
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1590 Session of
2007

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

SENATOR ARMSTRONG, APPROPRIATIONS, IN SENATE, RE-REPORTED AS
AMENDED, JUNE 30, 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~~; PROVIDING FOR MINORITY AND WOMEN-OWNED BUSINESS <—
7 PARTICIPATION; authorizing local taxation for public
8 transportation assistance; repealing provisions relating to
9 public transportation assistance; providing for
10 transportation issues and for sustainable mobility options;
11 ~~further providing, in metropolitan transportation~~ <—
12 ~~authorities, for board members and for operation~~;
13 consolidating the Turnpike Organization, Extension and Toll
14 Road Conversion Act ~~and further providing for the~~ <—
15 ~~Pennsylvania Turnpike Commission~~; PROVIDING FOR TURNPIKE <—
16 COMMISSION STANDARDS OF CONDUCT; in provisions on the
17 Pennsylvania Turnpike, further providing for definitions, for
18 authorizations and for conversion to toll roads and providing
19 for conversion of Interstate 80, for application and for
20 lease of Interstate 80; in taxes for highway maintenance and
21 construction, providing for definitions; further providing
22 for imposition and for allocation of proceeds; providing for
23 special revenue bonds, for expenses, for application of
24 proceeds of obligations, for trust indenture, for exemption,
25 for pledged revenues, for special revenue refunding bonds,
26 for remedies, for Motor License Fund proceeds, for
27 construction and for funding; and making related repeals.

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

1 Section 1. Chapter 86 of Title 53 of the Pennsylvania
2 Consolidated Statutes is amended to read:

3 CHAPTER 86

4 [(RESERVED)]

5 TAXATION FOR PUBLIC TRANSPORTATION

6 Sec.

7 8601. Declaration of policy.

8 8602. Local financial support.

9 § 8601. Declaration of policy.

10 The General Assembly finds and declares as follows:

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

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

15 § 8602. Local financial support.

16 (a) Imposition. Notwithstanding any other provision of law,
17 a municipality may obtain financial support for transit systems
18 by imposing one or more of the taxes or surcharges under
19 subsection (b). Money obtained from the imposition shall be
20 deposited into a restricted account of the municipality. The
21 following apply:

22 (1) Money in the restricted account shall be used to
23 meet the requirements of 74 Pa.C.S. §§ 1513(d)(1) (relating
24 to operating program), 1514(c) (relating to asset improvement
25 program) and 1515(d) (relating to new initiatives program).

26 (2) Money in the restricted account beyond that
27 necessary under paragraph (1) shall be used for public
28 passenger transportation, as defined in 74 Pa.C.S. § 1503
29 (relating to definitions) or for costs related to the
30 maintenance, repair, restoration or replacement of local

1 ~~roads and bridges.~~

2 ~~(b) Taxes.~~

3 ~~(1) A county may, by ordinance, impose all of the~~
4 ~~following taxes:~~

5 ~~(i) A sales tax on each separate sale at retail of~~
6 ~~tangible personal property or services within the county~~
7 ~~of either 0.25% or 0.5% of the purchase price. The~~
8 ~~Department of Revenue shall administer and collect the~~
9 ~~tax under this subparagraph in accordance with Article II~~
10 ~~of the act of March 4, 1971 (P.L.6, No.2), known as the~~
11 ~~Tax Reform Code of 1971, and shall distribute the money~~
12 ~~to the county. As used in this subparagraph, the terms~~
13 ~~"purchase price," "sale at retail" and "tangible personal~~
14 ~~property" shall have the meanings given to them under~~
15 ~~section 201 of the Tax Reform Code of 1971.~~

16 ~~(ii) A use tax on each use within the county of~~
17 ~~tangible personal property purchased at retail and on~~
18 ~~those services purchased at retail of either 0.25% or~~
19 ~~0.5% of the purchase price. The ordinance shall provide~~
20 ~~that the tax shall not be paid if the person has paid the~~
21 ~~tax imposed under subparagraph (i) or has paid the tax~~
22 ~~imposed under this subparagraph to the vendor with~~
23 ~~respect to the use. The Department of Revenue shall~~
24 ~~administer and collect the tax under this subparagraph in~~
25 ~~accordance with Article II of the Tax Reform Code of 1971~~
26 ~~and shall distribute the money to the county. As used in~~
27 ~~this subparagraph, the terms "purchase price," "tangible~~
28 ~~personal property" and "vendor" shall have the meanings~~
29 ~~given to them under section 201 of the Tax Reform Code of~~
30 ~~1971.~~

~~(iii) An excise tax of either 0.25% or 0.5% of the rent upon the occupancy of each hotel room in the county. As used in this subparagraph, the terms "hotel," "occupancy" and "rent" shall have the meanings given to them under section 209(a) of the Tax Reform Code of 1971.~~

~~(2) A municipality other than a county may, by ordinance, impose a tax on earned income, as defined under section 13 of the act of December 31, 1965 (P.L.1257, No.511), known as The Local Tax Enabling Act, of either 0.25% or 0.5%. The tax under this paragraph shall be in addition to the tax imposed under The Local Tax Enabling Act.~~

~~(3) A municipality may, by ordinance, impose a tax of up to \$2 per day on each rental vehicle. As used in this paragraph, the term "rental vehicle" shall have the meaning given it in section 1601 A of the Tax Reform Code of 1971.~~

~~(4) A county may impose, under the statutory authority of the county to levy an excise tax on the price of a hotel room rental, an additional excise tax of up to 1% on the price of a hotel room rental.~~

Section 1.1. Title 74 is amended by adding a section to read:

~~§ 303. Minority and women owned business participation.~~

~~(a) General rule. In administering the provisions of this title, the department and any local transportation organization shall:~~

~~(1) Be responsible for ensuring that all competitive contract opportunities issued by the department or local transportation organization seek to maximize participation by minority and women owned businesses and other disadvantaged businesses.~~

1 ~~(2) Give consideration, when possible and cost~~
2 ~~effective, to contractors offering to utilize minority and~~
3 ~~women owned businesses and disadvantaged businesses in the~~
4 ~~selection and award of contracts.~~

5 ~~(3) Ensure that the department's and local~~
6 ~~transportation organizations's commitment to the minority and~~
7 ~~women owned business program is clearly understood and~~
8 ~~appropriately implemented and enforced by all department and~~
9 ~~local transportation organization employees.~~

10 ~~(4) Designate a responsible official to supervise the~~
11 ~~department and local transportation organization minority and~~
12 ~~women owned business program and ensure compliance within the~~
13 ~~department or local transportation organization.~~

14 ~~(5) Furnish the Department of General Services, upon~~
15 ~~request, all requested information or assistance.~~

16 ~~(6) Recommend sanctions to the Secretary of General~~
17 ~~Services, as may be appropriate, against businesses that fail~~
18 ~~to comply with the policies of the Commonwealth minority and~~
19 ~~women owned business program.~~

20 ~~(b) Definitions. As used in this section, the following~~
21 ~~words and phrases shall have the meanings given to them in this~~
22 ~~subsection:~~

23 ~~"Disadvantaged business." A business that is owned or~~
24 ~~controlled by a majority of persons, not limited to members of~~
25 ~~minority groups, who are subject to racial or ethnic prejudice~~
26 ~~or cultural bias.~~

27 ~~"Local transportation organization." Any of the following:~~

28 ~~(1) A political subdivision or a public transportation~~
29 ~~port or redevelopment authority organized under the laws of~~
30 ~~this Commonwealth or pursuant to an interstate compact or~~

1 ~~otherwise empowered to render, contract for the rendering or~~
2 ~~assist in the rendering of transportation service in a~~
3 ~~limited area in this Commonwealth, even though it may also~~
4 ~~render or assist in rendering transportation service in~~
5 ~~adjacent states.~~

6 ~~(2) A nonprofit association that directly or indirectly~~
7 ~~provides public transportation service.~~

8 ~~(3) A nonprofit association of public transportation~~
9 ~~providers operating within this Commonwealth.~~

10 ~~"Minority owned business." A business owned and controlled~~
11 ~~by a majority of persons who are African Americans, Hispanic~~
12 ~~Americans, Native Americans, Asian Americans, Alaskans and~~
13 ~~Pacific Islanders.~~

14 ~~"Women owned business." A business owned and controlled by a~~
15 ~~majority of persons who are women.~~

16 Section 1.2. Chapter 13 of Title 74 is repealed:

17 SECTION 1. TITLE 53 OF THE PENNSYLVANIA CONSOLIDATED <—
18 STATUTES IS AMENDED BY ADDING A CHAPTER TO READ:

19 SECTION 1. TITLE 53 OF THE PENNSYLVANIA CONSOLIDATED <—
20 STATUTES IS AMENDED BY ADDING A SECTION TO READ:

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

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

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

30 (2) GIVE CONSIDERATION, WHEN POSSIBLE AND COST

1 EFFECTIVE, TO CONTRACTORS OFFERING TO UTILIZE MINORITY-OWNED
2 AND WOMEN-OWNED BUSINESSES AND DISADVANTAGED BUSINESSES IN
3 THE SELECTION AND AWARD OF CONTRACTS.

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

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

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

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

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

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

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

27 (1) A POLITICAL SUBDIVISION OR A PUBLIC TRANSPORTATION
28 PORT OR REDEVELOPMENT AUTHORITY ORGANIZED UNDER THE LAWS OF
29 THIS COMMONWEALTH OR PURSUANT TO AN INTERSTATE COMPACT OR
30 OTHERWISE EMPOWERED TO RENDER, CONTRACT FOR THE RENDERING OF

1 OR ASSIST IN THE RENDERING OF TRANSPORTATION SERVICE IN A
2 LIMITED AREA IN THIS COMMONWEALTH, EVEN THOUGH IT MAY ALSO
3 RENDER OR ASSIST IN RENDERING TRANSPORTATION SERVICE IN
4 ADJACENT STATES.

5 (2) A NONPROFIT ASSOCIATION THAT DIRECTLY OR INDIRECTLY
6 PROVIDES PUBLIC TRANSPORTATION SERVICE.

7 (3) A NONPROFIT ASSOCIATION OF PUBLIC TRANSPORTATION
8 PROVIDERS OPERATING WITHIN THIS COMMONWEALTH.

9 "MINORITY-OWNED BUSINESS." A BUSINESS OWNED AND CONTROLLED
10 BY A MAJORITY OF INDIVIDUALS WHO ARE AFRICAN AMERICANS, HISPANIC
11 AMERICANS, NATIVE AMERICANS, ASIAN AMERICANS, ALASKANS OR
12 PACIFIC ISLANDERS.

13 "WOMEN-OWNED BUSINESS." A BUSINESS OWNED AND CONTROLLED BY A
14 MAJORITY OF INDIVIDUALS WHO ARE WOMEN.

15 SECTION 1.1. TITLE 53 IS AMENDED BY ADDING A CHAPTER TO
16 READ:

17 CHAPTER 86

18 TAXATION FOR PUBLIC TRANSPORTATION

19 SEC.

20 8601. SCOPE.

21 8602. LOCAL FINANCIAL SUPPORT.

22 § 8601. SCOPE.

23 THIS CHAPTER RELATES TO LOCAL FUNDING FOR SUSTAINABLE
24 MOBILITY OPTIONS.

25 § 8602. LOCAL FINANCIAL SUPPORT.

26 (A) IMPOSITION.--NOTWITHSTANDING ANY OTHER PROVISION OF LAW,
27 A COUNTY OF THE SECOND CLASS MAY OBTAIN FINANCIAL SUPPORT FOR
28 TRANSIT SYSTEMS BY IMPOSING ONE OR MORE OF THE TAXES UNDER
29 SUBSECTION (B). MONEY OBTAINED FROM THE IMPOSITION SHALL BE
30 DEPOSITED INTO A RESTRICTED ACCOUNT OF THE MUNICIPALITY COUNTY. <—

1 context clearly indicates otherwise:

2 "Asset maintenance costs." All vehicle maintenance expenses,
3 nonvehicle maintenance expenses and materials and supplies used
4 in the operation of local transportation organizations and
5 transportation companies.

6 "Average fare." Total passenger revenue divided by the total
7 number of fare-paying passengers. With regard to the calculation
8 of average fare or base fare for the reimbursement of losses
9 resulting from free service to senior citizens authorized by
10 this part, the Department of Transportation shall not
11 differentiate between bus services provided within an operating
12 unit or division of any transit agency for any reason. Services
13 funded under either the State urban or rural operating
14 assistance programs will be considered separate operating units.

15 "Bus." A motor vehicle designed for carrying 15 or more
16 passengers, exclusive of the driver, and used for the
17 transportation of persons, and a motor vehicle, other than a
18 taxicab, designed and used for the transportation of persons for
19 compensation.

20 "Capital project." Any system of public passenger or public
21 passenger and rail transportation, including, but not limited
22 to, any railway, street railway, subway, elevated and monorail
23 passenger or passenger and rail rolling stock, including self-
24 propelled and gallery cars, locomotives, passenger buses and
25 wires, poles and equipment for the electrification of any of the
26 foregoing, rails, tracks, roadbeds, guideways, elevated
27 structures, buildings, stations, terminals, docks, shelters,
28 airports and parking areas for use in connection with public
29 passenger or public passenger and rail transportation systems,
30 interconnecting lines and tunnels to provide passenger or

1 passenger and rail service connections between transportation
2 systems, transportation routes, corridors, and rights-of-way for
3 any thereof (but not for public highways), signal and
4 communication systems necessary or desirable for the
5 construction, operation or improvement of the public passenger
6 or passenger and rail transportation system involved, or any
7 improvement of or overhaul of any vehicle, equipment or
8 furnishings for any of the foregoing or any part, or fractional
9 and undivided co-ownership or leasehold interest in any one or
10 combination of any of the foregoing, that may be designated as a
11 capital project by the secretary.

12 "Class 1 transit entity." A local transportation
13 organization or transportation company operating 1,000 or more
14 transit vehicles in the peak period.

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

18 "Class 3 transit entity." A local transportation
19 organization or transportation company operating 300 or less
20 fixed-route transit vehicles in the peak period serving an
21 urbanized area.

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

29 "Class 4 transit entity adjusted base grant." The State
30 subsidy for operating expenses a Class 4 transit entity received

1 during the 1990-1991 fiscal year, including any funds
2 appropriated under the act of February 11, 1976 (P.L.14, No.10),
3 known as the Pennsylvania Rural and Intercity Common Carrier
4 Surface Transportation Assistance Act; adjusted for factors
5 which, in the judgment of the department, caused significant
6 increases or decreases in the amount of State subsidy to a Class
7 4 transit entity during the 1990-1991 fiscal year; and further
8 adjusted, with respect to any Class 4 transit entity which
9 received a State subsidy for less than the entire 1990-1991
10 fiscal year, to reflect the annual subsidy that Class 4 transit
11 entity would have received during that fiscal year if it had
12 received a State subsidy for that entire fiscal year.

13 "Community transportation programs." Programs eligible to be
14 funded pursuant to section 1312 (relating to community
15 transportation programs).

16 "Construction." The term includes acquisition as well as
17 construction.

18 "Counties." The term includes any county.

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

23 "Department." The Department of Transportation of the
24 Commonwealth.

25 "Equipment" and "furnishings." Any equipment and furnishings
26 whatsoever as may be deemed desirable and required for a capital
27 project and approved by the Department of Transportation for the
28 use and occupancy of that capital project. The terms include the
29 installation of such equipment and furnishings.

30 "Federal agency." The United States of America, the

1 President of the United States of America and any department of,
2 or corporation, agency or instrumentality heretofore or
3 hereafter created, designated or established by, the United
4 States of America.

5 "Fixed-route public transportation services." Regularly
6 scheduled transportation that is available to the general public
7 and is provided according to published schedules along
8 designated published routes with specified stopping points for
9 the taking on and discharging of passengers, including public
10 bus and commuter rail systems. The term does not include
11 exclusive ride taxi service, charter or sightseeing services,
12 nonpublic transportation or school bus or limousine services.

13 "Fund." The Public Transportation Assistance Fund.

14 "Improvement." Any extension, enlargement, equipping,
15 furnishing, as well as any improvement.

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

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

30 "Municipality." Includes any city, borough, incorporated

1 town or township.

2 "Nonurbanized area." Any area in this Commonwealth which
3 does not fall within an area classified as "urbanized" by the
4 United States Bureau of the Census of the United States
5 Department of Commerce in the 1990 Census of Population or any
6 area in this Commonwealth not classified as "urbanized" in any
7 future decennial census of the United States.

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

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

26 "Pennsylvania Rural and Small Urban Public Transportation
27 Program Statistical Report." The summary of selected financial
28 and operating data concerning rural and small urban local
29 transportation organizations and transportation companies for
30 services in nonurbanized areas published by the Department of

1 Transportation. The department shall publish the Pennsylvania
2 Rural and Small Urban Public Transportation Program Statistical
3 Report on an annual basis, which report shall contain statistics
4 with respect to the prior fiscal year, including those
5 statistics needed for the department to make the calculations
6 required pursuant to sections 1303 (relating to annual
7 appropriation and computation of subsidy) and 1310 (relating to
8 distribution of funding), and such other material as the
9 department shall determine.

10 "Person." The term includes natural persons, firms,
11 associations, corporations, business trusts, partnerships and
12 public bodies, including local transportation organizations.

13 "Planning, development, research, rural expansion and
14 department-initiated programs." Any program eligible to be
15 funded pursuant to section 1313 (relating to additional
16 programs).

17 "Project grant." The Commonwealth's share of the cost of
18 carrying out the particular project, which cost may include
19 costs incurred prior to the effective date of this part and
20 which cost shall include an appropriate allowance for the
21 administrative expenses involved in carrying out the project.

22 "Property." All property, real, personal or mixed, tangible
23 or intangible, or any interest therein, including fractional and
24 undivided co-ownership interests.

25 "Public highway." Every way or place, of whatever nature,
26 open to the use of the public as a matter of right for purposes
27 of vehicular travel. Solely for the purpose of administering
28 this part, the term shall not be deemed to include a bridge
29 located wholly within this Commonwealth which is open to the use
30 of the public for the purpose of vehicular traffic but which on

1 March 15, 1964, was owned and maintained by a mass
2 transportation or port authority and which comprises a part of
3 the transportation system of the mass transportation or port
4 authority.

5 "Revenue hours." The total amount of time, calculated in
6 hours, during which vehicles of a Class 4 transit entity are in
7 service and available for public use as reported with respect to
8 the most recent fiscal year in the most recently issued
9 Pennsylvania Rural and Small Urban Public Transportation
10 Statistical Report.

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

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

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

28 "Transit vehicle." A self-propelled or electrically
29 propelled vehicle designed for carrying 15 or more passengers,
30 exclusive of the driver, other than a taxicab, designed and used

1 for the transportation of persons for compensation, including,
2 but not limited to, subway cars, trolleys, trackless trolleys
3 and railroad passenger cars.

4 "Transportation company." Any person, firm or corporation
5 rendering public passenger or public passenger and rail
6 transportation service, with or without the rendering of other
7 service, in this Commonwealth pursuant to common carrier
8 authorization from the Pennsylvania Public Utility Commission or
9 the Interstate Commerce Commission.

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

19 "Urban Mass Transportation Act of 1964." Public Law 88-365,
20 49 U.S.C. § 1601 et seq.

21 "Urbanized area." A portion of this Commonwealth classified
22 as "urbanized" by the United States Bureau of the Census of the
23 United States Department of Commerce in the 1990 Census of
24 Population or any area in this Commonwealth classified as
25 "urbanized" in any future decennial census of the United States.

26 "Vehicle hours." The total amount of time, calculated in
27 hours, during which vehicles of a local transportation
28 organization or transportation company are in service and
29 available for public use, listed with respect to the most recent
30 fiscal year reported in the most recently issued Pennsylvania

1 Mass Transit Statistical Report.

2 "Vehicle maintenance expenses." The categories of costs
3 associated with the inspection, maintenance and repair of
4 vehicles as specified in the National Urban Mass Transportation
5 Statistics, 1989 Section 15 Annual Report, Report No. UMTA-IT-
6 06-0352-90-1.

7 "Vehicle miles." The total distance, calculated in miles,
8 which is funded in whole or in part by this part, traveled by
9 vehicles of a local transportation organization or
10 transportation company listed with respect to the most recent
11 fiscal year reported in the most recently issued Pennsylvania
12 Mass Transit Statistical Report.

13 § 1302. Program authorizations.

14 The department is hereby authorized, within the limitations
15 hereinafter provided, and is required where the provisions of
16 section 1303 (relating to annual appropriation and computation
17 of subsidy) apply:

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

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

25 (i) For the purpose of studies, analysis, planning
26 and development of programs for urban common carrier mass
27 transportation service and facilities, and for the
28 purpose of activities related to the planning,
29 engineering and designing of specific projects which are
30 a part of a comprehensive program, including, but not

1 limited to, activities such as studies related to
2 management, operations, capital requirements and economic
3 feasibility, to the preparation of engineering and
4 architectural surveys, plans and specifications and to
5 other similar or related activities preliminary to and in
6 preparation for the construction, acquisition or improved
7 operation of urban common carrier mass transportation
8 systems, facilities and equipment. State funding under
9 this subparagraph shall not exceed five-sixths of the
10 non-Federal share of the project costs.

