
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL
No. 1200 Session of
1983

INTRODUCED BY KUSSE, SINGEL, SHUMAKER, ROMANELLI, SNYDER AND
O'PAKE, DECEMBER 14, 1983

SENATE AMENDMENTS TO HOUSE AMENDMENTS, APRIL 30, 1984

AN ACT

1 Amending the act of January 22, 1968 (P.L.42, No.8), entitled,
2 as amended, "An act empowering and authorizing the Department
3 of Transportation to establish and administer certain grant
4 programs for the betterment of mass transportation systems
5 and facilities throughout the Commonwealth; providing for
6 State grants to transportation companies, municipalities,
7 counties, or their instrumentalities and to agencies and
8 instrumentalities of the Commonwealth for studies, research,
9 demonstration programs, promotion programs, purchase of
10 service projects, and capital improvement projects under
11 certain conditions; authorizing grants by counties or
12 municipalities in metropolitan areas to local transportation
13 organizations, authorizing the creation of a transportation
14 authority to function in each metropolitan area consisting of
15 any county of the first class and all nearby counties within
16 a radius of twenty miles of any such first class county, as a
17 body corporate and politic for the purpose of establishing an
18 integrated mass transportation system with all pertinent
19 powers including, but not limited to, leasing, acquiring,
20 owning, operating and maintaining a system for, or otherwise
21 providing for, the transportation of persons, authorizing the
22 borrowing of money and issuance of bonds therefor, conferring
23 the right of eminent domain on the authority; altering the
24 jurisdiction of the Public Utility Commission, authorizing
25 the acceptance of grants from Federal, State and local
26 governments, limiting actions against the authority and
27 exempting it from taxation, authorizing counties and
28 municipalities to enter into compacts for the financing of
29 each authority and to make appropriations in accordance with
30 such compacts, creating a citizen advisory committee,
31 conferring exclusive jurisdiction upon certain courts with

1 respect to matters relating to such authority, empowering
2 each authority to function outside of the metropolitan area
3 under certain terms and conditions," rewording definitions;
4 increasing the level of loss reimbursement; AND further <—
5 providing for State appropriation for subsidies for local
6 transportation organizations or companies. and further <—
7 ~~providing for certain transportation services for senior~~
8 ~~citizens and disabled persons.~~

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

11 Section 1. The definitions of "average fare" and "linked
12 passenger trips" in section 202 of the act of January 22, 1968
13 (P.L.42, No.8), known as the Pennsylvania Urban Mass
14 Transportation Law, added July 10, 1980 (P.L.427, No.101), are
15 amended ~~and definitions are added~~ to read: <—

16 Section 202. Definitions.--The following terms, whenever
17 used or referred to in this article, shall have the following
18 meanings, except in those instances where the context clearly
19 indicates a different meaning:

20 "Average fare" shall be defined as total passenger revenue
21 divided by the total [linked passenger trips excluding trips by
22 senior citizens participating in the free transit program for
23 senior citizens.] number of fare paying passengers. With regard
24 to the calculation of average fare or base fare for the
25 reimbursement of losses resulting from free service to senior
26 citizens authorized by this act, the Department of
27 Transportation shall not differentiate between services provided
28 by any agency for any reason.

29 * * *

30 ["Linked passenger trips" shall mean and include transit
31 trips taken by initially boarding (originating) patrons paying a
32 full fare, any reduced fare or no fare (free fare) but shall not
33 mean and shall exclude all transfer rides and all charter

1 rides.]

2 * * *

3 ~~"Permanently disabled person" shall mean a person eighteen~~ <—
4 ~~years of age or older who is unable to engage in any substantial~~
5 ~~gainful activity by reason of any medically determinable~~
6 ~~physical or mental impairment which can be expected to continue~~
7 ~~indefinitely.~~

8 * * *

9 ~~"Widow" or "widower" shall mean a person fifty years of age~~
10 ~~or older who is the surviving wife or the surviving husband, as~~
11 ~~the case may be, of a deceased individual and who has not~~
12 ~~remarried.~~

