

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1590 Session of 2007

INTRODUCED BY MARKOSEK, D. EVANS, McCALL AND DeWEESE, JUNE 18, 2007

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, JUNE 26, 2007

AN ACT

1 Amending Titles 53 (Municipalities Generally), 74
2 (Transportation) and 75 (Vehicles) of the Pennsylvania
3 Consolidated Statutes, providing for MINORITY AND WOMEN-OWNED <—
4 BUSINESS PARTICIPATION, FOR public transportation assistance
5 and taxation and for income based on use of Commonwealth
6 highways; AUTHORIZING LOCAL TAXATION FOR PUBLIC <—
7 TRANSPORTATION ASSISTANCE; REPEALING PROVISIONS RELATING TO
8 PUBLIC TRANSPORTATION ASSISTANCE; PROVIDING FOR
9 TRANSPORTATION ISSUES AND FOR SUSTAINABLE MOBILITY OPTIONS;
10 FURTHER PROVIDING, IN METROPOLITAN TRANSPORTATION
11 AUTHORITIES, FOR BOARD MEMBERS AND FOR OPERATION;
12 CONSOLIDATING THE TURNPIKE ORGANIZATION, EXTENSION AND TOLL
13 ROAD CONVERSION ACT AND FURTHER PROVIDING FOR THE
14 PENNSYLVANIA TURNPIKE COMMISSION; IN PROVISIONS ON THE
15 PENNSYLVANIA TURNPIKE, FURTHER PROVIDING FOR DEFINITIONS, FOR
16 AUTHORIZATIONS AND FOR CONVERSION TO TOLL ROADS AND PROVIDING
17 FOR CONVERSION OF INTERSTATE 80, FOR APPLICATION AND FOR
18 LEASE OF INTERSTATE 80; IN TAXES FOR HIGHWAY MAINTENANCE AND
19 CONSTRUCTION, PROVIDING FOR DEFINITIONS; FURTHER PROVIDING
20 FOR IMPOSITION AND FOR ALLOCATION OF PROCEEDS; PROVIDING FOR
21 SPECIAL REVENUE BONDS, FOR EXPENSES, FOR APPLICATION OF
22 PROCEEDS OF OBLIGATIONS, FOR TRUST INDENTURE, FOR EXEMPTION,
23 FOR PLEDGED REVENUES, FOR SPECIAL REVENUE REFUNDING BONDS,
24 FOR REMEDIES, FOR MOTOR LICENSE FUND PROCEEDS, FOR
25 CONSTRUCTION AND FOR FUNDING; AND MAKING RELATED REPEALS.

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

28 Section 1. CHAPTER 86 OF Title 53 of the Pennsylvania <—

1 Consolidated Statutes is amended ~~by adding a chapter~~ to read: <—

2 CHAPTER 86 <—

3 [(RESERVED)]

4 TAXATION FOR PUBLIC TRANSPORTATION

5 Sec.

6 8601. Declaration of policy.

7 8602. LOCAL FINANCIAL SUPPORT. <—

8 § 8601. Declaration of policy.

9 The General Assembly finds and declares as follows:

10 (1) Programs under 74 Pa.C.S. Ch. 13A (relating to  
11 sustainable mobility options) will require local funding.

12 (2) Local funding under paragraph (1) will require new  
13 or additional taxes by political subdivisions.

14 § 8602. LOCAL FINANCIAL SUPPORT. <—

15 (A) IMPOSITION.--NOTWITHSTANDING ANY OTHER PROVISION OF LAW,  
16 A MUNICIPALITY MAY OBTAIN FINANCIAL SUPPORT FOR TRANSIT SYSTEMS  
17 BY IMPOSING ONE OR MORE OF THE TAXES OR SURCHARGES UNDER  
18 SUBSECTION (B). MONEY OBTAINED FROM THE IMPOSITION SHALL BE  
19 DEPOSITED INTO A RESTRICTED ACCOUNT OF THE MUNICIPALITY. THE  
20 FOLLOWING APPLY:

21 (1) MONEY IN THE RESTRICTED ACCOUNT SHALL BE USED TO  
22 MEET THE REQUIREMENTS OF 74 PA.C.S. §§ 1513(D)(1) (RELATING  
23 TO OPERATING PROGRAM), 1514(C) (RELATING TO ASSET IMPROVEMENT  
24 PROGRAM) AND 1515(D) (RELATING TO NEW INITIATIVES PROGRAM).

25 (2) MONEY IN THE RESTRICTED ACCOUNT BEYOND THAT  
26 NECESSARY UNDER PARAGRAPH (1) SHALL BE USED FOR PUBLIC  
27 PASSENGER TRANSPORTATION, AS DEFINED IN 74 PA.C.S. § 1503  
28 (RELATING TO DEFINITIONS) OR FOR COSTS RELATED TO THE  
29 MAINTENANCE, REPAIR, RESTORATION OR REPLACEMENT OF LOCAL  
30 ROADS AND BRIDGES.

1        (B) TAXES.--

2            (1) A COUNTY MAY, BY ORDINANCE, IMPOSE ALL OF THE  
3 FOLLOWING TAXES:

4            (I) A SALES TAX ON EACH SEPARATE SALE AT RETAIL OF  
5 TANGIBLE PERSONAL PROPERTY OR SERVICES WITHIN THE COUNTY  
6 OF EITHER 0.25% OR 0.5% OF THE PURCHASE PRICE. THE  
7 DEPARTMENT OF REVENUE SHALL ADMINISTER AND COLLECT THE  
8 TAX UNDER THIS SUBPARAGRAPH IN ACCORDANCE WITH ARTICLE II  
9 OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE  
10 TAX REFORM CODE OF 1971, AND SHALL DISTRIBUTE THE MONEY  
11 TO THE COUNTY. AS USED IN THIS SUBPARAGRAPH, THE TERMS  
12 "PURCHASE PRICE," "SALE AT RETAIL" AND "TANGIBLE PERSONAL  
13 PROPERTY" SHALL HAVE THE MEANINGS GIVEN TO THEM UNDER  
14 SECTION 201 OF THE TAX REFORM CODE OF 1971.

15           (II) A USE TAX ON EACH USE WITHIN THE COUNTY OF  
16 TANGIBLE PERSONAL PROPERTY PURCHASED AT RETAIL AND ON  
17 THOSE SERVICES PURCHASED AT RETAIL OF EITHER 0.25% OR  
18 0.5% OF THE PURCHASE PRICE. THE ORDINANCE SHALL PROVIDE  
19 THAT THE TAX SHALL NOT BE PAID IF THE PERSON HAS PAID THE  
20 TAX IMPOSED UNDER SUBPARAGRAPH (I) OR HAS PAID THE TAX  
21 IMPOSED UNDER THIS SUBPARAGRAPH TO THE VENDOR WITH  
22 RESPECT TO THE USE. THE DEPARTMENT OF REVENUE SHALL  
23 ADMINISTER AND COLLECT THE TAX UNDER THIS SUBPARAGRAPH IN  
24 ACCORDANCE WITH ARTICLE II OF THE TAX REFORM CODE OF 1971  
25 AND SHALL DISTRIBUTE THE MONEY TO THE COUNTY. AS USED IN  
26 THIS SUBPARAGRAPH, THE TERMS "PURCHASE PRICE," "TANGIBLE  
27 PERSONAL PROPERTY" AND "VENDOR" SHALL HAVE THE MEANINGS  
28 GIVEN TO THEM UNDER SECTION 201 OF THE TAX REFORM CODE OF  
29 1971.

30           (III) AN EXCISE TAX OF EITHER 0.25% OR 0.5% OF THE

1 RENT UPON THE OCCUPANCY OF EACH HOTEL ROOM IN THE COUNTY.  
2 AS USED IN THIS SUBPARAGRAPH, THE TERMS "HOTEL,"  
3 "OCCUPANCY" AND "RENT" SHALL HAVE THE MEANINGS GIVEN TO  
4 THEM UNDER SECTION 209(A) OF THE TAX REFORM CODE OF 1971.

5 (2) A MUNICIPALITY OTHER THAN A COUNTY MAY, BY  
6 ORDINANCE, IMPOSE A TAX ON EARNED INCOME, AS DEFINED UNDER  
7 SECTION 13 OF THE ACT OF DECEMBER 31, 1965 (P.L.1257,  
8 NO.511), KNOWN AS THE LOCAL TAX ENABLING ACT, OF EITHER 0.25%  
9 OR 0.5%. THE TAX UNDER THIS PARAGRAPH SHALL BE IN ADDITION TO  
10 THE TAX IMPOSED UNDER THE LOCAL TAX ENABLING ACT.

11 (3) A MUNICIPALITY MAY, BY ORDINANCE, IMPOSE A TAX OF UP  
12 TO \$2 PER DAY ON EACH RENTAL VEHICLE. AS USED IN THIS  
13 PARAGRAPH, THE TERM "RENTAL VEHICLE" SHALL HAVE THE MEANING  
14 GIVEN IT IN SECTION 1601-A OF THE TAX REFORM CODE OF 1971.

15 (4) A COUNTY MAY IMPOSE, UNDER THE STATUTORY AUTHORITY  
16 OF THE COUNTY TO LEVY AN EXCISE TAX ON THE PRICE OF A HOTEL  
17 ROOM RENTAL, AN ADDITIONAL EXCISE TAX OF UP TO 1% ON THE  
18 PRICE OF A HOTEL ROOM RENTAL.

19 ~~Section 1.1. Chapter 13 of Title 74 of the Pennsylvania~~ <—  
20 ~~Consolidated Statutes is repealed:~~

21 SECTION 1.1. TITLE 74 IS AMENDED BY ADDING A SECTION TO <—

22 READ:

23 § 303. MINORITY AND WOMEN-OWNED BUSINESS PARTICIPATION.

24 (A) GENERAL RULE.--IN ADMINISTERING THE PROVISIONS OF THIS  
25 TITLE, THE DEPARTMENT AND ANY LOCAL TRANSPORTATION ORGANIZATION  
26 SHALL:

27 (1) BE RESPONSIBLE FOR ENSURING THAT ALL COMPETITIVE  
28 CONTRACT OPPORTUNITIES ISSUED BY THE DEPARTMENT OR LOCAL  
29 TRANSPORTATION ORGANIZATION SEEK TO MAXIMIZE PARTICIPATION BY  
30 MINORITY AND WOMEN-OWNED BUSINESSES AND OTHER DISADVANTAGED

1 BUSINESSES.

2 (2) GIVE CONSIDERATION, WHEN POSSIBLE AND COST  
3 EFFECTIVE, TO CONTRACTORS OFFERING TO UTILIZE MINORITY AND  
4 WOMEN-OWNED BUSINESSES AND DISADVANTAGED BUSINESSES IN THE  
5 SELECTION AND AWARD OF CONTRACTS.

6 (3) ENSURE THAT THE DEPARTMENT'S AND LOCAL  
7 TRANSPORTATION ORGANIZATIONS'S COMMITMENT TO THE MINORITY AND  
8 WOMEN-OWNED BUSINESS PROGRAM IS CLEARLY UNDERSTOOD AND  
9 APPROPRIATELY IMPLEMENTED AND ENFORCED BY ALL DEPARTMENT AND  
10 LOCAL TRANSPORTATION ORGANIZATION EMPLOYEES.

11 (4) DESIGNATE A RESPONSIBLE OFFICIAL TO SUPERVISE THE  
12 DEPARTMENT AND LOCAL TRANSPORTATION ORGANIZATION MINORITY AND  
13 WOMEN-OWNED BUSINESS PROGRAM AND ENSURE COMPLIANCE WITHIN THE  
14 DEPARTMENT OR LOCAL TRANSPORTATION ORGANIZATION.

15 (5) FURNISH THE DEPARTMENT OF GENERAL SERVICES, UPON  
16 REQUEST, ALL REQUESTED INFORMATION OR ASSISTANCE.

17 (6) RECOMMEND SANCTIONS TO THE SECRETARY OF GENERAL  
18 SERVICES, AS MAY BE APPROPRIATE, AGAINST BUSINESSES THAT FAIL  
19 TO COMPLY WITH THE POLICIES OF THE COMMONWEALTH MINORITY AND  
20 WOMEN-OWNED BUSINESS PROGRAM.

21 (B) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING  
22 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS  
23 SUBSECTION:

24 "DISADVANTAGED BUSINESS." A BUSINESS THAT IS OWNED OR  
25 CONTROLLED BY A MAJORITY OF PERSONS, NOT LIMITED TO MEMBERS OF  
26 MINORITY GROUPS, WHO ARE SUBJECT TO RACIAL OR ETHNIC PREJUDICE  
27 OR CULTURAL BIAS.

28 "LOCAL TRANSPORTATION ORGANIZATION." ANY OF THE FOLLOWING:

29 (1) A POLITICAL SUBDIVISION OR A PUBLIC TRANSPORTATION  
30 PORT OR REDEVELOPMENT AUTHORITY ORGANIZED UNDER THE LAWS OF

1 THIS COMMONWEALTH OR PURSUANT TO AN INTERSTATE COMPACT OR  
2 OTHERWISE EMPOWERED TO RENDER, CONTRACT FOR THE RENDERING OR  
3 ASSIST IN THE RENDERING OF TRANSPORTATION SERVICE IN A  
4 LIMITED AREA IN THIS COMMONWEALTH, EVEN THOUGH IT MAY ALSO  
5 RENDER OR ASSIST IN RENDERING TRANSPORTATION SERVICE IN  
6 ADJACENT STATES.

7 (2) A NONPROFIT ASSOCIATION THAT DIRECTLY OR INDIRECTLY  
8 PROVIDES PUBLIC TRANSPORTATION SERVICE.

9 (3) A NONPROFIT ASSOCIATION OF PUBLIC TRANSPORTATION  
10 PROVIDERS OPERATING WITHIN THIS COMMONWEALTH.

11 "MINORITY-OWNED BUSINESS." A BUSINESS OWNED AND CONTROLLED  
12 BY A MAJORITY OF PERSONS WHO ARE AFRICAN AMERICANS, HISPANIC  
13 AMERICANS, NATIVE AMERICANS, ASIAN AMERICANS, ALASKANS AND  
14 PACIFIC ISLANDERS.

15 "WOMEN-OWNED BUSINESS." A BUSINESS OWNED AND CONTROLLED BY A  
16 MAJORITY OF PERSONS WHO ARE WOMEN.

17 SECTION 1.2. CHAPTER 13 OF TITLE 74 IS REPEALED:

18 [CHAPTER 13

19 PUBLIC TRANSPORTATION ASSISTANCE

20  
21 § 1301. Definitions.

22 The following words and phrases when used in this chapter  
23 shall have the meanings given to them in this section unless the  
24 context clearly indicates otherwise:

25 "Asset maintenance costs." All vehicle maintenance expenses,  
26 nonvehicle maintenance expenses and materials and supplies used  
27 in the operation of local transportation organizations and  
28 transportation companies.

29 "Average fare." Total passenger revenue divided by the total  
30 number of fare-paying passengers. With regard to the calculation

1 of average fare or base fare for the reimbursement of losses  
2 resulting from free service to senior citizens authorized by  
3 this part, the Department of Transportation shall not  
4 differentiate between bus services provided within an operating  
5 unit or division of any transit agency for any reason. Services  
6 funded under either the State urban or rural operating  
7 assistance programs will be considered separate operating units.

8 "Bus." A motor vehicle designed for carrying 15 or more  
9 passengers, exclusive of the driver, and used for the  
10 transportation of persons, and a motor vehicle, other than a  
11 taxicab, designed and used for the transportation of persons for  
12 compensation.

13 "Capital project." Any system of public passenger or public  
14 passenger and rail transportation, including, but not limited  
15 to, any railway, street railway, subway, elevated and monorail  
16 passenger or passenger and rail rolling stock, including self-  
17 propelled and gallery cars, locomotives, passenger buses and  
18 wires, poles and equipment for the electrification of any of the  
19 foregoing, rails, tracks, roadbeds, guideways, elevated  
20 structures, buildings, stations, terminals, docks, shelters,  
21 airports and parking areas for use in connection with public  
22 passenger or public passenger and rail transportation systems,  
23 interconnecting lines and tunnels to provide passenger or  
24 passenger and rail service connections between transportation  
25 systems, transportation routes, corridors, and rights-of-way for  
26 any thereof (but not for public highways), signal and  
27 communication systems necessary or desirable for the  
28 construction, operation or improvement of the public passenger  
29 or passenger and rail transportation system involved, or any  
30 improvement of or overhaul of any vehicle, equipment or

1 furnishings for any of the foregoing or any part, or fractional  
2 and undivided co-ownership or leasehold interest in any one or  
3 combination of any of the foregoing, that may be designated as a  
4 capital project by the secretary.

5 "Class 1 transit entity." A local transportation  
6 organization or transportation company operating 1,000 or more  
7 transit vehicles in the peak period.

8 "Class 2 transit entity." A local transportation  
9 organization or transportation company operating more than 300  
10 but less than 1,000 transit vehicles in the peak period.

11 "Class 3 transit entity." A local transportation  
12 organization or transportation company operating 300 or less  
13 fixed-route transit vehicles in the peak period serving an  
14 urbanized area.

15 "Class 4 transit entity." Any local transportation  
16 organization or transportation company which serves a  
17 nonurbanized area and, during the 1990-1991 fiscal year,  
18 received or was approved to receive funding under the act of  
19 February 11, 1976 (P.L.14, No.10), known as the Pennsylvania  
20 Rural and Intercity Common Carrier Surface Transportation  
21 Assistance Act.

22 "Class 4 transit entity adjusted base grant." The State  
23 subsidy for operating expenses a Class 4 transit entity received  
24 during the 1990-1991 fiscal year, including any funds  
25 appropriated under the act of February 11, 1976 (P.L.14, No.10),  
26 known as the Pennsylvania Rural and Intercity Common Carrier  
27 Surface Transportation Assistance Act; adjusted for factors  
28 which, in the judgment of the department, caused significant  
29 increases or decreases in the amount of State subsidy to a Class  
30 4 transit entity during the 1990-1991 fiscal year; and further



1 adjusted, with respect to any Class 4 transit entity which  
2 received a State subsidy for less than the entire 1990-1991  
3 fiscal year, to reflect the annual subsidy that Class 4 transit  
4 entity would have received during that fiscal year if it had  
5 received a State subsidy for that entire fiscal year.

6 "Community transportation programs." Programs eligible to be  
7 funded pursuant to section 1312 (relating to community  
8 transportation programs).

9 "Construction." The term includes acquisition as well as  
10 construction.

11 "Counties." The term includes any county.

12 "County transportation system." Buses, vans or other transit  
13 vehicles purchased, maintained and operated by any county and  
14 used to provide free or reduced rate transportation within the  
15 county to persons 65 years of age or older.

16 "Department." The Department of Transportation of the  
17 Commonwealth.

18 "Equipment" and "furnishings." Any equipment and furnishings  
19 whatsoever as may be deemed desirable and required for a capital  
20 project and approved by the Department of Transportation for the  
21 use and occupancy of that capital project. The terms include the  
22 installation of such equipment and furnishings.

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

28 "Fixed-route public transportation services." Regularly  
29 scheduled transportation that is available to the general public  
30 and is provided according to published schedules along

1 designated published routes with specified stopping points for  
2 the taking on and discharging of passengers, including public  
3 bus and commuter rail systems. The term does not include  
4 exclusive ride taxi service, charter or sightseeing services,  
5 nonpublic transportation or school bus or limousine services.

6 "Fund." The Public Transportation Assistance Fund.

7 "Improvement." Any extension, enlargement, equipping,  
8 furnishing, as well as any improvement.

9 "Local transportation organization." Any political  
10 subdivision or any mass transportation, port, redevelopment or  
11 airport authority now or hereafter organized under the Laws of  
12 Pennsylvania or pursuant to an interstate compact or otherwise  
13 empowered to render, contract for the rendering or assist in the  
14 rendering of transportation service in a limited area in the  
15 Commonwealth of Pennsylvania, even though it may also render or  
16 assist in rendering transportation service in adjacent states,  
17 or any nonprofit association of public transportation providers  
18 within this Commonwealth.

19 "Materials and supplies." Those categories of expenses  
20 contained in object class code 504 as specified in the National  
21 Urban Mass Transportation Statistics, 1989 Section 15 Annual  
22 Report, Report No. UMTA-IT-06-0352-90-1.

23 "Municipality." Includes any city, borough, incorporated  
24 town or township.

25 "Nonurbanized area." Any area in this Commonwealth which  
26 does not fall within an area classified as "urbanized" by the  
27 United States Bureau of the Census of the United States  
28 Department of Commerce in the 1990 Census of Population or any  
29 area in this Commonwealth not classified as "urbanized" in any  
30 future decennial census of the United States.

1 "Nonvehicle maintenance expenses." The categories of costs  
2 associated with the inspection, maintenance and repair of assets  
3 other than vehicles, as specified in the National Urban Mass  
4 Transportation Statistics, 1989 Section 15 Annual Report, Report  
5 No. UMTA-IT-06-0352-90-1.

6 "Pennsylvania Mass Transit Statistical Report." The summary  
7 of selected financial and operating data concerning local  
8 transportation organizations and transportation companies for  
9 services in urbanized areas published annually by the Department  
10 of Transportation since the 1973-1974 fiscal year. The  
11 department shall publish the Pennsylvania Mass Transit  
12 Statistical Report on an annual basis, which report shall  
13 contain statistics with respect to the prior fiscal year,  
14 including those statistics needed for the department to make the  
15 calculations required pursuant to sections 1303 (relating to  
16 annual appropriation and computation of subsidy) and 1310  
17 (relating to distribution of funding), and such other material  
18 as the department shall determine.

19 "Pennsylvania Rural and Small Urban Public Transportation  
20 Program Statistical Report." The summary of selected financial  
21 and operating data concerning rural and small urban local  
22 transportation organizations and transportation companies for  
23 services in nonurbanized areas published by the Department of  
24 Transportation. The department shall publish the Pennsylvania  
25 Rural and Small Urban Public Transportation Program Statistical  
26 Report on an annual basis, which report shall contain statistics  
27 with respect to the prior fiscal year, including those  
28 statistics needed for the department to make the calculations  
29 required pursuant to sections 1303 (relating to annual  
30 appropriation and computation of subsidy) and 1310 (relating to

1 distribution of funding), and such other material as the  
2 department shall determine.

3 "Person." The term includes natural persons, firms,  
4 associations, corporations, business trusts, partnerships and  
5 public bodies, including local transportation organizations.

6 "Planning, development, research, rural expansion and  
7 department-initiated programs." Any program eligible to be  
8 funded pursuant to section 1313 (relating to additional  
9 programs).

10 "Project grant." The Commonwealth's share of the cost of  
11 carrying out the particular project, which cost may include  
12 costs incurred prior to the effective date of this part and  
13 which cost shall include an appropriate allowance for the  
14 administrative expenses involved in carrying out the project.

15 "Property." All property, real, personal or mixed, tangible  
16 or intangible, or any interest therein, including fractional and  
17 undivided co-ownership interests.

18 "Public highway." Every way or place, of whatever nature,  
19 open to the use of the public as a matter of right for purposes  
20 of vehicular travel. Solely for the purpose of administering  
21 this part, the term shall not be deemed to include a bridge  
22 located wholly within this Commonwealth which is open to the use  
23 of the public for the purpose of vehicular traffic but which on  
24 March 15, 1964, was owned and maintained by a mass  
25 transportation or port authority and which comprises a part of  
26 the transportation system of the mass transportation or port  
27 authority.

28 "Revenue hours." The total amount of time, calculated in  
29 hours, during which vehicles of a Class 4 transit entity are in  
30 service and available for public use as reported with respect to

1 the most recent fiscal year in the most recently issued  
2 Pennsylvania Rural and Small Urban Public Transportation  
3 Statistical Report.

4 "Revenue miles." The total number of in-service miles  
5 traveled by vehicles of a Class 4 transit entity as reported  
6 with respect to the most recent fiscal year in the most recently  
7 issued Pennsylvania Rural and Small Urban Public Transportation  
8 Statistical Report.

9 "Secretary." The Secretary of Transportation of the  
10 Commonwealth.

11 "Shared-ride public transportation services." Demand-  
12 responsive transportation that is available to the general  
13 public, operates on a nonfixed route basis and charges a fare to  
14 all riders. For transportation to be included in this definition  
15 the first fare-paying passengers to enter the public  
16 transportation vehicle must not refuse to share the vehicle with  
17 other passengers during a given trip. Services excluded under  
18 this definition are: exclusive ride taxi service; charter and  
19 sightseeing services; nonpublic transportation; school bus or  
20 limousine services.

21 "Transit vehicle." A self-propelled or electrically  
22 propelled vehicle designed for carrying 15 or more passengers,  
23 exclusive of the driver, other than a taxicab, designed and used  
24 for the transportation of persons for compensation, including,  
25 but not limited to, subway cars, trolleys, trackless trolleys  
26 and railroad passenger cars.

27 "Transportation company." Any person, firm or corporation  
28 rendering public passenger or public passenger and rail  
29 transportation service, with or without the rendering of other  
30 service, in this Commonwealth pursuant to common carrier

1 authorization from the Pennsylvania Public Utility Commission or  
2 the Interstate Commerce Commission.

3 "Urban common carrier mass transportation." Transportation  
4 within an area that includes a municipality or other built-up  
5 place which is appropriate, in the judgment of the Department of  
6 Transportation, for a common carrier transportation system to  
7 serve commuters or others in the locality, taking into  
8 consideration the local patterns and trends of urban growth, by  
9 bus or rail or other conveyance, either publicly or privately  
10 owned, serving the general public. The term does not include  
11 school buses or charter or sightseeing service.

12 "Urban Mass Transportation Act of 1964." Public Law 88-365,  
13 49 U.S.C. § 1601 et seq.

14 "Urbanized area." A portion of this Commonwealth classified  
15 as "urbanized" by the United States Bureau of the Census of the  
16 United States Department of Commerce in the 1990 Census of  
17 Population or any area in this Commonwealth classified as  
18 "urbanized" in any future decennial census of the United States.

19 "Vehicle hours." The total amount of time, calculated in  
20 hours, during which vehicles of a local transportation  
21 organization or transportation company are in service and  
22 available for public use, listed with respect to the most recent  
23 fiscal year reported in the most recently issued Pennsylvania  
24 Mass Transit Statistical Report.

25 "Vehicle maintenance expenses." The categories of costs  
26 associated with the inspection, maintenance and repair of  
27 vehicles as specified in the National Urban Mass Transportation  
28 Statistics, 1989 Section 15 Annual Report, Report No. UMTA-IT-  
29 06-0352-90-1.

30 "Vehicle miles." The total distance, calculated in miles,

1 which is funded in whole or in part by this part, traveled by  
2 vehicles of a local transportation organization or  
3 transportation company listed with respect to the most recent  
4 fiscal year reported in the most recently issued Pennsylvania  
5 Mass Transit Statistical Report.

6 § 1302. Program authorizations.

7 The department is hereby authorized, within the limitations  
8 hereinafter provided, and is required where the provisions of  
9 section 1303 (relating to annual appropriation and computation  
10 of subsidy) apply:

11 (1) To undertake and to provide financial support for  
12 research, by contract or otherwise, concerning urban common  
13 carrier mass transportation.

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

18 (i) For the purpose of studies, analysis, planning  
19 and development of programs for urban common carrier mass  
20 transportation service and facilities, and for the  
21 purpose of activities related to the planning,  
22 engineering and designing of specific projects which are  
23 a part of a comprehensive program, including, but not  
24 limited to, activities such as studies related to  
25 management, operations, capital requirements and economic  
26 feasibility, to the preparation of engineering and  
27 architectural surveys, plans and specifications and to  
28 other similar or related activities preliminary to and in  
29 preparation for the construction, acquisition or improved  
30 operation of urban common carrier mass transportation

1 systems, facilities and equipment. State funding under  
2 this subparagraph shall not exceed five-sixths of the  
3 non-Federal share of the project costs.

4 (ii) To provide for research, development and  
5 demonstration projects in all phases of urban common  
6 carrier mass transportation, including the development,  
7 testing and demonstration of new facilities, equipment,  
8 techniques and methods, to assist in the solution of  
9 urban transportation problems, in the improvement of mass  
10 transportation service and the contribution of such  
11 service toward meeting total urban transportation needs  
12 at minimum cost. State funding under this subparagraph  
13 shall not exceed five-sixths of the non-Federal share of  
14 the project costs.

15 (iii) To assist in providing grants to continue  
16 necessary service to the public, to permit needed  
17 improvements in service which are not self-supporting, to  
18 permit service which may be socially desirable but  
19 economically unjustified, and otherwise for any purpose  
20 in furtherance of urban common carrier mass  
21 transportation. The methodology for calculating the  
22 amount of the grant under this subparagraph shall be  
23 determined in accordance with section 1303. Each grant to  
24 a Class 1 transit entity, to a Class 2 transit entity or  
25 to a Class 3 transit entity made pursuant to this  
26 paragraph shall be matched by local or private funding in  
27 an amount not less than one-third of the total State  
28 grant made pursuant to section 1303(b). Any grants to  
29 Class 3 transit entities may, however, be matched by an  
30 amount not less than the amount of local or private



1 funding which is specified in the State contract for the  
2 1990-1991 fiscal year if the department shall have  
3 received a certification from such Class 3 transit entity  
4 that such lower level of local or private funding is  
5 adequate to prevent significant service reductions or  
6 passenger fare increases.

7 (3) To make grants to any transportation company or  
8 companies for use in providing necessary service to the  
9 public, to permit needed improvements in services which are  
10 not self-supporting, to permit services which may be socially  
11 desirable but economically unjustified, and otherwise for any  
12 purpose in furtherance of urban common carrier mass  
13 transportation. In view of the particular sensitivity of  
14 special instrumentalities and agencies of the Commonwealth  
15 created to serve or coordinate the local transportation needs  
16 of substantial metropolitan areas, no grant moneys may be  
17 used exclusively or principally in the local service area of  
18 any such agency or instrumentality in which a city or county  
19 of the first or second class has membership, except in  
20 accordance with a system of priorities agreed upon by the  
21 department and such agency or instrumentality. In the case of  
22 a grant where the moneys granted will be used for an activity  
23 to be conducted exclusively or principally within the local  
24 service areas of such agency or instrumentality, no grant  
25 moneys may be used except in accordance with agreements by  
26 the department and such agency or instrumentality with  
27 respect to such use. In the case of a grant not falling  
28 within the scope of the preceding sentence but where moneys  
29 granted will be used both within and without the local  
30 service area of such agency or instrumentality, the grant

1 shall require that the routes, schedules and fares applicable  
2 only within such service areas shall be those mutually agreed  
3 upon by the department and such agency or instrumentality. No  
4 agreement referred to in this paragraph shall impair,  
5 suspend, reduce, enlarge or extend or affect in any manner  
6 the powers of the Pennsylvania Public Utility Commission or  
7 the Interstate Commerce Commission otherwise applicable by  
8 law. Each grant to a Class 1 transit entity, to a Class 2  
9 transit entity or to a Class 3 transit entity made pursuant  
10 to this paragraph shall be matched by local or private  
11 funding in an amount not less than one-third of the total  
12 State grant made pursuant to section 1303(b). Any grants to  
13 Class 3 transit entities may, however, be matched by an  
14 amount not less than the amount of local or private funding  
15 which is specified in the State contract for the 1990-1991  
16 fiscal year if the department shall have received a  
17 certification from such Class 3 transit entity that such  
18 lower level of local or private funding is adequate to  
19 prevent significant service reductions and/or passenger fare  
20 increases.

21 (4) In connection with privately or locally assisted  
22 capital projects or capital projects financed with private or  
23 local and Federal funds, to make grants for approved capital  
24 projects to a local transportation organization or a  
25 transportation company, including the acquisition,  
26 construction, reconstruction and improvement of facilities  
27 and equipment, buses and other rolling stock, and other real  
28 or personal property, including land (but not public  
29 highways), needed for an efficient and coordinated mass  
30 transportation system for use, by operation, lease or

1 otherwise, in urban common carrier mass transportation  
2 service and in coordinating such service with highway and  
3 other transportation. No capital project grant shall be made  
4 for the purpose of financing, directly or indirectly, the  
5 acquisition of any interest in, or the purchase of any  
6 facilities or other property of, a private urban common  
7 carrier mass transportation company. Each capital project  
8 shall be based on a program or plan approved by the  
9 department. No capital project grant shall exceed five-sixths  
10 of the non-Federal share, subject, however, to the following  
11 specific exceptions:

12 (i) If two or more capital projects are combined for  
13 financing purposes, the amount of department funds used  
14 for any one of such projects may exceed five-sixths of  
15 the non-Federal share, provided that the total amount of  
16 department funds provided for all the projects so  
17 combined does not exceed five-sixths of the total non-  
18 Federal share of all of the projects so combined.

19 (ii) If a capital project is eligible to receive  
20 Federal financial assistance under the Urban Mass  
21 Transportation Act of 1964 and if the project application  
22 for such Federal financial assistance has been rejected  
23 or delayed because of a lack of Federal funds or if the  
24 normal amount of Federal grant cannot be provided because  
25 of a lack of Federal funds and if the department has  
26 determined that the capital project is essential and  
27 should proceed without delay, department funds for such  
28 capital project may be increased temporarily to finance  
29 the entire net project cost, with the requirement that,  
30 upon the availability of additional Federal funds and the

1 making to the capital project of a new or an additional  
2 Federal grant, the amount of department funds in excess  
3 of five-sixths of the non-Federal share be refunded to  
4 the department or be applied as the department may direct  
5 to help meet the department's share of the cost of  
6 another project in which the department is a participant.

7 (iii) If a project is ineligible to receive Federal  
8 financial assistance under the Urban Mass Transportation  
9 Act of 1964 and if the department has determined that the  
10 project is essential and should proceed without delay,  
11 the amount of department funds for such project shall be  
12 limited to an amount not to exceed one-half of the net  
13 project cost.

14 (5) To make grants from the State Lottery Fund in  
15 accordance with Chapter 7 of the act of August 14, 1991  
16 (P.L.342, No.36), known as the Lottery Fund Preservation Act.

17 (6) To participate in a pooled bus acquisition program  
18 with transportation companies or local transportation  
19 organizations and the Federal Government for the purpose of  
20 making buses available to transportation companies or local  
21 transportation organizations for use in urban common carrier  
22 mass transportation service, in accordance with the following  
23 procedures:

24 (i) The department may apply to the Urban Mass  
25 Transportation Administration of the United States  
26 Department of Transportation for the Federal share of any  
27 pooled-bus acquisition project.

28 (ii) The department may, with the assistance of the  
29 Department of General Services or a special group  
30 comprised of representatives of the transportation

1 companies or local transportation organizations within  
2 the Commonwealth, write specifications for and order  
3 buses on behalf of any number of transportation companies  
4 or local transportation organizations desiring bus  
5 acquisition under this program.

6 (iii) Before any order for buses is placed by the  
7 department with a manufacturer, the department shall  
8 secure written assurance from the Federal Government of  
9 the availability of Federal financial assistance for such  
10 bus acquisitions. The department shall also secure  
11 written obligations by the transportation companies or  
12 local transportation organizations participating in such  
13 bus acquisitions that they will accept delivery of such  
14 buses at the appropriate time and will supply local  
15 funding in accordance with subparagraph (iv).

16 (iv) Funding for this program shall be: four-fifths  
17 Federal, one-sixth State and one-thirtieth from local  
18 sources; however, the local share of program costs may be  
19 advanced to the manufacturer by the Commonwealth at the  
20 time of purchase. Repayments to the Commonwealth of such  
21 advancements shall be considered as augmentations to the  
22 fund from which the funds were advanced. No part of the  
23 Federal share shall be advanced by the Commonwealth in  
24 anticipation of reimbursement.

25 (v) The Commonwealth may take title to and delivery  
26 of vehicles acquired pursuant to this program for  
27 eventual transfer to transportation companies or local  
28 transportation organizations.

29 (vi) All bus acquisitions under this program shall  
30 be made in accordance with a system of competitive

1 bidding.

2 (vii) At its discretion, the department may organize  
3 and fund, with Commonwealth funds, postacquisition  
4 studies reasonably related to any pooled-bus acquisition  
5 made pursuant to this section, including, but not limited  
6 to, a vehicle inspection study at an appropriate interval  
7 or intervals following acquisition in order to monitor  
8 the condition of any vehicle purchased pursuant to this  
9 section.

10 § 1303. Annual appropriation and computation of subsidy.

11 (a) General rule.--Beginning with the 1991-1992 fiscal year,  
12 the Commonwealth shall annually determine the level of  
13 appropriation for public transportation assistance, using the  
14 standards contained in this section, to sufficiently fund and to  
15 make fully operative section 1302(2)(iii) and (3) (relating to  
16 program authorizations).

17 (b) Distribution as grants.--The General Assembly shall  
18 annually make an appropriation to the department for  
19 distribution as grants to local transportation organizations and  
20 transportation companies. The total amount of moneys  
21 appropriated shall be distributed by the department as grants to  
22 local transportation organizations and transportation companies  
23 in accordance with the provisions of this section.

24 (c) Distribution formula.--The department shall distribute  
25 the total amount appropriated under subsection (b) in the  
26 following manner:

27 (1) The department shall calculate the Class 4 transit  
28 entity share for the fiscal year.

29 (2) The department shall then calculate the amount of  
30 grant due to each Class 4 transit entity as follows:

1 (i) From the Class 4 transit entity share, each  
2 Class 4 transit entity shall first receive an amount  
3 equal to 100% of its Class 4 transit entity adjusted base  
4 grant.

5 (ii) With respect to any portion of the Class 4  
6 transit entity share remaining after each Class 4 transit  
7 entity receives an amount equal to 100% of its Class 4  
8 transit entity adjusted base grant:

9 (A) Fifty percent of such excess shall be  
10 distributed to Class 4 transit entities based upon  
11 the percentage of the total amount of all Class 4  
12 transit entity adjusted base grants given to Class 4  
13 transit entities which a particular Class 4 transit  
14 entity received.

15 (B) Twenty-five percent of such excess shall be  
16 distributed to Class 4 transit entities based upon  
17 each transit entity's Class 4 revenue mile  
18 percentage. The actual amount received by each Class  
19 4 transit entity under this clause shall be  
20 determined by multiplying a particular Class 4  
21 transit entity's Class 4 revenue mile percentage  
22 times 25% of such excess of the Class 4 transit  
23 entity share.

24 (C) Twenty-five percent of such excess shall be  
25 distributed to Class 4 transit entities based upon  
26 each transit entity's Class 4 revenue hour  
27 percentage. The actual amount received by each Class  
28 4 transit entity under this clause shall be  
29 determined by multiplying a particular Class 4  
30 transit entity's Class 4 revenue hour percentage

1           times 25% of such excess of the Class 4 transit  
2           entity share.

3           (3) All Class 4 transit entities may utilize all of the  
4 funds received pursuant to this section for any purpose in  
5 furtherance of public transportation. Each grant made to a  
6 Class 4 transit entity pursuant to this section shall,  
7 however, be matched by local or private funding in an amount  
8 not less than one-third of the total State grant made  
9 pursuant to subsection (c). Additionally, any grants to Class  
10 4 transit entities may be matched by an amount not less than  
11 the amount of local or private funding which is specified in  
12 the State contract for the 1990-1991 fiscal year if the  
13 department shall have received a certification from such  
14 Class 4 transit entity that such lower level of local or  
15 private funding is adequate to prevent significant service  
16 reductions or passenger fare increases.

17           (4) The department shall calculate the Class 1 transit  
18 entity share, the Class 2 transit entity share and the Class  
19 3 transit entity share for the fiscal year.

20           (5) The department shall then calculate the amount of  
21 grant due to each local transportation organization and  
22 transportation company as follows:

23           (i) Each Class 1 transit entity shall receive a  
24 prorata share of the Class 1 transit entity share. If  
25 there is only one Class 1 transit entity, it shall  
26 receive the entire Class 1 transit entity share.

27           (ii) Each Class 2 transit entity shall receive a  
28 prorata share of the Class 2 transit entity share. If  
29 there is only one Class 2 transit entity, it shall  
30 receive the entire Class 2 transit entity share.



1 (iii) Each Class 3 transit entity shall receive a  
2 portion of the Class 3 transit entity share calculated as  
3 follows:

4 (A) From the Class 3 transit entity share, each  
5 Class 3 transit entity shall first receive an amount  
6 equal to 100% of its Class 3 transit entity adjusted  
7 base grant.

8 (B) With respect to any portion of the Class 3  
9 transit entity share remaining after each Class 3  
10 transit entity receives an amount equal to 100% of  
11 its Class 3 transit entity adjusted base grant:

12 (I) Fifty percent of such excess shall be  
13 distributed to Class 3 transit entities based  
14 upon the percentage of all Class 3 transit entity  
15 adjusted base grants given to Class 3 transit  
16 entities which a particular Class 3 transit  
17 entity received.

18 (II) Twenty-five percent of such excess  
19 shall be distributed to Class 3 transit entities  
20 based upon each transit entity's Class 3 vehicle  
21 mile percentage. The actual amount received by  
22 each Class 3 transit entity under this subclause  
23 shall be determined by multiplying a particular  
24 Class 3 transit entity's Class 3 vehicle mile  
25 percentage times 25% of such excess of the Class  
26 3 transit entity share.

27 (III) Twenty-five percent of such excess  
28 shall be distributed to Class 3 transit entities  
29 based upon each Class 3 transit entity's Class 3  
30 operating revenue percentage. The actual amount

1 received by each Class 3 transit entity under  
2 this subclause shall be determined by multiplying  
3 a particular Class 3 transit entity's Class 3  
4 operating revenue percentage times 25% of such  
5 excess of the Class 3 transit entity share.

6 (6) On or about each July 1, October 1, January 1 and  
7 April 1 of each year commencing July 1, 1987, the department  
8 shall disburse 25% of the total annual amount due to each  
9 local transportation organization or transportation company  
10 calculated in accordance with this section.

11 (d) New organizations.--Should a new local transportation  
12 organization or transportation company be established and meet  
13 the criteria of a Class 1 transit entity, Class 2 transit  
14 entity, Class 3 transit entity or Class 4 transit entity as such  
15 criteria are set forth in section 1301 (relating to  
16 definitions), the department shall make an appropriate  
17 determination as to the level of grant to which such local  
18 transportation organization or transportation company shall be  
19 entitled. This determination shall include, but shall not be  
20 limited to, a determination as to an appropriate adjusted base  
21 grant for that local transportation organization or  
22 transportation company and a determination of appropriate  
23 adjustments to class percentages or transit entity shares.

24 (e) Change to different entity class.--If, during any fiscal  
25 year, either the number of vehicles operated by a local  
26 transportation organization or transportation company or the  
27 area served by such a local transportation organization or  
28 transportation company changes so that the local transportation  
29 organization or transportation company meets the criteria for a  
30 different transit entity class, as such criteria are set forth

1 in section 1301, on or before July 15 of the fiscal year which  
2 follows such a change and in each fiscal year thereafter, the  
3 department shall reflect any change in the transit entity class  
4 of such a local transportation organization or transportation  
5 company in its calculation of the transit entity shares for each  
6 transit entity class for that and subsequent fiscal years. In  
7 its calculation of the transit entity shares for each transit  
8 entity class required by this section, for the fiscal year  
9 following the change in a local transportation organization or  
10 transportation company's transit entity class and thereafter,  
11 the department shall include the amount of the transit entity  
12 share allocated to such a local transportation organization or  
13 transportation company for the fiscal year prior to the change  
14 in the transit entity class, in the transit entity share for the  
15 new transit entity class of such a local transportation  
16 organization or transportation company, and shall delete an  
17 equal amount from the transit entity share for the transit  
18 entity class for which such a local transportation organization  
19 or transportation company no longer meets the criteria in the  
20 new fiscal year or thereafter.

21 (f) Rates, fares and charges.--

22 (1) Each local transportation organization or  
23 transportation company receiving moneys pursuant to this  
24 section shall annually fix such rates, fares and charges in  
25 such manner that they shall be at all times sufficient in the  
26 aggregate, and in conjunction with any moneys received from  
27 Federal or other sources, and any other income available to  
28 such organization or company, to provide funds for the  
29 payment of all operating costs and expenses which shall be  
30 incurred by such organization or company.

1           (2) In order to be eligible for the moneys described in  
2 paragraph (1), each local transportation organization or  
3 transportation company shall adopt an annual operating budget  
4 for each fiscal year no later than the last day of the  
5 preceding fiscal year. A copy of this operating budget shall  
6 be submitted to the department within ten days after its  
7 approval, along with a certification by the local  
8 transportation organization or transportation company that  
9 adequate revenues (including subsidies) are provided to  
10 support operating costs and expenses.

11 (g) Standards and measures.--

12           (1) Within one year after the effective date of this  
13 part and every year thereafter, each local transportation  
14 organization or transportation company receiving moneys  
15 pursuant to this section shall adopt a series of service  
16 standards and performance evaluation measures. Such standards  
17 and measures shall be in addition to the performance audits  
18 required by section 1315 (relating to public transportation  
19 grants management accountability) and shall consist of  
20 objectives and specific numeric performance levels to be  
21 achieved in meeting these standards and objectives. Those  
22 standards and measures adopted shall include the following,  
23 in addition to others deemed appropriate by the local  
24 transportation organization or transportation company:

25           (i) An automatic mechanism to review the utilization  
26 of routes.

27           (ii) Staffing ratios (ratio of administrative  
28 employees to operating employees; number of vehicles per  
29 mechanic).

30           (iii) Productivity measures (vehicle miles per

1 employee; passenger and employee accidents per 100,000  
2 vehicle miles; on-time performance; miles between road  
3 calls).

4 (iv) Fiscal indicators (operating cost per  
5 passenger; subsidy per passenger and operating ratio).

6 (iv.1) Reasonable minimum prequalification standards  
7 for prospective transit service subcontractors.

8 (v) Any other matter desired by the governing body  
9 of such local transportation organization or  
10 transportation company.

11 (2) The service standards and performance evaluation  
12 measures shall be established by formal action of the  
13 governing body of such local transportation organization or  
14 transportation company following an opportunity for comment  
15 by the public and the department. Upon submission, the  
16 department will review and may make recommendations to the  
17 local transportation organization or transportation company  
18 concerning the service standards and performance evaluation  
19 measures.

20 (3) In the discretion of such governing body, the  
21 service standards and performance evaluation measures may be  
22 systemwide or based on a sampling.

23 (4) The service standards and performance evaluation  
24 measures shall only constitute goals for such local  
25 transportation organization or transportation company in  
26 providing service in the year following their adoption. At  
27 the end of such year, fiscal or calendar, as the case may be,  
28 a report shall be transmitted to the department for its  
29 consideration indicating the projected performance levels and  
30 the performance levels actually achieved. Upon submission,

1 the department will review the report and may make  
2 recommendations to such local transportation organization or  
3 transportation company concerning the performance levels  
4 actually achieved. Such report shall be released to the  
5 public at the time of issuance.

6 (5) The department may suspend the eligibility for  
7 future discretionary transit grant funds of any transit  
8 entity which fails to comply with the provisions of this  
9 section. The department shall restore the discretionary  
10 funding eligibility of a suspended transit entity at such  
11 time as the requirements of this section are met in an  
12 amended application received by the department.

13 (h) Reduction of certain grants.--With respect to grants to  
14 Class 1 transit entities and Class 2 transit entities in any  
15 fiscal year, the department shall reduce the grant amount due to  
16 such local transportation organization or transportation company  
17 by an amount equal to 1% of such grant moneys otherwise due to  
18 such local transportation organization or transportation company  
19 for each percentage point such local transportation  
20 organization's or transportation company's operating ratio is  
21 less than 50% in the case of a Class 1 transit entity or less  
22 than 46% in the case of a Class 2 transit entity.

