

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2673 Session of  
1976

INTRODUCED BY IRVIS, MANDERINO, MENHORN, LOGUE, DeMEDIO, McCUE,  
TADDONIO, MILANOVICH, SCHMITT, TRELLO, CAPUTO, COWELL AND  
ITKIN, SEPTEMBER 27, 1976

REFERRED TO COMMITTEE ON TRANSPORTATION, SEPTEMBER 27, 1976

AN ACT

1 To increase the commerce and prosperity of the people of the  
2 Commonwealth, to improve their health and living conditions,  
3 and to alleviate the problems created by traffic congestion  
4 and the lack of adequate transportation services and  
5 facilities, by authorizing the creation of a Joint Regional  
6 Transportation Board to function in each region consisting of  
7 any county of the second class and all counties not of the  
8 second class within the Commonwealth contiguous to such  
9 second class county, for the purpose of establishing an  
10 integrated transportation system with all pertinent powers  
11 including, but not limited to, leasing, acquiring, owning,  
12 operating and maintaining a system for, or otherwise  
13 providing for, the transportation of persons or things  
14 authorizing the borrowing of money and issuance of bonds  
15 therefor, conferring the right of eminent domain on said  
16 joint board, altering the jurisdiction of the Public Utility  
17 Commission, authorizing the acceptance of grants from  
18 Federal, State, local governments and other entities or  
19 persons, limiting actions against the joint board and  
20 exempting it from taxation, authorizing counties and  
21 municipalities to enter into compacts for the financing of  
22 each joint board and to expend moneys in accordance with such  
23 compacts, conferring exclusive jurisdiction upon certain  
24 courts with respect to matters relating to such joint board,  
25 and empowering each joint board to function outside of the  
26 region under certain terms and conditions.

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

29 Section 1. Short Title.--This act shall be known and may be

1 cited as the "Joint Regional Transportation Board Act."

2 Section 2. Legislative Finding; Declaration of Policy.--It  
3 is hereby determined and declared as a matter of legislative  
4 finding:

5 (1) That fluctuating oil reserves and a virtually  
6 unpredictable pricing policy of middle eastern oil suppliers  
7 necessitate a shift in emphasis from the Commonwealth's reliance  
8 on a transportation system based predominantly upon the private  
9 automobile.

10 (2) That there exists in the urban and suburban communities  
11 in the southwestern Pennsylvania region, traffic congestion and  
12 serious mass transportation problems because of underdeveloped,  
13 uncoordinated obsolete mass transportation facilities and too  
14 great an acquiescence upon the commingling of mass transit  
15 vehicles, pedestrians and the private automobile, resulting in  
16 inadequate or overcrowded high cost conditions on our streets  
17 and highways and inadequate provision for separation of the  
18 several modes of transportation.

19 (3) That there exists in the urban, suburban and rural  
20 communities in the southwestern Pennsylvania region many people  
21 who have transportation services inadequate to enable them to  
22 meet basic health and economic needs often because they have no  
23 access to an automobile for physical or economic reasons, or  
24 both.

25 (4) That there exists a limited supply of transportation  
26 facilities and services in the southwestern Pennsylvania region  
27 which offer alternatives to the automobile thus presenting  
28 economic and institutional barriers to any change in the  
29 situation.

30 (5) That such conditions or a combination of some or all of

1   them have made and will continue to result in making such  
2   communities economic and social liabilities, harmful to the  
3   social and economic well-being of the entire area, depreciating  
4   values therein, reducing the tax revenues, making the  
5   southwestern Pennsylvania region and its constituent communities  
6   less desirable areas in which to live and work and thereby  
7   depreciating further the general community wide values.

8       (6)   That the foregoing conditions are not now effectively  
9   dealt with by private enterprise.

10       (7)   That the sound replanning and redevelopment of regional  
11   mass and rapid transportation facilities in accordance with  
12   sound and approved plans for their promotion, development, and  
13   growth will promote the public health, safety, convenience and  
14   welfare and that the public acquisition of existing mass and  
15   rapid transportation facilities in accordance with the said  
16   sound plans will promote the public health, safety, convenience  
17   and welfare.

18       (8)   That the well-being and economic health of the counties  
19   and other communities in the southwestern Pennsylvania region  
20   require integrated systems of transportation.

21       (9)   That the sound promotion, coordination, and planning of  
22   transportation facilities and services, including existing and  
23   future technologies, systems, and services, in accordance with  
24   sound and approved plans, will enhance the public health,  
25   safety, convenience and welfare.

26       (10)   That the well-being and economic health of the counties  
27   and other communities in the southwestern Pennsylvania region  
28   require that transportation facilities and services, complement,  
29   supplement, integrate with and otherwise coordinate with mass  
30   and rapid transportation facilities.

1 (11) That it is desirable that the supply of all  
2 transportation facilities and services in the southwestern  
3 Pennsylvania region be coordinated, promoted, improved and  
4 supplemented by the creation of a Joint Regional Transportation  
5 Board as herein provided.

6 (12) That the establishment of a joint board will promote  
7 the public safety, convenience and welfare.

8 (13) That it is intended that the joint board created  
9 hereunder may cooperate with all municipalities and other public  
10 bodies in whose territories it operates so that the  
11 transportation system may best serve the interests of the  
12 residents thereof.

13 Therefore, it is hereby declared to be the policy of the  
14 Commonwealth of Pennsylvania to promote the safety and welfare  
15 of the inhabitants thereof by authorizing the creation of a body  
16 corporate and politic for the southwestern Pennsylvania region  
17 to be known as the Joint Regional Transportation Board of such  
18 region which shall exist and operate for the purposes contained  
19 in this act. Such purposes are hereby declared to be public uses  
20 for which public money may be spent and property may be acquired  
21 by the exercise of the power of eminent domain.

22 Section 3. Definitions.--The following words and phrases  
23 when used in this act shall have the meanings given to them in  
24 this section, unless the context clearly indicates otherwise:

25 "Federal agency." The United States of America, the  
26 President of the United States and any department or  
27 corporation, agency or instrumentality, heretofore or hereafter  
28 created, designated or established by the United States of  
29 America.

30 "Joint board." Any Joint Regional Transportation Board

1 created pursuant to this act.

2 "Project." Any system, structure or structures, facility or  
3 facilities, service or services or undertaking which a joint  
4 board is authorized to acquire, construct, improve, lease,  
5 maintain, operate, contract for, or otherwise employ or render  
6 under the provisions of this act.

7 "Region." All of the territory within any county of the  
8 second class and all counties not of the second class within the  
9 Commonwealth on the effective date of this act contiguous to  
10 such second class county.

11 "Transportation system." All property, real and personal,  
12 and powers useful for the transportation of passengers or  
13 things, including but not limited to, power plants, substations,  
14 terminals, garages, bridges, viaducts, tunnels, subways,  
15 elevated lines, monorails, automated guide way facilities,  
16 railroad motive power, trains, railroad cars and equipment, belt  
17 conveyors, inclines, car barns, street cars, buses, rails,  
18 lines, poles, wires, stations, off-street parking facilities,  
19 rights-of-way, or any facility or technology now or hereafter  
20 existing for the purpose of movement of people or things on,  
21 above, or under the ground or in the air, as well as the  
22 franchises, rights and licenses therefor.

23 Section 4. Creation of Joint Regional Transportation  
24 Board.--There is hereby authorized the creation of a separate  
25 body corporate and politic in each region to be known as the  
26 Joint Regional Transportation Board (hereinafter referred to as  
27 the joint board) extending to and including all of the territory  
28 in the region. The joint board for each region shall in no way  
29 be deemed to be an instrumentality of any municipality or engage  
30 in the performance of a municipal function, but shall exercise

1 the public powers of the Commonwealth as an agency and  
2 instrumentality thereof. Each joint board shall exist for the  
3 following purposes: to engage in planning, acquiring, holding,  
4 constructing, improving, maintaining, operating, leasing, either  
5 as lessor or lessee, and otherwise functioning with respect to  
6 transportation systems in the region and outside of such area to  
7 the extent necessary for the operation of an integrated system  
8 and for the provision of all group and party services which can  
9 be provided by transportation systems subject to acquisition  
10 under this act and to promote and assist in the role of agent,  
11 broker, or other arrangement the utilization of all and any  
12 transportation facilities and services including existing and  
13 future technologies, systems and services. All services rendered  
14 by the joint board outside the region shall be pursuant to  
15 certificates of public convenience or other appropriate  
16 authorization issued to it by the Pennsylvania Public Utility  
17 Commission, or other appropriate regulatory agency of any state  
18 or Federal Government. A joint board shall transact no business  
19 or otherwise become operative until the members of its governing  
20 and administrative bodies have been selected and certified.  
21 There shall be no more than one joint board in each region.

22 Section 5. Members of Joint Board.--All governing and  
23 administrative powers of the joint board as herein granted shall  
24 be vested in two bodies, one to be known as the appointed body  
25 and the other to be known as the ex officio body, composed of  
26 members to be selected as hereinafter provided. No board member  
27 shall be allowed any fees, perquisites or emoluments, reward or  
28 compensation for services as a member or officer of the joint  
29 board but shall be reimbursed for actual expenses incurred in  
30 the performance of his or her duties.

1       Section 6.   Selection of Members.--(a) The ex officio body  
2 shall be composed of those members of the House of  
3 Representatives of the General Assembly of the Commonwealth of  
4 Pennsylvania who are elected from time to time as provided in  
5 Article II of the Constitution of Pennsylvania whose districts  
6 are located in whole or in part in the region. Such members  
7 shall be members of said ex officio body only during their  
8 respective terms in office.

9       (b) The appointed body shall be composed of members  
10 appointed by the Governor or appointed by the county  
11 commissioners in each county located in the region, as the case  
12 may be, as hereinafter provided.

13       (c) At any time after the effective date of this act:

14       (1) The Governor shall appoint as members of the appointed  
15 body three persons, who may or may not be officials in the  
16 government of the Commonwealth and whose respective terms shall  
17 be for six years from the date of appointment.

18       (2) (i) The county commissioners in each county of the  
19 region shall appoint, subject to conditions stated herein, two  
20 persons from each county to serve as members for staggered  
21 terms. Of the initial two members appointed in each county, one  
22 member shall be appointed to serve for three years and the other  
23 shall be appointed to serve for six years. Thereafter, each  
24 appointment shall run for a term of six years.

25       (ii) Appointments made by the county commissioners of each  
26 county in the region shall be subject to the following  
27 requirements:

28       (A) The commissioners shall give public notice 30 days in  
29 advance of their intent to make an appointment or fill a vacancy  
30 all in accordance with the applicable provisions of the act of

1 July 19, 1974 (P.L.486, No.175), entitled "An act requiring  
2 public agencies to hold certain meetings and hearings open to  
3 the public and providing penalties." This notice shall state in  
4 addition that, as a prerequisite to consideration for  
5 appointment, the special qualifications of the prospective  
6 appointee shall be documented and retained on file in the  
7 respective office of the county commissioners. This information  
8 shall be available for public scrutiny.