13 Section 2. Sections 203(5)(i), (ii), (iii) and (v) and 204
14 of the act, added July 10, 1980 (P.L.427, No.101), are amended
15 ~~and a paragraph is added to read:~~ <—

16 Section 203. Program Authorizations.--The department is
17 hereby authorized, within the limitations hereinafter provided
18 and is required where the provisions of section 204 apply:

19 * * *

20 (5) To make grants from the State Lottery Fund to
21 transportation companies, county transportation systems and
22 local transportation organizations to pay estimated transit
23 losses resulting from providing:

24 (i) Free service or local common carrier mass transportation
25 systems to persons sixty-five years or older when such passage
26 is on fixed route public transportation services during nonpeak
27 riding hours and on holidays and weekends. The losses resulting
28 from granting service on mass transportation systems shall be
29 reimbursable at [seventy-five] one hundred percent of such
30 system's average or base fare, whichever is greater, multiplied

1 by the number of trips made by senior citizens participating in
2 such free transit program. [Transit systems that currently
3 receive a program reimbursement based upon a percentage of
4 average fare greater than seventy-five percent shall receive
5 their current amount of senior citizen program reimbursement
6 until such time as the amount of reimbursement for these systems
7 equals seventy-five percent of the average fare times the number
8 of senior citizens trips: Provided, however, That reimbursement
9 for the fiscal year 1980-1981 shall be calculated using the
10 average fares as of January 1, 1980.] Notwithstanding the
11 foregoing, the department shall, with the approval of the
12 Governor's Office of the Budget, reimburse transportation
13 companies or local transportation organizations for all or a
14 portion of losses resulting from senior citizen transfer trips,
15 incurred under the conditions of this subsection. In fiscal year
16 1983-1984, such reimbursement shall be sixty percent of the
17 losses incurred resulting from senior citizens transfer trips.
18 Reimbursement for such losses in fiscal year 1984-1985 shall be
19 at least sixty percent of such losses, and in fiscal year 1985-
20 1986 and thereafter, reimbursement shall be one hundred percent
21 of such losses.

22 (ii) Free or reduced fare on shared ride county
23 transportation systems for persons sixty-five years of age or
24 ~~older, widows, widowers and permanently disabled persons:~~ <—

25 (A) In case of free service on such county systems, the
26 county shall be reimbursed at [seventy-five] ninety percent of
27 the cost incurred or to be incurred in operating and maintaining
28 such system, with the remainder of any such cost being paid by
29 the county.

30 (B) In case of reduced fare services on such county systems,

1 the county shall be reimbursed at the same rate and under the
2 same conditions as provided in subparagraph (iii).

3 (iii) Reduced fare services on local common carrier mass
4 transportation systems to persons sixty-five years of age or
5 older, ~~widows, widowers and permanently disabled persons~~ when <—
6 such passage is on shared ride public or contract transportation
7 services during regular hours of operation. On shared public
8 transportation, losses are reimbursable only if the elderly
9 person pays 25¢ or [twenty-five] ten percent of the cost of the
10 individual fare, whichever is greater.

11 (v) The department shall promulgate such rules and
12 regulations as are necessary to carry out the purposes of this
13 subparagraph. The department in consultation with the Public
14 Utility Commission and the Department of Aging shall establish
15 reasonable per mile or trip fare limits for purposes of section
16 203(5)(ii) and (iii). In accordance with section 2203-A(27) of
17 the act of April 9, 1929 (P.L.177, No.175), known as "The
18 Administrative Code of 1929," no such regulation shall take
19 effect until they are submitted to the Department of Aging for
20 comment.

21 * * *

22 ~~(7) To make grants from the State Lottery Fund for~~ <—
23 ~~neighborhood senior citizen centers approved by the Department~~
24 ~~of Aging to reimburse payments of bills for maintenance and~~
25 ~~utility costs which have been incurred by the centers.~~

26 Section 204. Annual Appropriation, Computation of Subsidy.--

27 (a) The Commonwealth shall annually determine the level of
28 appropriation for urban common carrier mass transportation
29 assistance, using the standards contained in this section, to
30 sufficiently fund and to make fully operative section

1 203(2)(iii) and (3).