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

22 (iii) To assist in providing grants to continue
23 necessary service to the public, to permit needed
24 improvements in service which are not self-supporting, to
25 permit service which may be socially desirable but
26 economically unjustified, and otherwise for any purpose
27 in furtherance of urban common carrier mass
28 transportation. The methodology for calculating the
29 amount of the grant under this subparagraph shall be
30 determined in accordance with section 1303. Each grant to

1 a Class 1 transit entity, to a Class 2 transit entity or
2 to a Class 3 transit entity made pursuant to this
3 paragraph shall be matched by local or private funding in
4 an amount not less than one-third of the total State
5 grant made pursuant to section 1303(b). Any grants to
6 Class 3 transit entities may, however, be matched by an
7 amount not less than the amount of local or private
8 funding which is specified in the State contract for the
9 1990-1991 fiscal year if the department shall have
10 received a certification from such Class 3 transit entity
11 that such lower level of local or private funding is
12 adequate to prevent significant service reductions or
13 passenger fare increases.

14 (3) To make grants to any transportation company or
15 companies for use in providing necessary service to the
16 public, to permit needed improvements in services which are
17 not self-supporting, to permit services which may be socially
18 desirable but economically unjustified, and otherwise for any
19 purpose in furtherance of urban common carrier mass
20 transportation. In view of the particular sensitivity of
21 special instrumentalities and agencies of the Commonwealth
22 created to serve or coordinate the local transportation needs
23 of substantial metropolitan areas, no grant moneys may be
24 used exclusively or principally in the local service area of
25 any such agency or instrumentality in which a city or county
26 of the first or second class has membership, except in
27 accordance with a system of priorities agreed upon by the
28 department and such agency or instrumentality. In the case of
29 a grant where the moneys granted will be used for an activity
30 to be conducted exclusively or principally within the local

1 service areas of such agency or instrumentality, no grant
2 moneys may be used except in accordance with agreements by
3 the department and such agency or instrumentality with
4 respect to such use. In the case of a grant not falling
5 within the scope of the preceding sentence but where moneys
6 granted will be used both within and without the local
7 service area of such agency or instrumentality, the grant
8 shall require that the routes, schedules and fares applicable
9 only within such service areas shall be those mutually agreed
10 upon by the department and such agency or instrumentality. No
11 agreement referred to in this paragraph shall impair,
12 suspend, reduce, enlarge or extend or affect in any manner
13 the powers of the Pennsylvania Public Utility Commission or
14 the Interstate Commerce Commission otherwise applicable by
15 law. Each grant to a Class 1 transit entity, to a Class 2
16 transit entity or to a Class 3 transit entity made pursuant
17 to this paragraph shall be matched by local or private
18 funding in an amount not less than one-third of the total
19 State grant made pursuant to section 1303(b). Any grants to
20 Class 3 transit entities may, however, be matched by an
21 amount not less than the amount of local or private funding
22 which is specified in the State contract for the 1990-1991
23 fiscal year if the department shall have received a
24 certification from such Class 3 transit entity that such
25 lower level of local or private funding is adequate to
26 prevent significant service reductions and/or passenger fare
27 increases.

28 (4) In connection with privately or locally assisted
29 capital projects or capital projects financed with private or
30 local and Federal funds, to make grants for approved capital

1 projects to a local transportation organization or a
2 transportation company, including the acquisition,
3 construction, reconstruction and improvement of facilities
4 and equipment, buses and other rolling stock, and other real
5 or personal property, including land (but not public
6 highways), needed for an efficient and coordinated mass
7 transportation system for use, by operation, lease or
8 otherwise, in urban common carrier mass transportation
9 service and in coordinating such service with highway and
10 other transportation. No capital project grant shall be made
11 for the purpose of financing, directly or indirectly, the
12 acquisition of any interest in, or the purchase of any
13 facilities or other property of, a private urban common
14 carrier mass transportation company. Each capital project
15 shall be based on a program or plan approved by the
16 department. No capital project grant shall exceed five-sixths
17 of the non-Federal share, subject, however, to the following
18 specific exceptions:

19 (i) If two or more capital projects are combined for
20 financing purposes, the amount of department funds used
21 for any one of such projects may exceed five-sixths of
22 the non-Federal share, provided that the total amount of
23 department funds provided for all the projects so
24 combined does not exceed five-sixths of the total non-
25 Federal share of all of the projects so combined.

26 (ii) If a capital project is eligible to receive
27 Federal financial assistance under the Urban Mass
28 Transportation Act of 1964 and if the project application
29 for such Federal financial assistance has been rejected
30 or delayed because of a lack of Federal funds or if the

1 normal amount of Federal grant cannot be provided because
2 of a lack of Federal funds and if the department has
3 determined that the capital project is essential and
4 should proceed without delay, department funds for such
5 capital project may be increased temporarily to finance
6 the entire net project cost, with the requirement that,
7 upon the availability of additional Federal funds and the
8 making to the capital project of a new or an additional
9 Federal grant, the amount of department funds in excess
10 of five-sixths of the non-Federal share be refunded to
11 the department or be applied as the department may direct
12 to help meet the department's share of the cost of
13 another project in which the department is a participant.

14 (iii) If a project is ineligible to receive Federal
15 financial assistance under the Urban Mass Transportation
16 Act of 1964 and if the department has determined that the
17 project is essential and should proceed without delay,
18 the amount of department funds for such project shall be
19 limited to an amount not to exceed one-half of the net
20 project cost.

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

24 (6) To participate in a pooled bus acquisition program
25 with transportation companies or local transportation
26 organizations and the Federal Government for the purpose of
27 making buses available to transportation companies or local
28 transportation organizations for use in urban common carrier
29 mass transportation service, in accordance with the following
30 procedures:

1 (i) The department may apply to the Urban Mass
2 Transportation Administration of the United States
3 Department of Transportation for the Federal share of any
4 pooled-bus acquisition project.

5 (ii) The department may, with the assistance of the
6 Department of General Services or a special group
7 comprised of representatives of the transportation
8 companies or local transportation organizations within
9 the Commonwealth, write specifications for and order
10 buses on behalf of any number of transportation companies
11 or local transportation organizations desiring bus
12 acquisition under this program.

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

23 (iv) Funding for this program shall be: four-fifths
24 Federal, one-sixth State and one-thirtieth from local
25 sources; however, the local share of program costs may be
26 advanced to the manufacturer by the Commonwealth at the
27 time of purchase. Repayments to the Commonwealth of such
28 advancements shall be considered as augmentations to the
29 fund from which the funds were advanced. No part of the
30 Federal share shall be advanced by the Commonwealth in

1 anticipation of reimbursement.

2 (v) The Commonwealth may take title to and delivery
3 of vehicles acquired pursuant to this program for
4 eventual transfer to transportation companies or local
5 transportation organizations.

6 (vi) All bus acquisitions under this program shall
7 be made in accordance with a system of competitive
8 bidding.

9 (vii) At its discretion, the department may organize
10 and fund, with Commonwealth funds, postacquisition
11 studies reasonably related to any pooled-bus acquisition
12 made pursuant to this section, including, but not limited
13 to, a vehicle inspection study at an appropriate interval
14 or intervals following acquisition in order to monitor
15 the condition of any vehicle purchased pursuant to this
16 section.

17 § 1303. Annual appropriation and computation of subsidy.

18 (a) General rule.--Beginning with the 1991-1992 fiscal year,
19 the Commonwealth shall annually determine the level of
20 appropriation for public transportation assistance, using the
21 standards contained in this section, to sufficiently fund and to
22 make fully operative section 1302(2)(iii) and (3) (relating to
23 program authorizations).

24 (b) Distribution as grants.--The General Assembly shall
25 annually make an appropriation to the department for
26 distribution as grants to local transportation organizations and
27 transportation companies. The total amount of moneys
28 appropriated shall be distributed by the department as grants to
29 local transportation organizations and transportation companies
30 in accordance with the provisions of this section.

1 (c) Distribution formula.--The department shall distribute
2 the total amount appropriated under subsection (b) in the
3 following manner:

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

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

8 (i) From the Class 4 transit entity share, each
9 Class 4 transit entity shall first receive an amount
10 equal to 100% of its Class 4 transit entity adjusted base
11 grant.

12 (ii) With respect to any portion of the Class 4
13 transit entity share remaining after each Class 4 transit
14 entity receives an amount equal to 100% of its Class 4
15 transit entity adjusted base grant:

16 (A) Fifty percent of such excess shall be
17 distributed to Class 4 transit entities based upon
18 the percentage of the total amount of all Class 4
19 transit entity adjusted base grants given to Class 4
20 transit entities which a particular Class 4 transit
21 entity received.

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

1 (C) Twenty-five percent of such excess shall be
2 distributed to Class 4 transit entities based upon
3 each transit entity's Class 4 revenue hour
4 percentage. The actual amount received by each Class
5 4 transit entity under this clause shall be
6 determined by multiplying a particular Class 4
7 transit entity's Class 4 revenue hour percentage
8 times 25% of such excess of the Class 4 transit
9 entity share.

10 (3) All Class 4 transit entities may utilize all of the
11 funds received pursuant to this section for any purpose in
12 furtherance of public transportation. Each grant made to a
13 Class 4 transit entity pursuant to this section shall,
14 however, be matched by local or private funding in an amount
15 not less than one-third of the total State grant made
16 pursuant to subsection (c). Additionally, any grants to Class
17 4 transit entities may be matched by an amount not less than
18 the amount of local or private funding which is specified in
19 the State contract for the 1990-1991 fiscal year if the
20 department shall have received a certification from such
21 Class 4 transit entity that such lower level of local or
22 private funding is adequate to prevent significant service
23 reductions or passenger fare increases.

24 (4) The department shall calculate the Class 1 transit
25 entity share, the Class 2 transit entity share and the Class
26 3 transit entity share for the fiscal year.

27 (5) The department shall then calculate the amount of
28 grant due to each local transportation organization and
29 transportation company as follows:

30 (i) Each Class 1 transit entity shall receive a

1 prorate share of the Class 1 transit entity share. If
2 there is only one Class 1 transit entity, it shall
3 receive the entire Class 1 transit entity share.

4 (ii) Each Class 2 transit entity shall receive a
5 prorata share of the Class 2 transit entity share. If
6 there is only one Class 2 transit entity, it shall
7 receive the entire Class 2 transit entity share.

8 (iii) Each Class 3 transit entity shall receive a
9 portion of the Class 3 transit entity share calculated as
10 follows:

11 (A) From the Class 3 transit entity share, each
12 Class 3 transit entity shall first receive an amount
13 equal to 100% of its Class 3 transit entity adjusted
14 base grant.

15 (B) With respect to any portion of the Class 3
16 transit entity share remaining after each Class 3
17 transit entity receives an amount equal to 100% of
18 its Class 3 transit entity adjusted base grant:

19 (I) Fifty percent of such excess shall be
20 distributed to Class 3 transit entities based
21 upon the percentage of all Class 3 transit entity
22 adjusted base grants given to Class 3 transit
23 entities which a particular Class 3 transit
24 entity received.

25 (II) Twenty-five percent of such excess
26 shall be distributed to Class 3 transit entities
27 based upon each transit entity's Class 3 vehicle
28 mile percentage. The actual amount received by
29 each Class 3 transit entity under this subclause
30 shall be determined by multiplying a particular

1 Class 3 transit entity's Class 3 vehicle mile
2 percentage times 25% of such excess of the Class
3 3 transit entity share.

4 (III) Twenty-five percent of such excess
5 shall be distributed to Class 3 transit entities
6 based upon each Class 3 transit entity's Class 3
7 operating revenue percentage. The actual amount
8 received by each Class 3 transit entity under
9 this subclause shall be determined by multiplying
10 a particular Class 3 transit entity's Class 3
11 operating revenue percentage times 25% of such
12 excess of the Class 3 transit entity share.

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

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

1 (e) Change to different entity class.--If, during any fiscal
2 year, either the number of vehicles operated by a local
3 transportation organization or transportation company or the
4 area served by such a local transportation organization or
5 transportation company changes so that the local transportation
6 organization or transportation company meets the criteria for a
7 different transit entity class, as such criteria are set forth
8 in section 1301, on or before July 15 of the fiscal year which
9 follows such a change and in each fiscal year thereafter, the
10 department shall reflect any change in the transit entity class
11 of such a local transportation organization or transportation
12 company in its calculation of the transit entity shares for each
13 transit entity class for that and subsequent fiscal years. In
14 its calculation of the transit entity shares for each transit
15 entity class required by this section, for the fiscal year
16 following the change in a local transportation organization or
17 transportation company's transit entity class and thereafter,
18 the department shall include the amount of the transit entity
19 share allocated to such a local transportation organization or
20 transportation company for the fiscal year prior to the change
21 in the transit entity class, in the transit entity share for the
22 new transit entity class of such a local transportation
23 organization or transportation company, and shall delete an
24 equal amount from the transit entity share for the transit
25 entity class for which such a local transportation organization
26 or transportation company no longer meets the criteria in the
27 new fiscal year or thereafter.

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

29 (1) Each local transportation organization or
30 transportation company receiving moneys pursuant to this

1 section shall annually fix such rates, fares and charges in
2 such manner that they shall be at all times sufficient in the
3 aggregate, and in conjunction with any moneys received from
4 Federal or other sources, and any other income available to
5 such organization or company, to provide funds for the
6 payment of all operating costs and expenses which shall be
7 incurred by such organization or company.

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

18 (g) Standards and measures.--

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

1 transportation organization or transportation company:

2 (i) An automatic mechanism to review the utilization
3 of routes.

4 (ii) Staffing ratios (ratio of administrative
5 employees to operating employees; number of vehicles per
6 mechanic).

7 (iii) Productivity measures (vehicle miles per
8 employee; passenger and employee accidents per 100,000
9 vehicle miles; on-time performance; miles between road
10 calls).

11 (iv) Fiscal indicators (operating cost per
12 passenger; subsidy per passenger and operating ratio).

13 (iv.1) Reasonable minimum prequalification standards
14 for prospective transit service subcontractors.

15 (v) Any other matter desired by the governing body
16 of such local transportation organization or
17 transportation company.

18 (2) The service standards and performance evaluation
19 measures shall be established by formal action of the
20 governing body of such local transportation organization or
21 transportation company following an opportunity for comment
22 by the public and the department. Upon submission, the
23 department will review and may make recommendations to the
24 local transportation organization or transportation company
25 concerning the service standards and performance evaluation
26 measures.

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

30 (4) The service standards and performance evaluation

1 measures shall only constitute goals for such local
2 transportation organization or transportation company in
3 providing service in the year following their adoption. At
4 the end of such year, fiscal or calendar, as the case may be,
5 a report shall be transmitted to the department for its
6 consideration indicating the projected performance levels and
7 the performance levels actually achieved. Upon submission,
8 the department will review the report and may make
9 recommendations to such local transportation organization or
10 transportation company concerning the performance levels
11 actually achieved. Such report shall be released to the
12 public at the time of issuance.

13 (5) The department may suspend the eligibility for
14 future discretionary transit grant funds of any transit
15 entity which fails to comply with the provisions of this
16 section. The department shall restore the discretionary
17 funding eligibility of a suspended transit entity at such
18 time as the requirements of this section are met in an
19 amended application received by the department.

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

30 (i) Audits.--The department is authorized to perform

1 independent financial audits of the financial statements of each
2 local transportation organization or transportation company
3 receiving moneys pursuant to this section. Such audits shall be
4 conducted in accordance with generally accepted auditing
5 standards. Any financial statements subject to such audit or
6 reports resulting from such audit shall be prepared and
7 presented in accordance with generally accepted accounting
8 principles, consistently applied with previous statements
9 rendered for or on behalf of such organization or company. The
10 department may coordinate such audits in conjunction with audits
11 undertaken by the Auditor General.

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

15 "Class 1 percentage." Seventy percent.

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

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

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

20 "Class 1 transit entity share." The product of the Class 1
21 percentage times the Class 1 to 3 allocation in a particular
22 fiscal year.

23 "Class 2 transit entity share." The product of the Class 2
24 percentage times the Class 1 to 3 allocation in a particular
25 fiscal year.

26 "Class 3 transit entity adjusted base grant." The State
27 subsidy which a Class 3 transit entity received during the 1990-
28 1991 fiscal year, including Federal funds transferred from other
29 local transportation organizations and transportation companies
30 from the Federal fiscal year 1989-1990 pursuant to the

1 Governor's apportionment allocation contained in the Urban Mass
2 Transportation Act of 1964.

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

6 "Class 3 vehicle mile percentage." The percentage determined
7 by dividing the vehicle miles of a Class 3 transit entity with
8 respect to the most recent fiscal year as reported in the most
9 recently issued Pennsylvania Mass Transit Statistical Report by
10 the total number of vehicle miles of all Class 3 transit
11 entities with respect to the most recent fiscal year as reported
12 in the most recently issued Pennsylvania Mass Transit
13 Statistical Report.

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

23 "Class 4 revenue mile percentage." The percentage determined
24 by dividing the revenue miles of a Class 4 transit entity as
25 reported with respect to the most recent fiscal year in the most
26 recently issued Pennsylvania Rural and Small Urban Public
27 Transportation Statistical Report by the total revenue miles of
28 all Class 4 transit entities as reported with respect to the
29 most recent fiscal year reported in the most recently issued
30 Pennsylvania Rural and Small Urban Public Transportation

1 Statistical Report.

2 "Class 4 transit entity share." Two million three hundred
3 thirty-five thousand dollars for the 1991-1992 fiscal year and,
4 during the 1992-1993 fiscal year and each fiscal year
5 thereafter, shall mean the Class 4 transit entity share for the
6 prior fiscal year plus (or minus) the product of the Class 4
7 transit entity share for the prior fiscal year times the
8 percentage increase or decrease in the total operating
9 assistance made available to local transportation organizations
10 and transportation companies for that fiscal year as compared
11 with the most recently completed fiscal year.

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

21 "Operating revenue." The total revenue earned by a local
22 transportation organization or transportation company through
23 its transit operations, including, but not limited to, passenger
24 revenue, senior citizen grant, charter revenue, school contract
25 revenue, advertising and other revenue listed with respect to
26 the most recent fiscal year reported in the most recently issued
27 Pennsylvania Mass Transit Statistical Report.

28 "Operating revenue percentage." The percentage determined by
29 dividing the operating revenues of a local transportation
30 organization or transportation company as reported in the most

1 recently issued Pennsylvania Mass Transit Statistical Report by
2 the total operating revenue of all local transportation
3 organizations or transportation companies as reported in the
4 most recently issued Pennsylvania Mass Transit Statistical
5 Report.

6 § 1304. Grant proposals.

7 (a) General rule.--Grants may be made hereunder with
8 reference to any appropriate project irrespective of when it was
9 first commenced or considered and regardless of whether costs
10 with respect thereto shall have been incurred prior to the time
11 the grant is applied for or made.

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

26 (c) Preference for coordinated systems.--The department
27 shall give preference to any proposal which will assist in
28 carrying out a plan, meeting criteria established by the
29 department, for a unified or officially coordinated urban
30 transportation system as a part of the comprehensively planned

1 development of the urban area, which is necessary for the sound,
2 economic and desirable development of such area and which shall
3 encourage to the maximum extent feasible the participation of
4 private enterprise. This subsection shall not apply to grants
5 made pursuant to section 1303.

6 (d) Use of grants.--The use of the State grant funds shall
7 be for the purposes set forth in section 1302 (relating to
8 program authorizations) and, without limiting the generality of
9 the foregoing, may be used for local contributions required by
10 the Urban Mass Transportation Act of 1964 or other Federal law
11 concerning common carrier mass transportation.

12 (e) Grant agreement.--

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

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

26 § 1305. Rules and regulations.

27 In order to effectuate and enforce the provisions of this
28 chapter, the department is authorized to promulgate necessary
29 rules and regulations and prescribe conditions and procedures in
30 order to assure compliance in carrying out the purposes for

1 which grants may be made hereunder.

2 § 1306. Cooperation with other governments and private
3 interests.

4 (a) General rule.--The department is directed to administer
5 this program with such flexibility as to permit full cooperation
6 between Federal, State and local governments, agencies and
7 instrumentalities, as well as private interests, so as to result
8 in as effective and economical a program as possible.

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

14 § 1307. General authority of department.

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

30 § 1308. Grants by counties or municipalities.

1 Any county or municipality in any metropolitan area which is
2 a member of a local transportation organization is authorized to
3 make annual grants from current revenues to local transportation
4 organizations to assist in defraying the costs of operations,
5 maintenance and debt service of local transportation
6 organization or of a particular mass transportation project of a
7 local transportation organization and to enter into long-term
8 agreements providing for the payment of the same. The obligation
9 of a municipality or county under any such agreement shall not
10 be considered to be a part of its indebtedness, nor shall such
11 obligation be deemed to impair the status of any indebtedness of
12 such municipality or county which would otherwise be considered
13 as self-sustaining.

14 § 1309. Limitation on decisions, findings and regulations of
15 department.

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

20 § 1310. Distribution of funding.

21 (a) General rule.--All moneys made available and required to
22 be used for capital projects, asset maintenance and other
23 programs specified in this section shall be distributed in
24 accordance with the formula specified in this section and used
25 strictly in accordance with section 1311 (relating to use of
26 funds distributed).

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

30 (1) On or before the fifth day of each month, the

1 Treasury Department shall certify to the department the total
2 amount then available for distribution, and the department
3 shall make distribution of payments required under this
4 subsection on or before the 20th day of each month.

5 (2) Beginning in the 1991-1992 fiscal year, each month,
6 the Treasury Department shall pay one-twelfth of the
7 Department of Transportation project management oversight
8 share for that fiscal year into the General Fund. The moneys
9 so transferred are hereby appropriated to the Department of
10 Transportation for use by that department for expenses
11 related to project management and oversight of capital and
12 asset maintenance projects funded pursuant to this section.