9 (B) After such notice as specified in clause (A) public  
10 hearings shall be conducted by the respective county  
11 commissioners at which time prospective appointees and the  
12 public at large may offer testimony.

13 (C) All appointments shall be certified to the Secretary of  
14 the Commonwealth by the several appointing powers. With respect  
15 to the ex officio body, the Secretary of the House of  
16 Representatives, shall certify whose districts are contained in  
17 whole or in part in the region.

18 Section 7. Resignation and Removal of Members.--(a) (1)  
19 Members of the appointed body shall hold office until their  
20 respective successors have been appointed and qualified.

21 (2) A member of the appointed body shall be deemed to have  
22 abandoned his or her office upon failure to attend any regular  
23 or special meetings of the appointed body, without excuse  
24 approved by resolution of the appointed body, for a period of  
25 two months. Upon such vacancy, the appropriate county  
26 commissioners shall, forthwith and without more, appoint a  
27 successor.

28 (3) The appointed body shall have the power to determine the  
29 rules of its proceedings and punish its members for contempt and  
30 disorderly behavior in its presence, and with the concurrence of



1 two-thirds, to expel a member.

2 (4) A member expelled shall not thereafter be eligible to  
3 the appointed body.

4 (5) Neither expulsion nor punishment for corruption,  
5 contempt or disorderly behavior shall bar an indictment for the  
6 same offense.

7 (b) Members of the ex officio body shall hold office until  
8 their respective terms of office as members of the General  
9 Assembly of Pennsylvania have expired.

10 Section 8. Meetings, Quorum, Approval of Resolutions,  
11 Election of Chairman of the Appointed Body.--(a) Meetings of the  
12 appointed body shall be held in the region at least once in each  
13 calendar month, the time and place, the period of advance notice  
14 and the manner of notification of such meetings to be fixed by  
15 the appointed body. Special meetings may be held at the call of  
16 the chairman or any three members. All action of the appointed  
17 body shall be by resolution and the affirmative vote of a  
18 majority of all appointed body members present at such meetings  
19 shall be necessary for the adoption of any resolution.

20 (b) Within 90 days after its legal establishment, the  
21 appointed body shall elect from among its members a chairman who  
22 shall serve for a term of one year and who, until his successor  
23 shall have been elected and qualified, shall perform such duties  
24 as the appointed body shall, by resolution, determine from time  
25 to time.

26 Section 9. Meetings, Quorum, Approval of Resolutions,  
27 Election of Chairman of the Ex officio Body.--(a) Within 90 days  
28 after its legal establishment, the ex officio body shall elect  
29 from among its members a chairman who shall serve for a term of  
30 one year and who, until his successor shall have been elected

1 and qualified, shall perform such duties as the ex officio body  
2 shall, by resolution, determine from time to time.

3 (b) Meetings of the ex officio body shall be held at least  
4 once annually in the region at the call of the Governor, its  
5 chairman or any three members and as often as the Governor, its  
6 chairman or any three members deem necessary or appropriate. All  
7 action of the ex officio body shall be by resolution and the  
8 affirmative vote of a majority of all ex officio body members  
9 present at such meeting shall be necessary for the adoption of  
10 any resolution.

11 Section 10. Secretary, Treasurer, Oath, Bond.--The appointed  
12 body shall appoint a secretary and treasurer to hold office at  
13 the pleasure of the appointed body without compensation and  
14 whose respective duties shall be fixed by the appointed body.  
15 Before entering upon the duties of their respective offices they  
16 shall take and subscribe the constitutional oath of office. The  
17 treasurer and such other officers and employees of the joint  
18 board and such members of the appointed body as the appointed  
19 body may determine shall execute corporate surety bonds,  
20 conditioned upon the faithful performance of their respective  
21 duties. A blanket form of surety bond may be used for this  
22 purpose if the appointed body deems such procedure to be  
23 practical and prudent. The obligation of the sureties shall not  
24 extend to any loss sustained by the insolvency, failure or  
25 closing of any National or State bank wherein the treasurer has  
26 deposited funds if the bank has been approved by the appointed  
27 body as a depository for these funds. The oaths of office and  
28 the surety bond or bonds shall be filed in the principal office  
29 of the joint board.

30 Section 11. Deposit of Funds, Checks and Drafts; Security

1 Collateral.--(a) All funds of any nature under the control of  
2 the joint board shall be deposited in such bank or banks as are  
3 authorized to hold the deposits of the general revenues of the  
4 Commonwealth of Pennsylvania.

5 (b) All such funds shall be deposited by the treasurer or  
6 any officer or employee of the joint board, as the appointed  
7 body may designate, in the name of the joint board. Such funds  
8 may be withdrawn or paid out only by check or draft upon the  
9 bank signed by the treasurer and countersigned by the chairman  
10 of the appointed body or by any officer or employee of the joint  
11 board as the appointed body may designate.

12 (c) Whenever the business of the joint board requires the  
13 affixing of the signature of any officer or employee of the  
14 joint board, the use of a facsimile signature, when expressly  
15 authorized by resolution of the appointed body shall have the  
16 same force and effect as an original signature.

17 (d) All bank balances to the extent the same are not insured  
18 shall be continuously secured by a pledge of direct obligations  
19 of the United States of America, of the Commonwealth or any  
20 municipality in the region having an aggregate market value,  
21 exclusive of accrued interest at all times at least equal to the  
22 balance of deposit in such bank. Such securities shall either be  
23 deposited with the treasurer of the joint board or be held by a  
24 trustee or agent satisfactory to the joint board. All banks and  
25 trust companies are authorized to give such security for such  
26 balances.

27 Section 12. Signatures of Officers Ceasing to Hold Office.--  
28 In case any officer whose signature appears on any check, draft,  
29 bond, certificate or interest coupon issued pursuant to this  
30 act, ceases to hold his office before the delivery thereof to

1 the payee or the purchaser of any bond or certificate, the  
2 signature nevertheless shall be valid and sufficient for all  
3 purposes with the same effect as if he had remained in office  
4 until delivery thereof.

5 Section 13. General Manager.--Before the joint board engages  
6 in transportation operations, the appointed body shall appoint a  
7 general manager of demonstrated technical competence and  
8 experience in transportation matters. No member of the appointed  
9 body or ex officio body may be eligible for the position of  
10 general manager. The general manager shall receive a salary  
11 competitive with salaries afforded such a position in comparable  
12 transit communities and the appointed body shall have the power  
13 to fix such salary and perquisites. The general manager shall be  
14 responsible for hiring and structuring a staff, shall have  
15 management of the properties and business of the joint board and  
16 the employees thereof subject to the general control of the  
17 appointed body, shall direct the enforcement of all resolutions,  
18 rules and regulations of the appointed body and perform such  
19 other duties as may be prescribed from time to time by the  
20 appointed body.

21 Section 14. Legal Division, General Counsel.--(a) Before the  
22 joint board engages in transportation operations, the appointed  
23 body shall establish a legal division which shall be  
24 administered by a general counsel, who shall be an attorney-at-  
25 law admitted to practice before the Supreme Court of the  
26 Commonwealth and who shall devote his entire time to, and report  
27 solely, to the appointed body and to serve at its discretion.  
28 The legal division, in addition to the general counsel, shall  
29 consist of such full-time attorneys and other employees as the  
30 appointed body from time to time shall determine to be necessary

1 and who shall be appointed by the general counsel, with the  
2 approval of the appointed body. The legal division shall  
3 administer the legal affairs of the joint board, shall prosecute  
4 or defend, settle or compromise all suits or claims by or  
5 against the joint board, and shall advise the joint board and  
6 its officers in all matters relating to their official duties.

7 (b) The general counsel may, from time to time, with the  
8 approval of the appointed body, retain such other legal counsel  
9 on such terms and for such purposes as shall be deemed by the  
10 appointed body to be necessary or desirable.

11 Section 15. Other Employees.--(a) The appointed body shall  
12 provide for the employment of such other officers, agents,  
13 consultants, engineers and employees as may be necessary for the  
14 performance of the work of the joint board. The compensation of  
15 the general manager, general counsel, and all other officers,  
16 attorneys, consultants, agents and employees shall be fixed by  
17 the appointed body. No salaried officer, agent, consultant,  
18 engineer or employee of the joint board shall hold any other  
19 office in or be an employee of the Federal, State or any county  
20 or municipal government except an office or employment without  
21 compensation or an office in the military reserve or national  
22 guard.

23 (b) The joint board through its appointed body shall deal  
24 with and enter into written contracts with the employees of the  
25 joint board through elected representatives of such employees or  
26 representatives of any labor organization authorized to act for  
27 such employees, concerning wages, salaries, hours, working  
28 conditions and pension or retirement provisions.

29 (c) The joint board shall recognize and be bound by existing  
30 labor union agreements where they exist between labor unions and

1 transportation companies that are acquired, purchased, condemned  
2 or leased by the joint board. Such employees shall be entitled  
3 to maintain the collective bargaining units existing at the time  
4 of the acquisition, condemnation, or lease.

5 (d) In the case of the partial acquisition, purchase,  
6 condemnation or conveyance of lease of any transportation  
7 companies by the joint board, the joint board shall offer  
8 employment to the employees of the former operator as may be  
9 agreed upon as the result of negotiations with the  
10 representatives of the various classes or crafts involved, which  
11 agreement shall specify the manner in which such employees will  
12 be identified and assigned to positions. If no agreement with  
13 respect to the matters referred to in this subsection is reached  
14 by the end of 15 days after the commencement of negotiations the  
15 parties shall, within an additional seven days select a neutral  
16 referee. If the parties fail to act within the seven day period  
17 or fail to agree on a referee then the Secretary of Labor and  
18 Industry of Pennsylvania shall immediately appoint a referee.  
19 After a referee has been designated, a hearing on the dispute  
20 shall commence as soon as practicable. Not less than seven days  
21 prior to the effective date of any conveyance or lease pursuant  
22 to the provisions of this act, the referee shall resolve and  
23 decide all matters in dispute with respect to the transaction  
24 involved. Such agreement shall be made or decision rendered  
25 prior to the effective date of the conveyance or lease.

26 (e) In case of any labor dispute where collective bargaining  
27 does not result in agreement, the joint board shall offer to  
28 submit such dispute to arbitration as provided in the Public  
29 Employee Relations act.

