUES, LOCAL OR PRIVATE FUNDING SHALL EQUAL AT LEAST ONE-FOURTH OF THE NON-FEDERAL SHARE OF THE PROJECT DEFICIT, AS DEFINED BY THE DEPARTMENT. THE METHODOLOGY FOR CALCULATING THE ELIGIBLE DEFICIT OF APPLICANTS UNDER THIS SUBCLAUSE SUBPARAGRAPH SHALL BE DETERMINED IN ACCORDANCE WITH SECTION 105 204. 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) (A) THE PURCHASE OF THE SERVICE PROJECT IS NECESSARY; 

(II) (B) 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 INSTRUMENTALITIES 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 CLAUSE
PARAGRAPH SHALL IMPAIR, SUSPEND, REDUCE, 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. STATE FUNDING UNDER THIS SUBCLAUSE
PARAGRAPH SHALL NOT EXCEED THREE-FOURTHS OF THE NON-FEDERAL
SHARE OF PROJECT COSTS AS DEFINED BY THE DEPARTMENT WHICH
CANNOT, AS DETERMINED BY THE DEPARTMENT, REASONABLY BE FINANCED
FROM REVENUES. LOCAL OR PRIVATE FUNDING SHALL EQUAL AT LEAST
ONE-FOURTH OF THE NON-FEDERAL SHARE OF THE PROJECT DEFICIT, AS
DEFINED BY THE DEPARTMENT. THE METHODOLOGY FOR CALCULATING THE
ELIGIBLE DEFICIT OF APPLICANTS UNDER THIS SUBCLAUSE PARAGRAPH
SHALL BE DETERMINED IN ACCORDANCE WITH SECTION 105.204. 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

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 CAPITAL
PROJECTS OR CAPITAL PROJECTS FINANCED WITH PRIVATE OR LOCAL AND
FEDERAL FUNDS, TO MAKE GRANTS FOR APPROVED CAPITAL PROJECTS TO A
LOCAL TRANSPORTATION ORGANIZATION OR A TRANSPORTATION COMPANY,
INCLUDING THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, AND
IMPROVEMENT OF FACILITIES AND EQUIPMENT, BUSES AND OTHER ROLLING
STOCK, AND OTHER REAL OR PERSONAL PROPERTY, INCLUDING LAND (BUT
NOT PUBLIC HIGHWAYS), 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 CAPITAL PROJECT GRANT 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 CAPITAL PROJECT SHALL BE BASED ON A PROGRAM OR
PLAN APPROVED BY THE DEPARTMENT. NO CAPITAL PROJECT GRANT SHALL
EXCEED ONE-SIXTH OF THE "NET PROJECT COST," SUBJECT, HOWEVER, TO
THE FOLLOWING SPECIFIC EXCEPTIONS:

(I) IF TWO OR MORE CAPITAL PROJECTS ARE COMBINED FOR
FINANCING PURPOSES, THE AMOUNT OF DEPARTMENT FUNDS USED FOR ANY
ONE OF SUCH PROJECTS MAY EXCEED ONE-SIXTH OF THE "NET PROJECT
COST" PROVIDED THAT THE TOTAL AMOUNT OF DEPARTMENT FUNDS
PROVIDED FOR ALL THE PROJECTS SO COMBINED DOES NOT EXCEED ONE-
SIXTH OF THE TOTAL "NET PROJECT COSTS" OF ALL OF THE PROJECTS SO
COMBINED.

(II) IF A CAPITAL 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 CAPITAL
PROJECT IS ESSENTIAL AND SHOULD PROCEED WITHOUT DELAY,
DEPARTMENT FUNDS FOR SUCH CAPITAL 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 CAPITAL PROJECT OF A NEW OR AN ADDITIONAL FEDERAL GRANT, THE AMOUNT OF DEPARTMENT FUNDS IN EXCESS OF ONE-SIXTH OF THE "NET PROJECT COST" BE REFUNDED TO THE DEPARTMENT OR BE APPLIED AS THE DEPARTMENT MAY DIRECT TO HELP MEET THE DEPARTMENT'S SHARE OF THE COST OF ANOTHER PROJECT, IN WHICH THE DEPARTMENT IS A PARTICIPANT.

(III) 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 DEPARTMENT FUNDS FOR SUCH PROJECT SHALL BE LIMITED TO AN AMOUNT NOT TO EXCEED ONE-HALF OF THE "NET PROJECT COST."

(5) TO MAKE GRANTS TO TRANSPORTATION COMPANIES AND LOCAL TRANSPORTATION ORGANIZATIONS FROM THE STATE LOTTERY FUND TO PAY ESTIMATED TRANSIT LOSSES RESULTING FROM GRANTING ON LOCAL COMMON CARRIER MASS TRANSPORTATION SYSTEMS:

(I) FREE SERVICE TO PERSONS SIXTY-FIVE YEARS OF AGE AND OLDER WHEN SUCH PASSAGE IS ON FIXED ROUTE PUBLIC TRANSPORTATION SERVICES DURING NONPEAK RIDING HOURS AND ON HOLIDAYS AND WEEKENDS;

(II) REDUCED FARE SERVICES TO PERSONS SIXTY-FIVE YEARS OF AGE OR OLDER WHEN SUCH PASSAGE IS ON SHARED RIDE PUBLIC TRANSPORTATION SERVICES DURING REGULAR HOURS OF OPERATION. ON FIXED ROUTE PUBLIC TRANSPORTATION SERVICE, LOSSES ARE REIMBURSABLE AT SEVENTY-FIVE PERCENT OF THE TRANSIT SYSTEM'S AVERAGE FARE MULTIPLIED BY THE NUMBER OF TRIPS MADE BY SENIOR CITIZENS PARTICIPATING IN THE FREE TRANSIT PROGRAM, EXCEPTION FOR TRANSIT SYSTEMS THAT CURRENTLY RECEIVE A PROGRAM REIMBURSEMENT BASED UPON A PERCENTAGE OF AVERAGE FARE GREATER THAN SEVENTY-FIVE PERCENT. THESE TRANSIT SYSTEMS SHALL RECEIVE THEIR CURRENT

(5) 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 SIXTY-FIVE 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 SEVENTY-FIVE PERCENT 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 SEVENTY-FIVE PERCENT SHALL RECEIVE THEIR CURRENT AMOUNT OF SENIOR CITIZEN PROGRAM REIMBURSEMENT UNTIL SUCH TIME AS THE AMOUNT OF REIMBURSEMENT FOR THESE SYSTEMS EQUALS SEVENTY-FIVE PERCENT OF THE AVERAGE FARE.

(II) FREE OR REDUCED FARE ON SHARED RIDE COUNTY TRANSPORTATION SYSTEMS FOR PERSONS SIXTY-FIVE YEARS OR OLDER:

(A) IN CASE OF FREE SERVICE ON SUCH COUNTY SYSTEMS, THE COUNTY SHALL BE REIMBURSED AT SEVENTY-FIVE PERCENT 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 SIXTY-FIVE 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 TWENTY-FIVE PERCENT 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 105 204. ANNUAL APPROPRIATION, COMPUTATION OF SUBSIDY.--(A) THE COMMONWEALTH SHALL ANNUALLY DETERMINE THE LEVEL OF APPROPRIATION FOR URBAN COMMON CARRIER MASS TRANSPORTATION ASSISTANCE, USING THE STANDARDS CONTAINED IN THIS SECTION, TO SUFFICIENTLY FUND AND TO MAKE FULLY OPERATIVE SECTION 104 203(2)(III) AND 104(3).<

(B) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE TO THE DEPARTMENT FOR DISTRIBUTION AN AMOUNT BASED UPON THE INDIVIDUAL PROJECTED SUBSIDIES OF THE LOCAL TRANSPORTATION ORGANIZATIONS OR TRANSPORTATION COMPANIES PARTICIPATING IN THE PROGRAM. EACH LOCAL TRANSPORTATION ORGANIZATION AND TRANSPORTATION COMPANY SHALL BE ENTITLED TO RECEIVE A STATE SUBSIDY OF AT LEAST TWO-THIRDS BUT NOT MORE THAN THREE-QUARTERS OF ITS CONSTRAINED DEFICIT: PROVIDED, HOWEVER, THAT IF AMOUNT OF MONEYS ACTUALLY APPROPRIATED BY THE GENERAL ASSEMBLY IS GREATER OR LESSER THAN THE LUMP SUM APPROPRIATION REQUEST, THE INDIVIDUAL CALCULATED GRANTS SHALL BE PRORATED AMONG ALL RECIPIENTS IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE USING A RATIO DETERMINED BY APPLYING THE ACTUAL LUMP SUM APPROPRIATION TO THE LUMP SUM APPROPRIATION REQUEST.

(C) THE CONSTRAINED DEFICIT SHALL BE AN AMOUNT EQUAL TO ELIGIBLE OPERATING COSTS REDUCED BY ASSUMED REVENUES AND FEDERAL OPERATING SUBSIDIES. FOR PURPOSES OF THIS SUBSECTION:

(1) ELIGIBLE OPERATING COSTS FOR THE BUDGET YEAR SHALL NOT EXCEED THE PRIOR YEAR'S OPERATING COSTS FOR THE SAME LEVEL OF SERVICE INCREASED BY A PERCENTAGE EQUAL TO THE PERCENTAGE INCREASE IN OPERATING COSTS FOR ALL LOCAL TRANSPORTATION
ORGANIZATIONS AND TRANSPORTATION COMPANIES FOR THE MOST RECENTLY
COMPLETED STATE FISCAL YEAR AS COMPARED TO THE FISCAL YEAR
IMMEDIATELY PRECEDING SUCH YEAR PLUS FIFTEEN PERCENT OF SUCH
INCREASE.

(2) (I) ASSUMED REVENUES SHALL BE A PERCENTAGE OF ELIGIBLE OPERATING COSTS AS DETERMINED BY REFERENCE TO THE FOLLOWING TABLE:

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>(A)</th>
<th>(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-81</td>
<td>44%</td>
<td>34%</td>
</tr>
<tr>
<td>1981-82</td>
<td>42%</td>
<td>32%</td>
</tr>
<tr>
<td>1982-83</td>
<td>40%</td>
<td>30%</td>
</tr>
<tr>
<td>1983-84</td>
<td>38%</td>
<td>28%</td>
</tr>
<tr>
<td>1984-85</td>
<td>36%</td>
<td>26%</td>
</tr>
<tr>
<td>1980-81</td>
<td>48%</td>
<td>38%</td>
</tr>
<tr>
<td>1981-82</td>
<td>48%</td>
<td>38%</td>
</tr>
<tr>
<td>1982-83</td>
<td>46%</td>
<td>36%</td>
</tr>
<tr>
<td>1983-84</td>
<td>44%</td>
<td>34%</td>
</tr>
<tr>
<td>1984-85</td>
<td>42%</td>
<td>32%</td>
</tr>
</tbody>
</table>

WHERE (II) COLUMN (A) IS TO BE USED FOR LOCAL TRANSPORTATION ORGANIZATIONS OR TRANSPORTATION COMPANIES OPERATING MORE THAN TWENTY TRANSIT VEHICLES IN THE PEAK PERIOD AND COLUMN (B) IS TO BE USED FOR LOCAL TRANSPORTATION ORGANIZATIONS OR TRANSPORTATION COMPANIES OPERATING TWENTY OR FEWER TRANSIT VEHICLES IN THE PEAK PERIOD.

(III) IN ANY CASE WHERE A LOCAL TRANSPORTATION ORGANIZATION OR TRANSPORTATION COMPANY INCREASES OR DECREASES THE NUMBER OF TRANSIT VEHICLES OPERATING DURING THE PEAK PERIOD SO AS TO MOVE FROM COLUMN (B) TO COLUMN (A) OR FROM COLUMN (A) TO COLUMN (B) THE DEPARTMENT MAY MAKE APPROPRIATE ADJUSTMENTS REGARDING ASSUMED REVENUES DURING A REASONABLE PERIOD FOLLOWING SUCH
INCREASE OR DECREASE.

(3) FEDERAL OPERATING SUBSIDIES SHALL MEAN THE TOTAL OPERATING ASSISTANCE FUNDS IN THE BUDGET YEAR TO WHICH THE ELIGIBLE GRANTEE IS ENTITLED ACTUALLY RECEIVES UNDER THE FEDERAL URBAN MASS TRANSPORTATION ACT OF 1964, PUBLIC LAW 88-365 (49 U.S.C. § 1601, ET SEQ.) OR ANY OTHER FEDERAL LAW.

(D) THE BASIC SUBSIDY FOR WHICH EACH LOCAL TRANSPORTATION ORGANIZATION OR TRANSPORTATION COMPANY SHALL BE ENTITLED SHALL BE EQUAL TO SIXTY-SIX AND TWO-THIRDS PERCENT OF ITS CONSTRAINED DEFICIT.

(E) EACH LOCAL TRANSPORTATION ORGANIZATION OR TRANSPORTATION COMPANY SHALL RECEIVE, IN ADDITION TO THE BASIC SUBSIDY, AN INCENTIVE GRANT SUBSIDY OF UP TO EIGHT AND ONE-THIRD PERCENT OF ITS CONSTRAINED DEFICIT BASED UPON A FINDING THAT THE LOCAL TRANSPORTATION ORGANIZATION OR TRANSPORTATION COMPANY FOR THE MOST RECENTLY COMPLETED STATE FISCAL YEAR AS COMPARED TO THE FISCAL YEAR IMMEDIATELY PRECEDING SUCH YEAR HAS MET OR EXCEEDED THE FOLLOWING PERFORMANCE FACTORS. EACH FACTOR WHICH A LOCAL TRANSPORTATION ORGANIZATION OR TRANSPORTATION COMPANY MEETS SHALL RESULT IN AN ADDITIONAL INCREASE IN STATE FUNDING OF ITS CONSTRAINED DEFICIT. THE FACTORS TO BE CONSIDERED BY THE DEPARTMENT IN AWARDING INCENTIVE GRANT SUBSIDIES ARE AS FOLLOWS:

(1) A DECREASE OF NO MORE THAN TWO PERCENTAGE POINTS IN THE SYSTEM'S REVENUE/COST RATIO FROM THE PREVIOUS FISCAL YEAR.

(2) HIGHER RIDERSHIP PER VEHICLE HOUR IN THE SYSTEM THAN IN THE PREVIOUS FISCAL YEAR.

(3) HIGHER OPERATING REVENUE PER VEHICLE HOUR IN THE SYSTEM THAN IN PREVIOUS FISCAL YEAR.

(4) LOWER OPERATING COSTS PER VEHICLE HOUR IN THE SYSTEM (ADJUSTED FOR INFLATION) THAN IN THE PREVIOUS FISCAL YEAR.
(F) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, NO LOCAL TRANSPORTATION ORGANIZATION OR TRANSPORTATION COMPANY SHALL BE ENTITLED TO RECEIVE AN AMOUNT WITH RESPECT TO ANY FISCAL YEAR GREATER THAN SEVENTY-FIVE PERCENT OF ITS ACTUAL OPERATING COSTS LESS ACTUAL REVENUES AND FEDERAL SUBSIDIES FOR THAT FISCAL YEAR.

(G) A LOCAL TRANSPORTATION ORGANIZATION OR TRANSPORTATION COMPANY MAY AT ITS OPTION SUBMIT AN APPLICATION FOR PROJECT GRANTS COVERING MODES OR OPERATING SUBSIDIARIES ON AN INDIVIDUAL BASIS OR ON A COLLECTIVE BASIS.

(H) RECIPIENTS OF FUNDS UNDER THIS SECTION SHALL SUBMIT TO THE DEPARTMENT BETWEEN AUGUST 15 AND SEPTEMBER 15 OF EACH CALENDAR YEAR A PROPOSED BUDGET FOR THE BUDGET YEAR BEGINNING JULY 1 TOGETHER WITH BUDGET PROJECTIONS FOR FOUR SUCCEEDING BUDGET YEARS. BUDGET PROPOSALS, BASED UPON INFORMATION SUBMITTED BY INDIVIDUAL RECIPIENTS, SHALL APPEAR AS LINE ITEMS IN THE DEPARTMENT'S BUDGET REQUEST; PROVIDED, HOWEVER, THAT THE DEPARTMENT BUDGET REQUEST FOR FUNDS UNDER THIS SECTION SHALL BE MADE AS A LUMP SUM APPROPRIATION REQUEST WHICH SHALL BE THE TOTAL OF SUCH LINE ITEMS. IF AMOUNT OF MONEYS ACTUALLY APPROPRIATED BY THE GENERAL ASSEMBLY IS GREATER OR LESSER THAN THE LUMP SUM APPROPRIATION REQUEST, THE INDIVIDUAL CALCULATED GRANTS SHALL BE PRORATED AMONG ALL RECIPIENTS IN ACCORDANCE WITH THE PROVISIONS OF THIS ACT ARTICLE USING A RATIO DETERMINED BY APPLYING THE ACTUAL LUMP SUM APPROPRIATION TO THE LUMP SUM APPROPRIATION REQUEST.

(I) LOCAL TRANSPORTATION ORGANIZATIONS AND TRANSPORTATION COMPANIES SHALL BE PREPARED TO APPEAR INDIVIDUALLY BEFORE THE APPROPRIATION COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES TO JUSTIFY BUDGET REQUESTS.
SECTION 106 205. 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 ARTICLE. 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 104 203, 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 article, shall 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 107 206. Rules and regulations of the department.-- In order to effectuate and enforce the provisions of this Act article, 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 108 207. Cooperation with other governments and private interests.--(A) 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 as effective and economical a program as possible.

(B) The department is hereby authorized to enter into agreements providing for mutual cooperation between or among it and any federal agency, local transportation organization or transportation company, concerning any or all projects, including joint applications for federal grants.

(C) It is the purpose and intent of this Act article to authorize the department to do any and all other things necessary or desirable to secure the financial aid or cooperation of any federal agency in any of the department's
PROJECTS, AND TO DO AND PERFORM ALL THINGS WHICH MAY BE REQUIRED
BY ANY STATUTE OF THE UNITED STATES OF AMERICA OR BY THE LAWFUL
REQUIREMENTS OF ANY FEDERAL AGENCY AUTHORIZED TO ADMINISTER ANY
PROGRAM OF FEDERAL AID TO TRANSPORTATION.

SECTION 109 208. 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 110 209. LIMITATION ON DECISIONS, FINDINGS AND
REGULATIONS MADE BY THE SECRETARY.--ALL DECISIONS, FINDINGS AND
REGULATIONS MADE BY THE SECRETARY PURSUANT TO THIS ACT ARTICLE
SHALL BE FOR THE PURPOSES OF THIS ACT ARTICLE ONLY AND SHALL NOT
CONSTITUTE EVIDENCE BEFORE ANY REGULATORY BODY OF THIS
COMMONWEALTH OR ANY OTHER JURISDICTION.

SECTION 111. 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
ARTICLE II III

METROPOLITAN TRANSPORTATION AUTHORITIES

SECTION 201. SHORT TITLE.--THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "METROPOLITAN TRANSPORTATION AUTHORITIES ACT."