13 (3) Each month, the Treasury Department shall pay one-
14 twelfth of the community transportation program section 1310
15 share for that fiscal year into the General Fund. The funds
16 so transferred are hereby appropriated to the Department of
17 Transportation to make grants to counties, pursuant to
18 section 1312 (relating to community transportation programs),
19 for the purpose of funding capital projects of community
20 transportation programs.

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

1 development, research, rural expansion and department-
2 initiated programs.

3 (5) Each month, the department shall distribute one-
4 twelfth of the Class 4 transit entity section 1310 share to
5 Class 4 transit entities in the manner provided in this
6 paragraph. Each Class 4 transit entity shall receive a
7 portion of each monthly distribution of the Class 4 transit
8 entity section 1310 share as follows:

9 (i) Fifty percent of the monthly distribution of the
10 Class 4 transit entity section 1310 share shall be
11 distributed to Class 4 transit entities based upon each
12 transit entity's Class 4 operating assistance grant
13 section 1310 percentage. The actual amount received by
14 each Class 4 transit entity under this subparagraph shall
15 be determined by multiplying a particular Class 4 transit
16 entity's Class 4 operating assistance grant section 1310
17 percentage times the total amount available for
18 distribution under this subparagraph.

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

29 (iii) Twenty-five percent of the monthly
30 distribution of the Class 4 transit entity section 1310

1 share shall be distributed to Class 4 transit entities
2 based upon each transit entity's Class 4 revenue hour
3 section 1310 percentage. The actual amount received by
4 each Class 4 transit entity under this subparagraph shall
5 be determined by multiplying a particular Class 4 transit
6 entity's Class 4 transit entity revenue hour section 1310
7 percentage times the total amount available for
8 distribution under this subparagraph.

9 (6) Each month, after providing for payment of the
10 portion of the Department of Transportation project
11 management oversight share, the community transportation
12 program section 1310 share, the planning, development,
13 research, rural expansion and department-initiated programs
14 section 1310 shares and the Class 4 transit entity section
15 1310 share to be distributed that month, the department shall
16 distribute all remaining capital project, asset maintenance
17 and other program funds as follows:

18 (i) Each Class 1 transit entity shall receive a
19 prorata share of the Class 1 transit entity section 1310
20 share. If there is only one Class 1 transit entity, it
21 shall receive the entire Class 1 transit entity section
22 1310 share.

23 (ii) Each Class 2 transit entity shall receive a
24 prorata share of the Class 2 transit entity section 1310
25 share. If there is only one Class 2 transit entity, it
26 shall receive the entire Class 2 transit entity section
27 1310 share.

28 (iii) Each Class 3 transit entity shall receive a
29 portion of the Class 3 transit entity section 1310 share
30 as follows:

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

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

21 (C) Sixteen and sixty-six hundredths percent of
22 the Class 3 transit entity section 1310 share shall
23 be distributed to Class 3 transit entities based upon
24 each transit entity's Class 3 total passenger section
25 1310 percentage. The actual amount received by each
26 Class 3 transit entity under this clause shall be
27 determined by multiplying a particular Class 3
28 transit entity's Class 3 total passenger section 1310
29 percentage times the total amount available for
30 distribution under this clause.

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

11 (E) Twenty-five percent of the Class 3 transit
12 entity section 1310 share shall be distributed to
13 Class 3 transit entities based upon each transit
14 entity's Class 3 State operating grant percentage.
15 The actual amount received by each Class 3 transit
16 entity under this clause shall be determined by
17 multiplying a particular Class 3 transit entity's
18 Class 3 State operating grant percentage times the
19 total amount available for distribution under this
20 clause.

21 (c) Change of classification.--If, during any fiscal year,
22 either the number of vehicles operated by a local transportation
23 organization or transportation company or the area served by
24 such a local transportation organization or transportation
25 company changes so that the local transportation organization or
26 transportation company meets the criteria for a different
27 transit entity class, as such criteria are set forth in section
28 1301 (relating to definitions), on or before July 15 of the
29 fiscal year which follows such a change and in each fiscal year
30 thereafter, the department shall reflect any change in the

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

27 (d) Oversight.--The department shall initiate and maintain a
28 program of review and oversight for any projects receiving funds
29 distributed pursuant to this section and section 1310.1
30 (relating to supplemental public transportation assistance

1 funding). The department is authorized to perform independent
2 financial audits of the financial statements of each local
3 transportation organization, transportation company or community
4 transportation program receiving moneys pursuant to this
5 section. These audits shall be conducted in accordance with
6 generally accepted auditing standards. Any financial statements
7 subject to the audit or reports resulting from the audit shall
8 be prepared and presented in accordance with generally accepted
9 accounting principles, consistently applied with previous
10 statements rendered for or on behalf of such organization or
11 company. The department may coordinate such audits in
12 conjunction with audits undertaken by the Auditor General.

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

14 (1) The governing body of each local transportation
15 organization or transportation company shall establish a
16 fiscal year for capital programs. No later than the last day
17 of each fiscal year for capital programs, each local
18 transportation organization or transportation company
19 receiving moneys pursuant to this section shall adopt a
20 capital budget and an asset maintenance spending plan for
21 submission to the department.

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

23 (i) A description of any such project.

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

26 (iii) The duration of any such project, including
27 the projected starting date, completion date and
28 projected useful life of the project.

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

30 (v) A description of projects completed in the prior

1 fiscal year and their impact on operations.

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

4 (vii) An explanation of any significant project
5 delays.

6 (viii) The use of funds under this section in the
7 prior fiscal year, including projects for which they were
8 used.

9 (ix) A multiyear plan for future use of funds
10 received under this section for a period of not less than
11 five years.

12 (x) Any other matter desired by the governing body
13 of such local transportation organization or
14 transportation company.

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

16 (i) The amount of moneys expended for asset
17 maintenance costs.

18 (ii) The purposes for which such funds were
19 expended.

20 (iii) Those asset maintenance costs which are
21 projected to be funded during the subsequent twelve
22 months by the local transportation organization or
23 transportation company.

24 (iv) A multiyear plan for future use of funds
25 received under this section for a period of not less than
26 five years.

27 (4) The capital budget and the asset maintenance
28 spending plan shall be established by formal action of the
29 governing body of such local transportation organization or
30 transportation company following an opportunity for comment

1 by the public and the department. Upon submission, the
2 department will review and may make recommendations to the
3 local transportation organization or transportation company
4 concerning the capital budget and asset maintenance spending
5 plan.

6 (5) The capital budget and the asset maintenance
7 spending plan may be amended by formal action of the
8 governing body of such local transportation organization or
9 transportation company from time to time. Any amendments to
10 the capital budget and the asset maintenance spending plan
11 shall be transmitted to the department for its review, and
12 the department may make recommendations to the local
13 transportation organization or transportation company
14 concerning any amendments to the capital budget and the asset
15 maintenance spending plan.

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

19 "Capital project, asset maintenance and other program funds."
20 Moneys made available to finance capital projects and asset
21 maintenance costs of local transportation organizations,
22 transportation companies or community transportation programs or
23 to fund other programs specified in this section from:

24 (1) any fund of the Commonwealth where the legislation
25 creating such fund references this part and states that some
26 or all of the moneys in such fund are to be used to finance
27 capital projects and asset maintenance costs of local
28 transportation organizations, transportation companies or
29 community transportation programs and to fund certain other
30 programs; or

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

6 "Class 1 section 1310 percentage." Seventy and three-tenths
7 percent.

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

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

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

16 (1) the amount of the Department of Transportation
17 project management oversight share to be paid each month
18 under subsection (b)(2);

19 (2) the amount of the community transportation program
20 section 1310 share to be paid each month under subsection
21 (b)(3);

22 (3) the amount of the planning, development, research,
23 rural expansion and department-initiated programs section
24 1310 share; and

25 (4) the amount of the Class 4 transit entity section
26 1310 share to be paid each month under subsection (b)(5).

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

30 "Class 2 transit entity section 1310 share." The product of

1 the Class 2 section 1310 percentage times the monthly Class 1 to
2 3 allocation.

3 "Class 3 transit entity section 1310 share." The product of
4 the Class 3 section 1310 percentage times the monthly Class 1 to
5 3 allocation.

6 "Class 4 transit entity section 1310 share." Four million
7 dollars during the 1991-1992 fiscal year and \$4,160,000 during
8 the 1992-1993 fiscal year. During the 1993-1994 through 1996-
9 1997 fiscal years, the term shall mean the Class 4 transit
10 entity section 1310 share for the prior fiscal year plus (or
11 minus) the product of the Class 4 transit entity section 1310
12 share for the prior fiscal year times the percentage increase or
13 decrease in the total funds available for distribution pursuant
14 to this section received by the Treasury Department in the most
15 recently completed fiscal year as compared with the prior fiscal
16 year. For the 1997-1998 fiscal year and each fiscal year
17 thereafter, the term shall mean 2.8% of the total amount of
18 capital project, asset maintenance and other program funds
19 projected by the department to be available under this section
20 for distribution during the subject fiscal year.

21 "Class 3 Federal operating cap percentage." The percentage
22 determined by dividing the Federal operating ceiling for a Class
23 3 transit entity by the total Federal operating ceilings for all
24 Class 3 transit entities.

25 "Class 3 State operating grant percentage." The percentage
26 determined by dividing the State subsidy received pursuant to
27 section 1303 (relating to annual appropriation and computation
28 of subsidy) during fiscal year 1990-1991 by a Class 3 transit
29 entity as stated in the latest Department of Transportation
30 certification by the total State subsidies received pursuant to

1 section 1303 during fiscal year 1990-1991 by all Class 3 transit
2 entities as stated in the latest Department of Transportation
3 certification. For purposes of calculating the amount received
4 by a Class 3 transit entity pursuant to section 1303, any
5 Federal funds transferred from other local transportation
6 organizations and transportation companies from the Federal
7 fiscal year 1990-1991 Governor's apportionment allocation,
8 contained in the Urban Mass Transportation Act of 1964, shall be
9 considered to be amounts received pursuant to section 1303.

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

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

22 "Class 3 vehicle mile section 1310 percentage." The
23 percentage determined by dividing the vehicle miles of a Class 3
24 transit entity as stated in the latest Department of
25 Transportation certification by the total number of vehicle
26 miles of all Class 3 transit entities as stated in the latest
27 Department of Transportation certification.

28 "Class 4 operating assistance grant section 1310 percentage."
29 The percentage determined by dividing the Class 4 transit entity
30 adjusted base grant received by a Class 4 transit entity by the

1 total Class 4 transit entity adjusted base grants received
2 pursuant to such act by all Class 4 transit entities during
3 fiscal year 1990-1991 as stated in the Department of
4 Transportation certification.

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

11 "Class 4 revenue mile section 1310 percentage." The
12 percentage determined by dividing the revenue miles of a Class 4
13 transit entity as stated in the latest Department of
14 Transportation certification by the total number of revenue
15 miles of all Class 4 transit entities as stated in the latest
16 Department of Transportation certification.

17 "Community transportation program section 1310 share." One
18 million seven hundred thousand dollars during the 1991-1992
19 fiscal year, \$1,768,000 during the 1992-1993 fiscal year and,
20 during the 1993-1994 fiscal year and each fiscal year
21 thereafter, shall mean the community transportation program
22 section 1310 share for the prior fiscal year plus (or minus) the
23 product of the community transportation program section 1310
24 share for the prior fiscal year times the percentage increase or
25 decrease in the total funds available for distribution pursuant
26 to this section received by the Treasury Department in the most
27 recently completed fiscal year as compared with the prior fiscal
28 year. However, in any fiscal year in which the total funds
29 authorized to be expended from the State Lottery Fund for
30 purposes enumerated in section 1312 (relating to community

1 transportation programs) is less than \$600,000, the community
2 transportation program section 1310 share shall be increased so
3 that the sum of the community transportation program section
4 1310 share plus the total amount of such moneys paid from the
5 State Lottery Fund for purposes enumerated in section 1312 shall
6 equal \$2,300,000. The combined funding to any county for
7 community transportation under sections 1310 and 1312 shall not
8 exceed \$250,000 in any fiscal year.

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

17 "Department of Transportation certification." The
18 certification by the Department of Transportation to the
19 Treasury Department under subsection (g).

20 "Department-initiated programs." Mass transportation
21 programs with a regional or Statewide application, including,
22 without limitation, capital projects in support of intercity
23 rail passenger service, capital projects in support of intercity
24 bus service, transit safety initiatives, public-private
25 transportation partnerships, ridersharing incentive programs,
26 transportation management associations and other multimodal
27 transportation management projects.

28 "Federal operating ceiling." The maximum amount of Federal
29 funds permitted to be used by a Class 3 transit entity to
30 subsidize transit operations, as published in the November 23,

1 1990, Federal Register (or, where there is more than one transit
2 entity in a region, the maximum amount of Federal funds which
3 such Class 3 transit entity could have utilized to subsidize
4 transit operations pursuant to the subregional allocation as
5 specified in the applicable transportation improvement program)
6 for fiscal year 1990-1991.

7 "Planning, development, research, rural expansion and
8 department-initiated programs section 1310 shares." The sum of
9 \$83,333.33 plus 0.25% of the total capital project, asset
10 maintenance and other program funds available for distribution
11 by the Treasury Department during a particular month.

12 "Total passengers." The total of all revenue passengers plus
13 transfer passengers on second and successive rides of a local
14 transportation organization or transportation company, which are
15 funded in whole or in part by this part, with respect to the
16 most recent fiscal year reported in the most recently issued
17 Pennsylvania Mass Transit Statistical Report.

18 "Treasury Department." The State Treasurer and the Treasury
19 Department of the Commonwealth.

20 (g) Certification to Treasury Department.--On or before July
21 15 of each fiscal year, the Department of Transportation shall
22 calculate and certify to the Treasury Department the following:

23 (1) The Department of Transportation project management
24 oversight share, the community transportation program
25 sections 1310 and 1310.1 shares, the Class 1 transit entity
26 sections 1310 and 1310.1 shares, the Class 2 transit entity
27 sections 1310 and 1310.1 shares, the Class 3 transit entity
28 sections 1310 and 1310.1 shares and the Class 4 transit
29 entity sections 1310 and 1310.1 shares and the planning,
30 development, research, rural expansion and department-

1 initiated programs sections 1310 and 1310.1 shares.

2 (2) The names and addresses of each Class 1 transit
3 entity, Class 2 transit entity, Class 3 transit entity and
4 Class 4 transit entity and whether such program or entity is
5 a Class 1 transit entity, Class 2 transit entity, Class 3
6 transit entity or Class 4 transit entity.

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

29 (4) The operating assistance grant received by each
30 Class 4 transit entity during fiscal year 1990-1991 pursuant

1 to the act of February 11, 1976 (P.L.14, No.10), known as the
2 Pennsylvania Rural and Intercity Common Carrier Surface
3 Transportation Assistance Act, the operating assistance grant
4 received by all Class 4 transit entities during fiscal year
5 1990-1991 pursuant to that act, the Class 4 operating
6 assistance grant sections 1310 and 1310.1 percentages for
7 each Class 4 transit entity, the revenue miles of each Class
8 4 transit entity, the revenue miles of all Class 4 transit
9 entities, the Class 4 revenue mile sections 1310 and 1310.1
10 percentages of each Class 4 transit entity, the revenue hours
11 for each Class 4 transit entity, the revenue hours for all
12 Class 4 transit entities and the Class 4 revenue hour
13 sections 1310 and 1310.1 percentages for each Class 4 transit
14 entity.

15 § 1310.1. Supplemental public transportation assistance
16 funding.

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

1 distributed). In addition to those enumerated purposes, Class 1,
2 2 and 3 transit entities also may use the base supplemental
3 assistance share for general operations. Class 4 transit
4 entities may use all supplemental assistance moneys for general
5 operations.

6 (b) Distribution.--During each fiscal year, capital project,
7 asset maintenance and other program funds designated as
8 supplemental public transportation assistance funding to be
9 distributed pursuant to this section shall be distributed as
10 follows:

11 (1) On or before the fifth day of each month, the
12 Treasury Department shall certify to the department the total
13 amount of money then available for distribution, and the
14 department shall disburse the money on or before the 20th day
15 of each month.

16 (2) Each month the department shall distribute to each
17 local transportation organization or transportation company
18 1/12 of the base supplemental assistance share of that local
19 transportation organization or transportation company.

20 (3) Each month the Treasury Department shall pay 1/12 of
21 the community transportation program section 1310.1 share for
22 that fiscal year to the Department of Transportation to make
23 grants to counties pursuant to section 1312 (relating to
24 community transportation programs) for the purpose of funding
25 capital projects of community transportation programs.

26 (4) Each month the department shall distribute 1/12 of
27 the Class 4 transit entity section 1310.1 share to Class 4
28 transit entities according to the same formula as provided
29 for distribution of funds under section 1310(b)(5) (relating
30 to distribution of funding), using the Class 4 transit entity

1 section 1310.1 share in place of the Class 4 transit entity
2 section 1310 share.

3 (5) Each month, after providing for payment of the
4 portion of the base supplemental assistance share, the
5 community transportation program section 1310.1 share and the
6 Class 4 transit entity section 1310.1 share to be distributed
7 that month, the department shall distribute all remaining
8 capital project, asset maintenance and other program funds
9 required to be distributed pursuant to this section according
10 to the same formula as provided for distribution of funds in
11 section 1310(b)(6), using the transit entity's section 1310.1
12 share in place of the transit entity's section 1310 share.

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

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

20 "Capital project, asset maintenance and other program funds."
21 Moneys made available under this section to finance capital
22 projects and asset maintenance costs of local transportation
23 organizations, transportation companies or community
24 transportation programs or to fund other programs specified in
25 this section.

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

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

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

29 "Class 1 to 3 section 1310.1 allocation." The total amount
30 of capital project, asset maintenance and other program funds

1 available for distribution by the Treasury Department during a
2 particular month less:

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

5 (2) the amount of the community transportation program
6 section 1310.1 share to be paid each month under subsection
7 (b)(3); and

8 (3) the amount of the Class 4 transit entity section
9 1310.1 share to be paid each month under subsection (b)(4).

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

13 "Class 2 transit entity section 1310.1 share." The product
14 of the Class 2 section 1310.1 percentage times the monthly Class
15 1 to 3 allocation.

16 "Class 3 transit entity section 1310.1 share." The product
17 of the Class 3 section 1310.1 percentage times the monthly Class
18 1 to 3 allocation.

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

23 "Class 3 Federal operating cap percentage." The percentage
24 determined by dividing the Federal operating ceiling for a Class
25 3 transit entity by the total of all Federal operating ceilings
26 for Class 3 transit entities.

27 "Class 3 total passenger section 1310.1 percentage." The
28 percentage determined by dividing the total passengers
29 transported by a Class 3 transit entity, as stated in the latest
30 Department of Transportation certification, by the total number

1 of passengers transported by all Class 3 transit entities, as
2 stated in the latest Department of Transportation certification.

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

9 "Class 3 vehicle mile section 1310.1 percentage." The
10 percentage determined by dividing the vehicle miles of a Class 3
11 transit entity, as stated in the latest Department of
12 Transportation certification, by the total number of vehicle
13 miles of all Class 3 transit entities, as stated in the latest
14 Department of Transportation certification.

15 "Class 4 operating assistance grant section 1310.1
16 percentage." The percentage determined by dividing the Class 4
17 transit entity adjusted base grant received by a Class 4 transit
18 entity, as stated in the latest Department of Transportation
19 certification, by the total Class 4 transit entity adjusted base
20 grants received by all Class 4 transit entities during fiscal
21 year 1990-1991, as stated in the latest Department of
22 Transportation certification.

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

29 "Class 4 revenue mile section 1310.1 percentage." The
30 percentage determined by dividing the revenue miles of a Class 4

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

5 "Community transportation program section 1310.1 share." The
6 greater of:

7 (1) \$1,200,000; or

8 (2) the total amount projected by the Department of
9 Transportation to be available for distribution in the
10 subject fiscal year in accordance with this section, less
11 \$54,616,000, times 2.5%.

12 "P.L. 103-122 percentage." The percentage determined by
13 dividing the operating assistance grant or operating assistance
14 limitation, whichever is greater, but not to exceed the total
15 apportionment of funds made available to a particular local
16 transportation organization or transportation company in this
17 Commonwealth for each Class 1 transit entity, Class 2 transit
18 entity and Class 3 transit entity and the base grants approved
19 for each Class 4 transit entity pursuant to Public Law 103-122,
20 107 Stat. 1199, for the Federal fiscal year ending September 30,
21 1994, by the total of such amounts for all Commonwealth local
22 transportation organizations and transportation companies
23 pursuant to Public Law 103-122 for the fiscal year as determined
24 by the Department of Transportation.

25 § 1311. Use of funds distributed.

26 (a) Approval of department.--

27 (1) No money made available pursuant to section 1310
28 (relating to distribution of funding) shall be expended on
29 any capital project by any local transportation organization
30 or transportation company until after the local

1 transportation organization or transportation company submits
2 the project to the department for approval and the department
3 approves the project. At the option of the local
4 transportation organization or transportation company,
5 capital projects may be submitted to the department on an
6 annual basis at the time the local transportation
7 organization or transportation company submits its capital
8 budget to the department or at another time chosen by the
9 local transportation organization or transportation company.

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

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

17 (4) The department shall prescribe, under the authority
18 of this chapter, reasonable procedures, including deadlines,
19 for the department to review, comment and approve the capital
20 project or projects submitted by a local transportation
21 organization or transportation company.