23 (i) Audits.--The department is authorized to perform  
24 independent financial audits of the financial statements of each  
25 local transportation organization or transportation company  
26 receiving moneys pursuant to this section. Such audits shall be  
27 conducted in accordance with generally accepted auditing  
28 standards. Any financial statements subject to such audit or  
29 reports resulting from such audit shall be prepared and  
30 presented in accordance with generally accepted accounting

1 principles, consistently applied with previous statements  
2 rendered for or on behalf of such organization or company. The  
3 department may coordinate such audits in conjunction with audits  
4 undertaken by the Auditor General.

5 (j) Definitions.--As used in this section, the following  
6 words and phrases shall have the meanings given to them in this  
7 subsection:

8 "Class 1 percentage." Seventy percent.

9 "Class 2 percentage." Twenty-five and three-tenths percent.

10 "Class 3 percentage." Four and seven-tenths percent.

11 "Class 1 to 3 allocation." The total amount appropriated  
12 under subsection (b) less the Class 4 transit entity share.

13 "Class 1 transit entity share." The product of the Class 1  
14 percentage times the Class 1 to 3 allocation in a particular  
15 fiscal year.

16 "Class 2 transit entity share." The product of the Class 2  
17 percentage times the Class 1 to 3 allocation in a particular  
18 fiscal year.

19 "Class 3 transit entity adjusted base grant." The State  
20 subsidy which a Class 3 transit entity received during the 1990-  
21 1991 fiscal year, including Federal funds transferred from other  
22 local transportation organizations and transportation companies  
23 from the Federal fiscal year 1989-1990 pursuant to the  
24 Governor's apportionment allocation contained in the Urban Mass  
25 Transportation Act of 1964.

26 "Class 3 transit entity share." The product of the Class 3  
27 percentage times the Class 1 to 3 allocation in a particular  
28 fiscal year.

29 "Class 3 vehicle mile percentage." The percentage determined  
30 by dividing the vehicle miles of a Class 3 transit entity with

1 respect to the most recent fiscal year as reported in the most  
2 recently issued Pennsylvania Mass Transit Statistical Report by  
3 the total number of vehicle miles of all Class 3 transit  
4 entities with respect to the most recent fiscal year as reported  
5 in the most recently issued Pennsylvania Mass Transit  
6 Statistical Report.

7 "Class 4 revenue hour percentage." The percentage determined  
8 by dividing the revenue hours of a Class 4 transit entity as  
9 reported with respect to the most recent fiscal year in the most  
10 recently issued Pennsylvania Rural and Small Urban Public  
11 Transportation Statistical Report by the total number of revenue  
12 hours of all Class 4 transit entities as reported with respect  
13 to the most recent fiscal year reported in the most recently  
14 issued Pennsylvania Rural and Small Urban Public Transportation  
15 Statistical Report.

16 "Class 4 revenue mile percentage." The percentage determined  
17 by dividing the revenue miles of a Class 4 transit entity as  
18 reported with respect to the most recent fiscal year in the most  
19 recently issued Pennsylvania Rural and Small Urban Public  
20 Transportation Statistical Report by the total revenue miles of  
21 all Class 4 transit entities as reported with respect to the  
22 most recent fiscal year reported in the most recently issued  
23 Pennsylvania Rural and Small Urban Public Transportation  
24 Statistical Report.

25 "Class 4 transit entity share." Two million three hundred  
26 thirty-five thousand dollars for the 1991-1992 fiscal year and,  
27 during the 1992-1993 fiscal year and each fiscal year  
28 thereafter, shall mean the Class 4 transit entity share for the  
29 prior fiscal year plus (or minus) the product of the Class 4  
30 transit entity share for the prior fiscal year times the



1 percentage increase or decrease in the total operating  
2 assistance made available to local transportation organizations  
3 and transportation companies for that fiscal year as compared  
4 with the most recently completed fiscal year.

5 "Operating ratio." The proportion of total operating revenue  
6 (which shall include all passenger, charter and advertising  
7 revenue, fare reimbursement received from the State Lottery Fund  
8 and all other receipts associated with the delivery of transit  
9 services, but shall exclude Federal grants provided to cover  
10 operating losses and State grants made pursuant to subsection  
11 (b)) divided by total operating expenses associated with day-to-  
12 day operation of the system (but excluding depreciation of  
13 capital assets).

14 "Operating revenue." The total revenue earned by a local  
15 transportation organization or transportation company through  
16 its transit operations, including, but not limited to, passenger  
17 revenue, senior citizen grant, charter revenue, school contract  
18 revenue, advertising and other revenue listed with respect to  
19 the most recent fiscal year reported in the most recently issued  
20 Pennsylvania Mass Transit Statistical Report.

21 "Operating revenue percentage." The percentage determined by  
22 dividing the operating revenues of a local transportation  
23 organization or transportation company as reported in the most  
24 recently issued Pennsylvania Mass Transit Statistical Report by  
25 the total operating revenue of all local transportation  
26 organizations or transportation companies as reported in the  
27 most recently issued Pennsylvania Mass Transit Statistical  
28 Report.

29 § 1304. Grant proposals.

30 (a) General rule.--Grants may be made hereunder with

1 reference to any appropriate project irrespective of when it was  
2 first commenced or considered and regardless of whether costs  
3 with respect thereto shall have been incurred prior to the time  
4 the grant is applied for or made.

5 (b) Applications.--The governing bodies of municipalities,  
6 counties or their instrumentalities, and agencies and  
7 instrumentalities of the Commonwealth may, by formal resolution,  
8 apply and transportation companies by application may apply to  
9 the department for State grant funds provided by this chapter.  
10 If the action is taken by a governing body, a certified copy of  
11 the resolution and, in the case of transportation companies, an  
12 application shall be forwarded to the department with a proposal  
13 of the governing body or company, which shall set forth the use  
14 to be made of State grant funds and the amount of funds required  
15 or, in the case of grants under section 1303 (relating to annual  
16 appropriation and computation of subsidy), which shall set forth  
17 a request that the grant provided for under section 1303 be  
18 made.

19 (c) Preference for coordinated systems.--The department  
20 shall give preference to any proposal which will assist in  
21 carrying out a plan, meeting criteria established by the  
22 department, for a unified or officially coordinated urban  
23 transportation system as a part of the comprehensively planned  
24 development of the urban area, which is necessary for the sound,  
25 economic and desirable development of such area and which shall  
26 encourage to the maximum extent feasible the participation of  
27 private enterprise. This subsection shall not apply to grants  
28 made pursuant to section 1303.

29 (d) Use of grants.--The use of the State grant funds shall  
30 be for the purposes set forth in section 1302 (relating to

1 program authorizations) and, without limiting the generality of  
2 the foregoing, may be used for local contributions required by  
3 the Urban Mass Transportation Act of 1964 or other Federal law  
4 concerning common carrier mass transportation.

5 (e) Grant agreement.--

6 (1) The department shall review the proposal and, if  
7 satisfied that the proposal is in accordance with the  
8 purposes of this chapter, shall enter into a grant agreement  
9 subject to the condition that the grant be used in accordance  
10 with the terms of the proposal. With respect to grants made  
11 pursuant to section 1303, the department shall make such  
12 grants subject to the condition that the grants be used for  
13 the purposes set forth in section 1302 and, where applicable,  
14 only after the certification required in section 1302(2)(iii)  
15 and (3) shall have been made.

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

19 § 1305. Rules and regulations.

20 In order to effectuate and enforce the provisions of this  
21 chapter, the department is authorized to promulgate necessary  
22 rules and regulations and prescribe conditions and procedures in  
23 order to assure compliance in carrying out the purposes for  
24 which grants may be made hereunder.

25 § 1306. Cooperation with other governments and private  
26 interests.

27 (a) General rule.--The department is directed to administer  
28 this program with such flexibility as to permit full cooperation  
29 between Federal, State and local governments, agencies and  
30 instrumentalities, as well as private interests, so as to result

1 in as effective and economical a program as possible.

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

7 § 1307. General authority of department.

8 It is the purpose and intent of this chapter to authorize the  
9 department to do any and all other things necessary or desirable  
10 to secure the financial aid or cooperation of any Federal agency  
11 in any of the department's projects and to do and perform all  
12 things which may be required by any statute of the United States  
13 of America or by the lawful requirements of any Federal agency  
14 authorized to administer any program of Federal aid to  
15 transportation. The department is expressly permitted to enter  
16 into protective agreements with labor to the extent required  
17 under 49 U.S.C. § 5333 (relating to labor standards) in order to  
18 obtain Federal grant moneys for transportation assistance. Such  
19 protective agreements shall be narrowly drawn and strictly  
20 construed to provide no more than the minimum protections  
21 required by the United States Department of Labor for such  
22 agreements.

23 § 1308. Grants by counties or municipalities.

24 Any county or municipality in any metropolitan area which is  
25 a member of a local transportation organization is authorized to  
26 make annual grants from current revenues to local transportation  
27 organizations to assist in defraying the costs of operations,  
28 maintenance and debt service of local transportation  
29 organization or of a particular mass transportation project of a  
30 local transportation organization and to enter into long-term

1 agreements providing for the payment of the same. The obligation  
2 of a municipality or county under any such agreement shall not  
3 be considered to be a part of its indebtedness, nor shall such  
4 obligation be deemed to impair the status of any indebtedness of  
5 such municipality or county which would otherwise be considered  
6 as self-sustaining.

7 § 1309. Limitation on decisions, findings and regulations of  
8 department.

9 All decisions, findings and regulations made by the  
10 department pursuant to this chapter shall be for the purposes of  
11 this chapter only and shall not constitute evidence before any  
12 regulatory body of this Commonwealth or any other jurisdiction.

13 § 1310. Distribution of funding.

14 (a) General rule.--All moneys made available and required to  
15 be used for capital projects, asset maintenance and other  
16 programs specified in this section shall be distributed in  
17 accordance with the formula specified in this section and used  
18 strictly in accordance with section 1311 (relating to use of  
19 funds distributed).

20 (b) Distribution procedure.--During each fiscal year,  
21 capital project, asset maintenance and other program funds shall  
22 be distributed as follows:

23 (1) On or before the fifth day of each month, the  
24 Treasury Department shall certify to the department the total  
25 amount then available for distribution, and the department  
26 shall make distribution of payments required under this  
27 subsection on or before the 20th day of each month.

28 (2) Beginning in the 1991-1992 fiscal year, each month,  
29 the Treasury Department shall pay one-twelfth of the  
30 Department of Transportation project management oversight

1 share for that fiscal year into the General Fund. The moneys  
2 so transferred are hereby appropriated to the Department of  
3 Transportation for use by that department for expenses  
4 related to project management and oversight of capital and  
5 asset maintenance projects funded pursuant to this section.

6 (3) Each month, the Treasury Department shall pay one-  
7 twelfth of the community transportation program section 1310  
8 share for that fiscal year into the General Fund. The funds  
9 so transferred are hereby appropriated to the Department of  
10 Transportation to make grants to counties, pursuant to  
11 section 1312 (relating to community transportation programs),  
12 for the purpose of funding capital projects of community  
13 transportation programs.

14 (4) Each month, the Treasury Department shall pay the  
15 planning, development, research, rural expansion and  
16 department-initiated programs section 1310 share for that  
17 month into the General Fund. The funds so transferred are  
18 hereby appropriated to the Department of Transportation to  
19 incur costs directly or to make grants to local  
20 transportation organizations or transportation companies, or  
21 entities which seek to become local transportation  
22 organizations or transportation companies, pursuant to  
23 section 1312, for the purpose of funding planning,  
24 development, research, rural expansion and department-  
25 initiated programs.

26 (5) Each month, the department shall distribute one-  
27 twelfth of the Class 4 transit entity section 1310 share to  
28 Class 4 transit entities in the manner provided in this  
29 paragraph. Each Class 4 transit entity shall receive a  
30 portion of each monthly distribution of the Class 4 transit

1 entity section 1310 share as follows:

2 (i) Fifty percent of the monthly distribution of the  
3 Class 4 transit entity section 1310 share shall be  
4 distributed to Class 4 transit entities based upon each  
5 transit entity's Class 4 operating assistance grant  
6 section 1310 percentage. The actual amount received by  
7 each Class 4 transit entity under this subparagraph shall  
8 be determined by multiplying a particular Class 4 transit  
9 entity's Class 4 operating assistance grant section 1310  
10 percentage times the total amount available for  
11 distribution under this subparagraph.

12 (ii) Twenty-five percent of the monthly distribution  
13 of the Class 4 transit entity section 1310 share shall be  
14 distributed to Class 4 transit entities based upon each  
15 transit entity's Class 4 revenue mile section 1310  
16 percentage. The actual amount received by each Class 4  
17 transit entity under this subparagraph shall be  
18 determined by multiplying a particular Class 4 transit  
19 entity's Class 4 revenue mile section 1310 percentage  
20 times the total amount available for distribution under  
21 this subparagraph.

22 (iii) Twenty-five percent of the monthly  
23 distribution of the Class 4 transit entity section 1310  
24 share shall be distributed to Class 4 transit entities  
25 based upon each transit entity's Class 4 revenue hour  
26 section 1310 percentage. The actual amount received by  
27 each Class 4 transit entity under this subparagraph shall  
28 be determined by multiplying a particular Class 4 transit  
29 entity's Class 4 transit entity revenue hour section 1310  
30 percentage times the total amount available for

1 distribution under this subparagraph.

2 (6) Each month, after providing for payment of the  
3 portion of the Department of Transportation project  
4 management oversight share, the community transportation  
5 program section 1310 share, the planning, development,  
6 research, rural expansion and department-initiated programs  
7 section 1310 shares and the Class 4 transit entity section  
8 1310 share to be distributed that month, the department shall  
9 distribute all remaining capital project, asset maintenance  
10 and other program funds as follows:

11 (i) Each Class 1 transit entity shall receive a  
12 prorata share of the Class 1 transit entity section 1310  
13 share. If there is only one Class 1 transit entity, it  
14 shall receive the entire Class 1 transit entity section  
15 1310 share.

16 (ii) Each Class 2 transit entity shall receive a  
17 prorata share of the Class 2 transit entity section 1310  
18 share. If there is only one Class 2 transit entity, it  
19 shall receive the entire Class 2 transit entity section  
20 1310 share.

21 (iii) Each Class 3 transit entity shall receive a  
22 portion of the Class 3 transit entity section 1310 share  
23 as follows:

24 (A) Sixteen and sixty-seven hundredths percent  
25 of the Class 3 transit entity section 1310 share  
26 shall be distributed to Class 3 transit entities  
27 based upon each transit entity's Class 3 vehicle mile  
28 section 1310 percentage. The actual amount received  
29 by each Class 3 transit entity under this clause  
30 shall be determined by multiplying a particular Class



1           3 transit entity's Class 3 vehicle mile section 1310  
2           percentage times the total amount available for  
3           distribution under this clause.

4           (B) Sixteen and sixty-seven hundredths percent  
5           of the Class 3 transit entity section 1310 share  
6           shall be distributed to Class 3 transit entities  
7           based upon each transit entity's Class 3 vehicle hour  
8           section 1310 percentage. The actual amount received  
9           by each Class 3 transit entity under this clause  
10          shall be determined by multiplying a particular Class  
11          3 transit entity's Class 3 vehicle hour section 1310  
12          percentage times the total amount available for  
13          distribution under this clause.

14          (C) Sixteen and sixty-six hundredths percent of  
15          the Class 3 transit entity section 1310 share shall  
16          be distributed to Class 3 transit entities based upon  
17          each transit entity's Class 3 total passenger section  
18          1310 percentage. The actual amount received by each  
19          Class 3 transit entity under this clause shall be  
20          determined by multiplying a particular Class 3  
21          transit entity's Class 3 total passenger section 1310  
22          percentage times the total amount available for  
23          distribution under this clause.

24          (D) Twenty-five percent of the Class 3 transit  
25          entity section 1310 share shall be distributed to  
26          Class 3 transit entities based upon each transit  
27          entity's Class 3 Federal operating cap percentage.  
28          The actual amount received by each Class 3 transit  
29          entity under this clause shall be determined by  
30          multiplying a particular Class 3 transit entity's

1 Class 3 Federal operating cap percentage times the  
2 total amount available for distribution under this  
3 clause.

4 (E) Twenty-five percent of the Class 3 transit  
5 entity section 1310 share shall be distributed to  
6 Class 3 transit entities based upon each transit  
7 entity's Class 3 State operating grant percentage.  
8 The actual amount received by each Class 3 transit  
9 entity under this clause shall be determined by  
10 multiplying a particular Class 3 transit entity's  
11 Class 3 State operating grant percentage times the  
12 total amount available for distribution under this  
13 clause.

14 (c) Change of classification.--If, during any fiscal year,  
15 either the number of vehicles operated by a local transportation  
16 organization or transportation company or the area served by  
17 such a local transportation organization or transportation  
18 company changes so that the local transportation organization or  
19 transportation company meets the criteria for a different  
20 transit entity class, as such criteria are set forth in section  
21 1301 (relating to definitions), on or before July 15 of the  
22 fiscal year which follows such a change and in each fiscal year  
23 thereafter, the department shall reflect any change in the  
24 transit entity class of such a local transportation organization  
25 or transportation company in the Department of Transportation  
26 certification for that and subsequent fiscal years. In its  
27 calculation of the transit entity section 1310 shares for each  
28 transit entity class required by subsection (g)(1) and the  
29 transit entity section 1310.1 shares for each transit entity  
30 class required by subsection (g)(1) for the fiscal year

1 following the change in a local transportation organization or  
2 transportation company's transit entity class and thereafter,  
3 the department shall include the amount of the transit entity  
4 sections 1310 and 1310.1 shares allocated to such a local  
5 transportation organization or transportation company for the  
6 fiscal year prior to the change in the transit entity class, in  
7 the transit entity sections 1310 and 1310.1 shares for the new  
8 transit entity class of such a local transportation organization  
9 or transportation company, and shall delete an equal amount from  
10 the transit entity sections 1310 and 1310.1 shares for the  
11 transit entity class for which such a local transportation  
12 organization or transportation company no longer meets the  
13 criteria in the new fiscal year. No local transportation  
14 organization or transportation company which has changed from  
15 one transit entity class to another due to either an increase in  
16 the number of vehicles operated or the United States Census  
17 Bureau's declaring its service area an urbanized area shall  
18 receive less than the amount transferred on its account by the  
19 department pursuant to this section.

20 (d) Oversight.--The department shall initiate and maintain a  
21 program of review and oversight for any projects receiving funds  
22 distributed pursuant to this section and section 1310.1  
23 (relating to supplemental public transportation assistance  
24 funding). The department is authorized to perform independent  
25 financial audits of the financial statements of each local  
26 transportation organization, transportation company or community  
27 transportation program receiving moneys pursuant to this  
28 section. These audits shall be conducted in accordance with  
29 generally accepted auditing standards. Any financial statements  
30 subject to the audit or reports resulting from the audit shall

1 be prepared and presented in accordance with generally accepted  
2 accounting principles, consistently applied with previous  
3 statements rendered for or on behalf of such organization or  
4 company. The department may coordinate such audits in  
5 conjunction with audits undertaken by the Auditor General.

6 (e) Fiscal year and capital budget.--

7 (1) The governing body of each local transportation  
8 organization or transportation company shall establish a  
9 fiscal year for capital programs. No later than the last day  
10 of each fiscal year for capital programs, each local  
11 transportation organization or transportation company  
12 receiving moneys pursuant to this section shall adopt a  
13 capital budget and an asset maintenance spending plan for  
14 submission to the department.

15 (2) The capital budget shall include the following:

16 (i) A description of any such project.

17 (ii) The projected cost of any project to be  
18 undertaken, including supporting cash flow.

19 (iii) The duration of any such project, including  
20 the projected starting date, completion date and  
21 projected useful life of the project.

22 (iv) The proposed funding sources for any project.

23 (v) A description of projects completed in the prior  
24 fiscal year and their impact on operations.

25 (vi) A description of progress to date on projects  
26 initiated in the prior fiscal year but not yet completed.

27 (vii) An explanation of any significant project  
28 delays.

29 (viii) The use of funds under this section in the  
30 prior fiscal year, including projects for which they were

1 used.

2 (ix) A multiyear plan for future use of funds  
3 received under this section for a period of not less than  
4 five years.

5 (x) Any other matter desired by the governing body  
6 of such local transportation organization or  
7 transportation company.

8 (3) The asset maintenance spending plan shall include:

9 (i) The amount of moneys expended for asset  
10 maintenance costs.

11 (ii) The purposes for which such funds were  
12 expended.

13 (iii) Those asset maintenance costs which are  
14 projected to be funded during the subsequent twelve  
15 months by the local transportation organization or  
16 transportation company.

17 (iv) A multiyear plan for future use of funds  
18 received under this section for a period of not less than  
19 five years.

20 (4) The capital budget and the asset maintenance  
21 spending plan shall be established by formal action of the  
22 governing body of such local transportation organization or  
23 transportation company following an opportunity for comment  
24 by the public and the department. Upon submission, the  
25 department will review and may make recommendations to the  
26 local transportation organization or transportation company  
27 concerning the capital budget and asset maintenance spending  
28 plan.

29 (5) The capital budget and the asset maintenance  
30 spending plan may be amended by formal action of the

1 governing body of such local transportation organization or  
2 transportation company from time to time. Any amendments to  
3 the capital budget and the asset maintenance spending plan  
4 shall be transmitted to the department for its review, and  
5 the department may make recommendations to the local  
6 transportation organization or transportation company  
7 concerning any amendments to the capital budget and the asset  
8 maintenance spending plan.

9 (f) Definitions.--As used in this section, the following  
10 words and phrases shall have the meanings given to them in this  
11 subsection:

12 "Capital project, asset maintenance and other program funds."  
13 Moneys made available to finance capital projects and asset  
14 maintenance costs of local transportation organizations,  
15 transportation companies or community transportation programs or  
16 to fund other programs specified in this section from:

17 (1) any fund of the Commonwealth where the legislation  
18 creating such fund references this part and states that some  
19 or all of the moneys in such fund are to be used to finance  
20 capital projects and asset maintenance costs of local  
21 transportation organizations, transportation companies or  
22 community transportation programs and to fund certain other  
23 programs; or

24 (2) any other source, where such moneys are made  
25 available specifically to finance capital projects and asset  
26 maintenance costs of local transportation organizations,  
27 transportation companies or community transportation programs  
28 in accordance with this section.

29 "Class 1 section 1310 percentage." Seventy and three-tenths  
30 percent.

1 "Class 2 section 1310 percentage." Twenty-five and four-  
2 tenths percent.

3 "Class 3 section 1310 percentage." Four and three-tenths  
4 percent.

5 "Class 1 to 3 section 1310 allocation." The total amount of  
6 capital project, asset maintenance and other program funds  
7 available for distribution by the Treasury Department during a  
8 particular month, less:

9 (1) the amount of the Department of Transportation  
10 project management oversight share to be paid each month  
11 under subsection (b)(2);

12 (2) the amount of the community transportation program  
13 section 1310 share to be paid each month under subsection  
14 (b)(3);

15 (3) the amount of the planning, development, research,  
16 rural expansion and department-initiated programs section  
17 1310 share; and

18 (4) the amount of the Class 4 transit entity section  
19 1310 share to be paid each month under subsection (b)(5).

20 "Class 1 transit entity section 1310 share." The product of  
21 the Class 1 section 1310 percentage times the Class 1 to 3  
22 section 1310 allocation.

23 "Class 2 transit entity section 1310 share." The product of  
24 the Class 2 section 1310 percentage times the monthly Class 1 to  
25 3 allocation.

26 "Class 3 transit entity section 1310 share." The product of  
27 the Class 3 section 1310 percentage times the monthly Class 1 to  
28 3 allocation.

29 "Class 4 transit entity section 1310 share." Four million  
30 dollars during the 1991-1992 fiscal year and \$4,160,000 during

1 the 1992-1993 fiscal year. During the 1993-1994 through 1996-  
2 1997 fiscal years, the term shall mean the Class 4 transit  
3 entity section 1310 share for the prior fiscal year plus (or  
4 minus) the product of the Class 4 transit entity section 1310  
5 share for the prior fiscal year times the percentage increase or  
6 decrease in the total funds available for distribution pursuant  
7 to this section received by the Treasury Department in the most  
8 recently completed fiscal year as compared with the prior fiscal  
9 year. For the 1997-1998 fiscal year and each fiscal year  
10 thereafter, the term shall mean 2.8% of the total amount of  
11 capital project, asset maintenance and other program funds  
12 projected by the department to be available under this section  
13 for distribution during the subject fiscal year.

14 "Class 3 Federal operating cap percentage." The percentage  
15 determined by dividing the Federal operating ceiling for a Class  
16 3 transit entity by the total Federal operating ceilings for all  
17 Class 3 transit entities.

18 "Class 3 State operating grant percentage." The percentage  
19 determined by dividing the State subsidy received pursuant to  
20 section 1303 (relating to annual appropriation and computation  
21 of subsidy) during fiscal year 1990-1991 by a Class 3 transit  
22 entity as stated in the latest Department of Transportation  
23 certification by the total State subsidies received pursuant to  
24 section 1303 during fiscal year 1990-1991 by all Class 3 transit  
25 entities as stated in the latest Department of Transportation  
26 certification. For purposes of calculating the amount received  
27 by a Class 3 transit entity pursuant to section 1303, any  
28 Federal funds transferred from other local transportation  
29 organizations and transportation companies from the Federal  
30 fiscal year 1990-1991 Governor's apportionment allocation,



1 contained in the Urban Mass Transportation Act of 1964, shall be  
2 considered to be amounts received pursuant to section 1303.

3 "Class 3 total passenger section 1310 percentage." The  
4 percentage determined by dividing the total passengers  
5 transported by a Class 3 transit entity as stated in the latest  
6 Department of Transportation certification by the total number  
7 of passengers transported by all Class 3 transit entities as  
8 stated in the latest Department of Transportation certification.

9 "Class 3 vehicle hour section 1310 percentage." The  
10 percentage determined by dividing the vehicle hours of a Class 3  
11 transit entity as stated in the latest Department of  
12 Transportation certification by the total number of vehicle  
13 hours of all Class 3 transit entities as stated in the latest  
14 Department of Transportation certification.

15 "Class 3 vehicle mile section 1310 percentage." The  
16 percentage determined by dividing the vehicle miles of a Class 3  
17 transit entity as stated in the latest Department of  
18 Transportation certification by the total number of vehicle  
19 miles of all Class 3 transit entities as stated in the latest  
20 Department of Transportation certification.

21 "Class 4 operating assistance grant section 1310 percentage."  
22 The percentage determined by dividing the Class 4 transit entity  
23 adjusted base grant received by a Class 4 transit entity by the  
24 total Class 4 transit entity adjusted base grants received  
25 pursuant to such act by all Class 4 transit entities during  
26 fiscal year 1990-1991 as stated in the Department of  
27 Transportation certification.

28 "Class 4 revenue hour section 1310 percentage." The  
29 percentage determined by dividing the revenue hours of a Class 4  
30 transit entity as stated in the latest Department of

1 Transportation certification by the total number of revenue  
2 hours of all Class 4 transit entities as stated in the latest  
3 Department of Transportation certification.

4 "Class 4 revenue mile section 1310 percentage." The  
5 percentage determined by dividing the revenue miles of a Class 4  
6 transit entity as stated in the latest Department of  
7 Transportation certification by the total number of revenue  
8 miles of all Class 4 transit entities as stated in the latest  
9 Department of Transportation certification.

10 "Community transportation program section 1310 share." One  
11 million seven hundred thousand dollars during the 1991-1992  
12 fiscal year, \$1,768,000 during the 1992-1993 fiscal year and,  
13 during the 1993-1994 fiscal year and each fiscal year  
14 thereafter, shall mean the community transportation program  
15 section 1310 share for the prior fiscal year plus (or minus) the  
16 product of the community transportation program section 1310  
17 share for the prior fiscal year times the percentage increase or  
18 decrease in the total funds available for distribution pursuant  
19 to this section received by the Treasury Department in the most  
20 recently completed fiscal year as compared with the prior fiscal  
21 year. However, in any fiscal year in which the total funds  
22 authorized to be expended from the State Lottery Fund for  
23 purposes enumerated in section 1312 (relating to community  
24 transportation programs) is less than \$600,000, the community  
25 transportation program section 1310 share shall be increased so  
26 that the sum of the community transportation program section  
27 1310 share plus the total amount of such moneys paid from the  
28 State Lottery Fund for purposes enumerated in section 1312 shall  
29 equal \$2,300,000. The combined funding to any county for  
30 community transportation under sections 1310 and 1312 shall not

1 exceed \$250,000 in any fiscal year.

2 "Department of Transportation project management oversight  
3 share." One million dollars during the 1991-1992 fiscal year  
4 and, during the 1992-1993 fiscal year and each fiscal year  
5 thereafter, shall mean \$1,000,000 or 0.25% of the total amount  
6 of capital project, asset maintenance and other program funds  
7 available for distribution pursuant to this section received by  
8 the Treasury Department during the prior fiscal year, whichever  
9 is greater.

10 "Department of Transportation certification." The  
11 certification by the Department of Transportation to the  
12 Treasury Department under subsection (g).

13 "Department-initiated programs." Mass transportation  
14 programs with a regional or Statewide application, including,  
15 without limitation, capital projects in support of intercity  
16 rail passenger service, capital projects in support of intercity  
17 bus service, transit safety initiatives, public-private  
18 transportation partnerships, ridersharing incentive programs,  
19 transportation management associations and other multimodal  
20 transportation management projects.

21 "Federal operating ceiling." The maximum amount of Federal  
22 funds permitted to be used by a Class 3 transit entity to  
23 subsidize transit operations, as published in the November 23,  
24 1990, Federal Register (or, where there is more than one transit  
25 entity in a region, the maximum amount of Federal funds which  
26 such Class 3 transit entity could have utilized to subsidize  
27 transit operations pursuant to the subregional allocation as  
28 specified in the applicable transportation improvement program)  
29 for fiscal year 1990-1991.

30 "Planning, development, research, rural expansion and

1 department-initiated programs section 1310 shares." The sum of  
2 \$83,333.33 plus 0.25% of the total capital project, asset  
3 maintenance and other program funds available for distribution  
4 by the Treasury Department during a particular month.

5 "Total passengers." The total of all revenue passengers plus  
6 transfer passengers on second and successive rides of a local  
7 transportation organization or transportation company, which are  
8 funded in whole or in part by this part, with respect to the  
9 most recent fiscal year reported in the most recently issued  
10 Pennsylvania Mass Transit Statistical Report.

11 "Treasury Department." The State Treasurer and the Treasury  
12 Department of the Commonwealth.

13 (g) Certification to Treasury Department.--On or before July  
14 15 of each fiscal year, the Department of Transportation shall  
15 calculate and certify to the Treasury Department the following:

16 (1) The Department of Transportation project management  
17 oversight share, the community transportation program  
18 sections 1310 and 1310.1 shares, the Class 1 transit entity  
19 sections 1310 and 1310.1 shares, the Class 2 transit entity  
20 sections 1310 and 1310.1 shares, the Class 3 transit entity  
21 sections 1310 and 1310.1 shares and the Class 4 transit  
22 entity sections 1310 and 1310.1 shares and the planning,  
23 development, research, rural expansion and department-  
24 initiated programs sections 1310 and 1310.1 shares.

25 (2) The names and addresses of each Class 1 transit  
26 entity, Class 2 transit entity, Class 3 transit entity and  
27 Class 4 transit entity and whether such program or entity is  
28 a Class 1 transit entity, Class 2 transit entity, Class 3  
29 transit entity or Class 4 transit entity.

30 (3) The vehicle miles of each Class 3 transit entity,

1 the total vehicle miles of all Class 3 transit entities, the  
2 Class 3 vehicle mile sections 1310 and 1310.1 percentages for  
3 each Class 3 transit entity, the vehicle hours of each Class  
4 3 transit entity, total vehicle hours of all Class 3 transit  
5 entities, the Class 3 vehicle hour sections 1310 and 1310.1  
6 percentages for each Class 3 transit entity, total passengers  
7 for each Class 3 transit entity, the total passengers for all  
8 Class 3 transit entities, the Class 3 total passenger  
9 sections 1310 and 1310.1 percentages for each Class 3 transit  
10 entity, the Federal operating ceiling for each Class 3  
11 transit entity, the Federal operating ceiling for all Class 3  
12 transit entities, the Federal operating cap percentage for  
13 each Class 3 transit entity, the State subsidy received  
14 pursuant to section 1303 (relating to annual appropriation  
15 and computation of subsidy) as described in the definition of  
16 "Class 3 State operating grant percentage" for each Class 3  
17 transit entity, the State subsidy received pursuant to  
18 section 1303 as described in the definition of "Class 3 State  
19 operating grant percentage" for all Class 3 transit entities,  
20 and the Class 3 State grant percentage for each Class 3  
21 transit entity.

22 (4) The operating assistance grant received by each  
23 Class 4 transit entity during fiscal year 1990-1991 pursuant  
24 to the act of February 11, 1976 (P.L.14, No.10), known as the  
25 Pennsylvania Rural and Intercity Common Carrier Surface  
26 Transportation Assistance Act, the operating assistance grant  
27 received by all Class 4 transit entities during fiscal year  
28 1990-1991 pursuant to that act, the Class 4 operating  
29 assistance grant sections 1310 and 1310.1 percentages for  
30 each Class 4 transit entity, the revenue miles of each Class

1 4 transit entity, the revenue miles of all Class 4 transit  
2 entities, the Class 4 revenue mile sections 1310 and 1310.1  
3 percentages of each Class 4 transit entity, the revenue hours  
4 for each Class 4 transit entity, the revenue hours for all  
5 Class 4 transit entities and the Class 4 revenue hour  
6 sections 1310 and 1310.1 percentages for each Class 4 transit  
7 entity.

8 § 1310.1. Supplemental public transportation assistance  
9 funding.

10 (a) General rule.--Beginning July 1, 1997, 1.22% of the  
11 money collected from the tax imposed under Article II of the act  
12 of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of  
13 1971, up to a maximum of \$75,000,000, shall be deposited in the  
14 Supplemental Public Transportation Account, which is established  
15 in the State Treasury. Within 30 days of the close of a calendar  
16 month, 1.22% of the taxes received in the prior calendar month  
17 shall be transferred to the account. No funds in excess of  
18 \$75,000,000 may be transferred to the account in any one fiscal  
19 year. The money in the account shall be used by the department  
20 for supplemental public transportation assistance, to be  
21 distributed under this section. Transit entities may use  
22 supplemental assistance moneys for any of the purposes  
23 enumerated in section 1311 (relating to use of funds  
24 distributed). In addition to those enumerated purposes, Class 1,  
25 2 and 3 transit entities also may use the base supplemental  
26 assistance share for general operations. Class 4 transit  
27 entities may use all supplemental assistance moneys for general  
28 operations.

29 (b) Distribution.--During each fiscal year, capital project,  
30 asset maintenance and other program funds designated as

1 supplemental public transportation assistance funding to be  
2 distributed pursuant to this section shall be distributed as  
3 follows:

4 (1) On or before the fifth day of each month, the  
5 Treasury Department shall certify to the department the total  
6 amount of money then available for distribution, and the  
7 department shall disburse the money on or before the 20th day  
8 of each month.

9 (2) Each month the department shall distribute to each  
10 local transportation organization or transportation company  
11 1/12 of the base supplemental assistance share of that local  
12 transportation organization or transportation company.

13 (3) Each month the Treasury Department shall pay 1/12 of  
14 the community transportation program section 1310.1 share for  
15 that fiscal year to the Department of Transportation to make  
16 grants to counties pursuant to section 1312 (relating to  
17 community transportation programs) for the purpose of funding  
18 capital projects of community transportation programs.

19 (4) Each month the department shall distribute 1/12 of  
20 the Class 4 transit entity section 1310.1 share to Class 4  
21 transit entities according to the same formula as provided  
22 for distribution of funds under section 1310(b)(5) (relating  
23 to distribution of funding), using the Class 4 transit entity  
24 section 1310.1 share in place of the Class 4 transit entity  
25 section 1310 share.

26 (5) Each month, after providing for payment of the  
27 portion of the base supplemental assistance share, the  
28 community transportation program section 1310.1 share and the  
29 Class 4 transit entity section 1310.1 share to be distributed  
30 that month, the department shall distribute all remaining

1 capital project, asset maintenance and other program funds  
2 required to be distributed pursuant to this section according  
3 to the same formula as provided for distribution of funds in  
4 section 1310(b)(6), using the transit entity's section 1310.1  
5 share in place of the transit entity's section 1310 share.

6 (c) Definitions.--As used in this section, the following  
7 words and phrases shall have the meanings given to them in this  
8 subsection. Any term used in this section but not defined in  
9 this subsection shall have the meaning given in section 1310(f):

10 "Base supplemental assistance share." The P.L. 103-122  
11 percentage for each local transportation organization or  
12 transportation company multiplied by \$54,616,000.

13 "Capital project, asset maintenance and other program funds."  
14 Moneys made available under this section to finance capital  
15 projects and asset maintenance costs of local transportation  
16 organizations, transportation companies or community  
17 transportation programs or to fund other programs specified in  
18 this section.

19 "Class 1 section 1310.1 percentage." 70.3%.

20 "Class 2 section 1310.1 percentage." 25.4%.

21 "Class 3 section 1310.1 percentage." 4.3%.

22 "Class 1 to 3 section 1310.1 allocation." The total amount  
23 of capital project, asset maintenance and other program funds  
24 available for distribution by the Treasury Department during a  
25 particular month less:

26 (1) the amount of the base supplemental assistance share  
27 to be paid each month under subsection (b)(2);

28 (2) the amount of the community transportation program  
29 section 1310.1 share to be paid each month under subsection

30 (b)(3); and



1 (3) the amount of the Class 4 transit entity section  
2 1310.1 share to be paid each month under subsection (b)(4).

3 "Class 1 transit entity section 1310.1 share." The product  
4 of the Class 1 section 1310.1 percentage times the Class 1 to 3  
5 section 1310.1 allocation.

6 "Class 2 transit entity section 1310.1 share." The product  
7 of the Class 2 section 1310.1 percentage times the monthly Class  
8 1 to 3 allocation.

9 "Class 3 transit entity section 1310.1 share." The product  
10 of the Class 3 section 1310.1 percentage times the monthly Class  
11 1 to 3 allocation.

12 "Class 4 transit entity section 1310.1 share." For each  
13 fiscal year, the total amount projected by the department to be  
14 available for distribution in the fiscal year in accordance with  
15 this section, less \$54,616,000, times 2.8%.

16 "Class 3 Federal operating cap percentage." The percentage  
17 determined by dividing the Federal operating ceiling for a Class  
18 3 transit entity by the total of all Federal operating ceilings  
19 for Class 3 transit entities.

20 "Class 3 total passenger section 1310.1 percentage." The  
21 percentage determined by dividing the total passengers  
22 transported by a Class 3 transit entity, as stated in the latest  
23 Department of Transportation certification, by the total number  
24 of passengers transported by all Class 3 transit entities, as  
25 stated in the latest Department of Transportation certification.

26 "Class 3 vehicle hour section 1310.1 percentage." The  
27 percentage determined by dividing the vehicle hours of a Class 3  
28 transit entity, as stated in the latest Department of  
29 Transportation certification, by the total number of vehicle  
30 hours of all Class 3 transit entities, as stated in the latest

1 Department of Transportation certification.

2 "Class 3 vehicle mile section 1310.1 percentage." The  
3 percentage determined by dividing the vehicle miles of a Class 3  
4 transit entity, as stated in the latest Department of  
5 Transportation certification, by the total number of vehicle  
6 miles of all Class 3 transit entities, as stated in the latest  
7 Department of Transportation certification.

8 "Class 4 operating assistance grant section 1310.1  
9 percentage." The percentage determined by dividing the Class 4  
10 transit entity adjusted base grant received by a Class 4 transit  
11 entity, as stated in the latest Department of Transportation  
12 certification, by the total Class 4 transit entity adjusted base  
13 grants received by all Class 4 transit entities during fiscal  
14 year 1990-1991, as stated in the latest Department of  
15 Transportation certification.

16 "Class 4 revenue hour section 1310.1 percentage." The  
17 percentage determined by dividing the revenue hours of a Class 4  
18 transit entity, as stated in the latest Department of  
19 Transportation certification, by the total number of revenue  
20 hours of all Class 4 transit entities, as stated in the latest  
21 Department of Transportation certification.

22 "Class 4 revenue mile section 1310.1 percentage." The  
23 percentage determined by dividing the revenue miles of a Class 4  
24 transit entity, as stated in the latest Department of  
25 Transportation certification, by the total number of revenue  
26 miles of all Class 4 transit entities, as stated in the latest  
27 Department of Transportation certification.

28 "Community transportation program section 1310.1 share." The  
29 greater of:

30 (1) \$1,200,000; or

1           (2) the total amount projected by the Department of  
2           Transportation to be available for distribution in the  
3           subject fiscal year in accordance with this section, less  
4           \$54,616,000, times 2.5%.

5           "P.L. 103-122 percentage." The percentage determined by  
6           dividing the operating assistance grant or operating assistance  
7           limitation, whichever is greater, but not to exceed the total  
8           apportionment of funds made available to a particular local  
9           transportation organization or transportation company in this  
10          Commonwealth for each Class 1 transit entity, Class 2 transit  
11          entity and Class 3 transit entity and the base grants approved  
12          for each Class 4 transit entity pursuant to Public Law 103-122,  
13          107 Stat. 1199, for the Federal fiscal year ending September 30,  
14          1994, by the total of such amounts for all Commonwealth local  
15          transportation organizations and transportation companies  
16          pursuant to Public Law 103-122 for the fiscal year as determined  
17          by the Department of Transportation.

18          § 1311. Use of funds distributed.

19          (a) Approval of department.--

20                 (1) No money made available pursuant to section 1310  
21                 (relating to distribution of funding) shall be expended on  
22                 any capital project by any local transportation organization  
23                 or transportation company until after the local  
24                 transportation organization or transportation company submits  
25                 the project to the department for approval and the department  
26                 approves the project. At the option of the local  
27                 transportation organization or transportation company,  
28                 capital projects may be submitted to the department on an  
29                 annual basis at the time the local transportation  
30                 organization or transportation company submits its capital

1 budget to the department or at another time chosen by the  
2 local transportation organization or transportation company.

3 (2) The department shall establish criteria for approval  
4 of capital projects pursuant to this subsection, including,  
5 but not limited to, consideration of estimated useful life,  
6 demonstration of need and reasonableness of cost.

7 (3) Amendments to capital projects may be submitted at  
8 any time to the department for its review and approval in  
9 accordance with the procedures specified by the department.

10 (4) The department shall prescribe, under the authority  
11 of this chapter, reasonable procedures, including deadlines,  
12 for the department to review, comment and approve the capital  
13 project or projects submitted by a local transportation  
14 organization or transportation company.

15 (b) Funding purposes enumerated.--Moneys distributed  
16 pursuant to section 1310 shall be used by local transportation  
17 organizations and transportation companies for purposes of  
18 paying:

19 (1) all costs of capital projects, including, without  
20 limitation, the costs of acquisition, construction,  
21 installation, start-up costs of operations, improvement and  
22 all work and materials incident thereto, provided that funds  
23 expended for capital projects pursuant to section 1310 shall  
24 be matched by local or private funding in an amount equal to  
25 at least one-thirtieth of the project cost;

26 (2) debt service and the cost of issuance of bonds,  
27 notes and other evidences of indebtedness which a local  
28 transportation organization or transportation company is  
29 permitted to issue under any law of this Commonwealth; and

30 (3) to the extent permitted by this section, asset

1 maintenance costs. Community transportation programs shall  
2 use moneys distributed pursuant to this section only for  
3 purposes enumerated in section 1312 (relating to community  
4 transportation programs).

5 (c) Certain capital projects.--Notwithstanding any other  
6 provision of law, each local transportation organization or  
7 transportation company receiving moneys pursuant to section 1310  
8 may use such moneys, in the discretion of such local  
9 transportation organization or transportation company, to fund  
10 all or a portion of capital projects listed in the program  
11 prepared pursuant to section 2002(a)(13) of the act of April 9,  
12 1929 (P.L.177, No.175), known as The Administrative Code of  
13 1929.

14 (d) Management of funds.--

15 (1) Each local transportation organization or  
16 transportation company receiving moneys pursuant to sections  
17 1310 and 1310.1 (relating to supplemental public  
18 transportation assistance funding) shall hold such moneys in  
19 an account separate from other funds of the local  
20 transportation organization or transportation company and  
21 shall invest such moneys until such funds are used in  
22 accordance with this section, with such funds being invested  
23 in accordance with the limits on investment of the local  
24 transportation organization or transportation company.

25 Notwithstanding any other provisions of this chapter, any  
26 interest earned shall be used for capital projects and asset  
27 maintenance costs during any period as determined by the  
28 local transportation organization or transportation company.

29 (2) All moneys distributed pursuant to section 1310 and  
30 utilized for asset maintenance under subsection (e) shall be

1 matched by local or private funding in an amount equal to at  
2 least 1/30 of the amount expended for such purposes, except  
3 that, in the case of Class 3 and 4 transit entities, no  
4 matching funds shall be required if the department shall have  
5 received from the local governmental funding source which  
6 would otherwise provide the matching funds a certification  
7 that compliance with the matching requirement would create an  
8 undue financial burden upon the local governmental funding  
9 source such that a curtailment of government services  
10 endangering public health and safety would ensue.

11 (3) All moneys distributed pursuant to section 1310.1  
12 and utilized under this section shall be matched by local or  
13 private funding in an amount equal to at least 1/30 of the  
14 amount expended for such purposes, except that, in the case  
15 of Class 3 and 4 transit entities, no funds utilized for  
16 asset maintenance under subsection (e) shall require a local  
17 match if the department shall have received from the local  
18 governmental funding source which would otherwise provide the  
19 matching funds a certification that compliance with the  
20 matching requirement would create an undue financial burden  
21 upon the local governmental funding source such that a  
22 curtailment of government services endangering public health  
23 and safety would ensue.

24 (e) Asset maintenance.--

25 (1) Each local transportation organization or  
26 transportation company may expend moneys distributed pursuant  
27 to sections 1310 and 1310.1 shares to fund asset maintenance  
28 costs as provided in this subsection.

29 (2) Moneys distributed pursuant to sections 1310 and  
30 1310.1 may only be used to fund asset maintenance costs

1 incurred during the fiscal year in which such moneys are  
2 allocated. Thereafter, such funds may only be used to fund  
3 capital projects.

4 (3) On or before March 1 of each year, the department  
5 shall certify to each local transportation organization or  
6 transportation company the amount of capital project, asset  
7 maintenance, base supplemental assistance and other program  
8 funds which the department estimates each local  
9 transportation organization or transportation company will be  
10 entitled to receive during the ensuing fiscal year. Each  
11 local transportation organization or transportation company  
12 may expend moneys distributed pursuant to sections 1310 and  
13 1310.1 shares to fund asset maintenance costs up to the  
14 following maximum percentages of the estimate from the  
15 department, including accrued interest, the amount received  
16 during the prior fiscal year or the amount actually received  
17 in the current fiscal year, whichever is greater:

18 (i) Class 1 transit entities may utilize for asset  
19 maintenance costs up to a maximum of 30% of the funds  
20 received pursuant to sections 1310 and 1310.1 shares.

21 (ii) Class 2 and 3 transit entities may utilize for  
22 asset maintenance costs up to a maximum of 50% of the  
23 funds received pursuant to sections 1310 and 1310.1.

24 (iii) (Deleted by amendment).

25 (iv) Class 4 transit entities may utilize for asset  
26 maintenance costs up to a maximum of 50% of the funds  
27 received pursuant to sections 1310 and 1310.1.