2 (b) The General Assembly shall annually appropriate to the
3 department for distribution an amount based upon the individual
4 projected subsidies of the local transportation organizations or
5 transportation companies participating in the program. Each
6 local transportation organization and transportation company
7 shall be entitled to receive a State subsidy of at least two-
8 thirds but not more than three-quarters of its constrained
9 deficit: Provided, however, That if amount of moneys actually
10 appropriated by the General Assembly is greater or lesser than
11 the lump sum appropriation request, the individual calculated
12 grants shall be prorated among all recipients in accordance with
13 the provisions of this article using a ratio determined by
14 applying the actual lump sum appropriation to the lump sum
15 appropriation request.

16 (c) The constrained deficit shall be an amount equal to
17 eligible operating costs reduced by assumed revenues and Federal
18 operating subsidies. For purposes of this subsection:

19 (1) Eligible operating costs for the budget year shall not
20 exceed the prior year's operating costs for the same level of
21 service increased by a percentage equal to the percentage
22 increase in operating costs for all local transportation
23 organizations and transportation companies for the most recently
24 completed State fiscal year as compared to the fiscal year
25 immediately preceding such year plus fifteen percent of such
26 increase.

27 (2) (i) Assumed revenues shall be a percentage of eligible
28 operating costs as determined by reference to the following
29 table:

30 FISCAL YEAR	(A)	(B)	<u>(C)</u>
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1	1980-81	48%	38%
2	1981-82	48%	38%
3	[1982-83	46%	36%
4	1983-84	44%	34%
5	1984-85	42%	32%]

6 1983-84

7 and thereafter 48% 46% 34%

8 (ii) Column (A) is to be used for local transportation
9 organizations or transportation companies operating more than
10 [twenty] one thousand transit vehicles in the peak period,
11 column (B) is to be used for transportation organizations and
12 companies operating between twenty-one and nine hundred and
13 ninety-nine vehicles in the peak period and column [(B)] (C) is
14 to be used for local transportation organizations or
15 transportation companies operating twenty or fewer transit
16 vehicles in the peak period.

17 (iii) In any case where a local transportation organization
18 or transportation company increases or decreases the number of
19 transit vehicles operating during the peak period so as to move
20 to or from [column (B) to column (A) or from column (A) to
21 column (B)] columns (A), (B) or (C) the department may make
22 appropriate adjustments regarding assumed revenues during a
23 reasonable period following such increase or decrease.

24 (3) Federal operating subsidies shall mean the total
25 operating assistance funds in the budget year which the eligible
26 grantee actually receives under the Federal Urban Mass
27 Transportation Act of 1964, Public Law 88-365 (49 U.S.C. § 1601,
28 et seq.) or any other Federal law.

29 (d) The basic subsidy for which each local transportation
30 organization or transportation company shall be entitled shall

1 be equal to sixty-six and two-thirds percent of its constrained
2 deficit.

3 (e) Each local transportation organization or transportation
4 company shall receive, in addition to the basic subsidy, an
5 incentive grant subsidy of up to eight and one-third percent of
6 its constrained deficit based upon a finding that the local
7 transportation organization or transportation company for the
8 most recently completed State fiscal year as compared to the
9 fiscal year immediately preceding such year has met or exceeded
10 the following performance factors. Each factor which a local
11 transportation organization or transportation company meets
12 shall result in an additional increase in State funding of its
13 constrained deficit. The factors to be considered by the
14 department in awarding incentive grant subsidies are as follows:

15 (1) [A] No decrease [of no more than two percentage points]
16 in the system's revenue/cost ratio from the previous fiscal
17 year.

18 (2) Higher ridership per vehicle hour in the system than in
19 the previous fiscal year.

20 (3) Higher operating revenue per vehicle hour in the system
21 than in previous fiscal year.

22 (4) Lower operating costs per vehicle hour in the system
23 (adjusted for inflation) than in the previous fiscal year.

24 (f) Notwithstanding any other provision of this section, no
25 local transportation organization or transportation company
26 shall be entitled to receive an amount with respect to any
27 fiscal year greater than seventy-five percent of its actual
28 operating costs less actual revenues, excluding excess revenues
29 determined in accordance with subsection (g), and Federal
30 subsidies for that fiscal year.