30 (f) (i) If the joint board acquires an existing

1 transportation system, such of the employees of such  
2 transportation system, except executive and administrative  
3 officers as are necessary for the operation thereof by the joint  
4 board, shall be transferred to and appointed as employees of the  
5 joint board subject to all the rights and benefits of this act.

6 (ii) These employees shall be given seniority credit and  
7 sick leave, vacation, insurance and pension credits in addition  
8 to any and all fringe benefits in accordance with the records,  
9 established past practices or labor agreements from the acquired  
10 transportation system.

11 (iii) Members and beneficiaries of any pension or retirement  
12 system or other benefits established by the acquired  
13 transportation system shall continue to have rights, privileges,  
14 benefits, obligations and status with respect to such  
15 established system.

16 (iv) The joint board shall assume the obligations of any  
17 transportation system acquired by it with regard to wages,  
18 salaries, hours, working conditions, sick leave, health and  
19 welfare and pension or retirement provisions for employees.

20 (v) The joint board and the employees through their elected  
21 representatives for collective bargaining purposes shall take  
22 whatever action may be necessary to have pension trust funds  
23 under the joint control of the acquired transportation system  
24 and the participating employees through their representatives  
25 transferred to the trust fund to be established, maintained and  
26 administered jointly by the joint board and the participating  
27 employees through their representatives.

28 (g) No employee of any acquired transportation system, who  
29 is transferred to a position with the joint board, shall by  
30 reason of such transfer be placed in any worse position with

1 respect to workmen's compensation, unemployment compensation,  
2 pension, seniority, wages, sick leave, vacation health and  
3 welfare insurance or any other benefits that he enjoyed as an  
4 employee of such acquired transportation system.

5 (h) Employees who have left the employ of any acquired  
6 transportation system or leave the employ of the joint board to  
7 enter the military service of the United States shall have such  
8 re-employment rights under the joint board as may be granted  
9 under any law of the United States or the Commonwealth of  
10 Pennsylvania.

11 (i) Except as otherwise specifically provided herein, the  
12 provisions of the act of July 23, 1970 (P.L.563, No.195), known  
13 as the "Public Employe Relations Act" shall apply to the joint  
14 board created under this act and its employees.

15 Section 16. Classification of Positions and Employments;  
16 Discharge or Demotion of Officers or Employees; Hearings;  
17 Seniority; Pensions and Retirement.--(a) The appointed body  
18 shall classify all the offices, positions and grades of regular  
19 employment required, excepting that of the chairman of the  
20 appointed body, the chairman of the ex officio body, the general  
21 manager, secretary, treasurer, general counsel and other  
22 attorneys in the legal division, with reference to the duties  
23 thereof and the compensation fixed therefor and adopt rules  
24 governing appointments to any of such offices or positions on  
25 the basis of merit and efficiency. No discrimination shall be  
26 made in any appointment or promotion because of sex, race,  
27 creed, color or political or religious affiliations. No officer  
28 or employee shall be discharged or demoted except for just  
29 cause.

30 (b) The appointed body may abolish any office or reduce the



1 force of employees for lack of work or lack of funds, but in so  
2 doing the officer or employee with the shortest service record  
3 in the class and grade to which he belongs shall be first  
4 released from service and shall be reinstated in order of  
5 seniority, when additional force of employees is required.

6 Seniority shall be considered a working condition. No qualified  
7 person shall be laid off if a transfer to another job, division  
8 or department within the transportation system can be arranged.

9 (c) There shall be established and maintained by the joint  
10 board a pension and retirement system to provide for payments  
11 when due under such system or as modified from time to time by  
12 resolution of the appointed body. For this purpose, both the  
13 appointed body and the participating employees shall make such  
14 periodic payments to the established system as may be determined  
15 by such resolution. The appointed body may provide for  
16 participation by its employees in the social security program,  
17 in lieu of social security payments required to be paid by  
18 private corporations engaged in similar activity, shall make  
19 payments into such established system at least equal in amount  
20 to the amount so required to be paid by such private  
21 corporations, or make such other arrangements as will accomplish  
22 the same purpose. Provisions shall be made by the appointed body  
23 for all officers and employees of the joint board appointed  
24 pursuant to this act to become subject to reasonable rules and  
25 regulations, members and beneficiaries of the pensions and  
26 retirement system, with uniform rights, privileges, obligations  
27 and status as to the class in which such officers and employees  
28 belong. Members and beneficiaries of any pensions or retirement  
29 system established by a transportation system acquired by the  
30 joint board shall continue to have rights, privileges, benefits,

1 obligations and status with respect to such previously  
2 established system. To achieve the purposes set forth in this  
3 subsection, the appointed body shall make appropriate rules and  
4 regulations and from time to time shall obtain competent  
5 actuarial advice.

6 Section 17. General Powers and Duties of Joint Board.--(a)  
7 The certification by the appointing power of each ex officio  
8 body and appointed body member and the constitutional oath of  
9 office subscribed by each member, shall be filed with the  
10 Department of State. When the appointed body has been organized  
11 and its officers elected, the chairman shall certify to the  
12 Secretary of the Commonwealth the names and addresses of its  
13 officers, as well as the principal office of the joint board.  
14 Thereafter, the Secretary of the Commonwealth shall issue a  
15 certificate of incorporation. Such certificate shall refer to  
16 the joint board by the name which shall be designated by the  
17 appointed body. Any change in the location of the principal  
18 office shall likewise be certified to the Secretary of the  
19 Commonwealth within ten days after such change.

20 (b) In any suit, action or proceeding involving or relating  
21 to the validity or enforcement of any contract or act of a joint  
22 board, a copy of the certificate of incorporation, duly  
23 certified by the Department of State, shall be admissible in  
24 evidence, and shall be conclusive proof of the legal  
25 establishment of the joint board.

26 (c) A duly certified joint board shall have and may exercise  
27 all powers necessary or convenient for the carrying out of the  
28 aforesaid purposes, including, but without limiting the  
29 generality of the foregoing, the following rights or powers:

30 (1) To have perpetual existence.

1       (2) To sue and be sued, implead and be impleaded, complain  
2 and defend in all courts, to petition the Interstate Commerce  
3 Commission or other regulatory body, or join in any proceeding  
4 before any such bodies or courts in any matter affecting the  
5 operation of any project of the joint board.

6       (3) To adopt and use and alter at will a corporate seal.

7       (4) To establish a principal office within a county of the  
8 second class and such other office or offices as may be  
9 necessary for the carrying on of its duties.

10      (5) To acquire, purchase, hold, lease as lessee and use any  
11 franchise, property, real, personal or mixed, tangible or  
12 intangible, or any interest therein necessary or desirable for  
13 carrying out the purposes of the joint board, and to sell, lease  
14 as lessor, transfer and dispose of any property, or interest  
15 therein, at any time acquired by it. In exercising any of the  
16 powers granted by this paragraph, the joint board shall  
17 consider, inter alia, the same value factors as provided in  
18 section 18 in determining compensation under the exercise of  
19 eminent domain.

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

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

25      (8) To appoint officers, agents and employees to prescribe  
26 their duties and fix their compensation subject, however, to  
27 specific provisions of this act.

28      (9) To fix, alter, charge and collect fares, rates, rentals  
29 and other charges for its facilities by zones or otherwise at  
30 reasonable rates to be determined exclusively by it, subject to

1 appeal, as hereinafter provided, for the purpose of providing  
2 for the payment of all expenses and obligations of the joint  
3 board, including the acquisition, construction, improvement,  
4 repair, maintenance and operation of its facilities and  
5 properties, the payment of the principal and interest on its  
6 obligations, and to comply fully with the terms and provisions  
7 of any agreements made with the purchasers or holders of any  
8 such obligations. The joint board shall determine by itself  
9 exclusively, after appropriate public hearing, the facilities to  
10 be operated by it, the services to be available to the public,  
11 and the rates to be charged therefor. Any person aggrieved by  
12 any rate or service or change of service fixed by the joint  
13 board may bring an appeal against the joint board in the court  
14 of common pleas of any county in the region in which the charge,  
15 service or change of service shall be applicable, for the  
16 purpose of protesting against any such charge, service or change  
17 of service. The grounds for such suits shall be restricted to a  
18 manifest and flagrant abuse of discretion or an error of law;  
19 otherwise, all such actions by the joint board shall be final.  
20 Whenever two or more appeals shall be brought against the same  
21 action of the joint board, exclusive jurisdiction for the  
22 determination thereof shall be vested in the first court to  
23 receive such an appeal, and all other courts receiving  
24 subsequent appeals against the same action shall transfer such  
25 appeals to the said first court. Upon the finding of an error of  
26 law or a manifest and flagrant abuse of discretion, the court  
27 shall issue an order setting forth the abuse or error and  
28 returning the matter to the joint board for such further action  
29 as shall be consistent with the findings of the court. No appeal  
30 from the action of the joint board or from the decision of the

1 court of common pleas shall act as a supersedeas, except when  
2 taken by the joint board or any municipality, or, in other  
3 cases, when specially granted after a finding that irreparable  
4 and extraordinary harm will result. The courts shall give  
5 priority to all such appeals and no bond shall be required of  
6 any party instituting such an appeal under the provisions of  
7 this section. The joint board shall fix such rates, fares and  
8 charges in such manner that they shall be at all times  
9 sufficient in the aggregate, and in conjunction with any grants  
10 from Federal or other sources, and any other income available to  
11 the joint board, to provide funds:

12 (i) for the payment of all operating costs and expenses which  
13 shall be incurred by the joint board; and

14 (ii) for the payment of the interest on and principal of all  
15 bonds, certificates and other obligations payable from said  
16 revenues and to meet all other charges upon such revenues as  
17 provided by any trust agreement executed by the joint board in  
18 connection with the issuance of bonds or certificates under this  
19 act.

20 The joint board may enter into agreements with the United States  
21 Post Office Department for the transportation of mail and  
22 payment of compensation to the joint board in lieu of fares for  
23 the transportation of letter carriers in uniform at all times.

24 The joint board may make similar agreements with any  
25 municipality in and by which they are employed, for the  
26 transportation of firemen and public health nurses when in  
27 uniform, upon presentation of identification as policemen. The  
28 joint board may also provide free transportation for employees  
29 of the joint board when in uniform or upon presentation of  
30 identification of such employees.

1       (10) To borrow money from private lenders, or from the  
2 Commonwealth or Federal Government, or from any municipality in  
3 the region in such amounts as may be necessary or desirable for  
4 the operation and work of the joint board to make and issue  
5 negotiable notes, bonds, refunding bonds and other evidence of  
6 indebtedness or obligations of the joint board in connection  
7 with any such borrowing or refunding or in payment in whole or  
8 in part of all or any part of any transportation system, or any  
9 bonds, shares or other securities of any corporation owning or  
10 operating any such system, or any franchises, property,  
11 equipment or interests acquired or to be acquired by the joint  
12 board and to secure the payment of such bonds, or any part  
13 thereof, by pledge or deed of trust of all or any of its  
14 revenues, rentals and receipts, and to make such agreements with  
15 the purchasers or holders of such bonds or with others in  
16 connection with any such bonds, whether issued or to be issued  
17 as the joint board shall deem advisable and in general, to  
18 provide for the security for said bonds and the rights of the  
19 holders thereof.