SECTION 202 301. LEGISLATIVE FINDING; DECLARATION OF POLICY.--(A) IT IS HEREBY DETERMINED AND DECLARED AS A MATTER OF LEGISLATIVE FINDING:

(1) THAT THERE EXISTS IN THE URBAN AND SUBURBAN COMMUNITIES IN METROPOLITAN AREAS, TRAFFIC CONGESTION AND SERIOUS MASS TRANSPORTATION PROBLEMS BECAUSE OF UNDERDEVELOPED, UNCOORDINATED OBSOLETE MASS TRANSPORTATION FACILITIES RESULTING IN INADEQUATE OR OVERCROWDED HIGH COST CONDITIONS ON OUR HIGHWAYS AND EXISTING MASS TRANSPORTATION FACILITIES.

(2) THAT SUCH CONDITIONS OR A COMBINATION OF SOME OR ALL OF THEM HAVE MADE AND WILL CONTINUE TO RESULT IN MAKING SUCH COMMUNITIES ECONOMIC AND SOCIAL LIABILITIES, HARMFUL TO THE SOCIAL AND ECONOMIC WELL-BEING OF THE ENTIRE AREA, DEPRECIATING VALUES THEREIN, REDUCING THE TAX REVENUES, MAKING THE METROPOLITAN AREAS AND THEIR CONSTITUENT COMMUNITIES LESS DESIRABLE AREAS IN WHICH TO LIVE AND WORK AND THEREBY DEPRECIATING FURTHER THE GENERAL COMMUNITY-WIDE VALUES.

(3) THAT THE FOREGOING CONDITIONS CANNOT BE EFFECTIVELY DEALT WITH BY PRIVATE ENTERPRISE UNDER EXISTING LAW WITHOUT THE ADDITIONAL AIDS HEREIN GRANTED AND ARE BEYOND REMEDY OR CONTROL BY GOVERNMENTAL REGULATORY PROCESSES.

(4) THAT THE SOUND REPLANNING AND REDEVELOPMENT OF METROPOLITAN MASS TRANSPORTATION FACILITIES IN ACCORDANCE WITH SOUND AND APPROVED PLANS FOR THEIR PROMOTION, DEVELOPMENT AND
GROWTH WILL PROMOTE THE PUBLIC HEALTH, SAFETY, CONVENIENCE AND WELFARE AND THAT THE PUBLIC ACQUISITION OF EXISTING MASS TRANSPORTATION FACILITIES IN ACCORDANCE WITH THE SAID SOUND PLANS FOR THEIR REDEVELOPMENT AND PROMOTION WILL PROMOTE THE PUBLIC HEALTH, SAFETY, CONVENIENCE AND WELFARE.

(5) THAT THE WELL-BEING AND ECONOMIC HEALTH OF THE COUNTIES AND OTHER COMMUNITIES IN THE METROPOLITAN AREAS REQUIRE INTEGRATED SYSTEMS OF MASS PASSENGER TRANSPORTATION.

(6) THAT IT IS DESIRABLE THAT THE PUBLIC TRANSPORTATION SYSTEMS IN THE METROPOLITAN AREAS BE COMBINED, IMPROVED, EXTENDED AND SUPPLEMENTED BY THE CREATION OF AUTHORITIES AS HEREIN PROVIDED.

(7) THAT THE ESTABLISHMENT OF METROPOLITAN TRANSPORTATION AUTHORITIES WILL PROMOTE THE PUBLIC SAFETY, CONVENIENCE AND WELFARE.

(8) THAT IT IS INTENDED THAT SUCH AUTHORITIES COOPERATE WITH AND/OR ACQUIRE EXISTING TRANSPORTATION FACILITIES THAT PRIVATE ENTERPRISE AND GOVERNMENT MAY MUTUALLY PROVIDE ADEQUATE TRANSIT FACILITIES FOR THE CONVENIENCE OF THE PUBLIC.

(9) THAT IT IS INTENDED THAT ANY AUTHORITY CREATED HEREUNDER WILL COOPERATE WITH ALL MUNICIPALITIES AND OTHER PUBLIC BODIES IN WHOSE TERRITORIES IT OPERATES SO THAT THE MASS PASSENGER TRANSPORTATION SYSTEM MAY BEST SERVE THE INTERESTS OF THE RESIDENTS THEREOF.

(B) 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 AUTHORIZING THE CREATION OF A BODY CORPORATE AND POLITIC FOR EACH METROPOLITAN AREA, TO BE KNOWN AS THE TRANSPORTATION AUTHORITY OF SUCH AREA, WHICH SHALL EXIST AND OPERATE FOR THE PURPOSES CONTAINED IN THIS ACT ARTICLE. 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 203 302. DEFINITIONS.--(A) THE FOLLOWING TERMS, 
WHENEVER USED OR REFERRED TO IN THIS ARTICLE, SHALL HAVE THE
FOLLOWING MEANINGS, EXCEPT IN THOSE INSTANCES WHERE THE CONTEXT
CLEARLY INDICATES OTHERWISE:

"AUTHORITY" SHALL MEAN ANY BODY CORPORATE AND POLITIC CREATED
PURSUANT TO THIS ACT ARTICLE.

"BOARD" SHALL MEAN THE GOVERNING AND POLICY MAKING BODY OF AN
AUTHORITY.

"COMMONWEALTH" SHALL MEAN THE COMMONWEALTH OF PENNSYLVANIA.

"COMPREHENSIVE TRANSIT PLAN" SHALL MEAN A COMPREHENSIVE
STATEMENT, CONSISTING OF MAPS, CHARTS AND TEXTUAL MATTER, OF THE
AUTHORITY'S POLICIES, STRATEGIES AND OBJECTIVES FOR THE
DEVELOPMENT OF THE TRANSIT SYSTEM CONSISTENT WITH THE
LEGISLATIVE FINDINGS AND DECLARED POLICY OF THIS ACT ARTICLE AND
THE RIGHTS, POWERS AND DUTIES OF THE AUTHORITY.

"COUNTY COMMISSIONERS" SHALL MEAN THE MEMBERS OF THE BOARD OF
COUNTY COMMISSIONERS IN EACH OF THE COUNTIES IN THE METROPOLITAN
AREA, EXCEPT COUNTIES OF THE FIRST CLASS.

"FEDERAL AGENCY" SHALL MEAN AND INCLUDE THE UNITED STATES OF
AMERICA, THE PRESIDENT OF THE UNITED STATES AND ANY DEPARTMENT
OR CORPORATION, AGENCY OR INSTRUMENTALITY, HERETOFORE OR
HEREAFTER CREATED, DESIGNATED OR ESTABLISHED BY THE UNITED
STATES OF AMERICA.

"GOVERNOR" MEANS THE GOVERNOR OF THE COMMONWEALTH OF
PENNSYLVANIA.

"LEGISLATIVE BODY" SHALL MEAN, IN COUNTIES OF THE FIRST
CLASS, THE CITY COUNCIL; IN THE OTHER COUNTIES THE BOARD OF
COUNTY COMMISSIONERS OR THE COUNTY COUNCIL; AND IN THE OTHER
MUNICIPALITIES, THAT BODY AUTHORIZED BY LAW TO ENACT ORDINANCES.

"MAJORITY" SHALL MEAN ANY WHOLE NUMBER CONSTITUTING MORE THAN
HALF OF THE TOTAL NUMBER, E.G., A MAJORITY OF FIVE EQUALS THREE
OR MORE; A MAJORITY OF SIX EQUALS FOUR OR MORE.

"MAYOR" SHALL MEAN THE CHIEF EXECUTIVE OFFICER OF ANY FIRST
CLASS CITY IN ANY FIRST CLASS COUNTY.

"METROPOLITAN AREA" SHALL MEAN ALL OF THE TERRITORY WITHIN
THE BOUNDARIES OF ANY COUNTY OF THE FIRST CLASS AND ALL OTHER
COUNTIES LOCATED IN WHOLE OR IN PART WITHIN TWENTY MILES OF SUCH
FIRST CLASS COUNTY.

"MUNICIPALITY" MEANS ANY CITY, COUNTY, BOROUGH OR TOWNSHIP OF
THE FIRST OR SECOND CLASS WITHIN ANY METROPOLITAN AREA.

"PERSONS" SHALL MEAN AND INCLUDE CORPORATIONS, ASSOCIATIONS
AND OTHER LEGAL ENTITIES, AS WELL AS NATURAL PERSONS.

"PROJECT" SHALL MEAN ANY STRUCTURE, FACILITY OR UNDERTAKING
WHICH AN AUTHORITY IS AUTHORIZED TO ACQUIRE, CONSTRUCT, IMPROVE,
LEASE, MAINTAIN, OPERATE, CONTRACT FOR, OR OTHERWISE FUNCTION
WITH RESPECT TO, UNDER THE PROVISIONS OF THIS ACT ARTICLE.

"TRANSIT VEHICLE" MEANS EVERY VEHICLE WHICH IS SELF-PROPELLED
OR WHICH IS PROPELLED BY ELECTRIC POWER.

"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, ELEVATED LINES,
MONORAILS, RAILROAD MOTIVE POWER, TRAINS, RAILROAD PASSENGER
CARS AND EQUIPMENT, BELT CONVEYORS, INCLINES, CAR BARNs, STREET
CARS, BUSES, RAILS, LINES, POLES, WIRES, STATIONS, OFF-STREET
PARKING FACILITIES RIGHTS-OF-WAY, AS WELL AS THE FRANCHISES,
RIGHTS AND LICENSES THEREFOR, INCLUDING RIGHTS TO PROVIDE GROUP
AND PARTY SERVICES: PROVIDED, THAT SUCH TERM SHALL NOT INCLUDE TAXICABS.

(B) WORDS IMPORTING THE SINGULAR SHALL INCLUDE THE PLURAL; THE MASCLLINE SHALL INCLUDE THE FEMININE AND VICE VERSA.

SECTION 204 303. CREATION OF TRANSPORTATION AUTHORITIES; RIGHTS AND POWERS.--(A) THERE IS HEREBY AUTHORIZED THE CREATION OF A SEPARATE BODY CORPORATE AND POLITIC IN EACH METROPOLITAN AREA, TO BE KNOWN AS THE TRANSPORTATION AUTHORITY OF SUCH AREA, EXTENDING TO AND INCLUDING ALL OF THE TERRITORY IN THE METROPOLITAN AREA. AN AUTHORITY SHALL IN NO WAY BE DEEMED TO BE AN INSTRUMENTALITY OF ANY CITY OR COUNTY OR OTHER MUNICIPALITY OR ENGAGED IN THE PERFORMANCE OF A MUNICIPAL FUNCTION, BUT SHALL EXERCISE THE PUBLIC POWERS OF THE COMMONWEALTH AS AN AGENCY AND INSTRUMENTALITY THEREOF. AN AUTHORITY SHALL EXIST FOR THE PURPOSE OF PLANNING, ACQUIRING, HOLDING, CONSTRUCTING, IMPROVING, MAINTAINING, OPERATING, LEASING, EITHER AS LESSOR OR LESSEE, AND OTHERWISE FUNCTIONING WITH RESPECT TO, A TRANSPORTATION SYSTEM IN THE METROPOLITAN AREA, AND, OUTSIDE OF SUCH AREA, WHETHER WITHIN OR BEYOND THE BOUNDARIES OF THE COMMONWEALTH, TO THE EXTENT NECESSARY FOR THE OPERATION OF AN INTEGRATED SYSTEM AND FOR THE PROVISION OF ALL GROUP AND PARTY SERVICES WHICH CAN BE PROVIDED BY TRANSPORTATION SYSTEMS SUBJECT TO ACQUISITION UNDER THIS ACT ARTICLE; PROVIDED, HOWEVER, THAT ALL SERVICES RENDERED BY THE AUTHORITY OUTSIDE THE METROPOLITAN AREA SHALL BE PURSUANT TO CERTIFICATES OF PUBLIC CONVENIENCE OR OTHER APPROPRIATE AUTHORIZATION ISSUED TO IT BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION, OR OTHER APPROPRIATE REGULATORY AGENCY OF ANY STATE OR THE FEDERAL GOVERNMENT. AN AUTHORITY SHALL TRANSACT NO BUSINESS OR OTHERWISE BECOME OPERATIVE UNTIL AND UNLESS A MAJORITY OF ITS BOARD SHALL HAVE BEEN QUALIFIED IN
ACCORDANCE WITH THIS ACT ARTICLE.

(B) THE CERTIFICATION BY THE APPOINTING POWER OF EACH BOARD MEMBER, AND THE CONSTITUTIONAL OATH OF OFFICE SUBSCRIBED BY EACH MEMBER, SHALL BE FILED WITH THE DEPARTMENT OF STATE AND UPON THE RECEIPT OF INITIAL CERTIFICATIONS AND RESPECTIVE OATHS OF A MAJORITY OF THE TOTAL NUMBER OF BOARD MEMBERS APPROPRIATE TO ANY METROPOLITAN AREA, THE SECRETARY OF THE COMMONWEALTH SHALL ISSUE A CERTIFICATE OF INCORPORATION. SUCH CERTIFICATE SHALL REFER TO THE AUTHORITY BY THE NAME WHICH SHALL BE DESIGNATED BY SUCH BOARD MEMBERS.

(C) IN ANY SUIT, ACTION OR PROCEEDING INVOLVING OR RELATING TO THE VALIDITY OR ENFORCEMENT OF ANY CONTRACT OR ACT OF AN AUTHORITY, A COPY OF THE CERTIFICATE OF INCORPORATION, DULY CERTIFIED BY THE DEPARTMENT OF STATE, SHALL BE ADMISSIBLE IN EVIDENCE, AND SHALL BE CONCLUSIVE PROOF OF THE LEGAL ESTABLISHMENT OF THE AUTHORITY.

(D) A DULY CERTIFIED AUTHORITY 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:

(1) TO HAVE PERPETUAL EXISTENCE.

(2) TO SUE AND BE SUED, IMPELAD AND BE IMPELLED, COMPLAIN AND DEFEND IN ALL COURTS, TO PETITION THE INTERSTATE COMMERCE COMMISSION OR OTHER REGULATORY BODY, OR JOIN IN ANY PROCEEDING BEFORE ANY SUCH BODIES OR COURTS IN ANY MATTER AFFECTING THE OPERATION OF ANY PROJECT OF THE AUTHORITY.

(3) TO ADOPT AND USE AND ALTER AT WILL A CORPORATE SEAL.

(4) TO ESTABLISH A PRINCIPAL OFFICE WITHIN THE COUNTY OF THE FIRST CLASS AND SUCH OTHER OFFICE OR OFFICES AS MAY BE NECESSARY FOR THE CARRYING ON OF ITS DUTIES.
(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 acquired by it. In exercising any of the powers granted by this paragraph, the Authority shall consider, inter alia, the same value factors as provided in Section 109 of this Act in determining compensation under the exercise of eminent domain.

(6) To acquire by purchase, lease, or otherwise, and to construct, improve, maintain, repair and operate passenger transportation facilities.

(7) To make and from time to time to amend and repeal bylaws, rules, regulations and resolutions.

(8) To appoint officers, agents, employees and servants, to prescribe their duties and fix their compensation, subject, however, to specific provisions of this Act article.

(9) To fix, alter, 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 all expenses and obligations of the Authority, including 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, after a public hearing, notice of which shall be
PUBLISHED IN TWO NEWSPAPERS OF GENERAL CIRCULATION AND A PUBLICATION SPECIFICALLY DESIGNED TO REACH MINORITIES NOT FEWER THAN THIRTY CALENDAR DAYS PRIOR TO SUCH HEARING, THE FACILITIES TO BE OPERATED BY IT, THE SERVICES TO BE AVAILABLE TO THE PUBLIC, AND THE RATES TO BE CHARGED THEREFOR. THE AUTHORITY SHALL DETERMINE BY ITSELF, EXCLUSIVELY, THE FACILITIES TO BE OPERATED BY IT, THE SERVICES TO BE AVAILABLE AND THE RATES TO BE CHARGED THEREFOR. PUBLIC HEARINGS SHALL BE HELD PRIOR TO SUCH DETERMINATIONS WHEN CHANGES ARE PROPOSED WHICH WOULD INCREASE OR DECREASE FARES, ESTABLISH NEW ROUTES, ELIMINATE ROUTES, CHANGE ROUTING OR MAKE SUBSTANTIAL CHANGES IN THE LEVEL OF SERVICE SCHEDULED. HOWEVER, IN THE CASE OF TEMPORARY CHANGES NOT EXCEEDING NINETY DAYS CAUSED BY EMERGENCIES, PUBLIC HEARINGS NEED NOT BE HELD FOR CHANGES IN ROUTING OR LEVEL OF SCHEDULED SERVICE. NOTICE OF PUBLIC HEARINGS SHALL BE PUBLISHED IN TWO NEWSPAPERS OF GENERAL CIRCULATION AND A PUBLICATION SPECIFICALLY DESIGNED TO REACH MINORITIES NOT FEWER THAN THIRTY CALENDAR DAYS PRIOR TO SUCH HEARING. ANY PERSON AGGRIEVED BY ANY RATE OR SERVICE OR CHANGE OF SERVICE FIXED BY THE AUTHORITY MAY BRING AN APPEAL AGAINST THE AUTHORITY IN THE COURT OF COMMON PLEAS OF ANY COUNTY IN THE METROPOLITAN AREA IN WHICH THE CHARGE, SERVICE OR CHANGE OF SERVICE SHALL BE APPLICABLE, FOR THE PURPOSE OF PROTESTING AGAINST ANY SUCH CHARGE, SERVICE OR CHANGE OF SERVICE: PROVIDED, HOWEVER, THAT THE GROUNDS FOR SUCH SUITS SHALL BE RESTRICTED TO A MANIFEST AND FLAGRANT ABUSE OF DISCRETION OR AN ERROR OF LAW; OTHERWISE, ALL SUCH ACTIONS BY THE AUTHORITY SHALL BE FINAL. UPON THE FINDING OF AN ERROR OF LAW OR A MANIFEST AND FLAGRANT ABUSE OF DISCRETION, THE COURT SHALL ISSUE AN ORDER SETTING FORTH THE ABUSE OR ERROR AND RETURNING THE MATTER TO THE AUTHORITY FOR SUCH FURTHER ACTION AS
SHALL BE NOT INCONSISTENT WITH THE FINDINGS OF THE COURT. NO APPEAL FROM THE ACTION OF THE AUTHORITY OR FROM THE DECISION OF THE COURT OF COMMON PLEAS SHALL ACT AS A SUPERSEDEAS, EXCEPT WHEN TAKEN BY THE AUTHORITY OR ANY COUNTY OR MUNICIPALITY, OR, IN OTHER CASES, WHEN SPECIALLY GRANTED AFTER A FINDING THAT IRREPARABLE AND EXTRAORDINARY HARM WILL RESULT. THE COURTS SHALL GIVE PRIORITY TO ALL SUCH APPEALS AND NO BOND SHALL BE REQUIRED OF ANY PARTY INSTITUTING SUCH AN APPEAL UNDER THE PROVISIONS OF THIS SECTION.