28 (f) Eligible projects.--Notwithstanding any other provision  
29 of this chapter, moneys provided under section 1310 to community  
30 transportation programs may be expended only in accordance with

1 section 1312 and only to fund all or a portion of eligible  
2 projects of such entities as enumerated in section 1312.

3 (g) Matching funds.--The moneys provided to local  
4 transportation organizations, transportation companies or  
5 community transportation programs pursuant to section 1310 may  
6 be used as matching funds to obtain Federal aid for capital  
7 projects.

8 (h) Use by department.--Funds appropriated to the department  
9 pursuant to section 1310(b)(2) and (4) may be utilized by the  
10 department for the purposes provided in either of such  
11 paragraphs.

12 (i) Accounting.--Within 120 days after the end of each  
13 fiscal year for capital programs established by the local  
14 transportation organization or transportation company pursuant  
15 to section 1310(e), each local transportation organization and  
16 transportation company receiving moneys pursuant to sections  
17 1310 and 1310.1 shall transmit to the department an  
18 accounting of all funds received pursuant to sections 1310 and  
19 1310.1 shares in that fiscal year. The accounting shall be in a  
20 form prescribed by the department and shall include a listing of  
21 all expenditures on a project by project basis and the status of  
22 all unspent funds. The local transportation organization or  
23 transportation company shall grant access to the department or  
24 its duly authorized representatives to any and all records  
25 pertaining to funds received pursuant to sections 1310 and  
26 1310.1 shares.

27 (j) Limit on certain amounts expended.--Notwithstanding any  
28 law to the contrary and except as provided in subsection (a) for  
29 Class 4 transit entities, local transportation organizations and  
30 transportation companies are authorized to expend moneys



1 distributed pursuant to sections 1310 and 1310.1 shares for  
2 asset maintenance costs in an amount not to exceed the greater  
3 of:

4 (1) the maximum amount of asset maintenance expenditures  
5 which could have been approved by the department for  
6 expenditure by that local transportation organization or  
7 transportation company for the 1991-1992 fiscal year pursuant  
8 to section 17(a) of the act of August 5, 1991 (P.L.238,  
9 No.26), entitled "An act amending Titles 74 (Transportation)  
10 and 75 (Vehicles) of the Pennsylvania Consolidated Statutes,  
11 codifying provisions relating to public transportation;  
12 imposing certain fees and taxes; further providing for  
13 certain Pennsylvania Turnpike projects; defining 'farm  
14 equipment'; further providing for the responsibilities of  
15 vehicle transferees, for exemptions from registration and  
16 certificates of title and for the use of dealer plates,  
17 multipurpose dealer plates and farm equipment plates; further  
18 providing for funeral processions; further providing for a  
19 restricted receipts fund and for registration for snowmobiles  
20 and ATV's; establishing the Snowmobile Trail Advisory  
21 Committee; further providing for the highway maintenance and  
22 construction tax; and making repeals," based upon a  
23 projection of \$200,000,000 in total dedicated capital  
24 assistance funds plus estimated amounts of supplemental  
25 public transportation assistance funding available for  
26 distribution pursuant to section 1310.1 in that fiscal year,  
27 which estimate shall not be less than \$75,000,000 in any  
28 fiscal year; or

29 (2) the amount permitted to be expended for such  
30 purposes under subsection (e).

1 § 1312. Community transportation programs.

2 (a) Grants from lottery fund.--All counties except counties  
3 of the first and second class shall be entitled to grants from  
4 the State Lottery Fund for the purpose of adding, replacing,  
5 upgrading and overhauling equipment and purchasing, constructing  
6 or renovating facilities to serve as office and maintenance  
7 sites for the provision of reduced fare demand-response service.  
8 Equipment that may be purchased shall include, but shall not be  
9 limited to, vehicles, vehicle rehabilitation, major drivetrain  
10 components, communication equipment, computer equipment and  
11 software and office equipment and furnishings. The amount  
12 entitled to all counties and to be granted by the department  
13 shall not exceed \$2,300,000. The department may require the  
14 counties to coordinate the acquisition of equipment through a  
15 Statewide purchase program should the department find such a  
16 program to be cost efficient.

17 (b) Procedure.--

18 (1) The department is hereby authorized to make grants  
19 to all counties, except those of the first and second class,  
20 or to entities designated by such counties to coordinate  
21 services under this section in such county, for the purpose  
22 of adding, replacing, upgrading and overhauling equipment for  
23 the provision of shared-ride transit services responsive to  
24 and accessible by the general public as well as the elderly  
25 and disabled. If sufficient funds remain after all department  
26 approvals for such equipment projects have been fully funded,  
27 the department is hereby authorized to make grants for the  
28 purchase, construction or renovation of facilities to serve  
29 as office and maintenance sites for the provision of shared-  
30 ride transit services responsive to and accessible by the

1 general public as well as the elderly and disabled. Equipment  
2 that may be purchased shall include, but shall not be limited  
3 to, vehicles, vehicle rehabilitation, major drivetrain  
4 components, communication equipment, computer equipment and  
5 software and office equipment and furnishings.

6 (2) Counties other than counties of the first and second  
7 class may obtain grants pursuant to this subsection by filing  
8 with the department an application in a form prescribed by  
9 it. The department shall require with such application a  
10 transportation plan plus such other information as the  
11 department may require.

12 (3) The applicant shall certify that all efforts  
13 possible have been made to coordinate local service for the  
14 elderly and disabled and the services to be offered with  
15 these capital assets do not duplicate existing fixed route  
16 services, as provided under the act of February 11, 1976  
17 (P.L.14, No.10), known as the Pennsylvania Rural and  
18 Intercity Common Carrier Surface Transportation Assistance  
19 Act, and under other provisions of this part. The applicant  
20 shall solicit comments from the local public body fixed route  
21 provider and include any such comments as part of the  
22 application.

23 (4) All purchases pursuant to this subsection shall be  
24 made in accordance with bidding procedures established under  
25 the act of May 2, 1945 (P.L.382, No.164), known as the  
26 Municipality Authorities Act of 1945, or the act of August 9,  
27 1955 (P.L.323, No.130), known as The County Code, whichever  
28 is applicable.

29 (c) Availability of funds.--Funds not expended under this  
30 section in the fiscal year in which they were made available

1 shall not lapse and shall be available for use pursuant to this  
2 section in the next succeeding fiscal years.

3 § 1313. Additional programs.

4 (a) Projects and programs enumerated.--The department is  
5 hereby authorized to incur costs directly or to make grants,  
6 undertake and provide financial support:

7 (1) To new rural transportation systems for the purpose  
8 of funding capital, asset maintenance and operating costs of  
9 new rural transportation systems. New rural transportation  
10 systems may obtain grants under this section by filing for  
11 each fiscal year with the department an application in a form  
12 prescribed by it. The department shall require with the  
13 application a transportation plan plus such other information  
14 as the department may require to establish to the  
15 satisfaction of the department that the new rural  
16 transportation system is deserving of a grant under this  
17 section.

18 (2) For the purpose of funding studies, analysis,  
19 planning and development of programs for public  
20 transportation assistance, services and facilities.

21 (3) To incur costs directly or to make grants for  
22 department-initiated programs.

23 (4) To make grants to Class 4 transit entities for the  
24 significant expansion of services by such entities from funds  
25 remaining in the development, planning and rural expansion  
26 share after all grants have been made for the fiscal year  
27 pursuant to paragraphs (1) and (2). Grants from the  
28 development, planning and rural expansion share shall be used  
29 by the Class 4 transit entity for the construction,  
30 acquisition, capital projects, asset maintenance and

1 operating costs of the expansion of such entity. Class 4  
2 transit entities may obtain grants by filing for each fiscal  
3 year with the department an application in a form prescribed  
4 by it. The department shall require with the application a  
5 transportation plan plus such other information as the  
6 department may require to establish to the satisfaction of  
7 the department that the Class 4 transit entity is deserving  
8 of a grant under this section.

9 (b) Availability of funds.--Funds not expended under this  
10 section in the fiscal year in which they were made available  
11 shall not lapse and shall be available for use pursuant to this  
12 section in the next succeeding fiscal years.

13 § 1315. Public transportation grants management accountability.

14 (a) Performance audits.--All classes of transit entities  
15 shall complete periodic management performance audits which  
16 shall encompass all public transportation programs and services  
17 financed in whole or in part by grants provided by the  
18 department as follows:

19 (1) The department shall establish criteria to be  
20 included in a performance audit performed pursuant to this  
21 section. The criteria shall be published in the Pennsylvania  
22 Bulletin. Separate criteria may be established for each class  
23 of transit entity.

24 (2) Management performance audits shall be completed  
25 within ten months of their initiation and shall be performed  
26 as follows:

27 (i) Class 1 transit entities shall begin the initial  
28 management performance audit required pursuant to this  
29 section no later than July 1, 1999, or, with the written  
30 approval of the department, within five years of the

1 completion of the most recent performance audit.  
2 Thereafter, Class 1 transit entities shall complete a  
3 management performance audit at least once every five  
4 years.

5 (ii) Class 2 transit entities shall begin the  
6 initial management performance audit required by this  
7 section no later than July 1, 2000, or, with the written  
8 approval of the department, within five years of the most  
9 recent performance audit. The department may extend the  
10 initiation date for a period of up to five years.

11 Thereafter, Class 1 transit entities shall complete a  
12 management performance audit at least once every five  
13 years.

14 (iii) Class 3 transit entities in urbanized areas  
15 with a population of 200,000 or greater shall begin the  
16 initial management performance audit required by this  
17 section no later than July 1, 2001. Class 3 transit  
18 entities in urbanized areas with a population of less  
19 than 200,000 shall begin the first management performance  
20 audit required by this section no later than July 1,  
21 2002. Thereafter, Class 3 transit entities shall perform  
22 a management performance audit at least once every seven  
23 years.

24 (iv) Class 4 transit entities shall begin the first  
25 initial management performance audit required by this  
26 section no later than July 1, 2002. Thereafter, Class 4  
27 transit entities shall perform a management performance  
28 audit at least once every ten years. The department shall  
29 perform management performance audits for Class 4  
30 entities through qualified independent contractors unless

1 written notice is provided to the department by the Class  
2 4 transit entity that the transit entity wishes to  
3 perform its own audit. The notice shall be provided no  
4 later than one year prior to the initiation date of the  
5 next scheduled audit.

6 (3) Class 1, 2 and 3 transit entities shall bear all  
7 costs of performing management performance audits pursuant to  
8 this section. The cost of such management performance audits  
9 for Class 4 transit entities shall be paid by the department  
10 from funds made available under section 1310(d) (relating to  
11 distribution of funding).

12 (4) For Class 1, 2 and 3 transit entities, the  
13 management performance audit shall be conducted by a  
14 qualified independent auditor selected by competitive  
15 procurement. Procurement documents shall specify the scope of  
16 the audit, comply with department criteria and be submitted  
17 to the department for written approval prior to procurement.

18 (b) Submission of audit report; transit entity response.--

19 (1) Upon receipt of a final audit report from the  
20 auditor or, in the case of Class 4 transit entities, from the  
21 department, each transit entity shall prepare an action plan  
22 addressing the findings and recommendations of the audit  
23 report. The action plan shall be completed and approved by  
24 the transit entity's governing body within two months of  
25 receipt of the final audit report. The transit entity shall  
26 implement its action plan in accordance with the time frames  
27 specified in the plan.

28 (2) Upon approval of the action plan by the entity's  
29 governing body, the transit entity shall submit the plan and  
30 the auditor's report to the department. Class 1 and 2 transit

1 entities shall also submit their action plans to the  
2 Legislative Budget and Finance Committee, the chairman and  
3 minority chairman of the Transportation Committee of the  
4 Senate and the chairman and minority chairman of the  
5 Transportation Committee of the House of Representatives.

6 (c) Customer satisfaction surveys.--Customer satisfaction  
7 surveys shall be conducted as follows:

8 (1) All Class 1 and 2 entities shall conduct customer  
9 satisfaction surveys at least once every two years. Class 3  
10 and 4 transit entities shall conduct customer satisfaction  
11 surveys at least once every three years. An initial customer  
12 satisfaction survey for each transit entity shall be  
13 completed and submitted to the department no later than  
14 December 31, 1998.

15 (2) The department shall provide guidelines regarding  
16 the scope of the surveys and suggested questions which may be  
17 included in the surveys.

18 (3) Upon completion of the survey, the transit entity  
19 shall submit a report to the department containing survey  
20 methodology, survey results, relevant trends in the level of  
21 customer satisfaction and actions taken or planned to improve  
22 customer satisfaction.

23 (d) Suspension of grant funds.--The department may suspend  
24 eligibility for grants under section 1303 (relating to annual  
25 appropriation and computation of subsidy) for any transit entity  
26 which fails to comply with any of the provisions of this  
27 section.

28 (e) Restoration or continuation of funding.--The department  
29 shall continue eligibility of a transit entity for grants under  
30 section 1303 if the entity has initiated its audit or survey in



1 a timely manner and the delay in completion of the audit or  
2 survey is not the fault of the transit entity. The department  
3 shall restore eligibility of a suspended transit entity at such  
4 time as the audit or survey is completed in accordance with the  
5 requirements of this section.

6 (f) Cost reduction and productivity improvement.--As part of  
7 its annual application for funding under section 1303, Class 1,  
8 2, 3 and 4 transit entities shall include a report outlining  
9 initiatives it has undertaken to reduce costs and improve  
10 productivity.]

11 Section 2. Title 74 is amended by adding a ~~chapter~~ CHAPTERS <—  
12 to read:

13 CHAPTER 13A

14 ~~SUSTAINABLE MOBILITY OPTIONS~~ <—

15 TRANSPORTATION ISSUES <—

16 Sec.

17 13A01. Declaration of policy.

18 § 13A01. Declaration of policy.

19 The General Assembly finds and declares as follows:

20 (1) This Commonwealth and the nation are facing serious  
21 transportation funding problems related to gasoline and  
22 energy.

23 (2) Public transportation is a major component of  
24 solving the problems referred to in paragraph (1).

25 (3) It is necessary to reconsider public transportation  
26 options in this Commonwealth.

27 CHAPTER 15 <—

28 SUSTAINABLE MOBILITY OPTIONS

29 SEC.

30 1501. SCOPE OF CHAPTER.

1 1502. (RESERVED).  
2 1503. DEFINITIONS.  
3 1504. PROGRAM AUTHORIZATION.  
4 1505. REGULATIONS.  
5 1506. FUND.  
6 1507. APPLICATION AND APPROVAL PROCESS.  
7 1508. FEDERAL FUNDING.  
8 1509. LIMITATION ON DECISIONS, FINDINGS AND REGULATIONS OF  
9 DEPARTMENT.  
10 1510. PROGRAM OVERSIGHT AND ADMINISTRATION.  
11 1511. REPORT TO GOVERNOR AND GENERAL ASSEMBLY.  
12 1512. COORDINATION.  
13 1513. OPERATING PROGRAM.  
14 1514. ASSET IMPROVEMENT PROGRAM.  
15 1515. NEW INITIATIVES PROGRAM.  
16 1516. PROGRAMS OF STATEWIDE SIGNIFICANCE.  
17 1517. PROGRAM OVERSIGHT AND ADMINISTRATION.  
18 1518. RETROACTIVE AUTHORITY.

19 § 1501. SCOPE OF CHAPTER.

20 THIS CHAPTER RELATES TO SUSTAINABLE MOBILITY OPTIONS.

21 § 1502. (RESERVED).

22 § 1503. DEFINITIONS.

23 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER  
24 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
25 CONTEXT CLEARLY INDICATES OTHERWISE:

26 "ACCESS TO JOBS PROJECT." A PROJECT RELATING TO THE  
27 DEVELOPMENT AND MAINTENANCE OF TRANSPORTATION SERVICES DESIGNED  
28 TO TRANSPORT WELFARE RECIPIENTS AND ELIGIBLE LOW-INCOME  
29 INDIVIDUALS TO AND FROM JOBS AND ACTIVITIES RELATED TO THEIR  
30 EMPLOYMENT AS DEFINED UNDER 49 U.S.C. § 5316 (RELATING TO JOB

1 ACCESS AND REVERSE COMMUTE FORMULA GRANTS).

2 "AMERICANS WITH DISABILITIES ACT." THE AMERICANS WITH  
3 DISABILITIES ACT OF 1990 (PUBLIC LAW 101-336, 104 STAT. 327).

4 "ASSET MAINTENANCE COSTS." ALL VEHICLE MAINTENANCE EXPENSES,  
5 NONVEHICLE MAINTENANCE AND MATERIALS EXPENSES AND THE COST OF  
6 SUPPLIES USED IN THE OPERATION OF LOCAL TRANSPORTATION  
7 ORGANIZATIONS AND TRANSPORTATION COMPANIES.

8 "AWARD RECIPIENT." A RECIPIENT OF FINANCIAL ASSISTANCE UNDER  
9 THIS CHAPTER.

10 "CAPITAL EXPENDITURES." ALL COSTS OF CAPITAL PROJECTS,  
11 INCLUDING, BUT NOT LIMITED TO, THE COSTS OF ACQUISITION,  
12 CONSTRUCTION, INSTALLATION, START-UP OF OPERATIONS, IMPROVEMENTS  
13 AND ALL WORK AND MATERIALS INCIDENT THERETO.

14 "CAPITAL PROJECT."

15 (1) A SYSTEM OF PUBLIC PASSENGER TRANSPORTATION,  
16 INCLUDING RAIL TRANSPORTATION FACILITIES USED FOR PUBLIC  
17 PASSENGER TRANSPORTATION, WHICH FACILITIES MAY INCLUDE THE  
18 FOLLOWING:

19 (I) RAILWAY, STREET RAILWAY, SUBWAY, ELEVATED AND  
20 MONORAIL PASSENGER OR PASSENGER AND RAIL ROLLING STOCK,  
21 INCLUDING SELF-PROPELLED AND GALLERY CARS, LOCOMOTIVES,  
22 PASSENGER BUSES AND WIRES, POLES AND EQUIPMENT FOR THE  
23 ELECTRIFICATION OF ANY OF SUCH RAILS, TRACKS AND  
24 ROADBEDS, GUIDEWAYS, ELEVATED STRUCTURES, BUILDINGS,  
25 STATIONS, TERMINALS, DOCKS, SHELTERS AND PARKING AREAS  
26 FOR USE IN CONNECTION WITH THE RAIL TRANSPORTATION  
27 SYSTEMS, INTERCONNECTING LINES AND TUNNELS TO PROVIDE  
28 PASSENGER OR PASSENGER AND RAIL SERVICE CONNECTIONS  
29 BETWEEN TRANSPORTATION SYSTEMS, TRANSPORTATION ROUTES,  
30 CORRIDORS AND RIGHTS-OF-WAY THEREFOR, BUT NOT FOR PUBLIC

1           HIGHWAYS;

2           (II) SIGNAL AND COMMUNICATION SYSTEMS NECESSARY OR  
3           DESIRABLE FOR THE CONSTRUCTION, OPERATION OR IMPROVEMENT  
4           OF A PUBLIC PASSENGER SYSTEM; OR

5           (III) ANY IMPROVEMENT OR OVERHAUL OF ANY VEHICLE  
6           EQUIPMENT OR FURNISHINGS OF ANY OF THE ITEMS SPECIFIED  
7           UNDER SUBPARAGRAPHS (I) AND (II) OR ANY PART OR  
8           FRACTIONAL AND UNDIVIDED CO-OWNERSHIP OR LEASEHOLD  
9           INTEREST IN ANY ONE OR COMBINATION OF ANY OF THE ITEMS  
10          SPECIFIED UNDER SUBPARAGRAPHS (I) AND (II) THAT MAY BE  
11          DESIGNATED AS A CAPITAL PROJECT BY THE SECRETARY OF  
12          TRANSPORTATION.

13          (2) THE TERM SHALL INCLUDE THE ACQUISITION OF LAND  
14          NECESSARY FOR THE CONSTRUCTION OF A NEW PROJECT AND DEBT  
15          SERVICE AND THE COST OF ISSUANCE OF BOND NOTES AND OTHER  
16          EVIDENCES OF INDEBTEDNESS WHICH A LOCAL TRANSPORTATION  
17          ORGANIZATION OR TRANSPORTATION COMPANY IS PERMITTED TO ISSUE  
18          UNDER ANY LAW OF THIS COMMONWEALTH.

19          "COMMONWEALTH CAPITAL BONDS." EVIDENCE OF DEBT INCURRED BY  
20          THE COMMONWEALTH UNDER THE ACT OF FEBRUARY 9, 1999 (P.L.1,  
21          NO.1), KNOWN AS THE CAPITAL FACILITIES DEBT ENABLING ACT.

22          "COMMUNITY TRANSPORTATION SERVICE" OR "SHARED RIDE SERVICE."  
23          DOOR-TO-DOOR DEMAND TRANSPORTATION THAT IS AVAILABLE TO THE  
24          GENERAL PUBLIC ON A NONEXCLUSIVE BASIS, OPERATES ON A NONFIXED  
25          ROUTE BASIS AND CHARGES A FARE TO ALL RIDERS. THE TERM DOES NOT  
26          INCLUDE EXCLUSIVE RIDE TAXI SERVICE, CHARTER AND SIGHTSEEING  
27          SERVICE, NONPUBLIC TRANSPORTATION, SCHOOL BUS AND LIMOUSINE  
28          SERVICE.

29          "COMMUNITY TRANSPORTATION SYSTEM." A PERSON THAT PROVIDES  
30          COMMUNITY TRANSPORTATION SERVICE AND CONTRACTS WITH THE

1 DEPARTMENT OF TRANSPORTATION TO RECEIVE REVENUE REPLACEMENT  
2 FUNDS.

3 "DEPARTMENT." THE DEPARTMENT OF TRANSPORTATION OF THE  
4 COMMONWEALTH.

5 "FINANCIAL ASSISTANCE." GRANTS OR OTHER TYPES OF FINANCIAL  
6 SUPPORT PROVIDED BY THE DEPARTMENT OF TRANSPORTATION UNDER THIS  
7 CHAPTER.

8 "FIXED GUIDEWAY SYSTEM." A FIXED-ROUTE PUBLIC TRANSPORTATION  
9 SERVICE THAT USES AND OCCUPIES A SEPARATE RIGHT-OF-WAY OR RAIL  
10 LINE FOR THE EXCLUSIVE USE OF PUBLIC TRANSPORTATION AND OTHER  
11 HIGH OCCUPANCY VEHICLES OR USES A FIXED CATENARY SYSTEM AND A  
12 RIGHT-OF-WAY USABLE BY OTHER FORMS OF TRANSPORTATION. THE TERM  
13 INCLUDES LIGHT RAIL, COMMUTER RAIL, AUTOMATED GUIDEWAY TRANSIT,  
14 PEOPLE MOVERS, FERRY BOAT SERVICE AND FIXED GUIDEWAY FACILITIES  
15 FOR BUSES SUCH AS BUS RAPID TRANSIT AND HIGH OCCUPANCY VEHICLES.

16 "FIXED-ROUTE PUBLIC TRANSPORTATION SERVICE." REGULARLY  
17 SCHEDULED GENERAL PUBLIC TRANSPORTATION THAT IS PROVIDED  
18 ACCORDING TO PUBLISHED SCHEDULES ALONG DESIGNATED ROUTES, BUT  
19 THAT ALLOWS FOR ROUTE DEVIATION WITHIN THE PUBLISHED SCHEDULE,  
20 WITH SPECIFIED STOPPING POINTS FOR THE TAKING ON AND DISCHARGING  
21 OF PASSENGERS, INCLUDING PUBLIC BUS AND COMMUTER RAIL SYSTEMS  
22 AND OTHER DEPARTMENT-APPROVED SERVICE. THE TERM DOES NOT INCLUDE  
23 EXCLUSIVE RIDE TAXI SERVICE, CHARTER OR SIGHTSEEING SERVICE,  
24 NONPUBLIC TRANSPORTATION, SCHOOL BUS AND LIMOUSINE SERVICE.

25 "FUND." THE PUBLIC TRANSPORTATION TRUST FUND ESTABLISHED  
26 UNDER SECTION 1506 (RELATING TO FUND).

27 "INFLATION INDEX." AN INDEX ESTABLISHED BY THE DEPARTMENT OF  
28 TRANSPORTATION THAT IS INFLATION SENSITIVE.

29 "INTERCITY BUS SERVICE." PASSENGER BUS SERVICE OF 35 MILES  
30 OR MORE IN LENGTH THAT IS PROVIDED WITH AN OVER THE ROAD BUS AND

1 OPERATED BETWEEN TWO NONCONTIGUOUS URBANIZED AREAS, BETWEEN AN  
2 URBANIZED AREA LOCATED IN ONE COUNTY AND RURAL COMMUNITIES  
3 LOCATED IN ANOTHER COUNTY OR BETWEEN RURAL COMMUNITIES LOCATED  
4 IN DIFFERENT COUNTIES AND CONTAINS ALL OF THE FOLLOWING  
5 ELEMENTS:

6 (1) SERVICE THAT IS OPERATED FOR A FARE ON A REGULARLY  
7 SCHEDULED FIXED-ROUTE BASIS.

8 (2) SERVICE THAT IS OFFERED TO AND UTILIZED BY THE  
9 GENERAL PUBLIC WITHOUT PRECONDITIONS OF ADVANCE RESERVATION  
10 OR MEMBERSHIP IN A PARTICULAR ORGANIZATION.

11 "INTERCITY PASSENGER RAIL SERVICE." PASSENGER RAILROAD  
12 SERVICE THAT CONNECTS TWO OR MORE URBANIZED AREAS AND IS  
13 DETERMINED BY THE DEPARTMENT OF TRANSPORTATION TO QUALIFY AS  
14 INTERCITY SERVICE, INCLUDING COMMUTER RAIL SERVICE.

15 "JOB ACCESS AND REVERSE COMMUTE PROJECT." A PROJECT FUNDED  
16 BY THE FEDERAL TRANSIT ADMINISTRATION UNDER FEDERAL LAW.

17 "LOCAL TRANSPORTATION ORGANIZATION." ANY OF THE FOLLOWING:

18 (1) A POLITICAL SUBDIVISION OR A PUBLIC TRANSPORTATION  
19 PORT OR REDEVELOPMENT AUTHORITY ORGANIZED UNDER THE LAWS OF  
20 THIS COMMONWEALTH OR PURSUANT TO AN INTERSTATE COMPACT OR  
21 OTHERWISE EMPOWERED TO RENDER, CONTRACT FOR THE RENDERING OR  
22 ASSIST IN THE RENDERING OF TRANSPORTATION SERVICE IN A  
23 LIMITED AREA IN THIS COMMONWEALTH, EVEN THOUGH IT MAY ALSO  
24 RENDER OR ASSIST IN RENDERING TRANSPORTATION SERVICE IN  
25 ADJACENT STATES.

26 (2) A NONPROFIT ASSOCIATION THAT DIRECTLY OR INDIRECTLY  
27 PROVIDES PUBLIC TRANSPORTATION SERVICE.

28 (3) A NONPROFIT ASSOCIATION OF PUBLIC TRANSPORTATION  
29 PROVIDERS OPERATING WITHIN THIS COMMONWEALTH.

30 "MATERIALS AND SUPPLIES." THOSE CATEGORIES OF EXPENSES AS

1 SPECIFIED IN UNIFORM SYSTEM OF ACCOUNTS EXPENSE OBJECT CLASS  
2 504, NATIONAL TRANSIT DATABASE OPERATING EXPENSES FORM F 30,  
3 NATIONAL TRANSIT DATABASE, FINAL RULE, FEDERAL TRANSIT  
4 ADMINISTRATION, DATED JANUARY 15, 1993, OR ANY SUCCESSOR.

5 "MUNICIPALITY." A CITY, BOROUGH, INCORPORATED TOWN OR  
6 TOWNSHIP.

7 "NEW FIXED GUIDEWAY SYSTEM." A NEWLY-CONSTRUCTED FIXED  
8 GUIDEWAY SYSTEM IN A CORRIDOR OR ALIGNMENT WHERE NO SUCH SYSTEM  
9 PREVIOUSLY EXISTED.

10 "NEW FREEDOM PROGRAM." A PUBLIC TRANSPORTATION PROGRAM  
11 DESIGNED TO PROVIDE FUNDS TO RECIPIENTS FOR NEW PUBLIC  
12 TRANSPORTATION SERVICES AND PUBLIC TRANSPORTATION ALTERNATIVES  
13 BEYOND THOSE REQUIRED BY THE AMERICANS WITH DISABILITIES ACT OF  
14 1990 (PUBLIC LAW 101-336, 104 STAT. 327) THAT ASSIST INDIVIDUALS  
15 WITH DISABILITIES WITH TRANSPORTATION, INCLUDING TRANSPORTATION  
16 TO AND FROM JOBS AND EMPLOYMENT SUPPORT SERVICES ADMINISTERED  
17 UNDER THE PROVISIONS OF 49 U.S.C. § 5317 (RELATING TO NEW  
18 FREEDOM PROGRAM.)

19 "NEW START." THE TERM SHALL HAVE THE SAME MEANING GIVEN IT  
20 IN 49 CFR § 611.5 (RELATING TO DEFINITIONS).

21 "NONURBANIZED AREA." AN AREA WITHIN THIS COMMONWEALTH THAT  
22 DOES NOT FALL WITHIN AN AREA CLASSIFIED AS "URBANIZED" BY THE  
23 UNITED STATES BUREAU OF THE CENSUS OF THE UNITED STATES  
24 DEPARTMENT OF COMMERCE IN THE MOST RECENT CENSUS OF POPULATION.

25 "NONVEHICLE MAINTENANCE EXPENSES." THE CATEGORIES OF COSTS  
26 ASSOCIATED WITH THE INSPECTION, MAINTENANCE AND REPAIR OF  
27 ASSETS, OTHER THAN VEHICLES, AS SPECIFIED IN UNIFORM SYSTEM OF  
28 ACCOUNTS, EXPENSE FUNCTION 042, NATIONAL TRANSIT DATABASE  
29 OPERATING EXPENSES FORM, F 30, NATIONAL TRANSIT DATABASE, FINAL  
30 RULE, FEDERAL TRANSIT ADMINISTRATION, DATED JANUARY 15, 1993, OR

1 ANY SUCCESSOR.

2 "OPERATING EXPENSES." TOTAL EXPENSES REQUIRED TO CONTINUE  
3 SERVICE TO THE PUBLIC AND TO PERMIT NEEDED IMPROVEMENTS IN  
4 SERVICE WHICH ARE NOT SELF-SUPPORTING AND OTHERWISE FOR ANY  
5 PURPOSE IN FURTHERANCE OF PUBLIC PASSENGER TRANSPORTATION,  
6 INCLUDING ALL STATE ASSET MAINTENANCE COSTS. THE TERM DOES NOT  
7 INCLUDE EXPENDITURES FOR CAPITAL PROJECTS UNLESS SPECIFIC  
8 APPROVAL IS PROVIDED BY THE DEPARTMENT OF TRANSPORTATION.

9 "OPERATING REVENUE." THE TOTAL REVENUE EARNED BY A LOCAL  
10 TRANSPORTATION ORGANIZATION OR A TRANSPORTATION COMPANY THROUGH  
11 ITS TRANSIT OPERATIONS. THE TERM INCLUDES ALL OF THE FOLLOWING:

12 (1) PASSENGER FARES.

13 (2) REIMBURSEMENTS PROVIDED IN LIEU OF FARES FOR SENIOR  
14 PASSENGERS.

15 (3) CHARTER, SCHOOL BUS AND ADVERTISING REVENUE.

16 (4) OTHER MISCELLANEOUS REVENUE SUCH AS PUBLIC AND  
17 PRIVATE ROUTE GUARANTEE FUNDS.

18 "PARATRANSIT SERVICE." TRANSIT SERVICE OPERATING ON A  
19 NONFIXED-ROUTE BASIS IN ORDER TO PROVIDE COMPLEMENTARY  
20 TRANSPORTATION SERVICE TO PERSONS WHO ARE FUNCTIONALLY UNABLE TO  
21 USE FIXED-ROUTE TRANSPORTATION, AS REQUIRED BY THE AMERICANS  
22 WITH DISABILITIES ACT OF 1990 (PUBLIC LAW 101-336, 104 STAT.  
23 327).

24 "PASSENGERS." THE TOTAL OF ALL ORIGINATING PASSENGERS PLUS  
25 TRANSFER PASSENGERS CARRIED ON FIXED-ROUTE SERVICE AND  
26 PARATRANSIT SERVICE.

27 "PUBLIC PASSENGER TRANSPORTATION." TRANSPORTATION WITHIN AN  
28 AREA THAT INCLUDES A MUNICIPALITY OR OTHER BUILT-UP PLACE THAT  
29 IS APPROPRIATE IN THE JUDGMENT OF THE DEPARTMENT OF  
30 TRANSPORTATION TO SERVE COMMUTERS OR OTHERS IN THE LOCALITY,



1 TAKING INTO CONSIDERATION THE LOCAL PATTERNS AND TRENDS OF  
2 GROWTH BY BUS OR RAIL OR OTHER CONVEYANCE, EITHER PUBLICLY OR  
3 PRIVATELY OWNED, SERVING THE GENERAL PUBLIC. THE TERM DOES NOT  
4 INCLUDE SCHOOL BUSES, CHARTER OR SIGHTSEEING SERVICES.

5 "REVENUE REPLACEMENT FUNDS." PAYMENTS MADE TO LOCAL  
6 TRANSPORTATION ORGANIZATIONS AND TRANSPORTATION COMPANIES TO  
7 OFFSET OR PARTIALLY OFFSET FARES.

8 "REVENUE VEHICLE HOURS." THE TOTAL AMOUNT OF TIME CALCULATED  
9 IN HOURS DURING WHICH VEHICLES ARE IN SERVICE AND AVAILABLE FOR  
10 PUBLIC USE IN FIXED-ROUTE SERVICE OR PARATRANSIT SERVICE. THE  
11 TERM DOES NOT INCLUDE DEADHEAD HOURS.

12 "REVENUE VEHICLE MILES." THE TOTAL AMOUNT OF DISTANCE  
13 CALCULATED IN MILES DURING WHICH VEHICLES ARE IN SERVICE AND  
14 AVAILABLE FOR PUBLIC USE IN FIXED-ROUTE SERVICE OR PARATRANSIT  
15 SERVICE. THE TERM DOES NOT INCLUDE DEADHEAD MILES.

16 "REVERSE COMMUTE PROJECT." A PUBLIC TRANSPORTATION PROJECT  
17 DESIGNED TO TRANSPORT RESIDENTS OF URBANIZED AND NONURBANIZED  
18 AREAS TO SUBURBAN EMPLOYMENT OPPORTUNITIES AS DEFINED UNDER 49  
19 U.S.C. § 5316 (RELATING TO JOB ACCESS AND REVERSE COMMUTE  
20 FORMULA GRANTS).

21 "SECRETARY." THE SECRETARY OF TRANSPORTATION OF THE  
22 COMMONWEALTH.

23 "SENIOR CITIZEN." A PERSON WHO IS AT LEAST 65 YEARS OF AGE.

24 "SENIOR PASSENGER." A SENIOR CITIZEN WHO RIDES ON FIXED  
25 ROUTE SERVICE.

26 "TAX REFORM CODE." THE ACT OF MARCH 4, 1971 (P.L.6, NO.2),  
27 KNOWN AS THE TAX REFORM CODE OF 1971.

28 "TRANSPORTATION COMPANY." A PERSON THAT RENDERS PUBLIC  
29 PASSENGER TRANSPORTATION SERVICE.

30 "URBANIZED AREA." A PORTION OF THIS COMMONWEALTH CLASSIFIED

1 AS URBANIZED BY THE UNITED STATES BUREAU OF THE CENSUS OF THE  
2 UNITED STATES DEPARTMENT OF COMMERCE IN THE MOST RECENT CENSUS  
3 OF POPULATION.

4 "VEHICLE MAINTENANCE EXPENSES." THE CATEGORIES OF COSTS  
5 ASSOCIATED WITH THE INSPECTION, MAINTENANCE AND REPAIR OF  
6 VEHICLES AS SPECIFIED IN UNIFORM SYSTEM OF ACCOUNTS, EXPENSE  
7 FUNCTION 041, NATIONAL TRANSIT DATABASE OPERATING EXPENSES FORM  
8 F 30, NATIONAL TRANSIT DATABASE, FINAL RULE, FEDERAL TRANSIT  
9 ADMINISTRATION, DATED JANUARY 15, 1993, OR ANY SUCCESSOR.

10 "WELFARE-TO-WORK." ANY FEDERAL OR STATE PROGRAM DESIGNED TO  
11 MOVE INDIVIDUALS FROM DEPENDENCY ON PUBLIC WELFARE PROGRAMS TO  
12 SELF-SUFFICIENCY THROUGH PAID WORK.

13 § 1504. PROGRAM AUTHORIZATION.

14 (A) GENERAL.--THE DEPARTMENT MAY, WITHIN THE LIMITATIONS  
15 PROVIDED IN THIS CHAPTER, INCUR COSTS DIRECTLY OR OTHERWISE  
16 PROVIDE FINANCIAL ASSISTANCE FOR THE PURPOSES AND ACTIVITIES  
17 ENUMERATED IN THIS CHAPTER.

18 (B) SUPPLEMENTATION OF FEDERAL AND LOCAL FUNDS.--THE  
19 AUTHORITY CONFERRED ON THE DEPARTMENT BY THIS SECTION INCLUDES,  
20 BUT IS NOT LIMITED TO, PROVIDING FINANCIAL ASSISTANCE FOR PUBLIC  
21 PASSENGER TRANSPORTATION PURPOSES AND TO SUPPLEMENT FEDERAL  
22 FUNDING, LOCAL FUNDING, OR BOTH.

23 § 1505. REGULATIONS.

24 (A) GENERAL RULE.--TO EFFECTUATE AND ENFORCE THE PROVISIONS  
25 OF THIS CHAPTER, THE DEPARTMENT SHALL PROMULGATE NECESSARY RULES  
26 AND REGULATIONS AND PRESCRIBE CONDITIONS AND PROCEDURES IN ORDER  
27 TO ASSURE COMPLIANCE IN CARRYING OUT THE PURPOSES FOR WHICH  
28 FINANCIAL ASSISTANCE MAY BE MADE UNDER THIS CHAPTER.

29 (B) TEMPORARY REGULATIONS.--DURING THE TWO-YEAR PERIOD  
30 FOLLOWING THE EFFECTIVE DATE OF THIS SECTION, THE DEPARTMENT

1 SHALL PROMULGATE TEMPORARY REGULATIONS, WHICH REGULATIONS SHALL  
2 BE EXEMPT FROM THE FOLLOWING:

3 (1) THE ACT OF OCTOBER 15, 1980 (P.L.950, NO.164), KNOWN  
4 AS THE COMMONWEALTH ATTORNEYS ACT.

5 (2) SECTION 205 OF THE ACT OF JULY 31, 1968 (P.L.769,  
6 NO.240), REFERRED TO AS THE COMMONWEALTH DOCUMENTS LAW.

7 (3) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS  
8 THE REGULATORY REVIEW ACT.

9 TEMPORARY REGULATIONS PROMULGATED BY THE DEPARTMENT UNDER THIS  
10 SUBSECTION SHALL EXPIRE FOUR YEARS FOLLOWING THE EFFECTIVE DATE  
11 OF THIS SECTION.

12 § 1506. FUND.

13 (A) ESTABLISHMENT AND DEPOSITS.--A SPECIAL FUND IS  
14 ESTABLISHED WITHIN THE STATE TREASURY TO BE KNOWN AS THE PUBLIC  
15 TRANSPORTATION TRUST FUND. THE FOLLOWING SHALL BE DEPOSITED INTO  
16 THE FUND ANNUALLY:

17 (1) FUNDS UNDER 75 PA.C.S. § 8915.3(8) (RELATING TO  
18 LEASE OF INTERSTATE 80).

19 (2) THE AMOUNTS MADE AVAILABLE TO THE DEPARTMENT AS AN  
20 EXECUTIVE AUTHORIZATION AND AN APPROPRIATION FOR THE 2007-  
21 2008 FISCAL YEAR AND EACH FISCAL YEAR THEREAFTER FROM THE  
22 STATE LOTTERY FUND FOR THE FREE TRANSIT PROGRAM FOR SENIOR  
23 CITIZENS ESTABLISHED UNDER THE ACT OF AUGUST 26, 1971  
24 (P.L.351, NO.91), KNOWN AS THE STATE LOTTERY LAW. THESE  
25 REVENUES SHALL BE USED TO PROVIDE FREE PUBLIC TRANSPORTATION  
26 SERVICE TO SENIOR CITIZENS WHEN PASSAGE IS ON FIXED-ROUTE  
27 PUBLIC TRANSPORTATION SERVICES, AS AUTHORIZED BY CHAPTER 9 OF  
28 THE STATE LOTTERY LAW AND THE FREE SERVICE SHALL BE AVAILABLE  
29 TO SENIOR CITIZENS AT ANY TIME DURING THE SERVICE PROVIDER'S  
30 REGULAR HOURS OF SERVICE. WITH REGARD TO PASSAGE ON COMMUTER

1 RAIL SERVICE PROVIDED TO SENIOR CITIZENS, THE FARE SHALL  
2 CONTINUE TO BE LIMITED TO \$1 PER TRIP AS PROVIDED UNDER  
3 CHAPTER 9 OF THE STATE LOTTERY LAW, BUT THE LIMITATION SHALL  
4 BE EXTENDED TO ALL HOURS OF COMMUTER RAIL SERVICE.

5 (3) COMMENCING JULY 1, 2007, 1.22% OF THE MONEY  
6 COLLECTED FROM THE TAX IMPOSED UNDER ARTICLE II OF THE TAX  
7 REFORM CODE, UP TO A MAXIMUM OF \$75,000,000.

8 (4) COMMENCING JULY 1, 2007, REVENUES DEPOSITED INTO THE  
9 PUBLIC TRANSPORTATION ASSISTANCE FUND ESTABLISHED UNDER  
10 ARTICLE XXIII OF THE TAX REFORM CODE TO BE USED IN ACCORDANCE  
11 WITH SUBSECTION (B).

12 (5) COMMENCING JULY 1, 2007, 3.03% OF THE MONEY  
13 COLLECTED FROM THE TAX IMPOSED UNDER ARTICLE III OF THE TAX  
14 REFORM CODE. WITHIN 30 DAYS OF THE CLOSE OF A CALENDAR MONTH,  
15 3.03% OF THE TAXES RECEIVED UNDER ARTICLE III OF THE TAX  
16 REFORM CODE IN THE PRIOR CALENDAR MONTH SHALL BE TRANSFERRED  
17 TO THE FUND.

18 (6) ANY OTHER APPROPRIATIONS TO THE FUND.  
19 (B) USE OF REVENUES.--

20 (1) MONEY IN THE FUND SHALL BE USED BY THE DEPARTMENT TO  
21 PROVIDE FINANCIAL ASSISTANCE TO LOCAL TRANSPORTATION  
22 ORGANIZATIONS, TRANSPORTATION COMPANIES AND AGENCIES AND  
23 INSTRUMENTALITIES OF THE COMMONWEALTH UNDER THIS CHAPTER, FOR  
24 COSTS INCURRED DIRECTLY BY THE DEPARTMENT IN THE  
25 ADMINISTRATION OF PUBLIC PASSENGER TRANSPORTATION PROGRAMS,  
26 INCLUDING UNDER THIS CHAPTER, AND FOR ALL OTHER PURPOSES  
27 ENUMERATED IN THIS CHAPTER.

28 (2) MONEY IN THE FUND IS APPROPRIATED ON A CONTINUING  
29 BASIS, UPON APPROVAL OF THE GOVERNOR, TO THE DEPARTMENT TO BE  
30 USED AS PROVIDED IN THIS CHAPTER. MONEY IN THE FUND SHALL NOT

1 LAPSE.

2 (C) PROGRAMS.--THE FUND IS AUTHORIZED TO PROVIDE THE  
3 FOLLOWING:

4 (1) FINANCIAL ASSISTANCE RELATED TO OPERATING EXPENSES  
5 TO BE KNOWN AS THE "OPERATING PROGRAM." TO THE EXTENT FUNDS  
6 ARE AVAILABLE, AN AMOUNT NOT LESS THAN \$810,000,000 OF THE  
7 FUND SHALL BE ALLOCATED TO THIS PROGRAM IN THE FIRST FISCAL  
8 YEAR FOLLOWING THE EFFECTIVE DATE OF THIS SECTION. MONEY IN  
9 THE FUND ALLOCATED TO THE OPERATING PROGRAM SHALL NOT BE  
10 INCREASED BY MORE THAN THE INFLATION INDEX IN ANY YEAR.

11 (2) FINANCIAL ASSISTANCE FOR IMPROVEMENTS TO CAPITAL  
12 ASSETS, REPLACEMENT OF CAPITAL ASSETS AND EXPANSION OF  
13 CAPITAL ASSETS TO BE KNOWN AS THE "ASSET IMPROVEMENT  
14 PROGRAM." AN AMOUNT EQUAL TO THE REMAINING MONEY IN THE FUND,  
15 LESS THE ALLOCATIONS UNDER PARAGRAPHS (1), (3) AND (4) SHALL  
16 BE ALLOCATED TO THIS PROGRAM IN THE FIRST FISCAL YEAR  
17 FOLLOWING THE EFFECTIVE DATE OF THIS SECTION. MONEY IN THE  
18 FUND FOR THIS PROGRAM MAY INCLUDE PROCEEDS OF COMMONWEALTH  
19 CAPITAL BONDS.

20 (3) FINANCIAL ASSISTANCE TO FUND NEW OR EXPANSIONS OF  
21 FIXED GUIDEWAY SYSTEMS, TO BE KNOWN AS THE "NEW INITIATIVES  
22 PROGRAM." AN AMOUNT NOT GREATER THAN \$50,000,000 OF THE FUND  
23 SHALL BE ALLOCATED TO THIS PROGRAM IN THE FIRST FISCAL YEAR  
24 FOLLOWING THE EFFECTIVE DATE OF THIS SECTION.

25 (4) FINANCIAL ASSISTANCE RELATED TO PROGRAMS OF  
26 STATEWIDE SIGNIFICANCE AS DESCRIBED IN SECTION 1516 (RELATING  
27 TO PROGRAMS OF STATEWIDE SIGNIFICANCE) TO BE KNOWN AS THE  
28 "PROGRAMS OF STATEWIDE SIGNIFICANCE PROGRAM." TO THE EXTENT  
29 FUNDS ARE AVAILABLE, AN AMOUNT NOT LESS THAN \$52,000,000 OF  
30 THE FUND SHALL BE ALLOCATED TO THIS PROGRAM IN THE FIRST

1 FISCAL YEAR FOLLOWING THE EFFECTIVE DATE OF THIS SECTION.

2 § 1507. APPLICATION AND APPROVAL PROCESS.

3 (A) APPLICATION.--AN ELIGIBLE APPLICANT THAT WISHES TO  
4 RECEIVE FINANCIAL ASSISTANCE UNDER THIS CHAPTER SHALL SUBMIT A  
5 WRITTEN APPLICATION TO THE DEPARTMENT, ON A FORM DEVELOPED BY  
6 THE DEPARTMENT, WHICH SHALL INCLUDE THE FOLLOWING:

7 (1) THE NAME AND ADDRESS OF THE APPLICANT.

8 (2) THE NAME AND TELEPHONE NUMBER OF A CONTACT PERSON  
9 FOR THE APPLICANT.

10 (3) THE AMOUNT AND TYPE OF FINANCIAL ASSISTANCE  
11 REQUESTED AND THE PROPOSED USE OF THE FUNDS.

12 (4) A STATEMENT AS TO THE PARTICULAR NEED FOR THE  
13 FINANCIAL ASSISTANCE.