20       (11) To apply for and to accept grants, loans and other  
21 assistance from, and to enter into contracts, leases or other  
22 transactions with, the Federal Government or any agency or  
23 instrumentality thereof, the Commonwealth, any municipality or  
24 corporation, or any person whatsoever, for any of the purposes  
25 of the joint board, and to enter into any agreement with the  
26 Federal Government in relation to such grants, loans, or other  
27 assistance. Such agreement shall not conflict with any of the  
28 provisions of any trust agreement securing the payment of bonds  
29 or certificates of the joint board.

30       (12) To make and execute all contracts and other instruments

1 necessary or convenient to the exercise of the powers of the  
2 joint board. Any contract or instrument when signed by the  
3 chairman of the appointed body or any other signatory authorized  
4 by resolution of said appointed body of the joint board shall be  
5 held to have been properly executed for and on its behalf.  
6 Without limiting the generality of the foregoing, the joint  
7 board is also authorized to enter into contracts for the  
8 purchase, lease, operation or management of transportation  
9 facilities within or without the region or within or without the  
10 Commonwealth. When such facilities are located outside the  
11 region, they shall be subject to the jurisdiction of the  
12 appropriate regulatory agencies.

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

17 (14) To pledge, hypothecate, or otherwise encumber, all or  
18 any of the revenues or receipts of the joint board as security  
19 for all or any of the obligations of the joint board.

20 (15) To do all acts and things necessary for the promotion  
21 of its business, and the general welfare of the joint board to  
22 carry out the powers granted to it by this act or any other  
23 acts.

24 (16) To enter into contracts with the Commonwealth, its  
25 agencies and instrumentalities, municipalities or corporations,  
26 on such terms as the joint board shall deem proper for the use  
27 of any facility of the joint board and fixing the amount to be  
28 paid therefor.

29 (17) To enter into contracts of group insurance for the  
30 benefit of its employees, or to continue any existing insurance

1 and or pension or retirement system and/or any other employee  
2 benefit arrangement.

3 (18) The joint board shall have no power, at any time or in  
4 any manner, to pledge the credit or taxing power of the  
5 Commonwealth, or any political subdivision, nor shall any of its  
6 obligations be deemed to be obligations of the Commonwealth or  
7 of any of its political subdivisions, nor shall the Commonwealth  
8 or any political subdivision thereof be liable for the payment  
9 of principal or interest on such obligations.

10 (19) Private rights and property in the beds of existing  
11 public highways vacated in order to facilitate the purposes of  
12 the joint board shall not be deemed destroyed or ousted by  
13 reason of such vacation, but shall be acquired or relocated by  
14 the joint board in the same manner as other property.

15 (20) To have the right to use any public road, street, way,  
16 highway, bridge, viaduct or tunnel for the operation of a  
17 transportation system within the region. In all cases involving  
18 the facilities of a railroad, any operations of which extend  
19 beyond the region, the exercise shall be subject to the  
20 jurisdiction of the Public Utility Commission under the act of  
21 May 28, 1937 (P.L.1053, No.286), known as the "Public Utility  
22 Law."

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

27 (22) To self-insure or otherwise provide for the insurance  
28 of any property or operations of the joint board against any  
29 risks or hazards.

30 (23) To act as agent of the Commonwealth, or of the Federal



1 Government or any of its instrumentalities or agencies, for the  
2 public purposes set out in this act.

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

7 (25) To make available to the government of a municipality  
8 or any appropriate agency, board or commission thereof, the  
9 recommendations of the joint board affecting any area in the  
10 joint board's field of operation or property therein, which it  
11 may deem likely to promote the public health, morals, safety and  
12 welfare.

13 (26) (i) To formulate plans for the improvement of  
14 transportation in order to promote the economic development of  
15 the region in which the joint board operates; to make  
16 recommendations concerning mass, rapid or other transportation  
17 facilities which the joint board does not own or operate; to  
18 make recommendations concerning throughways and arterial highway  
19 connections to the Department of Transportation and to other  
20 appropriate governmental bodies; and otherwise to cooperate with  
21 all such governmental bodies.

22 (ii) The joint board shall obtain a permit from the  
23 Department of Transportation for the occupation of any state  
24 highway. No request for a permit shall be denied except for  
25 cause and except after a public hearing, if requested.

26 (iii) Transit planning by the joint board shall be  
27 consistent with areawide comprehensive transportation plans and  
28 short-range programs adopted by the organization designated as  
29 being responsible for carrying out the applicable Federal and  
30 State planning requirements.

1 (iv) No capital grant shall be made to a joint board unless  
2 it is consistent with its adopted transportation improvement  
3 plans as referred to in this act. Grants for emergency  
4 replacement may be made upon completion by the joint board and  
5 approval by the Pennsylvania Department of Transportation of an  
6 immediate action plan designed to avert an existing or impending  
7 transit crisis or service stoppage.

8 (27) It shall be the duty of the joint board, as promptly as  
9 possible, to rehabilitate, reconstruct, and extend as possible,  
10 all portions of any transportation system acquired by the joint  
11 board and to maintain at all times a fast, reliable and  
12 economical transportation system suitable and adapted to the  
13 needs of the municipalities served by the joint board and for  
14 safe, comfortable and convenient service. To that end, the joint  
15 board shall make every effort to utilize high speed rights-of-  
16 way, private or otherwise, to the maximum extent practicable to  
17 avoid air pollution by its vehicles; to abandon no physical  
18 property which has useful and economical capabilities, and to  
19 extend its transportation services to areas which have  
20 sufficient need for them to economically and strategically  
21 justify such extension.

22 (28) To agree with the constituent municipalities in which  
23 it operates for the lease of present and future municipal  
24 property, where such a lease would be advantageous to the joint  
25 board in the financing or the operation of improved  
26 transportation service.

27 (d) The joint board shall have power to acquire by purchase,  
28 condemnation, lease gift, or otherwise, all or any part of the  
29 property of any public utility operating a transportation system  
30 within the region, including but not limited to the plant,

1 equipment, property rights and property reserve funds,  
2 employees' pension or retirement funds, special funds,  
3 franchises, licenses, patents, permits, operating rights, and  
4 paper documents and records, which said property shall be  
5 located within the region and shall be appropriate for the  
6 purposes for which the joint board is established, as well as  
7 all or any part of the right-of-way, equipment, fixed  
8 facilities, and other property of any kind of any such utility  
9 extending beyond the boundaries of the region and forming, or  
10 capable of forming, part of an integrated regional  
11 transportation system or facility including existing and future  
12 technologies, systems and services. No interest in the right-of-  
13 way of a railroad company the operations of which extend beyond  
14 the region shall be acquired or occupied under the power of  
15 eminent domain without the consent of said railroad. Such  
16 properties, upon acquisition by, or lease to, the joint board,  
17 shall become and be operated as part of the transportation  
18 system of the joint board, and the joint board shall have all  
19 powers in connection with such properties and such operations as  
20 are conferred by this act. Except as hereinafter provided, all  
21 condemnations authorized by this section shall be pursuant to  
22 the act of June 22, 1964 (Sp.Sess., P.L.84, No.6), known as the  
23 "Eminent Domain Code." The joint board shall also have the power  
24 to enter into agreements to operate any such lines located or  
25 extending beyond the boundaries of the region, such agreements  
26 to be subject to all other provisions of this act. The joint  
27 board shall have power to lease or purchase any municipally-  
28 owned local transportation facilities for operation and  
29 maintenance by the joint board.

30 (e) All powers of the joint board with respect to eminent

1 domain under any and all applicable provisions of this act shall  
2 be subject to the payment by the joint board of just  
3 compensation for property or business taken.

4 Section 18. Removal or Relocation of Utility Structures;  
5 Power of Eminent Domain.--(a) The joint board shall have the  
6 power, subject to section 17(c)(20) to require persons owning or  
7 operating public utility structures and appliances in, upon,  
8 under, over, across or along the public roads, streets, or other  
9 public ways in which the joint board has the right to own,  
10 construct, operate or maintain transportation facilities to  
11 remove such public utility structures and appliances from their  
12 locations. If any person owning or operating public utility  
13 structures and appliances fails or refuses to remove or relocate  
14 them, the joint board may remove or relocate them. The joint  
15 board shall provide the new location which the structures or  
16 appliances as relocated shall occupy and to that end the joint  
17 board is hereby authorized to acquire by purchase or by the  
18 exercise of the power of eminent domain any necessary land or  
19 right-of-way for such purpose, if the new location shall not be  
20 in, on or above a highway, road or street. The joint board shall  
21 reimburse the public utility for the cost of relocation from  
22 privately owned rights-of-way which cost shall be the amounts  
23 attributable to the relocation of the structure or appliance  
24 after deducting the cost of any increase in the service capacity  
25 of the new structure or appliance and any salvage value derived  
26 from the old structure or appliance. If an issue shall arise  
27 between the joint board and the public utility as to the amount  
28 of the cost of relocation or the new location either party may  
29 institute a proceeding by complaint before the Pennsylvania  
30 Public Utility Commission which is hereby vested with exclusive

1 jurisdiction to hear and determine such issue. Appeal from the  
2 order of the commission in any such proceeding may be taken in  
3 the same manner as to prescribe by the act of May 28, 1937  
4 (P.L.1053, No.286), known as the "Public Utility Law," for  
5 appeals from other orders of the commission.

6 (b) The joint board shall have the power of eminent domain  
7 which may be exercised within the region to acquire private  
8 property and property devoted to any public use which is  
9 necessary for the purposes of the joint board.

10 (1) Title to any property acquired by the joint board  
11 through eminent domain shall be an absolute or fee simple title  
12 unless a lesser title shall be designated specifically in the  
13 eminent domain proceedings.

14 (2) (i) All property of the United States, of the  
15 Commonwealth, of any political subdivision thereof, or any body  
16 politic and corporate organized as a municipal authority under  
17 law of the Commonwealth or by any agency of any of them, or of  
18 property used for burial purposes or of places of public worship  
19 shall be subject to the exercise of the right of eminent domain  
20 by the joint board provided that in an appropriate proceeding to  
21 be instituted by the joint board in a court of competent  
22 jurisdiction the court finds that a superior social interest is  
23 served by the purposes of the joint board's intended utilization  
24 of such property than by the then utilization.