(10) THE AUTHORITY SHALL FIX SUCH RATES, FARES AND CHARGES IN SUCH MANNER THAT THEY SHALL BE AT ALL TIMES SUFFICIENT IN THE AGGREGATE, AND IN CONJUNCTION WITH ANY GRANTS FROM FEDERAL OR OTHER SOURCES, AND ANY OTHER INCOME AVAILABLE TO THE AUTHORITY, TO PROVIDE FUNDS (I) FOR THE PAYMENT OF ALL OPERATING COSTS AND EXPENSES WHICH SHALL BE INCURRED BY THE AUTHORITY, AND (II) FOR THE PAYMENT OF THE INTEREST ON AND PRINCIPAL OF ALL BONDS, CERTIFICATES AND OTHER OBLIGATIONS PAYABLE FROM SAID REVENUES AND TO MEET ALL OTHER CHARGES UPON SUCH REVENUES AS PROVIDED BY ANY TRUST AGREEMENT EXECUTED BY THE AUTHORITY IN CONNECTION WITH THE ISSUANCE OF BONDS OR CERTIFICATES UNDER THIS ACT ARTICLE.

(11) THE BOARD MAY ENTER INTO AGREEMENTS WITH THE UNITED STATES POST OFFICE DEPARTMENT FOR THE TRANSPORTATION OF MAIL AND PAYMENT OF COMPENSATION TO THE AUTHORITY IN LIEU OF FARES FOR THE TRANSPORTATION OF LETTER CARRIERS IN UNIFORM AT ALL TIMES. THE BOARD MAY MAKE SIMILAR AGREEMENTS WITHIN ANY MUNICIPALITY, IN AND BY WHICH THEY ARE EMPLOYED, FOR THE TRANSPORTATION OF FIREFMEN AND PUBLIC HEALTH NURSES WHEN IN UNIFORM, AND OF POLICEMEN WHEN IN UNIFORM OR WHEN NOT IN UNIFORM, UPON PRESENTATION OF IDENTIFICATION AS POLICEMEN. THE BOARD MAY ALSO PROVIDE FREE TRANSPORTATION FOR EMPLOYES OF THE AUTHORITY WHEN
(12) To borrow money from private lenders, or from the state or federal government, or from any municipality in the metropolitan area, in such amounts as may be necessary or desirable for the operation and work of the authority; to make and issue negotiable notes, bonds, refunding bonds and other evidences of indebtedness or obligations of the authority in connection with any such borrowing or refunding or in payment in whole or in part of all or any part of any transportation system, or any bonds, shares or other securities of any corporation owning or operating any such system, or any franchises, property, equipment or interests acquired or to be acquired by the authority, and to secure the payment of such bonds, or any part thereof, by pledge or deed of trust of all or any of its revenues, rentals, and receipts, and to make such agreements with the purchasers or holders of such bonds or with others in connection with any such bonds, whether issued or to be issued as the authority shall deem advisable and in general, to provide for the security for said bonds and the rights of the holders thereof.

(13) To apply for and to accept grants, loans and other assistance from, and to enter into contracts, leases or other transactions with, the federal government or any agency or instrumentality thereof, the commonwealth, any municipality or corporation, or any person whatsoever, for any of the purposes of the authority, and to enter into any agreement with the federal government in relation to such grants, loans, or other assistance: provided, that such agreement does not conflict with any of the provisions of any trust agreement securing the
PAYMENT OF BONDS OR CERTIFICATES OF THE AUTHORITY.

(14) To make and execute all contracts and other instruments necessary or convenient to the exercise of the powers of the authority; and any contract or instrument when signed by the chairman or vice chairman and secretary or assistant secretary or treasurer or assistant treasurer of the authority shall be held to have been properly executed for and on its behalf.

Without limiting the generality of the foregoing, the authority is also authorized to enter into contracts for the purchase, lease, operation or management of transportation facilities within or without the metropolitan area or within or without the commonwealth: provided, however, that whenever such facilities are located outside the metropolitan area, they shall be subject to the jurisdiction of the appropriate regulatory agencies.

(15) To acquire by eminent domain any real or personal property including improvements, fixtures and franchises of any kind whatever for the public purposes set forth in this act article in the manner hereinafter provided.

(16) To pledge, hypothecate, or otherwise encumber, all or any of the revenues or receipts of the authority as security for all or any of the obligations of the authority.

(17) To do all acts and things necessary for the promotion of its business, and the general welfare of the authority to carry out the powers granted to it by this act article or any other acts statute.

(18) To enter into contracts with the commonwealth, its agencies and instrumentalities, municipalities or corporations, on such terms as the authority shall deem proper for the use of any facility of the authority, and fixing the amount to be paid therefor.
(19) To enter into contracts of group insurance for the benefit of its employees, or to continue any existing insurance and/or pension or retirement system and/or any other employee benefit arrangement covering employees of an acquired existing transportation system, and/or to set up a retirement or pension fund or any other employee benefit arrangement for such employees.

(20) The authority shall have no power, at any time or in any manner, to pledge the credit or taxing power of the Commonwealth, or any political subdivision, nor shall any of its obligations be deemed to be obligations of the Commonwealth or of any of its political subdivisions, nor shall the Commonwealth or any political subdivision thereof be liable for the payment of principal or interest on such obligations.

(21) Private rights and property in the beds of existing public highways vacated in order to facilitate the purposes of the authority shall not be deemed destroyed or ousted by reason of such vacation, but shall be acquired or relocated by the authority in the same manner as other property.

(22) To have the right to use any public road, street, way, highway, bridge or tunnel for the operation of a transportation system within the metropolitan area: provided, however, that in all cases involving the facilities of a railroad, any operations of which extend beyond the metropolitan area, the exercise of this right by the authority shall be subject to the jurisdiction of the public utility commission under Title 66 of the Pennsylvania Consolidated Statutes (relating to public utilities).

(23) To lease property or contract for service, including managerial and operating service, whenever it can more efficiently and effectively serve the public by so doing, rather
than conducting its own operations with its own property.

(24) to self-insure or otherwise provide for the insurance of any property or operations of the authority against any risks or hazards.

(25) to act as agent of the state, or of the federal government or any of its instrumentalities or agencies, for the public purpose set out in this act article.

(26) to conduct examinations and investigations and to hear testimony and take proof, under oath or affirmation at public or private hearings, as hereinafter provided, on any matter material to the public purposes set forth in this act article.

(27) to make available to the government of a municipality or any appropriate agency, board or commission thereof, the recommendations of the authority affecting any area in the authority's field of operation or property therein, which it may deem likely to promote the public health, morals, safety and welfare.

(28) to form plans for the improvement of mass transportation in order to promote the economic development of the metropolitan area in which the transportation authority operates; to make recommendations concerning mass transportation facilities which the authority does not own or operate; to make recommendations concerning throughways and arterial highway connections to the department of transportation and to other appropriate governmental bodies; and otherwise to cooperate with all such governmental bodies. the authority shall give advance notice to the department of transportation of any plans which it may have for the occupation or use of any part of any state highway.

(29) the authority shall not have power to levy taxes for
ANY PURPOSE WHATSOEVER.

(30) IT SHALL BE THE DUTY OF THE BOARD, AS PROMPTLY AS POSSIBLE, TO REHABILITATE, RECONSTRUCT, AND EXTEND AS POSSIBLE, ALL PORTIONS OF ANY TRANSPORTATION SYSTEM ACQUIRED BY THE AUTHORITY AND TO MAINTAIN AT ALL TIMES A FAST, RELIABLE AND ECONOMICAL TRANSPORTATION SYSTEM SUITABLE AND ADAPTED TO THE NEEDS OF THE MUNICIPALITIES SERVED BY THE AUTHORITY AND FOR SAFE, COMFORTABLE AND CONVENIENT SERVICE. TO THAT END, THE BOARD SHALL MAKE EVERY EFFORT TO UTILIZE HIGH SPEED RIGHTS-OF-WAY, PRIVATE OR OTHERWISE, TO THE MAXIMUM EXTENT PRACTICABLE TO AVOID AIR POLLUTION BY ITS VEHICLES; TO ABANDON NO PHYSICAL PROPERTY WHICH HAS USEFUL AND ECONOMICAL CAPABILITIES, AND TO EXTEND ITS RAIL AND HIGHWAY SERVICES INTO AREAS WHICH HAVE SUFFICIENT NEED FOR THEM TO ECONOMICALLY OR STRATEGICALLY JUSTIFY SUCH EXTENSION.

(31) TO AGREE WITH THE CONSTITUENT MUNICIPALITIES IN WHICH IT OPERATES FOR THE LEASE OF PRESENT AND FUTURE MUNICIPAL PROPERTY, WHERE SUCH A LEASE WOULD BE ADVANTAGEOUS TO THE AUTHORITY IN THE FINANCING OR THE OPERATION OF IMPROVED PASSENGER TRANSPORTATION SERVICE.

(32) TO ADOPT CONSISTENT WITH THE POLICIES OF THIS ACT ARTICLE AND FROM TIME TO TIME AMEND A COMPREHENSIVE TRANSIT PLAN: PROVIDED, HOWEVER, THAT A PUBLIC HEARING SHALL BE CONDUCTED PRIOR TO ADOPTION OR AMENDMENT. NOTICE OF SUCH PUBLIC HEARING SHALL BE PUBLISHED IN TWO NEWSPAPERS OF GENERAL CIRCULATION AND A PUBLICATION SPECIFICALLY DESIGNED TO REACH MINORITIES NOT FEWER THAN THIRTY DAYS PRIOR TO SUCH HEARING.

SECTION 205 304. PUBLIC HEARINGS.--(A) ALL PUBLIC HEARINGS REQUIRED BY THIS ACT ARTICLE SHALL BE CONDUCTED SO AS TO INSURE
(1) Members of the public are afforded a reasonable opportunity to comment orally or in writing or both orally and in writing concerning actions the authority proposes to take.

(2) The site of the hearing is a convenient, accessible location.

(3) Members of the public are adequately informed at the outset regarding the purposes of the hearing and the matters on the agenda.

(4) Reasonable and legitimate questions from members of the public are answered.

(B) Whenever a decrease in service is proposed a public hearing shall be conducted in accordance with this section in the area affected by the proposed decrease in service.

SECTION 206 305. CITIZEN ADVISORY COMMITTEE.--(A) There is hereby established a citizen advisory committee. The committee shall consist of:

(1) An even number of members of the general public not fewer than fourteen and not greater than twenty-four (the exact number to be determined by the chief operations officer) who shall be appointed by the county commissioners or the county council, as the case may be, of all counties of the third class and second class A who are involved with any city of the first class in the operation of a mass transportation system and by the mayor of any such city of the first class from residents of their respective municipalities who are regular users of mass transportation service; and

(2) Five members of the general public, one resident from each of the counties mentioned in clause paragraph (1) and one resident from the city mentioned in clause paragraph (1) who are regular users of mass transportation service who shall be
APPOINTED BY THE CHIEF OPERATIONS OFFICER.


(C) REGARDLESS OF WHETHER PUBLIC HEARINGS ARE REQUIRED ON THE FOLLOWING MATTERS, THE CHIEF OPERATIONS OFFICER SHALL SUBMIT TO THE COMMITTEE PROPOSALS REGARDING THE ADOPTION OR AMENDMENT OF A COMPREHENSIVE TRANSIT PLAN, THE ANNUAL OPERATING BUDGET, ANY CAPITAL BUDGET, ANY CHANGES IN THE LEVEL OF SERVICE OR FARES THE FACILITIES TO BE OPERATED, THE SERVICES TO BE AVAILABLE AND THE RATES TO BE CHARGED THEREOF OR OTHER MATTERS OF A SIMILAR NATURE PRIOR TO ANY FINAL ACTION RELATING TO ANY OF THE FOREGOING. THE COMMITTEE MAY THOROUGHLY CONSIDER SUCH PROPOSALS AND MAY PREPARE AND TRANSMIT TO THE CHIEF OPERATIONS OFFICER AND TO ANY INTERESTED MEMBER OF THE PUBLIC WRITTEN COMMENTS CONCERNING THE PROPOSALS PRIOR TO THE DATE WHEN FINAL ACTION IS TO BE TAKEN.

(D) ALTHOUGH THE CHIEF OPERATIONS OFFICER SHALL GIVE CAREFUL AND DUE CONSIDERATION TO THE COMMITTEE'S COMMENTS PRIOR TO THE TAKING OF ANY FINAL ACTION, SUCH COMMENTS SHALL BE CONSIDERED
ONLY ADVISORY IN NATURE.

SECTION 207 306. POWER TO ACQUIRE PROPERTY, FRANCHISES, ETC.-- (A) THE AUTHORITY SHALL HAVE POWER TO ACQUIRE BY PURCHASE, CONDEMNATION, LEASE, GIFT, OR OTHERWISE, ALL OR ANY PART OF THE PROPERTY OF ANY PUBLIC UTILITY OPERATING A TRANSPORTATION SYSTEM WITHIN THE METROPOLITAN AREA, INCLUDING BUT NOT LIMITED TO, THE PLANT, EQUIPMENT, PROPERTY RIGHTS IN PROPERTY RESERVE FUNDS, EMPLOYES' PENSION OR RETIREMENT FUNDS, SPECIAL FUNDS, FRANCHISES, LICENSES, PATENTS, PERMITS, OPERATING RIGHTS, AND PAPER DOCUMENTS AND RECORDS, WHICH SAID PROPERTY SHALL BE LOCATED WITHIN THE METROPOLITAN AREA AND SHALL BE APPROPRIATE FOR THE PURPOSES FOR WHICH THE AUTHORITY IS ESTABLISHED, AS WELL AS ALL OR ANY PART OF THE RIGHT-OF-WAY, EQUIPMENT, FIXED FACILITIES, AND OTHER PROPERTY OF ANY KIND OF ANY SUCH UTILITY, EXTENDING BEYOND THE BOUNDARIES OF THE METROPOLITAN AREA AND FORMING, OR CAPABLE OF FORMING, PART OF AN INTEGRATED SUBURBAN RAPID TRANSIT OR RAIL TRANSPORTATION FACILITY, CONNECTING WITH RAPID TRANSIT OR ELECTRIC RAILWAY LINES OF THE AUTHORITY IN SUPER HIGHWAYS OR ELSEWHERE, NO INTEREST IN THE RIGHT-OF-WAY OF A RAILROAD COMPANY THE OPERATIONS OF WHICH EXTEND BEYOND THE METROPOLITAN AREA SHALL BE ACQUIRED OR OCCUPIED UNDER THE POWER OF EMINENT DOMAIN PURSUANT TO THIS SECTION OR ANY OTHER SECTION OF THIS ACT WITHOUT THE CONSENT OF SAID RAILROAD. SUCH PROPERTIES, UPON ACQUISITION BY OR LEASE TO THE AUTHORITY, SHALL BECOME AND BE OPERATED AS PART OF THE TRANSPORTATION SYSTEM OF THE AUTHORITY, AND THE AUTHORITY SHALL HAVE ALL POWERS IN CONNECTION WITH SUCH PROPERTIES AND SUCH OPERATIONS AS ARE CONFERRED BY THIS ACT ARTICLE. THE AUTHORITY SHALL ALSO HAVE THE POWER TO ENTER INTO AGREEMENTS TO OPERATE ANY SUCH LINES LOCATED OR EXTENDING BEYOND THE
BOUNDARIES OF THE METROPOLITAN AREA, SUCH AGREEMENTS TO BE SUBJECT TO ALL OTHER PROVISIONS OF THIS ACT ARTICLE. THE AUTHORITY SHALL HAVE POWER TO LEASE OR PURCHASE ANY MUNICIPALLY-OWNED LOCAL TRANSPORTATION SUBWAYS OR OTHER MUNICIPALLY-OWNED LOCAL TRANSPORTATION FACILITIES FOR OPERATION AND MAINTENANCE BY THE AUTHORITY.

SECTION 208 307. POWER TO BUY, LEASE OR SELL PROPERTY.--The authority shall have power to acquire by purchase, condemnation, lease, gift or otherwise, any property and rights useful for its purposes and to sell, lease, transfer or convey any property or rights when no longer useful or exchange the same for other property or rights which are useful for its purposes.

SECTION 209 308. POWER TO CONTRACT WITH PUBLIC UTILITIES.--The authority shall have power to enter into agreements with any public utility operating a railroad or any other transportation facility, either within or without the metropolitan area for the joint use of any property of the authority or public utility or the establishment of through routes, joint fares and transfer of passengers.

SECTION 210 309. REMOVAL OR RELOCATION OF UTILITY STRUCTURES; POWER OF EMINENT DOMAIN.--(A) The authority shall have power, subject to relevant provisions of Section 204 303(D)(22), to require persons or corporations owning or operating public utility structures and appliances in, upon, under, over, across or along the public roads, streets, or other public ways in which the authority has the right to own, construct, operate or maintain transportation facilities to remove such public utility structures and appliances from their locations. If any person or corporation owning or operating public utility structures and appliances fails or refuses so to remove or relocate them, the authority may remove or relocate them; the authority shall provide the new location which the structures or appliances as relocated shall occupy and to that end the authority is hereby authorized to acquire by purchase or by the exercise of the power of eminent domain any necessary land or right-of-way for such purpose, if the new location shall...
NOT BE IN, ON OR ABOVE A HIGHWAY, ROAD OR STREET. THE EXACT NEW
LOCATION SHALL BE CHOSEN BY AGREEMENT OF THE AUTHORITY AND THE
UTILITY. UPON THE COMPLETION OF SUCH RELOCATION, THE AUTHORITY
SHALL REIMBURSE THE PUBLIC UTILITY FOR THE COST OF RELOCATION
WHICH SHALL BE THE ENTIRE AMOUNT PAID BY THE UTILITY PROPERLY
ATTRIBUTABLE TO THE RELOCATION OF THE STRUCTURE OR APPLIANCE
AFTER DEDUCTING THE COST OF ANY INCREASE IN THE SERVICE CAPACITY
OF THE NEW STRUCTURE OR APPLIANCE AND ANY SALVAGE VALUE DERIVED
FROM THE OLD STRUCTURE OR APPLIANCE. IF AN ISSUE SHALL ARISE
BETWEEN THE AUTHORITY AND THE PUBLIC UTILITY AS TO THE AMOUNT OF
THE COST OF RELOCATION OR THE NEW LOCATION EITHER PARTY MAY
INSTITUTE A PROCEEDING BY COMPLAINT BEFORE THE PENNSYLVANIA
PUBLIC UTILITY COMMISSION WHICH IS HEREBY CLOTHED WITH EXCLUSIVE
JURISDICTION TO HEAR AND DETERMINE SUCH ISSUE. APPEAL FROM THE
ORDER OF THE COMMISSION IN ANY SUCH PROCEEDING MAY BE TAKEN IN
THE SAME MANNER AS IS PRESCRIBED BY LAW FOR APPEALS FROM OTHER
ORDERS OF THE COMMISSION.