14 (5) A CERTIFIED COPY OF A CURRENT RESOLUTION AUTHORIZING  
15 SUBMISSION OF THE APPLICATION IF THE APPLICANT IS A GOVERNING  
16 BODY.

17 (6) EVIDENCE SATISFACTORY TO THE DEPARTMENT OF THE  
18 COMMITMENT FOR MATCHING FUNDS REQUIRED UNDER THIS CHAPTER  
19 SUFFICIENT TO MATCH THE PROJECTED FINANCIAL ASSISTANCE  
20 PAYMENTS AT THE SAME TIMES THAT THE FINANCIAL ASSISTANCE  
21 PAYMENTS ARE TO BE PROVIDED.

22 (7) ANY OTHER INFORMATION THE DEPARTMENT DEEMS NECESSARY  
23 OR DESIRABLE.

24 (B) APPROVAL AND AWARD.--UPON DETERMINING THAT AN APPLICANT  
25 HAS COMPLIED WITH THIS CHAPTER, APPLICABLE RULES AND REGULATIONS  
26 AND ANY OTHER REQUIREMENT WITH RESPECT TO THE FINANCIAL  
27 ASSISTANCE REQUESTED, THE DEPARTMENT MAY AWARD FINANCIAL  
28 ASSISTANCE TO THE APPLICANT, IN WHICH CASE THE DEPARTMENT AND  
29 THE APPLICANT SHALL ENTER INTO A FINANCIAL ASSISTANCE AGREEMENT  
30 SETTING FORTH THE TERMS AND CONDITIONS UPON WHICH THE FINANCIAL

1 ASSISTANCE SHALL BE USED AND THE TIMING OF PAYMENT OF THE FUNDS.

2 (C) RESTRICTION ON USE OF FUNDS.--FINANCIAL ASSISTANCE UNDER  
3 THIS CHAPTER SHALL BE USED ONLY FOR ACTIVITIES AUTHORIZED  
4 ORIGINALLY UNLESS THE DEPARTMENT GRANTS A WAIVER TO THE AWARD  
5 RECIPIENT FOR A DIFFERENT USE OF THE FUNDS. THE DEPARTMENT'S  
6 REGULATIONS SHALL DESCRIBE CIRCUMSTANCES UNDER WHICH IT WILL  
7 CONSIDER THE WAIVERS AND INFORMATION TO BE INCLUDED IN A REQUEST  
8 FOR A WAIVER. THE MAXIMUM DURATION OF A WAIVER SHALL BE ONE  
9 YEAR, AND A REQUEST FOR A WAIVER SHALL INCLUDE A PLAN OF  
10 CORRECTIVE ACTION TO DEMONSTRATE THAT THE AWARD RECIPIENT DOES  
11 NOT HAVE AN ONGOING NEED TO USE FINANCIAL ASSISTANCE FUNDS FOR  
12 ACTIVITIES OTHER THAN THOSE FOR WHICH FUNDS WERE ORIGINALLY  
13 AWARDED.

14 § 1508. FEDERAL FUNDING.

15 (A) GENERAL RULE.--THE DEPARTMENT SHALL ADMINISTER THE  
16 PROGRAM IN THIS CHAPTER WITH SUCH FLEXIBILITY AS TO PERMIT FULL  
17 COOPERATION BETWEEN FEDERAL, STATE AND LOCAL GOVERNMENTS,  
18 AGENCIES AND INSTRUMENTALITIES, LOCAL TRANSPORTATION  
19 ORGANIZATIONS AND PRIVATE INTERESTS, SO AS TO RESULT IN AS  
20 EFFECTIVE AND ECONOMICAL A PROGRAM AS POSSIBLE.

21 (B) AGREEMENTS.--THE DEPARTMENT MAY ENTER INTO AGREEMENTS  
22 FOR MUTUAL COOPERATION BETWEEN OR AMONG THE DEPARTMENT AND A  
23 FEDERAL AGENCY, LOCAL TRANSPORTATION ORGANIZATION OR  
24 TRANSPORTATION COMPANY CONCERNING A PROJECT TO BE FUNDED WITH  
25 FINANCIAL ASSISTANCE UNDER THIS CHAPTER, INCLUDING JOINT  
26 APPLICATIONS FOR FEDERAL GRANTS.

27 (C) GENERAL AUTHORITY OF DEPARTMENT.--THE DEPARTMENT MAY DO  
28 ANYTHING NECESSARY OR DESIRABLE TO SECURE FINANCIAL AID OR  
29 COOPERATION OF A FEDERAL AGENCY IN A PROJECT FUNDED WITH  
30 FINANCIAL ASSISTANCE UNDER THIS CHAPTER AND TO COMPLY WITH A

1 FEDERAL STATUTE OR LAWFUL REQUIREMENT OF A FEDERAL AGENCY  
2 AUTHORIZED TO ADMINISTER A PROGRAM OF FEDERAL AID TO  
3 TRANSPORTATION. THE DEPARTMENT MAY ENTER INTO A PROTECTIVE  
4 AGREEMENT WITH ORGANIZED LABOR TO THE EXTENT REQUIRED UNDER 49  
5 U.S.C. § 5333 (RELATING TO LABOR STANDARDS) IN ORDER TO OBTAIN  
6 FEDERAL GRANT MONEY FOR TRANSPORTATION ASSISTANCE. PROTECTIVE  
7 AGREEMENTS SHALL BE NARROWLY DRAWN AND STRICTLY CONSTRUED TO  
8 PROVIDE NO MORE THAN THE MINIMUM PROTECTIONS REQUIRED BY THE  
9 UNITED STATES DEPARTMENT OF LABOR FOR THE AGREEMENTS.

10 (D) DIRECT RECIPIENTS.--LOCAL TRANSPORTATION ORGANIZATIONS  
11 THAT ARE DIRECT RECIPIENTS OF FEDERAL FUNDING SHALL BE UNDER NO  
12 OBLIGATION TO ENTER INTO CONTRACTS WITH THE DEPARTMENT FOR  
13 EXPENDITURE OF THOSE FUNDS, EXCEPT THAT THE DEPARTMENT MAY  
14 REQUIRE A CONTRACT FOR EXPENDITURE OF THE STATE PORTION OF THE  
15 PROJECT ASSISTED BY THOSE FEDERAL FUNDS.

16 § 1509. LIMITATION ON DECISIONS, FINDINGS AND REGULATIONS OF  
17 DEPARTMENT.

18 ALL DECISIONS, FINDINGS AND REGULATIONS MADE BY THE  
19 DEPARTMENT PURSUANT TO THIS CHAPTER SHALL BE FOR THE PURPOSES OF  
20 THIS CHAPTER ONLY AND SHALL NOT CONSTITUTE EVIDENCE BEFORE A  
21 REGULATORY BODY OF THIS COMMONWEALTH OR ANY OTHER JURISDICTION.

22 § 1510. PROGRAM OVERSIGHT AND ADMINISTRATION.

23 (A) REVIEW AND OVERSIGHT.--THE DEPARTMENT SHALL INITIATE AND  
24 MAINTAIN A PROGRAM OF FINANCIAL AND PERFORMANCE REVIEW AND  
25 OVERSIGHT FOR ALL PUBLIC TRANSPORTATION PROGRAMS RECEIVING  
26 FINANCIAL ASSISTANCE UNDER THIS CHAPTER. THE DEPARTMENT MAY  
27 PERFORM INDEPENDENT FINANCIAL AUDITS OF EACH AWARD RECIPIENT.  
28 AUDITS SHALL BE CONDUCTED IN ACCORDANCE WITH GENERALLY ACCEPTED  
29 AUDITING STANDARDS AND SHALL ENSURE COMPLIANCE BY AWARD  
30 RECIPIENTS WITH THIS CHAPTER, DEPARTMENT REGULATIONS AND



1 POLICIES AND FINANCIAL ASSISTANCE AGREEMENTS.

2 (B) STATE RAIL TRANSIT SAFETY INSPECTION PROGRAM.--THE  
3 DEPARTMENT MAY CONDUCT A STATE RAIL TRANSIT SAFETY INSPECTION  
4 PROGRAM, AS MAY BE DEFINED FROM TIME TO TIME BY THE FEDERAL  
5 TRANSIT ADMINISTRATION, TO MEET OVERSIGHT REQUIREMENTS OF THE  
6 FEDERAL TRANSIT ADMINISTRATION. THE PUBLIC TRANSPORTATION MODES  
7 COVERED SHALL INCLUDE HEAVY RAIL, LIGHT RAIL, TRACKLESS TROLLEY  
8 BUS AND INCLINED PLANE SERVICES AND RELATED FACILITIES.

9 § 1511. REPORT TO GOVERNOR AND GENERAL ASSEMBLY.

10 THE DEPARTMENT SHALL FILE A PUBLIC PASSENGER TRANSPORTATION  
11 PERFORMANCE REPORT WITH THE GOVERNOR AND THE GENERAL ASSEMBLY BY  
12 APRIL 30 OF EACH YEAR, COVERING THE PRIOR FISCAL YEAR.

13 § 1512. COORDINATION.

14 COORDINATION IS REQUIRED IN REGIONS WHERE TWO OR MORE AWARD  
15 RECIPIENTS HAVE SERVICES OR ACTIVITIES FOR WHICH FINANCIAL  
16 ASSISTANCE IS BEING PROVIDED UNDER THIS CHAPTER TO ASSURE THAT  
17 THE SERVICES OR ACTIVITIES ARE PROVIDED EFFICIENTLY AND  
18 EFFECTIVELY.

19 § 1513. OPERATING PROGRAM.

20 (A) ELIGIBLE APPLICANTS.--THE GOVERNING BODY OF A  
21 MUNICIPALITY, COUNTY OR INSTRUMENTALITY OF EITHER, A  
22 COMMONWEALTH AGENCY OR INSTRUMENTALITY OR A LOCAL TRANSPORTATION  
23 ORGANIZATION MAY APPLY FOR FINANCIAL ASSISTANCE UNDER THE  
24 OPERATING PROGRAM.

25 (B) APPLICATIONS.--IN ADDITION TO INFORMATION REQUIRED UNDER  
26 SECTION 1507 (RELATING TO APPLICATION AND APPROVAL PROCESS), AN  
27 APPLICATION FOR FINANCIAL ASSISTANCE UNDER THIS SECTION SHALL  
28 INCLUDE THE APPLICANT'S REASONABLE ESTIMATES OF OPERATING  
29 REVENUE AND GOVERNMENT SUBSIDIES SUFFICIENT TO COVER ALL  
30 PROJECTED OPERATING EXPENSES.

1       (C) DISTRIBUTION FORMULA.--THE FOLLOWING DISTRIBUTION  
2 FORMULA SHALL BE APPLIED BY THE DEPARTMENT WITH RESPECT TO THE  
3 AWARD OF AN OPERATING GRANT:

4           (1) TWENTY-FIVE PERCENT OF THE AWARD AMOUNT SHALL BE  
5 BASED ON PASSENGERS;

6           (2) TEN PERCENT OF THE AWARD AMOUNT SHALL BE BASED ON  
7 SENIOR PASSENGERS TO OFFSET FREE FARES FOR SENIOR PASSENGERS;

8           (3) THIRTY-FIVE PERCENT OF THE AWARD AMOUNT SHALL BE  
9 BASED ON REVENUE VEHICLE HOURS;

10          (4) THIRTY PERCENT OF THE AWARD AMOUNT SHALL BE BASED ON  
11 REVENUE VEHICLE MILES.

12       (D) LOCAL MATCH REQUIREMENTS.--

13           (1) LOCAL OR PRIVATE CASH FUNDING SHALL BE PROVIDED AS A  
14 MATCH IN THE AMOUNT OF 20% OF THE FINANCIAL ASSISTANCE BEING  
15 PROVIDED. THE FOLLOWING APPLY:

16                   (I) FOR THE FISCAL YEAR 2007-2008, THE MINIMUM OF  
17 LOCAL OR PRIVATE CASH FUNDING REQUIRED UNDER THIS  
18 PARAGRAPH SHALL BE:

19                           (A) THE MATCH REQUIRED FOR FISCAL YEAR 2006-  
20 2007; AND

21                                   (B) 5% OF THE AMOUNT UNDER CLAUSE (A).

22                   (II) FOR EACH FISCAL YEAR AFTER FISCAL YEAR 2007-  
23 2008 UNTIL THE MATCH REQUIRED UNDER THIS PARAGRAPH IS  
24 REACHED, THE MINIMUM OF LOCAL OR PRIVATE CASH FUNDING  
25 REQUIRED UNDER THIS PARAGRAPH SHALL BE:

26                           (A) THE MATCH REQUIRED FOR THE IMMEDIATELY  
27 PRECEDING FISCAL YEAR; AND

28                                   (B) 5% OF THE AMOUNT UNDER CLAUSE (A).

29                   (III) THERE IS NO MAXIMUM ON THE LOCAL OR PRIVATE  
30 CASH FUNDING REQUIRED UNDER THIS PARAGRAPH.

1           (2) FOR FINANCIAL ASSISTANCE TO A LOCAL TRANSPORTATION  
2 ORGANIZATION, ELIGIBLE LOCAL MATCHING FUNDS SHALL CONSIST  
3 ONLY OF CASH CONTRIBUTIONS PROVIDED BY ONE OR MORE  
4 MUNICIPALITIES OR COUNTIES THAT ARE MEMBERS OF THE LOCAL  
5 TRANSPORTATION ORGANIZATION. THE AMOUNT OF THE MATCH AND THE  
6 TIME PERIOD DURING WHICH THE MATCH MUST CONTINUE TO BE  
7 AVAILABLE SHALL BE SPECIFIED IN THE FINANCIAL ASSISTANCE  
8 AGREEMENT. FUNDING PROVIDED BY LOCAL AND PRIVATE ENTITIES,  
9 INCLUDING ADVERTISING OR NAMING RIGHTS, MAY BE ELIGIBLE FOR  
10 THE MATCH TO THE EXTENT THEY PROVIDE FOR THE COST OF TRANSIT  
11 SERVICE THAT IS OPEN TO THE PUBLIC. THE FOLLOWING SHALL NOT  
12 BE ELIGIBLE FOR A LOCAL MATCH:

13           (I) ANY FORM OF TRANSIT OPERATING REVENUE OR OTHER  
14 FORMS OF TRANSIT INCOME PROVIDED BY THE LOCAL  
15 TRANSPORTATION ORGANIZATION.

16           (II) FUNDS USED TO REPLACE FARES.

17           (3) A COUNTY OR MUNICIPALITY IN A METROPOLITAN AREA  
18 WHICH IS A MEMBER OF A LOCAL TRANSPORTATION ORGANIZATION IS  
19 AUTHORIZED TO PROVIDE ANNUAL FINANCIAL ASSISTANCE FROM  
20 CURRENT REVENUES TO THE LOCAL TRANSPORTATION ORGANIZATION OF  
21 WHICH IT IS A MEMBER OR ENTER INTO A LONG-TERM AGREEMENT FOR  
22 PAYMENT OF MONEY TO ASSIST IN DEFRAYING THE COSTS OF  
23 OPERATION, MAINTENANCE AND DEBT SERVICE OF THE LOCAL  
24 TRANSPORTATION ORGANIZATION OR OF A PARTICULAR PUBLIC  
25 TRANSPORTATION PROJECT OF A LOCAL TRANSPORTATION  
26 ORGANIZATION. THE OBLIGATION OF A MUNICIPALITY OR COUNTY  
27 UNDER AN AGREEMENT PURSUANT TO THIS PARAGRAPH SHALL NOT BE  
28 CONSIDERED TO BE A PART OF THE INDEBTEDNESS OF THE COUNTY OR  
29 MUNICIPALITY, NOR SHALL THE OBLIGATION BE DEEMED TO IMPAIR  
30 THE STATUS OF ANY INDEBTEDNESS OF THE COUNTY OR MUNICIPALITY

1 WHICH WOULD OTHERWISE BE CONSIDERED SELF-SUSTAINING.

2 (4) THE FOLLOWING SHALL APPLY TO THE SOUTHEASTERN  
3 PENNSYLVANIA TRANSPORTATION AUTHORITY:

4 (I) THE LOCAL MATCH PROVIDED BY EACH JURISDICTION  
5 SHALL BE CALCULATED BY MULTIPLYING THE TOTAL MATCH  
6 REQUIRED FOR STATE FUNDING BY THE TOTAL OF ROUTE MILES  
7 PROVIDED IN THAT JURISDICTION AS A PERCENTAGE OF THE  
8 TOTAL ROUTE MILES OPERATED IN ALL JURISDICTIONS. WHERE  
9 APPROPRIATE, A TRANSPORTATION SYSTEM MAY CALCULATE THE  
10 LOCAL MATCH BY MODE OR DIVISION, OR BOTH.

11 (II) THE DEPARTMENT SHALL SUSPEND FUNDING OF ANY  
12 CAPITAL PROJECT WITHIN ANY COUNTY THAT FAILS TO MEET ITS  
13 REQUIRED MATCHING FUNDS REQUIREMENT UNDER THIS  
14 SUBSECTION, AND A TRANSPORTATION SYSTEM SHALL NOT EXPAND  
15 SERVICE INTO ANY COUNTY THAT FAILS TO MEET ITS REQUIRED  
16 MATCHING FUNDS UNDER THIS SUBSECTION. DURING ANY TIME IN  
17 WHICH A COUNTY FAILS TO MEET ITS REQUIRED MATCHING FUNDS  
18 UNDER THIS SUBSECTION THE COUNTY'S REPRESENTATIVE ON THE  
19 GOVERNING BODY OF THE TRANSPORTING ORGANIZATION SHALL  
20 BECOME A NONVOTING MEMBER OF THE GOVERNING BODY UNTIL  
21 SUCH TIME THAT THE COUNTY MEETS ITS LOCAL MATCHING  
22 REQUIREMENTS.

23 (E) PERFORMANCE REVIEWS.--

24 (1) THE DEPARTMENT MAY CONDUCT PERFORMANCE REVIEWS OF AN  
25 AWARD RECIPIENT THAT RECEIVES FINANCIAL ASSISTANCE UNDER THIS  
26 SECTION TO DETERMINE THE EFFICIENCY AND EFFECTIVENESS OF THE  
27 FINANCIAL ASSISTANCE. REVIEWS SHALL BE CONDUCTED AT REGULAR  
28 INTERVALS AS ESTABLISHED BY THE DEPARTMENT IN CONSULTATION  
29 WITH THE MANAGEMENT OF THE AWARD RECIPIENT. AFTER COMPLETION  
30 OF A REVIEW, THE DEPARTMENT SHALL ISSUE A REPORT THAT:

1           (I) HIGHLIGHTS EXCEPTIONAL PERFORMANCE AND  
2           IDENTIFIES ANY PROBLEMS THAT NEED TO BE RESOLVED;

3           (II) ASSESSES PERFORMANCE, EFFICIENCY AND  
4           EFFECTIVENESS OF THE USE OF THE FUNDS;

5           (III) MAKES RECOMMENDATIONS ON WHAT FOLLOW-UP  
6           ACTIONS ARE REQUIRED TO REMEDY EACH PROBLEM; AND

7           (IV) PROVIDES AN ACTION PLAN DOCUMENTING WHO SHOULD  
8           PERFORM THE RECOMMENDED ACTIONS AND A TIME FRAME WITHIN  
9           WHICH THEY SHOULD BE PERFORMED.

10          (2) THE DEPARTMENT SHALL DELIVER THE REPORT TO THE  
11          GOVERNOR, TO THE TRANSPORTATION COMMITTEE OF THE SENATE AND  
12          TO THE TRANSPORTATION COMMITTEE OF THE HOUSE OF  
13          REPRESENTATIVES. THE DEPARTMENT'S REGULATIONS SHALL CONTAIN A  
14          DESCRIPTION OF THE IMPACT ON BOTH THE AMOUNT OF, AND FUTURE  
15          ELIGIBILITY FOR, RECEIPT OF FINANCIAL ASSISTANCE UNDER THIS  
16          CHAPTER BASED UPON THE DEGREE TO WHICH THE LOCAL  
17          TRANSPORTATION ORGANIZATION COMPLIES WITH THE RECOMMENDATIONS  
18          IN THE REPORT. THE DEPARTMENT SHALL DEVELOP A LIST OF BEST  
19          PRACTICES REVEALED BY THE REPORTS ISSUED UNDER THIS  
20          SUBSECTION AND SHALL POST THEM ON THE DEPARTMENT'S INTERNET  
21          WEBSITE.

22          (F) PERFORMANCE CRITERIA.--CRITERIA USED FOR THE REVIEWS  
23          CONDUCTED UNDER SUBSECTION (E) SHALL CONSIST OF PASSENGERS PER  
24          REVENUE VEHICLE HOUR, OPERATING COSTS PER REVENUE VEHICLE HOUR,  
25          OPERATING REVENUE PER REVENUE VEHICLE HOUR, OPERATING COSTS PER  
26          PASSENGER AND OTHER ITEMS AS THE DEPARTMENT MAY ESTABLISH. THE  
27          DEPARTMENT'S REGULATIONS SHALL SET FORTH THE MINIMUM SYSTEM  
28          PERFORMANCE CRITERIA THAT AN AWARD RECIPIENT MUST SATISFY.

29          (G) FAILURE TO SATISFY MINIMUM PERFORMANCE CRITERIA.--IF A  
30          PERFORMANCE REVIEW CONDUCTED UNDER SUBSECTION (E) REVEALS:

1           (1) THAT THE PERFORMANCE OF AN AWARD RECIPIENT'S  
2           TRANSPORTATION SYSTEM HAS DECREASED COMPARED TO PERFORMANCE  
3           DETERMINED THROUGH A PRIOR REVIEW, THE DEPARTMENT MAY, UPON  
4           THE WRITTEN REQUEST OF AN AWARD RECIPIENT, WAIVE ANY  
5           REQUIREMENT FOR A REDUCTION IN THE AMOUNT OF FINANCIAL  
6           ASSISTANCE TO BE AWARDED UNDER THIS SECTION FOR A REASONABLE  
7           TIME PERIOD TO ALLOW THE AWARD RECIPIENT TO BRING THE SYSTEM  
8           BACK TO THE REQUIRED PERFORMANCE LEVEL. THE AWARD RECIPIENT  
9           SHALL PROVIDE WRITTEN JUSTIFICATION FOR PROVIDING A TIME  
10           PERIOD LONGER THAN TWO YEARS. IN ORDER TO OBTAIN THE WAIVER  
11           FOR THE PERIOD REQUESTED, THE AWARD RECIPIENT MUST DO ALL OF  
12           THE FOLLOWING:

13                   (I) DEVELOP AN ACTION PLAN TO IMPROVE SYSTEM  
14                   PERFORMANCE THAT CONTAINS KEY MEASURABLE MILESTONES. THE  
15                   ACTION PLAN MUST BE ACCEPTABLE TO THE DEPARTMENT AND MUST  
16                   BE APPROVED BY THE DEPARTMENT IN WRITING.

17                   (II) SUBMIT QUARTERLY PROGRESS REPORTS ON THE ACTION  
18                   PLAN TO THE DEPARTMENT.

19           (2) THE DEPARTMENT SHALL REVIEW AND EVALUATE THE AWARD  
20           RECIPIENT'S PROGRESS TO DETERMINE IF THE SYSTEM HAS IMPROVED.  
21           IF THE SYSTEM HAS IMPROVED, FUNDING WILL BE DETERMINED BY THE  
22           FORMULA UNDER SUBSECTION (C), AND THE AWARD RECIPIENT WILL BE  
23           ELIGIBLE FOR FULL FORMULA FUNDING. IF THE SYSTEM HAS NOT  
24           IMPROVED AT THE END OF THE TIME PERIOD ESTABLISHED FOR  
25           IMPROVEMENT, THE WAIVER WILL BE WITHDRAWN. EXPENSES INCURRED  
26           BY THE AWARD RECIPIENT AS A RESULT OF THE FAILURE OF THE  
27           AWARD RECIPIENT'S SYSTEM TO MEET THE MINIMUM PERFORMANCE  
28           CRITERIA SHALL BE BORNE BY THE AWARD RECIPIENT.

29           (H) ADJUSTMENTS TO MINIMUM PERFORMANCE CRITERIA.--UPON  
30           WRITTEN REQUEST OF A RECIPIENT OF FINANCIAL ASSISTANCE UNDER

1 THIS SECTION, THE DEPARTMENT MAY APPROVE ADJUSTMENTS TO THE  
2 MINIMUM PERFORMANCE CRITERIA DESCRIBED IN SUBSECTION (G) IN A  
3 GIVEN YEAR IF SITUATIONS ARISE THAT AFFECT PERFORMANCE OF THE  
4 AWARD RECIPIENT'S SYSTEM AND ARE OUT OF THE AWARD RECIPIENT'S  
5 CONTROL. EXAMPLES ARE LABOR STRIKES, INFRASTRUCTURE FAILURES AND  
6 NATURAL DISASTERS. THE REQUEST MUST INCLUDE THE AWARD  
7 RECIPIENT'S JUSTIFICATION FOR THE ADJUSTMENT.

8 (I) PERIODIC REVIEW OF FORMULA.--THE DEPARTMENT, IN  
9 CONSULTATION WITH ALL AWARD RECIPIENTS, SHALL REVIEW THE  
10 DISTRIBUTION FORMULA ESTABLISHED UNDER SUBSECTION (C) AT LEAST  
11 ONCE EVERY THREE YEARS AND, PRIOR TO THE START OF THE NEXT  
12 SUCCEEDING FISCAL YEAR, SHALL RECOMMEND ADJUSTMENTS IT DEEMS  
13 APPROPRIATE. IF AN ADJUSTMENT RESULTS IN A CHANGE OF FIVE  
14 PERCENTAGE POINTS OR LESS IN ANY CATEGORY, THE DEPARTMENT SHALL  
15 FORWARD A NOTICE OF THE CHANGE TO THE LEGISLATIVE REFERENCE  
16 BUREAU FOR PUBLICATION IN THE PENNSYLVANIA BULLETIN, AND THE  
17 CHANGE SHALL TAKE EFFECT AT THE COMMENCEMENT OF THE NEXT FISCAL  
18 YEAR. IF AN ADJUSTMENT RESULTS IN A CHANGE IN EXCESS OF FIVE  
19 PERCENTAGE POINTS IN ANY CATEGORY, THE CHANGE SHALL BE  
20 INCORPORATED INTO THE DEPARTMENT'S REGULATIONS BY AMENDMENT AND  
21 SHALL TAKE EFFECT AT THE COMMENCEMENT OF THE NEXT FISCAL YEAR  
22 FOLLOWING PROMULGATION OF THE AMENDMENT.

23 (J) NEEDS-BASED ADJUSTMENT.--IN ORDER TO ALLOW AN AWARD  
24 RECIPIENT THAT WAS RECEIVING FINANCIAL ASSISTANCE UNDER FORMER  
25 CHAPTER 13 (RELATING TO PUBLIC TRANSPORTATION ASSISTANCE) PRIOR  
26 TO THE EFFECTIVE DATE OF THIS SECTION TO TRANSITION INTO THE  
27 FUNDING FORMULA ESTABLISHED UNDER SUBSECTION (C), THE DEPARTMENT  
28 SHALL PROVIDE THE AWARD RECIPIENT, AS PART OF THE AWARD UNDER  
29 THIS SECTION, WITH A NEEDS-BASED ADJUSTMENT. THE NEEDS-BASED  
30 ADJUSTMENT SHALL BE CALCULATED BY INCREASING THE AMOUNT THAT THE

1 AWARD RECIPIENT RECEIVED UNDER CHAPTER 13 FOR OPERATING EXPENSES  
2 AND ASSET MAINTENANCE COSTS IN THE 2005-2006 FISCAL YEAR AND  
3 INCREASING THE RESULTING AMOUNT BY AN ADJUSTMENT FACTOR TO  
4 ASSURE A FUNDING LEVEL CONSISTENT WITH THE OPERATING FUNDING  
5 NEEDS AS IDENTIFIED BY THE DEPARTMENT. FUNDS REMAINING AFTER THE  
6 NEEDS-BASED ADJUSTMENT IS APPLIED SHALL BE SET ASIDE IN AN  
7 OPERATING RESERVE ACCOUNT TO BE USED AT THE DEPARTMENT'S  
8 DISCRETION FOR SHORT-TERM PUBLIC PASSENGER TRANSPORTATION NEEDS.  
9 THE DEPARTMENT'S REGULATIONS SHALL ESTABLISH THE MANNER IN WHICH  
10 THE FUNDS IN THE RESERVE ACCOUNT MAY BE USED.

11 (K) GROWTH CAPS.--EACH FISCAL YEAR AFTER THE FISCAL YEAR IN  
12 WHICH THE DEPARTMENT PROVIDES A NEEDS-BASED ADJUSTMENT UNDER  
13 SUBSECTION (I), THE DEPARTMENT SHALL DETERMINE THE MAXIMUM  
14 PERCENTAGE INCREASE THAT AN AWARD RECIPIENT SHALL BE ELIGIBLE TO  
15 RECEIVE FOR OPERATING EXPENSES IN ADDITION TO AN INCREASE TIED  
16 TO THE INFLATION INDEX AMOUNT. THE MAXIMUM PERCENTAGE INCREASE  
17 SHALL BE CAPPED AT THE INFLATION INDEX RATE OF THE AWARD  
18 RECIPIENT'S TRANSPORTATION SYSTEM'S PASSENGERS PER REVENUE HOUR,  
19 OR REVENUE PER REVENUE VEHICLE HOUR PERFORMANCE, FALLS BELOW  
20 PEER SYSTEM AVERAGE OR IF THE OPERATING COST PER REVENUE HOUR OR  
21 OPERATING COST PER PASSENGER EXCEEDS THE PEER SYSTEM AVERAGE.  
22 NOTWITHSTANDING THE PROVISIONS OF THIS SUBSECTION, MONEY  
23 AVAILABLE FOR FINANCIAL ASSISTANCE UNDER THIS SECTION SHALL AT  
24 ALL TIMES BE CAPPED BY THE AMOUNT OF MONEY IN THE FUND ALLOCATED  
25 FOR THE OPERATING PROGRAM.

26 (L) OPERATING RESERVE.--THE DEPARTMENT MAY ESTABLISH A  
27 LIMITATION ON THE AMOUNT OF FINANCIAL ASSISTANCE AWARDED UNDER  
28 THIS SECTION THAT MAY BE CARRIED OVER FOR USE IN SUBSEQUENT  
29 FISCAL YEARS.

30 (M) CERTIFICATION.--THE COMMONWEALTH SHALL NOT PROVIDE



1 FINANCIAL ASSISTANCE TO A MUNICIPALITY UNDER THIS SECTION UNLESS  
2 THE MUNICIPALITY CERTIFIES THE AMOUNT OF ITS LOCAL MATCH UNDER  
3 SUBSECTION (D).

4 § 1514. ASSET IMPROVEMENT PROGRAM.

5 (A) ELIGIBLE APPLICANTS.--A LOCAL TRANSPORTATION  
6 ORGANIZATION, AN AGENCY OR INSTRUMENTALITY OF THE COMMONWEALTH,  
7 AN ENTITY RESPONSIBLE FOR COORDINATING COMMUNITY TRANSPORTATION  
8 PROGRAM SERVICES, OR ANY OTHER PERSON THE DEPARTMENT DEEMS TO BE  
9 ELIGIBLE MAY APPLY TO THE DEPARTMENT FOR FINANCIAL ASSISTANCE  
10 UNDER THE ASSET IMPROVEMENT PROGRAM. THE DEPARTMENT SHALL  
11 DEVELOP AND MAINTAIN FOUR-YEAR AND TWELVE-YEAR PLANS THAT  
12 SUMMARIZE THE CAPITAL PROJECTS AND FINANCIAL ASSISTANCE FOR  
13 CAPITAL PROJECTS BASED UPON CASH FLOW AND REVENUE PROJECTIONS  
14 FOR THE FUND.

15 (B) APPLICATIONS.--IN ADDITION TO INFORMATION REQUIRED UNDER  
16 SECTION 1507 (RELATING TO APPLICATION AND APPROVAL PROCESS), AN  
17 APPLICATION FOR FINANCIAL ASSISTANCE UNDER THIS SECTION SHALL  
18 INCLUDE THE FOLLOWING:

19 (1) EVIDENCE SATISFACTORY TO THE DEPARTMENT THAT THE  
20 PROPOSED CAPITAL PROJECT IS INCLUDED IN THE FIRST YEAR OF THE  
21 APPLICANT'S FOUR-YEAR CAPITAL PROGRAM AND ITS FEDERALLY  
22 APPROVED TRANSPORTATION IMPROVEMENT PROGRAM.

23 (2) IF AN APPLICANT IS REQUESTING FINANCIAL ASSISTANCE  
24 FOR REPLACEMENT OF CAPITAL ASSETS, EVIDENCE SATISFACTORY TO  
25 THE DEPARTMENT THAT THE CAPITAL ASSETS TO BE REPLACED HAVE  
26 EXCEEDED THE USEFUL LIFE CRITERIA AS DEFINED BY THE  
27 DEPARTMENT. AT ITS DISCRETION, THE DEPARTMENT MAY APPROVE  
28 FUNDING TO REPLACE CAPITAL ASSETS THAT DO NOT EXCEED THE  
29 USEFUL LIFE CRITERIA IF THE APPLICANT PROVIDES DOCUMENTATION  
30 ACCEPTABLE TO THE DEPARTMENT TO JUSTIFY THE EARLY REPLACEMENT

1 OF THE CAPITAL ASSETS.

2 (3) IF THE APPLICANT IS REQUESTING FINANCIAL ASSISTANCE  
3 FOR EXPANSION OF CAPITAL ASSETS, EVIDENCE SATISFACTORY TO THE  
4 DEPARTMENT THAT THE APPLICANT WILL HAVE SUFFICIENT FUTURE  
5 ANNUAL OPERATING FUNDS TO SUPPORT THE PROPOSED EXPANSION OF  
6 THE ASSETS.

7 (4) ANY OTHER INFORMATION REQUIRED BY THE DEPARTMENT,  
8 INCLUDING A RETURN ON INVESTMENT ANALYSIS OR A LIFE CYCLE  
9 COST ANALYSIS, OR BOTH.

10 (C) LOCAL MATCH REQUIREMENTS.--FINANCIAL ASSISTANCE UNDER  
11 THIS SECTION SHALL BE MATCHED BY LOCAL OR PRIVATE CASH FUNDING  
12 IN AN AMOUNT NOT LESS THAN 20% OF THE AMOUNT OF THE FINANCIAL  
13 ASSISTANCE. THE SOURCE OF FUNDS FOR THE LOCAL MATCH SHALL BE  
14 SUBJECT TO THE REQUIREMENTS OF SECTION 1513(D) (RELATING TO  
15 OPERATING PROGRAM). EACH CAPITAL PROJECT SHALL BE BASED ON THE  
16 PLAN APPROVED BY THE DEPARTMENT.

17 (D) CONDITIONS FOR RECEIPT OF BOND FUNDING.--AN APPLICANT  
18 MAY RECEIVE PROCEEDS OF COMMONWEALTH CAPITAL BONDS FROM THE FUND  
19 FOR FINANCIAL ASSISTANCE UNDER THIS SECTION IF ALL OF THE  
20 FOLLOWING CONDITIONS ARE MET:

21 (1) THE APPLICANT'S PROJECT HAS BEEN AUTHORIZED BY A  
22 CAPITAL BUDGET PROJECT ITEMIZATION ACT.

23 (2) THE APPLICANT'S PROJECT SHALL HAVE BEEN INCLUDED IN  
24 THE DEPARTMENT'S APPROVED ANNUAL RELEASE REQUEST APPROVING  
25 THE USE OF THE FUNDS FOR THE PROPOSED CAPITAL PROJECT IN THE  
26 FISCAL YEAR IN WHICH THE FUNDS ARE EXPECTED TO BE EXPENDED.

27 (3) THE DEPARTMENT SHALL HAVE APPROVED THE UNDERLYING  
28 APPLICATION FOR THE CAPITAL PROJECT.

29 (4) THE PROJECT HAS A 20-YEAR OR LONGER USEFUL LIFE.

30 (E) PRIORITIES.--THE AWARD OF FINANCIAL ASSISTANCE UNDER

1 THIS SECTION SHALL BE SUBJECT TO THE FOLLOWING SET OF PRIORITIES  
2 IN DESCENDING ORDER OF SIGNIFICANCE UNLESS A COMPELLING RETURN  
3 ON INVESTMENT ANALYSIS FOR A PROJECT IN A LOWER SIGNIFICANT  
4 CATEGORY IS PROVIDED TO AND APPROVED BY THE DEPARTMENT:

5 (1) FUNDS REQUIRED TO SUPPORT EXISTING LOCAL BOND ISSUES  
6 CURRENTLY SUPPORTED WITH STATE REVENUE SOURCES, SUCH AS DEBT  
7 SERVICE AND ASSET LEASES. THE COMMONWEALTH PLEDGES TO AND  
8 AGREES WITH ANY PERSON, FIRM OR CORPORATION HOLDING ANY BONDS  
9 PREVIOUSLY ISSUED BY, OR ANY OTHER DEBT INCURRED BY, A LOCAL  
10 TRANSPORTATION ORGANIZATION, AND SECURED IN WHOLE OR PART BY  
11 A PLEDGE OF THE FUNDS PROVIDED TO THE LOCAL TRANSPORTATION  
12 ORGANIZATION FROM THE PUBLIC TRANSPORTATION ASSISTANCE FUND  
13 ESTABLISHED UNDER ARTICLE XXIII OF THE TAX REFORM CODE, THAT  
14 THE COMMONWEALTH WILL NOT LIMIT OR ALTER RIGHTS VESTED IN A  
15 LOCAL TRANSPORTATION ORGANIZATION IN ANY MANNER INCONSISTENT  
16 WITH OBLIGATIONS OF THE LOCAL TRANSPORTATION ORGANIZATION TO  
17 THE OBLIGEEES OF THE LOCAL TRANSPORTATION ORGANIZATION UNTIL  
18 ALL BONDS PREVIOUSLY ISSUED OR OTHER DEBT INCURRED, TOGETHER  
19 WITH THE INTEREST THEREON, IS FULLY PAID OR PROVIDED FOR.

20 (2) FUNDS REQUIRED TO MATCH FEDERALLY APPROVED CAPITAL  
21 PROJECTS FUNDED UNDER 49 U.S.C. §§ 5307 (RELATING TO  
22 URBANIZED AREA FORMULA GRANTS) AND 5309 (RELATING TO CAPITAL  
23 INVESTMENT GRANTS AND LOANS) AND OTHER FEDERALLY APPROVED  
24 CAPITAL PROJECTS.

25 (3) OTHER NON-FEDERAL CAPITAL PROJECTS AS DETERMINED BY  
26 THE DEPARTMENT, WHICH SHALL BE FURTHER SUBJECT TO THE  
27 FOLLOWING SET OF PRIORITIES IN DESCENDING ORDER OF  
28 SIGNIFICANCE:

29 (I) ESSENTIAL EMERGENCY ASSET IMPROVEMENT PROJECTS.

30 (II) STANDARD REPLACEMENT OF EXISTING ASSETS THAT

1           HAVE EXCEEDED THEIR USEFUL LIFE.

2           (III) ASSET IMPROVEMENT PROJECTS TO EXTEND THE  
3           USEFUL LIFE OF THE AFFECTED ASSETS.

4           (IV) ACQUISITION OF NEW ASSETS AND OTHER ACCEPTABLE  
5           PURPOSES, OTHER THAN PROJECTS TO BE FUNDED UNDER THE NEW  
6           INITIATIVES PROGRAM, AS DETERMINED BY THE DEPARTMENT.

7           (F) BONDING BY AWARD RECIPIENTS.--WITH THE APPROVAL OF THE  
8           DEPARTMENT, AN AWARD RECIPIENT THAT IS ALLOWED BY ITS ENABLING  
9           STATUTE TO ISSUE BONDS MAY DO SO FOR THE PURPOSE OF FINANCING A  
10           MULTIYEAR CAPITAL PROJECT. THE BONDS SHALL BE ISSUED IN  
11           ACCORDANCE WITH THE PROVISIONS OF THE AWARD RECIPIENT'S ENABLING  
12           STATUTE. THE DEPARTMENT SHALL ENTER INTO AN AGREEMENT WITH THE  
13           AWARD RECIPIENT PROVIDING THAT PAYMENTS OF THE CAPITAL FUNDS  
14           SUFFICIENT TO SATISFY REQUIREMENTS OF THE BONDS ISSUED BE MADE  
15           DIRECTLY TO THE TRUSTEE AND BOND HOLDERS UNTIL SUCH TIME AS THE  
16           BONDS ARE RETIRED.

17           (G) CERTIFICATION.--THE COMMONWEALTH SHALL NOT PROVIDE  
18           FINANCIAL ASSISTANCE TO A MUNICIPALITY UNDER THIS SECTION UNLESS  
19           THE MUNICIPALITY CERTIFIES THE AMOUNT OF ITS LOCAL MATCH UNDER  
20           SUBSECTION (C).

21           § 1515. NEW INITIATIVES PROGRAM.

22           (A) ELIGIBLE APPLICANTS.--PERSONS ELIGIBLE TO APPLY FOR  
23           FINANCIAL ASSISTANCE UNDER THE ASSET IMPROVEMENT PROGRAM SHALL  
24           ALSO BE ELIGIBLE TO APPLY FOR FINANCIAL ASSISTANCE UNDER THE NEW  
25           INITIATIVES PROGRAM.

26           (B) APPLICATIONS.--IN ADDITION TO THE INFORMATION REQUIRED  
27           UNDER SECTION 1507 (RELATING TO APPLICATION AND APPROVAL  
28           PROCESS), AN APPLICATION FOR FINANCIAL ASSISTANCE UNDER THIS  
29           SECTION SHALL INCLUDE ALL OF THE INFORMATION REQUIRED IN AN  
30           APPLICATION FOR FINANCIAL ASSISTANCE UNDER SECTION 1514

1 (RELATING TO ASSET IMPROVEMENT PROGRAM). IF THE APPLICATION IS  
2 FOR A PROPOSED EXPANSION OF A CAPITAL ASSET, THE APPLICATION  
3 SHALL ALSO CONTAIN EVIDENCE SATISFACTORY TO THE DEPARTMENT THAT  
4 THE APPLICANT WILL HAVE SUFFICIENT FUTURE ANNUAL OPERATING FUNDS  
5 TO SUPPORT THE PROPOSED EXPANSION.

6 (C) LIMITATION.--IN MAKING AWARDS OF FINANCIAL ASSISTANCE  
7 UNDER THIS SECTION, THE DEPARTMENT SHALL GIVE PRIORITY TO  
8 APPLICANTS THAT INTEND TO USE THE FUNDS IN SATISFACTION OF THE  
9 LOCAL MATCHING PORTION OF FEDERALLY APPROVED PROJECTS FUNDED  
10 PURSUANT TO 49 U.S.C. § 5309 (RELATING TO CAPITAL INVESTMENT  
11 GRANTS AND LOANS). THE DEPARTMENT MAY FUND PROJECTS THAT DO NOT  
12 RECEIVE FUNDING FROM THE FEDERAL NEW STARTS PROGRAM IF THE  
13 APPLICANT CAN PROVIDE SUFFICIENT JUSTIFICATION THAT THE PROJECT  
14 CAN MEET ALL OF THE FOLLOWING REQUIREMENTS:

15 (1) INVESTMENTS IN EXISTING SERVICE AREAS HAVE BEEN  
16 OPTIMIZED.

17 (2) AN ANALYSIS REVEALS A REASONABLE RETURN ON  
18 INVESTMENT.

19 (3) IDENTIFICATION OF THE PUBLIC BENEFIT OF THE PROJECT.

20 (4) REQUIRED LOCAL FUNDS ARE AVAILABLE TO PAY ANY  
21 REQUIRED LOCAL MATCH FOR THE PROJECT AND ONGOING OPERATING  
22 COSTS.

23 (5) THERE EXISTS LOCAL TECHNICAL ABILITY AND CAPACITY TO  
24 MANAGE, CONSTRUCT AND OPERATE THE PROJECT.

25 (6) THE PROJECT IS SUPPORTED BY THE ADOPTION OF AN  
26 INTEGRATED LAND USE PLAN BY LOCAL MUNICIPALITIES.

27 (D) LOCAL MATCH REQUIREMENTS.--FINANCIAL ASSISTANCE UNDER  
28 THIS SECTION SHALL BE MATCHED BY LOCAL OR PRIVATE CASH FUNDING  
29 IN AN AMOUNT NOT LESS THAN 100% OF THE AMOUNT OF THE GRANT. THE  
30 SOURCE OF FUNDS FOR THE LOCAL MATCH SHALL BE SUBJECT TO THE

1 REQUIREMENTS OF SECTION 1513(D) (RELATING TO OPERATING PROGRAM).

2 (E) CERTIFICATION.--THE COMMONWEALTH SHALL NOT PROVIDE  
3 FINANCIAL ASSISTANCE TO A MUNICIPALITY UNDER THIS SECTION UNLESS  
4 THE MUNICIPALITY CERTIFIES THE AMOUNT OF ITS LOCAL MATCH UNDER  
5 SUBSECTION (D).

6 § 1516. PROGRAMS OF STATEWIDE SIGNIFICANCE.

7 (A) GENERAL RULE.--MONEY IN THE FUND ALLOCATED FOR PROGRAMS  
8 OF STATEWIDE SIGNIFICANCE SHALL BE USED BY THE DEPARTMENT TO  
9 SUPPORT PUBLIC TRANSPORTATION PROGRAMS, ACTIVITIES AND SERVICES  
10 NOT OTHERWISE FULLY FUNDED THROUGH THE OPERATING PROGRAM,  
11 CAPITAL PROGRAM OR ASSET IMPROVEMENT PROGRAM. THESE INCLUDE THE  
12 FOLLOWING:

13 (1) THE PERSONS WITH DISABILITIES PROGRAM.

14 (2) INTERCITY AND COMMUTER RAIL AND BUS SERVICES.

15 (3) COMMUNITY TRANSPORTATION CAPITAL AND SERVICE  
16 STABILIZATION.

17 (4) THE WELFARE TO WORK PROGRAM AND MATCHING FUNDS FOR  
18 FEDERAL PROGRAMS WITH SIMILAR INTENT.

19 (5) DEMONSTRATION AND RESEARCH PROJECTS.

20 (6) TECHNICAL ASSISTANCE.

21 (7) (RESERVED).

22 (8) (RESERVED).

23 (9) (RESERVED).

24 (10) (RESERVED).

25 (11) OTHER PUBLIC PASSENGER TRANSPORTATION PROGRAMS  
26 INITIATED BY THE DEPARTMENT.

27 (B) PERSONS WITH DISABILITIES.--THE DEPARTMENT SHALL  
28 ESTABLISH AND ADMINISTER A PROGRAM PROVIDING REDUCED FARES TO  
29 PERSONS WITH DISABILITIES ON COMMUNITY TRANSPORTATION SERVICES  
30 AND TO PROVIDE FINANCIAL ASSISTANCE FOR START-UP, ADMINISTRATIVE

1 AND CAPITAL EXPENSES RELATED TO REDUCED FARES FOR PERSONS WITH  
2 DISABILITIES. ALL OF THE FOLLOWING SHALL APPLY:

3 (1) A COMMUNITY TRANSPORTATION SYSTEM OPERATING IN THE  
4 COMMONWEALTH OTHER THAN IN COUNTIES OF THE FIRST AND SECOND  
5 CLASS MAY APPLY FOR FINANCIAL ASSISTANCE UNDER THIS  
6 SUBSECTION.