25 (ii) Such proceedings shall be heard and determined  
26 promptly by such court of competent jurisdiction. All such  
27 proceedings shall be heard and decided by the court without a  
28 jury and shall be entitled to priority on any trial list so that  
29 they may be heard and determined as soon as possible after  
30 institution. Any appeal filed from any such determination or

1 order shall be entitled to priority and shall be decided by the  
2 appropriate appellate court.

3 (3) Before exercising the power of eminent domain,  
4 reasonable efforts shall be made by the joint board to achieve  
5 the desired result through negotiation.

6 (4) The power of eminent domain conferred herein shall be  
7 exercised by the joint board, when authorized by resolution of  
8 the appointed body, in the manner prescribed by the provisions  
9 of the act of June 22, 1964 (Sp.Sess., P.L.84, No.6), known as  
10 the "Eminent Domain Code," except as such provisions are in  
11 conflict with the provisions of this act.

12 (5) In determining just compensation, in any condemnation by  
13 the joint board of any property subject to condemnation under  
14 the terms of this act.

15 (i) Consideration shall be given to, among other things, the  
16 gross annual revenue, the original cost of construction, with  
17 particular reference to the amount expended in existing and  
18 useful permanent improvements, and with such consideration for  
19 the amount in market value of the condemnee's bonds and stocks,  
20 if the condemnee be a corporation, as may seem just and fair;  
21 the probable earning capacity of the property under particular  
22 rates prescribed by statute or ordinance or other municipal  
23 contract or fixed by regulatory body, and for the items of  
24 expenditures for obsolete equipment and construction as the  
25 circumstances and historical development of the properties may  
26 warrant. The development and going concern value of such  
27 properties, facilities, and franchises, any element of delay  
28 under these proceedings; and other elements of value, shall be  
29 given such weight as may be just and right in each case, as in  
30 other matters involving the valuation of properties and

1 facilities devoted to the public service. Just compensation  
2 shall be paid to each condemnee separately, and, in case any  
3 condemnee is also the lessee of the properties, facilities and  
4 franchises of any other company whose properties, facilities or  
5 franchises are acquired or to be acquired hereunder, the total  
6 amount awarded with respect thereto shall be apportioned between  
7 the owner or owners of such properties, facilities and  
8 franchises and any person or persons, company or companies,  
9 having an interest therein by virtue of any such lease or series  
10 of leases, the purpose of this provision being that the gross  
11 amount of just compensations, ascertained and determined as  
12 hereinabove provided, shall be distributed, among those  
13 rightfully entitled thereto in such manner as may be just and  
14 equitable, having in view their respective interests therein;  
15 and

16 (ii) where it is contemplated that a substantial portion of  
17 the employees of any utility or other property or business shall  
18 be transferred to and become employees of the joint board, the  
19 determination of just compensation shall give consideration to  
20 the effect of fair market value of the property taken, of the  
21 amount of the legal liability accrued under any pension or  
22 retirement system, plan or program existing immediately prior to  
23 such condemnation, with respect to employees in the employ of  
24 said utility or other property or business at that time, as well  
25 as any employees who shall have previously retired or employees,  
26 who may reasonably be expected to retire within any then  
27 existing contract period; and such liability shall be assumed by  
28 the joint board.

29 (6) Real and personal property of any kind whatever  
30 belonging to a public utility corporation providing

1 transportation or transportation related services may be  
2 acquired without the approval of the Public Utility Commission:  
3 Provided, however, That in all cases involving the facilities of  
4 a railroad, any operations of which extend beyond the area in  
5 which the joint board operates, the exercise of the power of the  
6 joint board under this paragraph shall be subject to the  
7 jurisdiction of that commission under sections 409, 410 and 411  
8 of the Public Utility Law.

9 Section 19. Power to Buy, Lease or Sell Property.--

10 (1) The joint board shall have power to acquire by purchase,  
11 condemnation, lease gift, or otherwise, any property and rights  
12 useful for its purposes and to sell, lease, transfer or convey  
13 any property or rights when no longer useful or exchange the  
14 same for other property or rights which are useful for its  
15 purposes.

16 (2) The joint board shall have the power as lessor or  
17 lessee, to lease to or from private persons any property or  
18 rights acquired and financed in part by grants made in  
19 accordance with the Federal Urban Mass Transportation Act of  
20 1964, the Pennsylvania Urban Mass Transportation Assistance Law  
21 of 1967, or any other Federal or State law.

22 Section 20. Power to Contract with Public Utilities.--The  
23 joint board shall have power to enter into agreements with any  
24 public utility operating a railroad or any other transportation  
25 facility, either within or without the region for the joint use  
26 of any property of the joint board or public utility or the  
27 establishment of through routes, joint fares and transfer of  
28 passengers.

29 Section 21. Acquisition of Capital Stock.--(a) In the event  
30 that the joint board shall own 90% or more of all the



1 outstanding capital stock entitled to vote upon liquidation and  
2 dissolution, and not subject by its terms to be called for  
3 redemption of any corporation organized and existing under the  
4 laws of this Commonwealth and owning transportation facilities,  
5 the joint board shall have the power to acquire the remainder of  
6 such stock by eminent domain as a part of a plan for the  
7 liquidation of said corporation.

8 (b) The power of eminent domain over the remainder of such  
9 capital stock shall be exercised by the joint board in the  
10 following manner: In the event that the joint board has not  
11 agreed with an owner of any of said capital stock as to the  
12 value thereof, the joint board shall file, with the court of  
13 common pleas of the county in which the corporations's principal  
14 place of business is located, its bond for the benefit of said  
15 owner and of any other persons who may be found entitled to  
16 receive damages for the taking of said capital stock of which  
17 said owner shall be obligee, the condition of which bond shall  
18 be that the joint board shall pay or cause to be paid, to the  
19 owner of said stock or to such other persons as may be found  
20 entitled to receive damages for the taking of said capital  
21 stock, such amount as the owner or such other persons shall be  
22 entitled to receive for the taking of such stock, after such  
23 amount shall have been agreed upon by the parties or assessed in  
24 the manner provided by subsection (d). Said bond shall be  
25 accompanied by proof that notice of the proposed filing was  
26 mailed by registered mail not less than ten days prior thereto  
27 to the owner of said stock at his address as shown by the  
28 records of the corporation. Upon approval by the said court of  
29 the said bond, the joint board shall be vested with all the  
30 right, title and interest in and to said stock, and said owner

1 and all other persons shall thereupon cease to have any rights  
2 or interest with regard to said stock other than the right to  
3 compensation for the taking thereof under the procedure set  
4 forth in subsection (d). The word "owner," as used in this  
5 subsection, means the person in whose name the stock is  
6 registered on the books of the corporation.

7 (c) In the event that the joint board shall have contracted  
8 in writing to purchase 90% or more of such outstanding capital  
9 stock, it shall have the right to obtain the approval of the  
10 said court to the bond required by the provisions of subsection  
11 (b); but the said approval shall not be effective for the  
12 purposes of this section unless and until there is also filed  
13 with the prothonotary of the said court, within ten days after  
14 said approval, a sworn statement by the chairman of the  
15 appointed body attested by the secretary of the joint board,  
16 that the joint board has become the owner of 90% or more of such  
17 capital stock.

18 (d) If the joint board and the former owner of said stock  
19 fail to agree as to the amount which the said former owner is  
20 entitled to receive as compensation for the taking of said  
21 stock, within 30 days after the approval of the bond by the said  
22 court under the provisions of subsection (b) or the filing of  
23 the required statement under the provisions of subsection (c),  
24 either party may apply, by petition to the said court, for the  
25 appointment by the court of three disinterested persons to  
26 appraise the fair value of said stock immediately prior to the  
27 acquisition thereof by the joint board without regard to any  
28 depreciation or appreciation thereof in consequence of such  
29 acquisition. The appraisers of a majority thereof shall file  
30 their award, shall include the costs of such appraisal, with the

1 court, and shall mail a copy thereof to each party, with the  
2 date of filing stated thereupon. When said award is filed with  
3 the court, the prothonotary thereof shall mark the same  
4 "confirmed nisi" and in case no exceptions are filed thereto  
5 within ten days, he shall enter a decree, as of course, that  
6 said award is confirmed absolutely. If exceptions to the award  
7 are filed by either party before the award is so confirmed, the  
8 court shall hear the same and shall have power to confirm,  
9 modify, change or otherwise correct the award or refer the same  
10 back to the same or new appraisers with like power as to their  
11 award. Within 30 days after the final confirmation,  
12 modification, changing or correcting of said award, either party  
13 may appeal from said decree to the Superior Court or the Supreme  
14 Court, as the case may be.

15 Section 22. Use of Ways Occupied by Other Passenger  
16 Utilities.--The joint board shall not have the right to use any  
17 street or public way, presently occupied by a public utility  
18 operating a transportation system, under certificates of public  
19 convenience issued by the Public Utility Commission, for a  
20 competing purpose, without the agreement of such public utility.

21 Section 23. Loans, Bonds and Certificates; Trust  
22 Indentures.--(a) The joint board shall have the continuing power  
23 to borrow money for the purpose of acquiring any transportation  
24 system and for acquiring necessary cash working funds or for  
25 acquiring, constructing, reconstructing, extending or improving  
26 its transportation system or any part thereof and for acquiring  
27 any property and equipment useful for the construction,  
28 reconstruction, extension, improvement or operation of its  
29 transportation system or any part thereof, and for any other of  
30 its corporate purposes. The joint board shall also have the

1 continuing power to issue and deliver evidence of its  
2 indebtedness in payment in whole or in part for all or any part  
3 of any transportation system, or any bonds, shares or other  
4 securities of any corporation owning or operating any such  
5 system, or any franchises, property, equipment or interests  
6 acquired by the joint board. For the purpose of evidencing the  
7 obligation of the joint board to repay any money borrowed as  
8 aforesaid, or to pay any indebtedness incurred in connection  
9 with the acquisition of all or any part of any transportation  
10 system, or any bonds, shares or other securities of any  
11 corporation owning or operating any such system, or any  
12 franchises, property, equipment or interests as aforesaid, the  
13 joint board may, pursuant to resolution adopted by the appointed  
14 body and ex officio body from time to time, issue and dispose of  
15 its interest-bearing bonds or certificates, and may also, from  
16 time to time, issue and dispose of its interest-bearing bonds or  
17 certificates, to refund any bonds or certificates at maturity or  
18 pursuant to redemption provisions or at any time before maturity  
19 with the consent of the holders thereof. All such bonds and  
20 certificates shall be payable solely from revenues or income to  
21 be derived from the transportation system including grants,  
22 gifts or contributions from the Federal, State or local  
23 governments, their agencies or instrumentalities, or any other  
24 source; may bear such date or dates; may mature at such time or  
25 times not exceeding 40 years from their respective dates; may  
26 bear interest at such rate or rates; may be in such form; may  
27 carry such registration privileges; may be executed in such  
28 manner; may be payable at such place or places; may be made  
29 subject to redemption in such manner and upon such terms with or  
30 without premium as is stated on the face thereof; may be

1 authenticated in such manner and may contain such terms and  
2 covenants, all as may be authorized by the appointed body and ex  
3 officio body. Notwithstanding the form or tenor thereof, and in  
4 the absence of an express recital on the face thereof that it is  
5 nonnegotiable, all such bonds and certificates shall be  
6 negotiable instruments. Pending the preparation and execution of  
7 any such bonds or certificates, temporary bonds or certificates  
8 may be issued with or without interest coupons as may be  
9 authorized by the appointed body.