(B) THE AUTHORITY SHALL HAVE THE RIGHT OF EMINENT DOMAIN
WHICH MAY BE EXERCISED, EITHER WITHIN OR WITHOUT THE
METROPOLITAN AREA, TO ACQUIRE PRIVATE PROPERTY AND PROPERTY
DEVOTED TO ANY PUBLIC USE WHICH IS NECESSARY FOR THE PURPOSES OF
THE AUTHORITY, EXCEPT PROPERTY OF A PUBLIC UTILITY OPERATING
TRANSPORTATION FACILITIES EXTENDING BEYOND THE BOUNDARIES OF THE
METROPOLITAN AREA: PROVIDED, HOWEVER, THE AUTHORITY SHALL HAVE
THE RIGHT OF EMINENT DOMAIN TO ACQUIRE PROPERTY OF ANY RAILROAD
WHICH PROPERTY IS NOT USED FOR OR IN CONNECTION WITH THE
TRANSPORTATION OF PERSONS OR PROPERTY AND TO ACQUIRE RIGHTS AND
EASEMENTS ACROSS, UNDER OR OVER THE RIGHT-OF-WAY OF SUCH
RAILROAD WHENEVER THE AUTHORITY SHALL ACQUIRE THE PRIVATE RIGHT-
OF-WAY OR OTHER PROPERTY OF A PUBLIC UTILITY USED OR USEFUL IN
ITS SERVICE TO THE PUBLIC. IT SHALL BEFORE REQUIRING THE REMOVAL
OF THE EXISTING STRUCTURES AND APPLIANCES PROVIDE A NEW LOCATION
FOR THE SAID STRUCTURES AND APPLIANCES, AND UPON THE COMPLETION
OF RELOCATION, REIMBURSE THE PUBLIC UTILITY FOR THE COST THEREOF
IN THE MANNER PROVIDED IN SUBSECTION (A).

(C) TITLE TO ANY PROPERTY ACQUIRED BY AN AUTHORITY THROUGH
EMINENT DOMAIN SHALL BE AN ABSOLUTE OWNERSHIP OR FEE SIMPLE
TITLE UNLESS A LESHER TITLE SHALL BE DESIGNATED SPECIFICALLY IN
THE EMINENT DOMAIN PROCEEDINGS. REAL AND PERSONAL PROPERTY OF
ANY KIND WHATEVER BELONGING TO A PUBLIC UTILITY CORPORATION
PROVIDING TRANSPORTATION OR TRANSPORTATION RELATED SERVICES, MAY
BE ACQUIRED WITHOUT THE APPROVAL OF THE PUBLIC UTILITY
COMMISSION: PROVIDED, HOWEVER, THAT IN ALL CASES INVOLVING THE
FACILITIES OF A RAILROAD, ANY OPERATIONS OF WHICH EXTEND BEYOND
THE METROPOLITAN AREA, THE EXERCISE OF THE POWER OF THE
AUTHORITY UNDER THIS SubSECTION SHALL BE SUBJECT TO THE
JURISDICTION OF THAT COMMISSION UNDER TITLE 66 OF THE
PENNSYLVANIA CONSOLIDATED STATUTES (RELATING TO PUBLIC
UTILITIES).

(D) NO PROPERTY OWNED OR USED BY THE UNITED STATES, THE
COMMONWEALTH, 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
PROPERTY USED FOR BURIAL PURPOSES OR PLACES OF PUBLIC WORSHIP,
SHALL BE TAKEN UNDER THE RIGHT OF EMINENT DOMAIN WITHOUT THE
CONSENT OF THE OWNER OR USER THEREOF.

(E) BEFORE EXERCISING THE POWER OF EMINENT DOMAIN,
REASONABLE EFFORTS SHALL BE MADE BY THE AUTHORITY TO ACHIEVE THE
DESIRED RESULT THROUGH NEGOTIATION.

SECTION 211 310. USE OF WAYS OCCUPIED BY OTHER PASSENGER
UTILITIES.-- THE AUTHORITY SHALL NOT HAVE THE RIGHT TO USE ANY STREET OR PUBLIC WAY, PRESENTLY OCCUPIED BY A PUBLIC UTILITY ENGAGED IN LOCAL PASSENGER TRANSPORTATION, FOR A COMPETING PURPOSE, WITHOUT THE AGREEMENT OF SUCH PUBLIC UTILITY.

SECTION 212 311. LOANS, BONDS AND CERTIFICATES; TRUST INDENTURES.-- (A) THE AUTHORITY SHALL HAVE THE CONTINUING POWER TO BORROW MONEY FOR THE PURPOSE OF ACQUIRING ANY TRANSPORTATION SYSTEM (INCLUDING ANY CASH FUNDS OF SUCH SYSTEM RESERVED TO REPLACE WORN OUT OR OBSOLETE EQUIPMENT AND FACILITIES) AND FOR ACQUIRING NEEDED CASH WORKING FUNDS OR FOR ACQUIRING, CONSTRUCTING, RECONSTRUCTING, EXTENDING OR IMPROVING ITS TRANSPORTATION SYSTEM OR ANY PART THEREOF AND FOR ACQUIRING ANY PROPERTY AND EQUIPMENT USEFUL FOR THE CONSTRUCTION, RECONSTRUCTION, EXTENSION, IMPROVEMENT OR OPERATION OF ITS TRANSPORTATION SYSTEM OR ANY PART THEREOF, AND FOR ANY OTHER OF ITS CORPORATE PURPOSES. THE AUTHORITY SHALL ALSO HAVE THE CONTINUING POWER TO ISSUE AND DELIVER EVIDENCE OF ITS INDEBTEDNESS IN PAYMENT IN WHOLE OR IN PART FOR ALL OR ANY PART OF ANY TRANSPORTATION SYSTEM, OR ANY BONDS, SHARES OR OTHER SECURITIES OF ANY CORPORATION OWNING OR OPERATING ANY SUCH SYSTEM, OR ANY FRANCHISES, PROPERTY, EQUIPMENT OR INTERESTS ACQUIRED OR TO BE ACQUIRED BY THE AUTHORITY, FOR THE PURPOSE OF EVIDENCING THE OBLIGATION OF THE AUTHORITY TO REPAY ANY MONEY BORROWED AS AFORESAID, OR TO PAY ANY INDEBTEDNESS INCURRED IN CONNECTION WITH THE ACQUISITION OF ALL OR ANY PART OF ANY TRANSPORTATION SYSTEM, OR ANY BONDS, SHARES OR OTHER SECURITIES OF ANY CORPORATION OWNING OR OPERATING ANY SUCH SYSTEM, OR ANY FRANCHISES, PROPERTY, EQUIPMENT OR INTERESTS AS AFORESAID, THE AUTHORITY MAY, PURSUANT TO RESOLUTION ADOPTED BY THE BOARD, FROM TIME TO TIME, ISSUE AND DISPOSE OF ITS INTEREST-BEARING BONDS OR
CERTIFICATES AND MAY ALSO, FROM TIME TO TIME, ISSUE AND DISPOSE
OF ITS INTEREST-BEARING BONDS OR CERTIFICATES, TO REFUND ANY
BONDS OR CERTIFICATES AT MATURITY OR PURSUANT TO REDEMPTION
PROVISIONS OR AT ANY TIME BEFORE MATURITY WITH THE CONSENT OF
THE HOLDERS THEREOF. ALL SUCH BONDS AND CERTIFICATES SHALL BE
PAYABLE SOLELY FROM THE REVENUES OR INCOME TO BE DERIVED FROM
THE TRANSPORTATION SYSTEM INCLUDING GRANTS, GIFTS OR
CONTRIBUTIONS FROM THE FEDERAL, STATE OR LOCAL GOVERNMENTS,
THEIR AGENCIES OR INSTRUMENTALITIES, OR ANY OTHER SOURCE; MAY
BEAR SUCH DATE OR DATES; MAY MATURE AT SUCH TIME OR TIMES NOT
EXCEEDING FORTY YEARS FROM THEIR RESPECTIVE DATES; MAY BEAR
INTEREST AT SUCH RATE OR RATES; MAY BE IN SUCH FORM; MAY CARRY
SUCH REGISTRATION PRIVILEGES; MAY BE EXECUTED IN SUCH MANNER;
MAY BE PAYABLE AT SUCH PLACE OR PLACES; MAY BE MADE SUBJECT TO
REDEMPTION IN SUCH MANNER AND UPON SUCH TERMS WITH OR WITHOUT
PREMIUM AS IS STATED ON THE FACE THEREOF; MAY BE AUTHENTICATED
IN SUCH MANNER AND MAY CONTAIN SUCH TERMS AND COVENANTS, ALL AS
MAY BE AUTHORIZED BY THE BOARD. NOTWITHSTANDING THE FORM OR
TENOR THEREOF, AND IN THE ABSENCE OF AN EXPRESS RECITAL ON THE
FACE THEREOF THAT IT IS NONNEGOTIABLE, ALL SUCH BONDS AND
CERTIFICATES SHALL BE NEGOTIABLE INSTRUMENTS. PENDING THE
PREPARATION AND EXECUTION OF ANY SUCH BONDS OR CERTIFICATES,
TEMPORARY BONDS OR CERTIFICATES MAY BE ISSUED WITH OR WITHOUT
INTEREST COUPONS AS MAY BE AUTHORIZED BY THE BOARD.

(B) TO SECURE THE PAYMENT OF ANY OR ALL OF SUCH BONDS OR
CERTIFICATES AND FOR THE PURPOSE OF SETTING FORTH THE COVENANTS
AND UNDERTAKING OF THE AUTHORITY IN CONNECTION WITH THE ISSUANCE
THEREOF AND THE ISSUANCE OF ANY ADDITIONAL BONDS OR CERTIFICATES
PAYABLE FROM SUCH REVENUE OR INCOME AS WELL AS THE USE AND
APPLICATION OF THE REVENUE OR INCOME TO BE DERIVED FROM THE
TRANSPORTATION SYSTEM, THE AUTHORITY MAY EXECUTE AND DELIVER A
TRUST INDENTURE OR INDENTURES. A REMEDY FOR ANY BREACH OR
DEFAULT OF THE TERMS OF ANY SUCH TRUST INDENTURE BY THE
AUTHORITY MAY BE BY MANDAMUS OR INJUNCTION PROCEEDING, OR OTHER
PROCEEDING IN LAW OR IN EQUITY IN ANY COURT OF COMPETENT
JURISDICTION TO COMPEL PERFORMANCE AND COMPLIANCE THEREWITH, BUT
THE TRUST INDENTURE MAY PRESCRIBE BY WHOM OR ON WHOSE BEHALF
SUCH ACTION MAY OR MAY NOT BE INSTITUTED.

(C) UNDER NO CIRCUMSTANCES SHALL ANY BONDS OR CERTIFICATES
ISSUED BY THE AUTHORITY OR ANY OTHER OBLIGATION OF THE AUTHORITY
BE OR BECOME AN INDEBTEDNESS OR OBLIGATION OF THE COMMONWEALTH
OR OF ANY POLITICAL SUBDIVISION THEREOF.

(D) BEFORE ANY SUCH BONDS OR CERTIFICATES (EXCEPTING
REFUNDING BONDS OR CERTIFICATES AND BONDS OR CERTIFICATES ISSUED
IN PAYMENT IN WHOLE OR IN PART OF ALL, OR ANY PART OF ANY
TRANSPORTATION SYSTEM, OR ANY BONDS, SHARES OR OTHER SECURITIES
OF ANY CORPORATION OWNING OR OPERATING ANY SUCH SYSTEM, OR ANY
FRANCHISES, PROPERTY, EQUIPMENT OR INTERESTS) ARE SOLD, THE
ENTIRE AUTHORIZED ISSUE OR ANY PART THEREOF SHALL BE OFFERED FOR
SALE AS A UNIT AFTER ADVERTISING FOR BIDS AT LEAST THREE TIMES
IN A DAILY NEWSPAPER OF GENERAL CIRCULATION PUBLISHED IN THE
METROPOLITAN AREA, THE LAST PUBLICATION TO BE AT LEAST TEN DAYS
BEFORE BIDS ARE REQUIRED TO BE FILED. COPIES OF SUCH
ADVERTISEMENT MAY BE PUBLISHED IN ANY NEWSPAPER OR FINANCIAL
PUBLICATION IN THE UNITED STATES. ALL BIDS SHALL BE SEALED,
FILED AND PUBLICLY OPENED AS AUTHORIZED BY THE BOARD, AND THE
BONDS OR CERTIFICATES SHALL BE AWARDED TO THE HIGHEST
RESPONSIBLE BIDDER OR BIDDERS THEREFOR. THE AUTHORITY SHALL HAVE
THE RIGHT TO REJECT ALL BIDS AND READVERTISE FOR BIDS IN THE
MANNER PROVIDED FOR IN THE INITIAL ADVERTISEMENT. HOWEVER, IF NO
BIDS ARE RECEIVED, SUCH BONDS OR CERTIFICATES MAY BE SOLD AT NOT LESS THAN PAR VALUE AND ACCRUED INTEREST WITHOUT FURTHER ADVERTISING WITHIN SIXTY DAYS AFTER THE BIDS ARE REQUIRED TO BE FILED PURSUANT TO ANY ADVERTISEMENT. THE FOREGOING REQUIREMENTS OF COMPETITIVE BIDDING SHALL NOT BE APPLICABLE TO BONDS OR CERTIFICATES OR OTHER EVIDENCES OF INDEBTEDNESS ISSUED IN PAYMENT IN WHOLE OR IN PART FOR ALL OR ANY PART OF ANY TRANSPORTATION SYSTEM, OR ANY BONDS, SHARES OR OTHER SECURITIES OF ANY CORPORATION OWNING OR OPERATING ANY SUCH SYSTEM, OR ANY FRANCHISES, PROPERTY, EQUIPMENT OR INTERESTS ACQUIRED OR TO BE ACQUIRED BY THE AUTHORITY, NOR SHALL SUCH REQUIREMENTS BE APPLICABLE TO NOTES ISSUED BY THE AUTHORITY WHICH MATURE IN NOT MORE THAN THREE YEARS FROM DATE OF ISSUE AND WHICH ARE ISSUED IN ANTICIPATION OF FINANCING OVER A LONGER TERM.

(E) The bonds of the Authority created under the provisions of this Act article, the sale or transfer thereof, and the income therefrom shall, at all times, be free from taxation for state or local purposes under any law of this Commonwealth or political subdivision thereof.

(F) Neither the Board members of the Authority nor any person executing the bonds shall be liable personally on any such bonds by reason of the issuance thereof.

(G) Bonds of the Authority which are sold for cash may be sold at not less than ninety-five percent of par and accrued interest. In case any of the officers of the Authority, whose signatures appear on any bonds or coupons shall cease to be officers before the delivery of such bonds, their signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery.
(H) ANY BOND RECITING IN SUBSTANCE THAT HAS BEEN ISSUED BY
THE AUTHORITY TO ACCOMPLISH THE PUBLIC PURPOSES OF THIS ACT
ARTICLE, SHALL BE CONCLUSIVELY DEEMED IN ANY SUIT, ACTION OR
PROCEEDING INVOLVING THE VALIDITY OR ENFORCEABILITY OF SUCH BOND
OR SECURITY THEREFOR TO HAVE BEEN ISSUED FOR SUCH PURPOSE.

SECTION 213 312. ACQUISITION OF EQUIPMENT; AGREEMENTS AND
LEASES.-- (A) THE AUTHORITY SHALL HAVE POWER TO PURCHASE
EQUIPMENT SUCH AS CARS, TROLLEY BUSES AND MOTOR BUSES 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: PROVIDED, HOWEVER, THAT WHEREVER FEASIBLE, SUCH
CERTIFICATES SHALL BE OFFERED FOR PUBLIC SALE IN A MANNER
SIMILAR TO THAT PROVIDED FOR THE SALE OF BONDS IN THIS ACT
ARTICLE. 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 AS PROVIDED ELSEWHERE IN THIS ACT ARTICLE. PAYMENT FOR
SUCH EQUIPMENT OR RENTALS THEREFOR MAY BE MADE IN INSTALLMENTS
AND THE DEFERRED INSTALLMENTS MAY BE EVIDENCED BY EQUIPMENT
TRUST CERTIFICATES PAYABLE SOLELY FROM SUCH REVENUE, INCOME,
GRANTS OR LOANS 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 ONE OR
MORE DESIGNATED OFFICERS OF THE AUTHORITY AND MAY AUTHORIZE THE
TRUSTEE SIMULTANEOUSLY THERewith to execute and deliver a lease
of the equipment to the authority.

(C) THE AGREEMENTS AND LEASES SHALL BE DULY ACKNOWLEDGED
before some person authorized by law to take acknowledgments of
deeds and in the form required for acknowledgments of deeds, and
such agreements, leases and 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.

(D) THE COVENANTS, CONDITIONS AND PROVISIONS OF THE
AGREEMENTS, LEASES AND EQUIPMENT TRUST CERTIFICATES SHALL NOT
CONFLICT WITH ANY OF THE PROVISIONS OF ANY TRUST INDENTURE
SECURING THE PAYMENT OF BONDS OR CERTIFICATES OF THE AUTHORITY.

(E) AN EXECUTED COPY OF EACH SUCH AGREEMENT AND LEASE SHALL
BE FILED IN THE OFFICE OF THE SECRETARY OF THE COMMONWEALTH WHO
SHALL BE ENTITLED TO RECEIVE ONE DOLLAR FOR EACH SUCH COPY FILED
WITH HIM, AND WHICH FILING SHALL CONSTITUTE NOTICE TO ANY
SUBSEQUENT JUDGMENT CREDITOR OR ANY SUBSEQUENT PURCHASER. EACH
VEHICLE SO PURCHASED AND LEASED SHALL HAVE THE NAME OF THE OWNER
AND LESSOR PLAINLY MARKED UPON BOTH SIDES THEREOF, FOLLOWED BY
THE WORDS "OWNER AND LESSOR."

(F) AN AUTHORITY SHALL HAVE POWER BY THE RESOLUTION, TRUST,
INDENTURE, MORTGAGE, LEASE OR OTHER CONTRACT TO CONFER UPON ANY
OBLIGEES HOLDING OR REPRESENTING A SPECIFIED PERCENTAGE IN
BONDS, OR HOLDING A LEASE, THE RIGHT, IN ADDITION TO ALL RIGHTS
THAT MAY OTHERWISE BE CONFERRED, UPON THE HAPPENING OF AN EVENT
OF DEFAULT AS DEFINED IN SUCH RESOLUTION OR INSTRUMENT, BY SUIT,
ACTION OR PROCEEDING IN ANY COURT OF COMPETENT JURISDICTION:
(1) TO OBTAIN THE APPOINTMENT OF A RECEIVER OF ANY REAL PROPERTY OF THE AUTHORITY AND OF THE RENTS AND PROFITS THEREFROM. IF SUCH RECEIVER BE APPOINTED, HE MAY ENTER AND TAKE POSSESSION OF SUCH REAL PROPERTY, OPERATE THE SAME AND COLLECT AND RECEIVE ALL REVENUES OR OTHER INCOME THEREAFTER ARISING THEREFROM, AND SHALL KEEP SUCH MONEYS IN A SEPARATE ACCOUNT AND APPLY THE SAME IN ACCORDANCE WITH THE OBLIGATIONS OF THE AUTHORITY AS THE COURT SHALL DIRECT.

(2) TO REQUIRE THE AUTHORITY, AND THE BOARD MEMBERS THEREOF, TO ACCOUNT AS IF IT AND THEY WERE THE TRUSTEES OF AN EXPRESS TRUST.

SECTION 214 313. PROVISIONS OF BONDS; TRUST INDENTURES.--IN CONNECTION WITH THE ISSUANCE OF BONDS OR THE INCURRING OF OBLIGATIONS UNDER LEASES, AND IN ORDER TO SECURE THE PAYMENT OF SUCH BONDS OR OBLIGATIONS, THE AUTHORITY, IN ADDITION TO ITS OTHER POWERS, SHALL HAVE POWER:

(1) TO PLEDGE ALL OR ANY PART OF ITS GROSS OR NET REVENUES TO WHICH ITS RIGHT THEN EXISTS OR MAY THEREAFTER COME INTO EXISTENCE.