22 (b) Funding purposes enumerated.--Moneys distributed
23 pursuant to section 1310 shall be used by local transportation
24 organizations and transportation companies for purposes of
25 paying:

26 (1) all costs of capital projects, including, without
27 limitation, the costs of acquisition, construction,
28 installation, start-up costs of operations, improvement and
29 all work and materials incident thereto, provided that funds
30 expended for capital projects pursuant to section 1310 shall

1 be matched by local or private funding in an amount equal to
2 at least one-thirtieth of the project cost;

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

7 (3) to the extent permitted by this section, asset
8 maintenance costs. Community transportation programs shall
9 use moneys distributed pursuant to this section only for
10 purposes enumerated in section 1312 (relating to community
11 transportation programs).

12 (c) Certain capital projects.--Notwithstanding any other
13 provision of law, each local transportation organization or
14 transportation company receiving moneys pursuant to section 1310
15 may use such moneys, in the discretion of such local
16 transportation organization or transportation company, to fund
17 all or a portion of capital projects listed in the program
18 prepared pursuant to section 2002(a)(13) of the act of April 9,
19 1929 (P.L.177, No.175), known as The Administrative Code of
20 1929.

21 (d) Management of funds.--

22 (1) Each local transportation organization or
23 transportation company receiving moneys pursuant to sections
24 1310 and 1310.1 (relating to supplemental public
25 transportation assistance funding) shall hold such moneys in
26 an account separate from other funds of the local
27 transportation organization or transportation company and
28 shall invest such moneys until such funds are used in
29 accordance with this section, with such funds being invested
30 in accordance with the limits on investment of the local

1 transportation organization or transportation company.
2 Notwithstanding any other provisions of this chapter, any
3 interest earned shall be used for capital projects and asset
4 maintenance costs during any period as determined by the
5 local transportation organization or transportation company.

6 (2) All moneys distributed pursuant to section 1310 and
7 utilized for asset maintenance under subsection (e) shall be
8 matched by local or private funding in an amount equal to at
9 least 1/30 of the amount expended for such purposes, except
10 that, in the case of Class 3 and 4 transit entities, no
11 matching funds shall be required if the department shall have
12 received from the local governmental funding source which
13 would otherwise provide the matching funds a certification
14 that compliance with the matching requirement would create an
15 undue financial burden upon the local governmental funding
16 source such that a curtailment of government services
17 endangering public health and safety would ensue.

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

1 (e) Asset maintenance.--

2 (1) Each local transportation organization or
3 transportation company may expend moneys distributed pursuant
4 to sections 1310 and 1310.1 shares to fund asset maintenance
5 costs as provided in this subsection.

6 (2) Moneys distributed pursuant to sections 1310 and
7 1310.1 may only be used to fund asset maintenance costs
8 incurred during the fiscal year in which such moneys are
9 allocated. Thereafter, such funds may only be used to fund
10 capital projects.

11 (3) On or before March 1 of each year, the department
12 shall certify to each local transportation organization or
13 transportation company the amount of capital project, asset
14 maintenance, base supplemental assistance and other program
15 funds which the department estimates each local
16 transportation organization or transportation company will be
17 entitled to receive during the ensuing fiscal year. Each
18 local transportation organization or transportation company
19 may expend moneys distributed pursuant to sections 1310 and
20 1310.1 shares to fund asset maintenance costs up to the
21 following maximum percentages of the estimate from the
22 department, including accrued interest, the amount received
23 during the prior fiscal year or the amount actually received
24 in the current fiscal year, whichever is greater:

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

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

1 (iii) (Deleted by amendment).

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

5 (f) Eligible projects.--Notwithstanding any other provision
6 of this chapter, moneys provided under section 1310 to community
7 transportation programs may be expended only in accordance with
8 section 1312 and only to fund all or a portion of eligible
9 projects of such entities as enumerated in section 1312.

10 (g) Matching funds.--The moneys provided to local
11 transportation organizations, transportation companies or
12 community transportation programs pursuant to section 1310 may
13 be used as matching funds to obtain Federal aid for capital
14 projects.

15 (h) Use by department.--Funds appropriated to the department
16 pursuant to section 1310(b)(2) and (4) may be utilized by the
17 department for the purposes provided in either of such
18 paragraphs.

19 (i) Accounting.--Within 120 days after the end of each
20 fiscal year for capital programs established by the local
21 transportation organization or transportation company pursuant
22 to section 1310(e), each local transportation organization and
23 transportation company receiving moneys pursuant to sections
24 1310 and 1310.1 shall transmit to the department an
25 accounting of all funds received pursuant to sections 1310 and
26 1310.1 shares in that fiscal year. The accounting shall be in a
27 form prescribed by the department and shall include a listing of
28 all expenditures on a project by project basis and the status of
29 all unspent funds. The local transportation organization or
30 transportation company shall grant access to the department or

1 its duly authorized representatives to any and all records
2 pertaining to funds received pursuant to sections 1310 and
3 1310.1 shares.

4 (j) Limit on certain amounts expended.--Notwithstanding any
5 law to the contrary and except as provided in subsection (a) for
6 Class 4 transit entities, local transportation organizations and
7 transportation companies are authorized to expend moneys
8 distributed pursuant to sections 1310 and 1310.1 shares for
9 asset maintenance costs in an amount not to exceed the greater
10 of:

11 (1) the maximum amount of asset maintenance expenditures
12 which could have been approved by the department for
13 expenditure by that local transportation organization or
14 transportation company for the 1991-1992 fiscal year pursuant
15 to section 17(a) of the act of August 5, 1991 (P.L.238,
16 No.26), entitled "An act amending Titles 74 (Transportation)
17 and 75 (Vehicles) of the Pennsylvania Consolidated Statutes,
18 codifying provisions relating to public transportation;
19 imposing certain fees and taxes; further providing for
20 certain Pennsylvania Turnpike projects; defining 'farm
21 equipment'; further providing for the responsibilities of
22 vehicle transferees, for exemptions from registration and
23 certificates of title and for the use of dealer plates,
24 multipurpose dealer plates and farm equipment plates; further
25 providing for funeral processions; further providing for a
26 restricted receipts fund and for registration for snowmobiles
27 and ATV's; establishing the Snowmobile Trail Advisory
28 Committee; further providing for the highway maintenance and
29 construction tax; and making repeals," based upon a
30 projection of \$200,000,000 in total dedicated capital

1 assistance funds plus estimated amounts of supplemental
2 public transportation assistance funding available for
3 distribution pursuant to section 1310.1 in that fiscal year,
4 which estimate shall not be less than \$75,000,000 in any
5 fiscal year; or

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

8 § 1312. Community transportation programs.

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

24 (b) Procedure.--

25 (1) The department is hereby authorized to make grants
26 to all counties, except those of the first and second class,
27 or to entities designated by such counties to coordinate
28 services under this section in such county, for the purpose
29 of adding, replacing, upgrading and overhauling equipment for
30 the provision of shared-ride transit services responsive to

1 and accessible by the general public as well as the elderly
2 and disabled. If sufficient funds remain after all department
3 approvals for such equipment projects have been fully funded,
4 the department is hereby authorized to make grants for the
5 purchase, construction or renovation of facilities to serve
6 as office and maintenance sites for the provision of shared-
7 ride transit services responsive to and accessible by the
8 general public as well as the elderly and disabled. Equipment
9 that may be purchased shall include, but shall not be limited
10 to, vehicles, vehicle rehabilitation, major drivetrain
11 components, communication equipment, computer equipment and
12 software and office equipment and furnishings.

13 (2) Counties other than counties of the first and second
14 class may obtain grants pursuant to this subsection by filing
15 with the department an application in a form prescribed by
16 it. The department shall require with such application a
17 transportation plan plus such other information as the
18 department may require.

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

30 (4) All purchases pursuant to this subsection shall be

1 made in accordance with bidding procedures established under
2 the act of May 2, 1945 (P.L.382, No.164), known as the
3 Municipality Authorities Act of 1945, or the act of August 9,
4 1955 (P.L.323, No.130), known as The County Code, whichever
5 is applicable.

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

10 § 1313. Additional programs.

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

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

25 (2) For the purpose of funding studies, analysis,
26 planning and development of programs for public
27 transportation assistance, services and facilities.

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

30 (4) To make grants to Class 4 transit entities for the

1 significant expansion of services by such entities from funds
2 remaining in the development, planning and rural expansion
3 share after all grants have been made for the fiscal year
4 pursuant to paragraphs (1) and (2). Grants from the
5 development, planning and rural expansion share shall be used
6 by the Class 4 transit entity for the construction,
7 acquisition, capital projects, asset maintenance and
8 operating costs of the expansion of such entity. Class 4
9 transit entities may obtain grants by filing for each fiscal
10 year with the department an application in a form prescribed
11 by it. The department shall require with the application a
12 transportation plan plus such other information as the
13 department may require to establish to the satisfaction of
14 the department that the Class 4 transit entity is deserving
15 of a grant under this section.

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

20 § 1315. Public transportation grants management accountability.

21 (a) Performance audits.--All classes of transit entities
22 shall complete periodic management performance audits which
23 shall encompass all public transportation programs and services
24 financed in whole or in part by grants provided by the
25 department as follows:

26 (1) The department shall establish criteria to be
27 included in a performance audit performed pursuant to this
28 section. The criteria shall be published in the Pennsylvania
29 Bulletin. Separate criteria may be established for each class
30 of transit entity.

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

4 (i) Class 1 transit entities shall begin the initial
5 management performance audit required pursuant to this
6 section no later than July 1, 1999, or, with the written
7 approval of the department, within five years of the
8 completion of the most recent performance audit.

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

12 (ii) Class 2 transit entities shall begin the
13 initial management performance audit required by this
14 section no later than July 1, 2000, or, with the written
15 approval of the department, within five years of the most
16 recent performance audit. The department may extend the
17 initiation date for a period of up to five years.

18 Thereafter, Class 1 transit entities shall complete a
19 management performance audit at least once every five
20 years.

21 (iii) Class 3 transit entities in urbanized areas
22 with a population of 200,000 or greater shall begin the
23 initial management performance audit required by this
24 section no later than July 1, 2001. Class 3 transit
25 entities in urbanized areas with a population of less
26 than 200,000 shall begin the first management performance
27 audit required by this section no later than July 1,
28 2002. Thereafter, Class 3 transit entities shall perform
29 a management performance audit at least once every seven
30 years.

1 (iv) Class 4 transit entities shall begin the first
2 initial management performance audit required by this
3 section no later than July 1, 2002. Thereafter, Class 4
4 transit entities shall perform a management performance
5 audit at least once every ten years. The department shall
6 perform management performance audits for Class 4
7 entities through qualified independent contractors unless
8 written notice is provided to the department by the Class
9 4 transit entity that the transit entity wishes to
10 perform its own audit. The notice shall be provided no
11 later than one year prior to the initiation date of the
12 next scheduled audit.

13 (3) Class 1, 2 and 3 transit entities shall bear all
14 costs of performing management performance audits pursuant to
15 this section. The cost of such management performance audits
16 for Class 4 transit entities shall be paid by the department
17 from funds made available under section 1310(d) (relating to
18 distribution of funding).

19 (4) For Class 1, 2 and 3 transit entities, the
20 management performance audit shall be conducted by a
21 qualified independent auditor selected by competitive
22 procurement. Procurement documents shall specify the scope of
23 the audit, comply with department criteria and be submitted
24 to the department for written approval prior to procurement.

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

26 (1) Upon receipt of a final audit report from the
27 auditor or, in the case of Class 4 transit entities, from the
28 department, each transit entity shall prepare an action plan
29 addressing the findings and recommendations of the audit
30 report. The action plan shall be completed and approved by

1 the transit entity's governing body within two months of
2 receipt of the final audit report. The transit entity shall
3 implement its action plan in accordance with the time frames
4 specified in the plan.

5 (2) Upon approval of the action plan by the entity's
6 governing body, the transit entity shall submit the plan and
7 the auditor's report to the department. Class 1 and 2 transit
8 entities shall also submit their action plans to the
9 Legislative Budget and Finance Committee, the chairman and
10 minority chairman of the Transportation Committee of the
11 Senate and the chairman and minority chairman of the
12 Transportation Committee of the House of Representatives.

13 (c) Customer satisfaction surveys.--Customer satisfaction
14 surveys shall be conducted as follows:

15 (1) All Class 1 and 2 entities shall conduct customer
16 satisfaction surveys at least once every two years. Class 3
17 and 4 transit entities shall conduct customer satisfaction
18 surveys at least once every three years. An initial customer
19 satisfaction survey for each transit entity shall be
20 completed and submitted to the department no later than
21 December 31, 1998.

22 (2) The department shall provide guidelines regarding
23 the scope of the surveys and suggested questions which may be
24 included in the surveys.

25 (3) Upon completion of the survey, the transit entity
26 shall submit a report to the department containing survey
27 methodology, survey results, relevant trends in the level of
28 customer satisfaction and actions taken or planned to improve
29 customer satisfaction.

30 (d) Suspension of grant funds.--The department may suspend

1 eligibility for grants under section 1303 (relating to annual
2 appropriation and computation of subsidy) for any transit entity
3 which fails to comply with any of the provisions of this
4 section.

5 (e) Restoration or continuation of funding.--The department
6 shall continue eligibility of a transit entity for grants under
7 section 1303 if the entity has initiated its audit or survey in
8 a timely manner and the delay in completion of the audit or
9 survey is not the fault of the transit entity. The department
10 shall restore eligibility of a suspended transit entity at such
11 time as the audit or survey is completed in accordance with the
12 requirements of this section.

13 (f) Cost reduction and productivity improvement.--As part of
14 its annual application for funding under section 1303, Class 1,
15 2, 3 and 4 transit entities shall include a report outlining
16 initiatives it has undertaken to reduce costs and improve
17 productivity.]

18 ~~Section 2. Title 74 is amended by adding chapters to read:~~ <—

19 ~~CHAPTER 13A~~

20 ~~TRANSPORTATION ISSUES~~

21 ~~Sec.~~

22 ~~13A01. Declaration of policy.~~

23 ~~§ 13A01. Declaration of policy.~~

24 ~~The General Assembly finds and declares as follows:~~

25 ~~(1) This Commonwealth and the nation are facing serious~~
26 ~~transportation funding problems related to gasoline and~~
27 ~~energy.~~

28 ~~(2) Public transportation is a major component of~~
29 ~~solving the problems referred to in paragraph (1).~~

30 ~~(3) It is necessary to reconsider public transportation~~

1 ~~options in this Commonwealth.~~

2 ~~CHAPTER 15~~

3 ~~SUSTAINABLE MOBILITY OPTIONS~~

4 ~~Sec.~~

5 ~~1501. Scope of chapter.~~

6 ~~1502. (Reserved).~~

7 ~~1503. Definitions.~~

8 ~~1504. Program authorization.~~

9 ~~1505. Regulations.~~

10 ~~1506. Fund.~~

11 ~~1507. Application and approval process.~~

12 ~~1508. Federal funding.~~

13 ~~1509. Limitation on decisions, findings and regulations of~~
14 ~~department.~~

15 ~~1510. Program oversight and administration.~~

16 ~~1511. Report to Governor and General Assembly.~~

17 ~~1512. Coordination.~~

18 ~~1513. Operating program.~~

19 ~~1514. Asset improvement program.~~

20 ~~1515. New initiatives program.~~

21 ~~1516. Programs of Statewide significance.~~

22 ~~1517. Program oversight and administration.~~

23 ~~1518. Retroactive authority.~~

24 ~~§ 1501. Scope of chapter.~~

25 ~~This chapter relates to sustainable mobility options.~~

26 ~~§ 1502. (Reserved).~~

27 ~~§ 1503. Definitions.~~

28 ~~The following words and phrases when used in this chapter~~
29 ~~shall have the meanings given to them in this section unless the~~
30 ~~context clearly indicates otherwise:~~

1 ~~"Access to jobs project." A project relating to the~~
2 ~~development and maintenance of transportation services designed~~
3 ~~to transport welfare recipients and eligible low income~~
4 ~~individuals to and from jobs and activities related to their~~
5 ~~employment as defined under 49 U.S.C. § 5316 (relating to job~~
6 ~~access and reverse commute formula grants).~~

7 ~~"Americans with Disabilities Act." The Americans with~~
8 ~~Disabilities Act of 1990 (Public Law 101 336, 104 Stat. 327).~~

9 ~~"Asset maintenance costs." All vehicle maintenance expenses,~~
10 ~~nonvehicle maintenance and materials expenses and the cost of~~
11 ~~supplies used in the operation of local transportation~~
12 ~~organizations and transportation companies.~~

13 ~~"Award recipient." A recipient of financial assistance under~~
14 ~~this chapter.~~

15 ~~"Capital expenditures." All costs of capital projects,~~
16 ~~including, but not limited to, the costs of acquisition,~~
17 ~~construction, installation, start up of operations, improvements~~
18 ~~and all work and materials incident thereto.~~

19 ~~"Capital project."~~

20 ~~(1) A system of public passenger transportation,~~
21 ~~including rail transportation facilities used for public~~
22 ~~passenger transportation, which facilities may include the~~
23 ~~following:~~

24 ~~(i) railway, street railway, subway, elevated and~~
25 ~~monorail passenger or passenger and rail rolling stock,~~
26 ~~including self propelled and gallery cars, locomotives,~~
27 ~~passenger buses and wires, poles and equipment for the~~
28 ~~electrification of any of such rails, tracks and~~
29 ~~roadbeds, guideways, elevated structures, buildings,~~
30 ~~stations, terminals, docks, shelters and parking areas~~

1 ~~for use in connection with the rail transportation~~
2 ~~systems, interconnecting lines and tunnels to provide~~
3 ~~passenger or passenger and rail service connections~~
4 ~~between transportation systems, transportation routes,~~
5 ~~corridors and rights of way therefor, but not for public~~
6 ~~highways;~~

7 ~~(ii) signal and communication systems necessary or~~
8 ~~desirable for the construction, operation or improvement~~
9 ~~of a public passenger system; or~~

10 ~~(iii) any improvement or overhaul of any vehicle~~
11 ~~equipment or furnishings of any of the items specified~~
12 ~~under subparagraphs (i) and (ii) or any part or~~
13 ~~fractional and undivided co ownership or leasehold~~
14 ~~interest in any one or combination of any of the items~~
15 ~~specified under subparagraphs (i) and (ii) that may be~~
16 ~~designated as a capital project by the Secretary of~~
17 ~~Transportation.~~

18 ~~(2) The term shall include the acquisition of land~~
19 ~~necessary for the construction of a new project and debt~~
20 ~~service and the cost of issuance of bond notes and other~~
21 ~~evidences of indebtedness which a local transportation~~
22 ~~organization or transportation company is permitted to issue~~
23 ~~under any law of this Commonwealth.~~

24 ~~"Commonwealth capital bonds." Evidence of debt incurred by~~
25 ~~the Commonwealth under the act of February 9, 1999 (P.L.1,~~
26 ~~No.1), known as the Capital Facilities Debt Enabling Act.~~

27 ~~"Community transportation service" or "shared ride service."~~
28 ~~Door to door demand transportation that is available to the~~
29 ~~general public on a nonexclusive basis, operates on a nonfixed~~
30 ~~route basis and charges a fare to all riders. The term does not~~

1 ~~include exclusive ride taxi service, charter and sightseeing~~
2 ~~service, nonpublic transportation, school bus and limousine~~
3 ~~service.~~

4 ~~"Community transportation system."—A person that provides~~
5 ~~community transportation service and contracts with the~~
6 ~~Department of Transportation to receive revenue replacement~~
7 ~~funds.~~

8 ~~"Department."—The Department of Transportation of the~~
9 ~~Commonwealth.~~

10 ~~"Financial assistance."—Grants or other types of financial~~
11 ~~support provided by the Department of Transportation under this~~
12 ~~chapter.~~

13 ~~"Fixed guideway system."—A fixed route public transportation~~
14 ~~service that uses and occupies a separate right of way or rail~~
15 ~~line for the exclusive use of public transportation and other~~
16 ~~high occupancy vehicles or uses a fixed catenary system and a~~
17 ~~right of way usable by other forms of transportation. The term~~
18 ~~includes light rail, commuter rail, automated guideway transit,~~
19 ~~people movers, ferry boat service and fixed guideway facilities~~
20 ~~for buses such as bus rapid transit and high occupancy vehicles.~~

21 ~~"Fixed route public transportation service."—Regularly~~
22 ~~scheduled general public transportation that is provided~~
23 ~~according to published schedules along designated routes, but~~
24 ~~that allows for route deviation within the published schedule,~~
25 ~~with specified stopping points for the taking on and discharging~~
26 ~~of passengers, including public bus and commuter rail systems~~
27 ~~and other department approved service. The term does not include~~
28 ~~exclusive ride taxi service, charter or sightseeing service,~~
29 ~~nonpublic transportation, school bus and limousine service.~~

30 ~~"Fund."—The Public Transportation Trust Fund established~~

1 ~~under section 1506 (relating to fund).~~

2 ~~"Inflation index." An index established by the Department of~~
3 ~~Transportation that is inflation sensitive.~~

4 ~~"Intercity bus service." Passenger bus service of 35 miles~~
5 ~~or more in length that is provided with an over the road bus and~~
6 ~~operated between two noncontiguous urbanized areas, between an~~
7 ~~urbanized area located in one county and rural communities~~
8 ~~located in another county or between rural communities located~~
9 ~~in different counties and contains all of the following~~
10 ~~elements:~~

11 ~~(1) Service that is operated for a fare on a regularly~~
12 ~~scheduled fixed route basis.~~

13 ~~(2) Service that is offered to and utilized by the~~
14 ~~general public without preconditions of advance reservation~~
15 ~~or membership in a particular organization.~~