1 (g) A local transportation organization or transportation
2 company may utilize revenues which the department determines to
3 be in excess of assumed revenues for any purpose in furtherance
4 of urban common carrier mass transportation in its service areas
5 except that such excess revenues may not be used to reduce local
6 matching funds for any State operating grant. All excess
7 revenues exceeding twelve percent of actual revenues shall be
8 used to reduce operating deficits for grant determinations by
9 the department. Expenses which are ineligible for reimbursement
10 by the department under sections 203(2)(iii) and 204, including
11 debt service, renewal and replacement and vehicle overhaul, may
12 be funded by transportation companies or local transportation
13 organizations through excess revenues.

14 ~~[(g)]~~ (h) A local transportation organization or
15 transportation company may at its option submit an application
16 for project grants covering modes or operating subsidiaries on
17 an individual basis or on a collective basis.

18 ~~[(h) Recipients]~~ (i) Each recipient of funds under this
19 section shall submit to the department between August 15 and
20 September 15 of each calendar year a proposed budget for the
21 budget year beginning July 1 together with budget projections
22 for four succeeding budget years. Budget proposals, based upon
23 information submitted by individual recipients, shall appear as
24 line items in the department's budget request, subject to the
25 provisions of subsection (b): Provided, however, That the
26 department budget request for funds under this section shall be
27 made as a lump sum appropriation request which shall be the
28 total of such line items.

29 ~~[(i)]~~ (j) Local transportation organizations and
30 transportation companies shall be prepared to appear

1 individually before the appropriation committees of the Senate
2 and the House of Representatives to justify budget requests.

3 Section 3. Section 406(c) of the act, added July 10, 1980
4 (P.L.427, No.101), is amended to read:

5 Section 406. Demand Response Entitlement Grants.--* * *

6 (c) Upon the termination of the fiscal year 1981-1982, no
7 further grants shall be made directly to the counties under this
8 paragraph: Provided, however, That no county receiving a fiscal
9 year grant under this paragraph shall forfeit such grant or be
10 denied subsequent fiscal year grants solely on the basis that
11 the county has failed within either the fiscal year 1980-1981 or
12 1981-1982 to fully and completely implement its transit system
13 for the elderly, it being the intent of the General Assembly to
14 provide each county five years from the effective date of this
15 act in which to phase in and make operational some type of
16 transit system for the elderly. In the event that any county
17 fails within such five years to provide some type of an
18 operational transit system for the elderly, any unspent and
19 unencumbered grant moneys made to the counties for the fiscal
20 years 1980-1981 or 1981-1982 shall be returned through the
21 Department of Transportation for deposit in the State Lottery
22 Fund for use in the grant program provided in section 203(5) or
23 for other senior citizens programs. For the 1984-1985 fiscal
24 year and every year thereafter all counties except counties of
25 the first and second class shall be entitled to grants from the
26 State Lottery Fund for the purpose of replacing and-or upgrading
27 equipment for reduced fare demand response service. The amount
28 entitled to all counties and to be granted by the department
29 shall not exceed \$2,300,000. The amount entitled to any county
30 shall not be more than \$150,000 for each fiscal year. The

1 department may require the counties to coordinate the
2 acquisition of equipment through a Statewide purchase program
3 should the department find such a program to be cost efficient.

4 Section 4. No local transportation organization or
5 transportation company receiving State funds under the
6 provisions of the act to which this is an amendment shall
7 receive a lesser amount for the fiscal year 1983-1984 than the
8 amount which had been approved by the department on the
9 effective date of this act.

10 Section 5. (a) Section 3 of this act shall take effect July
11 1, 1984.

12 (b) The ~~definitions of "permanently disabled person" and~~ <—
13 ~~"widow" or "widower" and the~~ amendments to section 203(5)(ii),
14 (iii) and (v) shall take effect in 60 days.

15 (c) The remainder of this act shall take effect immediately
16 and shall apply to the 1983-1984 fiscal year and to each fiscal
17 year thereafter.