(2) TO MORTGAGE ALL OR ANY PART OF ITS REAL OR PERSONAL PROPERTY THEN OWNED OR THEREAFTER ACQUIRED.

(3) TO COVENANT AGAINST PLEDGING ALL OR ANY PART OF ITS REVENUES, OR AGAINST MORTGAGING ALL OR ANY PART OF ITS REAL OR PERSONAL PROPERTY TO WHICH ITS RIGHT OR TITLE EXISTS OR MAY THEREAFTER COME INTO EXISTENCE, OR AGAINST PERMITTING OR SUFFERING ANY LIEN ON SUCH REVENUES OR PROPERTY TO COVENANT WITH RESPECT TO LIMITATIONS ON ITS RIGHT TO SELL, LEASE OR OTHERWISE DISPOSE OF ANY OF ITS REAL PROPERTY, AND TO COVENANT AS TO WHAT OTHER OR ADDITIONAL DEBTS OR OBLIGATIONS MAY BE INCURRED BY IT.

(4) TO COVENANT AS TO THE BONDS TO BE ISSUED AND AS TO THE
ISSUANCE OF SUCH BONDS, IN ESCROW, OR OTHERWISE, AND AS TO THE USE AND DISPOSITION OF THE PROCEEDS THEREOF, TO PROVIDE FOR THE REPLACEMENT OF LOST, DESTROYED, OR MUTILATED BONDS, TO COVENANT AGAINST EXTENDING THE TIME FOR THE PAYMENT OF ITS BONDS OR INTEREST THEREON, AND TO REDEEM THE BONDS AND TO COVENANT FOR THEIR REDEMPTION AND TO PROVIDE THE TERMS AND CONDITIONS THEREOF.

(5) TO COVENANT, SUBJECT TO THE LIMITATIONS CONTAINED IN THIS ACT ARTICLE, AS TO THE AMOUNT OF REVENUES TO BE RAISED EACH YEAR, OR OTHER PERIOD OF TIME, AS WELL AS TO THE USE AND DISPOSITION TO BE MADE THEREOF, TO CREATE OR TO AUTHORIZE THE CREATION OF SPECIAL FUNDS FOR DEBT SERVICE OR OTHER PURPOSES, AND TO COVENANT AS TO THE USE AND DISPOSITION OF THE MONEYS HELD IN SUCH FUNDS.

(6) TO PRESCRIBE THE PROCEDURE, IF ANY, BY WHICH THE TERMS OF ANY CONTRACT WITH BONDHOLDERS MAY BE AMENDED OR ABROGATED, THE AMOUNT OF BONDS, THE HOLDERS OF WHICH MUST CONSENT THERETO, AND THE MANNER IN WHICH SUCH CONSENT MAY BE GIVEN.

(7) TO COVENANT AS TO THE USE OF ANY OR ALL OF ITS REAL OR PERSONAL PROPERTY, TO WARRANT ITS TITLE, AND TO COVENANT AS TO THE MAINTENANCE OF ITS REAL AND PERSONAL PROPERTY, THE REPLACEMENT THEREOF, THE INSURANCE TO BE CARRIED THEREON, AND THE USE AND DISPOSITION OF INSURANCE MONEYS.

(8) TO COVENANT AS TO THE RIGHTS, LIABILITIES, POWERS AND DUTIES ARISING UPON THE BREACH BY IT OF ANY COVENANT, CONDITION OR OBLIGATION, AND TO COVENANT AND PRESCRIBE, IN THE EVENT OF DEFAULT, AS TO TERMS AND CONDITIONS UPON WHICH ANY OR ALL OF ITS BONDS OR OBLIGATIONS SHALL BECOME OR MAY BE DECLARED DUE BEFORE MATURITY, AND AS TO THE TERMS AND CONDITIONS UPON WHICH SUCH DECLARATION AND ITS CONSEQUENCES MAY BE WAIVED.
(9) To vest in a trustee, or the holders of bonds, or any proportion of them, the right to enforce the payment of the bonds or any covenants securing or relating to the bonds, to vest in a trustee the right, in the event of a default by the authority, to take possession and use, operate and manage any real property and to collect the rents and revenues arising therefrom and to dispose of such moneys in accordance with the agreement of the authority with such trustee, to provide for the powers and duties of a trustee and to limit liabilities thereof, and to provide the terms and conditions upon which the trustee or the holders of bonds or any proportion of them may enforce any covenant or rights securing or relating to the bonds.

(10) To make covenants other than, and in addition to, the covenants herein expressly authorized; to make such covenants and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or in the absolute discretion of the authority, as will tend to accomplish the purposes of this act article, by making the bonds more marketable notwithstanding that such covenants, acts or things may not be enumerated herein.

SECTION 215 314. Bonds and certificates to be legal investments.-- The Commonwealth and all political subdivisions and public bodies and public officers of any thereof, all banks, bankers, trust companies, saving banks and institutions, building and loan associations, saving and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or
OTHER FUNDS BELONGING TO THEM OR WITHIN THEIR CONTROL IN ANY
BONDS OR CERTIFICATES ISSUED PURSUANT TO THIS ACT ARTICLE, IT
BEING THE PURPOSE OF THIS SECTION TO AUTHORIZE THE INVESTMENT IN
SUCH BONDS OR CERTIFICATES OF ALL SINKING, INSURANCE,
RETIREMENT, COMPENSATION, PENSION AND TRUST FUNDS, WHETHER OWNED
OR CONTROLLED BY PRIVATE OR PUBLIC PERSONS OR OFFICERS.

SECTION 216 315. INVESTMENT AND REINVESTMENT OF FUNDS.--THE
AUTHORITY SHALL HAVE THE POWER TO INVEST AND REINVEST ANY FUNDS
HELD IN RESERVE OR SINKING FUNDS NOT REQUIRED FOR IMMEDIATE
DISBURSEMENT: (A) IN THE FOLLOWING SECURITIES AS DEFINED IN THE
FIDUCIARIES INVESTMENT ACT OF 1949, AS AMENDED: OBLIGATIONS OF
THE UNITED STATES AND OF THE COMMONWEALTH OF PENNSYLVANIA AS
MORE FULLY DEFINED IN SECTION 3, SUBSECTION (1) AND MORE FULLY
DEFINED IN SECTION 3, SUBSECTIONS (1) AND (2) OF SUCH ACT;
OBLIGATIONS OF FEDERAL ORGANIZATIONS AS DEFINED IN SECTION 4 OF
SUCH ACT; AND (B) FOR SINKING FUND PURPOSES ONLY, IN BONDS OR

(1) IN OBLIGATIONS OF THE UNITED STATES AND OF THE
COMMONWEALTH OF PENNSYLVANIA AS DEFINED IN 20 PA.C.S. §
7303(1) AND (2) (RELATING TO GOVERNMENT OBLIGATIONS) AND
OBLIGATIONS OF FEDERAL ORGANIZATIONS AS DEFINED IN 20 PA.C.S.
§ 7304 (RELATING TO OBLIGATIONS OF FEDERAL ORGANIZATIONS);

AND

(2) FOR SINKING FUND PURPOSES ONLY, IN BONDS OR
CERTIFICATES OF THE AUTHORITY AT NOT TO EXCEED THEIR PAR
VALUE OR THEIR CALL PRICE PLUS ACCRUED INTEREST; AND TO SELL
ANY OF

AND TO SELL ANY OF THE SECURITIES ACQUIRED UNDER CLAUSE (A)
PARAGRAPH (1) WHENEVER THE FUNDS ARE NEEDED FOR DISBURSEMENT.
SUCH INVESTMENT OR REINVESTMENT OF ANY FUND SHALL NOT BE IN
CONFLICT WITH ANY PROVISIONS OF ANY TRUST AGREEMENT SECURING THE
PAYMENT OF BONDS OR CERTIFICATES OF THE AUTHORITY.

SECTION 217 316. GOVERNING AND POLICYMAKING BODY; POLICY MATTERS.--(A) THE GOVERNING AND POLICYMAKING BODY OF THE AUTHORITY SHALL BE A BOARD, TO BE KNOWN AS THE TRANSPORTATION BOARD OF THE METROPOLITAN AREA, CONSISTING OF MEMBERS TO BE APPOINTED AS HEREINAFTER PROVIDED, WHO, EXCEPT FOR THE APPOINTEE OF THE GOVERNOR, MUST BE RESIDENTS OF THE METROPOLITAN AREA. NO BOARD MEMBER SHALL BE ALLOWED ANY FEES, PERQUISITES OR EMOLUMENTS, REWARD OR COMPENSATION FOR HIS SERVICES AS A MEMBER OR OFFICER OF THE AUTHORITY, BUT HE SHALL BE REIMBURSED FOR ACTUAL EXPENSES INCURRED BY HIM IN THE PERFORMANCE OF HIS DUTIES.

(B) THE BOARD SHALL NOT INVOLVE ITSELF IN THE DAY-TO-DAY ADMINISTRATION OF THE AUTHORITY'S BUSINESS. IT SHALL LIMIT ITS EXERCISE OF POWERS TO SUCH AREAS OF DISCRETION OR POLICY AS THE FUNCTIONS AND PROGRAMS OF THE AUTHORITY, THE AUTHORITY'S OPERATING AND CAPITAL BUDGETS, THE AUTHORITY'S STANDARD OF SERVICES, UTILIZATION OF TECHNOLOGY, THE ORGANIZATIONAL STRUCTURE AND SUBJECT TO THE PROVISIONS OF THIS ACT ARTICLE THE SELECTION OF PERSONNEL AND THE ESTABLISHMENT OF SALARIES FOR SUCH PERSONNEL.

SECTION 218 317. APPOINTMENT OF BOARD MEMBERS.--(A) AT ANY TIME AFTER THE EFFECTIVE DATE OF THIS ACT ARTICLE:


(2) THE COUNTY COMMISSIONERS OR THE COUNTY COUNCIL IN EACH
COUNTY, AND, IN ANY COUNTY OF THE FIRST CLASS CONTAINING A CITY
OF THE FIRST CLASS, THE MAYOR, WITH THE APPROVAL OF THE CITY
COUNCIL, MAY APPOINT TWO PERSONS FOR EACH COUNTY TO SERVE AS
BOARD MEMBERS.

(B) AT THE EXPIRATION OF THE TERM OF ANY BOARD MEMBER, HIS
SUCCESSOR SHALL BE APPOINTED BY THE SAME POWER WHO APPOINTED
HIM, FOR A TERM OF FIVE YEARS FROM SUCH EXPIRATION DATE.

(C) THE APPOINTING POWERS SHALL CERTIFY THEIR RESPECTIVE
APPOINTMENTS TO THE SECRETARY OF THE COMMONWEALTH. WITHIN THIRTY
DAYS AFTER CERTIFICATION OF HIS APPOINTMENT AND BEFORE ENTERING
UPON THE DUTIES OF HIS OFFICE, EACH MEMBER OF THE BOARD SHALL
TAKE AND SUBSCRIBE THE CONSTITUTIONAL OATH OF OFFICE AND FILE IT
IN THE OFFICE OF THE SECRETARY OF THE COMMONWEALTH.

SECTION 219-318. RESIGNATION AND REMOVAL OF MEMBERS;

VACANCIES.—MEMBERS OF THE BOARD SHALL HOLD OFFICE UNTIL THEIR
RESPECTIVE SUCCESSORS HAVE BEEN APPOINTED AND HAVE QUALIFIED.
THE APPOINTING POWER MAY REMOVE ANY MEMBER OF THE BOARD
APPOINTED BY HIM OR THEM, BUT ONLY IN CASE OF INCOMPETENCY,
NEGLECT OF DUTY OR MALFEASANCE IN OFFICE. NO MEMBER SHALL BE
THUS REMOVED EXCEPT AFTER HAVING BEEN GIVEN A COPY OF THE
CHARGES AGAINST HIM AND AN OPPORTUNITY TO BE PUBLICLY HEARD, AT
A PLACE IN THE METROPOLITAN AREA, IN PERSON OR BY COUNSEL, IN
HIS OWN DEFENSE UPON NOT LESS THAN TEN DAYS' WRITTEN NOTICE, IN
CASE OF FAILURE TO QUALIFY WITHIN THE TIME REQUIRED OR OF
ABANDONMENT OF HIS OFFICE OR IN CASE OF DEATH, CONVICTION OF A
FELONY OR REMOVAL FROM OFFICE, HIS OFFICE SHALL BECOME VACANT. A
MEMBER SHALL BE DEEMED TO HAVE ABANDONED HIS OFFICE UPON FAILURE
TO ATTEND ANY REGULAR OR SPECIAL MEETING OF THE BOARD, WITHOUT
EXCUSE APPROVED BY RESOLUTION OF THE BOARD, FOR A PERIOD OF FOUR
MONTHS, OR UPON REMOVAL OF HIS RESIDENCE FROM THE METROPOLITAN
AREA. EACH VACANCY SHALL BE FILLED FOR THE UNEXPIRED TERM BY
APPOINTMENT IN LIKE MANNER AND WITH LIKE REGARD AS TO THE PLACE
OF RESIDENCE OF THE APPOINTEE AS IN CASE OF EXPIRATION OF THE
TERM OF A MEMBER OF THE BOARD. A MEMBER REMOVED FOR
INCOMPETENCY, NEGLECT OF DUTY OR MALFEASANCE IN OFFICE SHALL
HAVE THE RIGHT TO APPEAL SUCH REMOVAL TO THE COURT OF COMMON
PLEAS OF THE COUNTY FOR WHICH HE WAS APPOINTED, BUT ONLY ON THE
GROUND OF ERROR OF LAW OR MANIFEST AND FLAGRANT ABUSE OF
DISCRETION.

SECTION 220 319. MEETINGS, QUORUM, APPROVAL OF RESOLUTIONS;
ELECTION OF CHAIRMAN.—(A) REGULAR MEETINGS OF THE BOARD SHALL
BE HELD IN THE METROPOLITAN AREA AT LEAST ONCE IN EACH CALENDAR
MONTH EXCEPT JULY OR AUGUST, THE TIME AND PLACE OF SUCH MEETINGS
TO BE FIXED BY THE BOARD. A MAJORITY OF THE BOARD SHALL
CONSTITUTE A QUORUM FOR THE TRANSACTION OF BUSINESS. ALL ACTION
OF THE BOARD SHALL BE BY RESOLUTION AND THE AFFIRMATIVE VOTE OF
A MAJORITY OF ALL THE MEMBERS SHALL BE NECESSARY FOR THE
ADOPTION OF ANY RESOLUTION: PROVIDED, HOWEVER, THAT NO ACTION BY
THE BOARD, TO WHICH AN EXPRESS OBJECTION HAS BEEN MADE, PURSUANT
TO THIS SECTION, BY A BOARD MEMBER OR MEMBERS REPRESENTING A
COUNTY OR COUNTIES HAVING ONE-THIRD OR MORE OF THE POPULATION OF
THE METROPOLITAN AREA, AS DETERMINED BY THE MOST RECENT
DECENNIAL CENSUS, SHALL BE CARRIED UNLESS SUPPORTED AT A
SUBSEQUENT REGULAR MEETING OF THE BOARD BY THE VOTES OF AT LEAST
THREE-QUARTERS OF THE MEMBERSHIP OF THE BOARD. IN CASE OF
DISAGREEMENT BETWEEN MEMBERS REPRESENTING THE SAME COUNTY, EACH
MEMBER SHALL BE DEEMED TO REPRESENT ONE-HALF OF THE POPULATION
OF THAT COUNTY.

(B) THE BOARD SHALL ELECT FROM AMONG ITS MEMBERS A CHAIRMAN
AND A VICE CHAIRMAN, WHO SHALL SERVE FOR A TERM OF ONE YEAR AND
UNTIL THEIR SUCCESSORS SHALL HAVE BEEN ELECTED AND QUALIFIED, AND SHALL PERFORM SUCH DUTIES AS THE BOARD SHALL, BY RESOLUTION, DETERMINE.

(C) ALL RESOLUTIONS AND ALL PROCEEDINGS OF THE AUTHORITY AND ALL DOCUMENTS AND RECORDS IN ITS POSSESSION SHALL BE PUBLIC RECORDS AND OPEN TO PUBLIC INSPECTION, EXCEPT SUCH DOCUMENTS AND RECORDS AS SHALL BE KEPT OR PREPARED BY THE BOARD FOR USE IN NEGOTIATIONS, ACTIONS OR PROCEEDINGS TO WHICH THE AUTHORITY IS OR MAY BECOME A PARTY.


SECTION 222 321. CONTROLLER.—THE BOARD SHALL APPOINT A

SECTION 223 322. TREASURER.--THE CHIEF OPERATIONS OFFICER SHALL APPOINT A TREASURER TO HOLD OFFICE AT HIS OR HER PLEASURE. IN ADDITION TO THE DUTIES IMPOSED ON THE TREASURER BY THIS ACT ARTICLE, THE TREASURER SHALL PERFORM SUCH OTHER DUTIES AS THE CHIEF OPERATIONS OFFICER SHALL PRESCRIBE. THE TREASURER SHALL EXECUTE A CORPORATE SURETY BOND AND SHALL TAKE AND SUBSCRIBE THE OATH OF OFFICE PRESCRIBED IN SECTION 221 320.

SECTION 224 323. DEPOSIT OF FUNDS, CHECKS AND DRAFTS; SECURITY COLLATERAL.--(A) ALL FUNDS DEPOSITED BY THE TREASURER IN ANY BANK SHALL BE PLACED IN THE NAME OF THE AUTHORITY AND SHALL BE WITHDRAWN OR PAID OUT ONLY BY CHECK OR DRAFT UPON THE BANK SIGNED BY THE TREASURER AND COUNTERSIGNED BY THE CHAIRMAN OF THE BOARD. THE BOARD MAY DESIGNATE ANY OF ITS MEMBERS OR ANY OFFICER OR EMPLOYEE OF THE AUTHORITY TO AFFIX THE SIGNATURE OF THE CHAIRMAN TO ANY CHECK OR DRAFT FOR PAYMENT OF SALARIES OR WAGES AND FOR THE PAYMENT OF ANY OTHER OBLIGATION OF NOT MORE THAN $100,000. THE CHIEF OPERATIONS OFFICER MAY DESIGNATE ANY OFFICER OR EMPLOYEE OF THE AUTHORITY TO AFFIX THE SIGNATURE OF THE TREASURER TO ANY CHECK OR DRAFT FOR PAYMENT OF SALARIES OR WAGES AND FOR THE PAYMENT OF ANY OTHER OBLIGATION.
WAGES AND FOR THE PAYMENT OF ANY OTHER OBLIGATION OF NOT MORE THAN $100,000.

(B) WHENEVER THE BUSINESS OF THE AUTHORITY REQUIRES THE AFFIXING OF THE SIGNATURE OF ANY OFFICER OR EMPLOYEE OF THE AUTHORITY, THE USE OF A FACSIMILE SIGNATURE, WHEN EXPRESSLY AUTHORIZED BY RESOLUTION OF THE BOARD, SHALL HAVE THE SAME FORCE AND EFFECT AS AN ORIGINAL SIGNATURE.