7 (2) THE DEPARTMENT MAY AWARD FINANCIAL ASSISTANCE UNDER  
8 THIS SUBSECTION FOR PROGRAM START-UP AND FOR CONTINUING  
9 CAPITAL EXPENSES TO OFFSET ADMINISTRATIVE AND CAPITAL  
10 EXPENSES. FOR COMMUNITY TRANSPORTATION TRIPS MADE BY ELIGIBLE  
11 PERSONS WITH DISABILITIES, FINANCIAL ASSISTANCE MAY BE  
12 AWARDED TO AN ELIGIBLE COMMUNITY TRANSPORTATION SYSTEM TO  
13 REIMBURSE THE SYSTEM FOR UP TO 85% OF THE FARE ESTABLISHED  
14 FOR THE GENERAL PUBLIC FOR EACH TRIP WHICH IS OUTSIDE OF A  
15 FIXED-ROUTE AND PARATRANSIT SERVICE AREAS AND NOT ELIGIBLE  
16 FOR FUNDING FROM ANY OTHER PROGRAM OR FUNDING SOURCE. THE  
17 PERSON MAKING THE TRIP OR AN APPROVED THIRD-PARTY SPONSOR  
18 SHALL CONTRIBUTE THE GREATER OF 15% OF THE FARE ESTABLISHED  
19 FOR THE GENERAL PUBLIC OR THE AMERICANS WITH DISABILITIES ACT  
20 COMPLEMENTARY PARATRANSIT FARE.

21 (C) INTERCITY TRANSPORTATION.--THE DEPARTMENT IS AUTHORIZED  
22 TO PROVIDE FINANCIAL SUPPORT FOR AN EFFICIENT AND COORDINATED  
23 INTERCITY COMMON CARRIER SURFACE TRANSPORTATION PROGRAM,  
24 CONSISTING OF BOTH INTERCITY RAIL AND INTERCITY BUS  
25 TRANSPORTATION, WITH THE INTENT OF SUSTAINING STRONG INTERCITY  
26 CONNECTIONS. ALL OF THE FOLLOWING SHALL APPLY:

27 (1) AN INTERCITY PASSENGER RAIL SERVICE PROVIDER, A  
28 LOCAL TRANSPORTATION ORGANIZATION, AN AGENCY OR  
29 INSTRUMENTALITY OF THE COMMONWEALTH AND A TRANSPORTATION  
30 COMPANY THAT PROVIDES INTERCITY PUBLIC TRANSPORTATION SERVICE

1 MAY APPLY FOR FINANCIAL ASSISTANCE UNDER THIS SUBSECTION. THE  
2 DEPARTMENT IS AUTHORIZED TO ENTER INTO JOINT SERVICE  
3 AGREEMENTS WITH A RAILROAD COMPANY, ANY OTHER AGENCY OR  
4 INSTRUMENTALITY OF THE COMMONWEALTH, A FEDERAL AGENCY OR AN  
5 AGENCY OR INSTRUMENTALITY OF ANY OTHER JURISDICTION RELATING  
6 TO PROPERTY, BUILDINGS, STRUCTURES, FACILITIES, SERVICES,  
7 RATES, FARES, CLASSIFICATIONS, DIVIDENDS, ALLOWANCES OR  
8 CHARGES, INCLUDING CHARGES BETWEEN INTERCITY RAIL PASSENGER  
9 SERVICE FACILITIES, OR RULES OR REGULATIONS PERTAINING  
10 THERE TO, FOR OR IN CONNECTION WITH OR INCIDENTAL TO  
11 TRANSPORTATION IN WHOLE OR IN PART UPON INTERCITY RAIL  
12 PASSENGER SERVICE FACILITIES.

13 (2) OPERATING ASSISTANCE AND CAPITAL ASSISTANCE MAY BE  
14 PROVIDED FOR INTERCITY BUS AND RAIL SERVICES AS DETERMINED BY  
15 THE DEPARTMENT.

16 (3) FOR FINANCIAL ASSISTANCE TO A TRANSPORTATION  
17 COMPANY, ELIGIBLE MATCHING FUNDS SHALL CONSIST ONLY OF CASH  
18 INCOME GENERATED BY THE TRANSPORTATION COMPANY FROM ITS  
19 ACTIVITIES, OTHER THAN THE PROVISION OF PUBLIC PASSENGER  
20 TRANSPORTATION SERVICE, AND CONTRIBUTED BY THE TRANSPORTATION  
21 COMPANY IN THE AMOUNT AND FOR THE TIME PERIOD SPECIFIED IN  
22 THE FINANCIAL ASSISTANCE AGREEMENT.

23 (4) LOCAL MATCH REQUIREMENTS ARE AS FOLLOWS:

24 (I) FOR INTERCITY BUS OPERATING AND CAPITAL  
25 ASSISTANCE, THE DEPARTMENT SHALL REQUIRE A LOCAL MATCH BY  
26 LOCAL OR PRIVATE CASH FUNDING IN AN AMOUNT EQUAL TO 100%  
27 OF THE AMOUNT OF THE FINANCIAL ASSISTANCE BEING PROVIDED.

28 (II) FOR INTERCITY RAIL OPERATING AND CAPITAL  
29 ASSISTANCE, THE DEPARTMENT SHALL REQUIRE A LOCAL MATCH ON  
30 A CASE-BY-CASE BASIS, TAKING INTO ACCOUNT THE BEST



1 INTERESTS OF THE COMMONWEALTH.

2 (5) FOR PURPOSES OF THIS SUBSECTION, "LOCAL MATCH" IS  
3 DEFINED AS LOCAL REVENUE OBTAINED FROM OTHER NONSUBSIDIZED  
4 SERVICES, SUCH AS CHARTER, SCHOOL BUS OR PROFITS REALIZED  
5 FROM OTHER INTERCITY BUS SERVICES. LOCAL MATCH SHALL NOT  
6 INCLUDE ANY FUNDS RECEIVED FROM FEDERAL OR STATE SOURCES.

7 (D) COMMUNITY TRANSPORTATION.--

8 (1) THE DEPARTMENT IS AUTHORIZED TO PROVIDE FINANCIAL  
9 ASSISTANCE UNDER THIS SECTION FOR ALL OF THE FOLLOWING:

10 (I) CAPITAL EXPENDITURES FOR THE PROVISION OF  
11 COMMUNITY TRANSPORTATION SERVICE.

12 (II) TO STABILIZE CURRENT SERVICE AND FARES.

13 (III) TO PROVIDE ADVICE OR TECHNICAL ASSISTANCE TO  
14 ANALYZE AND ENHANCE COMMUNITY TRANSPORTATION SYSTEM  
15 RESOURCES AND SERVICES.

16 (IV) TO MAXIMIZE AVAILABLE FUNDING INCLUDING FEDERAL  
17 DOLLARS.

18 (V) TO ENSURE EQUITABLE COST SHARING.

19 (2) THE GOVERNING BODY OF A COUNTY, OTHER THAN A COUNTY  
20 OF THE FIRST OR SECOND CLASS, OR A TRANSPORTATION COMPANY  
21 DESIGNATED BY THE GOVERNING BODY OF THE COUNTY AS THE  
22 COORDINATOR OF COMMUNITY TRANSPORTATION SERVICE, AND AN  
23 AGENCY OR INSTRUMENTALITY OF THE COMMONWEALTH MAY APPLY FOR  
24 FINANCIAL ASSISTANCE UNDER THIS SUBSECTION SUBJECT TO ALL OF  
25 THE FOLLOWING:

26 (I) AN APPLICANT FOR FINANCIAL ASSISTANCE FOR  
27 CAPITAL EXPENDITURES FOR THE PROVISION OF PUBLIC  
28 COMMUNITY TRANSPORTATION SERVICE SHALL CERTIFY TO THE  
29 DEPARTMENT THAT IT HAS TAKEN ALL REASONABLE STEPS TO  
30 COORDINATE LOCAL SERVICE FOR THE ELDERLY AND PERSONS WITH

1 DISABILITIES AND THAT THE SERVICES TO BE OFFERED WITH THE  
2 CAPITAL ASSETS DO NOT DUPLICATE EXISTING FIXED-ROUTE  
3 SERVICES.

4 (II) THE GOVERNING BODY OF A COUNTY OR THE  
5 COORDINATOR DESCRIBED UNDER THIS PARAGRAPH SHALL NOT BE  
6 ELIGIBLE FOR FINANCIAL ASSISTANCE FOR SERVICE  
7 STABILIZATION IF ANY OF THE FOLLOWING APPLY:

8 (A) THE COORDINATOR RECEIVES FINANCIAL  
9 ASSISTANCE UNDER THE OPERATING PROGRAM ESTABLISHED  
10 UNDER THIS CHAPTER.

11 (B) THE COORDINATOR IS A PRIVATE FOR-PROFIT  
12 PROVIDER.

13 (3) FINANCIAL ASSISTANCE FOR SERVICE STABILIZATION MAY  
14 ONLY BE PROVIDED FOR THE FOLLOWING PURPOSES:

15 (I) SHORT-TERM, LONG-TERM AND STRATEGIC PLANNING.

16 (II) TECHNOLOGY INVESTMENT.

17 (III) TRAINING PROGRAMS DESIGNED TO ENHANCE  
18 TRANSPORTATION MANAGEMENT AND STAFF EXPERTISE.

19 (IV) OFFSETTING OPERATING EXPENSES THAT CANNOT BE  
20 COVERED BY FARE REVENUE DUE TO EMERGENCIES.

21 (V) MARKETING ACTIVITIES.

22 (VI) OTHER STABILIZATION PURPOSES APPROVED BY THE  
23 DEPARTMENT.

24 (4) THE DEPARTMENT SHALL GIVE HIGH PRIORITY TO PROVIDING  
25 FINANCIAL ASSISTANCE UNDER THIS SUBSECTION AS MATCH FOR  
26 FEDERAL FUNDING TO SUPPORT CAPITAL PROJECTS FOR COMMUNITY  
27 TRANSPORTATION SYSTEMS.

28 (5) THE DEPARTMENT SHALL CONDUCT A STUDY TO EVALUATE THE  
29 EFFECTIVENESS AND EFFICIENCY OF COMMUNITY TRANSPORTATION  
30 SERVICE DELIVERY AS IT RELATES TO HUMAN SERVICE PROGRAMS. THE

1 DEPARTMENT OF PUBLIC WELFARE, THE OFFICE OF THE BUDGET AND  
2 THE DEPARTMENT OF AGING AND OTHER APPROPRIATE COMMONWEALTH  
3 AGENCIES IDENTIFIED BY THE DEPARTMENT SHALL PARTICIPATE AND  
4 FULLY SUPPORT THE STUDY TO ACHIEVE THE INTENDED PURPOSES.  
5 WITHIN TWO YEARS FOLLOWING THE EFFECTIVE DATE OF THIS  
6 SECTION, THESE AGENCIES SHALL MAKE RECOMMENDATIONS TO THE  
7 GOVERNOR AND THE MAJORITY AND MINORITY CHAIRPERSONS OF THE  
8 TRANSPORTATION COMMITTEE OF THE SENATE AND THE MAJORITY AND  
9 MINORITY CHAIRPERSONS OF THE TRANSPORTATION COMMITTEE OF THE  
10 HOUSE OF REPRESENTATIVES FOR IMPROVING COORDINATION AND  
11 EFFICIENCY OF HUMAN SERVICES AND COMMUNITY TRANSPORTATION.

12 (E) WELFARE-TO-WORK AND FEDERAL PROGRAMS MATCH.--THE  
13 DEPARTMENT IS AUTHORIZED TO PROVIDE FINANCIAL ASSISTANCE UNDER  
14 THIS SECTION TO DESIGN AND IMPLEMENT PROJECTS AND SERVICES AND  
15 TO REIMBURSE AWARD RECIPIENTS FOR THE EXPENSES ASSOCIATED WITH  
16 THE PROJECTS AND SERVICES THAT IDENTIFY AND ADDRESS PUBLIC  
17 PASSENGER TRANSPORTATION AND RELATED BARRIERS PREVENTING  
18 INDIVIDUALS ELIGIBLE FOR PARTICIPATION IN THE FEDERAL WELFARE-  
19 TO-WORK PROGRAM FROM SECURING AND MAINTAINING EMPLOYMENT AND  
20 FROM ACCESSING COMMUNITY SERVICES AND FACILITIES. ALL OF THE  
21 FOLLOWING SHALL APPLY:

22 (1) A LOCAL TRANSPORTATION ORGANIZATION, A  
23 TRANSPORTATION COMPANY DESIGNATED BY A COUNTY AS THE  
24 COORDINATOR OF COMMUNITY TRANSPORTATION SERVICES AND ANY  
25 OTHER PERSON APPROVED BY THE DEPARTMENT MAY APPLY TO THE  
26 DEPARTMENT FOR FINANCIAL ASSISTANCE UNDER THIS SUBSECTION.

27 (2) FINANCIAL ASSISTANCE AWARDED UNDER THIS SUBSECTION  
28 SHALL BE USED FOR ANY OF THE FOLLOWING PURPOSES:

29 (I) FIXED-ROUTE SERVICE SUBSIDY.

30 (II) CONTRACTED TRANSPORTATION SERVICES.

1           (III) FIXED-ROUTE FARE DISCOUNTS.

2           (IV) COMMUNITY TRANSPORTATION FARE DISCOUNTS.

3           (V) TAXI FARE DISCOUNTS.

4           (VI) MILEAGE REIMBURSEMENT.

5           (VII) VEHICLE PURCHASE, INSURANCE, MAINTENANCE AND  
6           REPAIR.

7           (VIII) DRIVER EDUCATION CLASSES.

8           (IX) ADMINISTRATIVE EXPENSES.

9           (X) CASE MANAGEMENT EXPENSES.

10          (XI) ANY OTHER ACTIVITIES CONSISTENT WITH THE  
11          TRANSPORTATION RELATED ELEMENTS OF THE WELFARE-TO-WORK  
12          PROGRAM.

13          (3) THE DEPARTMENT SHALL GIVE HIGH PRIORITY TO PROVIDING  
14          FINANCIAL ASSISTANCE UNDER THIS SUBSECTION AS MATCH FOR  
15          FEDERAL FUNDING TO SUPPORT PROJECTS WITH SIMILAR PURPOSES AND  
16          ELIGIBLE USES, INCLUDING THE FEDERAL JOB ACCESS REVERSE  
17          COMMUTE AND NEW FREEDOMS PROGRAMS.

18          (F) TECHNICAL ASSISTANCE AND DEMONSTRATION.--THE DEPARTMENT  
19          IS AUTHORIZED TO PROVIDE FINANCIAL ASSISTANCE UNDER THIS SECTION  
20          FOR TECHNICAL ASSISTANCE, RESEARCH AND SHORT-TERM DEMONSTRATION  
21          PROJECTS. ALL OF THE FOLLOWING SHALL APPLY:

22           (1) A LOCAL TRANSPORTATION ORGANIZATION OR AN AGENCY OR  
23           INSTRUMENTALITY OF THE COMMONWEALTH MAY APPLY TO THE  
24           DEPARTMENT FOR FINANCIAL ASSISTANCE UNDER THIS SUBSECTION.

25           (2) FINANCIAL ASSISTANCE PROVIDED UNDER THIS SUBSECTION  
26           MAY BE USED FOR REIMBURSEMENT FOR ANY APPROVED OPERATING OR  
27           CAPITAL COSTS RELATED TO TECHNICAL ASSISTANCE AND  
28           DEMONSTRATION PROGRAM PROJECTS. FINANCIAL ASSISTANCE FOR  
29           SHORT-TERM DEMONSTRATION PROJECTS MAY BE PROVIDED AT THE  
30           DEPARTMENT'S DISCRETION ON AN ANNUAL BASIS BASED ON THE LEVEL

1 OF FINANCIAL COMMITMENT PROVIDED BY THE AWARD RECIPIENT TO  
2 PROVIDE ONGOING FUTURE FUNDING FOR THE PROJECT AS SOON AS THE  
3 PROJECT MEETS THE CRITERIA ESTABLISHED BY THE DEPARTMENT AND  
4 THE AWARD RECIPIENT. FINANCIAL ASSISTANCE FOR THIS PURPOSE  
5 SHALL NOT BE PROVIDED FOR MORE THAN THREE FISCAL YEARS.  
6 FINANCIAL ASSISTANCE MAY BE PROVIDED TO MEET ANY SHORT-TERM  
7 EMERGENCY NEED THAT REQUIRES IMMEDIATE ATTENTION AND CANNOT  
8 BE FUNDED THROUGH OTHER SOURCES.

9 (3) FINANCIAL ASSISTANCE UNDER THIS SUBSECTION PROVIDED  
10 TO A LOCAL TRANSPORTATION ORGANIZATION SHALL BE MATCHED BY  
11 LOCAL OR PRIVATE CASH FUNDING IN AN AMOUNT NOT LESS THAN 3  
12 1/3% OF THE AMOUNT OF THE FINANCIAL ASSISTANCE BEING  
13 PROVIDED. THE SOURCES OF FUNDS FOR THE LOCAL MATCH SHALL BE  
14 SUBJECT TO THE REQUIREMENTS OF SECTION 1513(D) (RELATING TO  
15 OPERATING PROGRAM).

16 § 1517. PROGRAM OVERSIGHT AND ADMINISTRATION.

17 THE DEPARTMENT IS AUTHORIZED TO USE AVAILABLE MONEY IN THE  
18 FUND TO COVER THE COSTS INCURRED BY THE DEPARTMENT IN  
19 ADMINISTERING ALL OF ITS PUBLIC PASSENGER TRANSPORTATION FUNDING  
20 PROGRAMS, INCLUDING THOSE ESTABLISHED UNDER THIS CHAPTER, AND  
21 INCURRED IN THE CARRYING OUT OF ITS RESPONSIBILITIES WITH  
22 RESPECT TO THE PROGRAMS.

23 § 1518. RETROACTIVE AUTHORITY.

24 (A) DATE OF PROJECT.--FINANCIAL ASSISTANCE MAY BE AWARDED  
25 UNDER THIS CHAPTER BY THE DEPARTMENT WITH REFERENCE TO AN  
26 APPROPRIATE PROJECT IRRESPECTIVE OF WHEN IT WAS FIRST COMMENCED  
27 OR CONSIDERED AND REGARDLESS OF WHETHER COSTS WITH RESPECT TO  
28 THE PROJECT WERE INCURRED PRIOR TO THE TIME THE FINANCIAL  
29 ASSISTANCE IS APPLIED FOR OR PROVIDED.

30 (B) CAPITAL PROJECTS.--

1           (1) FOR CAPITAL PROJECTS, THE APPLICANT MUST OBTAIN  
2           APPROVAL IN WRITING FROM THE DEPARTMENT PRIOR TO INCURRING  
3           ANY EXPENSES FOR WHICH THE APPLICANT MAY LATER SEEK  
4           REIMBURSEMENT.

5           (2) NOTWITHSTANDING PARAGRAPH (1), APPROVAL BY THE  
6           DEPARTMENT SHALL NOT CONSTITUTE AN APPROVAL OF THE  
7           APPLICANT'S UNDERLYING REQUEST FOR FINANCIAL ASSISTANCE.

8           (3) BY PROVIDING PREAPPROVAL UNDER THIS SUBSECTION, THE  
9           DEPARTMENT MAY RECOGNIZE ANY LOCAL FUNDS ALREADY EXPENDED AS  
10          SATISFYING THE LOCAL MATCH REQUIREMENT IF AND WHEN THE  
11          APPLICANT'S APPLICATION IS APPROVED.

12          SECTION 2.1. SECTIONS 1713(A) AND 1715(A) OF TITLE 74 ARE  
13          AMENDED TO READ:

14          § 1713. APPOINTMENT OF BOARD MEMBERS.

15          (A) APPOINTMENT.--EXCEPT AS PROVIDED IN SUBSECTION (D) WITH  
16          RESPECT TO THE CONTINUATION IN OFFICE OF MEMBERS OF THE BOARD OF  
17          ANY AUTHORITY ESTABLISHED UNDER THE FORMER PROVISIONS OF ARTICLE  
18          III OF THE ACT OF JANUARY 22, 1968 (P.L.42, NO.8), KNOWN AS THE  
19          PENNSYLVANIA URBAN MASS TRANSPORTATION LAW, OR THE FORMER  
20          PROVISIONS OF CHAPTER 15 (RELATING TO METROPOLITAN  
21          TRANSPORTATION AUTHORITIES), AT ANY TIME AFTER THE EFFECTIVE  
22          DATE OF THIS CHAPTER:

23                 (1) THE GOVERNOR MAY APPOINT AS A MEMBER OF THE BOARD  
24                 ONE PERSON WHO MAY BE AN EX OFFICIO APPOINTEE FROM AMONG THE  
25                 VARIOUS OFFICIALS IN THIS COMMONWEALTH AND WHOSE TERM AS A  
26                 BOARD MEMBER SHALL RUN CONCURRENTLY WITH THAT OF HIS  
27                 COMMONWEALTH POSITION, IF ANY, OR THE TERM OF THE APPOINTING  
28                 GOVERNOR, WHICHEVER IS SHORTER.

29                 (2) THE MAJORITY LEADER AND THE MINORITY LEADER OF THE  
30                 SENATE AND THE MAJORITY LEADER AND THE MINORITY LEADER OF THE

1 HOUSE OF REPRESENTATIVES MAY EACH APPOINT ONE PERSON TO SERVE  
2 AS A BOARD MEMBER, WHOSE TERM SHALL BE CONCURRENT WITH THE  
3 TERM AND WHO SHALL SERVE AT THE PLEASURE OF THE APPOINTING  
4 LEGISLATIVE LEADER.

5 (3) THE COUNTY COMMISSIONERS OR THE COUNTY COUNCIL IN  
6 EACH COUNTY AND, IN ANY COUNTY OF THE FIRST CLASS CONTAINING  
7 A CITY OF THE FIRST CLASS, THE MAYOR, WITH THE APPROVAL OF  
8 THE CITY COUNCIL, MAY APPOINT [TWO] PERSONS FROM EACH COUNTY  
9 TO SERVE AS BOARD MEMBERS[.] AS FOLLOWS:

10 (I) TWO MEMBERS FOR COUNTIES WHICH CONTRIBUTE LESS  
11 THAN 7.5% OF TOTAL LOCAL MATCH REQUIRED FOR STATE  
12 OPERATING FINANCIAL ASSISTANCE.

13 (II) THREE MEMBERS FOR COUNTIES WHICH CONTRIBUTE AT  
14 LEAST 7.5% BUT LESS THAN 25% OF TOTAL LOCAL MATCH  
15 REQUIRED FOR STATE OPERATING FINANCIAL ASSISTANCE.

16 (III) FOUR MEMBERS FOR COUNTIES WHICH CONTRIBUTE AT  
17 LEAST 25% OF TOTAL LOCAL MATCH REQUIRED FOR STATE  
18 OPERATING FINANCIAL ASSISTANCE.

19 (4) ON THE EFFECTIVE DATE OF THIS PARAGRAPH, ANY COUNTY  
20 WHICH HAS A MEMBER OF THE BOARD IN EXCESS OF THE NUMBER  
21 ALLOTTED UNDER PARAGRAPH (3) WILL LOSE AN APPOINTMENT TO THE  
22 BOARD UPON THE EXPIRATION OF THE TERM OF THE MEMBER WHOSE  
23 TERM EXPIRES NEXT, OR IF THERE IS A VACANCY, MAY NOT APPOINT  
24 A PERSON TO FILL THE VACANCY.

25 (5) THE SECRETARY OF BUDGET SHALL BE A NONVOTING MEMBER.

26 (6) THE SECRETARY OF TRANSPORTATION OR HIS DEPUTY  
27 SECRETARY SHALL BE A NONVOTING MEMBER.

28 (7) EACH MEMBER APPOINTED BY A COUNTY SHALL HAVE A  
29 PROFESSIONAL BACKGROUND EXPERTISE OR SUBSTANTIAL EXPERIENCE  
30 IN ONE OR MORE OF THE FOLLOWING AREAS:





1 SEC.  
2 8101. SCOPE OF CHAPTER.  
3 8102. DEFINITIONS.  
4 8103. (RESERVED).  
5 8104. STATUS OF TURNPIKE REVENUE BONDS, NOTES OR OTHER  
6 OBLIGATIONS.  
7 8105. COMMISSION.  
8 8106. EXERCISE OF COMMISSION POWERS.  
9 8107. COMMISSION POWERS AND DUTIES.  
10 8108. EXPENSES AND BONDING OF COMMISSION MEMBERS.  
11 8109. ACQUISITION OF PROPERTY RIGHTS BY COMMISSION.  
12 8110. PROCEDURAL REQUIREMENTS OF ACQUISITION.  
13 8111. ENTRY AND POSSESSION OF PROPERTY CONDEMNED.  
14 8112. ISSUANCE OF TURNPIKE REVENUE BONDS OR OTHER  
15 OBLIGATIONS.  
16 8113. OBLIGATION PROCEEDS RESTRICTED AND LIEN CREATED.  
17 8114. TRUST INDENTURE AUTHORIZED.  
18 8115. COMMISSION AND OBLIGATIONS TAX EXEMPT.  
19 8116. COLLECTION AND DISPOSITION OF TOLLS AND OTHER REVENUE.  
20 8116.1. ELECTRONIC TOLL COLLECTION.  
21 8117. REFUNDING BONDS.  
22 8118. RIGHTS OF OBLIGATION HOLDERS AND TRUSTEES.  
23 8119. AUTHORITY GRANTED TO SECRETARY.  
24 8120. CONSTRUCTION OF CHAPTER.  
25 § 8101. SCOPE OF CHAPTER.  
26 THIS CHAPTER RELATES TO TURNPIKE ORGANIZATION, EXTENSION AND  
27 TOLL ROAD CONVERSION.  
28 § 8102. DEFINITIONS.  
29 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER  
30 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE

1 CONTEXT CLEARLY INDICATES OTHERWISE:

2 "COMMISSION." THE PENNSYLVANIA TURNPIKE COMMISSION.

3 "COST OF THE TURNPIKES." THE TERM INCLUDES THE COST OF:

4 (1) CONSTRUCTING TURNPIKES, CONNECTING ROADS, STORM  
5 WATER MANAGEMENT SYSTEMS, TUNNELS AND BRIDGES.

6 (2) LANDS, PROPERTY RIGHTS, RIGHTS-OF-WAY, EASEMENTS AND  
7 FRANCHISES ACQUIRED BY PURCHASE OR OTHER MEANS DEEMED  
8 NECESSARY OR CONVENIENT FOR CONSTRUCTION.

9 (3) MACHINERY AND EQUIPMENT, FINANCING CHARGES AND  
10 INTEREST PRIOR TO CONSTRUCTION, DURING CONSTRUCTION AND FOR  
11 ONE YEAR AFTER COMPLETION OF CONSTRUCTION.

12 (4) TRAFFIC ESTIMATES, ENGINEERING AND LEGAL EXPENSES,  
13 PLANS, SPECIFICATIONS, SURVEYS, COST AND REVENUE ESTIMATES,  
14 OTHER EXPENSES NECESSARY OR INCIDENT TO DETERMINING THE  
15 FEASIBILITY OR PRACTICABILITY OF THE ENTERPRISE,  
16 ADMINISTRATIVE AND LEGAL EXPENSE AND OTHER EXPENSES AS MAY BE  
17 NECESSARY OR INCIDENT TO FINANCING AUTHORIZED IN THIS  
18 CHAPTER.

19 (5) CONDEMNATION OR OTHER MEANS OF ACQUISITION OF  
20 PROPERTY NECESSARY FOR THE CONSTRUCTION AND OPERATION.

21 (6) AN OBLIGATION OR EXPENSE CONTRACTED FOR BY THE  
22 COMMISSION WITH THE DEPARTMENT OR WITH THE UNITED STATES OR A  
23 FEDERAL AGENCY FOR ANY OF THE FOLLOWING:

24 (I) TRAFFIC SURVEYS, PREPARATION OF PLANS AND  
25 SPECIFICATIONS, SUPERVISION OF CONSTRUCTION AND OTHER  
26 ENGINEERING AND ADMINISTRATIVE AND LEGAL SERVICES AND  
27 EXPENSES IN CONNECTION WITH THE CONSTRUCTION OF THE  
28 TURNPIKE OR ANY OF THE CONNECTING ROADS, STORM WATER  
29 MANAGEMENT SYSTEMS, TUNNELS AND BRIDGES.

30 (II) COSTS OF REIMBURSING THE FEDERAL GOVERNMENT

1           PURSUANT TO THE MANDATES OF THE FEDERAL LAW FOR FEDERAL  
2           FUNDS EXPENDED FOR INTERSTATE OR OTHER HIGHWAYS WHICH ARE  
3           TO BE MADE PART OF THE TURNPIKE SYSTEM PURSUANT TO THIS  
4           CHAPTER.

5           "DEPARTMENT." THE DEPARTMENT OF TRANSPORTATION OF THE  
6           COMMONWEALTH.

7           "ELECTRONIC TOLL COLLECTION." A SYSTEM OF COLLECTING TOLLS  
8           OR CHARGES THAT IS CAPABLE OF CHARGING AN ACCOUNT HOLDER FOR THE  
9           PRESCRIBED TOLL BY ELECTRONIC TRANSMISSION OF INFORMATION  
10          BETWEEN A DEVICE ON A VEHICLE AND A DEVICE IN A TOLL LANE AT A  
11          TOLL COLLECTION FACILITY.

12          "LESSEE." A PERSON, CORPORATION, FIRM, PARTNERSHIP, AGENCY,  
13          ASSOCIATION OR ORGANIZATION THAT RENTS, LEASES OR CONTRACTS FOR  
14          THE USE OF A VEHICLE AND HAS EXCLUSIVE USE OF THE VEHICLE FOR  
15          ANY PERIOD OF TIME.

16          "LESSOR." A PERSON, CORPORATION, FIRM, PARTNERSHIP, AGENCY,  
17          ASSOCIATION OR ORGANIZATION ENGAGED IN THE BUSINESS OF RENTING  
18          OR LEASING VEHICLES TO ANY LESSEE UNDER A RENTAL AGREEMENT,  
19          LEASE OR OTHER AGREEMENT UNDER WHICH THE LESSEE HAS THE  
20          EXCLUSIVE USE OF THE VEHICLE FOR ANY PERIOD OF TIME.

21          "OPERATOR." AN INDIVIDUAL THAT USES OR OPERATES A VEHICLE  
22          WITH OR WITHOUT PERMISSION OF THE OWNER.

23          "OWNER." EXCEPT AS PROVIDED UNDER SECTION 8116.1(E)  
24          (RELATING TO ELECTRONIC TOLL COLLECTION), AN INDIVIDUAL,  
25          COPARTNERSHIP, ASSOCIATION OR CORPORATION HAVING TITLE OR  
26          INTEREST IN A PROPERTY RIGHT, EASEMENT OR FRANCHISE AUTHORIZED  
27          TO BE ACQUIRED UNDER THIS CHAPTER.

28          "SECRETARY." THE SECRETARY OF TRANSPORTATION OF THE  
29          COMMONWEALTH.

30          "TOLL ROAD CONVERSION." THE INCLUSION WITHIN THE TURNPIKE

1 SYSTEM AND THE IMPOSITION OF TOLLS ON THE SYSTEM OF A HIGHWAY  
2 THAT IS PRESENTLY TOLL FREE.

3 "TURNPIKES." ANY OF THE FOLLOWING:

4 (1) THE TURNPIKE, TURNPIKE EXTENSIONS AND TURNPIKE  
5 IMPROVEMENTS.

6 (2) TOLL-FREE ROADS TO BE CONVERTED TO TOLL ROADS UNDER  
7 THIS CHAPTER.

8 (3) RELATED STORM WATER MANAGEMENT SYSTEMS, TUNNELS AND  
9 BRIDGES, PROPERTY RIGHTS, EASEMENTS AND FRANCHISES DEEMED  
10 NECESSARY OR CONVENIENT FOR THE CONSTRUCTION OR THE OPERATION  
11 OF THE TURNPIKE, TURNPIKE EXTENSION, TURNPIKE IMPROVEMENT AND  
12 TOLL-FREE ROADS.

13 "VEHICLE." THE TERM AS IT IS DEFINED UNDER 75 PA.C.S. § 102  
14 (RELATING TO DEFINITIONS).

15 "VIOLATION ENFORCEMENT SYSTEM." A VEHICLE SENSOR, PLACED IN  
16 A LOCATION TO WORK IN CONJUNCTION WITH A TOLL COLLECTION  
17 FACILITY, WHICH AUTOMATICALLY PRODUCES A VIDEOTAPE OR  
18 PHOTOGRAPH, MICROPHOTOGRAPH OR OTHER RECORDED IMAGE OF THE REAR  
19 PORTION OF EACH VEHICLE AT THE TIME THE VEHICLE IS USED OR  
20 OPERATED IN VIOLATION OF THE TOLL COLLECTION REGULATIONS. THE  
21 TERM INCLUDES ANY OTHER TECHNOLOGY WHICH IDENTIFIES A VEHICLE BY  
22 PHOTOGRAPHIC, ELECTRONIC OR OTHER METHOD.

23 § 8103. (RESERVED).

24 § 8104. STATUS OF TURNPIKE REVENUE BONDS, NOTES OR OTHER  
25 OBLIGATIONS.

26 (A) GENERAL RULE.--THE TURNPIKE REVENUE BONDS, NOTES OR  
27 OTHER OBLIGATIONS ISSUED UNDER THE PROVISIONS OF THIS CHAPTER  
28 SHALL NOT BE DEEMED TO BE A DEBT OF THE COMMONWEALTH OR A PLEDGE  
29 OF THE FAITH AND CREDIT OF THE COMMONWEALTH, BUT BONDS, NOTES OR  
30 OTHER OBLIGATIONS SHALL BE PAYABLE SOLELY FROM THE REVENUES OF

1 THE COMMISSION, INCLUDING TOLLS, OR FROM FUNDS AS MAY BE  
2 AVAILABLE TO THE COMMISSION FOR THAT PURPOSE.

3 (B) STATEMENT REQUIRED.--ALL BONDS, NOTES OR OTHER  
4 OBLIGATIONS SHALL CONTAIN A STATEMENT ON THEIR FACE THAT THE  
5 COMMONWEALTH IS NOT OBLIGATED TO PAY THE SAME OR THE INTEREST  
6 THEREON EXCEPT FROM REVENUES OF THE COMMISSION, INCLUDING TOLLS,  
7 OR FROM FUNDS AS MAY BE AVAILABLE TO THE COMMISSION FOR THAT  
8 PURPOSE AND THAT THE FAITH AND CREDIT OF THE COMMONWEALTH IS NOT  
9 PLEGDED TO THE PAYMENT OF THE PRINCIPAL OR INTEREST OF THE  
10 BONDS, NOTES OR OTHER OBLIGATIONS.

11 (C) PLEDGE OF COMMONWEALTH PROHIBITED.--THE ISSUANCE OF  
12 TURNPIKE REVENUE BONDS, NOTES OR OTHER OBLIGATIONS UNDER THE  
13 PROVISIONS OF THIS CHAPTER SHALL NOT DIRECTLY OR INDIRECTLY OR  
14 CONTINGENTLY OBLIGATE THE COMMONWEALTH TO LEVY OR TO PLEDGE ANY  
15 FORM OF TAXATION OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT.  
16 § 8105. COMMISSION.

17 (A) MEMBERS.--

18 (1) NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY,  
19 VACANCIES IN THE MEMBERSHIP OF THE COMMISSION ON OR AFTER THE  
20 EFFECTIVE DATE OF THIS SUBSECTION SHALL BE FILLED AS FOLLOWS:

21 (I) THE FIRST VACANCY SHALL BE FILLED BY A MEMBER TO  
22 BE APPOINTED BY THE MAJORITY LEADER OF THE SENATE.

23 (II) THE SECOND VACANCY SHALL BE FILLED BY A MEMBER  
24 TO BE APPOINTED BY THE MINORITY LEADER OF THE SENATE.

25 (III) THE SUCCEEDING TWO VACANCIES SHALL BE FILLED  
26 BY MEMBERS TO BE APPOINTED BY THE GOVERNOR.

27 (2) PARAGRAPH (1) SHALL APPLY TO A VACANCY ON THE  
28 COMMISSION WHICH HAS OCCURRED FOR ANY REASON, BUT ONLY AS TO  
29 A MEMBER SERVING ON THE EFFECTIVE DATE OF THIS SUBSECTION.

30 (3) NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE

1 MAJORITY LEADER OF THE HOUSE OF REPRESENTATIVES AND THE  
2 MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES SHALL EACH  
3 APPOINT ONE ADDITIONAL MEMBER TO SERVE ON THE COMMISSION.

4 (4) A VACANCY OCCURRING DURING THE TERM OF A MEMBER  
5 APPOINTED IN ACCORDANCE WITH THIS SUBSECTION SHALL BE FILLED  
6 IN A LIKE MANNER ONLY FOR THE UNEXPIRED APPOINTIVE TERM OF  
7 THE MEMBER WHOSE OFFICE HAS BECOME VACANT.

8 (5) MEMBERS APPOINTED UNDER THE PROVISIONS OF THIS  
9 SUBSECTION SHALL SERVE FOR A TERM OF FOUR YEARS. UPON THE  
10 EXPIRATION OF THIS TERM, AN APPOINTED MEMBER MAY CONTINUE TO  
11 HOLD OFFICE FOR 90 DAYS OR UNTIL A SUCCESSOR SHALL BE DULY  
12 APPOINTED AND QUALIFIED, WHICHEVER PERIOD IS SHORTER, BUT  
13 SHALL NOT CONTINUE TO HOLD OFFICE THEREAFTER UNLESS  
14 REAPPOINTED IN ACCORDANCE WITH LAW.

15 (6) VACANCIES FILLED UNDER PARAGRAPH (1) AND SUBSEQUENT  
16 APPOINTMENTS MADE TO THE COMMISSION SHALL BE WITHOUT THE  
17 ADVICE AND CONSENT OF THE SENATE.

18 (A.1) ADVISORY COMMITTEE.--

19 (1) THERE IS HEREBY ESTABLISHED A PENNSYLVANIA TURNPIKE  
20 ADVISORY COMMITTEE, WHICH SHALL BE COMPOSED OF THE FOLLOWING  
21 MEMBERS:

22 (I) THE SECRETARY OF COMMUNITY AND ECONOMIC  
23 DEVELOPMENT.

24 (II) THE SECRETARY OF REVENUE.

25 (III) THE STATE TREASURER.

26 (IV) THE CHAIRMAN AND MINORITY CHAIRMAN OF THE  
27 TRANSPORTATION COMMITTEE OF THE SENATE.

28 (V) THE CHAIRMAN AND MINORITY CHAIRMAN OF THE  
29 TRANSPORTATION COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

30 (VI) EIGHT MEMBERS OF THE PUBLIC REPRESENTING THE

1 AREA OF CONCERN SPECIFIED WHO SHALL HAVE EXTENSIVE  
2 EXPERIENCE AND KNOWLEDGE OF TRANSPORTATION ACTIVITIES  
3 THROUGHOUT THIS COMMONWEALTH TO BE APPOINTED BY THE  
4 GOVERNOR AS FOLLOWS:

5 (A) TWO REPRESENTATIVES OF THE ENGINEERING  
6 COMMUNITY WHO ARE LICENSED AND REGISTERED PURSUANT TO  
7 THE ACT OF MAY 23, 1945 (P.L.913, NO.367), KNOWN AS  
8 THE ENGINEER, LAND SURVEYOR AND GEOLOGIST  
9 REGISTRATION LAW.

10 (B) TWO REPRESENTATIVES FROM THE HIGHWAY  
11 CONSTRUCTION INDUSTRY WHO HAVE AT LEAST FIVE YEARS OF  
12 HIGHWAY CONSTRUCTION AND PLANNING EXPERIENCE.

13 (C) TWO REPRESENTATIVES FROM ORGANIZED LABOR  
14 UNIONS.

15 (D) ONE MEMBER WHO SHALL BE A CERTIFIED PUBLIC  
16 ACCOUNTANT.

17 (E) ONE MEMBER FROM THE GENERAL PUBLIC WITH AT  
18 LEAST FIVE YEARS OF EXPERIENCE IN TRANSPORTATION  
19 FINANCE AND INFRASTRUCTURE.

20 (2) EACH OF THE MEMBERS OF THE COMMITTEE MAY DESIGNATE A  
21 REPRESENTATIVE TO SERVE IN HIS STEAD. A MEMBER WHO DESIGNATES  
22 A REPRESENTATIVE SHALL NOTIFY THE CHAIRMAN IN WRITING OF THE  
23 DESIGNATION.

24 (3) THE TERM OF ALL MEMBERS OF THE COMMITTEE APPOINTED  
25 BY THE GOVERNOR SHALL BE FOR THREE YEARS. ANY MEMBER OF THE  
26 COMMITTEE MAY BE REAPPOINTED FOR NO MORE THAN TWO FULL  
27 SUCCESSIVE TERMS. ANY PERSON APPOINTED TO FILL A VACANCY  
28 OCCURRING PRIOR TO THE EXPIRATION OF THE TERM TO WHICH HIS  
29 PREDECESSOR WAS APPOINTED SHALL SERVE ONLY FOR THE UNEXPIRED  
30 TERM. EACH MEMBER SHALL SERVE UNTIL THE APPOINTMENT OF A

1 SUCCESSOR.

2 (4) (I) THE COMMITTEE SHALL MEET AT LEAST FOUR TIMES  
3 EVERY 12 MONTHS, BUT MAY HOLD SUCH ADDITIONAL MEETINGS AS  
4 ARE CALLED BY THE CHAIRMAN. THE CHAIRMAN SHALL PROVIDE  
5 NOTICE AT LEAST 14 DAYS IN ADVANCE FOR REGULAR MEETINGS  
6 AND PROVIDE A MINIMUM OF THREE DAYS' NOTICE FOR SPECIAL  
7 MEETINGS. A MAJORITY OF THE APPOINTED MEMBERS SHALL  
8 CONSTITUTE A QUORUM FOR THE CONDUCT OF BUSINESS.

9 (II) MINUTES OF MEETINGS SHALL BE PREPARED BY THE  
10 SECRETARY AND FILED WITH THE COMMITTEE AND DISTRIBUTED TO  
11 ALL MEMBERS. ALL RECORDS SHALL BE A MATTER OF PUBLIC  
12 RECORD.

13 (III) THE PUBLIC MEMBERS OF THE COMMITTEE SHALL BE  
14 ALLOWED REASONABLE PER DIEM EXPENSES AS ESTABLISHED AND  
15 PAID FOR BY THE COMMISSION. THE COMMISSION SHALL PROVIDE  
16 APPROPRIATE STAFF SUPPORT TO ENABLE THE COMMITTEE TO  
17 PROPERLY CARRY OUT ITS FUNCTIONS.

18 (5) THE COMMITTEE SHALL HAVE THE POWER AND DUTY TO  
19 CONSULT AND ADVISE THE PENNSYLVANIA TURNPIKE COMMISSION IN  
20 ASSISTING IN DEVELOPING, OPERATING AND FINANCING TOLLED  
21 INTERSTATE SYSTEMS WITHIN THIS COMMONWEALTH IN A TIMELY,  
22 EFFICIENT AND COST-EFFECTIVE MANNER. SPECIFICALLY, THE  
23 COMMITTEE SHALL HAVE THE AUTHORITY TO CONDUCT A STUDY ON THE  
24 FEASIBILITY OF INSTITUTING TOLL COLLECTIONS ON MAJOR  
25 INTERSTATES THAT PASS THROUGH THE STATE.

26 (6) THE COMMITTEE SHALL SUBMIT AN ANNUAL REPORT OF ITS  
27 DELIBERATIONS AND CONCLUSIONS TO THE GOVERNOR AND MEMBERS OF  
28 THE GENERAL ASSEMBLY BY NOVEMBER 30 OF EACH YEAR.

29 (7) THE GOVERNOR SHALL APPOINT ONE MEMBER OF THE  
30 COMMITTEE AS CHAIRPERSON. THE MEMBERS OF THE COMMITTEE SHALL



1 ANNUALLY ELECT A VICE CHAIRPERSON, A SECRETARY AND A  
2 TREASURER FROM AMONG THE MEMBERS APPOINTED TO THE COMMITTEE.

3 (B) SECRETARY OF TRANSPORTATION.--THE PROVISIONS OF  
4 SUBSECTION (A.1) SHALL NOT APPLY TO THE APPOINTMENT OF THE  
5 SECRETARY WHO SHALL CONTINUE TO BE APPOINTED AND TO SERVE AS A  
6 MEMBER OF THE COMMISSION EX OFFICIO IN ACCORDANCE WITH LAW.

7 (C) CHAIRMAN.--A MAJORITY OF THE MEMBERS OF THE COMMISSION  
8 SHALL ELECT A MEMBER OF THE COMMISSION TO SERVE AS CHAIRMAN.  
9 UPON THE APPOINTMENT AND QUALIFICATION OF ANY NEW MEMBER TO  
10 SERVE ON THE COMMISSION, THE OFFICE OF CHAIRMAN, AND THE  
11 POSITIONS OF ALL OTHER OFFICERS CREATED BY LAW, SHALL BE DEEMED  
12 VACANT AND A NEW CHAIRMAN AND OTHER OFFICERS SHALL BE ELECTED BY  
13 A MAJORITY OF THE MEMBERS OF THE COMMISSION.

14 (D) ACTIONS BY THE COMMISSION.--NOTWITHSTANDING ANY OTHER  
15 LAW, COURT DECISION, PRECEDENT OR PRACTICE TO THE CONTRARY, ANY  
16 AND ALL ACTIONS BY OR ON BEHALF OF THE COMMISSION SHALL BE TAKEN  
17 SOLELY UPON THE APPROVAL OF A MAJORITY OF THE MEMBERS TO THE  
18 COMMISSION. A MAJORITY OF THE MEMBERS OF THE COMMISSION SHALL  
19 MEAN FIVE MEMBERS OF THE COMMISSION. THE TERM "ACTIONS BY OR ON  
20 BEHALF OF THE COMMISSION" MEANS ANY ACTION WHATSOEVER OF THE  
21 COMMISSION, INCLUDING, BUT NOT LIMITED TO, THE HIRING,  
22 APPOINTMENT, REMOVAL, TRANSFER, PROMOTION OR DEMOTION OF ANY  
23 OFFICERS AND EMPLOYEES; THE RETENTION, USE OR REMUNERATION OF  
24 ANY ADVISORS, COUNSEL, AUDITORS, ARCHITECTS, ENGINEERS OR  
25 CONSULTANTS; THE INITIATION OF ANY LEGAL ACTION; THE MAKING OF  
26 ANY CONTRACTS, LEASES, AGREEMENTS, BONDS, NOTES OR COVENANTS;  
27 THE APPROVAL OF REQUISITIONS, PURCHASE ORDERS, INVESTMENTS AND  
28 REINVESTMENTS; AND THE ADOPTION, AMENDMENT, REVISION OR  
29 RESCISSION OF ANY RULES AND REGULATIONS, ORDERS OR OTHER  
30 DIRECTIVES. THE CHAIRMAN, VICE CHAIRMAN OR ANY OTHER OFFICER OR

1 EMPLOYEE OF THE COMMISSION MAY TAKE NO ACTION BY OR ON BEHALF OF  
2 THE COMMISSION EXCEPT AS EXPRESSLY AUTHORIZED BY A MAJORITY OF  
3 THE MEMBERS OF THE COMMISSION.

4 (E) COMPENSATION.--THE ANNUAL SALARY OF THE CHAIRMAN OF THE  
5 PENNSYLVANIA TURNPIKE COMMISSION SHALL BE \$28,500, AND THE  
6 ANNUAL SALARY OF THE REMAINING MEMBERS OF THE PENNSYLVANIA  
7 TURNPIKE COMMISSION SHALL BE \$26,000. THESE SALARIES SHALL BE  
8 PAID IN EQUAL INSTALLMENTS EVERY OTHER WEEK.