10 (b) To secure the payment of any or all of such bonds or  
11 certificates and for the purpose of setting forth the covenants  
12 and undertaking of the joint board in connection with the  
13 issuance thereof and the issuance of any additional bonds or  
14 certificates payable from such revenue or income as well as the  
15 use and application of the revenue or income to be derived from  
16 the transportation system, the joint board may execute and  
17 deliver a trust indenture or indentures. A remedy for any breach  
18 or default of the terms of any such trust indenture by the joint  
19 board may be mandamus or injunction proceeding, or other  
20 proceeding in law or in equity in any court of competent  
21 jurisdiction to compel performance and compliance therewith, but  
22 the trust indenture may prescribe by whom or on whose behalf  
23 such action may or may not be instituted.

24 (c) Under no circumstances shall any bonds or certificates  
25 issued by the joint board or any other obligation of the joint  
26 board be or become an indebtedness or obligation of the  
27 Commonwealth or any political subdivision thereof.

28 (d) Said bonds (excepting certificates and bonds or  
29 certificates issued in payment in whole or in part of all or any  
30 part of any transportation system, or any bonds, shares or other

1 securities of any corporation owning or operating any such  
2 system, or any franchises, property, equipment or interests) may  
3 be sold at public or private sale for such price or prices and  
4 at such rate of interest as the appointed body shall determine.

5 (e) Bonds of the joint board which are sold for cash may be  
6 sold at not less than 95% of par and accrued interest. In case  
7 any of the officers of the joint board, whose signatures appear  
8 on any bonds or coupons shall cease to be officers before the  
9 delivery of such bonds, their signatures shall, nevertheless, be  
10 valid and sufficient for all purposes, the same as if such  
11 officers had remained in office until such delivery.

12 (f) The bonds of the joint board, the sale or transfer  
13 thereof, and the income therefrom shall, at all times, be free  
14 from taxation for State or local purposes under any law of this  
15 Commonwealth or political subdivision thereof.

16 (g) Neither the members of the appointed body, the members  
17 of the ex-officio body, nor any person executing bonds shall be  
18 liable personally on any such bonds by reason of the issuance  
19 thereof.

20 (h) Any bond reciting in substance that has been issued by  
21 the joint board to accomplish the public purposes of this act,  
22 shall be conclusively deemed in any suit, action or proceeding  
23 involving the validity or enforceability of such bond or  
24 security therefor to have been issued for such purpose.

25 Section 24. Acquisition of Equipment; Agreements and  
26 Leases.--(a) The joint board shall have power to purchase  
27 equipment such as cars, trolley buses and motor buses and such  
28 other vehicles as it may deem necessary, and may execute  
29 agreements, leases and equipment trust certificates in the form  
30 customarily used in such cases appropriate to effect such

1 purchase, and may dispose of such equipment trust certificates.  
2 When feasible, such certificates shall be offered for public  
3 sale in a manner similar to that provided for the sale of bonds  
4 in this act. All money required to be paid by the joint board  
5 under the provisions of such agreements, leases, and equipment  
6 trust certificates, shall be payable solely from the revenue or  
7 income to be derived from the transportation system and from  
8 grants and loans as provided elsewhere in this act. Payment for  
9 such equipment or rentals therefor may be made in installments  
10 and the deferred installments may be evidenced by equipment  
11 trust certificates payable solely from such revenue, income,  
12 grants or loans and title to such equipment shall not vest in  
13 the joint board until the equipment trust certificates are paid.

14 (b) The agreement to purchase may direct the vendor to sell  
15 and assign the equipment to a bank or trust company duly  
16 authorized to transact business in the Commonwealth as trustee  
17 for the benefit and security of the equipment trust certificates  
18 and may direct the trustee to deliver the equipment to one or  
19 more designated officers of the joint board and may authorize  
20 the trustee simultaneously therewith to execute and deliver a  
21 lease of the equipment to the joint board.

22 (c) The agreements and leases shall be duly acknowledged  
23 before some person authorized by law to take acknowledgments of  
24 deeds and in the form required for acknowledgments of deeds, and  
25 such agreements, leases and equipment trust certificates shall  
26 be authorized by resolution of the appointed body and shall  
27 contain such covenants, conditions and provisions as may be  
28 deemed necessary or appropriate to insure the payment of the  
29 equipment trust certificates from the revenue or income to be  
30 derived from the transportation system.

1 (d) The covenants, conditions and provisions of the  
2 agreements, leases and equipment trust certificates shall not  
3 conflict with any of the provisions of any trust indenture  
4 securing the payment of bonds or certificates of the joint  
5 board.

6 (e) An executed copy of each such agreement and lease shall  
7 be filed in the office of the Secretary of the Commonwealth who  
8 shall be entitled to receive \$1 for each such copy filed with  
9 him, and which filing shall constitute notice to any subsequent  
10 judgment creditor or any subsequent purchaser. Each vehicle so  
11 purchased and leased shall have the name of the owner and lessor  
12 plainly marked upon both sides thereof, followed by the words,  
13 "owner and lessor."

14 (f) The joint board shall have power by the resolution,  
15 trust, indenture, mortgage, lease or other contract to confer  
16 upon any obligees holding or representing a specified percentage  
17 in bonds, or holding a lease, the right, in addition to all  
18 rights that may otherwise be conferred, upon the happening of an  
19 event of default as defined in such resolution or instrument, by  
20 suit, action or proceeding in any court of competent  
21 jurisdiction:

22 (1) To obtain the appointment of a receiver of any real  
23 property of the joint board and of the rents and profits  
24 therefrom. If such receiver be appointed, he may enter and take  
25 possession of such real property, operate the same and collect  
26 and receive all revenues or other income thereafter arising  
27 therefrom, and shall keep such moneys in a separate account and  
28 apply the same in accordance with the obligations of the joint  
29 board as the court shall direct.

30 (2) To require the joint board, and the appointed body



1 members thereof, to account as if it and they were the trustees  
2 of an express trust.

3 Section 25. Provisions of Bonds; Trust Indentures.--In  
4 connection with the issuance of bonds or the incurring of  
5 obligations under leases, and in order to secure the payment of  
6 such bonds or obligations, the joint board, in addition to its  
7 other powers, shall have power:

8 (1) To pledge all or any part of its gross or net revenues  
9 to which its right then exists or may thereafter come into  
10 existence.

11 (2) To mortgage all or any part of its real or personal  
12 property then owned or thereafter acquired.

13 (3) To covenant against pledging all or any part of its  
14 revenues, or against mortgaging all or any part of its real or  
15 personal property to which its right or title exists or may  
16 thereafter come into existence, or against permitting or  
17 suffering any lien on such revenues or property to covenant with  
18 respect to limitations on its right to sell, lease or otherwise  
19 dispose of any of its real property, and to covenant as to what  
20 other or additional debts or obligations may be incurred by it.

21 (4) To covenant as to the bonds to be issued and as to the  
22 issuance of such bonds, in escrow, or otherwise, and as to the  
23 use and disposition of the proceeds thereof, to provide for the  
24 replacement of lost, destroyed, or mutilated bonds, to covenant  
25 against extending the time for payment of its bonds or interest  
26 thereon, and to redeem the bonds and to covenant for their  
27 redemption and to provide the terms and conditions thereof.

28 (5) To covenant, subject to the limitations contained in  
29 this act, as to the amount of revenues to be raised each year,  
30 or other period of time, as well as to the use and disposition

1 to be made thereof, to create or to authorize the creation of  
2 special funds for debt or other purposes, and to covenant as to  
3 the use and disposition of the moneys held in such funds.

4 (6) To prescribe the procedure, if any, by which the terms  
5 of any contract with bondholders may be amended or abrogated,  
6 the amount of bonds, the holders of which must consent thereto,  
7 and the manner in which such consent may be given.

8 (7) To covenant as to the use of any or all of its real or  
9 personal property, to warrant its title, and to covenant as to  
10 the maintenance of its real and personal property, the  
11 replacement thereof, the insurance to be carried thereon, and  
12 the use and disposition of insurance moneys.

13 (8) To covenant as to the rights, liabilities, powers and  
14 duties arising upon the breach by it of any covenant, condition  
15 or obligation, and to covenant and prescribe, in the event of  
16 default, as to terms and conditions upon which any or all of its  
17 bonds or obligations shall become or may be declared due before  
18 maturity, and as to the terms and conditions upon which such  
19 declaration and its consequences may be waived.

20 (9) To vest in a trustee, or the holders of bonds, or any  
21 proportion of them, the right to enforce the payment of the  
22 bonds or any covenants securing or relating to the bonds, to  
23 vest in a trustee the rights, in the event of a default by the  
24 joint board, to take possession and use, operate and manage any  
25 real property and to collect the rents and revenues arising  
26 therefrom and to dispose of such moneys in accordance with the  
27 agreement of the joint board with such trustee, to provide for  
28 the powers and duties of a trustee and to limit liabilities  
29 thereof, and to provide the terms and conditions upon which the  
30 trustee or the holders of bonds or any proportion of them may

1 enforce any covenant or gifts securing or relating to the bonds.

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

10 Section 26. Bonds and Certificates to be Legal

11 Investments.--The Commonwealth and all political subdivisions  
12 and public bodies and public officers of any thereof, all banks,  
13 bankers, trust companies, savings banks and institutions,  
14 building and loan associations, savings and loan associations,  
15 investment companies and other persons carrying on a banking  
16 business, all insurance companies, insurance associations and  
17 other persons carrying on an insurance business and all  
18 executors, administrators, guardians, trustees and other  
19 fiduciaries may legally invest any sinking funds, moneys or  
20 other funds belonging to them or within their control in any  
21 bonds or certificates issued pursuant to this act, it being the  
22 purpose of this section to authorize the investment in such  
23 bonds or certificates of all sinking, insurance, retirement,  
24 compensation, pension and trust funds, whether owned or  
25 controlled by private or public persons or officers.