16 ~~"Intercity passenger rail service." Passenger railroad~~
17 ~~service that connects two or more urbanized areas and is~~
18 ~~determined by the Department of Transportation to qualify as~~
19 ~~intercity service, including commuter rail service.~~

20 ~~"Job access and reverse commute project." A project funded~~
21 ~~by the Federal Transit Administration under Federal law.~~

22 ~~"Local transportation organization." Any of the following:~~

23 ~~(1) A political subdivision or a public transportation~~
24 ~~port or redevelopment authority organized under the laws of~~
25 ~~this Commonwealth or pursuant to an interstate compact or~~
26 ~~otherwise empowered to render, contract for the rendering or~~
27 ~~assist in the rendering of transportation service in a~~
28 ~~limited area in this Commonwealth, even though it may also~~
29 ~~render or assist in rendering transportation service in~~
30 ~~adjacent states.~~

1 ~~(2) A nonprofit association that directly or indirectly~~
2 ~~provides public transportation service.~~

3 ~~(3) A nonprofit association of public transportation~~
4 ~~providers operating within this Commonwealth.~~

5 ~~"Materials and supplies." Those categories of expenses as~~
6 ~~specified in Uniform System of Accounts expense object class~~
7 ~~504, National Transit Database operating expenses form F-30,~~
8 ~~National Transit Database, Final Rule, Federal Transit~~
9 ~~Administration, dated January 15, 1993, or any successor.~~

10 ~~"Municipality." A city, borough, incorporated town or~~
11 ~~township.~~

12 ~~"New fixed guideway system." A newly constructed fixed~~
13 ~~guideway system in a corridor or alignment where no such system~~
14 ~~previously existed.~~

15 ~~"New freedom program." A public transportation program~~
16 ~~designed to provide funds to recipients for new public~~
17 ~~transportation services and public transportation alternatives~~
18 ~~beyond those required by the Americans with Disabilities Act of~~
19 ~~1990 (Public Law 101-336, 104 Stat. 327) that assist individuals~~
20 ~~with disabilities with transportation, including transportation~~
21 ~~to and from jobs and employment support services administered~~
22 ~~under the provisions of 49 U.S.C. § 5317 (relating to new~~
23 ~~freedom program.)~~

24 ~~"New start." The term shall have the same meaning given it~~
25 ~~in 49 CFR § 611.5 (relating to definitions).~~

26 ~~"Nonurbanized area." An area within this Commonwealth that~~
27 ~~does not fall within an area classified as "urbanized" by the~~
28 ~~United States Bureau of the Census of the United States~~
29 ~~Department of Commerce in the most recent Census of Population.~~

30 ~~"Nonvehicle maintenance expenses." The categories of costs~~

1 ~~associated with the inspection, maintenance and repair of~~
2 ~~assets, other than vehicles, as specified in Uniform System of~~
3 ~~Accounts, expense function 042, National Transit Database~~
4 ~~operating expenses form, F 30, National Transit Database, Final~~
5 ~~Rule, Federal Transit Administration, dated January 15, 1993, or~~
6 ~~any successor.~~

7 ~~"Operating expenses."—Total expenses required to continue~~
8 ~~service to the public and to permit needed improvements in~~
9 ~~service which are not self supporting and otherwise for any~~
10 ~~purpose in furtherance of public passenger transportation,~~
11 ~~including all State asset maintenance costs. The term does not~~
12 ~~include expenditures for capital projects unless specific~~
13 ~~approval is provided by the Department of Transportation.~~

14 ~~"Operating revenue."—The total revenue earned by a local~~
15 ~~transportation organization or a transportation company through~~
16 ~~its transit operations. The term includes all of the following:~~

17 ~~(1) Passenger fares.~~

18 ~~(2) Reimbursements provided in lieu of fares for senior~~
19 ~~passengers.~~

20 ~~(3) Charter, school bus and advertising revenue.~~

21 ~~(4) Other miscellaneous revenue such as public and~~
22 ~~private route guarantee funds.~~

23 ~~"Paratransit service."—Transit service operating on a~~
24 ~~nonfixed route basis in order to provide complementary~~
25 ~~transportation service to persons who are functionally unable to~~
26 ~~use fixed route transportation, as required by the Americans~~
27 ~~with Disabilities Act of 1990 (Public Law 101 336, 104 Stat.~~
28 ~~327).~~

29 ~~"Passengers."—The total of all originating passengers plus~~
30 ~~transfer passengers carried on fixed route service and~~

1 ~~paratransit service.~~

2 ~~"Public passenger transportation."—Transportation within an~~
3 ~~area that includes a municipality or other built up place that~~
4 ~~is appropriate in the judgment of the Department of~~
5 ~~Transportation to serve commuters or others in the locality,~~
6 ~~taking into consideration the local patterns and trends of~~
7 ~~growth by bus or rail or other conveyance, either publicly or~~
8 ~~privately owned, serving the general public. The term does not~~
9 ~~include school buses, charter or sightseeing services.~~

10 ~~"Revenue replacement funds."—Payments made to local~~
11 ~~transportation organizations and transportation companies to~~
12 ~~offset or partially offset fares.~~

13 ~~"Revenue vehicle hours."—The total amount of time calculated~~
14 ~~in hours during which vehicles are in service and available for~~
15 ~~public use in fixed route service or paratransit service. The~~
16 ~~term does not include deadhead hours.~~

17 ~~"Revenue vehicle miles."—The total amount of distance~~
18 ~~calculated in miles during which vehicles are in service and~~
19 ~~available for public use in fixed route service or paratransit~~
20 ~~service. The term does not include deadhead miles.~~

21 ~~"Reverse commute project."—A public transportation project~~
22 ~~designed to transport residents of urbanized and nonurbanized~~
23 ~~areas to suburban employment opportunities as defined under 49~~
24 ~~U.S.C. § 5316 (relating to job access and reverse commute~~
25 ~~formula grants).~~

26 ~~"Secretary."—The Secretary of Transportation of the~~
27 ~~Commonwealth.~~

28 ~~"Senior citizen."—A person who is at least 65 years of age.~~

29 ~~"Senior passenger."—A senior citizen who rides on fixed~~
30 ~~route service.~~

1 ~~"Tax Reform Code."—The act of March 4, 1971 (P.L.6, No.2),~~
2 ~~known as the Tax Reform Code of 1971.~~

3 ~~"Transportation company."—A person that renders public~~
4 ~~passenger transportation service.~~

5 ~~"Urbanized area."—A portion of this Commonwealth classified~~
6 ~~as urbanized by the United States Bureau of the Census of the~~
7 ~~United States Department of Commerce in the most recent Census~~
8 ~~of Population.~~

9 ~~"Vehicle maintenance expenses."—The categories of costs~~
10 ~~associated with the inspection, maintenance and repair of~~
11 ~~vehicles as specified in Uniform System of Accounts, expense~~
12 ~~function 041, National Transit Database operating expenses form~~
13 ~~F-30, National Transit Database, Final Rule, Federal Transit~~
14 ~~Administration, dated January 15, 1993, or any successor.~~

15 ~~"Welfare to work."—Any Federal or State program designed to~~
16 ~~move individuals from dependency on public welfare programs to~~
17 ~~self sufficiency through paid work.~~

18 ~~§ 1504.—Program authorization.~~

19 ~~(a) General.—The department may, within the limitations~~
20 ~~provided in this chapter, incur costs directly or otherwise~~
21 ~~provide financial assistance for the purposes and activities~~
22 ~~enumerated in this chapter.~~

23 ~~(b) Supplementation of Federal and local funds.—The~~
24 ~~authority conferred on the department by this section includes,~~
25 ~~but is not limited to, providing financial assistance for public~~
26 ~~passenger transportation purposes and to supplement Federal~~
27 ~~funding, local funding, or both.~~

28 ~~§ 1505.—Regulations.~~

29 ~~(a) General rule.—To effectuate and enforce the provisions~~
30 ~~of this chapter, the department shall promulgate necessary rules~~

1 ~~and regulations and prescribe conditions and procedures in order~~
2 ~~to assure compliance in carrying out the purposes for which~~
3 ~~financial assistance may be made under this chapter.~~

4 ~~(b) Temporary regulations. During the two year period~~
5 ~~following the effective date of this section, the department~~
6 ~~shall promulgate temporary regulations, which regulations shall~~
7 ~~be exempt from the following:~~

8 ~~(1) The act of October 15, 1980 (P.L.950, No.164), known~~
9 ~~as the Commonwealth Attorneys Act.~~

10 ~~(2) Section 205 of the act of July 31, 1968 (P.L.769,~~
11 ~~No.240), referred to as the Commonwealth Documents Law.~~

12 ~~(3) The act of June 25, 1982 (P.L.633, No.181), known as~~
13 ~~the Regulatory Review Act.~~

14 ~~Temporary regulations promulgated by the department under this~~
15 ~~subsection shall expire four years following the effective date~~
16 ~~of this section.~~

17 ~~§ 1506. Fund.~~

18 ~~(a) Establishment and deposits. A special fund is~~
19 ~~established within the State Treasury to be known as the Public~~
20 ~~Transportation Trust Fund. The following shall be deposited into~~
21 ~~the fund annually:~~

22 ~~(1) Funds under 75 Pa.C.S. § 8915.3(8) (relating to~~
23 ~~lease of Interstate 80).~~

24 ~~(2) The amounts made available to the department as an~~
25 ~~executive authorization and an appropriation for the 2007-~~
26 ~~2008 fiscal year and each fiscal year thereafter from the~~
27 ~~State Lottery Fund for the Free Transit Program for Senior~~
28 ~~Citizens established under the act of August 26, 1971~~
29 ~~(P.L.351, No.91), known as the State Lottery Law. These~~
30 ~~revenues shall be used to provide free public transportation~~

~~service to senior citizens when passage is on fixed route public transportation services, as authorized by Chapter 9 of the State Lottery Law and the free service shall be available to senior citizens at any time during the service provider's regular hours of service. With regard to passage on commuter rail service provided to senior citizens, the fare shall continue to be limited to \$1 per trip as provided under Chapter 9 of the State Lottery Law, but the limitation shall be extended to all hours of commuter rail service.~~

~~(3) Commencing July 1, 2007, 1.22% of the money collected from the tax imposed under Article II of the Tax Reform Code, up to a maximum of \$75,000,000.~~

~~(4) Commencing July 1, 2007, revenues deposited into the Public Transportation Assistance Fund established under Article XXIII of the Tax Reform Code to be used in accordance with subsection (b).~~

~~(5) Commencing July 1, 2007, 3.03% of the money collected from the tax imposed under Article III of the Tax Reform Code. Within 30 days of the close of a calendar month, 3.03% of the taxes received under Article III of the Tax Reform Code in the prior calendar month shall be transferred to the fund.~~

~~(6) Any other appropriations to the fund.~~

~~(b) Use of revenues.~~

~~(1) Money in the fund shall be used by the department to provide financial assistance to local transportation organizations, transportation companies and agencies and instrumentalities of the Commonwealth under this chapter, for costs incurred directly by the department in the administration of public passenger transportation programs,~~

1 ~~including under this chapter, and for all other purposes~~
2 ~~enumerated in this chapter.~~

3 ~~(2) Money in the fund is appropriated on a continuing~~
4 ~~basis, upon approval of the Governor, to the department to be~~
5 ~~used as provided in this chapter. Money in the fund shall not~~
6 ~~lapse.~~

7 ~~(c) Programs. The fund is authorized to provide the~~
8 ~~following:~~

9 ~~(1) Financial assistance related to operating expenses~~
10 ~~to be known as the "operating program." To the extent funds~~
11 ~~are available, an amount not less than \$810,000,000 of the~~
12 ~~fund shall be allocated to this program in the first fiscal~~
13 ~~year following the effective date of this section. Money in~~
14 ~~the fund allocated to the operating program shall not be~~
15 ~~increased by more than the inflation index in any year.~~

16 ~~(2) Financial assistance for improvements to capital~~
17 ~~assets, replacement of capital assets and expansion of~~
18 ~~capital assets to be known as the "asset improvement~~
19 ~~program." An amount equal to the remaining money in the fund,~~
20 ~~less the allocations under paragraphs (1), (3) and (4) shall~~
21 ~~be allocated to this program in the first fiscal year~~
22 ~~following the effective date of this section. Money in the~~
23 ~~fund for this program may include proceeds of Commonwealth~~
24 ~~capital bonds.~~

25 ~~(3) Financial assistance to fund new or expansions of~~
26 ~~fixed guideway systems, to be known as the "new initiatives~~
27 ~~program." An amount not greater than \$50,000,000 of the fund~~
28 ~~shall be allocated to this program in the first fiscal year~~
29 ~~following the effective date of this section.~~

30 ~~(4) Financial assistance related to programs of~~

~~Statewide significance as described in section 1516 (relating to programs of Statewide significance) to be known as the "programs of Statewide significance program." To the extent funds are available, an amount not less than \$52,000,000 of the fund shall be allocated to this program in the first fiscal year following the effective date of this section.~~

~~§ 1507. Application and approval process.~~

~~(a) Application. An eligible applicant that wishes to receive financial assistance under this chapter shall submit a written application to the department, on a form developed by the department, which shall include the following:~~

~~(1) The name and address of the applicant.~~

~~(2) The name and telephone number of a contact person for the applicant.~~

~~(3) The amount and type of financial assistance requested and the proposed use of the funds.~~

~~(4) A statement as to the particular need for the financial assistance.~~

~~(5) A certified copy of a current resolution authorizing submission of the application if the applicant is a governing body.~~

~~(6) Evidence satisfactory to the department of the commitment for matching funds required under this chapter sufficient to match the projected financial assistance payments at the same times that the financial assistance payments are to be provided.~~

~~(7) Any other information the department deems necessary or desirable.~~

~~(b) Approval and award. Upon determining that an applicant has complied with this chapter, applicable rules and regulations~~

1 ~~and any other requirement with respect to the financial~~
2 ~~assistance requested, the department may award financial~~
3 ~~assistance to the applicant, in which case the department and~~
4 ~~the applicant shall enter into a financial assistance agreement~~
5 ~~setting forth the terms and conditions upon which the financial~~
6 ~~assistance shall be used and the timing of payment of the funds.~~

7 ~~(c) Restriction on use of funds. Financial assistance under~~
8 ~~this chapter shall be used only for activities authorized~~
9 ~~originally unless the department grants a waiver to the award~~
10 ~~recipient for a different use of the funds. The department's~~
11 ~~regulations shall describe circumstances under which it will~~
12 ~~consider the waivers and information to be included in a request~~
13 ~~for a waiver. The maximum duration of a waiver shall be one~~
14 ~~year, and a request for a waiver shall include a plan of~~
15 ~~corrective action to demonstrate that the award recipient does~~
16 ~~not have an ongoing need to use financial assistance funds for~~
17 ~~activities other than those for which funds were originally~~
18 ~~awarded.~~

19 ~~§ 1508. Federal funding.~~

20 ~~(a) General rule. The department shall administer the~~
21 ~~program in this chapter with such flexibility as to permit full~~
22 ~~cooperation between Federal, State and local governments,~~
23 ~~agencies and instrumentalities, local transportation~~
24 ~~organizations and private interests, so as to result in as~~
25 ~~effective and economical a program as possible.~~

26 ~~(b) Agreements. The department may enter into agreements~~
27 ~~for mutual cooperation between or among the department and a~~
28 ~~Federal agency, local transportation organization or~~
29 ~~transportation company concerning a project to be funded with~~
30 ~~financial assistance under this chapter, including joint~~

1 ~~applications for Federal grants.~~

2 ~~(c) General authority of department. The department may do~~
3 ~~anything necessary or desirable to secure financial aid or~~
4 ~~cooperation of a Federal agency in a project funded with~~
5 ~~financial assistance under this chapter and to comply with a~~
6 ~~Federal statute or lawful requirement of a Federal agency~~
7 ~~authorized to administer a program of Federal aid to~~
8 ~~transportation. The department may enter into a protective~~
9 ~~agreement with organized labor to the extent required under 49~~
10 ~~U.S.C. § 5333 (relating to labor standards) in order to obtain~~
11 ~~Federal grant money for transportation assistance. Protective~~
12 ~~agreements shall be narrowly drawn and strictly construed to~~
13 ~~provide no more than the minimum protections required by the~~
14 ~~United States Department of Labor for the agreements.~~

15 ~~(d) Direct recipients. Local transportation organizations~~
16 ~~that are direct recipients of Federal funding shall be under no~~
17 ~~obligation to enter into contracts with the department for~~
18 ~~expenditure of those funds, except that the department may~~
19 ~~require a contract for expenditure of the State portion of the~~
20 ~~project assisted by those Federal funds.~~

21 ~~§ 1509. Limitation on decisions, findings and regulations of~~
22 ~~department.~~

23 ~~All decisions, findings and regulations made by the~~
24 ~~department pursuant to this chapter shall be for the purposes of~~
25 ~~this chapter only and shall not constitute evidence before a~~
26 ~~regulatory body of this Commonwealth or any other jurisdiction.~~

27 ~~§ 1510. Program oversight and administration.~~

28 ~~(a) Review and oversight. The department shall initiate and~~
29 ~~maintain a program of financial and performance review and~~
30 ~~oversight for all public transportation programs receiving~~

~~1 financial assistance under this chapter. The department may
2 perform independent financial audits of each award recipient.
3 Audits shall be conducted in accordance with generally accepted
4 auditing standards and shall ensure compliance by award
5 recipients with this chapter, department regulations and
6 policies and financial assistance agreements.~~

~~7 (b) State Rail Transit Safety Inspection Program. The
8 department may conduct a State Rail Transit Safety Inspection
9 Program, as may be defined from time to time by the Federal
10 Transit Administration, to meet oversight requirements of the
11 Federal Transit Administration. The public transportation modes
12 covered shall include heavy rail, light rail, trackless trolley
13 bus and inclined plane services and related facilities.~~

~~14 § 1511. Report to Governor and General Assembly.~~

~~15 The department shall file a public passenger transportation
16 performance report with the Governor and the General Assembly by
17 April 30 of each year, covering the prior fiscal year.~~

~~18 § 1512. Coordination.~~

~~19 Coordination is required in regions where two or more award
20 recipients have services or activities for which financial
21 assistance is being provided under this chapter to assure that
22 the services or activities are provided efficiently and
23 effectively.~~

~~24 § 1513. Operating program.~~

~~25 (a) Eligible applicants. The governing body of a
26 municipality, county or instrumentality of either, a
27 Commonwealth agency or instrumentality or a local transportation
28 organization may apply for financial assistance under the
29 operating program.~~

~~30 (b) Applications. In addition to information required under~~

1 ~~section 1507 (relating to application and approval process), an~~
2 ~~application for financial assistance under this section shall~~
3 ~~include the applicant's reasonable estimates of operating~~
4 ~~revenue and government subsidies sufficient to cover all~~
5 ~~projected operating expenses.~~

6 ~~(c) Distribution formula. The following distribution~~
7 ~~formula shall be applied by the department with respect to the~~
8 ~~award of an operating grant:~~

9 ~~(1) Twenty five percent of the award amount shall be~~
10 ~~based on passengers;~~

11 ~~(2) Ten percent of the award amount shall be based on~~
12 ~~senior passengers to offset free fares for senior passengers;~~

13 ~~(3) Thirty five percent of the award amount shall be~~
14 ~~based on revenue vehicle hours;~~

15 ~~(4) Thirty percent of the award amount shall be based on~~
16 ~~revenue vehicle miles.~~

17 ~~(d) Local match requirements.~~

18 ~~(1) Local or private cash funding shall be provided as a~~
19 ~~match in the amount of 20% of the financial assistance being~~
20 ~~provided. The following apply:~~

21 ~~(i) For the Fiscal Year 2007-2008, the minimum of~~
22 ~~local or private cash funding required under this~~
23 ~~paragraph shall be:~~

24 ~~(A) the match required for Fiscal Year 2006-~~
25 ~~2007; and~~

26 ~~(B) 5% of the amount under clause (A).~~

27 ~~(ii) For each fiscal year after Fiscal Year 2007-~~
28 ~~2008 until the match required under this paragraph is~~
29 ~~reached, the minimum of local or private cash funding~~
30 ~~required under this paragraph shall be:~~

1 ~~(A) the match required for the immediately~~
2 ~~preceding fiscal year; and~~

3 ~~(B) 5% of the amount under clause (A).~~

4 ~~(iii) There is no maximum on the local or private~~
5 ~~cash funding required under this paragraph.~~

6 ~~(2) For financial assistance to a local transportation~~
7 ~~organization, eligible local matching funds shall consist~~
8 ~~only of cash contributions provided by one or more~~
9 ~~municipalities or counties that are members of the local~~
10 ~~transportation organization. The amount of the match and the~~
11 ~~time period during which the match must continue to be~~
12 ~~available shall be specified in the financial assistance~~
13 ~~agreement. Funding provided by local and private entities,~~
14 ~~including advertising or naming rights, may be eligible for~~
15 ~~the match to the extent they provide for the cost of transit~~
16 ~~service that is open to the public. The following shall not~~
17 ~~be eligible for a local match:~~

18 ~~(i) Any form of transit operating revenue or other~~
19 ~~forms of transit income provided by the local~~
20 ~~transportation organization.~~

21 ~~(ii) Funds used to replace fares.~~

22 ~~(3) A county or municipality in a metropolitan area~~
23 ~~which is a member of a local transportation organization is~~
24 ~~authorized to provide annual financial assistance from~~
25 ~~current revenues to the local transportation organization of~~
26 ~~which it is a member or enter into a long term agreement for~~
27 ~~payment of money to assist in defraying the costs of~~
28 ~~operation, maintenance and debt service of the local~~
29 ~~transportation organization or of a particular public~~
30 ~~transportation project of a local transportation~~