9 § 8106. EXERCISE OF COMMISSION POWERS.

10 THE EXERCISE BY THE COMMISSION OF THE POWERS CONFERRED BY  
11 THIS CHAPTER IN THE CONSTRUCTION, OPERATION AND MAINTENANCE OF  
12 THE TURNPIKES AND IN EFFECTING TOLL ROAD CONVERSIONS SHALL BE  
13 DEEMED AND HELD TO BE AN ESSENTIAL GOVERNMENTAL FUNCTION OF THE  
14 COMMONWEALTH.

15 § 8107. COMMISSION POWERS AND DUTIES.

16 (A) POWERS AND DUTIES OF COMMISSION.--THE COMMISSION MAY:

17 (1) MAINTAIN A PRINCIPAL OFFICE AT A PLACE DESIGNATED BY  
18 THE COMMISSION.

19 (2) CONTRACT AND BE CONTRACTED WITHIN ITS OWN NAME.

20 (3) SUE AND BE SUED IN ITS OWN NAME, PLEAD AND BE  
21 IMPLEADED. ANY CIVIL ACTION AGAINST THE COMMISSION SHALL BE  
22 BROUGHT ONLY IN THE COURTS IN WHICH ACTIONS MAY BE BROUGHT  
23 AGAINST THE COMMONWEALTH.

24 (4) HAVE AN OFFICIAL SEAL.

25 (5) MAKE NECESSARY RULES AND REGULATIONS FOR ITS OWN  
26 GOVERNMENT AND IN CONTROL OF TRAFFIC.

27 (6) ACQUIRE, HOLD, ACCEPT, OWN, USE, HIRE, LEASE,  
28 EXCHANGE, OPERATE AND DISPOSE OF PERSONAL PROPERTY, REAL  
29 PROPERTY AND INTERESTS IN REAL PROPERTY AND MAKE AND ENTER  
30 INTO ALL CONTRACTS AND AGREEMENTS NECESSARY OR INCIDENTAL TO

1 THE PERFORMANCE OF ITS DUTIES AND THE EXECUTION OF ITS POWERS  
2 UNDER THIS CHAPTER AND EMPLOY ENGINEERING, TRAFFIC,  
3 ARCHITECTURAL AND CONSTRUCTION EXPERTS AND INSPECTORS,  
4 ATTORNEYS AND OTHER EMPLOYEES AS MAY IN ITS JUDGMENT BE  
5 NECESSARY AND FIX THEIR COMPENSATION.

6 (7) (I) PROVIDE GRADE SEPARATIONS AT ITS OWN EXPENSE  
7 WITH RESPECT TO ALL PUBLIC ROADS, STATE HIGHWAYS AND  
8 INTERSTATE HIGHWAYS INTERSECTED BY THE TURNPIKES AND TO  
9 CHANGE AND ADJUST THE LINES AND GRADES THEREOF SO AS TO  
10 ACCOMMODATE THE SAME TO THE DESIGN FOR GRADE SEPARATION.

11 (II) THE DAMAGES INCURRED IN CHANGING AND ADJUSTING  
12 THE LINES AND GRADES OF PUBLIC ROADS, STATE HIGHWAYS AND  
13 INTERSTATE HIGHWAYS SHALL BE ASCERTAINED AND PAID BY THE  
14 COMMISSION IN ACCORDANCE WITH 26 PA.C.S. (RELATING TO  
15 EMINENT DOMAIN).

16 (III) IF THE COMMISSION SHALL FIND IT NECESSARY TO  
17 PROVIDE A GRADE SEPARATION OR CHANGE THE SITE OF ANY  
18 PORTION OF ANY INTERSTATE HIGHWAY, STATE HIGHWAY OR  
19 PUBLIC ROAD, OR VACATE THE SAME, THE COMMISSION SHALL  
20 CAUSE IT TO BE RECONSTRUCTED AND RESTORED AT THE  
21 COMMISSION'S EXPENSE ON THE MOST FAVORABLE LOCATION AND  
22 IN AS SATISFACTORY A MANNER AS THE ORIGINAL ROAD OR  
23 VACATE IT AS THE CASE MAY BE.

24 (IV) THE METHOD OF ACQUIRING THE RIGHT-OF-WAY AND  
25 DETERMINING DAMAGES INCURRED IN CHANGING THE LOCATION OF  
26 OR VACATING THE ROAD, STATE HIGHWAY OR INTERSTATE HIGHWAY  
27 SHALL BE ASCERTAINED AND PAID FOR IN ACCORDANCE WITH 26  
28 PA.C.S.

29 (8) PETITION THE COURT OF COMMON PLEAS OF THE COUNTY IN  
30 WHICH ANY PUBLIC ROAD OR PART THEREOF IS LOCATED AND AFFECTED

1 BY THE LOCATION OF THE TURNPIKES, FOR THE VACATION,  
2 RELOCATION OR SUPPLY OF THE SAME OR ANY PART THEREOF WITH THE  
3 SAME FORCE AND EFFECT AS IS NOW GIVEN BY EXISTING LAWS TO THE  
4 INHABITANTS OF ANY TOWNSHIP OR THE COUNTY, AND THE  
5 PROCEEDINGS UPON PETITION, WHETHER FOR THE APPOINTMENT OF  
6 VIEWERS OR OTHERWISE, SHALL BE THE SAME AS PROVIDED BY  
7 EXISTING LAW FOR SIMILAR PROCEEDINGS UPON THE PETITIONS.

8 (9) HAVE ALL OF THE POWERS AND PERFORM ALL THE DUTIES  
9 PRESCRIBED BY THE ACT OF MAY 21, 1937 (P.L.774, NO.211),  
10 REFERRED TO AS THE PENNSYLVANIA TURNPIKE COMMISSION ACT.

11 (B) MAINTENANCE TO BE PAID OUT OF TOLLS.--

12 (1) THE TURNPIKE EXTENSIONS AND IMPROVEMENTS AND THE  
13 CONVERSION OF TOLL-FREE ROADS TO TOLL ROADS WHEN COMPLETED  
14 AND OPEN TO TRAFFIC SHALL BE MAINTAINED AND REPAIRED BY AND  
15 UNDER THE CONTROL OF THE COMMISSION.

16 (2) ALL CHARGES AND COSTS FOR THE MAINTENANCE AND  
17 REPAIRS ACTUALLY EXPENDED BY THE COMMISSION SHALL BE PAID OUT  
18 OF TOLLS.

19 (3) THE TURNPIKE, THE TURNPIKE EXTENSIONS AND  
20 IMPROVEMENTS AND THE TOLL-FREE ROADS CONVERTED TO TOLL ROADS  
21 SHALL ALSO BE POLICED AND OPERATED BY A FORCE OF POLICE, TOLL  
22 TAKERS AND OTHER OPERATING EMPLOYEES AS THE COMMISSION MAY IN  
23 ITS DISCRETION EMPLOY.

24 § 8108. EXPENSES AND BONDING OF COMMISSION MEMBERS.

25 (A) PAYMENT OF EXPENSES.--ALL COMPENSATION AND SALARIES AND  
26 ALL EXPENSES INCURRED IN CARRYING OUT THE PROVISIONS OF THIS  
27 CHAPTER SHALL BE PAID SOLELY FROM FUNDS PROVIDED UNDER THE  
28 AUTHORITY OF THIS CHAPTER, AND NO LIABILITY OR OBLIGATION SHALL  
29 BE INCURRED UNDER THIS CHAPTER BEYOND THE EXTENT TO WHICH MONEY  
30 SHALL HAVE BEEN PROVIDED UNDER THE AUTHORITY OF THIS CHAPTER.

1       (B) NO ADDITIONAL BOND REQUIRED.--THE ISSUANCE OF ANY  
2 TURNPIKE REVENUE BONDS, NOTES OR OTHER OBLIGATIONS UNDER THE  
3 PROVISIONS OF THIS CHAPTER SHALL NOT CAUSE ANY MEMBER OF THE  
4 COMMISSION TO BE REQUIRED TO EXECUTE A BOND THAT A MEMBER OF THE  
5 COMMISSION IS NOT OTHERWISE REQUIRED TO EXECUTE.

6 § 8109. ACQUISITION OF PROPERTY RIGHTS BY COMMISSION.

7       (A) CONDEMNATION.--THE COMMISSION MAY CONDEMN, PURSUANT TO  
8 26 PA.C.S. (RELATING TO EMINENT DOMAIN), ANY LANDS, INTERESTS IN  
9 LANDS, PROPERTY RIGHTS, RIGHTS-OF-WAY, FRANCHISES, EASEMENTS AND  
10 OTHER PROPERTY DEEMED NECESSARY OR CONVENIENT FOR THE  
11 CONSTRUCTION AND EFFICIENT OPERATION OF THE TURNPIKES AND THE  
12 TOLL ROAD CONVERSIONS OR NECESSARY IN THE RESTORATION OR  
13 RELOCATION OF PUBLIC OR PRIVATE PROPERTY DAMAGED OR DESTROYED.

14       (B) PURCHASE.--

15           (1) THE COMMISSION MAY ACQUIRE BY PURCHASE, WHENEVER IT  
16 SHALL DEEM THE PURCHASE EXPEDIENT, OR OTHERWISE ACCEPT IF  
17 DEDICATED TO IT, ANY LANDS, INTERESTS IN LANDS, PROPERTY  
18 RIGHTS, RIGHTS-OF-WAY, FRANCHISES, EASEMENTS AND OTHER  
19 PROPERTY DEEMED NECESSARY OR CONVENIENT FOR THE CONSTRUCTION  
20 AND EFFICIENT OPERATION OF THE TURNPIKES AND TOLL ROAD  
21 CONVERSIONS OR NECESSARY IN THE RESTORATION OF PUBLIC OR  
22 PRIVATE PROPERTY DAMAGED OR DESTROYED, WHETHER THE PROPERTY  
23 HAS BEEN PREVIOUSLY CONDEMNED OR OTHERWISE, UPON TERMS AND AT  
24 A PRICE AS MAY BE CONSIDERED BY THE COMMISSION TO BE  
25 REASONABLE AND CAN BE AGREED UPON BETWEEN THE COMMISSION AND  
26 THE OWNER THEREOF AND TO TAKE TITLE THERETO IN THE NAME OF  
27 THE COMMISSION.

28           (2) THE NET PROCEEDS OF THE PURCHASE PRICE PAYABLE TO A  
29 MUNICIPALITY OR THE DEPARTMENT FOR ANY REAL PROPERTY OR  
30 INTEREST THEREIN OBTAINED BY THE COMMISSION PURSUANT TO THIS

1 CHAPTER, LESS THE COST OF RETIRING ANY BONDED INDEBTEDNESS ON  
2 THE PROPERTY OR INTEREST, SHALL BE USED EXCLUSIVELY, IN THE  
3 CASE OF A MUNICIPALITY, FOR ROAD-RELATED AND BRIDGE-RELATED  
4 EXPENSES AND, IN THE CASE OF THE DEPARTMENT, FOR HIGHWAY AND  
5 BRIDGE CONSTRUCTION, RECONSTRUCTION AND MAINTENANCE IN THE  
6 SAME ENGINEERING AND MAINTENANCE DISTRICT IN WHICH THE  
7 PROPERTY IS LOCATED.

8 § 8110. PROCEDURAL REQUIREMENTS OF ACQUISITION.

9 (A) TITLE.--TITLE TO ANY PROPERTY CONDEMNED BY THE  
10 COMMISSION SHALL BE TAKEN IN THE NAME OF THE COMMISSION.

11 (B) ENTRY.--

12 (1) IN ADDITION TO ANY OTHERS POWERS SET FORTH IN THIS  
13 CHAPTER, THE COMMISSION AND ITS AUTHORIZED AGENTS AND  
14 EMPLOYEES MAY ENTER UPON ANY LANDS, WATERS AND PREMISES IN  
15 THIS COMMONWEALTH FOR THE PURPOSE OF MAKING SURVEYS,  
16 SOUNDINGS, DRILLINGS AND EXAMINATIONS, AS IT MAY DEEM  
17 NECESSARY OR CONVENIENT FOR THE PURPOSE OF THIS CHAPTER.

18 (2) THE ENTRY SHALL NOT BE DEEMED A TRESPASS, NOR SHALL  
19 AN ENTRY FOR THE PURPOSES BE DEEMED AN ENTRY UNDER ANY  
20 CONDEMNATION PROCEEDINGS WHICH MAY BE THEN PENDING.

21 (3) THE COMMISSION SHALL MAKE REIMBURSEMENT FOR ANY  
22 ACTUAL DAMAGES RESULTING TO THE LANDS, WATERS AND PREMISES AS  
23 A RESULT OF THE ACTIVITIES.

24 (C) RESTORATION OF PROPERTY.--ANY PUBLIC OR PRIVATE PROPERTY  
25 DAMAGED OR DESTROYED IN CARRYING OUT THE POWERS GRANTED BY THIS  
26 CHAPTER SHALL BE RESTORED OR REPAIRED AND PLACED IN ITS ORIGINAL  
27 CONDITION AS NEARLY AS PRACTICABLE OR ADEQUATE COMPENSATION MADE  
28 FOR THE PROPERTY OUT OF FUNDS PROVIDED UNDER THE AUTHORITY OF  
29 THIS CHAPTER.

30 (D) POWERS OF PUBLIC BODIES.--NOTWITHSTANDING ANY OTHER

1 PROVISION OF LAW TO THE CONTRARY, A POLITICAL SUBDIVISION AND A  
2 PUBLIC AGENCY AND COMMISSION OF THE COMMONWEALTH MAY LEASE,  
3 LEND, DEDICATE, GRANT, CONVEY OR OTHERWISE TRANSFER TO THE  
4 COMMISSION, UPON ITS REQUEST, UPON TERMS AND CONDITIONS AS THE  
5 PROPER AUTHORITIES OF THE POLITICAL SUBDIVISIONS OR PUBLIC  
6 AGENCIES AND COMMISSIONS OF THE COMMONWEALTH MAY DEEM REASONABLE  
7 AND FAIR AND WITHOUT THE NECESSITY FOR ANY ADVERTISEMENT, ORDER  
8 OF COURT OR OTHER ACTION OR FORMALITY, OTHER THAN THE REGULAR  
9 AND FORMAL ACTION OF THE AUTHORITIES CONCERNED, ANY REAL  
10 PROPERTY WHICH MAY BE NECESSARY OR CONVENIENT TO THE  
11 EFFECTUATION OF THE AUTHORIZED PURPOSES OF THE COMMISSION,  
12 INCLUDING PUBLIC ROADS AND OTHER REAL PROPERTY ALREADY DEVOTED  
13 TO PUBLIC USE.

14 § 8111. ENTRY AND POSSESSION OF PROPERTY CONDEMNED.

15 WHENEVER THE COMMISSION HAS CONDEMNED ANY LANDS, RIGHTS,  
16 RIGHTS-OF-WAY, EASEMENTS AND FRANCHISES, OR INTERESTS THEREIN,  
17 AS PROVIDED IN THIS CHAPTER, THE COMMISSION MAY PROCEED TO  
18 OBTAIN POSSESSION IN THE MANNER PROVIDED BY 26 PA.C.S. (RELATING  
19 TO THE EMINENT DOMAIN).

20 § 8112. ISSUANCE OF TURNPIKE REVENUE BONDS OR OTHER  
21 OBLIGATIONS.

22 (A) AUTHORIZATION.--

23 (1) A BOND MUST BE AUTHORIZED BY RESOLUTION OF THE  
24 COMMISSION. THE RESOLUTION MAY SPECIFY ALL OF THE FOLLOWING:

25 (I) SERIES.

26 (II) DATE OF MATURITY NOT EXCEEDING 40 YEARS FROM  
27 DATE OF ISSUE.

28 (III) INTEREST.

29 (IV) DENOMINATION.

30 (V) FORM, EITHER COUPON OR FULLY REGISTERED WITHOUT

1           COUPONS.

2                   (VI) REGISTRATION, EXCHANGEABILITY AND  
3                   INTERCHANGEABILITY PRIVILEGES.

4                   (VII) MEDIUM OF PAYMENT AND PLACE OF PAYMENT.

5                   (VIII) TERMS OF REDEMPTION NOT EXCEEDING 105% OF THE  
6                   PRINCIPAL AMOUNT OF THE BOND.

7                   (IX) PRIORITIES IN THE REVENUES OR RECEIPTS OF THE  
8                   COMMISSION.

9                   (2) A BOND MUST BE SIGNED BY OR SHALL BEAR THE FACSIMILE  
10                   SIGNATURE OF SUCH OFFICERS AS THE COMMISSION DETERMINES.  
11                   COUPON BONDS MUST HAVE ATTACHED INTEREST COUPONS BEARING THE  
12                   FACSIMILE SIGNATURE OF THE TREASURER OF THE COMMISSION AS  
13                   PRESCRIBED IN THE AUTHORIZING RESOLUTION. A BOND MAY BE  
14                   ISSUED AND DELIVERED NOTWITHSTANDING THAT ONE OR MORE OF THE  
15                   SIGNING OFFICERS OR THE TREASURER HAS CEASED TO BE AN OFFICER  
16                   WHEN THE BOND IS ACTUALLY DELIVERED. A BOND MUST BE  
17                   AUTHENTICATED BY AN AUTHENTICATING AGENT, A FISCAL AGENT OR A  
18                   TRUSTEE, IF REQUIRED BY THE AUTHORIZING RESOLUTION.

19                   (3) A BOND MAY BE SOLD AT PUBLIC OR PRIVATE SALE FOR A  
20                   PRICE DETERMINED BY THE COMMISSION.

21                   (4) PENDING THE PREPARATION OF A DEFINITIVE BOND,  
22                   INTERIM RECEIPTS OR TEMPORARY BONDS WITH OR WITHOUT COUPONS  
23                   MAY BE ISSUED TO THE PURCHASER AND MAY CONTAIN TERMS AND  
24                   CONDITIONS AS THE COMMISSION DETERMINES.

25                   (B) PROVISIONS.--A RESOLUTION AUTHORIZING A BOND MAY CONTAIN  
26                   PROVISIONS WHICH SHALL BE PART OF THE CONTRACT WITH THE  
27                   BONDHOLDER AS TO THE FOLLOWING:

28                   (1) PLEDGING THE FULL FAITH AND CREDIT OF THE COMMISSION  
29                   BUT NOT OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION FOR  
30                   THE BOND OR RESTRICTING THE OBLIGATION OF THE COMMISSION TO



1 ALL OR ANY OF THE REVENUE OF THE COMMISSION FROM ALL OR ANY  
2 PROJECTS OR PROPERTIES.

3 (2) THE CONSTRUCTION, FINANCING, IMPROVEMENT, OPERATION,  
4 EXTENSION, ENLARGEMENT, MAINTENANCE AND REPAIR FOR THE  
5 PAYMENT OF THE COSTS OF THE TURNPIKES AND THE TOLL ROAD  
6 CONVERSIONS, INCLUDING THE RECONSTRUCTION OF THE CONVERTED  
7 ROADS AS PROVIDED FOR IN THIS CHAPTER AND THE REPAYMENT TO  
8 THE FEDERAL TREASURY OF ANY FUNDS SO REQUIRED TO BE REPAID  
9 PURSUANT TO ANY SPECIAL LEGISLATION PASSED BY THE CONGRESS OF  
10 THE UNITED STATES AUTHORIZING THE CONVERSION OF TOLL-FREE  
11 ROADS TO TOLL ROADS, THE FINANCING FOR INSURANCE RESERVES AND  
12 THE DUTIES OF THE COMMISSION WITH REFERENCE TO THESE MATTERS.

13 (3) TERMS AND PROVISIONS OF THE BOND.

14 (4) LIMITATIONS ON THE PURPOSES TO WHICH THE PROCEEDS OF  
15 THE BOND OR OTHER FINANCING MAY BE APPLIED.

16 (5) RATE OF TOLLS AND OTHER CHARGES FOR USE OF THE  
17 FACILITIES OF OR FOR THE SERVICES RENDERED BY THE COMMISSION.

18 (6) THE SETTING ASIDE, REGULATION AND DISPOSITION OF  
19 RESERVES AND SINKING FUNDS.

20 (7) LIMITATIONS ON THE ISSUANCE OF ADDITIONAL BONDS.

21 (8) TERMS AND PROVISIONS OF ANY DEED OF TRUST OR  
22 INDENTURE SECURING THE BOND OR UNDER WHICH ANY DEED OF TRUST  
23 OR INDENTURE MAY BE ISSUED.

24 (9) OTHER ADDITIONAL AGREEMENTS WITH THE HOLDER OF THE  
25 BOND.

26 (C) DEEDS OF TRUST.--THE COMMISSION MAY ENTER INTO ANY DEED  
27 OF TRUST, INDENTURE OR OTHER AGREEMENT WITH ANY BANK OR TRUST  
28 COMPANY OR OTHER PERSON IN THE UNITED STATES HAVING POWER TO  
29 ENTER INTO SUCH AN ARRANGEMENT, INCLUDING ANY FEDERAL AGENCY, AS  
30 SECURITY FOR A BOND AND MAY ASSIGN AND PLEDGE ALL OR ANY OF THE

1 REVENUES OR RECEIPTS OF THE COMMISSION UNDER SUCH DEED,  
2 INDENTURE OR AGREEMENT. THE DEED OF TRUST, INDENTURE OR OTHER  
3 AGREEMENT MAY CONTAIN PROVISIONS AS MAY BE CUSTOMARY IN SUCH  
4 INSTRUMENTS OR AS THE COMMISSION MAY AUTHORIZE, INCLUDING  
5 PROVISIONS AS TO THE FOLLOWING:

6 (1) CONSTRUCTION, FINANCING, IMPROVEMENT, OPERATION,  
7 MAINTENANCE AND REPAIR FOR THE PAYMENT OF THE COSTS OF THE  
8 TURNPIKES AND THE TOLL ROAD CONVERSIONS, INCLUDING THE  
9 RECONSTRUCTION OF THE CONVERTED ROADS AS PROVIDED FOR IN THIS  
10 CHAPTER AND THE REPAYMENT TO THE FEDERAL TREASURY OF ANY  
11 FUNDS SO REQUIRED TO BE REPAID PURSUANT TO ANY SPECIAL  
12 LEGISLATION PASSED BY THE CONGRESS OF THE UNITED STATES  
13 AUTHORIZING THE CONVERSION OF TOLL-FREE ROADS TO TOLL ROADS,  
14 FINANCING FOR INSURANCE RESERVES AND THE DUTIES OF THE  
15 COMMISSION WITH REFERENCE TO THESE MATTERS.

16 (2) APPLICATION OF FUNDS AND THE SAFEGUARDING OF FUNDS  
17 ON HAND OR ON DEPOSIT.

18 (3) RIGHTS AND REMEDIES OF TRUSTEES AND BONDHOLDERS,  
19 INCLUDING RESTRICTIONS UPON THE INDIVIDUAL RIGHT OF ACTION OF  
20 A BONDHOLDER.

21 (4) TERMS AND PROVISIONS OF THE BOND OR THE RESOLUTION  
22 AUTHORIZING THE ISSUANCE OF THE BOND.

23 (D) NEGOTIABILITY.--A BOND SHALL HAVE ALL THE QUALITIES OF  
24 NEGOTIABLE INSTRUMENTS UNDER 13 PA.C.S. DIV. 3 (RELATING TO  
25 NEGOTIABLE INSTRUMENTS).

26 § 8113. OBLIGATION PROCEEDS RESTRICTED AND LIEN CREATED.

27 ALL MONEY RECEIVED FROM ANY BONDS, NOTES OR OTHER OBLIGATIONS  
28 ISSUED UNDER THIS CHAPTER SHALL BE APPLIED SOLELY TO THE PAYMENT  
29 OF THE COST OF THE TURNPIKE, THE TURNPIKE EXTENSIONS AND  
30 IMPROVEMENTS AND THE TOLL ROAD CONVERSIONS, INCLUDING THE

1 RECONSTRUCTION OF THE CONVERTED ROADS AS PROVIDED FOR IN THIS  
2 CHAPTER AND THE REPAYMENT TO THE FEDERAL TREASURY OF ANY FUNDS  
3 SO REQUIRED TO BE REPAID PURSUANT TO ANY SPECIAL LEGISLATION  
4 PASSED BY THE CONGRESS OF THE UNITED STATES AUTHORIZING THE  
5 CONVERSION OF TOLL-FREE ROADS TO TOLL ROADS OR TO THE  
6 APPURTENANT FUND. THERE IS CREATED AND GRANTED A LIEN UPON THE  
7 MONEY, UNTIL SO APPLIED, IN FAVOR OF HOLDERS OF THE BONDS, NOTES  
8 OR OTHER OBLIGATIONS OR THE TRUSTEE PROVIDED FOR IN THIS CHAPTER  
9 IN RESPECT OF THE BONDS, NOTES OR OTHER OBLIGATIONS.

10 § 8114. TRUST INDENTURE AUTHORIZED.

11 (A) SECURITY FOR BONDS.--IN THE DISCRETION OF THE  
12 COMMISSION, THE BONDS, NOTES OR OTHER OBLIGATIONS MAY BE SECURED  
13 BY A TRUST INDENTURE BY AND BETWEEN THE COMMISSION AND A  
14 CORPORATE TRUSTEE, WHICH MAY BE ANY TRUST COMPANY OR BANK HAVING  
15 THE POWERS OF A TRUST COMPANY, WITHIN THIS COMMONWEALTH. THE  
16 TRUST INDENTURE MAY PLEDGE OR ASSIGN TOLLS AND REVENUE TO BE  
17 RECEIVED BUT SHALL NOT CONVEY OR MORTGAGE THE PENNSYLVANIA  
18 TURNPIKE SYSTEM, INCLUDING THE TURNPIKES AND TOLL ROAD  
19 CONVERSIONS PROVIDED FOR BY THIS CHAPTER.

20 (B) RIGHTS OF BONDHOLDERS.--EITHER THE RESOLUTION PROVIDING  
21 FOR THE ISSUANCE OF THE BONDS, NOTES OR OTHER OBLIGATIONS OR THE  
22 TRUST INDENTURE MAY CONTAIN PROVISIONS FOR PROTECTING AND  
23 ENFORCING THE RIGHTS AND REMEDIES OF THE BONDHOLDERS OR HOLDERS  
24 OF NOTES OR OTHER OBLIGATIONS AS MAY BE REASONABLE AND PROPER  
25 AND NOT IN VIOLATION OF LAW, INCLUDING COVENANTS SETTING FORTH  
26 THE DUTIES OF THE COMMISSION IN RELATION TO THE ACQUISITION OF  
27 PROPERTIES AND THE CONSTRUCTION, MAINTENANCE, OPERATION AND  
28 REPAIR AND INSURANCE OF THE TURNPIKES, AND THE CUSTODY,  
29 SAFEGUARDING AND APPLICATION OF ALL MONEY. IT SHALL BE LAWFUL  
30 FOR ANY BANK OR TRUST COMPANY INCORPORATED UNDER THE LAWS OF

1 THIS COMMONWEALTH TO ACT AS A DEPOSITORY OF THE PROCEEDS OF  
2 BONDS, NOTES OR OTHER OBLIGATIONS OR REVENUES AND TO FURNISH THE  
3 INDEMNITY BONDS OR TO PLEDGE THE SECURITIES AS MAY BE REQUIRED  
4 BY THE COMMISSION. THE TRUST INDENTURE MAY SET FORTH THE RIGHTS  
5 AND REMEDIES OF THE BONDHOLDERS OR HOLDERS OF NOTES OR OTHER  
6 OBLIGATIONS AND OF THE TRUSTEE AND MAY RESTRICT THE INDIVIDUAL  
7 RIGHT OF ACTION OF BONDHOLDERS OR HOLDERS OF NOTES OR OTHER  
8 OBLIGATIONS AS IS CUSTOMARY IN TRUST INDENTURES SECURING BONDS,  
9 DEBENTURES OF CORPORATIONS, NOTES OR OTHER OBLIGATIONS. IN  
10 ADDITION TO THE FOREGOING, THE TRUST INDENTURE MAY CONTAIN OTHER  
11 PROVISIONS AS THE COMMISSION MAY DEEM REASONABLE AND PROPER FOR  
12 THE SECURITY OF BONDHOLDERS OR HOLDERS OF NOTES OR OTHER  
13 OBLIGATIONS. ALL EXPENSES INCURRED IN CARRYING OUT THE TRUST  
14 INDENTURE MAY BE TREATED AS PART OF THE COST OF MAINTENANCE,  
15 OPERATION AND REPAIR OF THE TURNPIKES AND TOLL ROAD CONVERSIONS  
16 PROVIDED FOR BY THIS CHAPTER.

17 § 8115. COMMISSION AND OBLIGATIONS TAX EXEMPT.

18 THE ACCOMPLISHMENT BY THE COMMISSION OF THE AUTHORIZED  
19 PURPOSES STATED IN THIS CHAPTER BEING FOR THE BENEFIT OF THE  
20 PEOPLE OF THIS COMMONWEALTH AND FOR THE IMPROVEMENT OF THEIR  
21 COMMERCE AND PROSPERITY, IN WHICH ACCOMPLISHMENT THE COMMISSION  
22 WILL BE PERFORMING ESSENTIAL GOVERNMENTAL FUNCTIONS, THE  
23 COMMISSION SHALL NOT BE REQUIRED TO PAY ANY TAXES OR ASSESSMENTS  
24 ON ANY PROPERTY ACQUIRED OR USED BY IT FOR THE PURPOSES PROVIDED  
25 IN THIS CHAPTER, AND THE BONDS, NOTES OR OTHER OBLIGATIONS  
26 ISSUED BY THE COMMISSION, THEIR TRANSFER AND THE INCOME  
27 THEREFROM, INCLUDING ANY PROFITS MADE ON THE SALE THEREOF, SHALL  
28 AT ALL TIMES BE FREE FROM TAXATION WITHIN THIS COMMONWEALTH.

29 § 8116. COLLECTION AND DISPOSITION OF TOLLS AND OTHER REVENUE.

30 (A) ESTABLISHMENT AND CHANGES IN TOLL AMOUNTS.--SUBJECT TO

1 THE TERMS OF ANY TRUST INDENTURE ENTERED INTO BY THE COMMISSION,  
2 ANY RESOLUTION AUTHORIZING THE ISSUANCE OF ANY BONDS, NOTES OR  
3 OTHER OBLIGATIONS OF THE COMMISSION, THE COMMISSION IS  
4 AUTHORIZED: TO FIX AND TO REVISE TOLLS FOR THE USE OF THE  
5 PENNSYLVANIA TURNPIKE SYSTEM AND THE DIFFERENT PARTS OR SECTIONS  
6 OF THE SYSTEM, INCLUDING THE TURNPIKE, THE TURNPIKE EXTENSIONS  
7 AND IMPROVEMENTS AND THE TOLL ROAD CONVERSIONS AUTHORIZED BY  
8 THIS CHAPTER: TO CHARGE AND COLLECT THE TOLLS; TO CONTRACT WITH  
9 ANY PERSON, PARTNERSHIP, ASSOCIATION OR CORPORATION DESIRING THE  
10 USE OF ANY PART THEREOF, INCLUDING THE RIGHT-OF-WAY ADJOINING  
11 THE PAVED PORTION, FOR PLACING THEREON TELEPHONE, TELEGRAPH,  
12 ELECTRIC LIGHT OR POWER LINES, GAS STATIONS, GARAGES, STORES,  
13 HOTELS, RESTAURANTS AND ADVERTISING SIGNS, OR FOR ANY OTHER  
14 PURPOSE, EXCEPT FOR TRACKS FOR RAILROAD OR RAILWAY USE; AND TO  
15 FIX THE TERMS, CONDITIONS, RENTS AND RATES OF CHARGES FOR USE.  
16 TOLLS SHALL BE FIXED AND ADJUSTED AS TO PROVIDE FUNDS AT LEAST  
17 SUFFICIENT WITH OTHER REVENUES OF THE PENNSYLVANIA TURNPIKE  
18 SYSTEM, IF ANY, TO PAY:

19 (1) THE COST OF CONSTRUCTING, MAINTAINING, REPAIRING AND  
20 OPERATING THE PENNSYLVANIA TURNPIKE SYSTEM AND THE DIFFERENT  
21 PARTS AND SECTIONS OF THE SYSTEM; AND

22 (2) ANY BONDS, NOTES OR OTHER OBLIGATIONS AND THE  
23 INTEREST THEREON OF THE COMMISSION, AND ALL SINKING FUND  
24 REQUIREMENTS OF THE COMMISSION, AND OTHER REQUIREMENTS  
25 PROVIDED FOR BY ANY RESOLUTION AUTHORIZING THE ISSUANCE OF  
26 THE BONDS, NOTES OR OTHER OBLIGATIONS BY THE COMMISSION, OR  
27 BY ANY TRUST INDENTURE TO WHICH THE COMMISSION IS A PARTY, AS  
28 THE SAME SHALL BECOME DUE.

29 (B) RESTRICTIONS ON TOLL REVENUE.--TOLLS SHALL NOT BE  
30 SUBJECT TO SUPERVISION OR REGULATION BY ANY OTHER STATE

1 COMMISSION, BOARD, BUREAU OR AGENCY. SUBJECT TO THE TERMS OF ANY  
2 PRESENTLY EXISTING TRUST INDENTURE ENTERED INTO BY THE  
3 COMMISSION AND ANY PRESENTLY EXISTING RESOLUTION AUTHORIZING THE  
4 ISSUANCE OF ANY BONDS, NOTES OR OTHER OBLIGATIONS OF THE  
5 COMMISSION, THE TOLLS AND ALL OTHER REVENUE DERIVED FROM THE  
6 PENNSYLVANIA TURNPIKE SYSTEM SHALL BE SET ASIDE AND PLEDGED AS  
7 MAY BE PROVIDED IN ANY RESOLUTIONS, TRUST INDENTURES OR ANY  
8 OTHER AGREEMENTS THAT THE COMMISSION MAY HEREAFTER ADOPT OR  
9 HEREAFTER ENTER INTO WITH RESPECT TO THE ISSUANCE OF BONDS,  
10 NOTES OR OTHER OBLIGATIONS OF THE COMMISSION.

11 § 8116.1. ELECTRONIC TOLL COLLECTION.

12 (A) LIABILITY OF OWNER.--

13 (1) IF AN OPERATOR OF A VEHICLE FAILS TO PAY THE  
14 PRESCRIBED TOLL AT ANY LOCATION WHERE TOLLS ARE COLLECTED BY  
15 MEANS OF ELECTRONIC TOLL COLLECTION, THE OWNER OF THE VEHICLE  
16 SHALL BE LIABLE TO THE COMMISSION FOR FAILURE OF THE OPERATOR  
17 OF THE VEHICLE TO COMPLY WITH THIS SECTION IF THE VIOLATION  
18 IS EVIDENCED BY INFORMATION OBTAINED FROM A VIOLATION  
19 ENFORCEMENT SYSTEM.

20 (2) IF A VIOLATION OF THIS SECTION IS COMMITTED, THE  
21 REGISTRATION PLATE NUMBER OF THE VEHICLE AS RECORDED BY A  
22 VIOLATION ENFORCEMENT SYSTEM SHALL ESTABLISH AN INFERENCE  
23 THAT THE OWNER OF THE VEHICLE WAS THEN OPERATING THE VEHICLE.  
24 THE INFERENCE SHALL BE OVERCOME IF THE OWNER DOES ALL OF THE  
25 FOLLOWING:

26 (I) TESTIFIES THAT THE OWNER WAS NOT OPERATING THE  
27 VEHICLE AT THE TIME OF THE VIOLATION.

28 (II) SUBMITS TO AN EXAMINATION AS TO WHO AT THE TIME  
29 WAS OPERATING THE VEHICLE.

30 (III) REVEALS THE NAME AND RESIDENCE ADDRESS, IF

1           KNOWN, OF THE OPERATOR OF THE VEHICLE.

2           (3) IF AN ACTION OR PROCEEDING IS COMMENCED IN A COUNTY  
3           OTHER THAN THAT OF THE RESIDENCE OF THE OWNER, A VERIFIED  
4           WRITTEN STATEMENT SETTING FORTH THE FACTS PRESCRIBED UNDER  
5           PARAGRAPH (2)(I), (II) AND (III) SHALL SUFFICE TO OVERCOME  
6           THE INFERENCE.

7           (4) IF THE INFERENCE IS OVERCOME, THE OPERATOR OF THE  
8           VEHICLE MAY BE HELD LIABLE UNDER THIS SECTION FOR FAILURE TO  
9           PAY THE PRESCRIBED TOLL IN THE SAME MANNER AS IF THE OPERATOR  
10          WERE THE OWNER OF THE VEHICLE.

11          (B) IMPOSITION OF LIABILITY.--LIABILITY UNDER THIS SECTION  
12          SHALL BE IMPOSED UPON AN OWNER FOR A VIOLATION OF THIS SECTION  
13          OR THE REGULATIONS OF THE COMMISSION OCCURRING WITHIN THE  
14          TERRITORIAL LIMITS OF THIS COMMONWEALTH. IF A VIOLATION IS  
15          COMMITTED AS EVIDENCED BY A VIOLATION ENFORCEMENT SYSTEM, THE  
16          FOLLOWING SHALL APPLY:

17           (1) THE COMMISSION OR AN AUTHORIZED AGENT OR EMPLOYEE  
18           MUST PREPARE AND MAIL A NOTICE OF VIOLATION AS FOLLOWS:

19           (I) THE NOTICE OF VIOLATION MUST BE SENT BY FIRST  
20           CLASS MAIL TO EACH PERSON ALLEGED TO BE LIABLE AS AN  
21           OWNER FOR A VIOLATION OF THIS SECTION.

22           (II) THE NOTICE MUST BE MAILED AT THE ADDRESS SHOWN  
23           ON THE VEHICLE REGISTRATION OR AT THE ADDRESS OF THE  
24           OPERATOR, AS APPLICABLE. NOTICE MUST BE MAILED NO LATER  
25           THAN 60 DAYS AFTER:

26           (A) THE ALLEGED CONDUCT; OR

27           (B) THE DATE THE INFERENCE IS OVERCOME UNDER  
28           SUBSECTION (A)(2).

29           (III) PERSONAL SERVICE IS NOT REQUIRED.

30           (IV) THE NOTICE MUST CONTAIN ALL OF THE FOLLOWING:

1                   (A) INFORMATION ADVISING THE PERSON CHARGED OF  
2                   THE MANNER AND TIME IN WHICH THE LIABILITY ALLEGED IN  
3                   THE NOTICE MAY BE CONTESTED.

4                   (B) A WARNING ADVISING THE PERSON CHARGED THAT  
5                   FAILURE TO CONTEST IN THE MANNER AND TIME PROVIDED  
6                   SHALL BE DEEMED AN ADMISSION OF LIABILITY AND THAT A  
7                   DEFAULT JUDGMENT MAY BE ENTERED ON THE NOTICE.

8                   (1.1) A MANUAL OR AUTOMATIC RECORD OF MAILING PREPARED  
9                   IN THE ORDINARY COURSE OF BUSINESS SHALL BE PRIMA FACIE  
10                  EVIDENCE OF THE MAILING OF NOTICE.

11                  (2) IF AN OWNER OF A VEHICLE OR AN OWNER THAT IS A  
12                  LESSOR OF A VEHICLE RECEIVES A NOTICE OF VIOLATION UNDER THIS  
13                  SECTION FOR ANY TIME PERIOD DURING WHICH THE VEHICLE WAS  
14                  REPORTED TO A POLICE DEPARTMENT AS HAVING BEEN STOLEN, IT  
15                  SHALL BE A DEFENSE TO THE ALLEGATION OF LIABILITY THAT THE  
16                  VEHICLE HAD BEEN REPORTED TO THE POLICE AS HAVING BEEN STOLEN  
17                  PRIOR TO THE TIME THE VIOLATION OCCURRED AND THAT THE VEHICLE  
18                  HAD NOT BEEN RECOVERED BY THE TIME OF THE VIOLATION. FOR  
19                  PURPOSES OF ASSERTING THE DEFENSE UNDER THIS PARAGRAPH, IT  
20                  SHALL BE SUFFICIENT THAT A CERTIFIED COPY OF THE POLICE  
21                  REPORT ON THE STOLEN VEHICLE BE SENT BY FIRST CLASS MAIL TO  
22                  THE COMMISSION WITHIN 30 DAYS AFTER RECEIVING THE ORIGINAL  
23                  NOTICE OF VIOLATION. FAILURE TO SEND THE INFORMATION WITHIN  
24                  THE TIME LIMIT UNDER THIS PARAGRAPH SHALL RENDER THE OWNER OR  
25                  LESSOR LIABLE FOR THE PENALTY PRESCRIBED BY THIS SECTION.

26                  (3) AN OWNER THAT IS A LESSOR OF A VEHICLE AS TO WHICH A  
27                  NOTICE OF VIOLATION WAS ISSUED UNDER PARAGRAPH (1) SHALL NOT  
28                  BE LIABLE FOR A VIOLATION IF THE OWNER SENDS TO THE  
29                  COMMISSION A COPY OF THE RENTAL, LEASE OR OTHER CONTRACT  
30                  DOCUMENT COVERING THE VEHICLE ON THE DATE OF THE VIOLATION.



1 WITH THE NAME AND ADDRESS OF THE LESSEE CLEARLY LEGIBLE TO  
2 THE COMMISSION, WITHIN 30 DAYS AFTER RECEIVING THE ORIGINAL  
3 NOTICE OF VIOLATION. FAILURE TO SEND THE INFORMATION WITHIN  
4 THE TIME LIMIT UNDER THIS PARAGRAPH SHALL RENDER THE LESSOR  
5 LIABLE FOR THE PENALTY PRESCRIBED BY THIS SECTION. IF THE  
6 LESSOR COMPLIES WITH THE PROVISIONS OF THIS SECTION, THE  
7 LESSEE OF THE VEHICLE ON THE DATE OF THE VIOLATION SHALL BE  
8 DEEMED TO BE THE OWNER OF THE VEHICLE FOR PURPOSES OF THIS  
9 SECTION AND SHALL BE SUBJECT TO LIABILITY FOR THE PENALTY  
10 UNDER THIS SECTION.

11 (4) A CERTIFIED REPORT OR A FACSIMILE REPORT OF AN  
12 AUTHORIZED AGENT OR EMPLOYEE OF THE COMMISSION REPORTING A  
13 VIOLATION OF THIS SECTION OR REGULATIONS OF THE COMMISSION  
14 BASED UPON THE RECORDED INFORMATION OBTAINED FROM A VIOLATION  
15 ENFORCEMENT SYSTEM SHALL BE PRIMA FACIE EVIDENCE OF THE FACTS  
16 CONTAINED IN THE REPORT AND SHALL BE ADMISSIBLE AS AN  
17 OFFICIAL RECORD KEPT IN THE ORDINARY COURSE OF BUSINESS IN  
18 ANY PROCEEDING CHARGING A VIOLATION OF THIS SECTION OR THE  
19 TOLL COLLECTION REGULATIONS OF THE COMMISSION.

20 (5) NOTWITHSTANDING ANY OTHER PROVISION OF LAW,  
21 VIDEOTAPES, PHOTOGRAPHS, MICROPHOTOGRAPHS, OTHER RECORDED  
22 IMAGES, WRITTEN RECORDS, REPORTS OR FACSIMILES PREPARED  
23 PURSUANT TO THIS SECTION SHALL BE FOR THE EXCLUSIVE USE OF  
24 THE COMMISSION, ITS AUTHORIZED AGENTS, ITS EMPLOYEES AND LAW  
25 ENFORCEMENT OFFICIALS FOR THE PURPOSE OF DISCHARGING DUTIES  
26 UNDER THIS SECTION AND THE REGULATIONS OF THE COMMISSION. THE  
27 INFORMATION SHALL NOT BE DEEMED A PUBLIC RECORD UNDER THE ACT  
28 OF JUNE 21, 1957 (P.L.390, NO.212), REFERRED TO AS THE RIGHT-  
29 TO-KNOW LAW. THE INFORMATION SHALL NOT BE DISCOVERABLE BY  
30 COURT ORDER OR OTHERWISE; NOR SHALL IT BE OFFERED IN EVIDENCE

1 IN ANY ACTION OR PROCEEDING WHICH IS NOT DIRECTLY RELATED TO  
2 A VIOLATION OF THIS SECTION, THE REGULATIONS OF THE  
3 COMMISSION OR INDEMNIFICATION FOR LIABILITY IMPOSED PURSUANT  
4 TO THIS SECTION. THE RESTRICTIONS SET FORTH IN THIS  
5 PARAGRAPH:

6 (I) SHALL NOT BE DEEMED TO PRECLUDE A COURT OF  
7 COMPETENT JURISDICTION FROM ISSUING AN ORDER DIRECTING  
8 THAT THE INFORMATION BE PROVIDED TO LAW ENFORCEMENT  
9 OFFICIALS IF THE INFORMATION IS REASONABLY DESCRIBED AND  
10 IS REQUESTED SOLELY IN CONNECTION WITH A CRIMINAL LAW  
11 ENFORCEMENT ACTION;

12 (II) SHALL NOT BE DEEMED TO PRECLUDE THE EXCHANGE OF  
13 THE INFORMATION BETWEEN ANY ENTITIES WITH JURISDICTION  
14 OVER OR WHICH OPERATE AN ELECTRONIC TOLL COLLECTION  
15 SYSTEM IN THIS COMMONWEALTH OR ANY OTHER JURISDICTION;  
16 AND

17 (III) SHALL NOT BE DEEMED TO PROHIBIT THE USE OF  
18 INFORMATION EXCLUSIVELY FOR THE PURPOSE OF BILLING  
19 ELECTRONIC TOLL COLLECTION ACCOUNT HOLDERS, DEDUCTING  
20 TOLL CHARGES FROM THE ACCOUNT OF AN ACCOUNT HOLDER,  
21 ENFORCING TOLL COLLECTION LAWS AND RELATED REGULATIONS OR  
22 ENFORCING THE PROVISIONS OF AN ACCOUNT HOLDER AGREEMENT.

23 (6) AN IMPOSITION OF LIABILITY UNDER THIS SECTION MUST  
24 BE BASED UPON A PREPONDERANCE OF EVIDENCE.

25 (7) AN IMPOSITION OF LIABILITY PURSUANT TO THIS SECTION  
26 SHALL NOT BE DEEMED A CONVICTION OF AN OWNER AND SHALL NOT BE  
27 MADE PART OF THE MOTOR VEHICLE OPERATING RECORD OF THE PERSON  
28 UPON WHOM THE LIABILITY IS IMPOSED, NOR SHALL IT BE  
29 CONSIDERED IN THE PROVISION OF MOTOR VEHICLE INSURANCE  
30 COVERAGE.

1           (8) AN OWNER THAT ADMITS, IS FOUND LIABLE OR FAILS TO  
2 RESPOND TO THE NOTICE OF VIOLATION FOR A VIOLATION OF THIS  
3 SECTION SHALL BE CIVILLY LIABLE TO THE COMMISSION FOR ALL OF  
4 THE FOLLOWING:

5           (I) EITHER:

6                   (A) THE AMOUNT OF THE TOLL EVADED OR ATTEMPTED  
7 TO BE EVADED IF THE AMOUNT CAN BE DETERMINED; OR

8                   (B) THE MAXIMUM TOLL FROM THE FARTHEST POINT OF  
9 ENTRY ON THE PENNSYLVANIA TURNPIKE TO THE ACTUAL  
10 POINT OF EXIT IF THE AMOUNT OF THE TOLL EVADED OR  
11 ATTEMPTED TO BE EVADED CANNOT BE DETERMINED.

12           (II) A REASONABLE ADMINISTRATIVE FEE NOT TO EXCEED  
13 \$35 PER NOTIFICATION.