(C) ALL BANK BALANCES TO THE EXTENT THE SAME ARE NOT INSURED SHALL BE CONTINUOUSLY SECURED BY A PLEDGE OF DIRECT OBLIGATIONS OF UNITED STATES OF AMERICA, OF THE COMMONWEALTH OR OF ANY MUNICIPALITY OR MUNICIPALITIES IN THE METROPOLITAN AREA, HAVING AN AGGREGATE MARKET VALUE, EXCLUSIVE OF ACCRUED INTEREST AT ALL TIMES AT LEAST EQUAL TO THE BALANCE ON DEPOSIT IN SUCH BANK. SUCH SECURITIES SHALL EITHER BE DEPOSITED WITH THE TREASURER OF THE AUTHORITY OR BE HELD BY A TRUSTEE OR AGENT SATISFACTORY TO THE AUTHORITY. ALL BANKS AND TRUST COMPANIES ARE AUTHORIZED TO GIVE SUCH SECURITY FOR SUCH BALANCES.

SECTION 225 324. SIGNATURES OF OFFICERS CEASING TO HOLD OFFICE.--IN CASE ANY OFFICER WHOSE SIGNATURE APPEARS UPON ANY CHECK, DRAFT, BOND, CERTIFICATE OR INTEREST COUPON ISSUED PURSUANT TO THIS ACT ARTICLE, CEASES TO HOLD HIS OFFICE BEFORE THE DELIVERY THEREOF TO THE PAYEE OR THE PURCHASER OF ANY BOND OR CERTIFICATE, HIS SIGNATURE NEVERTHELESS SHALL BE VALID AND SUFFICIENT FOR ALL PURPOSES WITH THE SAME EFFECT AS IF HE HAD REMAINED IN OFFICE UNTIL DELIVERY THEREOF.

SECTION 226 325. CHIEF OPERATIONS OFFICER.--THE BOARD SHALL APPOINT A CHIEF OPERATIONS OFFICER, WHO SHALL HAVE DEMONSTRATED THAT HE OR SHE IS COMPETENT AND EXPERIENCED IN THE AREA OF TRANSIT MANAGEMENT, AND SHALL FIX HIS OR HER COMPENSATION. THE CHIEF OPERATIONS OFFICER SHALL HAVE THE POWER AND IT SHALL BE
HIS OR HER DUTY TO:

1. MANAGE THE PROPERTIES OF THE AUTHORITIES.
2. ATTEND TO THE DAY-TO-DAY ADMINISTRATION, FISCAL
MANAGEMENT AND OPERATION OF THE AUTHORITY'S BUSINESS.
3. APPOINT SUCH EMPLOYES AS HE OR SHE DEEMS NECESSARY TO
CONDUCT THE AFFAIRS OF HIS OR HER OFFICE, SUBJECT TO THE
PROVISIONS OF THIS ACT ARTICLE.
4. IMPLEMENT AND ENFORCE ALL RESOLUTIONS, RULES AND
REGULATIONS OF THE BOARD.
5. SUBMIT TO THE BOARD ACCORDING TO A SCHEDULE ESTABLISHED
BY IT, PERIODIC REPORTS SHOWING THE OVERALL STATE OR CONDITION
OF THE TRANSIT SYSTEM ACCORDING TO ESTABLISHED INDUSTRY
PERFORMANCE STANDARDS. SUCH REPORTS SHALL BE CONSIDERED PUBLIC
RECORDS.
6. IMPLEMENT POLICIES ESTABLISHED BY THE BOARD.

SECTION 227 326. COUNSEL TO THE BOARD.—THE BOARD SHALL
APPOINT A COUNSEL TO THE BOARD, WHO SHALL BE AN ATTORNEY AT LAW,
ADMITTED TO PRACTICE BEFORE THE SUPREME COURT OF THE
COMMONWEALTH, AND WHO SHALL BE APPOINTED BY THE BOARD TO SERVE
AT ITS DISCRETION. THE BOARD SHALL PAY TO THE COUNSEL TO THE
BOARD REASONABLE COMPENSATION FOR SERVICES ACTUALLY PERFORMED.
THE COUNSEL TO THE BOARD SHALL ADVISE THE BOARD IN ALL MATTERS
RELATING TO ITS OFFICIAL DUTIES AND SHALL NOTWITHSTANDING ANY
OTHER PROVISION OF THIS ACT ARTICLE APPROVE ALL MATTERS RELATING
TO BONDS AND INDENTURES.

SECTION 228 327. LEGAL DIVISION; GENERAL COUNSEL.—(A) THE
CHIEF OPERATIONS OFFICER SHALL ESTABLISH A LEGAL DIVISION WHICH
SHALL BE ADMINISTERED BY A FULL-TIME GENERAL COUNSEL WHO SHALL
BE AN ATTORNEY AT LAW ADMITTED TO PRACTICE BEFORE THE SUPREME
COURT OF PENNSYLVANIA AND WHO SHALL BE APPOINTED BY THE CHIEF
OPERATIONS OFFICER TO SERVE AT HIS OR HER PLEASURE. THE LEGAL
DIVISION, IN ADDITION TO THE GENERAL COUNSEL, SHALL CONSIST OF
SUCH ATTORNEYS AND OTHER EMPLOYEES AS THE GENERAL COUNSEL FROM
TIME TO TIME SHALL DETERMINE TO BE NECESSARY, AND WHO SHALL BE
APPOINTED BY THE CHIEF OPERATIONS OFFICER. EXCEPT AS PROVIDED IN
SECTION 227 326 THE LEGAL DIVISION SHALL ADMINISTER THE LEGAL
AFFAIRS OF THE AUTHORITY, SHALL PROSECUTE AND DEFEND, SETTLE OR
COMPROMISE ALL SUITS OR CLAIMS FOR AND ON BEHALF OF THE
AUTHORITY, AND SHALL ADVISE THE CHIEF OPERATIONS OFFICER IN ALL
MATTERS RELATING TO HIS OR HER OFFICIAL DUTIES.

(B) THE GENERAL COUNSEL MAY, FROM TIME TO TIME, WITH THE
APPROVAL OF THE CHIEF OPERATIONS OFFICER, RETAIN SUCH OTHER
LEGAL COUNSEL ON SUCH TERMS AND FOR SUCH PURPOSES AS SHALL BE
DEEMED BY THE CHIEF OPERATIONS OFFICER TO BE NECESSARY OR IN
CASES WHERE THE NEEDS OF THE AUTHORITY WOULD BE BETTER SERVED.
NOTHING IN THIS SECTION OR IN THE PRECEDING SECTION 326 SHALL BE
CONSTRUED SO AS TO LIMIT THE POWER OF THE LEGAL OR OTHER
OFFICERS OF THE COUNTIES AND MUNICIPALITIES COMPRISING THE
METROPOLITAN AREA TO ACT IN BEHALF OF THE CHIEF OPERATIONS
OFFICER IN THEIR OFFICIAL CAPACITIES WHEN REQUESTED SO TO DO BY
THE CHIEF OPERATIONS OFFICER.

SECTION 229 328. OTHER EMPLOYEES.--THE BOARD ACTING THROUGH
THE CHIEF OPERATIONS OFFICER SHALL HAVE THE RIGHT TO BARGAIN
COLLECTIVELY AND ENTER INTO AGREEMENTS WITH LABOR ORGANIZATIONS.
The board acting through the chief operations officer shall
RECOGNIZE AND BE BOUND BY EXISTING LABOR UNION AGREEMENTS WHERE
THEY EXIST BETWEEN LABOR UNIONS AND TRANSPORTATION COMPANIES
THAT ARE ACQUIRED, PURCHASED, CONDEMNED OR LEASED BY THE BOARD.
IT SHALL DESIGNATE THEIR DUTIES AND REQUIRE BONDS OF SUCH OF
THEM AS THE BOARD MAY DESIGNATE. THE COMPENSATION OF THE CHIEF

OPERATIONS OFFICER, COUNSEL TO THE BOARD, SECRETARY AND CONTROLLER SHALL BE FIXED BY THE BOARD. FOR ALL OTHER OFFICERS, EMPLOYEES, ATTORNEYS, ENGINEERS, CONSULTANTS AND AGENTS THE BOARD SHALL ESTABLISH SALARY SCALES. THE CHIEF OPERATIONS OFFICER SHALL ESTABLISH WITHIN SUCH SALARY SCALES COMPENSATION LEVELS BASED UPON WRITTEN APPRAISALS OF PERFORMANCE FOR ALL EMPLOYEES UNDER HIS CONTROL. THE SECRETARY AND THE CONTROLLER SHALL ESTABLISH WITHIN SUCH SALARY SCALES COMPENSATION LEVELS BASED UPON WRITTEN APPRAISALS OF PERFORMANCE FOR ALL EMPLOYEES IN THEIR RESPECTIVE OFFICES. WITH THE EXCEPTION OF THE SECRETARY, ANY OF THE FOREGOING MAY BE APPOINTED, RETAINED, HIRED OR EMPLOYED ON A PART-TIME BASIS AND MAY BE ENGAGED IN OTHER BUSINESS OR PROFESSIONAL ACTIVITIES: PROVIDED, THAT NO SALARIED EXECUTIVE OFFICER OF THE AUTHORITY SHALL HOLD ANY OTHER OFFICE IN OR BE AN EMPLOYEE OF THE FEDERAL, STATE OR ANY COUNTY OR MUNICIPAL GOVERNMENT EXCEPT AN OFFICE OR EMPLOYMENT WITHOUT COMPENSATION OR AN OFFICE IN THE MILITARY RESERVE OR NATIONAL GUARD.

SECTION 230 329. CLASSIFICATION OF POSITIONS AND EMPLOYMENTS; DISCHARGE OR DEMOTION OF OFFICERS OR EMPLOYEES; HEARINGS; SENIORITY; PENSIONS AND RETIREMENT.--(A) THE CHIEF OPERATIONS OFFICER SHALL CLASSIFY ALL THE OFFICES, POSITIONS AND GRADES OF REGULAR EMPLOYMENT REQUIRED, EXCEPTING THAT OF THE CHAIRMAN OF THE BOARD, SECRETARY, COUNSEL TO THE BOARD AND CONTROLLER, WITH REFERENCE TO THE DUTIES THEREOF AND THE COMPENSATION FIXED THEREFOR AND ADOPT RULES GOVERNING APPOINTMENTS TO ANY OF SUCH OFFICES OR POSITIONS ON THE BASIS OF MERIT AND EFFICIENCY. NO DISCRIMINATION SHALL BE MADE IN ANY APPOINTMENT OR PROMOTION BECAUSE OF AGE, SEX, RACE, CREED, COLOR OR POLITICAL OR RELIGIOUS AFFILIATIONS. NO OFFICER OR EMPLOYEE SHALL BE DISCHARGED OR DEMOTED EXCEPT FOR JUST CAUSE.
(B) THE CHIEF OPERATIONS OFFICER MAY ABOLISH ANY OFFICE OR
REDUCE THE FORCE OF EMPLOYEES FOR LACK OF WORK OR LACK OF FUNDS,
BUT IN SO DOING, THE OFFICER OR EMPLOYEE WITH THE SHORTEST
SERVICE RECORD IN THE CLASS AND GRADE TO WHICH HE BELONGS SHALL
BE FIRST RELEASED FROM SERVICE AND SHALL BE REINSTATED IN ORDER
OF SENIORITY, WHEN ADDITIONAL FORCE OF EMPLOYEES IS REQUIRED.
SENIORITY SHALL BE CONSIDERED A WORKING CONDITION. NO QUALIFIED
PERSON SHALL BE LAID OFF IF A TRANSFER TO ANOTHER JOB, DIVISION
OR DEPARTMENT WITHIN THE TRANSPORTATION SYSTEM CAN BE ARRANGED.

(C) THERE SHALL BE ESTABLISHED AND MAINTAINED BY THE
AUTHORITY A PENSIONS AND RETIREMENT SYSTEM TO PROVIDE FOR
PAYMENTS WHEN DUE UNDER SUCH SYSTEM OR AS MODIFIED FROM TIME TO
TIME BY RESOLUTION OF THE BOARD. FOR THIS PURPOSE, BOTH THE
BOARD AND THE PARTICIPATING EMPLOYEES SHALL MAKE SUCH PERIODIC
PAYMENTS TO THE ESTABLISHED SYSTEM AS MAY BE DETERMINED BY SUCH
RESOLUTION. THE BOARD MAY PROVIDE FOR PARTICIPATION BY ITS
EMPLOYEES IN THE SOCIAL SECURITY PROGRAM OR, IN LIEU OF SOCIAL
SECURITY PAYMENTS REQUIRED TO BE PAID BY PRIVATE CORPORATIONS
ENGAGED IN SIMILAR ACTIVITY, SHALL MAKE PAYMENTS INTO SUCH
ESTABLISHED SYSTEM AT LEAST EQUAL IN AMOUNT TO THE AMOUNT SO
REQUIRED TO BE PAID BY SUCH PRIVATE CORPORATIONS, OR MAKE SUCH
OTHER ARRANGEMENTS AS WILL ACCOMPLISH THE SAME PURPOSE.
PROVISIONS SHALL BE MADE BY THE BOARD FOR ALL OFFICERS AND
EMPLOYEES OF THE AUTHORITY APPOINTED PURSUANT TO THIS ACT ARTICLE
TO BECOME, SUBJECT TO REASONABLE RULES AND REGULATIONS, MEMBERS
AND BENEFICIARIES OF THE PENSIONS AND REQUIREMENT SYSTEM, WITH
UNIFORM RIGHTS, PRIVILEGES, OBLIGATIONS AND STATUS AS TO THE
CLASS IN WHICH SUCH OFFICERS AND EMPLOYEES BELONG, MEMBERS AND
BENEFICIARIES OF ANY PENSIONS OR RETIREMENT SYSTEM ESTABLISHED
BY A TRANSPORTATION SYSTEM ACQUIRED BY THE AUTHORITY SHALL
19790S0881B1915 - 74 -
CONTINUE TO HAVE RIGHTS, PRIVILEGES, BENEFITS, OBLIGATIONS AND STATUS WITH RESPECT TO SUCH PREVIOUSLY ESTABLISHED SYSTEM. TO ACHIEVE THE PURPOSES SET FORTH IN THIS SUBSECTION, THE BOARD SHALL MAKE APPROPRIATE RULES AND REGULATIONS AND FROM TIME TO TIME SHALL OBTAIN COMPETENT ACTUARIAL ADVICE.

SECTION 231 330. TRANSFERS OF FACILITIES OR THINGS OF VALUE TO ANY AUTHORITY.--ANY COUNTY, MUNICIPALITY, SCHOOL DISTRICT, CORPORATION OR PERSON, OR GROUP, MAY AND THEY ARE HEREBY AUTHORIZED TO SELL, LEASE, LEND, GRANT, CONVEY, TRANSFER OR PAY OVER TO ANY AUTHORITY, WITH OR WITHOUT CONSIDERATION, ANY PROJECT OR ANY PART OR PARTS THEREOF, OR ANY INTEREST IN REAL OR PERSONAL PROPERTY OR ANY FUNDS AVAILABLE FOR BUILDING CONSTRUCTION OR IMPROVEMENT PURPOSES, INCLUDING THE PROCEEDS OF BONDS PREVIOUSLY OR HEREAFTER ISSUED FOR BUILDING CONSTRUCTION OR IMPROVEMENT PURPOSES, OR ANY MONEY OR THING OF VALUE, INCLUDING SERVICES, WHICH MAY BE USED BY THE AUTHORITY IN THE CONSTRUCTION, ACQUISITION, IMPROVEMENT, MAINTENANCE OR OPERATION OF ANY PROJECT OR FOR ANY OTHER OF ITS CORPORATE PURPOSES, ANY OTHER LAW TO THE CONTRARY NOTWITHSTANDING.

SECTION 232 331. COMPACTS TO FINANCE OPERATIONS AND PARTICULAR PROJECTS.--(A) THE COUNTIES AND MUNICIPALITIES IN ANY METROPOLITAN AREA SHALL ENTER INTO A COMPACT OR COMPACTS AMONG THEMSELVES AND/OR WITH THE AUTHORITY TO PROVIDE FOR MEETING THE AUTHORITY'S CAPITAL OR OPERATING BUDGET BY APPROPRIATIONS, ANNUAL OR OTHERWISE, OF SUCH SUMS AND IN SUCH PROPORTIONS AS MAY BE AGREED UPON IN SUCH COMPACT TO BE PAID BY EACH SIGNATORY PARTY THERETO. THE OBLIGATION INCURRED THEREBY SHALL BE FOR THE TERM AS SET FORTH IN THE COMPACT WITHOUT REGARD TO THE PROVISIONS OF ANY LAW, ORDINANCE OR REGULATION TO THE CONTRARY, AND SHALL CONSTITUTE A COMMITMENT AND OBLIGATION.
BINDING AND ABSOLUTE, ON THE PART OF EACH SUCH SIGNATORY PARTY,
TO APPROPRIATE AND PAY OVER THE NECESSARY FUNDS IN ACCORDANCE
THERewith. THE SAID OPERATING BUDGET SHALL INCLUDE ALL SUMS OF
MONEY NECESSARY FOR THE FORMATION AND ORGANIZATION OF ANY
AUTHORITY AND ALL ITEMS OF OPERATING EXPENSES IN CONNECTION WITH
SAID AUTHORITY, AS WELL AS NECESSARY FUNDS FOR PLANNING AND
RESEARCH APPROPRIATE AND CONSISTENT WITH THE PURPORT OF THIS ACT
ARTICLE AND ANY COMPACT ENTERED INTO PURSUANT TO THIS ACT
ARTICLE.

(B) SUCH A COMPACT MAY ALSO PROVIDE FOR THE FINANCING OF A
PARTICULAR MASS TRANSPORTATION PROJECT IN SUCH MANNER AS SHALL
BE PROVIDED FOR IN THE COMPACT.

(C) WHENEVER A PARTY SIGNATORY TO SUCH A COMPACT THEREBY
EXPRESSES ITS APPROVAL OF THE BUDGET FOR FINANCING A PARTICULAR
PROJECT, THIS SHALL THEN CONSTITUTE A COMMITMENT AND OBLIGATION,
BINDING AND ABSOLUTE, ON THE PART OF SUCH PARTY SIGNATORY TO
APPROPRIATE THE NECESSARY FUNDS IN ACCORDANCE THERewith.

(D) NO COMMITMENT OR OBLIGATION INVOLVING THE PAYMENT OF
MONEYS TO OR ON BEHALF OF SUCH AUTHORITY SHALL EXIST IN ANY
INSTANCE ON THE PART OF ANY COUNTY OR OTHER MUNICIPALITY WITHIN
THE METROPOLITAN AREA UNLESS AND UNTIL SUCH COMMITMENT OR
OBLIGATION SHALL FIRST HAVE BEEN EXPRESSLY AND LAWFULLY
UNDERTAKEN AND ASSUMED BY SUCH COUNTY OR MUNICIPALITY.