~~organization. The obligation of a municipality or county under an agreement pursuant to this paragraph shall not be considered to be a part of the indebtedness of the county or municipality, nor shall the obligation be deemed to impair the status of any indebtedness of the county or municipality which would otherwise be considered self sustaining.~~

~~(4) The following shall apply to the Southeastern Pennsylvania Transportation Authority:~~

~~(i) The local match provided by each jurisdiction shall be calculated by multiplying the total match required for State funding by the total of route miles provided in that jurisdiction as a percentage of the total route miles operated in all jurisdictions. Where appropriate, a transportation system may calculate the local match by mode or division, or both.~~

~~(ii) The department shall suspend funding of any capital project within any county that fails to meet its required matching funds requirement under this subsection, and a transportation system shall not expand service into any county that fails to meet its required matching funds under this subsection. During any time in which a county fails to meet its required matching funds under this subsection the county's representative on the governing body of the transporting organization shall become a nonvoting member of the governing body until such time that the county meets its local matching requirements.~~

~~(c) Performance reviews.—~~

~~(1) The department may conduct performance reviews of an award recipient that receives financial assistance under this~~

~~section to determine the efficiency and effectiveness of the financial assistance. Reviews shall be conducted at regular intervals as established by the department in consultation with the management of the award recipient. After completion of a review, the department shall issue a report that:~~

~~(i) highlights exceptional performance and identifies any problems that need to be resolved;~~

~~(ii) assesses performance, efficiency and effectiveness of the use of the funds;~~

~~(iii) makes recommendations on what follow up actions are required to remedy each problem; and~~

~~(iv) provides an action plan documenting who should perform the recommended actions and a time frame within which they should be performed.~~

~~(2) The department shall deliver the report to the Governor, to the Transportation Committee of the Senate and to the Transportation Committee of the House of Representatives. The department's regulations shall contain a description of the impact on both the amount of, and future eligibility for, receipt of financial assistance under this chapter based upon the degree to which the local transportation organization complies with the recommendations in the report. The department shall develop a list of best practices revealed by the reports issued under this subsection and shall post them on the department's Internet website.~~

~~(f) Performance criteria. Criteria used for the reviews conducted under subsection (e) shall consist of passengers per revenue vehicle hour, operating costs per revenue vehicle hour, operating revenue per revenue vehicle hour, operating costs per~~

1 ~~passenger and other items as the department may establish. The~~
2 ~~department's regulations shall set forth the minimum system~~
3 ~~performance criteria that an award recipient must satisfy.~~

4 ~~(g) Failure to satisfy minimum performance criteria. If a~~
5 ~~performance review conducted under subsection (c) reveals:~~

6 ~~(1) that the performance of an award recipient's~~
7 ~~transportation system has decreased compared to performance~~
8 ~~determined through a prior review, the department may, upon~~
9 ~~the written request of an award recipient, waive any~~
10 ~~requirement for a reduction in the amount of financial~~
11 ~~assistance to be awarded under this section for a reasonable~~
12 ~~time period to allow the award recipient to bring the system~~
13 ~~back to the required performance level. The award recipient~~
14 ~~shall provide written justification for providing a time~~
15 ~~period longer than two years. In order to obtain the waiver~~
16 ~~for the period requested, the award recipient must do all of~~
17 ~~the following:~~

18 ~~(i) Develop an action plan to improve system~~
19 ~~performance that contains key measurable milestones. The~~
20 ~~action plan must be acceptable to the department and must~~
21 ~~be approved by the department in writing.~~

22 ~~(ii) Submit quarterly progress reports on the action~~
23 ~~plan to the department.~~

24 ~~(2) The department shall review and evaluate the award~~
25 ~~recipient's progress to determine if the system has improved.~~
26 ~~If the system has improved, funding will be determined by the~~
27 ~~formula under subsection (c), and the award recipient will be~~
28 ~~eligible for full formula funding. If the system has not~~
29 ~~improved at the end of the time period established for~~
30 ~~improvement, the waiver will be withdrawn. Expenses incurred~~

1 ~~by the award recipient as a result of the failure of the~~
2 ~~award recipient's system to meet the minimum performance~~
3 ~~criteria shall be borne by the award recipient.~~

4 ~~(h) Adjustments to minimum performance criteria. Upon~~
5 ~~written request of a recipient of financial assistance under~~
6 ~~this section, the department may approve adjustments to the~~
7 ~~minimum performance criteria described in subsection (g) in a~~
8 ~~given year if situations arise that affect performance of the~~
9 ~~award recipient's system and are out of the award recipient's~~
10 ~~control. Examples are labor strikes, infrastructure failures and~~
11 ~~natural disasters. The request must include the award~~
12 ~~recipient's justification for the adjustment.~~

13 ~~(i) Periodic review of formula. The department, in~~
14 ~~consultation with all award recipients, shall review the~~
15 ~~distribution formula established under subsection (c) at least~~
16 ~~once every three years and, prior to the start of the next~~
17 ~~succeeding fiscal year, shall recommend adjustments it deems~~
18 ~~appropriate. If an adjustment results in a change of five~~
19 ~~percentage points or less in any category, the department shall~~
20 ~~forward a notice of the change to the Legislative Reference~~
21 ~~Bureau for publication in the Pennsylvania Bulletin, and the~~
22 ~~change shall take effect at the commencement of the next fiscal~~
23 ~~year. If an adjustment results in a change in excess of five~~
24 ~~percentage points in any category, the change shall be~~
25 ~~incorporated into the department's regulations by amendment and~~
26 ~~shall take effect at the commencement of the next fiscal year~~
27 ~~following promulgation of the amendment.~~

28 ~~(j) Needs based adjustment. In order to allow an award~~
29 ~~recipient that was receiving financial assistance under former~~
30 ~~Chapter 13 (relating to public transportation assistance) prior~~

~~1 to the effective date of this section to transition into the
2 funding formula established under subsection (c), the department
3 shall provide the award recipient, as part of the award under
4 this section, with a needs based adjustment. The needs based
5 adjustment shall be calculated by increasing the amount that the
6 award recipient received under Chapter 13 for operating expenses
7 and asset maintenance costs in the 2005-2006 fiscal year and
8 increasing the resulting amount by an adjustment factor to
9 assure a funding level consistent with the operating funding
10 needs as identified by the department. Funds remaining after the
11 needs based adjustment is applied shall be set aside in an
12 operating reserve account to be used at the department's
13 discretion for short term public passenger transportation needs.
14 The department's regulations shall establish the manner in which
15 the funds in the reserve account may be used.~~

~~16 (k) Growth caps. Each fiscal year after the fiscal year in
17 which the department provides a needs based adjustment under
18 subsection (i), the department shall determine the maximum
19 percentage increase that an award recipient shall be eligible to
20 receive for operating expenses in addition to an increase tied
21 to the inflation index amount. The maximum percentage increase
22 shall be capped at the inflation index rate of the award
23 recipient's transportation system's passengers per revenue hour,
24 or revenue per revenue vehicle hour performance, falls below
25 peer system average or if the operating cost per revenue hour or
26 operating cost per passenger exceeds the peer system average.
27 Notwithstanding the provisions of this subsection, money
28 available for financial assistance under this section shall at
29 all times be capped by the amount of money in the fund allocated
30 for the operating program.~~

1 ~~(l) Operating reserve. The department may establish a~~
2 ~~limitation on the amount of financial assistance awarded under~~
3 ~~this section that may be carried over for use in subsequent~~
4 ~~fiscal years.~~

5 ~~(m) Certification. The Commonwealth shall not provide~~
6 ~~financial assistance to a municipality under this section unless~~
7 ~~the municipality certifies the amount of its local match under~~
8 ~~subsection (d).~~

9 ~~§ 1514. Asset improvement program.~~

10 ~~(a) Eligible applicants. A local transportation~~
11 ~~organization, an agency or instrumentality of the Commonwealth,~~
12 ~~an entity responsible for coordinating community transportation~~
13 ~~program services, or any other person the department deems to be~~
14 ~~eligible may apply to the department for financial assistance~~
15 ~~under the asset improvement program. The department shall~~
16 ~~develop and maintain four year and twelve year plans that~~
17 ~~summarize the capital projects and financial assistance for~~
18 ~~capital projects based upon cash flow and revenue projections~~
19 ~~for the fund.~~

20 ~~(b) Applications. In addition to information required under~~
21 ~~section 1507 (relating to application and approval process), an~~
22 ~~application for financial assistance under this section shall~~
23 ~~include the following:~~

24 ~~(1) Evidence satisfactory to the department that the~~
25 ~~proposed capital project is included in the first year of the~~
26 ~~applicant's four year capital program and its federally~~
27 ~~approved Transportation Improvement Program.~~

28 ~~(2) If an applicant is requesting financial assistance~~
29 ~~for replacement of capital assets, evidence satisfactory to~~
30 ~~the department that the capital assets to be replaced have~~

1 ~~exceeded the useful life criteria as defined by the~~
2 ~~department. At its discretion, the department may approve~~
3 ~~funding to replace capital assets that do not exceed the~~
4 ~~useful life criteria if the applicant provides documentation~~
5 ~~acceptable to the department to justify the early replacement~~
6 ~~of the capital assets.~~

7 ~~(3) If the applicant is requesting financial assistance~~
8 ~~for expansion of capital assets, evidence satisfactory to the~~
9 ~~department that the applicant will have sufficient future~~
10 ~~annual operating funds to support the proposed expansion of~~
11 ~~the assets.~~

12 ~~(4) Any other information required by the department,~~
13 ~~including a return on investment analysis or a life cycle~~
14 ~~cost analysis, or both.~~

15 ~~(c) Local match requirements. Financial assistance under~~
16 ~~this section shall be matched by local or private cash funding~~
17 ~~in an amount not less than 20% of the amount of the financial~~
18 ~~assistance. The source of funds for the local match shall be~~
19 ~~subject to the requirements of section 1513(d) (relating to~~
20 ~~operating program). Each capital project shall be based on the~~
21 ~~plan approved by the department.~~

22 ~~(d) Conditions for receipt of bond funding. An applicant~~
23 ~~may receive proceeds of Commonwealth capital bonds from the fund~~
24 ~~for financial assistance under this section if all of the~~
25 ~~following conditions are met:~~

26 ~~(1) The applicant's project has been authorized by a~~
27 ~~capital budget project itemization act.~~

28 ~~(2) The applicant's project shall have been included in~~
29 ~~the department's approved annual release request approving~~
30 ~~the use of the funds for the proposed capital project in the~~

~~fiscal year in which the funds are expected to be expended.~~

~~(3) The department shall have approved the underlying application for the capital project.~~

~~(4) The project has a 20 year or longer useful life.~~

~~(c) Priorities. The award of financial assistance under this section shall be subject to the following set of priorities in descending order of significance unless a compelling return on investment analysis for a project in a lower significant category is provided to and approved by the department:~~

~~(1) Funds required to support existing local bond issues currently supported with State revenue sources, such as debt service and asset leases. The Commonwealth pledges to and agrees with any person, firm or corporation holding any bonds previously issued by, or any other debt incurred by, a local transportation organization, and secured in whole or part by a pledge of the funds provided to the local transportation organization from the Public Transportation Assistance Fund established under Article XXIII of the Tax Reform Code, that the Commonwealth will not limit or alter rights vested in a local transportation organization in any manner inconsistent with obligations of the local transportation organization to the obligees of the local transportation organization until all bonds previously issued or other debt incurred, together with the interest thereon, is fully paid or provided for.~~

~~(2) Funds required to match federally approved capital projects funded under 49 U.S.C. §§ 5307 (relating to urbanized area formula grants) and 5309 (relating to capital investment grants and loans) and other federally approved capital projects.~~

~~(3) Other non Federal capital projects as determined by~~

1 ~~the department, which shall be further subject to the~~
2 ~~following set of priorities in descending order of~~
3 ~~significance:~~

4 ~~(i) Essential emergency asset improvement projects.~~

5 ~~(ii) Standard replacement of existing assets that~~
6 ~~have exceeded their useful life.~~

7 ~~(iii) Asset improvement projects to extend the~~
8 ~~useful life of the affected assets.~~

9 ~~(iv) Acquisition of new assets and other acceptable~~
10 ~~purposes, other than projects to be funded under the new~~
11 ~~initiatives program, as determined by the department.~~

12 ~~(f) Bonding by award recipients. With the approval of the~~
13 ~~department, an award recipient that is allowed by its enabling~~
14 ~~statute to issue bonds may do so for the purpose of financing a~~
15 ~~multiyear capital project. The bonds shall be issued in~~
16 ~~accordance with the provisions of the award recipient's enabling~~
17 ~~statute. The department shall enter into an agreement with the~~
18 ~~award recipient providing that payments of the capital funds~~
19 ~~sufficient to satisfy requirements of the bonds issued be made~~
20 ~~directly to the trustee and bond holders until such time as the~~
21 ~~bonds are retired.~~

22 ~~(g) Certification. The Commonwealth shall not provide~~
23 ~~financial assistance to a municipality under this section unless~~
24 ~~the municipality certifies the amount of its local match under~~
25 ~~subsection (c).~~

26 ~~§ 1515. New initiatives program.~~

27 ~~(a) Eligible applicants. Persons eligible to apply for~~
28 ~~financial assistance under the asset improvement program shall~~
29 ~~also be eligible to apply for financial assistance under the new~~
30 ~~initiatives program.~~

1 ~~(b) Applications. In addition to the information required~~
2 ~~under section 1507 (relating to application and approval~~
3 ~~process), an application for financial assistance under this~~
4 ~~section shall include all of the information required in an~~
5 ~~application for financial assistance under section 1514~~
6 ~~(relating to asset improvement program). If the application is~~
7 ~~for a proposed expansion of a capital asset, the application~~
8 ~~shall also contain evidence satisfactory to the department that~~
9 ~~the applicant will have sufficient future annual operating funds~~
10 ~~to support the proposed expansion.~~

11 ~~(c) Limitation. In making awards of financial assistance~~
12 ~~under this section, the department shall give priority to~~
13 ~~applicants that intend to use the funds in satisfaction of the~~
14 ~~local matching portion of federally approved projects funded~~
15 ~~pursuant to 49 U.S.C. § 5309 (relating to capital investment~~
16 ~~grants and loans). The department may fund projects that do not~~
17 ~~receive funding from the Federal New Starts Program if the~~
18 ~~applicant can provide sufficient justification that the project~~
19 ~~can meet all of the following requirements:~~

20 ~~(1) Investments in existing service areas have been~~
21 ~~optimized.~~

22 ~~(2) An analysis reveals a reasonable return on~~
23 ~~investment.~~

24 ~~(3) Identification of the public benefit of the project.~~

25 ~~(4) Required local funds are available to pay any~~
26 ~~required local match for the project and ongoing operating~~
27 ~~costs.~~

28 ~~(5) There exists local technical ability and capacity to~~
29 ~~manage, construct and operate the project.~~

30 ~~(6) The project is supported by the adoption of an~~

1 ~~integrated land use plan by local municipalities.~~

2 ~~(d) Local match requirements. Financial assistance under~~
3 ~~this section shall be matched by local or private cash funding~~
4 ~~in an amount not less than 100% of the amount of the grant. The~~
5 ~~source of funds for the local match shall be subject to the~~
6 ~~requirements of section 1513(d) (relating to operating program).~~

7 ~~(e) Certification. The Commonwealth shall not provide~~
8 ~~financial assistance to a municipality under this section unless~~
9 ~~the municipality certifies the amount of its local match under~~
10 ~~subsection (d).~~

11 ~~§ 1516. Programs of Statewide significance.~~

12 ~~(a) General rule. Money in the fund allocated for programs~~
13 ~~of Statewide significance shall be used by the department to~~
14 ~~support public transportation programs, activities and services~~
15 ~~not otherwise fully funded through the operating program,~~
16 ~~capital program or asset improvement program. These include the~~
17 ~~following:~~

18 ~~(1) The Persons with Disabilities Program.~~

19 ~~(2) Intercity and commuter rail and bus services.~~

20 ~~(3) Community transportation capital and service~~
21 ~~stabilization.~~

22 ~~(4) The Welfare to Work Program and matching funds for~~
23 ~~Federal programs with similar intent.~~

24 ~~(5) Demonstration and research projects.~~

25 ~~(6) Technical assistance.~~

26 ~~(7) (Reserved).~~

27 ~~(8) (Reserved).~~

28 ~~(9) (Reserved).~~

29 ~~(10) (Reserved).~~

30 ~~(11) Other public passenger transportation programs~~

1 ~~initiated by the department.~~

2 ~~(b) Persons with disabilities. The department shall~~
3 ~~establish and administer a program providing reduced fares to~~
4 ~~persons with disabilities on community transportation services~~
5 ~~and to provide financial assistance for start up, administrative~~
6 ~~and capital expenses related to reduced fares for persons with~~
7 ~~disabilities. All of the following shall apply:~~

8 ~~(1) A community transportation system operating in the~~
9 ~~Commonwealth other than in counties of the first and second~~
10 ~~class may apply for financial assistance under this~~
11 ~~subsection.~~

12 ~~(2) The department may award financial assistance under~~
13 ~~this subsection for program start up and for continuing~~
14 ~~capital expenses to offset administrative and capital~~
15 ~~expenses. For community transportation trips made by eligible~~
16 ~~persons with disabilities, financial assistance may be~~
17 ~~awarded to an eligible community transportation system to~~
18 ~~reimburse the system for up to 85% of the fare established~~
19 ~~for the general public for each trip which is outside of a~~
20 ~~fixed route and paratransit service areas and not eligible~~
21 ~~for funding from any other program or funding source. The~~
22 ~~person making the trip or an approved third party sponsor~~
23 ~~shall contribute the greater of 15% of the fare established~~
24 ~~for the general public or the Americans with Disabilities Act~~
25 ~~complementary paratransit fare.~~

26 ~~(c) Intercity transportation. The department is authorized~~
27 ~~to provide financial support for an efficient and coordinated~~
28 ~~intercity common carrier surface transportation program,~~
29 ~~consisting of both intercity rail and intercity bus~~
30 ~~transportation, with the intent of sustaining strong intercity~~

1 ~~connections. All of the following shall apply:~~

2 ~~(1) An intercity passenger rail service provider, a~~
3 ~~local transportation organization, an agency or~~
4 ~~instrumentality of the Commonwealth and a transportation~~
5 ~~company that provides intercity public transportation service~~
6 ~~may apply for financial assistance under this subsection. The~~
7 ~~department is authorized to enter into joint service~~
8 ~~agreements with a railroad company, any other agency or~~
9 ~~instrumentality of the Commonwealth, a Federal agency or an~~
10 ~~agency or instrumentality of any other jurisdiction relating~~
11 ~~to property, buildings, structures, facilities, services,~~
12 ~~rates, fares, classifications, dividends, allowances or~~
13 ~~charges, including charges between intercity rail passenger~~
14 ~~service facilities, or rules or regulations pertaining~~
15 ~~thereto, for or in connection with or incidental to~~
16 ~~transportation in whole or in part upon intercity rail~~
17 ~~passenger service facilities.~~

18 ~~(2) Operating assistance and capital assistance may be~~
19 ~~provided for intercity bus and rail services as determined by~~
20 ~~the department.~~

21 ~~(3) For financial assistance to a transportation~~
22 ~~company, eligible matching funds shall consist only of cash~~
23 ~~income generated by the transportation company from its~~
24 ~~activities, other than the provision of public passenger~~
25 ~~transportation service, and contributed by the transportation~~
26 ~~company in the amount and for the time period specified in~~
27 ~~the financial assistance agreement.~~

28 ~~(4) Local match requirements are as follows:~~

29 ~~(i) For intercity bus operating and capital~~
30 ~~assistance, the department shall require a local match by~~

~~local or private cash funding in an amount equal to 100% of the amount of the financial assistance being provided.~~

~~(ii) For intercity rail operating and capital assistance, the department shall require a local match on a case by case basis, taking into account the best interests of the Commonwealth.~~

~~(5) For purposes of this subsection, "local match" is defined as local revenue obtained from other nonsubsidized services, such as charter, school bus or profits realized from other intercity bus services. Local match shall not include any funds received from Federal or State sources.~~

~~(d) Community transportation.~~

~~(1) The department is authorized to provide financial assistance under this section for all of the following:~~

~~(i) Capital expenditures for the provision of community transportation service.~~

~~(ii) To stabilize current service and fares.~~

~~(iii) To provide advice or technical assistance to analyze and enhance community transportation system resources and services.~~

~~(iv) To maximize available funding including Federal dollars.~~

~~(v) To ensure equitable cost sharing.~~

~~(2) The governing body of a county, other than a county of the first or second class, or a transportation company designated by the governing body of the county as the coordinator of community transportation service, and an agency or instrumentality of the Commonwealth may apply for financial assistance under this subsection subject to all of the following:~~

1 ~~(i) An applicant for financial assistance for~~
2 ~~capital expenditures for the provision of public~~
3 ~~community transportation service shall certify to the~~
4 ~~department that it has taken all reasonable steps to~~
5 ~~coordinate local service for the elderly and persons with~~
6 ~~disabilities and that the services to be offered with the~~
7 ~~capital assets do not duplicate existing fixed route~~
8 ~~services.~~

9 ~~(ii) The governing body of a county or the~~
10 ~~coordinator described under this paragraph shall not be~~
11 ~~eligible for financial assistance for service~~
12 ~~stabilization if any of the following apply:~~