14           (9) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO LIMIT  
15 THE LIABILITY OF THE OPERATOR OF A VEHICLE FOR A VIOLATION OF  
16 THIS SECTION OR OF THE REGULATIONS OF THE COMMISSION.

17           (C) PLACEMENT OF ELECTRONIC TOLL COLLECTION DEVICE.--AN  
18 ELECTRONIC TOLL COLLECTION DEVICE WHICH IS AFFIXED TO THE FRONT  
19 WINDSHIELD OF A VEHICLE IN ACCORDANCE WITH THE REGULATIONS OF  
20 THE COMMISSION SHALL NOT BE DEEMED TO CONSTITUTE A VIOLATION OF  
21 75 PA.C.S. § 4524 (RELATING TO WINDSHIELD OBSTRUCTIONS AND  
22 WIPERS).

23           (D) PRIVACY OF ELECTRONIC TOLL COLLECTION ACCOUNT HOLDER  
24 INFORMATION.--

25           (1) EXCEPT AS SET FORTH PARAGRAPH (2), NOTWITHSTANDING  
26 ANY OTHER PROVISION OF LAW, ALL OF THE FOLLOWING APPLY TO  
27 INFORMATION KEPT BY THE COMMISSION, ITS AUTHORIZED AGENTS OR  
28 ITS EMPLOYEES WHICH IS RELATED TO THE ACCOUNT OF AN  
29 ELECTRONIC TOLL COLLECTION SYSTEM ACCOUNT HOLDER:

30           (I) THE INFORMATION SHALL BE FOR THE EXCLUSIVE USE

1 OF THE COMMISSION, ITS AUTHORIZED AGENTS, ITS EMPLOYEES  
2 AND LAW ENFORCEMENT OFFICIALS FOR THE PURPOSE OF  
3 DISCHARGING THEIR DUTIES PURSUANT TO THIS SECTION AND THE  
4 REGULATIONS OF THE COMMISSION. THIS SUBPARAGRAPH INCLUDES  
5 NAMES, ADDRESSES, ACCOUNT NUMBERS, ACCOUNT BALANCES,  
6 PERSONAL FINANCIAL INFORMATION, VEHICLE MOVEMENT RECORDS  
7 AND OTHER INFORMATION COMPILED FROM TRANSACTIONS WITH THE  
8 ACCOUNT HOLDERS.

9 (II) THE INFORMATION SHALL NOT BE DEEMED A PUBLIC  
10 RECORD UNDER THE RIGHT-TO-KNOW LAW, NOR SHALL IT BE  
11 DISCOVERABLE BY COURT ORDER OR OTHERWISE OR BE OFFERED IN  
12 EVIDENCE IN ANY ACTION OR PROCEEDING WHICH IS NOT  
13 DIRECTLY RELATED TO THE DISCHARGE OF DUTIES UNDER THIS  
14 SECTION, THE REGULATIONS OF THE COMMISSION OR A VIOLATION  
15 OF AN ACCOUNT HOLDER AGREEMENT.

16 (2) PARAGRAPH (1) SHALL NOT BE DEEMED TO DO ANY OF THE  
17 FOLLOWING:

18 (I) PRECLUDE A COURT OF COMPETENT JURISDICTION FROM  
19 ISSUING AN ORDER DIRECTING THAT THE INFORMATION BE  
20 PROVIDED TO LAW ENFORCEMENT OFFICIALS IF THE INFORMATION  
21 IS REASONABLY DESCRIBED AND IS REQUESTED SOLELY IN  
22 CONNECTION WITH A CRIMINAL LAW ENFORCEMENT ACTION.

23 (II) PRECLUDE THE EXCHANGE OF THE INFORMATION  
24 BETWEEN ANY ENTITIES WITH JURISDICTION OVER OR WHICH  
25 OPERATE AN ELECTRONIC TOLL COLLECTION SYSTEM IN THIS  
26 COMMONWEALTH OR ANY OTHER JURISDICTION.

27 (III) PROHIBIT THE USE OF THE INFORMATION  
28 EXCLUSIVELY FOR THE PURPOSE OF BILLING ELECTRONIC TOLL  
29 COLLECTION ACCOUNT HOLDERS, DEDUCTING TOLL CHARGES FROM  
30 THE ACCOUNT OF AN ACCOUNT HOLDER, ENFORCING TOLL

1           COLLECTION LAWS AND RELATED REGULATIONS OR ENFORCING THE  
2           PROVISIONS OF AN ACCOUNT HOLDER AGREEMENT.

3           (E) DEFINITION.--AS USED IN THIS SECTION, THE TERM "OWNER"  
4 MEANS ANY PERSON, CORPORATION, FIRM, PARTNERSHIP, AGENCY,  
5 ASSOCIATION, ORGANIZATION OR LESSOR THAT, AT THE TIME A VEHICLE  
6 IS OPERATED IN VIOLATION OF THIS SECTION OR REGULATIONS OF THE  
7 COMMISSION:

8           (1) IS THE BENEFICIAL OR EQUITABLE OWNER OF THE VEHICLE;

9           (2) HAS TITLE TO THE VEHICLE; OR

10           (3) IS THE REGISTRANT OR COREGISTRANT OF THE VEHICLE

11           REGISTERED WITH THE DEPARTMENT OR A COMPARABLE AGENCY OF

12           ANOTHER JURISDICTION OR USES THE VEHICLE IN ITS VEHICLE

13           RENTING OR LEASING BUSINESS. THE TERM INCLUDES A PERSON

14           ENTITLED TO THE USE AND POSSESSION OF A VEHICLE SUBJECT TO A

15           SECURITY INTEREST IN ANOTHER PERSON.

16   § 8117. REFUNDING BONDS.

17           THE COMMISSION IS AUTHORIZED TO PROVIDE, BY RESOLUTION, FOR

18           THE ISSUANCE OF TURNPIKE REVENUE REFUNDING BONDS FOR THE PURPOSE

19           OF REFUNDING ISSUED AND OUTSTANDING TURNPIKE REVENUE BONDS,

20           NOTES OR OTHER OBLIGATIONS. APPLICABLE PROVISIONS OF THIS

21           CHAPTER GOVERN ALL OF THE FOLLOWING:

22           (1) ISSUANCE OF THE TURNPIKE REVENUE REFUNDING BONDS.

23           (2) MATURITIES AND OTHER DETAILS OF THE REFUNDING BONDS.

24           (3) RIGHTS OF THE HOLDERS OF THE BONDS.

25           (4) DUTIES OF THE COMMONWEALTH AND OF THE COMMISSION IN

26           RESPECT TO THE BONDS.

27   § 8118. RIGHTS OF OBLIGATION HOLDERS AND TRUSTEES.

28           (A) SCOPE.--THIS SECTION APPLIES TO ALL OF THE FOLLOWING:

29           (1) A HOLDER OF:

30           (I) A BOND, NOTE OR OTHER OBLIGATION ISSUED UNDER

1           THIS CHAPTER; OR

2                   (II) A COUPON ATTACHED TO THE BOND, NOTE OR OTHER  
3           OBLIGATION.

4           (2) THE TRUSTEE UNDER AN APPLICABLE TRUST INDENTURE.

5           (B) ENFORCEMENT.--SUBJECT TO SUBSECTION (C), A PERSON  
6 REFERRED TO IN SUBSECTION (A) MAY, BY AN ACTION AT LAW OR IN  
7 EQUITY, DO ALL OF THE FOLLOWING:

8                   (1) PROTECT AND ENFORCE RIGHTS GRANTED UNDER THIS  
9 CHAPTER OR UNDER THE RESOLUTION OR TRUST INDENTURE.

10                   (2) ENFORCE AND COMPEL PERFORMANCE OF ALL DUTIES  
11 REQUIRED BY THIS CHAPTER OR BY THE RESOLUTION OR TRUST  
12 INDENTURE TO BE PERFORMED BY THE COMMISSION OR AN OFFICER OF  
13 THE COMMISSION. THIS PARAGRAPH INCLUDES FIXING, CHARGING AND  
14 COLLECTING OF TOLLS FOR THE USE OF THE TURNPIKES.

15           (C) RESTRICTION.--RIGHTS UNDER THIS CHAPTER MAY BE  
16 RESTRICTED BY RESOLUTION PASSED BEFORE THE ISSUANCE OF THE BOND,  
17 NOTE OR OTHER OBLIGATION OR BY THE TRUST INDENTURE.

18 § 8119. AUTHORITY GRANTED TO SECRETARY.

19           (A) AGREEMENT WITH FEDERAL GOVERNMENT.--

20                   (1) THE SECRETARY IS AUTHORIZED TO ENTER INTO AN  
21 AGREEMENT WITH THE UNITED STATES DEPARTMENT OF  
22 TRANSPORTATION, THE FEDERAL HIGHWAY ADMINISTRATION AND ANY  
23 OTHER FEDERAL AGENCY TO OBTAIN FEDERAL FUNDS FOR PROJECTS FOR  
24 RESURFACING, RESTORING AND REHABILITATING TOLL ROADS IN THIS  
25 COMMONWEALTH. THE COMMISSION IS AUTHORIZED TO USE FEDERAL  
26 FUNDS WHICH MAY BE AVAILABLE FOR TOLL ROADS ONLY UPON  
27 APPROVAL OF THE SECRETARY AND ONLY UNDER THE AUTHORITY  
28 GRANTED UNDER THIS SECTION.

29                   (2) (RESERVED).

30           (B) APPROVAL BY DEPARTMENT.--CONTRACTS AND AGREEMENTS

1 RELATING TO THE CONSTRUCTION OF THE TURNPIKES AND CONNECTING  
2 TUNNELS AND BRIDGES MUST BE APPROVED BY THE DEPARTMENT.

3 § 8120. CONSTRUCTION OF CHAPTER.

4 THIS CHAPTER SHALL BE REGARDED AS SUPPLEMENTAL AND ADDITIONAL  
5 TO POWERS CONFERRED BY OTHER STATUTES AND SHALL NOT BE REGARDED  
6 AS IN DEROGATION OF ANY POWERS NOW EXISTING AND SHALL BE  
7 LIBERALLY CONSTRUED TO EFFECT ITS PURPOSES.

8 SECTION 2.3. SECTION 8901 OF TITLE 75 IS AMENDED TO READ:

9 § 8901. DEFINITIONS.

10 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER  
11 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
12 CONTEXT CLEARLY INDICATES OTHERWISE:

13 "ANNUAL ADDITIONAL RENT." THAT PORTION OF THE RENT PAYABLE  
14 TO THE DEPARTMENT OF TRANSPORTATION UNDER SECTION 8915.3(5)  
15 (RELATING TO LEASE OF INTERSTATE 80).

16 "ANNUAL BASE RENT." THAT PORTION OF THE RENT PAYABLE TO THE  
17 DEPARTMENT OF TRANSPORTATION UNDER SECTION 8915.3(4) (RELATING  
18 TO LEASE OF INTERSTATE 80).

19 "ANNUAL SURPLUS RENT." THAT PORTION OF THE RENT PAYABLE TO  
20 THE DEPARTMENT OF TRANSPORTATION UNDER SECTION 8915.3(6)  
21 (RELATING TO LEASE OF INTERSTATE 80).

22 "AUDITOR GENERAL'S CERTIFICATE." THE CERTIFICATE ISSUED BY  
23 THE AUDITOR GENERAL WITHIN 180 DAYS AFTER THE END OF EACH FISCAL  
24 YEAR OF THE PENNSYLVANIA TURNPIKE COMMISSION CERTIFYING ALL OF  
25 THE FOLLOWING:

26 (1) THE AMOUNT OF THE GENERAL RESERVE FUND SURPLUS FOR  
27 THE FISCAL YEAR.

28 (2) INTERSTATE 80 SAVINGS FOR THE FISCAL YEAR.

29 (3) AFTER REVIEW OF THE COMMISSION'S CURRENT TEN-YEAR  
30 CAPITAL PLAN, THAT THE TRANSFER OF THE GENERAL RESERVE FUND

1 SURPLUS UNDER SECTION 8915.3 (RELATING TO LEASE OF INTERSTATE  
2 80) SHALL NOT IMPAIR THE ABILITY OF THE COMMISSION TO MEET  
3 ITS OBLIGATIONS UNDER THE LEASE AGREEMENT OR THE COMMISSION'S  
4 TEN-YEAR CAPITAL PLAN.

5 "COMMISSION." THE PENNSYLVANIA TURNPIKE COMMISSION.

6 "CONVERSION DATE." THE DATE THE PENNSYLVANIA TURNPIKE  
7 COMMISSION INTENDS TO ASSUME CONTROL OVER INTERSTATE 80 AS SET  
8 FORTH IN THE CONVERSION NOTICE.

9 "CONVERSION NOTICE." WRITTEN NOTICE TO THE SECRETARY OF  
10 TRANSPORTATION FROM THE PENNSYLVANIA TURNPIKE COMMISSION  
11 PROVIDING NOTICE OF ITS INTENT TO ASSUME CONTROL OVER INTERSTATE  
12 80 UNDER SECTION 8915.3(3) (RELATING TO LEASE OF INTERSTATE 80).

13 "CONVERSION PERIOD." A PERIOD OF THREE YEARS:

14 (1) WHICH BEGINS ON THE DATE OF EXECUTION OF THE LEASE  
15 AGREEMENT; AND

16 (2) DURING WHICH THE PENNSYLVANIA TURNPIKE COMMISSION  
17 MAY GIVE THE DEPARTMENT OF TRANSPORTATION CONVERSION NOTICE  
18 OR NOTICE THAT THE COMMISSION HAS EXERCISED ITS OPTION TO  
19 EXTEND THE CONVERSION PERIOD PURSUANT TO SECTION 8915.3(2)  
20 (RELATING TO LEASE OF INTERSTATE 80).

21 "FISCAL YEAR." THE FISCAL YEAR OF THE PENNSYLVANIA TURNPIKE  
22 COMMISSION.

23 "GENERAL RESERVE FUND SURPLUS." THE AMOUNT WHICH:

24 (1) IS CERTIFIED BY THE AUDITOR GENERAL IN THE AUDITOR  
25 GENERAL'S CERTIFICATE AS EXISTING IN THE PENNSYLVANIA  
26 TURNPIKE COMMISSION'S GENERAL RESERVE FUND ON THE LAST DAY OF  
27 THE FISCAL YEAR; AND

28 (2) IS NOT REQUIRED TO BE RETAINED IN THE GENERAL  
29 RESERVE FUND PURSUANT TO ANY FINANCIAL DOCUMENTS, FINANCIAL  
30 COVENANTS, INSURANCE POLICIES, LIQUIDITY POLICIES OR



1 AGREEMENTS, SWAP AGREEMENTS OR RATING AGENCY REQUIREMENTS IN  
2 EFFECT AT THE COMMISSION.

3 "INTERSTATE 80 SAVINGS." AN AMOUNT EQUAL TO THE FOLLOWING:

4 (1) PRIOR TO THE CONVERSION DATE, THE AMOUNT SHALL BE  
5 ZERO.

6 (2) AFTER THE CONVERSION DATE, THE AMOUNT CERTIFIED IN  
7 THE AUDITOR GENERAL'S CERTIFICATE EQUAL TO \$100,000,000,  
8 INCREASED BY 4% FOR EACH YEAR AFTER THE YEAR OF EXECUTION OF  
9 THE LEASE AGREEMENT.

10 "LEASE AGREEMENT." A LEASE AGREEMENT BETWEEN THE DEPARTMENT  
11 OF TRANSPORTATION AND THE PENNSYLVANIA TURNPIKE COMMISSION WHICH  
12 SHALL INCLUDE PROVISIONS SETTING FORTH THE TERMS OF THE  
13 CONVERSION OF INTERSTATE 80 TO A TOLL ROAD.

14 "SCHEDULED ANNUAL COMMISSION CONTRIBUTION." THE FOLLOWING  
15 AMOUNTS:

16 (1) \$700,000,000 IN FISCAL YEAR 2007-2008.

17 (2) \$750,000,000 IN FISCAL YEAR 2008-2009.

18 (3) \$800,000,000 IN FISCAL YEAR 2009-2010.

19 (4) \$800,000,000 INCREASED BY 2.5% FOR EACH FISCAL YEAR  
20 AFTER FISCAL YEAR 2009-2010.

21 SECTION 2.4. SECTION 8911 INTRODUCTORY PARAGRAPH OF TITLE 75  
22 IS AMENDED AND THE SECTION IS AMENDED BY ADDING A PARAGRAPH TO  
23 READ:

24 § 8911. IMPROVEMENT AND EXTENSION AUTHORIZATIONS.

25 IN ORDER TO FACILITATE VEHICULAR TRAFFIC WITHIN AND ACROSS  
26 THIS COMMONWEALTH, THE COMMISSION IS HEREBY AUTHORIZED AND  
27 EMPOWERED TO CONSTRUCT, RECONSTRUCT, WIDEN, EXPAND, EXTEND,  
28 OPERATE AND MAINTAIN TURNPIKE EXTENSIONS AND TURNPIKE  
29 IMPROVEMENTS AT SUCH SPECIFIC LOCATIONS AND ACCORDING TO SUCH  
30 SCHEDULE AS SHALL BE DEEMED FEASIBLE AND APPROVED BY THE

1 COMMISSION, TOGETHER WITH CONNECTING ROADS, STORM WATER  
2 MANAGEMENT SYSTEMS, INTERCHANGES, SLIP RAMPS, TUNNELS AND  
3 BRIDGES, SUBJECT TO THE WAIVER OF THE FEDERAL TOLL PROHIBITION  
4 PROVISIONS WHERE APPLICABLE, AS FOLLOWS:

5 \* \* \*

6 (10) OTHER SLIP RAMPS AND INTERCHANGES AS THE COMMISSION  
7 MAY DETERMINE.

8 SECTION 2.5. SECTIONS 8912 INTRODUCTORY PARAGRAPH, 8913,  
9 8914 INTRODUCTORY PARAGRAPH AND 8915 INTRODUCTORY PARAGRAPH OF  
10 TITLE 75 ARE AMENDED TO READ:

11 § 8912. SUBSEQUENT EXTENSION AUTHORIZATIONS.

12 THE COMMISSION IS ALSO HEREBY AUTHORIZED AND EMPOWERED TO  
13 CONSTRUCT, RECONSTRUCT, WIDEN, EXPAND, EXTEND, OPERATE AND  
14 MAINTAIN FURTHER EXTENSIONS AND IMPROVEMENTS OF THE TURNPIKE AT  
15 SUCH SPECIFIC LOCATIONS AND ACCORDING TO SUCH SCHEDULES AS SHALL  
16 BE DEEMED FEASIBLE AND WHICH SHALL BE APPROVED BY THE  
17 COMMISSION, SUBJECT TO THE WAIVER OF THE FEDERAL TOLL  
18 PROHIBITION PROVISIONS WHERE APPLICABLE, AS FOLLOWS:

19 \* \* \*

20 § 8913. ADDITIONAL SUBSEQUENT EXTENSION AUTHORIZATIONS.

21 UPON SUBSTANTIAL COMPLETION OF THE TURNPIKE EXTENSIONS AND  
22 IMPROVEMENTS SET FORTH IN SECTIONS 8911 (RELATING TO IMPROVEMENT  
23 AND EXTENSION AUTHORIZATIONS) AND 8912 (RELATING TO SUBSEQUENT  
24 EXTENSION AUTHORIZATIONS), THE COMMISSION IS HEREBY AUTHORIZED  
25 AND EMPOWERED TO CONSTRUCT, RECONSTRUCT, WIDEN, EXPAND, EXTEND,  
26 OPERATE AND MAINTAIN FURTHER EXTENSIONS AND IMPROVEMENTS OF THE  
27 TURNPIKE AT SUCH SPECIFIC LOCATIONS AND ACCORDING TO SUCH  
28 SCHEDULES AS SHALL BE DEEMED FEASIBLE AND WHICH SHALL BE  
29 APPROVED BY THE COMMISSION, SUBJECT TO THE WAIVER OF THE FEDERAL  
30 TOLL PROHIBITION PROVISIONS WHERE APPLICABLE, AS FOLLOWS:

1 CONSTRUCT FROM A POINT AT OR NEAR INTERSTATE ROUTE 80  
2 INTERCHANGE 23 AT MILESBERG SOUTHWESTERLY GENERALLY ALONG U.S.  
3 ROUTE 220 TO A CONNECTION WITH THE EXISTING U.S. ROUTE 220  
4 EXPRESSWAY SOUTH OF BALD EAGLE.

5 § 8914. FURTHER SUBSEQUENT AUTHORIZATIONS.

6 UPON COMPLETION OF THE TURNPIKE EXTENSIONS AND IMPROVEMENTS  
7 SET FORTH IN SECTIONS 8911 (RELATING TO IMPROVEMENT AND  
8 EXTENSION AUTHORIZATIONS), 8912 (RELATING TO SUBSEQUENT  
9 EXTENSION AUTHORIZATIONS) AND 8913 (RELATING TO ADDITIONAL  
10 SUBSEQUENT EXTENSION AUTHORIZATIONS), THE COMMISSION IS HEREBY  
11 AUTHORIZED AND EMPOWERED TO CONSTRUCT, RECONSTRUCT, WIDEN,  
12 EXPAND, EXTEND, OPERATE AND MAINTAIN FURTHER EXTENSIONS AND  
13 IMPROVEMENTS OF THE TURNPIKE AT SUCH SPECIFIC LOCATIONS AND  
14 ACCORDING TO SUCH SCHEDULES AS SHALL BE DEEMED FEASIBLE AND  
15 WHICH SHALL BE APPROVED BY THE COMMISSION, SUBJECT TO THE WAIVER  
16 OF THE FEDERAL TOLL PROHIBITION PROVISIONS WHERE APPLICABLE, AS  
17 FOLLOWS:

18 \* \* \*

19 § 8915. CONVERSION TO TOLL ROADS.

20 IN ORDER TO FACILITATE VEHICULAR TRAFFIC WITHIN AND ACROSS  
21 THIS COMMONWEALTH, AND [AFTER] TO FACILITATE THE COMPLETION OF  
22 THE TURNPIKE EXTENSIONS AND IMPROVEMENTS AUTHORIZED IN SECTION  
23 8911 (RELATING TO IMPROVEMENT AND EXTENSION AUTHORIZATIONS), AND  
24 SUBJECT TO PRIOR LEGISLATIVE APPROVAL BY THE GENERAL ASSEMBLY  
25 AND THE UNITED STATES CONGRESS, THE COMMISSION IS HEREBY  
26 AUTHORIZED AND EMPOWERED TO CONVERT TO TOLL ROADS SUCH PORTIONS  
27 OF PENNSYLVANIA'S INTERSTATE HIGHWAY SYSTEM AS MAY [BE REQUIRED  
28 IN ORDER TO] FACILITATE THE COMPLETION OF THE TURNPIKE  
29 EXTENSIONS AND IMPROVEMENTS AUTHORIZED IN SECTIONS 8912  
30 (RELATING TO SUBSEQUENT EXTENSION AUTHORIZATIONS), 8913

1 (RELATING TO ADDITIONAL SUBSEQUENT EXTENSION AUTHORIZATIONS) AND  
2 8914 (RELATING TO FURTHER SUBSEQUENT AUTHORIZATIONS) AND TO  
3 OPERATE AND MAINTAIN SUCH CONVERTED INTERSTATES AS TOLL ROADS  
4 UPON THE APPROVAL BY THE CONGRESS OF THE UNITED STATES OF  
5 AMERICA AND THE GENERAL ASSEMBLY OF THIS COMMONWEALTH OF  
6 LEGISLATION EXPRESSLY PERMITTING THE CONVERSION OF SUCH  
7 INTERSTATES TO TOLL ROADS. SUCH CONVERSIONS SHALL TAKE PLACE AT  
8 A TIME AND MANNER SET FORTH IN THE PLAN FOR THE CONVERSION  
9 PREPARED BY THE COMMISSION WITH THE COOPERATION OF THE  
10 DEPARTMENT. THE PROVISIONS AUTHORIZING THE COMMISSION TO  
11 CONSTRUCT, OPERATE AND MAINTAIN THE TURNPIKE ROUTES IN SECTIONS  
12 8911, 8912 AND 8913 SHALL BE SUBJECT TO:

13 \* \* \*

14 SECTION 2.6. TITLE 75 IS AMENDED BY ADDING SECTIONS TO READ:

15 § 8915.1. CONVERSION OF INTERSTATE 80.

16 IN ORDER TO FACILITATE VEHICULAR TRAFFIC ACROSS THIS  
17 COMMONWEALTH, THE COMMISSION IS AUTHORIZED AND EMPOWERED TO DO  
18 ALL OF THE FOLLOWING:

19 (1) CONSTRUCT, RECONSTRUCT, WIDEN, EXPAND, EXTEND,  
20 OPERATE, MAINTAIN AND MAINTAIN AND OPERATE INTERSTATE 80 FROM  
21 A POINT AT OR NEAR THE OHIO BORDER TO A POINT AT OR NEAR THE  
22 NEW JERSEY BORDER, TOGETHER WITH CONNECTING ROADS,  
23 INTERCHANGES, SLIP RAMPS, TUNNELS AND BRIDGES.

24 (2) ISSUE TURNPIKE REVENUE BONDS, NOTES OR OTHER  
25 OBLIGATIONS, PAYABLE SOLELY FROM REVENUES OF THE COMMISSION,  
26 INCLUDING TOLLS, OR FROM FUNDS AS MAY BE AVAILABLE TO THE  
27 COMMISSION FOR THAT PURPOSE, TO PAY THE COST OF CONSTRUCTION,  
28 RECONSTRUCTING, WIDENING, EXPANDING OR EXTENDING OR ANY OTHER  
29 COSTS OF THE PENNSYLVANIA TURNPIKE.

30 (3) CONVERT TO A TOLL ROAD INTERSTATE 80 AND TO OPERATE

1 AND MAINTAIN THE CONVERTED INTERSTATE AS A TOLL ROAD.  
2 § 8915.2. APPLICATION TO UNITED STATES DEPARTMENT OF  
3 TRANSPORTATION.

4 (A) APPLICATION.--THE COMMISSION, IN CONSULTATION WITH THE  
5 DEPARTMENT AND AT ITS OWN EXPENSE, IS AUTHORIZED TO PREPARE AND  
6 SUBMIT AN APPLICATION TO THE UNITED STATES DEPARTMENT OF  
7 TRANSPORTATION IN ACCORDANCE WITH 23 U.S.C. § 129 (RELATING TO  
8 TOLL ROADS, BRIDGES, TUNNELS, AND FERRIES) FOR THE CONVERSION OF  
9 INTERSTATE 80 TO A TOLL ROAD UNDER THE INTERSTATE RECONSTRUCTION  
10 AND REHABILITATION PILOT PROGRAM OR IN ACCORDANCE WITH ANY OTHER  
11 APPLICABLE FEDERAL PROGRAM OR PROVISION OF LAW. THE SECRETARY  
12 SHALL ENSURE THAT ALL INFORMATION REQUIRED FOR THE APPLICATION  
13 IS MADE AVAILABLE TO THE COMMISSION AS SOON AS PRACTICABLE AFTER  
14 THE EFFECTIVE DATE OF THIS SECTION. IF THE APPLICATION IS  
15 SUBMITTED PURSUANT TO THE INTERSTATE RECONSTRUCTION AND  
16 REHABILITATION PILOT PROGRAM, IT SHALL CONTAIN ALL OF THE  
17 FOLLOWING:

18 (1) A CONSULTING CIVIL ENGINEER'S REPORT ASSESSING THE  
19 CURRENT PHYSICAL CONDITIONS OF THE ROADBED, PAVEMENT, BRIDGES  
20 AND INTERCHANGES AND PROJECTING THE COSTS TO UPGRADE  
21 INTERSTATE 80, THE COSTS FOR ADDITIONAL IMPROVEMENTS AND  
22 IMPLEMENTATION OF THE TOLLING FACILITIES AND EXISTING FUNDS  
23 AVAILABLE FOR INTERSTATE 80, ABSENT TOLLING AND CONCLUDING  
24 THAT THE FACILITY WOULD NOT BE MAINTAINED OR IMPROVED TO MEET  
25 CURRENT OR FUTURE NEEDS FROM THE COMMONWEALTH'S  
26 APPORTIONMENTS AND ALLOCATIONS AND FROM REVENUES FOR HIGHWAYS  
27 FROM ANY OTHER SOURCE WITHOUT TOLL REVENUES.

28 (2) A TRAFFIC AND REVENUE REPORT COMPLETED BY A THIRD-  
29 PARTY CONSULTANT FORECASTING FUTURE TRAFFIC AND REVENUE OVER  
30 A MINIMUM OF 20 YEARS.

1           (3) AN ENVIRONMENTAL SCOPING ANALYSIS ASSESSING THE  
2 FISCAL IMPACT, ANY AIR AND WATER QUALITY ISSUES AND THE  
3 INVOLVEMENT OF LOCAL METROPOLITAN PLANNING ORGANIZATIONS.

4           (4) A CONSTRUCTION AND OPERATIONAL PLAN FOR THE  
5 IMPLEMENTATION OF THE TOLL PILOT PROGRAM FOR INTERSTATE 80  
6 WHICH:

7           (I) ASSUMES COMPLETION NO LATER THAN FIVE YEARS  
8 AFTER FINANCING;

9           (II) INCLUDES A PLAN FOR IMPLEMENTING THE IMPOSITION  
10 OF TOLLS ON USE OF INTERSTATE 80, A SCHEDULE AND FINANCE  
11 PLAN FOR THE RECONSTRUCTION AND REHABILITATION OF  
12 INTERSTATE 80 USING TOLL REVENUES AND A DESCRIPTION OF  
13 THE PUBLIC TRANSPORTATION AGENCY THAT WILL BE RESPONSIBLE  
14 FOR IMPLEMENTATION AND ADMINISTRATION OF THE TOLL PILOT  
15 PROGRAM.

16           (5) A FINANCIAL ANALYSIS DEMONSTRATING THAT TOLLING  
17 INTERSTATE 80 WILL PRODUCE SUFFICIENT REVENUE TO PAY DEBT  
18 SERVICE ON ANY BONDS AND LOANS INCURRED WITH RESPECT TO THE  
19 TOLL PILOT PROGRAM.

20           (B) OPEN SYSTEM.--A TOLL SYSTEM SHALL CONSIST OF WHAT IS  
21 COMMONLY REFERRED TO AS AN OPEN SYSTEM.

22 § 8915.3. LEASE OF INTERSTATE 80.

23           THE DEPARTMENT AND THE COMMISSION SHALL ENTER INTO A LEASE  
24 AGREEMENT RELATING TO INTERSTATE 80. THE LEASE AGREEMENT SHALL  
25 INCLUDE PROVISIONS SETTING FORTH THE TERMS AND CONDITIONS OF THE  
26 CONVERSION OF INTERSTATE 80 TO A TOLL ROAD. THE LEASE AGREEMENT,  
27 AT A MINIMUM, SHALL INCLUDE THE FOLLOWING:

28           (1) A PROVISION THAT THE TERM OF THE LEASE AGREEMENT  
29 SHALL BE 50 YEARS, UNLESS EXTENDED UPON MUTUAL AGREEMENT OF  
30 THE PARTIES TO THE LEASE AGREEMENT.

1           (2) A PROVISION ESTABLISHING A CONVERSION PERIOD AND  
2 AUTHORIZING EXTENSION OF THE CONVERSION PERIOD AT THE SOLE  
3 OPTION OF THE COMMISSION FOR THREE ONE-YEAR EXTENSION PERIODS  
4 AFTER CONSULTATION WITH THE SECRETARY. THE COMMISSION SHALL  
5 NOTIFY THE SECRETARY OF ITS INTENT TO EXTEND THE CONVERSION  
6 PERIOD NOT LESS THAN 90 DAYS BEFORE THE SCHEDULED EXPIRATION  
7 OF THE CONVERSION PERIOD. DURING THE CONVERSION PERIOD, ALL  
8 LEGAL, FINANCIAL AND OPERATIONAL RESPONSIBILITY FOR  
9 INTERSTATE 80 SHALL REMAIN WITH THE DEPARTMENT. ALL  
10 OPERATIONS AND PROGRAMMED REHABILITATION SHALL BE MAINTAINED  
11 AT LEVELS NO LESS FAVORABLE THAN THOSE SET FORTH IN THE  
12 DEPARTMENT'S 12-YEAR PLAN AT THE TIME OF THE EXECUTION OF THE  
13 LEASE, WITH MODIFICATIONS AS ARE APPROVED IN WRITING BY THE  
14 CHAIRMAN OF THE COMMISSION.

15           (3) A PROVISION PERMITTING THE COMMISSION TO EXERCISE  
16 ITS OPTION TO CONVERT INTERSTATE 80 TO A TOLL ROAD PRIOR TO  
17 THE EXPIRATION OF THE CONVERSION PERIOD BY PROVIDING THE  
18 CONVERSION NOTICE TO THE SECRETARY. BEGINNING ON THE  
19 CONVERSION DATE, ALL LEGAL, FINANCIAL AND OPERATIONAL  
20 RESPONSIBILITY FOR INTERSTATE 80, AS WELL AS ALL TOLL  
21 REVENUES COLLECTED WITH RESPECT TO ITS USE, SHALL BE  
22 TRANSFERRED FROM THE DEPARTMENT TO THE COMMISSION. THE  
23 COMMISSION SHALL CONTRACT WITH THE DEPARTMENT FOR ANY PORTION  
24 OF THE MAINTENANCE OF INTERSTATE 80 AT COST LEVELS NO LESS  
25 FAVORABLE THAN THOSE OF THE DEPARTMENT ON THE CONVERSION  
26 DATE.

27           (4) A PROVISION REQUIRING THE COMMISSION TO PAY ANNUAL  
28 BASE RENT TO THE DEPARTMENT DURING THE TERM OF THE LEASE  
29 AGREEMENT IN THE FOLLOWING MANNER AND EQUAL TO THE FOLLOWING  
30 AMOUNTS:

1           (I) ANNUAL DEBT SERVICE ON OUTSTANDING BONDS ISSUED  
2           UNDER SECTION 9511.2 (RELATING TO SPECIAL REVENUE BONDS  
3           PAYABLE SOLELY FROM PLEDGED REVENUES OF MOTOR LICENSE  
4           FUND) PAYABLE AS REQUIRED PURSUANT TO BONDS.

5           (II) \$200,000,000 PAYABLE ANNUALLY IN FOUR EQUAL  
6           INSTALLMENTS EACH DUE THE FIRST BUSINESS DAY OF EACH  
7           JULY, OCTOBER, JANUARY AND APRIL.

8           (5) A PROVISION REQUIRING THE COMMISSION TO PAY ANNUAL  
9           ADDITIONAL RENT TO THE DEPARTMENT AS FOLLOWS:

10           (I) DURING THE CONVERSION PERIOD AND AFTER THE  
11           CONVERSION OF INTERSTATE 80 TO A TOLL ROAD, THE ANNUAL  
12           ADDITIONAL RENT SHALL BE EQUAL TO THE SCHEDULED ANNUAL  
13           COMMISSION CONTRIBUTION, MINUS ANY AMOUNTS PAID UNDER  
14           PARAGRAPH (4) LESS THE PROCEEDS OF BONDS ALLOCABLE TO THE  
15           FISCAL YEAR IN QUESTION ISSUED UNDER SECTION 9511.2 AND  
16           ANY INTERSTATE 80 SAVINGS FOR THAT FISCAL YEAR AS SET  
17           FORTH IN THE AUDITOR GENERAL'S CERTIFICATE.

18           (II) IF CONVERSION NOTICE IS NOT RECEIVED BY THE  
19           SECRETARY PRIOR TO THE EXPIRATION OF THE CONVERSION  
20           PERIOD, THE ANNUAL ADDITIONAL RENT SHALL BE EQUAL TO  
21           \$250,000,000.

22           THE ANNUAL ADDITIONAL RENT PROVIDED UNDER THIS PARAGRAPH IS  
23           DEEMED TO BE EQUAL TO THE FAIR MARKET VALUE OF INTERSTATE 80  
24           AND SHALL BE PAYABLE IN FOUR EQUAL INSTALLMENTS DUE THE FIRST  
25           BUSINESS DAY OF EACH JULY, OCTOBER, JANUARY AND APRIL OF EACH  
26           YEAR DURING THE TERM OF THE LEASE AGREEMENT.

27           (6) A PROVISION REQUIRING THE COMMISSION TO PAY,  
28           COMMENCING ON THE CONVERSION DATE, ANNUAL SURPLUS RENT TO THE  
29           DEPARTMENT EQUAL TO THE GENERAL RESERVE FUND SURPLUS PAYABLE  
30           FOR EACH FISCAL YEAR FROM THE CONVERSION DATE UNTIL THE END



1 OF THE TERM OF THE LEASE AGREEMENT. THE SURPLUS RENT SHALL BE  
2 PAYABLE BY THE COMMISSION WITHIN 30 DAYS OF RECEIPT BY THE  
3 COMMISSION OF THE AUDITOR GENERAL'S CERTIFICATE. IF THE  
4 CONVERSION PERIOD EXPIRES BEFORE THE CONVERSION DATE, NO  
5 ANNUAL SURPLUS RENT SHALL BE PAYABLE.

6 (7) A PROVISION STATING THAT THE OBLIGATION OF THE  
7 COMMISSION TO PAY THE ANNUAL BASE RENT, THE ANNUAL ADDITIONAL  
8 RENT AND ANNUAL SURPLUS RENT SHALL BE A SUBORDINATE  
9 OBLIGATION OF THE COMMISSION PAYABLE FROM AMOUNTS IN THE  
10 GENERAL RESERVE FUND OF THE COMMISSION ONLY AS PERMITTED BY  
11 ANY FINANCING DOCUMENTS, FINANCIAL COVENANTS, LIQUIDITY  
12 POLICIES OR AGREEMENTS, SWAP AGREEMENTS OR RATING AGENCY  
13 REQUIREMENTS IN EFFECT AT THE COMMISSION.

14 (8) A PROVISION AUTHORIZING THE DEPARTMENT TO RECEIVE  
15 THE ANNUAL BASE RENT, ANNUAL ADDITIONAL RENT AND ANNUAL  
16 SURPLUS RENT, AND TO DEPOSIT AMOUNTS SO RECEIVED AS FOLLOWS,  
17 TO THE DEGREE PERMITTED BY APPLICABLE FEDERAL LAWS AND  
18 REGULATIONS:

19 (I) PROCEEDS OF BONDS ISSUED UNDER SECTION 9511.2  
20 SHALL BE SPENT CONSISTENT WITH SECTIONS 9511.4(H)  
21 (RELATING TO SPECIAL REVENUE BONDS AND PRELIMINARY OR  
22 INTERIM FINANCING) AND 9511.5 (RELATING TO APPLICATION OF  
23 PROCEEDS OF OBLIGATIONS, LIEN OF HOLDERS OF OBLIGATIONS,  
24 DESIGN-BUILD REQUIREMENT AND PROJECTS APPROVED BY THE  
25 GENERAL ASSEMBLY);

26 (II) BE DEPOSITED IN THE PUBLIC TRANSPORTATION TRUST  
27 FUND AS FOLLOWS:

28 (A) \$250,000,000 FOR FISCAL YEAR 2007-2008;

29 (B) \$300,000,000 FOR FISCAL YEAR 2008-2009;

30 (C) \$350,000,000 FOR FISCAL YEAR 2009-2010; AND

1                   (D) \$400,000,000 FOR FISCAL YEAR 2010-2011 AND  
2                   INCREASED BY 2.5% FOR EACH FISCAL YEAR THEREAFTER;  
3                   AND

4                   (III) ANY BALANCE RECEIVED FROM THE DEPARTMENT SHALL  
5                   BE DEPOSITED IN THE MOTOR LICENSE FUND. FOR ANY YEAR IN  
6                   WHICH THERE ARE NO BOND PROCEEDS UNDER THIS PARAGRAPH,  
7                   \$5,000,000 OF THE MONEY DEPOSITED SHALL BE FOR COUNTY  
8                   ROADS AND BRIDGES AND \$30,000,000 OF THE MONEY DEPOSITED  
9                   SHALL BE FOR MUNICIPAL ROADS AND BRIDGES TO BE ALLOCATED  
10                  UNDER THE ACT OF JUNE 1, 1956 (1955 P.L.1944, NO.655),  
11                  REFERRED TO THE LIQUID FUELS TAX MUNICIPAL ALLOCATION  
12                  LAW.

13 § 8915.4. OTHER INTERSTATE HIGHWAYS.

14                  IN ORDER TO FACILITATE VEHICULAR TRAFFIC ACROSS THIS  
15                  COMMONWEALTH AND PURSUANT TO THE AUTHORITY GRANTED UNDER THIS  
16                  CHAPTER, THE COMMISSION IS HEREBY AUTHORIZED AND EMPOWERED TO:

17                  (1) AT ITS OWN EXPENSE AND IN CONSULTATION WITH THE  
18                  DEPARTMENT, PREPARE A CONSULTING CIVIL ENGINEER REPORT AND  
19                  FINANCIAL ANALYSIS WITH RESPECT TO THE FEASIBILITY OF  
20                  CONVERTING INTERSTATE 95 TO A TOLL ROAD AND OPERATING AND  
21                  MAINTAINING THE CONVERTED INTERSTATE AS A TOLL ROAD, UPON  
22                  APPROVAL OF THE GENERAL ASSEMBLY AND THE UNITED STATES  
23                  DEPARTMENT OF TRANSPORTATION; AND

24                  (2) AT ITS OWN EXPENSE, AND IN CONSULTATION WITH THE  
25                  DEPARTMENT, PREPARE AND SUBMIT AN APPLICATION TO THE UNITED  
26                  STATES DEPARTMENT OF TRANSPORTATION FOR THE CONVERSION OF  
27                  INTERSTATE 95 TO A TOLL ROAD PURSUANT TO ANY FEDERAL PROGRAM  
28                  FOR WHICH IT MAY BE ELIGIBLE.

29                  Section 3. Section 8916 of Title 75 is amended to read:

30                  § 8916. Turnpike system.

1 The turnpikes and the future toll road conversions authorized  
2 by this chapter are hereby or shall be made part of the  
3 Pennsylvania Turnpike System, as provided in the act of August  
4 14, 1951 (P.L.1232, No.282), referred to as the Pennsylvania  
5 Turnpike System Financing Act. A Public-Public Partnership of  
6 the Pennsylvania Turnpike System is integral to solving  
7 transportation problems referred to in 74 Pa.C.S. § 13A01  
8 (relating to declaration of policy).

9 ~~Section 4. This act shall take effect in 60 days.~~ <—

10 SECTION 4. TITLE 75 IS AMENDED BY ADDING A SECTION TO READ: <—  
11 § 9501. DEFINITIONS.

12 THE FOLLOWING WORDS AND TERMS WHEN USED IN THIS CHAPTER SHALL  
13 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION, UNLESS THE  
14 CONTEXT CLEARLY INDICATES OTHERWISE:

15 "BOND-RELATED EXPENSES." THE TERM SHALL INCLUDE ALL OF THE  
16 FOLLOWING:

17 (1) PRINTING, PUBLICATION OR ADVERTISING EXPENSES WITH  
18 RESPECT TO THE SALE AND ISSUANCE OF BONDS.

19 (2) FEES, EXPENSES AND COSTS OF REGISTRARS.

20 (3) FEES, EXPENSES AND COSTS OF ATTORNEYS, ACCOUNTANTS,  
21 FEASIBILITY CONSULTANTS, COMPUTER PROGRAMMERS OR OTHER  
22 EXPERTS EMPLOYED TO AID IN THE SALE AND ISSUANCE OF THE  
23 BONDS.

24 (4) OTHER COSTS, FEES AND EXPENSES INCURRED OR  
25 REASONABLY RELATED TO THE ISSUANCE AND SALE OF THE BONDS.

26 "BOND-RELATED OBLIGATION." AN AGREEMENT OR CONTRACTUAL  
27 RELATIONSHIP BETWEEN THE PENNSYLVANIA TURNPIKE COMMISSION AND A  
28 BANK, TRUST COMPANY, INSURANCE COMPANY, SWAP COUNTERPARTY,  
29 SURETY BONDING COMPANY, PENSION FUND OR OTHER FINANCIAL  
30 INSTITUTION PROVIDING INCREASED CREDIT ON OR SECURITY FOR THE

1 BONDS OR LIQUIDITY FOR SECONDARY MARKET TRANSACTIONS.

2 "COMMISSION." THE PENNSYLVANIA TURNPIKE COMMISSION OR ANY  
3 SUCCESSOR ORGANIZATION.

4 "COST OF THE DEPARTMENT."

5 (1) ANY OF THE FOLLOWING, WHICH SHALL BE REIMBURSED OR  
6 PAID OUT OF THE PROCEEDS OF THE SPECIAL REVENUE BONDS, NOTES  
7 OR OTHER OBLIGATIONS AUTHORIZED UNDER THIS CHAPTER:

8 (I) THE COST OF CONSTRUCTING, RECONSTRUCTING,  
9 WIDENING, EXPANDING OR EXTENDING THE STATE HIGHWAY AND  
10 RURAL STATE HIGHWAY SYSTEM AND ALL CONNECTING ROADS,  
11 TUNNELS AND BRIDGES.

12 (II) THE COST OF ALL LANDS, PROPERTY RIGHTS, RIGHTS-  
13 OF-WAY, EASEMENTS AND FRANCHISES ACQUIRED, WHICH ARE  
14 DEEMED NECESSARY OR CONVENIENT FOR THE CONSTRUCTION,  
15 RECONSTRUCTION, WIDENING, EXPANDING OR EXTENDING UNDER  
16 SUBPARAGRAPH (I).

17 (III) THE COST OF ALL MACHINERY AND EQUIPMENT,  
18 FINANCING CHARGES, INTEREST PRIOR TO AND DURING  
19 CONSTRUCTION AND FOR ONE YEAR AFTER COMPLETION OF  
20 CONSTRUCTION.

21 (IV) THE COST OF TRAFFIC ESTIMATES AND OF  
22 ENGINEERING AND LEGAL EXPENSES, PLANS, SPECIFICATIONS,  
23 SURVEYS, ESTIMATES OF COST AND OF REVENUES, OTHER  
24 EXPENSES NECESSARY OR INCIDENT TO DETERMINING THE  
25 FEASIBILITY OR PRACTICABILITY OF THE ENTERPRISE,  
26 ADMINISTRATIVE AND LEGAL EXPENSES AND OTHER EXPENSES AS  
27 MAY BE NECESSARY OR INCIDENT TO THE FINANCING AUTHORIZED  
28 UNDER THIS CHAPTER, THE CONSTRUCTION, RECONSTRUCTION,  
29 WIDENING, EXPANDING OR EXTENDING OF THE STATE HIGHWAY AND  
30 THE RURAL STATE HIGHWAY SYSTEM AND CONNECTING ROADS,

1 TUNNELS AND BRIDGES, THE PLACING OF THE SAME IN OPERATION  
2 AND THE CONDEMNATION OF PROPERTY NECESSARY FOR  
3 CONSTRUCTION AND OPERATION.

4 (V) ANY OBLIGATION OR EXPENSE CONTRACTED FOR BY THE  
5 DEPARTMENT OF TRANSPORTATION OR WITH THE UNITED STATES OR  
6 ANY AGENCY OF THE UNITED STATES, FOR TRAFFIC SURVEYS,  
7 PREPARATION OF PLANS AND SPECIFICATIONS, SUPERVISION OF  
8 CONSTRUCTION, AND OTHER ENGINEERING, ADMINISTRATIVE AND  
9 LEGAL SERVICES AND EXPENSES IN CONNECTION WITH THE  
10 CONSTRUCTION, RECONSTRUCTION, WIDENING, EXPANDING OR  
11 EXTENDING OF THE STATE HIGHWAY AND THE RURAL STATE  
12 HIGHWAY SYSTEM OR ANY OF THE CONNECTING ROADS, TUNNELS  
13 AND BRIDGES.