SECTION 233 332. CONTRACTS, PROCUREMENT AND SALE OF
PROPERTY; CONCESSIONS; ADVERTISEMENT; BIDDING.--(A) EXCEPT IN
THE PURCHASE OF UNIQUE ARTICLES OR ARTICLES WHICH, FOR ANY OTHER
REASON, CANNOT BE OBTAINED IN THE OPEN MARKET AND EXCEPT AS
HEREINAFTER PROVIDED, COMPETITIVE BIDS SHALL BE SECURED BEFORE
ANY PURCHASE OR SALE, BY CONTRACT OR OTHERWISE IS MADE OR BEFORE
ANY CONTRACT IS AWARDED FOR CONSTRUCTION, ALTERATIONS, SUPPLIES,
EQUIPMENT, REPAIRS OR MAINTENANCE OR FOR RENDERING ANY SERVICES TO THE AUTHORITY OTHER THAN PROFESSIONAL SERVICES; AND THE PURCHASE SHALL BE MADE FROM OR THE CONTRACT SHALL BE AWARDED TO THE LOWEST RESPONSIBLE BIDDER; OR A SALE TO THE HIGHEST RESPONSIBLE BIDDER. NO PURCHASE OF ANY UNIQUE ARTICLE OR OTHER ARTICLES WHICH CANNOT BE OBTAINED IN THE OPEN MARKET SHALL BE MADE WITHOUT EXPRESS APPROVAL OF THE BOARD WHERE THE AMOUNT INVOLVED IS IN EXCESS OF $10,000.

(B) ALL PURCHASES AND SALES IN EXCESS OF $10,000 SHALL BE AWARDED AFTER ADVERTISING IN A LOCAL NEWSPAPER OF GENERAL CIRCULATION IN THE METROPOLITAN AREA AT LEAST TWO WEEKS PRIOR TO THE BID OPENING. BIDS SHALL BE PUBLICLY OPENED AND READ ALOUD AT A DATE, TIME, AND PLACE DESIGNATED IN THE INVITATION TO BID. INVITATIONS TO BID SHALL BE SENT AT LEAST ONE WEEK PRIOR TO THE BID OPENING TO AT LEAST THREE POTENTIAL BIDDERS WHO ARE QUALIFIED TECHNICALLY AND FINANCIALLY TO SUBMIT BIDS, OR IN LIEU THEREOF A MEMORANDUM SHALL BE KEPT ON FILE SHOWING THAT LESS THAN THREE POTENTIAL BIDDERS SO QUALIFIED EXIST IN THE MARKET AREA WITHIN WHICH IT IS PRACTICABLE TO OBTAIN BIDS.

(C) WRITTEN PRICE QUOTATIONS FROM AT LEAST THREE QUALIFIED AND RESPONSIBLE VENDORS SHALL BE OBTAINED FOR ALL PURCHASES AND SALES UNDER $10,000 AND OVER $2,500, OR IN LIEU THEREOF, A MEMORANDUM, APPROVED BY THE CHIEF OPERATIONS OFFICER, SHALL BE KEPT ON FILE SHOWING THAT LESS THAN THREE VENDORS SO QUALIFIED EXIST IN THE MARKET AREA WITHIN WHICH IT IS PRACTICABLE TO OBTAIN QUOTATIONS; EXCEPT AS HEREINAFTER PROVIDED.

(D) PURCHASES OR SALES UNDER $2,500 MAY BE NEGOTIATED WITH OR WITHOUT COMPETITIVE BIDDING UNDER SOUND PROCUREMENT PROCEDURES AS PROMULGATED AND ESTABLISHED BY THE CHIEF OPERATIONS OFFICER.
(E) Competitive bidding requirements may be waived if it is determined by the Chief Operations Officer, or in such other manner as the board may, by regulation, provide, that an emergency directly and immediately affecting customer service, or public health, safety or welfare requires immediate delivery of supplies, materials, equipment or services: Provided, however, that a record of circumstances explaining the emergency shall be submitted to the board at its next regular meeting and thereafter kept on file.

(F) All concessions granted by the authority for the sale of products or the rendition of services for a consideration on authority property shall be awarded only pursuant to written specifications after competitive bidding and to the highest responsible bidder in a manner similar to that required by subsection (E) relating to contracts for procurement involving an expenditure of more than $10,000: Provided, that the foregoing requirement for competitive bidding shall not apply to any concession which has been granted by a transportation system acquired by the authority and which by the terms of the agreement granting it will terminate within one year from date of the acquisition of the transportation system by the authority, nor to any concession involving the estimated receipt by the authority of less than 2,500 over the period for which the concession is granted.

(G) Contracts for the sale or lease of real property owned by the authority shall be awarded after competitive bidding as shown in subsection (B) except where contract is entered into with the commonwealth or any political subdivision or agency or instrumentality thereof or with the United States government or any agency or instrumentality thereof.
(H) CONTRACTS FOR THE MANAGEMENT OF AUTHORITY-OWNED
PROPERTY, SUCH AS BUS ROUTES OR SUBWAY SYSTEMS MAY BE NEGOTIATED
AND AWARDED BY AN AFFIRMATIVE VOTE OF ONE MORE THAN A MAJORITY
OF ALL MEMBERS OF THE BOARD.

(I) REQUIREMENTS SHALL NOT BE SPLIT INTO PARTS FOR THE
PURPOSE OF AVOIDING THE PROVISIONS OF THIS SECTION.

(J) THE AUTHORITY SHALL HAVE THE RIGHT TO REJECT ANY OR ALL
BIDS OR PARTS OF ANY OR ALL BIDS, WHENEVER, IN THE OPINION OF
THE BOARD, SUCH REJECTION IS NECESSARY FOR THE PROTECTION OF THE
INTERESTS OF THE AUTHORITY. IN EVERY SUCH CASE, A RECORD SHALL
BE MADE, SETTING FORTH THE REASON FOR SUCH REJECTION, WHICH
RECORD SHALL THEREAFTER BE KEPT ON FILE.

(K) THE BOARD SHALL ADOPT RULES AND REGULATIONS TO
EFFECTUATE THE PROVISIONS OF THIS SECTION.

SECTION 234 333. CONFLICT OF INTEREST.--EVERY MEMBER OF THE
BOARD AND EVERY EMPLOYE OF THE AUTHORITY WHO KNOWINGLY HAS ANY
INTEREST, DIRECT OR INDIRECT, IN ANY CONTRACT TO WHICH THE
AUTHORITY IS, OR IS ABOUT TO BECOME, A PARTY, OR IN ANY OTHER
BUSINESS OF THE AUTHORITY, OR IN ANY FIRM OR CORPORATION DOING
BUSINESS WITH THE AUTHORITY, SHALL MAKE FULL DISCLOSURE OF SUCH
INTEREST TO THE BOARD. FAILURE TO DISCLOSE SUCH AN INTEREST
SHALL CONSTITUTE MISCONDUCT, FOR WHICH A BOARD MEMBER MAY BE
REMOVED BY THE APPOINTING POWER, OR AN EMPLOYEE MAY BE DISCHARGED
OR OTHERWISE DISCIPLINED AT THE DISCRETION OF THE BOARD.

WHENEVER, IN THE OPINION OF THE BOARD, ANY SUCH INTEREST ON THE
PART OF ANY BOARD MEMBER OR ANY EMPLOYEE, SHALL CONSTITUTE A
CONFLICT OF INTEREST DETRIMENTAL TO THE AUTHORITY, THE BOARD
SHALL REQUIRE SUCH ACTION OR ABSTENTION BY SUCH BOARD MEMBER OR
EMPLOYEE AS IT MAY DEEM NECESSARY OR DESIRABLE TO PROTECT THE
INTEREST OF THE AUTHORITY. THE BOARD SHALL PROMULGATE SUCH RULES
AND REGULATIONS AS MAY BE NECESSARY TO EFFECTUATE THE PURPOSES
OF THIS SECTION.

SECTION 235.  FISCAL OPERATING YEAR; BUDGET; CAPITAL
PROGRAM.--(A)  THE BOARD SHALL ESTABLISH A FISCAL OPERATING
YEAR.  AT LEAST NINETY DAYS PRIOR TO THE BEGINNING OF THE FIRST
FULL FISCAL YEAR AFTER THE CREATION OF THE AUTHORITY AND,
ANNUALLY THEREAFTER, THE BOARD SHALL CAUSE TO BE PREPARED AND
SUBMITTED TO IT A TENTATIVE OPERATING BUDGET AND A TENTATIVE
CAPITAL BUDGET FOR THE ENSUING FISCAL YEAR.  THE TENTATIVE
BUDGETS SHALL BE CONSIDERED BY THE BOARD AND, SUBJECT TO ANY
REVISION AND AMENDMENTS AS MAY BE DETERMINED, SHALL BE ADOPTED
AT LEAST THIRTY DAYS PRIOR TO THE FIRST DAY OF THE ENSUING
FISCAL YEAR AS THE BUDGETS FOR THAT YEAR.  THE BOARD SHALL
ESTABLISH SUCH RULES AS ARE NECESSARY FOR PROPER OBSERVANCE OF
THE BUDGETS.  SIMULTANEOUSLY WITH THE ADOPTION OF THE BUDGET, THE
BOARD SHALL ADOPT A TENTATIVE CAPITAL PROGRAM COVERING THE
ENSUING SIX YEARS.

(B)  A PUBLIC HEARING SHALL BE CONDUCTED PRIOR TO THE
ADOPTION OF THE FINAL OPERATING BUDGET AND TENTATIVE CAPITAL
PROGRAM.  NOTICE OF SUCH PUBLIC HEARING SHALL BE PUBLISHED IN TWO
NEWSPAPERS OF GENERAL CIRCULATION AND A PUBLICATION SPECIFICALLY
DESIGNED TO REACH MINORITIES NOT FEWER THAN THIRTY DAYS PRIOR TO
SUCH HEARING.

SECTION 236.  FISCAL OPERATING YEAR; BUDGET; CAPITAL
PROGRAM.--THE BOARD SHALL ESTABLISH A FISCAL OPERATING YEAR.  AT
LEAST NINETY DAYS PRIOR TO THE BEGINNING OF THE FIRST FULL
FISCAL YEAR AFTER THE CREATION OF THE AUTHORITY AND, ANNUALLY
THEREAFTER, THE BOARD SHALL CAUSE TO BE PREPARED AND SUBMITTED
TO IT A TENTATIVE OPERATING BUDGET AND A TENTATIVE CAPITAL
BUDGET FOR THE ENSUING FISCAL YEAR.  THE TENTATIVE BUDGETS SHALL
BE CONSIDERED BY THE BOARD AND, SUBJECT TO ANY REVISION AND
AMENDMENTS AS MAY BE DETERMINED, SHALL BE ADOPTED AT LEAST
THIRTY DAYS PRIOR TO THE FIRST DAY OF THE ENSUING FISCAL YEAR AS
THE BUDGETS FOR THAT YEAR. THE BOARD SHALL ESTABLISH SUCH RULES
AS ARE NECESSARY FOR PROPER OBSERVANCE OF THE BUDGETS.
SIMULTANEOUSLY WITH THE ADOPTION OF THE BUDGET, THE BOARD SHALL
ADOPT A TENTATIVE CAPITAL PROGRAM COVERING THE ENSUING SIX
YEARS.

SECTION 237 335. FINANCIAL STATEMENTS AND REPORTS; AUDIT.—

(A) AS SOON AFTER THE END OF EACH FISCAL YEAR AS IS FEASIBLE,
THE BOARD SHALL CAUSE TO BE PREPARED AND PRINTED A REPORT AND
FINANCIAL STATEMENT OF THE AUTHORITY'S OPERATIONS FOR THE
PREVIOUS YEAR AND OF ITS ASSETS AND LIABILITIES. A REASONABLY
SUFFICIENT NUMBER OF COPIES OF SUCH REPORT SHALL BE PRINTED FOR
DISTRIBUTION TO PERSONS INTERESTED UPON REQUEST. A COPY OF SUCH
REPORT SHALL BE FILED WITH THE SECRETARY OF THE COMMONWEALTH,
THE COUNTY CLERK OF EACH COUNTY IN THE METROPOLITAN AREA, AND
THE CLERK OF EACH MUNICIPALITY WHICH HAS GRANTED RIGHTS TO THE
AUTHORITY BY ORDINANCE AND A COPY OF SUCH REPORT SHALL BE
ADDRESSED TO AND MAILED TO THE MAYOR AND CITY COUNCIL OR THE
GOVERNING BODY OF SUCH MUNICIPALITY. THE BOARD FROM TIME TO TIME
SHALL MAIL TO THE PERSONS AND OFFICES SPECIFIED IN THE PRECEDING
SENTENCE COPIES OF SUCH INTERIM FINANCIAL REPORTS AS MAY BE
PREPARED BY THE AUTHORITY, COPIES OF ALL BYLAWS, RULES AND
REGULATIONS, AND AMENDMENTS THERETO, AND COPIES OF THE ANNUAL
FINANCIAL BUDGETS.

(B) THE BOARD SHALL APPOINT IN DUE TIME EACH YEAR A FIRM OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS AS AUDITORS WHO SHALL
EXAMINE THE BOOKS, RECORDS AND ACCOUNTS OF THE AUTHORITY FOR THE
PURPOSE OF AUDITING AND REPORTING UPON ITS FINANCIAL STATEMENT
1 FOR SUCH YEAR. THE REPORT OF SUCH AUDITORS SHALL BE APPENDED TO
2 SUCH FINANCIAL STATEMENT.
3
4 SECTION 238 336. TRANSFER OF RECORDS BY PUBLIC UTILITY COMMISSION.--IN CASE THE AUTHORITY ACQUIRES THE PLANT,
5 EQUIPMENT, PROPERTY AND RIGHTS IN PROPERTY OF ANY PUBLIC UTILITY
6 USED OR USEFUL IN THE OPERATION OF A TRANSPORTATION SYSTEM, THE
7 PENNSYLVANIA PUBLIC UTILITY COMMISSION SHALL TRANSFER AND
8 DELIVER TO THE BOARD, UPON ITS DEMAND, IN WRITING, ALL BOOKS,
9 PAPERS AND RECORDS IN CONTROL OF SAID COMMISSION AFFECTING SUCH
10 PUBLIC UTILITY EXCLUSIVELY.
11
12 SECTION 239 337. DEPRECIATION RESERVE.--(A) THERE SHALL BE
13 ESTABLISHED AND MAINTAINED A RESERVE FOR DEPRECIATION REASONABLY
14 ESTIMATED TO BE ADEQUATE TO CARE FOR THE RETIREMENT (DUE TO
15 EXHAUSTION, WEAR AND TEAR AND OBSOLESCENCE) OF PROPERTY AT COST.
16 THE AMOUNT NECESSARY TO BE CREDITED TO THE RESERVE EACH YEAR FOR
17 SUCH PURPOSES SHALL BE CHARGED TO OPERATIONS.
18
19   (B) IF, BY ANY COVENANT OF THE AUTHORITY, THERE IS REQUIRED
20 TO BE ESTABLISHED OUT OF REVENUES ANY RESERVE FOR DEBT
21 RETIREMENT OR PROPERTY REPLACEMENTS OR ADDITIONS, THE AMOUNT OF
22 THE ANNUAL PROVISION CREDITED TO THE RESERVE AS REQUIRED BY THIS
23 SECTION, SHALL BE CONSIDERED TO HAVE BEEN MADE, TO THE EXTENT
24 NEEDED, FOR OR TOWARD THE CORRESPONDING ANNUAL REQUIREMENT OF
25 ANY SUCH COVENANT.
26
27 SECTION 240 338. DAMAGE RESERVE FUND.--THE BOARD SHALL
28 WITHDRAW FROM THE GROSS RECEIPTS OF THE AUTHORITY AND CHARGE TO
29 OPERATING EXPENSES SUCH AN AMOUNT OF MONEY AS, IN THE OPINION OF
30 THE BOARD, SHALL BE SUFFICIENT TO PROVIDE FOR THE ADJUSTMENT,
31 DEFENSE AND SATISFACTION OF ALL SUITS, CLAIMS, DEMANDS, RIGHTS
32 AND CAUSES OF ACTION, AND THE PAYMENT AND SATISFACTION OF ALL
33 JUDGMENTS ENTERED AGAINST THE AUTHORITY FOR DAMAGE CAUSED BY
INJURY TO OR DEATH OF ANY PERSON AND FOR DAMAGE TO PROPERTY RESULTING FROM THE CONSTRUCTION, MAINTENANCE AND OPERATION OF THE TRANSPORTATION SYSTEM, AND THE BOARD SHALL DEPOSIT SUCH MONEYS IN A FUND TO BE KNOWN AND DESIGNATED AS DAMAGE RESERVE FUND. THE BOARD SHALL USE THE MONEYS IN THE DAMAGE RESERVE FUND TO PAY ALL EXPENSES AND COSTS ARISING FROM THE ADJUSTMENT, DEFENSE AND SATISFACTION OF ALL SUITS, CLAIMS, DEMANDS, RIGHTS AND CAUSES OF ACTION, AND THE PAYMENT AND SATISFACTION OF ALL JUDGMENTS ENTERED AGAINST THE AUTHORITY FOR DAMAGES CAUSED BY INJURY TO OR DEATH OF ANY PERSON AND FOR DAMAGE TO PROPERTY RESULTING FROM THE CONSTRUCTION, MAINTENANCE AND OPERATION OF THE TRANSPORTATION SYSTEM. AT ANY TIME, AND FROM TIME TO TIME, THE BOARD MAY OBTAIN AND MAINTAIN INSURANCE COVERAGE OR PROTECTION, PARTIALLY OR WHOLLY, INSURING OR INDEMNIFYING THE AUTHORITY AGAINST LOSS OR LIABILITY ON ACCOUNT OF INJURY TO, OR DEATH OF ANY PERSON, AND FOR DAMAGE TO PROPERTY RESULTING FROM THE CONSTRUCTION, MAINTENANCE AND OPERATION OF THE TRANSPORTATION SYSTEM. THE COST OF OBTAINING AND MAINTAINING SUCH INSURANCE SHALL BE PAID OUT OF THE MONEYS IN THE DAMAGE RESERVE FUND. ALL MONEYS RECEIVED FROM SUCH INSURANCE COVERAGE OR PROTECTION SHALL BE PAID INTO THE DAMAGE RESERVE FUND.

SECTION 241 339. SPECIAL FUNDS; COMMON CASH ACCOUNT AND AUXILIARY SHORT TERM INVESTMENT PORTFOLIO; RESERVES.--(A) THE AUTHORITY, PURSUANT TO RESOLUTIONS ADOPTED FROM TIME TO TIME BY THE BOARD, MAY ESTABLISH AND CREATE SUCH OTHER AND ADDITIONAL SPECIAL FUNDS AS MAY BE FOUND DESIRABLE BY THE BOARD AND IN AND BY SUCH RESOLUTIONS MAY PROVIDE FOR PAYMENTS INTO ALL SPECIAL FUNDS FROM SPECIFIED SOURCES WITH SUCH PREFERENCES AND PRIORITIES AS MAY BE DEEMED ADVISABLE AND MAY ALSO BY ANY SUCH RESOLUTIONS PROVIDE FOR THE CUSTODY, DISBURSEMENT AND
APPLICATION OF ANY MONEYS IN ANY SUCH SPECIAL FUNDS CONSISTENT
WITH THE PROVISIONS OF THIS ACT ARTICLE, AND CONSISTENT WITH
GOOD ACCOUNTING PRACTICE WITH DUE REFERENCE TO THE UNIFORM
SYSTEM OF ACCOUNTS FOR TRANSPORTATION OPERATIONS MAINTAINED BY
EITHER THE INTERSTATE COMMERCE COMMISSION OR THE PENNSYLVANIA
PUBLIC UTILITY COMMISSION.