26 Section 27. Responsibilities of the Appointed Body;

27 Transportation Planning; Review of Operations; Budget  
28 Formulation; Bond Issues and Fare Levels.--In addition to  
29 responsibilities elsewhere specified:

30 (1) The appointed body shall formulate and give effect to a

1 regional transportation plan and all ancillary features thereof  
2 as may be determined by the procedures provided under this act.  
3 This plan must be devised within two years after the legal  
4 establishment of the joint board and must from time to time be  
5 modified, altered, extended or otherwise adapted to changing  
6 technological and demographic factors. The plan and its  
7 subsequent revisions must be approved by the appointed body and  
8 thereafter be approved by the ex officio body prior to its  
9 implementation.

10 (2) The appointed body shall make an annual review of  
11 operations.

12 (3) The appointed body shall formulate both a capital budget  
13 and an operating budget. Prior to its implementation both the  
14 capital budget and operating budget shall be approved by the  
15 appointed body and thereafter be approved by the ex officio  
16 body.

17 (4) The appointed body shall be responsible for authorizing  
18 bond issues and establishing fare plans. No bond issue or fare  
19 plan shall be implemented until after approval by the appointed  
20 body and thereafter, approval by the ex officio body.

21 Section 28. Investment and Reinvestment of Funds.--The  
22 appointed body shall have the power to invest and reinvest any  
23 funds held in reserve or sinking funds not required for  
24 immediate disbursement:

25 (1) in the following securities as defined in Chapter 73 of  
26 Title 20 of the Pennsylvania Consolidated Statutes (relating to  
27 fiduciaries investments): obligations of the United States and  
28 of the Commonwealth of Pennsylvania; and obligations of Federal  
29 organizations; and

30 (2) for sinking fund purposes only, in bonds or certificates

1 of the joint board at a price not to exceed their par value or  
2 their call price plus accrued interest; and to sell any of the  
3 securities acquired under paragraph (1) whenever the funds are  
4 needed for disbursement.

5 Such investment or reinvestment of any fund shall not be in  
6 conflict with any provisions of any trust agreement securing the  
7 payment of bonds or certificates of the joint board.

8 Section 29. Responsibilities of the Ex Officio Body.--(a)

9 The sole functions of the ex officio body shall be:

10 (1) To approve or disapprove any regional transportation  
11 plan proposed by the appointed body.

12 (2) To approve or disapprove the capital and operating  
13 budgets as may be formulated and proposed by the appointed body.

14 (3) To approve or disapprove such bond issues or fare plans  
15 as are formulated and proposed by the appointed body.

16 (b) (1) When any matter, plan, program or other  
17 determination shall have been approved by both the appointed  
18 body and ex officio body, thereafter the implementation and  
19 administration thereof shall be the function solely of the  
20 appointed body.

21 (2) If the ex officio body refuses or fails to approve any  
22 matter, plan, program or other determination by the appointed  
23 body, nevertheless, the appointed body may again formulate  
24 appropriate actions to be submitted to the ex officio body for  
25 approval or disapproval. With each submission by the appointed  
26 body to the ex officio body as required herein, the ex officio  
27 body shall within 30 days make a determination of approval or a  
28 determination of disapproval with reasons therefor which shall  
29 be submitted to the appointed body.

30 (c) If after a second submission by the appointed body, the

1 ex officio body should disapprove, then on petition of the  
2 appointed body to the Commonwealth Court of Pennsylvania, that  
3 court may, despite the said disapproval, authorize the appointed  
4 body to proceed with any such matter, plan, program or other  
5 determination of the appointed body.

6 (d) Unless a responsibility under this act shall expressly  
7 involve the ex officio body, all powers provided, required or  
8 implied under this act, shall be powers of the appointed body.

9 Section 30. Transfers of Facilities or Things of Value to  
10 the Joint Board.--Any county, municipality, school district,  
11 corporation or person, or group, may and they are hereby  
12 authorized to sell, lease, lend, grant, convey, transfer or pay  
13 over to the joint board, with or without consideration, any  
14 project of any part or parts thereof, or any interest in real or  
15 personal property or any funds available for building,  
16 construction or improvement purposes, including the proceeds of  
17 bonds previously or hereafter issued for building, construction  
18 or improvement purposes, or any money or thing of value,  
19 including services, which may be used by the joint board in the  
20 construction, acquisition, improvement, maintenance or operation  
21 of any project or for any other of its corporate purposes, and  
22 other law to the contrary notwithstanding.

23 Section 31. Financing of Operations.--(a) The Commonwealth  
24 and the counties included in the region shall enter into a  
25 compact with the joint board to provide for proportionate annual  
26 contributions to finance such deficits as the joint board may  
27 incur in the operation of its public transportation system. Such  
28 contributions shall be apportioned on the basis of 70% to the  
29 Commonwealth and 30% to the counties respectively served by the  
30 joint board, such apportionment to be in accordance with the

1    respective populations of said counties, the amounts of the  
2    contributions to be computed on the basis of the operating  
3    deficit incurred after all income received by the joint board  
4    from its operations and from grants-in-aid by the Federal  
5    Government shall be totaled and compared with the joint board's  
6    operating costs.

7        The terms of the compact shall be for a period of not less  
8    than ten years without regard to any provisions of law to the  
9    contrary and shall constitute a commitment and obligation,  
10   binding and absolute, on the part of each party signatory, to  
11   appropriate and pay over to the joint board the funds required  
12   in accordance with the provisions of the compact during each and  
13   every year of the number of years specified in the compact.

14        The signatories to the compact shall be the Commonwealth, the  
15   appointed body and the county commissioners of such counties as  
16   are included in the region.

17        (b)    The funding of commitments for financing activities of  
18   the joint board on the part of the Commonwealth may be provided  
19   either from its general revenues or from taxes specifically  
20   designated for the support of the activities of the joint board.  
21   The counties signatory to the compact may provide for their  
22   financial contribution either by a tax on real property not to  
23   exceed two mills on assessed valuations within the county or by  
24   any tax permitted to municipalities under the act of December  
25   31, 1965 (P.L.1257, No.511), known as "The Local Tax Enabling  
26   Act," or any combination thereof as may be decided by the county  
27   commissioners respectively.

28        The provisions of The Local Tax Enabling Act shall upon  
29   passage of this act be extended to counties, provided however  
30   that the proceeds of any taxes levied by counties under

1 authority granted by The Local Tax Enabling Act shall be  
2 designated solely for the support of the activities of the joint  
3 board.

4 Section 32. Financing of Capital Requirements.--(a) The  
5 Commonwealth and the counties included in the region shall enter  
6 into a compact with the joint board to provide for the financing  
7 of capital requirements planned and designed to serve the needs  
8 of the joint board. Such financing may be provided for both  
9 short term and long term capital requirements. Contributions to  
10 the financing of capital requirements shall be proportionate,  
11 and shall be apportioned on a basis of 90% to the Commonwealth  
12 and 10% to the counties respectively served, such apportionment  
13 to be in accordance with the respective populations of said  
14 counties, the amount of the contributions to be computed after  
15 all grants-in-aid by the Federal Government have been deducted  
16 from the total cost of the project or projects. In the case of  
17 short term capital improvements, the terms of the compact shall  
18 be for a period of not less than ten years and in the case of  
19 long term capital improvements shall be for a term of not less  
20 than 30 years.

21 The terms of the compact shall be valid without regard to any  
22 provisions of law to the contrary and shall constitute a  
23 commitment and obligation, binding and absolute, on the part of  
24 each party signatory, to pay to the joint board such sums as are  
25 necessary to execute the capital improvements under such  
26 apportionment as is provided in this act.

27 The signatories to the compact shall be the Commonwealth, the  
28 appointed body and the county commissioners of such counties as  
29 are included in the region.

30 (b) The funding for commitment to capital improvements shall



1 be provided by direct appropriations to the joint board by the  
2 Commonwealth and by the participating county or counties, either  
3 from general revenues, revenues specifically designated for  
4 public transportation, or any combination thereof, or from the  
5 sale of bonds.

6 The obligations of the Commonwealth and of the county or  
7 counties incurred under the compact may, being bonding and  
8 absolute, be considered as a valid basis for the issuance of  
9 bonds by the joint board itself, and such borrowing for capital  
10 improvements by the joint board under the terms and conditions  
11 to the compact is authorized by this act.

12 Section 33. Contracts, Procurement and Sale of Property;  
13 Concessions; Advertisement; Bidding.--(a) Except in the purchase  
14 of unique articles or articles which, for any other reason,  
15 cannot be obtained in the open market and except as hereinafter  
16 provided, competitive bids shall be secured before any purchase  
17 of sale, by contract or otherwise is made or before any contract  
18 is awarded for construction, alterations, supplies, equipment,  
19 repairs or maintenance or for rendering any services to the  
20 joint board other than professional services; and the purchase  
21 shall be made from or the contract shall be awarded to the  
22 lowest responsible bidder; or a sale to the highest responsible  
23 bidder. No purchase of any unique article or other articles  
24 which cannot be obtained in the open market shall be made  
25 without express approval of the board where the amount involved  
26 is in excess of \$5,000.

27 (b) All purchases and sales in excess of \$5,000 shall be  
28 awarded after advertising in a local newspaper of general  
29 circulation in the region at least two weeks prior to the bid  
30 opening. Bids shall be publicly opened and read aloud at a date,

1 time and place designated in the invitation to bid. Invitations  
2 to bid shall be sent at least one week prior to the bid opening  
3 to at least three potential bidders who are qualified  
4 technically and financially to submit bids, or in lieu thereof a  
5 memorandum shall be kept on file showing that less than three  
6 potential bidders so qualified exist in the market area within  
7 which it is practicable to obtain bids.

8 (c) Written price quotations from at least three qualified  
9 and responsible vendors shall be obtained for all purchases and  
10 sales under \$5,000 and over \$1,000, or in lieu thereof, a  
11 memorandum, approved by the board, shall be kept on file showing  
12 that less than three vendors so qualified exist in the market  
13 area within which it is practicable to obtain quotations, except  
14 as hereinafter provided.

15 (d) Purchases or sales under \$1,000 may be negotiated with  
16 or without competitive bidding under sound procurement  
17 procedures as promulgated and established by the board.

18 (e) Competitive bidding requirements may be waived if it  
19 is determined by the general manager, or in such other manner as  
20 the appointed body may by regulation provide, that an emergency  
21 directly and immediately affecting customer service, or public  
22 health, safety or welfare requires immediate delivery of  
23 supplies, materials, equipment or services. A record of  
24 circumstances explaining the emergency shall be submitted to the  
25 board at its next regular meeting and thereafter kept on file.