13 ~~(A) The coordinator receives financial~~
14 ~~assistance under the operating program established~~
15 ~~under this chapter.~~

16 ~~(B) The coordinator is a private for profit~~
17 ~~provider.~~

18 ~~(3) Financial assistance for service stabilization may~~
19 ~~only be provided for the following purposes:~~

20 ~~(i) Short term, long term and strategic planning.~~

21 ~~(ii) Technology investment.~~

22 ~~(iii) Training programs designed to enhance~~
23 ~~transportation management and staff expertise.~~

24 ~~(iv) Offsetting operating expenses that cannot be~~
25 ~~covered by fare revenue due to emergencies.~~

26 ~~(v) Marketing activities.~~

27 ~~(vi) Other stabilization purposes approved by the~~
28 ~~department.~~

29 ~~(4) The department shall give high priority to providing~~
30 ~~financial assistance under this subsection as match for~~

~~Federal funding to support capital projects for community transportation systems.~~

~~(5) The department shall conduct a study to evaluate the effectiveness and efficiency of community transportation service delivery as it relates to human service programs. The Department of Public Welfare, the Office of the Budget and the Department of Aging and other appropriate Commonwealth agencies identified by the department shall participate and fully support the study to achieve the intended purposes. Within two years following the effective date of this section, these agencies shall make recommendations to the Governor and the Majority and Minority chairpersons of the Transportation Committee of the Senate and the Majority and Minority chairpersons of the Transportation Committee of the House of Representatives for improving coordination and efficiency of human services and community transportation.~~

~~(c) Welfare to work and Federal programs match. The department is authorized to provide financial assistance under this section to design and implement projects and services and to reimburse award recipients for the expenses associated with the projects and services that identify and address public passenger transportation and related barriers preventing individuals eligible for participation in the Federal welfare to work program from securing and maintaining employment and from accessing community services and facilities. All of the following shall apply:~~

~~(1) A local transportation organization, a transportation company designated by a county as the coordinator of community transportation services and any other person approved by the department may apply to the~~

~~department for financial assistance under this subsection.~~

~~(2) Financial assistance awarded under this subsection shall be used for any of the following purposes:~~

~~(i) Fixed route service subsidy.~~

~~(ii) Contracted transportation services.~~

~~(iii) Fixed route fare discounts.~~

~~(iv) Community transportation fare discounts.~~

~~(v) Taxi fare discounts.~~

~~(vi) Mileage reimbursement.~~

~~(vii) Vehicle purchase, insurance, maintenance and repair.~~

~~(viii) Driver education classes.~~

~~(ix) Administrative expenses.~~

~~(x) Case management expenses.~~

~~(xi) Any other activities consistent with the transportation related elements of the welfare to work program.~~

~~(3) The department shall give high priority to providing financial assistance under this subsection as match for Federal funding to support projects with similar purposes and eligible uses, including the Federal Job Access Reverse Commute and New Freedoms programs.~~

~~(f) Technical assistance and demonstration. The department is authorized to provide financial assistance under this section for technical assistance, research and short term demonstration projects. All of the following shall apply:~~

~~(1) A local transportation organization or an agency or instrumentality of the Commonwealth may apply to the department for financial assistance under this subsection.~~

~~(2) Financial assistance provided under this subsection~~

~~may be used for reimbursement for any approved operating or capital costs related to technical assistance and demonstration program projects. Financial assistance for short term demonstration projects may be provided at the department's discretion on an annual basis based on the level of financial commitment provided by the award recipient to provide ongoing future funding for the project as soon as the project meets the criteria established by the department and the award recipient. Financial assistance for this purpose shall not be provided for more than three fiscal years. Financial assistance may be provided to meet any short term emergency need that requires immediate attention and cannot be funded through other sources.~~

~~(3) Financial assistance under this subsection provided to a local transportation organization shall be matched by local or private cash funding in an amount not less than 3 1/3% of the amount of the financial assistance being provided. The sources of funds for the local match shall be subject to the requirements of section 1513(d) (relating to operating program).~~

~~§ 1517. Program oversight and administration.~~

~~The department is authorized to use available money in the fund to cover the costs incurred by the department in administering all of its public passenger transportation funding programs, including those established under this chapter, and incurred in the carrying out of its responsibilities with respect to the programs.~~

~~§ 1518. Retroactive authority.~~

~~(a) Date of project. Financial assistance may be awarded under this chapter by the department with reference to an~~

~~1 appropriate project irrespective of when it was first commenced
2 or considered and regardless of whether costs with respect to
3 the project were incurred prior to the time the financial
4 assistance is applied for or provided.~~

~~5 (b) Capital projects.—~~

~~6 (1) For capital projects, the applicant must obtain
7 approval in writing from the department prior to incurring
8 any expenses for which the applicant may later seek
9 reimbursement.~~

~~10 (2) Notwithstanding paragraph (1), approval by the
11 department shall not constitute an approval of the
12 applicant's underlying request for financial assistance.~~

~~13 (3) By providing preapproval under this subsection, the
14 department may recognize any local funds already expended as
15 satisfying the local match requirement if and when the
16 applicant's application is approved.~~

~~17 Section 2.1. Sections 1713(a) and 1715(a) of Title 74 are
18 amended to read:~~

~~19 § 1713. Appointment of board members.~~

~~20 (a) Appointment. Except as provided in subsection (d) with
21 respect to the continuation in office of members of the board of
22 any authority established under the former provisions of Article
23 III of the act of January 22, 1968 (P.L.42, No.8), known as the
24 Pennsylvania Urban Mass Transportation Law, or the former
25 provisions of Chapter 15 (relating to metropolitan
26 transportation authorities), at any time after the effective
27 date of this chapter:~~

~~28 (1) The Governor may appoint as a member of the board
29 one person who may be an ex officio appointee from among the
30 various officials in this Commonwealth and whose term as a~~

1 ~~board member shall run concurrently with that of his~~
2 ~~Commonwealth position, if any, or the term of the appointing~~
3 ~~Governor, whichever is shorter.~~

4 ~~(2) The Majority Leader and the Minority Leader of the~~
5 ~~Senate and the Majority Leader and the Minority Leader of the~~
6 ~~House of Representatives may each appoint one person to serve~~
7 ~~as a board member, whose term shall be concurrent with the~~
8 ~~term and who shall serve at the pleasure of the appointing~~
9 ~~legislative leader.~~

10 ~~(3) The county commissioners or the county council in~~
11 ~~each county and, in any county of the first class containing~~
12 ~~a city of the first class, the mayor, with the approval of~~
13 ~~the city council, may appoint [two] persons from each county~~
14 ~~to serve as board members[.] as follows:~~

15 ~~(i) Two members for counties which contribute less~~
16 ~~than 7.5% of total local match required for State~~
17 ~~operating financial assistance.~~

18 ~~(ii) Three members for counties which contribute at~~
19 ~~least 7.5% but less than 25% of total local match~~
20 ~~required for State operating financial assistance.~~

21 ~~(iii) Four members for counties which contribute at~~
22 ~~least 25% of total local match required for State~~
23 ~~operating financial assistance.~~

24 ~~(4) On the effective date of this paragraph, any county~~
25 ~~which has a member of the board in excess of the number~~
26 ~~allotted under paragraph (3) will lose an appointment to the~~
27 ~~board upon the expiration of the term of the member whose~~
28 ~~term expires next, or if there is a vacancy, may not appoint~~
29 ~~a person to fill the vacancy.~~

30 ~~(5) The Secretary of Budget shall be a nonvoting member.~~

1 ~~(6) The Secretary of Transportation or his deputy~~
2 ~~secretary shall be a nonvoting member.~~

3 ~~(7) Each member appointed by a county shall have a~~
4 ~~professional background expertise or substantial experience~~
5 ~~in one or more of the following areas:~~

6 ~~(i) Transportation.~~

7 ~~(ii) Finance.~~

8 ~~(iii) Law.~~

9 ~~(iv) Tourism.~~

10 ~~(v) Ridership community groups.~~

11 ~~(vi) Land use and urban planning.~~

12 ~~* * *~~

13 ~~§ 1715. Meetings, quorum, officers and records.~~

14 ~~(a) Meetings. Regular meetings of the board shall be held~~
15 ~~in the metropolitan area at least once in each calendar month~~
16 ~~except July or August, the time and place of the meetings to be~~
17 ~~fixed by the board. A majority of the board shall constitute a~~
18 ~~quorum for the transaction of business. All action of the board~~
19 ~~shall be by resolution, and the affirmative vote of a majority~~
20 ~~of all the members shall be necessary for the adoption of any~~
21 ~~resolution. No action by the board to which an express objection~~
22 ~~has been made, under this section, by a board member or members~~
23 ~~representing a county or counties having one third or more of~~
24 ~~the population of the metropolitan area, as determined by the~~
25 ~~most recent decennial census, shall be carried unless supported~~
26 ~~at a subsequent regular meeting of the board by the votes of at~~
27 ~~least [three quarters] 70% of the voting membership of the~~
28 ~~board. In case of disagreement between members representing the~~
29 ~~same county, each member shall be deemed to represent [one half]~~
30 ~~an equal proportion of the population of that county.~~

1 ~~This chapter relates to turnpike organization, extension and~~
2 ~~toll road conversion.~~

3 ~~§ 8102. Definitions.~~

4 ~~The following words and phrases when used in this chapter~~
5 ~~shall have the meanings given to them in this section unless the~~
6 ~~context clearly indicates otherwise:~~

7 ~~"Commission."—The Pennsylvania Turnpike Commission.~~

8 ~~"Cost of the turnpikes."—The term includes the cost of:~~

9 ~~(1) Constructing turnpikes, connecting roads, storm~~
10 ~~water management systems, tunnels and bridges.~~

11 ~~(2) Lands, property rights, rights of way, easements and~~
12 ~~franchises acquired by purchase or other means deemed~~
13 ~~necessary or convenient for construction.~~

14 ~~(3) Machinery and equipment, financing charges and~~
15 ~~interest prior to construction, during construction and for~~
16 ~~one year after completion of construction.~~

17 ~~(4) Traffic estimates, engineering and legal expenses,~~
18 ~~plans, specifications, surveys, cost and revenue estimates,~~
19 ~~other expenses necessary or incident to determining the~~
20 ~~feasibility or practicability of the enterprise,~~
21 ~~administrative and legal expense and other expenses as may be~~
22 ~~necessary or incident to financing authorized in this~~
23 ~~chapter.~~

24 ~~(5) Condemnation or other means of acquisition of~~
25 ~~property necessary for the construction and operation.~~

26 ~~(6) An obligation or expense contracted for by the~~
27 ~~commission with the department or with the United States or a~~
28 ~~Federal agency for any of the following:~~

29 ~~(i) Traffic surveys, preparation of plans and~~
30 ~~specifications, supervision of construction and other~~

1 ~~engineering and administrative and legal services and~~
2 ~~expenses in connection with the construction of the~~
3 ~~turnpike or any of the connecting roads, storm water~~
4 ~~management systems, tunnels and bridges.~~

5 ~~(ii) Costs of reimbursing the Federal Government~~
6 ~~pursuant to the mandates of the Federal law for Federal~~
7 ~~funds expended for interstate or other highways which are~~
8 ~~to be made part of the turnpike system pursuant to this~~
9 ~~chapter.~~

10 ~~"Department."—The Department of Transportation of the~~
11 ~~Commonwealth.~~

12 ~~"Electronic toll collection."—A system of collecting tolls~~
13 ~~or charges that is capable of charging an account holder for the~~
14 ~~prescribed toll by electronic transmission of information~~
15 ~~between a device on a vehicle and a device in a toll lane at a~~
16 ~~toll collection facility.~~

17 ~~"Lessee."—A person, corporation, firm, partnership, agency,~~
18 ~~association or organization that rents, leases or contracts for~~
19 ~~the use of a vehicle and has exclusive use of the vehicle for~~
20 ~~any period of time.~~

21 ~~"Lessor."—A person, corporation, firm, partnership, agency,~~
22 ~~association or organization engaged in the business of renting~~
23 ~~or leasing vehicles to any lessee under a rental agreement,~~
24 ~~lease or other agreement under which the lessee has the~~
25 ~~exclusive use of the vehicle for any period of time.~~

26 ~~"Operator."—An individual that uses or operates a vehicle~~
27 ~~with or without permission of the owner.~~

28 ~~"Owner."—Except as provided under section 8116.1(e)~~
29 ~~(relating to electronic toll collection), an individual,~~
30 ~~copartnership, association or corporation having title or~~

1 ~~interest in a property right, easement or franchise authorized~~
2 ~~to be acquired under this chapter.~~

3 ~~"Secretary."— The Secretary of Transportation of the~~
4 ~~Commonwealth.~~

5 ~~"Toll road conversion."— The inclusion within the turnpike~~
6 ~~system and the imposition of tolls on the system of a highway~~
7 ~~that is presently toll free.~~

8 ~~"Turnpikes."— Any of the following:~~

9 ~~(1) The turnpike, turnpike extensions and turnpike~~
10 ~~improvements.~~

11 ~~(2) Toll free roads to be converted to toll roads under~~
12 ~~this chapter.~~

13 ~~(3) Related storm water management systems, tunnels and~~
14 ~~bridges, property rights, easements and franchises deemed~~
15 ~~necessary or convenient for the construction or the operation~~
16 ~~of the turnpike, turnpike extension, turnpike improvement and~~
17 ~~toll free roads.~~

18 ~~"Vehicle."— The term as it is defined under 75 Pa.C.S. § 102~~
19 ~~(relating to definitions).~~

20 ~~"Violation enforcement system."— A vehicle sensor, placed in~~
21 ~~a location to work in conjunction with a toll collection~~
22 ~~facility, which automatically produces a videotape or~~
23 ~~photograph, microphotograph or other recorded image of the rear~~
24 ~~portion of each vehicle at the time the vehicle is used or~~
25 ~~operated in violation of the toll collection regulations. The~~
26 ~~term includes any other technology which identifies a vehicle by~~
27 ~~photographic, electronic or other method.~~

28 ~~§ 8103.— (Reserved).~~

29 ~~§ 8104.— Status of turnpike revenue bonds, notes or other~~
30 ~~obligations.~~

1 ~~(a) General rule. The turnpike revenue bonds, notes or~~
2 ~~other obligations issued under the provisions of this chapter~~
3 ~~shall not be deemed to be a debt of the Commonwealth or a pledge~~
4 ~~of the faith and credit of the Commonwealth, but bonds, notes or~~
5 ~~other obligations shall be payable solely from the revenues of~~
6 ~~the commission, including tolls, or from funds as may be~~
7 ~~available to the commission for that purpose.~~

8 ~~(b) Statement required. All bonds, notes or other~~
9 ~~obligations shall contain a statement on their face that the~~
10 ~~Commonwealth is not obligated to pay the same or the interest~~
11 ~~thereon except from revenues of the commission, including tolls,~~
12 ~~or from funds as may be available to the commission for that~~
13 ~~purpose and that the faith and credit of the Commonwealth is not~~
14 ~~pledged to the payment of the principal or interest of the~~
15 ~~bonds, notes or other obligations.~~

16 ~~(c) Pledge of Commonwealth prohibited. The issuance of~~
17 ~~turnpike revenue bonds, notes or other obligations under the~~
18 ~~provisions of this chapter shall not directly or indirectly or~~
19 ~~contingently obligate the Commonwealth to levy or to pledge any~~
20 ~~form of taxation or to make any appropriation for their payment.~~

21 ~~§ 8105. Commission.~~

22 ~~(a) Members.—~~

23 ~~(1) Notwithstanding any other law to the contrary,~~
24 ~~vacancies in the membership of the commission on or after the~~
25 ~~effective date of this subsection shall be filled as follows:~~

26 ~~(i) The first vacancy shall be filled by a member to~~
27 ~~be appointed by the Majority Leader of the Senate.~~

28 ~~(ii) The second vacancy shall be filled by a member~~
29 ~~to be appointed by the Minority Leader of the Senate.~~

30 ~~(iii) The succeeding two vacancies shall be filled~~

1 ~~by members to be appointed by the Governor.~~

2 ~~(2) Paragraph (1) shall apply to a vacancy on the~~
3 ~~commission which has occurred for any reason, but only as to~~
4 ~~a member serving on the effective date of this subsection.~~

5 ~~(3) Notwithstanding any other law to the contrary, the~~
6 ~~Majority Leader of the House of Representatives and the~~
7 ~~Minority Leader of the House of Representatives shall each~~
8 ~~appoint one additional member to serve on the commission.~~

9 ~~(4) A vacancy occurring during the term of a member~~
10 ~~appointed in accordance with this subsection shall be filled~~
11 ~~in a like manner only for the unexpired appointive term of~~
12 ~~the member whose office has become vacant.~~

13 ~~(5) Members appointed under the provisions of this~~
14 ~~subsection shall serve for a term of four years. Upon the~~
15 ~~expiration of this term, an appointed member may continue to~~
16 ~~hold office for 90 days or until a successor shall be duly~~
17 ~~appointed and qualified, whichever period is shorter, but~~
18 ~~shall not continue to hold office thereafter unless~~
19 ~~reappointed in accordance with law.~~

20 ~~(6) Vacancies filled under paragraph (1) and subsequent~~
21 ~~appointments made to the commission shall be without the~~
22 ~~advice and consent of the Senate.~~

23 ~~(a.1) Advisory committee.—~~

24 ~~(1) There is hereby established a Pennsylvania Turnpike~~
25 ~~Advisory Committee, which shall be composed of the following~~
26 ~~members:~~

27 ~~(i) The Secretary of Community and Economic~~
28 ~~Development.~~

29 ~~(ii) The Secretary of Revenue.~~

30 ~~(iii) The State Treasurer.~~

1 ~~(iv) The chairman and minority chairman of the~~
2 ~~Transportation Committee of the Senate.~~

3 ~~(v) The chairman and minority chairman of the~~
4 ~~Transportation Committee of the House of Representatives.~~

5 ~~(vi) Eight members of the public representing the~~
6 ~~area of concern specified who shall have extensive~~
7 ~~experience and knowledge of transportation activities~~
8 ~~throughout this Commonwealth to be appointed by the~~
9 ~~Governor as follows:~~

10 ~~(A) Two representatives of the engineering~~
11 ~~community who are licensed and registered pursuant to~~
12 ~~the act of May 23, 1945 (P.L.913, No.367), known as~~
13 ~~the Engineer, Land Surveyor and Geologist~~
14 ~~Registration Law.~~

15 ~~(B) Two representatives from the highway~~
16 ~~construction industry who have at least five years of~~
17 ~~highway construction and planning experience.~~

18 ~~(C) Two representatives from organized labor~~
19 ~~unions.~~

20 ~~(D) One member who shall be a certified public~~
21 ~~accountant.~~

22 ~~(E) One member from the general public with at~~
23 ~~least five years of experience in transportation~~
24 ~~finance and infrastructure.~~

25 ~~(2) Each of the members of the committee may designate a~~
26 ~~representative to serve in his stead. A member who designates~~
27 ~~a representative shall notify the chairman in writing of the~~
28 ~~designation.~~

29 ~~(3) The term of all members of the committee appointed~~
30 ~~by the Governor shall be for three years. Any member of the~~

1 ~~committee may be reappointed for no more than two full~~
2 ~~successive terms. Any person appointed to fill a vacancy~~
3 ~~occurring prior to the expiration of the term to which his~~
4 ~~predecessor was appointed shall serve only for the unexpired~~
5 ~~term. Each member shall serve until the appointment of a~~
6 ~~successor.~~

7 ~~(4) (i) The committee shall meet at least four times~~
8 ~~every 12 months, but may hold such additional meetings as~~
9 ~~are called by the chairman. The chairman shall provide~~
10 ~~notice at least 14 days in advance for regular meetings~~
11 ~~and provide a minimum of three days' notice for special~~
12 ~~meetings. A majority of the appointed members shall~~
13 ~~constitute a quorum for the conduct of business.~~

14 ~~(ii) Minutes of meetings shall be prepared by the~~
15 ~~secretary and filed with the committee and distributed to~~
16 ~~all members. All records shall be a matter of public~~
17 ~~record.~~

18 ~~(iii) The public members of the committee shall be~~
19 ~~allowed reasonable per diem expenses as established and~~
20 ~~paid for by the commission. The commission shall provide~~
21 ~~appropriate staff support to enable the committee to~~
22 ~~properly carry out its functions.~~

23 ~~(5) The committee shall have the power and duty to~~
24 ~~consult and advise the Pennsylvania Turnpike Commission in~~
25 ~~assisting in developing, operating and financing tolled~~
26 ~~interstate systems within this Commonwealth in a timely,~~
27 ~~efficient and cost effective manner. Specifically, the~~
28 ~~committee shall have the authority to conduct a study on the~~
29 ~~feasibility of instituting toll collections on major~~
30 ~~interstates that pass through the State.~~

1 ~~(6) The committee shall submit an annual report of its~~
2 ~~deliberations and conclusions to the Governor and members of~~
3 ~~the General Assembly by November 30 of each year.~~

4 ~~(7) The Governor shall appoint one member of the~~
5 ~~committee as chairperson. The members of the committee shall~~
6 ~~annually elect a vice chairperson, a secretary and a~~
7 ~~treasurer from among the members appointed to the committee.~~

8 ~~(b) Secretary of Transportation. The provisions of~~
9 ~~subsection (a.1) shall not apply to the appointment of the~~
10 ~~secretary who shall continue to be appointed and to serve as a~~
11 ~~member of the commission ex officio in accordance with law.~~