(B) TO THE EXTENT PRACTICABLE THE AUTHORITY MAY ESTABLISH A
COMMON CASH ACCOUNT AND AUXILIARY SHORT-TERM INVESTMENT
PORTFOLIO AS A DEPOSITORY FOR ALL CASH OF THE GENERAL OR SPECIAL
FUNDS: PROVIDED, THAT THE INTEREST OF EACH FUND THEREIN BE
CLEARLY RECORDED AND PRESERVED AT ALL TIMES: AND PROVIDED
FURTHER, THAT THERE SHALL NOT BE ANY COMMINGLING OF ASSETS WHERE
PROHIBITED BY ANY COVENANT OF THE AUTHORITY.

(C) NOTHING CONTAINED IN THIS ACT ARTICLE SHALL BE CONSTRUED
AS TO PREVENT THE PRUDENT ACCUMULATION OF RESERVE FUNDS BY THE
AUTHORITY.

SECTION 242 340. INVESTIGATIONS AND SUBPOENAS.--(A) THE
BOARD MAY INVESTIGATE ALL MEANS OF TRANSPORTATION AND THE
MANAGEMENT THEREOF, THE ENFORCEMENT OF ITS RESOLUTIONS, RULES
AND REGULATIONS, AND THE ACTION, CONDUCT, AND EFFICIENCY OF ALL
OFFICERS, AGENTS AND EMPLOYES OF THE AUTHORITY. IN THE CONDUCT
OF SUCH INVESTIGATIONS, THE BOARD MAY HOLD PUBLIC HEARINGS ON
ITS OWN MOTION AND SHALL DO SO ON COMPLAINT OR PETITION OF ANY
MUNICIPALITY IN THE METROPOLITAN AREA. EACH MEMBER OF THE BOARD
SHALL HAVE POWER TO ADMINISTER OATHS AND THE SECRETARY, BY ORDER
OF THE BOARD, SHALL ISSUE SUBPOENAS TO SECURE THE ATTENDANCE AND
TESTIMONY OF WITNESSES AND THE PRODUCTION OF BOOKS AND PAPERS
RELEVANT TO SUCH INVESTIGATIONS AND TO ANY HEARING BEFORE THE
BOARD OR ANY MEMBER THEREOF, OR ANY OFFICERS' COMMITTEE OR
EMPLOYEES' COMMITTEE, APPOINTED BY THE BOARD TO HEAR ANY
COMPLAINT OF AN OFFICER OR EMPLOYEE WHO HAS BEEN DISCHARGED OR
DEMOTED.

(B) ANY COURT OF RECORD OF THIS COMMONWEALTH, OR ANY JUDGE
THEREOF, EITHER IN TERM TIME OR VACATION, UPON APPLICATION OF
THE BOARD OR ANY MEMBER THEREOF MAY, IN HIS DISCRETION, COMPEL
THE ATTENDANCE OF WITNESSES, THE PRODUCTION OF BOOKS AND PAPERS,
AND GIVING OF TESTIMONY BEFORE THE BOARD OR BEFORE ANY MEMBER
THEREOF, OR ANY OFFICERS' COMMITTEE OR EMPLOYEES' COMMITTEE,
APPOINTED BY THE BOARD BY ATTACHMENT FOR CONTEMPT OR OTHERWISE,
IN THE SAME MANNER AS THE PRODUCTION OF EVIDENCE MAY BE
COMPELLED BEFORE SAID COURT.

SECTION 243 341. AID FROM FEDERAL GOVERNMENT.--IN ADDITION
TO THE POWERS CONFERRED UPON ANY AUTHORITY BY OTHER PROVISIONS
OF THIS ACT ARTICLE, SUCH AUTHORITY IS EMPOWERED TO BORROW MONEY
OR ACCEPT MONEY OR ACCEPT GRANTS OR OTHER FINANCIAL ASSISTANCE
FROM THE FEDERAL GOVERNMENT, FOR OR IN AID OF ITS OPERATIONS. IT
IS THE PURPOSE AND INTENT OF THIS ACT ARTICLE TO AUTHORIZE THE
AUTHORITY, AND THE AUTHORITY IS SO AUTHORIZED, TO DO ANY AND ALL
THINGS NECESSARY OR DESIRABLE TO SECURE THE FINANCIAL AID OR
COOPERATION OF THE FEDERAL GOVERNMENT IN ANY OF ITS OPERATIONS.
SUCH THINGS MAY INCLUDE WITHOUT LIMITING THE GENERALITY OF THE
FOREGOING: THE POWER TO CHANGE OR REVISE RATES, FARES AND
CHARGES; TO MAKE RELOCATION PAYMENTS TO FAMILIES, BUSINESSES AND
NONPROFIT ORGANIZATIONS; TO PROVIDE AN AREA-WIDE TRANSPORTATION
PLAN OR PROGRAM FOR THE DEVELOPMENT OF A COMPREHENSIVE AND
COORDINATED MASS TRANSPORTATION SYSTEM FOR THE METROPOLITAN
AREA; TO CARRY OUT RESEARCH, DEVELOPMENT AND DEMONSTRATION
PROJECTS; TO PROVIDE A SHARE OF THE COST OF ANY PROJECT; ALL AS
MAY BE REQUIRED BY ANY FEDERAL LAW OR BY THE REQUIREMENTS OF ANY
FEDERAL AGENCY AUTHORIZED TO ADMINISTER ANY FEDERAL PROGRAM OF
AID TO ANY MASS TRANSPORTATION PROGRAM.

SECTION 244 342. EXEMPTION FROM TAXATION.--THE EFFECTUATION OF THE AUTHORIZED PURPOSES OF ANY AUTHORITY CREATED UNDER THIS ACT ARTICLE 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 SUCH AUTHORITY WILL BE PERFORMING ESSENTIAL GOVERNMENTAL FUNCTIONS IN EFFECTUATING SUCH PURPOSES, IT SHALL NOT BE REQUIRED TO PAY ANY PROPERTY TAXES OR ASSESSMENTS, OF ANY KIND OR NATURE WHATSOEVER, NOW IN EXISTENCE OR TO BE ENACTED IN THE FUTURE, WHETHER IMPOSED BY THE COMMONWEALTH OR BY ANY POLITICAL SUBDIVISION THEREOF, OR BY ANY OTHER TAXING AUTHORITY, AND THE BONDS ISSUED BY SUCH AUTHORITY, THEIR TRANSFER, AND THE INCOME THEREFROM (INCLUDING ANY PROFITS MADE ON THE SALE THEREOF), SHALL AT ALL TIMES BE FREE FROM TAXATION WITHIN THE COMMONWEALTH.

SECTION 245 343. LIMITATION OF POWERS.--THE COMMONWEALTH DOES HEREBY PLEDGE TO AND AGREE WITH ANY PERSON, FIRM OR CORPORATION, OR FEDERAL AGENCY SUBSCRIBING TO OR ACQUIRING THE BONDS TO BE ISSUED BY ANY AUTHORITY FOR THE CONSTRUCTION, EXTENSION, IMPROVEMENT OR ENLARGEMENT OF ANY PROJECT OR PART THEREOF, THAT THE COMMONWEALTH WILL NOT LIMIT OR ALTER THE RIGHTS HEREBY VESTED IN SUCH AUTHORITY UNTIL ALL BONDS AT ANY TIME ISSUED, TOGETHER WITH THE INTEREST THEREON, ARE FULLY MET AND DISCHARGED. THE COMMONWEALTH DOES FURTHER PLEDGE TO AND AGREE WITH THE UNITED STATES AND ANY OTHER FEDERAL AGENCY THAT, IN THE EVENT THAT ANY FEDERAL AGENCY SHALL CONSTRUCT OR CONTRIBUTE ANY FUNDS FOR THE CONSTRUCTION, EXTENSION, IMPROVEMENT OR ENLARGEMENT OF ANY PROJECT OR ANY PORTION THEREOF, THE COMMONWEALTH WILL NOT ALTER OR LIMIT THE RIGHTS AND

SECTION 246. SEVERABILITY. -- IF ANY PROVISION OF THIS ACT OR THE APPLICATION THEREOF TO ANY PERSON OR CIRCUMSTANCES IS HELD INVALID, THE REMAINDER OF THIS ACT, AND THE APPLICATION OF SUCH PROVISION TO OTHER PERSONS OR CIRCUMSTANCES, SHALL NOT BE AFFECTED THEREBY, AND TO THIS END, THE PROVISIONS OF THIS ACT ARE DECLARED TO BE SEVERABLE.

ARTICLE III IV

TRANSITION AND MISCELLANEOUS PROVISIONS

SECTION 301 401. TRANSFER OF POWERS, APPROPRIATIONS, ETC. FROM PENNSYLVANIA TRANSPORTATION ASSISTANCE AUTHORITY TO DEPARTMENT OF TRANSPORTATION.--(A) ALL ALLOCATIONS, APPROPRIATIONS, AGREEMENTS, LEASES, CLAIMS, DEMANDS AND CAUSES OF ACTION OF ANY NATURE WHETHER OR NOT SUBJECT TO LITIGATION ON THE DATE OF THIS ACT, EQUIPMENT, FILES, RECORDS, CLASSIFIED DATA FILES, MAPS, AIR PHOTOGRAPHS AND OTHER MATERIAL WHICH ARE USED, EMPLOYED OR EXPENDED IN CONNECTION WITH THE DUTIES, POWERS OR FUNCTIONS OF THE PENNSYLVANIA TRANSPORTATION ASSISTANCE AUTHORITY ARE HEREBY TRANSFERRED TO THE DEPARTMENT OF TRANSPORTATION WITH THE SAME FORCE AND EFFECT AS IF THE APPROPRIATIONS HAD BEEN MADE TO AND SAID ITEMS HAD BEEN THE
PROPERTY OF THE DEPARTMENT OF TRANSPORTATION IN THE FIRST
INSTANCE AND AS IF SAID CONTRACTS, AGREEMENTS, LEASES AND
OBLIGATIONS HAD BEEN INCURRED OR ENTERED INTO BY THE DEPARTMENT
OF TRANSPORTATION.

(B) THE POWER TO ALLOCATE EXCESS FUNDS FROM ONE PROJECT TO
ANOTHER, GIVEN TO THE PENNSYLVANIA TRANSPORTATION ASSISTANCE
AUTHORITY IN THE FOLLOWING ACTS STATUTES IS HEREBY TRANSFERRED
TO THE DEPARTMENT OF TRANSPORTATION, SUBJECT TO THE APPROVAL OF
THE SECRETARY OF THE BUDGET:

(1) SECTION 2, ACT OF APRIL 13, 1976 (P.L.97, NO.42),
ENTITLED "A SUPPLEMENT TO THE ACT OF OCTOBER 18, 1975 (P.L.408,
NO.112), ENTITLED 'AN ACT PROVIDING FOR THE CAPITAL BUDGET FOR
THE FISCAL YEAR 1975-1976,' ITEMIZING A TRANSPORTATION
ASSISTANCE PROJECT TO BE ACQUIRED OR CONSTRUCTED BY THE
PENNSYLVANIA TRANSPORTATION ASSISTANCE AUTHORITY TOGETHER WITH
ITS ESTIMATED FINANCIAL COST; AUTHORIZING THE INCURRING OF DEBT
WITHOUT THE APPROVAL OF THE ELECTORS FOR THE PURPOSE OF
FINANCING THE PROJECT, STATING THE ESTIMATED USEFUL LIFE OF THE
PROJECT, AND MAKING AN APPROPRIATION."

(2) SECTION 2, ACT OF JULY 9, 1976 (P.L.570, NO.138),
ENTITLED "A SUPPLEMENT TO THE ACT OF JULY 9, 1976 (P.L.522,
NO.154), ENTITLED 'AN ACT PROVIDING FOR THE CAPITAL BUDGET FOR
THE FISCAL YEAR 1976-1977,' ITEMIZING TRANSPORTATION ASSISTANCE
PROJECTS TO BE ACQUIRED OR CONSTRUCTED BY THE PENNSYLVANIA
TRANSPORTATION ASSISTANCE AUTHORITY TOGETHER WITH THEIR
ESTIMATED FINANCIAL COST; AUTHORIZING THE INCURRING OF DEBT
WITHOUT THE APPROVAL OF THE ELECTORS FOR THE PURPOSE OF
FINANCING THE PROJECTS, STATING THE ESTIMATED USEFUL LIFE OF THE
PROJECTS, AND MAKING AN APPROPRIATION."

(3) SECTION 2, ACT OF JULY 4, 1979 (NO.28), ENTITLED "A
SUPPLEMENT TO THE ACT OF SEPTEMBER 28, 1978 (P.L.787, NO.151),
ENTITLED 'AN ACT PROVIDING FOR THE CAPITAL BUDGET FOR THE FISCAL
YEAR 1978-1979,' ITEMIZING TRANSPORTATION ASSISTANCE PROJECTS TO
BE ACQUIRED OR CONSTRUCTED BY THE PENNSYLVANIA TRANSPORTATION
ASSISTANCE AUTHORITY TOGETHER WITH THEIR ESTIMATED FINANCIAL
COST; ITEMIZING TRANSPORTATION ASSISTANCE PROJECTS TO BE
ACQUIRED OR PURCHASED BY THE PENNSYLVANIA DEPARTMENT OF
TRANSPORTATION; AUTHORIZING THE INCURRING OF DEBT WITHOUT THE
APPROVAL OF THE ELECTORS FOR THE PURPOSE OF FINANCING THE
PROJECTS, STATING THE ESTIMATED USEFUL LIFE OF CERTAIN OF THE
PROJECTS, AND MAKING AN APPROPRIATION."

SECTION 302 402. CONTINUATION OF EXISTING LAW.--THE
PROVISIONS OF ARTICLE II THIS ACT, SO FAR AS THEY ARE THE SAME
AS THOSE OF EXISTING LAW, ARE INTENDED AS A CONTINUATION OF SUCH
LAW AND NOT AS NEW ENACTMENTS.

SECTION 303 403. REORGANIZATION PLAN.--(A) THE GOVERNING
BODIES OF ALL COUNTIES OF THE THIRD CLASS AND SECOND CLASS A
WHICH ARE INVOLVED WITH ANY CITY OF THE FIRST CLASS IN THE
OPERATION OF A MASS TRANSPORTATION SYSTEM TOGETHER WITH THE
MAYOR OF ANY CITY OF THE FIRST CLASS IN CONSULTATION WITH THE
GOVERNOR SHALL SUBMIT TO THE GOVERNOR AND THE GENERAL ASSEMBLY A
PLAN FOR THE REORGANIZATION OF ANY TRANSPORTATION AUTHORITY
CREATED PURSUANT TO THE ACT OF AUGUST 14, 1963 (P.L.984,
NO.450), KNOWN AS THE "METROPOLITAN TRANSPORTATION AUTHORITIES
ACT OF 1963," OR THIS ACT PRIOR TO JUNE 30, 1980. WITHIN NINETY
DAYS OF THE DATE OF FINAL ENACTMENT OF THIS SECTION. THE
REORGANIZATION PLAN SHALL CONTAIN A DISCUSSION OF AND
RECOMMENDATIONS CONCERNING THE FOLLOWING:

(1) THE VETO POWER INVESTED IN THE TRANSPORTATION BOARD;
(2) THE DIFFICULTIES OCCASIONED BY DUAL OWNERSHIP OF REAL
AND PERSONAL PROPERTY BY SUCH AUTHORITY AND ANY CITY OF THE
FIRST CLASS;

(3) THE PROBLEMS PRECIPITATED BY THE COMPOSITION AND
STRUCTURE OF THE TRANSPORTATION BOARD; AND

(4) ANY OTHER ISSUE REASONABLY RELATED TO THE FOREGOING.

(B) IF THE REORGANIZATION PLAN IS NOT SUBMITTED IN
ACCORDANCE WITH SUBSECTION (A) NO AUTHORITY CREATED PURSUANT TO
THE "METROPOLITAN TRANSPORTATION AUTHORITIES ACT OF 1963" SHALL
CONTINUE TO BE ELIGIBLE TO RECEIVE ANY STATE FUNDS. FOR FISCAL

SECTION 304 404. APPOINTMENT OF NEW OFFICERS.--THE
TRANSPORTATION BOARD OF ANY AUTHORITY CREATED PURSUANT TO THE
ACT OF AUGUST 14, 1963 (P.L.984, NO.450), KNOWN AS THE
"METROPOLITAN TRANSPORTATION AUTHORITIES ACT OF 1963," OR THIS
ACT SHALL APPOINT A NEW COUNSEL TO THE BOARD AND CONTROLLER
PRIOR TO JUNE 30, 1980.

SECTION 305 405. APPROPRIATIONS.--(A) THE SUM OF $5,360,000
OR AS MUCH THEREOF AS MAY BE NECESSARY IS HEREBY APPROPRIATED TO
THE SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY FOR THE
EXCLUSIVE PURPOSE OF MAINTAINING AND REHABILITATING PRESENTLY
OWNED TRANSIT VEHICLES.

(B) THE SUM OF $2,600,000, OR AS MUCH THEREOF AS MAY BE
NECESSARY, IS HEREBY APPROPRIATED TO THE PORT AUTHORITY OF
ALLEGHENY COUNTY FOR THE EXCLUSIVE PURPOSE OF MAINTAINING AND
REHABILITATING PRESENTLY OWNED TRANSIT VEHICLES.

(C) THE SUM OF $22,500 IS HEREBY APPROPRIATED TO THE WEST-
ALL RAIL TRANSPORTATION AUTHORITY IN WESTMORELAND COUNTY TO
PROVIDE PRELIMINARY FUNDING RELATING TO THE DEVELOPMENT OF A
LIGHT RAIL COMMUTER SERVICE.

(C) (D) THE SUM OF $665,000, OR AS MUCH THEREOF AS MAY BE
NECESSARY, IS HEREBY APPROPRIATED TO THE REMAINING
TRANSPORTATION AUTHORITIES FOR THE EXCLUSIVE PURPOSE OF
MAINTAINING AND REHABILITATING PRESENTLY OWNED TRANSIT VEHICLES.


(2) THE DEPARTMENT, AFTER DETERMINING THE TOTAL DOLLAR AMOUNT OF THE GRANT FOR EACH FISCAL YEAR, SHALL THEN APPORTION EACH SUCH FISCAL YEAR AMOUNT BY A FRACTION FOR EACH COUNTY, THE NUMERATOR OF WHICH SHALL BE THE TOTAL NUMBER OF PERSONS SIXTY-

(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 SIXTY-FIVE 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 ARTICLE II, SECTION 203(5); AND

(II) EXPENDITURES INCURRED OR TO BE INCURRED IN THE PLANNING, DEVELOPING AND ESTABLISHING OF LOCAL TRANSPORTATION SYSTEMS IN A COUNTY FOR PERSONS SIXTY-FIVE 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 SIXTY-FIVE 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.


SECTION 306 406 407. REPEALS.—THE FOLLOWING ACTS ARE REPEALED:

ACT OF AUGUST 14, 1963 (P.L.984, NO.450), KNOWN AS THE "METROPOLITAN TRANSPORTATION AUTHORITIES ACT OF 1963."


SECTION 4. EXCEPT FOR SECTION 105 204 OF ARTICLE II, WHICH SHALL TAKE EFFECT JANUARY 1, 1981, THIS ACT SHALL TAKE EFFECT IMMEDIATELY.