26 (f) All concessions granted by the joint board for the sale  
27 of products or the rendition of services for a consideration of  
28 joint board property shall be awarded only pursuant to written  
29 specifications after competitive bidding and to the highest  
30 responsible bidder in a manner similar to that required by

1 subsection (e) relating to contracts for procurement involving  
2 an expenditure of more than \$5,000. The foregoing requirement  
3 for competitive bidding shall not apply to any concession which  
4 has been granted by a transportation system acquired by the  
5 joint board and which by the terms of the agreement granting it  
6 will terminate within one year from date of the acquisition of  
7 the transportation system by the joint board, nor to any  
8 concession involving the estimated receipt by the authority of  
9 less than \$1,000 over the period for which the concession is  
10 granted.

11 (g) Contracts for the sale or lease of real property owned  
12 by the joint board shall be awarded after competitive bidding as  
13 shown in subsection (b), except where contract is entered into  
14 with the Commonwealth or any political subdivision or agency or  
15 instrumentality thereof or with the United States Government or  
16 any agency or instrumentality thereof.

17 (h) Contracts for the management of joint board-owned  
18 property, such as bus routes or subway systems may be  
19 negotiated.

20 (i) No contract shall be entered into for construction or  
21 improvement or repair of any project or portion thereof, unless  
22 the contractor shall give an undertaking with a sufficient  
23 surety or sureties approved by the appointed body, and in an  
24 amount fixed by the appointed body, for the faithful performance  
25 of the contract. All such contracts shall provide among other  
26 things that the person or corporation entering into such  
27 contract with the joint board will pay for all materials  
28 furnished and services rendered for the performance of the  
29 contract, and that any person or corporation furnishing such  
30 materials or rendering such services may maintain an action to

1 recover for the same against the obligor in the undertaking, as  
2 though such person or corporation was named therein, provided  
3 the action is brought within one year after the time the cause  
4 of action accrued.

5 Section 34. Conflict of Interest.--Every member of the  
6 appointed body, and every employee of the joint board who  
7 knowingly has any interest, direct or indirect, in any contract  
8 to which the joint board is, or is about to become, a party or  
9 in any other business of the joint board, or in any firm or  
10 corporation doing business with the joint board, shall make full  
11 disclosure of such interest to the appointed body. Failure to  
12 disclose such an interest shall constitute misconduct, for which  
13 an appointed body member may be removed by the appointing power  
14 or an employee may be discharged or otherwise disciplined at the  
15 discretion of the appointed body. Whenever, in the opinion of  
16 the appointed body, any such interest on the part of any  
17 appointed body member or any employee, shall constitute a  
18 conflict of interest detrimental to the joint board, the  
19 appointed body shall require such action or abstention by such  
20 appointed body member or employee as it may deem necessary or  
21 desirable to protect the interest of the joint board. The  
22 appointed body shall promulgate such rules and regulations as  
23 may be necessary to effectuate the purposes of this section.

24 Section 35. Fiscal Operating Year; Budget; Capital  
25 Program.--(a) The appointed body shall establish a fiscal  
26 operating year.

27 (b) At least 90 days prior to the beginning of the first  
28 full fiscal year after the creation of the joint board, and,  
29 annually thereafter, the appointed body shall cause to be  
30 prepared a tentative operating budget and a tentative capital

1 budget for the ensuing fiscal year. The tentative budgets shall  
2 be considered according to procedures specified in this act and  
3 shall be adopted at least 30 days prior to the first day of the  
4 ensuing fiscal year as the budgets for that year. The appointed  
5 body shall establish such rules as are necessary for proper  
6 observance of the budgets.

7 (c) Along with an annual operating budget, there shall be  
8 prepared an annual operations plan which describes fares,  
9 schedules, routes, equipment, garage and maintenance facilities,  
10 levels of services, professional staff and qualifications and  
11 record keeping to be undertaken in the ensuing fiscal year. Such  
12 plan shall also discuss school bus service provided in the  
13 region and how school service and services performed by the  
14 joint board shall be coordinated.

15 (d) Simultaneously with the adoption of the respective  
16 budgets, the appointed body and the ex officio body, subject to  
17 procedures set forth in this act shall adopt a tentative capital  
18 program covering the ensuing six years.

19 Section 36. Financial Statement and Reports; Audit.--(a) As  
20 soon after the end of each fiscal year as is feasible, the  
21 appointed body shall cause to be prepared and printed a report  
22 and financial statement of the joint board's operations for the  
23 previous year and of its assets and liabilities. A reasonably  
24 sufficient number of copies of such report shall be printed for  
25 distribution to persons interested upon request. A copy of such  
26 report shall be filed with the Secretary of the Commonwealth,  
27 the Secretary of the Pennsylvania Department of Transportation,  
28 the county clerk of each county in the region, and the clerk of  
29 each municipality which has granted rights to the joint board by  
30 ordinance and a copy of such report shall be addressed to and

1 mailed to the mayor and city council or the governing body of  
2 such municipality. The appointed body from time to time shall  
3 mail to the persons and offices specified in the preceding  
4 sentence copies of such interim financial reports as may be  
5 prepared by the joint board, copies of all bylaws, rules and  
6 regulations, and amendments thereto and copies of the annual  
7 financial budgets.

8 (b) The appointed body shall appoint in due time each year a  
9 firm of independent certified public accountants as auditors who  
10 shall examine the books, records, and accounts of the joint  
11 board for the purpose of auditing and reporting upon its  
12 financial statement for such year. The report of such auditors  
13 shall be appended to such financial statement.

14 Section 37. Transfer of Records by Public Utility  
15 Commission.--In case the joint board acquires the plant,  
16 equipment, property and rights in property of any public utility  
17 used or useful in the operation of a transportation system, the  
18 Pennsylvania Public Utility Commission shall transfer and  
19 deliver to the appointed body, upon its demand, in writing, all  
20 books, papers and records in control of said commission  
21 affecting such public utility exclusively.

22 Section 38. Depreciation and General Reserves.--(a)  
23 Depreciation by the joint board is not permitted.

24 (b) If, by any covenant of the joint board, there is  
25 required to be established out of revenues any reserve for debt  
26 retirement or property replacements or additions, the amount of  
27 the annual provision credited to the reserve as required by this  
28 section shall be considered to have been made, to the extent  
29 needed, for or toward the corresponding annual requirement of  
30 any such covenant.

1       Section 39. Special Funds; Common Cash Account and Auxiliary  
2 Short Term Investment Portfolio; Reserves.--(a) The joint board,  
3 pursuant to resolutions adopted from time to time by the  
4 appointed body, may establish and create such other and  
5 additional special funds as may be found desirable by the board  
6 and in and by such resolutions may provide for payments into all  
7 special funds from specified sources with such preferences and  
8 priorities as may be deemed advisable and may also by any such  
9 resolutions provide for the custody, disbursement and  
10 application of any moneys in any such special funds consistent  
11 with the provisions of this act, and consistent with good  
12 accounting practice with due reference to the uniform system of  
13 accounts for transportation operations maintained by either the  
14 Interstate Commerce Commission or the Pennsylvania Public  
15 Utilities Commission.

16       (b) To the extent practicable the joint board may establish  
17 a common cash account and auxiliary short term investment  
18 portfolio as a depository for all cash of the general or special  
19 funds. The interest of each fund therein shall be clearly  
20 recorded and preserved at all times. There shall not be any  
21 commingling of assets where prohibited by any covenant of the  
22 joint board.

23       (c) Nothing contained in this act shall be construed as to  
24 prevent the prudent accumulation of reserve funds by the joint  
25 board.

26       Section 40. Limitation of Actions Against Joint Board.--  
27 Within six months from the date that any injury was received, or  
28 any cause of action accrued, any person who is about to commence  
29 any civil action in any court against the joint board for  
30 damages on account of any injury to his person shall file in the

1 office of the secretary of the joint board, and also in the  
2 office of the general counsel for the joint board, either by  
3 himself, herself, his or her agent, or attorney, a statement in  
4 writing, signed by himself, herself, his or her agent, or  
5 attorney, giving the name of the person to whom the cause of  
6 action has accrued, the name and residence of the person  
7 injured, the date, and about the hour of the accident, the place  
8 or location where the accident occurred, and the name and  
9 address of the attending physician, if any. If the notice  
10 provided for by this section is not filed as provided, any civil  
11 action commenced against the joint board more than six months  
12 after the date of injury, shall be dismissed and the person to  
13 whom any such cause of action accrued for any personal injury  
14 shall be forever barred from further suing.

15 Section 41. Investigations and Subpoenas.--(a) The appointed  
16 body may investigate all means of transportation and the  
17 management thereof, the enforcement of its resolutions, rules  
18 and regulations, and the action, conduct, and efficiency of all  
19 officers, agents and employees of the joint board. In the  
20 conduct of such investigations, the appointed body may hold  
21 public hearings on its own motion and shall do so on complaint  
22 or petition of any municipality in the region. Each member of  
23 the appointed body shall have power to administer oaths and the  
24 secretary, by order of the appointed body, shall issue subpoenas  
25 to secure the attendance and testimony of witnesses and the  
26 production of books and papers relevant to such investigations  
27 and to any hearing before the appointed body or any member  
28 thereof, or any officers' committee or employees' committee,  
29 appointed by the appointed body to hear any complaint of an  
30 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 appointed body 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 42. Exemption from Taxation.--The effectuation of the authorized purposes of the joint board created under this act shall and will be, in all respects, for the benefit of the people of the Commonwealth, for the increase of their commerce and prosperity and for the improvement of their health and living conditions, and since such joint board 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 joint board, 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 43. 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 the joint board for the construction, extension, improvement or enlargement of any project or part thereof, that the Commonwealth will not limit or alter the rights hereby

1 vested in such joint board until all bonds at any time issued,  
2 together with the interest thereon, are fully met and  
3 discharged. The Commonwealth does further pledge to and agree  
4 with the United States and any other Federal agency that, in the  
5 event that any Federal agency shall construct or contribute any  
6 funds for the construction, extension, improvement or  
7 enlargement of any project or any portion thereof, the  
8 Commonwealth will not alter or limit the rights and powers of  
9 the joint board in any manner which would be inconsistent with  
10 the continued maintenance and operation of the project, or the  
11 improvement thereof, or which would be inconsistent with the due  
12 performance of any agreements between the joint board and any  
13 such Federal agency, and the joint board shall continue to have  
14 and may exercise all powers herein granted, so long as the same  
15 shall be necessary or desirable for the carrying out of the  
16 purposes of this act and the purposes of the United States in  
17 the construction or improvement or enlargement of the project or  
18 such portion thereof.

19 Section 44. Repeals.--All acts or parts of acts, whether  
20 general, special or local, are hereby repealed in so far as they  
21 are inconsistent herewith.

22 Section 45. Effective Date.--This act shall take effect in  
23 60 days.