14 (2) PAYMENT OF ANY NOTES OR OTHER OBLIGATIONS IF THE  
15 NOTES OR OTHER OBLIGATIONS WERE ISSUED FOR THE PAYMENT OF A  
16 COST.

17 "DESIGN BUILD ARRANGEMENT." A PROCUREMENT OR PROJECT  
18 DELIVERY ARRANGEMENT WHEREBY A SINGLE ENTITY, WHICH MAY BE A  
19 SINGLE CONTRACTOR OR A CONSORTIUM COMPRISED OF MULTIPLE  
20 CONTRACTORS, ENGINEERS AND OTHER SUBCONSULTANTS, IS RESPONSIBLE  
21 FOR BOTH THE DESIGN AND CONSTRUCTION OF A TRANSPORTATION PROJECT  
22 WITH A GUARANTEED COMPLETION DATE AND GUARANTEED MAXIMUM PRICE.

23 "OWNER." THE TERM SHALL INCLUDE ALL INDIVIDUALS,  
24 COPARTNERSHIPS, ASSOCIATIONS OR CORPORATIONS HAVING ANY TITLE OR  
25 INTEREST IN ANY PROPERTY RIGHTS, EASEMENTS OR FRANCHISES  
26 AUTHORIZED TO BE ACQUIRED BY THIS CHAPTER.

27 "PLEGGED REVENUES." REVENUES OF THE MOTOR LICENSE FUND  
28 PLEGGED TO THE PENNSYLVANIA TURNPIKE COMMISSION UNDER SECTIONS  
29 9010 (RELATING TO DISPOSITION AND USE OF TAX), 9511(I) (RELATING  
30 TO ALLOCATION OF PROCEEDS) AND 9511.11 (RELATING TO MOTOR

1 LICENSE FUND PROCEEDS) AND AMOUNTS PAYABLE BY THE COMMISSION  
2 UNDER SECTION 8915.3(4)(I) (RELATING TO LEASE OF INTERSTATE 80).

3 "RURAL STATE HIGHWAY SYSTEM." ALL ROADS AND HIGHWAYS TAKEN  
4 OVER BY THE COMMONWEALTH AS STATE HIGHWAYS UNDER THE PROVISIONS  
5 OF THE ACT OF JUNE 22, 1931 (P.L.594, NO.203), REFERRED TO AS  
6 THE TOWNSHIP STATE HIGHWAY LAW AND ALL OTHER ROADS AND HIGHWAYS  
7 SPECIFICALLY DESIGNATED BY THE SECRETARY OF TRANSPORTATION AS  
8 RURAL STATE HIGHWAYS.

9 "STATE HIGHWAY." ALL ROADS AND HIGHWAYS TAKEN OVER BY THE  
10 COMMONWEALTH AS STATE HIGHWAYS UNDER THE PROVISIONS OF ANY  
11 STATUTE. UNLESS CLEARLY INTENDED, THE TERM SHALL NOT INCLUDE ANY  
12 STREET IN ANY CITY, BOROUGH OR INCORPORATED TOWN, EVEN THOUGH  
13 THE SAME MAY HAVE BEEN TAKEN OVER AS A STATE HIGHWAY.

14 SECTION 5. TITLE 75 IS AMENDED BY ADDING SECTIONS TO READ:  
15 § 9511.2. SPECIAL REVENUE BONDS PAYABLE SOLELY FROM PLEDGED  
16 REVENUES OF MOTOR LICENSE FUND.

17 (A) PAYMENT SOURCE.--A SPECIAL REVENUE BOND, NOTE OR OTHER  
18 OBLIGATION ISSUED UNDER THIS CHAPTER:

19 (1) SHALL NOT BE DEEMED TO BE A DEBT OR LIABILITY OF THE  
20 COMMONWEALTH;

21 (2) SHALL NOT CREATE OR CONSTITUTE ANY INDEBTEDNESS,  
22 LIABILITY OR OBLIGATION OF THE COMMONWEALTH; AND

23 (3) SHALL BE PAYABLE SOLELY FROM REVENUES OF THE MOTOR  
24 LICENSE FUND PLEDGED TO THE COMMISSION FOR THAT PURPOSE IN  
25 COMBINATION WITH AMOUNTS TRANSFERRED UNDER SECTION  
26 8915.3(4)(I) (RELATING TO LEASE OF INTERSTATE 80).

27 (B) STATEMENT.--A SPECIAL REVENUE BOND, NOTE OR OTHER  
28 OBLIGATION ISSUED UNDER THIS CHAPTER MUST CONTAIN A STATEMENT ON  
29 ITS FACE THAT:

30 (1) THE COMMONWEALTH IS NOT OBLIGATED TO PAY THE BOND,

1 NOTE OR OBLIGATION OR THE INTEREST ON IT EXCEPT FROM REVENUES  
2 OF THE MOTOR LICENSE FUND PLEDGED FOR THAT PURPOSE IN  
3 COMBINATION WITH AMOUNTS TRANSFERRED UNDER SECTION  
4 8915.3(4)(I); AND

5 (2) NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF  
6 THE COMMONWEALTH IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL  
7 OR INTEREST OF THE BOND, NOTE OR OBLIGATION.

8 (C) TAXATION.--THE ISSUANCE OF A SPECIAL REVENUE BOND, NOTE  
9 OR OTHER OBLIGATION UNDER THIS CHAPTER SHALL NOT DIRECTLY,  
10 INDIRECTLY OR CONTINGENTLY OBLIGATE THE COMMONWEALTH TO LEVY A  
11 TAX OR TO MAKE AN APPROPRIATION FOR PAYMENT.

12 § 9511.3. EXPENSES.

13 (A) REIMBURSEMENT.--THE COMMISSION SHALL BE REIMBURSED FOR  
14 THE NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THE DUTIES  
15 PERFORMED UNDER THE PROVISIONS OF THIS CHAPTER.

16 (B) SOURCE.--ALL EXPENSES INCURRED IN CARRYING OUT THE  
17 PROVISIONS OF THIS CHAPTER SHALL BE PAID SOLELY FROM FUNDS  
18 PROVIDED UNDER THE AUTHORITY OF THIS CHAPTER, AND SUFFICIENT  
19 FUNDS SHALL BE PROVIDED UNDER THE AUTHORITY OF THIS CHAPTER TO  
20 MEET ANY LIABILITY OR OBLIGATION INCURRED IN CARRYING OUT THE  
21 PROVISIONS OF THIS CHAPTER.

22 § 9511.4. SPECIAL REVENUE BONDS AND PRELIMINARY OR INTERIM  
23 FINANCING.

24 (A) AUTHORIZATION.--THE COMMISSION IS AUTHORIZED TO PROVIDE,  
25 BY RESOLUTION, FOR THE ISSUANCE OF SPECIAL REVENUE BONDS OF THE  
26 COMMISSION UP TO AN AMOUNT NOT EXCEEDING \$4,000,000,000 FOR THE  
27 PURPOSE OF PAYING THE COST OF THE DEPARTMENT AND BOND-RELATED  
28 EXPENSES. THE RESOLUTION MUST RECITE AN ESTIMATE OF THE COST OF  
29 THE DEPARTMENT. NO MORE THAN \$600,000,000 OF SPECIAL REVENUE  
30 BONDS MAY BE ISSUED IN ANY CALENDAR YEAR. NO BOND MAY BE ISSUED

1 UNDER THIS SECTION UNLESS THE LEASE AGREEMENT AUTHORIZED UNDER  
2 SECTION 8915.3 (RELATING TO LEASE OF INTERSTATE 80) IS IN EFFECT  
3 AS OF THE DATE OF ISSUANCE. SPECIAL REVENUE REFUNDING BONDS AS  
4 SET FORTH IN SECTION 9511.9 (RELATING TO SPECIAL REVENUE  
5 REFUNDING BONDS) SHALL NOT BE DEEMED TO COUNT AGAINST THE TOTAL  
6 OR ANNUAL MAXIMUM ISSUANCE VOLUME. THE PRINCIPAL AND INTEREST OF  
7 THE BOND SHALL BE PAYABLE SOLELY FROM REVENUES OF THE MOTOR  
8 LICENSE FUND PLEDGED FOR THAT PURPOSE TO THE COMMISSION IN  
9 COMBINATION WITH THE AMOUNTS TRANSFERRED UNDER SECTION  
10 8915.3(4)(I).

11 (B) FORM.--

12 (1) A BOND MAY BE ISSUED IN REGISTERED FORM.

13 (2) A BOND:

14 (I) MUST BE DATED;

15 (II) MUST BEAR INTEREST AT A RATE NOT EXCEEDING THE  
16 RATE PERMITTED UNDER APPLICABLE LAW;

17 (III) MUST BE PAYABLE SEMIANNUALLY;

18 (IV) MUST MATURE, AS DETERMINED BY THE COMMISSION,  
19 NOT EXCEEDING 40 YEARS FROM THE DATE OF THE BOND; AND

20 (V) MAY BE MADE REDEEMABLE BEFORE MATURITY, AT THE  
21 OPTION OF THE COMMISSION, AT A PRICE AND UNDER TERMS AND  
22 CONDITIONS FIXED BY THE COMMISSION PRIOR TO THE ISSUANCE  
23 OF THE BONDS.

24 (3) THE AMOUNT OF PREMIUM ON A BOND SHALL NOT CAUSE THE  
25 YIELD TO BE MORE THAN PERMITTED BY APPLICABLE LAW FROM THE  
26 DATE OF THE BOND TO THE DATE OF REDEMPTION.

27 (C) ISSUANCE.--

28 (1) THE BOND MAY BE ISSUED IN REGISTERED FORM. THE  
29 COMMISSION MAY SELL A BOND IN REGISTERED FORM AT PUBLIC OR  
30 PRIVATE SALE AND FOR A PRICE IT DETERMINES TO BE IN THE BEST



1 INTEREST OF THE COMMONWEALTH, BUT NO SALE SHALL BE MADE AT A  
2 PRICE SO LOW AS TO REQUIRE THE PAYMENT OF INTEREST ON THE  
3 MONEY RECEIVED FOR THE BOND AT MORE THAN THE RATE PERMITTED  
4 BY APPLICABLE LAW, COMPUTED WITH RELATION TO THE ABSOLUTE  
5 MATURITY OF THE BOND IN ACCORDANCE WITH STANDARD TABLES OF  
6 BOND VALUES.

7 (2) A BOND MAY BE ISSUED AT PUBLIC OR PRIVATE SALE IN  
8 SERIES WITH VARYING PROVISIONS AS TO ALL OF THE FOLLOWING:

9 (I) RATES OF INTEREST, WHICH MAY BE FIXED OR  
10 VARIABLE.

11 (II) MATURITY.

12 (III) OTHER PROVISIONS NOT INCONSISTENT WITH THIS  
13 CHAPTER.

14 (D) REVENUE SHARE.--ALL BONDS, OF WHATEVER SERIES, SHALL  
15 SHARE RATABLY IN THE REVENUES PLEDGED UNDER THIS CHAPTER AS  
16 SECURITY FOR THE BONDS, ALTHOUGH ONE SERIES OF BONDS MAY HAVE A  
17 LIEN ON PLEDGED REVENUES SENIOR TO THE LIEN OF ANOTHER SERIES OF  
18 BONDS.

19 (E) PAYMENT.--

20 (1) THE PRINCIPAL AND INTEREST OF THE BONDS MAY BE MADE  
21 PAYABLE IN ANY LAWFUL MEDIUM.

22 (2) THE COMMISSION SHALL:

23 (I) DETERMINE THE FORM OF BONDS; AND

24 (II) FIX:

25 (A) THE DENOMINATION OF THE BOND; AND

26 (B) THE PLACE OF PAYMENT OF PRINCIPAL AND  
27 INTEREST OF THE BOND, WHICH MAY BE AT ANY BANK OR  
28 TRUST COMPANY WITHIN OR WITHOUT THIS COMMONWEALTH.

29 (F) SIGNATURE.--THE BOND MUST BEAR THE FACSIMILE SIGNATURE  
30 OF THE GOVERNOR AND OF THE CHAIRMAN OF THE COMMISSION. THE

1 FACSIMILE OF THE OFFICIAL SEAL OF THE COMMISSION SHALL BE  
2 AFFIXED TO THE BOND AND ATTESTED BY THE SECRETARY AND TREASURER  
3 OF THE COMMISSION. IF AN OFFICER WHOSE SIGNATURE OR FACSIMILE OF  
4 A SIGNATURE APPEARS ON A BOND CEASES TO BE AN OFFICER BEFORE THE  
5 DELIVERY OF THE BOND, THE SIGNATURE OR FACSIMILE SHALL  
6 NEVERTHELESS BE VALID AND SUFFICIENT FOR ALL PURPOSES, AS IF THE  
7 OFFICER REMAINED IN OFFICE UNTIL DELIVERY.

8 (G) NEGOTIABILITY.--A SPECIAL REVENUE BOND ISSUED UNDER THIS  
9 CHAPTER SHALL HAVE ALL THE QUALITIES AND INCIDENTS OF A  
10 NEGOTIABLE INSTRUMENT UNDER 13 PA.C.S. DIV. 3 (RELATING TO  
11 NEGOTIABLE INSTRUMENTS).

12 (H) PROCEEDS.--

13 (1) THE PROCEEDS OF A BOND SHALL BE USED SOLELY FOR THE  
14 FOLLOWING:

15 (I) PAYMENT OF THE COST OF THE DEPARTMENT.

16 (II) BOND-RELATED EXPENSES.

17 (III) \$5,000,000 IN THE AGGREGATE OF THE PROCEEDS OF  
18 BONDS ISSUED IN ANY FISCAL YEAR, OTHER THAN A REFUNDING  
19 ISSUE, SHALL BE USED FOR COUNTY ROADS AND BRIDGES AND  
20 \$30,000,000 OF THE PROCEEDS IN THE AGGREGATE OF THE BONDS  
21 ISSUED IN ANY FISCAL YEAR, OTHER THAN A REFUNDING ISSUE,  
22 SHALL BE USED FOR LOCAL ROADS AND BRIDGES TO BE ALLOCATED  
23 UNDER THE ACT OF JUNE 1, 1956 (1955 P.L.1944, NO.655),  
24 REFERRED TO AS THE LIQUID FUELS TAX MUNICIPAL ALLOCATION  
25 LAW.

26 (2) THE PROCEEDS OF A BOND SHALL BE DISBURSED UPON  
27 REQUISITION OF THE SECRETARY UNDER RESTRICTIONS SET FORTH IN  
28 THE RESOLUTION AUTHORIZING THE ISSUANCE OF THE BOND OR THE  
29 TRUST INDENTURE UNDER SECTION 9511.6 (RELATING TO TRUST  
30 INDENTURE, PROTECTION OF HOLDERS OF OBLIGATIONS AND

1 DEPOSITORIES).

2 (3) IF THE PROCEEDS OF A BOND, BY ERROR OF CALCULATION  
3 OR OTHERWISE, SHALL BE LESS THAN THE COST OF THE DEPARTMENT,  
4 ADDITIONAL BONDS MAY BE ISSUED TO PROVIDE THE AMOUNT OF THE  
5 DEFICIT AND, UNLESS OTHERWISE PROVIDED IN THE RESOLUTION  
6 AUTHORIZING THE ISSUANCE OF THE BONDS OR IN THE TRUST  
7 INDENTURE, SHALL BE DEEMED TO BE OF THE SAME ISSUE AND SHALL  
8 BE ENTITLED TO PAYMENT FROM THE SAME FUND, WITHOUT PREFERENCE  
9 OR PRIORITY OF THE BONDS FIRST ISSUED.

10 (I) TEMPORARY BONDS.--PRIOR TO THE PREPARATION OF DEFINITIVE  
11 BONDS, THE COMMISSION MAY, UNDER SIMILAR RESTRICTIONS AS THOSE  
12 APPLICABLE TO THE DEFINITIVE BONDS, ISSUE TEMPORARY BONDS,  
13 EXCHANGEABLE FOR DEFINITIVE BONDS UPON THE ISSUANCE OF  
14 DEFINITIVE BONDS.

15 (J) REPLACEMENT BONDS.--THE COMMISSION MAY PROVIDE FOR THE  
16 REPLACEMENT OF A BOND WHICH BECOMES MUTILATED OR IS DESTROYED OR  
17 LOST. A REPLACEMENT REVENUE BOND MAY BE ISSUED WITHOUT ANY OTHER  
18 PROCEEDINGS OR THE HAPPENING OF ANY OTHER CONDITION THAN THOSE  
19 PROCEEDINGS AND CONDITIONS REQUIRED BY THIS CHAPTER.

20 (K) STATUS AS SECURITIES.--

21 (1) A BOND IS MADE A SECURITY IN WHICH ANY OF THE  
22 FOLLOWING MAY PROPERLY AND LEGALLY INVEST FUNDS, INCLUDING  
23 CAPITAL, BELONGING TO THEM OR WITHIN THEIR CONTROL:

24 (I) COMMONWEALTH AND MUNICIPAL OFFICERS.

25 (II) COMMONWEALTH AGENCIES.

26 (III) BANKS, BANKERS, SAVINGS BANKS, TRUST  
27 COMPANIES, SAVING AND LOAN ASSOCIATIONS, INVESTMENT  
28 COMPANIES AND OTHER PERSONS CARRYING ON A BANKING  
29 BUSINESS.

30 (IV) INSURANCE COMPANIES, INSURANCE ASSOCIATIONS AND

1           OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS.

2           (V) FIDUCIARIES.

3           (VI) OTHER PERSONS THAT ARE AUTHORIZED TO INVEST IN  
4           BONDS OR OTHER OBLIGATIONS OF THE COMMONWEALTH.

5           (2) A BOND IS MADE A SECURITY WHICH MAY PROPERLY AND  
6           LEGALLY BE DEPOSITED WITH AND RECEIVED BY A COMMONWEALTH OR  
7           MUNICIPAL OFFICER OR A COMMONWEALTH AGENCY FOR ANY PURPOSE  
8           FOR WHICH THE DEPOSIT OF BONDS OR OTHER OBLIGATIONS OF THE  
9           COMMONWEALTH IS AUTHORIZED BY LAW.

10          (L) BORROWING.--THE FOLLOWING SHALL APPLY:

11           (1) THE COMMISSION IS AUTHORIZED TO DO ALL OF THE  
12          FOLLOWING:

13           (I) BORROW MONEY AT AN INTEREST RATE NOT EXCEEDING  
14          THE RATE PERMITTED BY LAW.

15           (II) PROVIDE FOR PRELIMINARY OR INTERIM FINANCING,  
16          UP TO BUT NOT EXCEEDING THE ESTIMATED TOTAL COST OF THE  
17          DEPARTMENT AND BOND-RELATED EXPENSES AND TO EVIDENCE THE  
18          BORROWING BY THE ISSUANCE OF SPECIAL REVENUE NOTES AND,  
19          IN ITS DISCRETION, TO PLEDGE AS COLLATERAL FOR THE NOTE  
20          OR OTHER OBLIGATION, A SPECIAL REVENUE BOND ISSUED UNDER  
21          THE PROVISIONS OF THIS CHAPTER. THE COMMISSION MAY RENEW  
22          THE NOTE OR OBLIGATION AND THE PAYMENT OR RETIREMENT OF  
23          THE NOTE OR OBLIGATION SHALL BE CONSIDERED TO BE PAYMENT  
24          OF THE COST OF THE PROJECT.

25           (2) A NOTE OR OBLIGATION ISSUED UNDER THIS SUBSECTION  
26          MUST COMPLY WITH THE FOLLOWING:

27           (I) BE EXECUTED BY THE SAME PERSONS IN THE SAME  
28          MANNER AND WITH THE SAME EFFECT AS PROVIDED IN THIS  
29          SECTION FOR THE EXECUTION OF A SPECIAL REVENUE BOND.

30           (II) CONTAIN A STATEMENT ON ITS FACE THAT:

1                   (A) THE COMMONWEALTH IS NOT OBLIGATED TO PAY THE  
2                   NOTE OR OBLIGATION OR INTEREST ON IT, EXCEPT FROM  
3                   PLEDGED REVENUES OF THE MOTOR LICENSE FUND; AND

4                   (B) NEITHER THE FAITH AND CREDIT NOR THE TAXING  
5                   POWER OF THE COMMONWEALTH IS PLEDGED TO THE PAYMENT  
6                   OF ITS PRINCIPAL OR INTEREST.

7                   (3) THE ISSUANCE OF A SPECIAL REVENUE NOTE OR OTHER  
8                   OBLIGATION UNDER THIS CHAPTER SHALL NOT DIRECTLY OR  
9                   INDIRECTLY OR CONTINGENTLY OBLIGATE THE COMMONWEALTH TO LEVY  
10                  A TAX OR MAKE AN APPROPRIATION FOR PAYMENT.

11                  (4) A NOTE OR OTHER OBLIGATION ISSUED UNDER THIS  
12                  SUBSECTION SHALL HAVE ALL THE QUALITIES AND INCIDENTS OF A  
13                  NEGOTIABLE INSTRUMENT UNDER 13 PA.C.S. (RELATING TO  
14                  COMMERCIAL CODE).

15 § 9511.5. APPLICATION OF PROCEEDS OF OBLIGATIONS, LIEN OF  
16                  HOLDERS OF OBLIGATIONS, DESIGN-BUILD REQUIREMENT AND  
17                  PROJECTS APPROVED BY GENERAL ASSEMBLY.

18 (A) APPLICATION.--THE FOLLOWING SHALL APPLY:

19                  (1) ALL MONEY RECEIVED FROM ANY BONDS, NOTES OR OTHER  
20                  OBLIGATIONS ISSUED UNDER THIS CHAPTER SHALL BE APPLIED SOLELY  
21                  TO THE PAYMENT OF THE COST OF THE DEPARTMENT OR TO THE  
22                  APPURTENANT FUND.

23                  (2) UNTIL MONEY RECEIVED FROM ANY BONDS, NOTES OR OTHER  
24                  OBLIGATIONS ISSUED UNDER THIS CHAPTER IS APPLIED UNDER  
25                  PARAGRAPH (1), A LIEN SHALL EXIST UPON THE MONEY IN FAVOR OF  
26                  HOLDERS OF THE BONDS, NOTES OR OTHER OBLIGATIONS OR A TRUSTEE  
27                  PROVIDED FOR IN RESPECT TO THE BONDS, NOTES OR OTHER  
28                  OBLIGATIONS.

29                  (B) DESIGN-BUILD ARRANGEMENTS.--TO FACILITATE THE TIMELY  
30                  COMPLETION OF PROJECTS TO BE FINANCED BY THE DEPARTMENT WITH

1 BOND PROCEEDS, THE DEPARTMENT SHALL BE REQUIRED TO UTILIZE  
2 DESIGN-BUILD ARRANGEMENTS FOR EACH PROJECT ESTIMATED BY THE  
3 DEPARTMENT TO HAVE A VALUE IN EXCESS OF \$100,000,000. THE  
4 SELECTION OF THE PARTY FOR THE DESIGN-BUILD ARRANGEMENT MUST BE  
5 CONDUCTED IN A MANNER CONSISTENT WITH THE PROCUREMENT AND PUBLIC  
6 BIDDING LAWS APPLICABLE TO THE DEPARTMENT.

7 (C) CAPITAL PLAN.--ALL PROJECTS FINANCED BY THE DEPARTMENT  
8 WITH BOND PROCEEDS MUST BE SET FORTH IN THE DEPARTMENT'S CAPITAL  
9 PLAN CURRENT AT THE TIME OF THE FINANCING AND BUDGET WHICH  
10 CAPITAL PLAN AND BUDGET SHALL BE SUBMITTED TO THE GENERAL  
11 ASSEMBLY ON OR BEFORE MARCH 31 OF EACH YEAR COMMENCING MARCH 31,  
12 2008.

13 (D) INVESTMENT.--PENDING THE APPLICATION OF PROCEEDS TO  
14 COSTS OF THE DEPARTMENT AND BOND-RELATED EXPENSES, THE  
15 COMMISSION MAY INVEST THE FUNDS IN PERMITTED INVESTMENTS AS  
16 DEFINED UNDER ANY TRUST INDENTURE IF THE INVESTMENT IS NOT  
17 INCONSISTENT WITH EXISTING FIDUCIARY OBLIGATIONS OF THE  
18 COMMISSION.

19 § 9511.6. TRUST INDENTURE, PROTECTION OF HOLDERS OF OBLIGATIONS  
20 AND DEPOSITORIES.

21 (A) INDENTURE.--IN THE DISCRETION OF THE COMMISSION, A BOND,  
22 NOTE OR OTHER OBLIGATION MAY BE SECURED BY A TRUST INDENTURE BY  
23 AND BETWEEN THE COMMISSION AND A CORPORATE TRUSTEE, WHICH MAY BE  
24 ANY TRUST COMPANY OR BANK HAVING THE POWERS OF A TRUST COMPANY,  
25 WITHIN OR WITHOUT THIS COMMONWEALTH.

26 (B) PLEDGE OR ASSIGNMENT.--A TRUST INDENTURE UNDER  
27 SUBSECTION (A) MAY PLEDGE OR ASSIGN REVENUE TO BE RECEIVED, BUT  
28 SHALL NOT CONVEY OR MORTGAGE THE TURNPIKE OR ANY PART OF THE  
29 TURNPIKE.

30 (C) RIGHTS AND REMEDIES.--THE RESOLUTION PROVIDING FOR THE

1 ISSUANCE OF THE BOND, NOTE OR OTHER OBLIGATION OF THE TRUST  
2 INDENTURE MAY CONTAIN PROVISIONS FOR PROTECTING AND ENFORCING  
3 THE RIGHTS AND REMEDIES OF THE BONDHOLDERS OR HOLDERS OF NOTES  
4 OR OTHER OBLIGATIONS AS MAY BE REASONABLE AND PROPER AND NOT IN  
5 VIOLATION OF LAW, INCLUDING COVENANTS SETTING FORTH THE DUTIES  
6 OF THE DEPARTMENT IN RELATION TO THE ACQUISITION OF PROPERTIES,  
7 THE CONSTRUCTION, MAINTENANCE, OPERATION, REPAIR AND INSURANCE  
8 OF THE STATE HIGHWAY AND RURAL STATE HIGHWAY SYSTEM AND THE  
9 CUSTODY, SAFEGUARDING AND APPLICATION OF ALL MONEY.

10 (D) DEPOSITORY.--IT SHALL BE LAWFUL FOR ANY BANK OR TRUST  
11 COMPANY INCORPORATED UNDER THE LAWS OF THIS COMMONWEALTH TO ACT  
12 AS DEPOSITORY OF THE PROCEEDS OF THE BOND, NOTE OR OTHER  
13 OBLIGATION OR REVENUE, TO FURNISH INDEMNITY BONDS OR TO PLEDGE  
14 SECURITIES AS MAY BE REQUIRED BY THE COMMISSION.

15 (E) INDENTURE.--THE TRUST INDENTURE MAY SET FORTH THE RIGHTS  
16 AND REMEDIES OF THE BONDHOLDERS OR HOLDERS OF NOTES OR OTHER  
17 OBLIGATIONS AND OF THE TRUSTEE AND MAY RESTRICT THE INDIVIDUAL  
18 RIGHT OF ACTION OF BONDHOLDERS OR HOLDERS OF NOTES OR OTHER  
19 OBLIGATIONS AS IS CUSTOMARY IN TRUST INDENTURES SECURING BONDS,  
20 DEBENTURES OF CORPORATIONS, NOTES OR OTHER OBLIGATIONS. THE  
21 TRUST INDENTURE MAY CONTAIN OTHER PROVISIONS AS THE COMMISSION  
22 MAY DEEM REASONABLE AND PROPER FOR THE SECURITY OF BONDHOLDERS  
23 OR HOLDERS OF NOTES OR OTHER OBLIGATIONS.

24 § 9511.7. EXEMPTION FROM COMMONWEALTH TAXATION.

25 THE EFFECTUATION OF THE PURPOSES OF THIS CHAPTER IS FOR THE  
26 BENEFIT OF THE CITIZENS OF THE COMMONWEALTH AND FOR THE  
27 IMPROVEMENT OF THEIR COMMERCE AND PROSPERITY. SINCE THE  
28 COMMISSION WILL BE PERFORMING ESSENTIAL GOVERNMENT FUNCTIONS IN  
29 EFFECTUATING THESE PURPOSES, THE COMMISSION SHALL NOT BE  
30 REQUIRED TO PAY ANY TAX OR ASSESSMENT ON ANY PROPERTY ACQUIRED

1 OR USED BY IT FOR THE PURPOSES PROVIDED UNDER THIS CHAPTER. A  
2 BOND, NOTE OR OTHER OBLIGATION ISSUED BY THE COMMISSION, ITS  
3 TRANSFER AND THE INCOME FROM ITS ISSUANCE AND TRANSFER,  
4 INCLUDING ANY PROFITS MADE ON THE SALE OF THE BOND, NOTE OR  
5 OTHER OBLIGATION, SHALL BE FREE FROM TAXATION WITHIN THE  
6 COMMONWEALTH.

7 § 9511.8. PLEDGED REVENUES, CONTRACTS FOR USE OF TURNPIKE,  
8 SINKING FUND AND PURCHASE OR REDEMPTION OF  
9 OBLIGATIONS.

10 (A) AUTHORIZATION.--THE COMMISSION IS AUTHORIZED TO COLLECT  
11 THE PLEDGED REVENUES. THE PLEDGED REVENUES SHALL BE FIXED AND  
12 ADJUSTED AS TO PROVIDE FUNDS AT LEAST SUFFICIENT TO PAY THE  
13 BONDS, NOTES OR OTHER OBLIGATIONS AND THE INTEREST ON THE BONDS,  
14 NOTES OR OTHER OBLIGATIONS. ALL SINKING FUND REQUIREMENTS AND  
15 OTHER REQUIREMENTS PROVIDED BY THE RESOLUTION AUTHORIZING THE  
16 ISSUANCE OF THE BONDS, NOTES OR OTHER OBLIGATIONS, OR BY THE  
17 TRUST INDENTURE, SHALL BE FIXED AND ADJUSTED AS THE BONDS, NOTES  
18 OR OTHER OBLIGATIONS BECOME DUE.

19 (B) SUPERVISION.--THE PLEDGED REVENUES SHALL NOT BE SUBJECT  
20 TO SUPERVISION OR REGULATION BY ANY COMMONWEALTH AGENCY OTHER  
21 THAN THE COMMISSION.

22 (C) SET ASIDE.--EXCEPT FOR THE PORTION OF THE PLEDGED  
23 REVENUES REQUIRED TO PROVIDE RESERVES AS SET FORTH IN THE  
24 RESOLUTION AUTHORIZING THE ISSUANCE OF THE BONDS, NOTES OR OTHER  
25 OBLIGATIONS OR IN THE TRUST INDENTURE, PLEDGED REVENUES, TO THE  
26 DEGREE AMOUNTS TRANSFERRED UNDER SECTION 8915.3(4)(I)(RELATING  
27 TO LEASE OF INTERSTATE 80) ARE NOT SUFFICIENT, SHALL BE SET  
28 ASIDE AT REGULAR INTERVALS AS MAY BE PROVIDED IN THE RESOLUTION  
29 OR TRUST INDENTURE, IN ONE OR MORE ACCOUNTS, WHICH ARE PLEDGED  
30 TO AND CHARGED WITH THE PAYMENT OF ALL OF THE FOLLOWING:



1           (1) THE INTEREST UPON A BOND, NOTE OR OTHER OBLIGATION,  
2           AS IT SHALL BECOME DUE AND PAYABLE.

3           (2) THE PRINCIPAL OF A BOND, NOTE OR OTHER OBLIGATION,  
4           AS IT SHALL BECOME DUE AND PAYABLE.

5           (3) THE NECESSARY FISCAL AGENCY CHARGES FOR PAYING  
6           PRINCIPAL AND INTEREST.

7           (4) A PREMIUM UPON A BOND RETIRED BY CALL OR PURCHASE.

8           (D) SINKING FUND.--THE USE AND DISPOSITION OF THE SINKING  
9           FUND SHALL BE SUBJECT TO REGULATIONS AS MAY BE PROVIDED IN THE  
10           RESOLUTION AUTHORIZING THE ISSUANCE OF BONDS, NOTES OR OTHER  
11           OBLIGATIONS OR IN THE TRUST INDENTURE, BUT, EXCEPT AS MAY  
12           OTHERWISE BE PROVIDED IN THE RESOLUTION OR TRUST INDENTURE, THE  
13           SINKING FUND SHALL BE A FUND FOR THE BENEFIT OF ALL BONDS, NOTES  
14           OR OTHER OBLIGATIONS ISSUED UNDER THIS CHAPTER, WITHOUT  
15           DISTINCTION OR PRIORITY OF ONE OVER ANOTHER.

16           (E) APPLICATION OF MONEY.--SUBJECT TO THE PROVISIONS OF THE  
17           RESOLUTIONS AUTHORIZING THE ISSUANCE OF BONDS, NOTES OR OTHER  
18           OBLIGATIONS OR OF THE TRUST INDENTURE, ANY MONEY IN THE SINKING  
19           FUND IN EXCESS OF AN AMOUNT EQUAL TO ONE YEAR'S INTEREST ON ALL  
20           BONDS, NOTES OR OTHER OBLIGATIONS THEN OUTSTANDING MAY BE  
21           APPLIED TO THE PURCHASE OR REDEMPTION OF BONDS, NOTES OR OTHER  
22           OBLIGATIONS. ALL BONDS, NOTES OR OTHER OBLIGATIONS PURCHASED OR  
23           REDEEMED UNDER THIS SUBSECTION SHALL BE CANCELED AND SHALL NOT  
24           AGAIN BE ISSUED.

25           § 9511.9. SPECIAL REVENUE REFUNDING BONDS.

26           THE COMMISSION IS AUTHORIZED TO PROVIDE, BY RESOLUTION, FOR  
27           THE ISSUANCE OF SPECIAL REVENUE REFUNDING BONDS OF THE  
28           COMMISSION FOR THE PURPOSE OF REFUNDING ANY SPECIAL REVENUE  
29           BONDS, NOTES OR OTHER OBLIGATIONS ISSUED UNDER THE PROVISIONS OF  
30           THIS CHAPTER AND THEN OUTSTANDING. THE ISSUANCE OF THE SPECIAL

1 REVENUE REFUNDING BONDS, THE MATURITIES AND OTHER DETAILS OF THE  
2 BONDS, THE RIGHTS OF THE HOLDERS OF THE BONDS AND THE DUTIES OF  
3 THE DEPARTMENT AND OF THE COMMISSION WITH RESPECT TO THE BONDS  
4 SHALL BE GOVERNED BY THE PROVISIONS OF THIS CHAPTER.

5 § 9511.10. REMEDIES OF TRUSTEES AND OF HOLDERS OF OBLIGATIONS.

6 (A) GRANT OF RIGHTS.--A HOLDER OF A BOND, NOTE OR OTHER  
7 OBLIGATION ISSUED UNDER THIS CHAPTER AND THE TRUSTEE UNDER THE  
8 TRUST INDENTURE MAY, EITHER AT LAW OR IN EQUITY, BY SUIT,  
9 ACTION, MANDAMUS OR OTHER PROCEEDING, DO ALL OF THE FOLLOWING:

10 (1) PROTECT AND ENFORCE ANY RIGHT GRANTED UNDER THIS  
11 CHAPTER OR UNDER THE RESOLUTION OR TRUST INDENTURE.

12 (2) ENFORCE AND COMPEL PERFORMANCE OF ALL DUTIES  
13 REQUIRED UNDER THIS CHAPTER OR BY RESOLUTION OR TRUST  
14 INDENTURE TO BE PERFORMED BY THE COMMISSION OR ANY OFFICER OF  
15 ITS OFFICERS, INCLUDING THE COLLECTION OF THE PLEDGED  
16 RESERVES OR AMOUNTS TRANSFERRED UNDER SECTION 8915.3(4)(I)  
17 (RELATING TO LEASE OF INTERSTATE 80).

18 (B) EXCEPTION.--RIGHTS GIVEN UNDER THIS CHAPTER MAY BE  
19 RESTRICTED BY RESOLUTION PASSED BEFORE THE ISSUANCE OF THE  
20 BONDS, NOTES OR OTHER OBLIGATIONS, OR BY THE TRUST INDENTURE.

21 § 9511.11. MOTOR LICENSE FUND PROCEEDS.

22 THE BALANCE OF THE PROCEEDS DEPOSITED IN THE MOTOR LICENSE  
23 FUND UNDER SECTION 20 OF THE ACT OF APRIL 17, 1997 (P.L.6,  
24 NO.3), ENTITLED, "AN ACT AMENDING TITLES 74 (TRANSPORTATION) AND  
25 75 (VEHICLES) OF THE PENNSYLVANIA CONSOLIDATED STATUTES, FURTHER  
26 PROVIDING FOR ANNUAL APPROPRIATION AND COMPUTATION OF SUBSIDY  
27 AND FOR DISTRIBUTION OF FUNDING; PROVIDING FOR DISTRIBUTION OF  
28 SUPPLEMENTAL FUNDING; FURTHER PROVIDING FOR USE OF FUNDS  
29 DISTRIBUTED; PROVIDING FOR PUBLIC TRANSPORTATION GRANTS  
30 MANAGEMENT ACCOUNTABILITY, FOR COMPETITIVE PROCUREMENT AND FOR

1 THE PUBLIC TRANSPORTATION ASSISTANCE FUND; FURTHER PROVIDING FOR  
2 PERIOD OF REGISTRATION, FOR DUTIES OF AGENTS, FOR REGISTRATION  
3 AND OTHER FEES, FOR REQUIREMENTS FOR PERIODIC INSPECTION OF  
4 VEHICLES, FOR LIMITS ON NUMBER OF TOWED VEHICLES, FOR OPERATION  
5 OF CERTAIN COMBINATIONS ON INTERSTATE AND OTHER HIGHWAYS AND FOR  
6 WIDTH AND LENGTH OF VEHICLES; PROVIDING FOR LIQUID FUELS AND  
7 FUELS PERMITS AND BOND OR DEPOSIT OF SECURITIES, FOR IMPOSITION  
8 OF LIQUID FUELS AND FUELS TAX, FOR TAXPAYER, FOR DISTRIBUTOR'S  
9 REPORT AND PAYMENT OF TAX, FOR DETERMINATION OF TAX, PENALTIES  
10 AND INTEREST, FOR EXAMINATION OF RECORDS AND EQUIPMENT, FOR  
11 RETENTION OF RECORDS BY DISTRIBUTORS AND DEALERS, FOR  
12 DISPOSITION AND USE OF TAX, FOR DISCONTINUANCE OR TRANSFER OF  
13 BUSINESS, FOR SUSPENSION OR REVOCATION OF PERMITS, FOR LIEN OF  
14 TAXES, PENALTIES AND INTEREST, FOR COLLECTION OF UNPAID TAXES,  
15 FOR REPORTS FROM COMMON CARRIERS, FOR VIOLATIONS AND REWARD FOR  
16 DETECTION OF VIOLATIONS, FOR REFUNDS, FOR DIESEL FUEL IMPORTERS  
17 AND TRANSPORTERS, FOR PROHIBITING USE OF DYED DIESEL FUEL, FOR  
18 DISPOSITION OF FEES, FINES AND FORFEITURES, FOR CERTIFIED COPIES  
19 OF RECORDS AND FOR UNCOLLECTIBLE CHECKS; FURTHER PROVIDING FOR  
20 DISTRIBUTION OF STATE HIGHWAY MAINTENANCE FUNDS AND FOR  
21 STANDARDS AND METHODOLOGY FOR DATA COLLECTION; PROVIDING FOR  
22 DIRT AND GRAVEL ROAD MAINTENANCE; FURTHER PROVIDING FOR  
23 IMPOSITION OF TAX AND ADDITIONAL TAX; PROVIDING FOR TAX ON  
24 ALTERNATIVE FUELS; FURTHER PROVIDING FOR DISPOSITION OF TAX  
25 REVENUE; MAKING AN APPROPRIATION; AND MAKING REPEALS," IS  
26 PLEGGED TO SECURE BONDS ISSUED BY THE COMMISSION. THE PROCEEDS  
27 MAY BE PLEGGED TO SECURE BONDS TO BE ISSUED BY THE COMMISSION ON  
28 BEHALF OF THE DEPARTMENT FOR THE CONSTRUCTION, RECONSTRUCTION,  
29 WIDENING, EXPANSION, EXTENSION, MAINTENANCE AND REPAIR OF AND  
30 SAFETY ON BRIDGES AND COSTS AND EXPENSES INCIDENT TO THOSE TASKS

1 AND FEES AND EXPENSES OF THE COMMISSION RELATED TO THE ISSUANCE  
2 OF THE BONDS, INCLUDING BOND-RELATED EXPENSES. EACH MONTH, THE  
3 STATE TREASURER SHALL TRANSFER AMOUNTS AS ARE NECESSARY, IN  
4 COMBINATION WITH AMOUNTS TRANSFERRED UNDER SECTIONS  
5 8915.3(4)(I)(RELATING TO LEASE OF INTERSTATE 80) AND 9511  
6 (RELATING TO ALLOCATION OF PROCEEDS) TO SATISFY THE PROVISIONS  
7 OF THE BOND INDENTURE RELATING TO BONDS ISSUED UNDER THIS  
8 SECTION AND THOSE AMOUNTS ARE AUTHORIZED TO BE APPROPRIATED.  
9 § 9511.12. SUPPLEMENT TO OTHER LAWS AND LIBERAL CONSTRUCTION.

10 THIS CHAPTER SHALL BE REGARDED AS SUPPLEMENTAL AND ADDITIONAL  
11 TO POWERS CONFERRED BY OTHER STATUTES AND SHALL NOT BE REGARDED  
12 AS IN DEROGATION OF ANY POWERS EXISTING ON THE EFFECTIVE DATE OF  
13 THIS SECTION. THE PROVISIONS OF THIS CHAPTER, BEING NECESSARY  
14 FOR THE WELFARE OF THE COMMONWEALTH AND ITS CITIZENS SHALL BE  
15 LIBERALLY CONSTRUED TO EFFECT THE PURPOSES OF THIS CHAPTER.

16 SECTION 6. (A) FINANCIAL ASSISTANCE MADE BY THE DEPARTMENT  
17 OF TRANSPORTATION TO AN AWARD RECIPIENT UNDER 74 PA.C.S. CH. 13  
18 PRIOR TO THE EFFECTIVE DATE OF THIS SECTION MAY CONTINUE TO BE  
19 USED BY AWARD RECIPIENTS FOR OPERATING OR CAPITAL EXPENSES UPON  
20 THE SAME TERMS AND CONDITIONS AS ARE CONTAINED IN THE NOTICE OF  
21 GRANT AWARD OR GRANT AGREEMENT EXECUTED IN CONNECTION WITH THE  
22 AWARD, IF THE FUNDS ARE EXPENDED WITHIN FIVE YEARS FOLLOWING THE  
23 EFFECTIVE DATE OF THIS SECTION.

24 (B) THE DEPARTMENT OF TRANSPORTATION MAY CONTINUE TO USE ALL  
25 FUNDS APPROPRIATED OR OTHERWISE MADE AVAILABLE TO IT FOR PUBLIC  
26 TRANSPORTATION PURPOSES PRIOR TO THE EFFECTIVE DATE OF THIS  
27 SECTION IN ACCORDANCE WITH THE LAWS UNDER WHICH THE FUNDS WERE  
28 MADE AVAILABLE.

29 SECTION 7. THE FOLLOWING SHALL APPLY:

30 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER

1 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE ADDITION OF 74  
2 PA.C.S. CH. 81.

3 (2) THE ACT OF SEPTEMBER 30, 1985 (P.L.240, NO.61),  
4 KNOWN AS THE TURNPIKE ORGANIZATION, EXTENSION AND TOLL ROAD  
5 CONVERSION ACT IS REPEALED.

6 (3) SECTION 207.1(C)(2) OF THE ACT OF APRIL 9, 1929  
7 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929,  
8 IS REPEALED INSOFAR AS IT IS INCONSISTENT WITH THE ADDITION  
9 OF 74 PA.C.S. § 8105.

10 (4) SECTIONS 2301(A) AND (B) OF THE ACT OF MARCH 4, 1971  
11 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, INSOFAR  
12 AS THEY RELATE TO THE ESTABLISHMENT AND EXISTENCE OF THE  
13 PUBLIC TRANSPORTATION ASSISTANCE FUND ARE REPEALED.

14 (5) ALL OTHER ACTS AND PARTS OF ACTS ARE REPEALED  
15 INSOFAR AS THEY ARE INCONSISTENT WITH THIS ACT.

16 SECTION 8. THE ADDITION OF 74 PA.C.S. CH. 81 IS A  
17 CONTINUATION OF THE ACT OF SEPTEMBER 30, 1985 (P.L.240, NO.61),  
18 KNOWN AS THE TURNPIKE ORGANIZATION, EXTENSION AND TOLL ROAD  
19 CONVERSION ACT. THE FOLLOWING SHALL APPLY:

20 (1) EXCEPT AS OTHERWISE PROVIDED UNDER 74 PA.C.S. CH.  
21 81, ALL ACTIVITIES INITIATED UNDER THE TURNPIKE ORGANIZATION,  
22 EXTENSION AND TOLL ROAD CONVERSION ACT SHALL CONTINUE AND  
23 REMAIN IN FULL FORCE AND EFFECT AND MAY BE COMPLETED UNDER 74  
24 PA.C.S. CH. 81. ORDERS, REGULATIONS, RULES AND DECISIONS  
25 WHICH WERE MADE UNDER THE TURNPIKE ORGANIZATION, EXTENSION  
26 AND TOLL ROAD CONVERSION ACT AND WHICH ARE IN EFFECT ON THE  
27 EFFECTIVE DATE OF SECTION 7(2) OF THIS ACT SHALL REMAIN IN  
28 FULL FORCE AND EFFECT UNTIL REVOKED, VACATED OR MODIFIED  
29 UNDER 74 PA.C.S. CH. 81. CONTRACTS, OBLIGATIONS AND  
30 COLLECTIVE BARGAINING AGREEMENTS ENTERED INTO UNDER THE

1       TURNPIKE ORGANIZATION, EXTENSION AND TOLL ROAD CONVERSION ACT  
2       ARE NOT AFFECTED NOR IMPAIRED BY THE REPEAL OF THE TURNPIKE  
3       ORGANIZATION, EXTENSION AND TOLL ROAD CONVERSION ACT.

4           (2)   EXCEPT AS SET FORTH IN PARAGRAPH (3), ANY DIFFERENCE  
5       IN LANGUAGE BETWEEN 74 PA.C.S. CH. 81 AND THE TURNPIKE  
6       ORGANIZATION, EXTENSION AND TOLL ROAD CONVERSION ACT IS  
7       INTENDED ONLY TO CONFORM TO THE STYLE OF THE PENNSYLVANIA  
8       CONSOLIDATED STATUTES AND IS NOT INTENDED TO CHANGE OR AFFECT  
9       THE LEGISLATIVE INTENT, JUDICIAL CONSTRUCTION OR  
10      ADMINISTRATION AND IMPLEMENTATION OF THE TURNPIKE  
11      ORGANIZATION, EXTENSION AND TOLL ROAD CONVERSION ACT.

12           (3)   PARAGRAPH (2) DOES NOT APPLY TO THE ADDITION OF 74  
13      PA.C.S. § 8105.

14      SECTION 9.   THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

15           (1)   THE FOLLOWING PROVISIONS SHALL TAKE EFFECT  
16      IMMEDIATELY:

17                   (I)   THE ADDITION OF 74 PA.C.S. § 8105.

18                   (II)   SECTION 7(3) OF THIS ACT.

19                   (III)   THIS SECTION.

20           (2)   THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60  
21      DAYS.