12 ~~(c) Chairman. A majority of the members of the commission~~
13 ~~shall elect a member of the commission to serve as chairman.~~
14 ~~Upon the appointment and qualification of any new member to~~
15 ~~serve on the commission, the office of chairman, and the~~
16 ~~positions of all other officers created by law, shall be deemed~~
17 ~~vacant and a new chairman and other officers shall be elected by~~
18 ~~a majority of the members of the commission.~~

19 ~~(d) Actions by the commission. Notwithstanding any other~~
20 ~~law, court decision, precedent or practice to the contrary, any~~
21 ~~and all actions by or on behalf of the commission shall be taken~~
22 ~~solely upon the approval of a majority of the members to the~~
23 ~~commission. A majority of the members of the commission shall~~
24 ~~mean five members of the commission. The term "actions by or on~~
25 ~~behalf of the commission" means any action whatsoever of the~~
26 ~~commission, including, but not limited to, the hiring,~~
27 ~~appointment, removal, transfer, promotion or demotion of any~~
28 ~~officers and employees; the retention, use or remuneration of~~
29 ~~any advisors, counsel, auditors, architects, engineers or~~
30 ~~consultants; the initiation of any legal action; the making of~~

1 ~~any contracts, leases, agreements, bonds, notes or covenants;~~
2 ~~the approval of requisitions, purchase orders, investments and~~
3 ~~reinvestments; and the adoption, amendment, revision or~~
4 ~~rescission of any rules and regulations, orders or other~~
5 ~~directives. The chairman, vice chairman or any other officer or~~
6 ~~employee of the commission may take no action by or on behalf of~~
7 ~~the commission except as expressly authorized by a majority of~~
8 ~~the members of the commission.~~

9 ~~(c) Compensation. The annual salary of the Chairman of the~~
10 ~~Pennsylvania Turnpike Commission shall be \$28,500, and the~~
11 ~~annual salary of the remaining members of the Pennsylvania~~
12 ~~Turnpike Commission shall be \$26,000. These salaries shall be~~
13 ~~paid in equal installments every other week.~~

14 ~~§ 8106. Exercise of commission powers.~~

15 ~~The exercise by the commission of the powers conferred by~~
16 ~~this chapter in the construction, operation and maintenance of~~
17 ~~the turnpikes and in effecting toll road conversions shall be~~
18 ~~deemed and held to be an essential governmental function of the~~
19 ~~Commonwealth.~~

20 ~~§ 8107. Commission powers and duties.~~

21 ~~(a) Powers and duties of commission. The commission may:~~

22 ~~(1) Maintain a principal office at a place designated by~~
23 ~~the commission.~~

24 ~~(2) Contract and be contracted within its own name.~~

25 ~~(3) Sue and be sued in its own name, plead and be~~
26 ~~impleaded. Any civil action against the commission shall be~~
27 ~~brought only in the courts in which actions may be brought~~
28 ~~against the Commonwealth.~~

29 ~~(4) Have an official seal.~~

30 ~~(5) Make necessary rules and regulations for its own~~

1 ~~government and in control of traffic.~~

2 ~~(6) Acquire, hold, accept, own, use, hire, lease,~~
3 ~~exchange, operate and dispose of personal property, real~~
4 ~~property and interests in real property and make and enter~~
5 ~~into all contracts and agreements necessary or incidental to~~
6 ~~the performance of its duties and the execution of its powers~~
7 ~~under this chapter and employ engineering, traffic,~~
8 ~~architectural and construction experts and inspectors,~~
9 ~~attorneys and other employees as may in its judgment be~~
10 ~~necessary and fix their compensation.~~

11 ~~(7) (i) Provide grade separations at its own expense~~
12 ~~with respect to all public roads, State highways and~~
13 ~~interstate highways intersected by the turnpikes and to~~
14 ~~change and adjust the lines and grades thereof so as to~~
15 ~~accommodate the same to the design for grade separation.~~

16 ~~(ii) The damages incurred in changing and adjusting~~
17 ~~the lines and grades of public roads, State highways and~~
18 ~~interstate highways shall be ascertained and paid by the~~
19 ~~commission in accordance with 26 Pa.C.S. (relating to~~
20 ~~eminent domain).~~

21 ~~(iii) If the commission shall find it necessary to~~
22 ~~provide a grade separation or change the site of any~~
23 ~~portion of any interstate highway, State highway or~~
24 ~~public road, or vacate the same, the commission shall~~
25 ~~cause it to be reconstructed and restored at the~~
26 ~~commission's expense on the most favorable location and~~
27 ~~in as satisfactory a manner as the original road or~~
28 ~~vacate it as the case may be.~~

29 ~~(iv) The method of acquiring the right of way and~~
30 ~~determining damages incurred in changing the location of~~

1 ~~or vacating the road, State highway or interstate highway~~
2 ~~shall be ascertained and paid for in accordance with 26~~
3 ~~Pa.C.S.~~

4 ~~(8) Petition the court of common pleas of the county in~~
5 ~~which any public road or part thereof is located and affected~~
6 ~~by the location of the turnpikes, for the vacation,~~
7 ~~relocation or supply of the same or any part thereof with the~~
8 ~~same force and effect as is now given by existing laws to the~~
9 ~~inhabitants of any township or the county, and the~~
10 ~~proceedings upon petition, whether for the appointment of~~
11 ~~viewers or otherwise, shall be the same as provided by~~
12 ~~existing law for similar proceedings upon the petitions.~~

13 ~~(9) Have all of the powers and perform all the duties~~
14 ~~prescribed by the act of May 21, 1937 (P.L.774, No.211),~~
15 ~~referred to as the Pennsylvania Turnpike Commission Act.~~

16 ~~(b) Maintenance to be paid out of tolls.~~

17 ~~(1) The turnpike extensions and improvements and the~~
18 ~~conversion of toll free roads to toll roads when completed~~
19 ~~and open to traffic shall be maintained and repaired by and~~
20 ~~under the control of the commission.~~

21 ~~(2) All charges and costs for the maintenance and~~
22 ~~repairs actually expended by the commission shall be paid out~~
23 ~~of tolls.~~

24 ~~(3) The turnpike, the turnpike extensions and~~
25 ~~improvements and the toll free roads converted to toll roads~~
26 ~~shall also be policed and operated by a force of police, toll~~
27 ~~takers and other operating employees as the commission may in~~
28 ~~its discretion employ.~~

29 ~~§ 8108. Expenses and bonding of commission members.~~

30 ~~(a) Payment of expenses. All compensation and salaries and~~

1 ~~all expenses incurred in carrying out the provisions of this~~
2 ~~chapter shall be paid solely from funds provided under the~~
3 ~~authority of this chapter, and no liability or obligation shall~~
4 ~~be incurred under this chapter beyond the extent to which money~~
5 ~~shall have been provided under the authority of this chapter.~~

6 ~~(b) No additional bond required. The issuance of any~~
7 ~~turnpike revenue bonds, notes or other obligations under the~~
8 ~~provisions of this chapter shall not cause any member of the~~
9 ~~commission to be required to execute a bond that a member of the~~
10 ~~commission is not otherwise required to execute.~~

11 ~~§ 8109. Acquisition of property rights by commission.~~

12 ~~(a) Condemnation. The commission may condemn, pursuant to~~
13 ~~26 Pa.C.S. (relating to eminent domain), any lands, interests in~~
14 ~~lands, property rights, rights of way, franchises, easements and~~
15 ~~other property deemed necessary or convenient for the~~
16 ~~construction and efficient operation of the turnpikes and the~~
17 ~~toll road conversions or necessary in the restoration or~~
18 ~~relocation of public or private property damaged or destroyed.~~

19 ~~(b) Purchase.—~~

20 ~~(1) The commission may acquire by purchase, whenever it~~
21 ~~shall deem the purchase expedient, or otherwise accept if~~
22 ~~dedicated to it, any lands, interests in lands, property~~
23 ~~rights, rights of way, franchises, easements and other~~
24 ~~property deemed necessary or convenient for the construction~~
25 ~~and efficient operation of the turnpikes and toll road~~
26 ~~conversions or necessary in the restoration of public or~~
27 ~~private property damaged or destroyed, whether the property~~
28 ~~has been previously condemned or otherwise, upon terms and at~~
29 ~~a price as may be considered by the commission to be~~
30 ~~reasonable and can be agreed upon between the commission and~~

1 ~~the owner thereof and to take title thereto in the name of~~
2 ~~the commission.~~

3 ~~(2) The net proceeds of the purchase price payable to a~~
4 ~~municipality or the department for any real property or~~
5 ~~interest therein obtained by the commission pursuant to this~~
6 ~~chapter, less the cost of retiring any bonded indebtedness on~~
7 ~~the property or interest, shall be used exclusively, in the~~
8 ~~case of a municipality, for road related and bridge related~~
9 ~~expenses and, in the case of the department, for highway and~~
10 ~~bridge construction, reconstruction and maintenance in the~~
11 ~~same engineering and maintenance district in which the~~
12 ~~property is located.~~

13 ~~§ 8110. Procedural requirements of acquisition.~~

14 ~~(a) Title. Title to any property condemned by the~~
15 ~~commission shall be taken in the name of the commission.~~

16 ~~(b) Entry.—~~

17 ~~(1) In addition to any others powers set forth in this~~
18 ~~chapter, the commission and its authorized agents and~~
19 ~~employees may enter upon any lands, waters and premises in~~
20 ~~this Commonwealth for the purpose of making surveys,~~
21 ~~soundings, drillings and examinations, as it may deem~~
22 ~~necessary or convenient for the purpose of this chapter.~~

23 ~~(2) The entry shall not be deemed a trespass, nor shall~~
24 ~~an entry for the purposes be deemed an entry under any~~
25 ~~condemnation proceedings which may be then pending.~~

26 ~~(3) The commission shall make reimbursement for any~~
27 ~~actual damages resulting to the lands, waters and premises as~~
28 ~~a result of the activities.~~

29 ~~(c) Restoration of property. Any public or private property~~
30 ~~damaged or destroyed in carrying out the powers granted by this~~

~~1 chapter shall be restored or repaired and placed in its original
2 condition as nearly as practicable or adequate compensation made
3 for the property out of funds provided under the authority of
4 this chapter.~~

~~5 (d) Powers of public bodies. Notwithstanding any other
6 provision of law to the contrary, a political subdivision and a
7 public agency and commission of the Commonwealth may lease,
8 lend, dedicate, grant, convey or otherwise transfer to the
9 commission, upon its request, upon terms and conditions as the
10 proper authorities of the political subdivisions or public
11 agencies and commissions of the Commonwealth may deem reasonable
12 and fair and without the necessity for any advertisement, order
13 of court or other action or formality, other than the regular
14 and formal action of the authorities concerned, any real
15 property which may be necessary or convenient to the
16 effectuation of the authorized purposes of the commission,
17 including public roads and other real property already devoted
18 to public use.~~

~~19 § 8111. Entry and possession of property condemned.~~

~~20 Whenever the commission has condemned any lands, rights,
21 rights of way, easements and franchises, or interests therein,
22 as provided in this chapter, the commission may proceed to
23 obtain possession in the manner provided by 26 Pa.C.S. (relating
24 to the eminent domain).~~

~~25 § 8112. Issuance of turnpike revenue bonds or other
26 obligations.~~

~~27 (a) Authorization.~~

~~28 (1) A bond must be authorized by resolution of the
29 commission. The resolution may specify all of the following:~~

~~30 (i) Series.~~

1 ~~(ii) Date of maturity not exceeding 40 years from~~
2 ~~date of issue.~~

3 ~~(iii) Interest.~~

4 ~~(iv) Denomination.~~

5 ~~(v) Form, either coupon or fully registered without~~
6 ~~coupons.~~

7 ~~(vi) Registration, exchangeability and~~
8 ~~interchangeability privileges.~~

9 ~~(vii) Medium of payment and place of payment.~~

10 ~~(viii) Terms of redemption not exceeding 105% of the~~
11 ~~principal amount of the bond.~~

12 ~~(ix) Priorities in the revenues or receipts of the~~
13 ~~commission.~~

14 ~~(2) A bond must be signed by or shall bear the facsimile~~
15 ~~signature of such officers as the commission determines.~~

16 ~~Coupon bonds must have attached interest coupons bearing the~~
17 ~~facsimile signature of the treasurer of the commission as~~
18 ~~prescribed in the authorizing resolution. A bond may be~~
19 ~~issued and delivered notwithstanding that one or more of the~~
20 ~~signing officers or the treasurer has ceased to be an officer~~
21 ~~when the bond is actually delivered. A bond must be~~
22 ~~authenticated by an authenticating agent, a fiscal agent or a~~
23 ~~trustee, if required by the authorizing resolution.~~

24 ~~(3) A bond may be sold at public or private sale for a~~
25 ~~price determined by the commission.~~

26 ~~(4) Pending the preparation of a definitive bond,~~
27 ~~interim receipts or temporary bonds with or without coupons~~
28 ~~may be issued to the purchaser and may contain terms and~~
29 ~~conditions as the commission determines.~~

30 ~~(b) Provisions. A resolution authorizing a bond may contain~~

1 ~~provisions which shall be part of the contract with the~~
2 ~~bondholder as to the following:~~

3 ~~(1) Pledging the full faith and credit of the commission~~
4 ~~but not of the Commonwealth or any political subdivision for~~
5 ~~the bond or restricting the obligation of the commission to~~
6 ~~all or any of the revenue of the commission from all or any~~
7 ~~projects or properties.~~

8 ~~(2) The construction, financing, improvement, operation,~~
9 ~~extension, enlargement, maintenance and repair for the~~
10 ~~payment of the costs of the turnpikes and the toll road~~
11 ~~conversions, including the reconstruction of the converted~~
12 ~~roads as provided for in this chapter and the repayment to~~
13 ~~the Federal Treasury of any funds so required to be repaid~~
14 ~~pursuant to any special legislation passed by the Congress of~~
15 ~~the United States authorizing the conversion of toll free~~
16 ~~roads to toll roads, the financing for insurance reserves and~~
17 ~~the duties of the commission with reference to these matters.~~

18 ~~(3) Terms and provisions of the bond.~~

19 ~~(4) Limitations on the purposes to which the proceeds of~~
20 ~~the bond or other financing may be applied.~~

21 ~~(5) Rate of tolls and other charges for use of the~~
22 ~~facilities of or for the services rendered by the commission.~~

23 ~~(6) The setting aside, regulation and disposition of~~
24 ~~reserves and sinking funds.~~

25 ~~(7) Limitations on the issuance of additional bonds.~~

26 ~~(8) Terms and provisions of any deed of trust or~~
27 ~~indenture securing the bond or under which any deed of trust~~
28 ~~or indenture may be issued.~~

29 ~~(9) Other additional agreements with the holder of the~~
30 ~~bond.~~

1 ~~(c) Deeds of trust. The commission may enter into any deed~~
2 ~~of trust, indenture or other agreement with any bank or trust~~
3 ~~company or other person in the United States having power to~~
4 ~~enter into such an arrangement, including any Federal agency, as~~
5 ~~security for a bond and may assign and pledge all or any of the~~
6 ~~revenues or receipts of the commission under such deed,~~
7 ~~indenture or agreement. The deed of trust, indenture or other~~
8 ~~agreement may contain provisions as may be customary in such~~
9 ~~instruments or as the commission may authorize, including~~
10 ~~provisions as to the following:~~

11 ~~(1) Construction, financing, improvement, operation,~~
12 ~~maintenance and repair for the payment of the costs of the~~
13 ~~turnpikes and the toll road conversions, including the~~
14 ~~reconstruction of the converted roads as provided for in this~~
15 ~~chapter and the repayment to the Federal Treasury of any~~
16 ~~funds so required to be repaid pursuant to any special~~
17 ~~legislation passed by the Congress of the United States~~
18 ~~authorizing the conversion of toll free roads to toll roads,~~
19 ~~financing for insurance reserves and the duties of the~~
20 ~~commission with reference to these matters.~~

21 ~~(2) Application of funds and the safeguarding of funds~~
22 ~~on hand or on deposit.~~

23 ~~(3) Rights and remedies of trustees and bondholders,~~
24 ~~including restrictions upon the individual right of action of~~
25 ~~a bondholder.~~

26 ~~(4) Terms and provisions of the bond or the resolution~~
27 ~~authorizing the issuance of the bond.~~

28 ~~(d) Negotiability. A bond shall have all the qualities of~~
29 ~~negotiable instruments under 13 Pa.C.S. Div. 3 (relating to~~
30 ~~negotiable instruments).~~

1 ~~§ 8113. Obligation proceeds restricted and lien created.~~

2 ~~All money received from any bonds, notes or other obligations~~
3 ~~issued under this chapter shall be applied solely to the payment~~
4 ~~of the cost of the turnpike, the turnpike extensions and~~
5 ~~improvements and the toll road conversions, including the~~
6 ~~reconstruction of the converted roads as provided for in this~~
7 ~~chapter and the repayment to the Federal Treasury of any funds~~
8 ~~so required to be repaid pursuant to any special legislation~~
9 ~~passed by the Congress of the United States authorizing the~~
10 ~~conversion of toll free roads to toll roads or to the~~
11 ~~appurtenant fund. There is created and granted a lien upon the~~
12 ~~money, until so applied, in favor of holders of the bonds, notes~~
13 ~~or other obligations or the trustee provided for in this chapter~~
14 ~~in respect of the bonds, notes or other obligations.~~

15 ~~§ 8114. Trust indenture authorized.~~

16 ~~(a) Security for bonds. In the discretion of the~~
17 ~~commission, the bonds, notes or other obligations may be secured~~
18 ~~by a trust indenture by and between the commission and a~~
19 ~~corporate trustee, which may be any trust company or bank having~~
20 ~~the powers of a trust company, within this Commonwealth. The~~
21 ~~trust indenture may pledge or assign tolls and revenue to be~~
22 ~~received but shall not convey or mortgage the Pennsylvania~~
23 ~~Turnpike System, including the turnpikes and toll road~~
24 ~~conversions provided for by this chapter.~~

25 ~~(b) Rights of bondholders. Either the resolution providing~~
26 ~~for the issuance of the bonds, notes or other obligations or the~~
27 ~~trust indenture may contain provisions for protecting and~~
28 ~~enforcing the rights and remedies of the bondholders or holders~~
29 ~~of notes or other obligations as may be reasonable and proper~~
30 ~~and not in violation of law, including covenants setting forth~~

~~1 the duties of the commission in relation to the acquisition of
2 properties and the construction, maintenance, operation and
3 repair and insurance of the turnpikes, and the custody,
4 safeguarding and application of all money. It shall be lawful
5 for any bank or trust company incorporated under the laws of
6 this Commonwealth to act as a depository of the proceeds of
7 bonds, notes or other obligations or revenues and to furnish the
8 indemnity bonds or to pledge the securities as may be required
9 by the commission. The trust indenture may set forth the rights
10 and remedies of the bondholders or holders of notes or other
11 obligations and of the trustee and may restrict the individual
12 right of action of bondholders or holders of notes or other
13 obligations as is customary in trust indentures securing bonds,
14 debentures of corporations, notes or other obligations. In
15 addition to the foregoing, the trust indenture may contain other
16 provisions as the commission may deem reasonable and proper for
17 the security of bondholders or holders of notes or other
18 obligations. All expenses incurred in carrying out the trust
19 indenture may be treated as part of the cost of maintenance,
20 operation and repair of the turnpikes and toll road conversions
21 provided for by this chapter.~~

~~22 § 8115. Commission and obligations tax exempt.~~

~~23 The accomplishment by the commission of the authorized
24 purposes stated in this chapter being for the benefit of the
25 people of this Commonwealth and for the improvement of their
26 commerce and prosperity, in which accomplishment the commission
27 will be performing essential governmental functions, the
28 commission shall not be required to pay any taxes or assessments
29 on any property acquired or used by it for the purposes provided
30 in this chapter, and the bonds, notes or other obligations~~

1 ~~issued by the commission, their transfer and the income~~
2 ~~therefrom, including any profits made on the sale thereof, shall~~
3 ~~at all times be free from taxation within this Commonwealth.~~

4 ~~§ 8116. Collection and disposition of tolls and other revenue.~~

5 ~~(a) Establishment and changes in toll amounts. Subject to~~
6 ~~the terms of any trust indenture entered into by the commission,~~
7 ~~any resolution authorizing the issuance of any bonds, notes or~~
8 ~~other obligations of the commission, the commission is~~
9 ~~authorized: to fix and to revise tolls for the use of the~~
10 ~~Pennsylvania Turnpike System and the different parts or sections~~
11 ~~of the system, including the turnpike, the turnpike extensions~~
12 ~~and improvements and the toll road conversions authorized by~~
13 ~~this chapter: to charge and collect the tolls; to contract with~~
14 ~~any person, partnership, association or corporation desiring the~~
15 ~~use of any part thereof, including the right of way adjoining~~
16 ~~the paved portion, for placing thereon telephone, telegraph,~~
17 ~~electric light or power lines, gas stations, garages, stores,~~
18 ~~hotels, restaurants and advertising signs, or for any other~~
19 ~~purpose, except for tracks for railroad or railway use; and to~~
20 ~~fix the terms, conditions, rents and rates of charges for use.~~
21 ~~Tolls shall be fixed and adjusted as to provide funds at least~~
22 ~~sufficient with other revenues of the Pennsylvania Turnpike~~
23 ~~System, if any, to pay:~~

24 ~~(1) the cost of constructing, maintaining, repairing and~~
25 ~~operating the Pennsylvania Turnpike System and the different~~
26 ~~parts and sections of the system; and~~

27 ~~(2) any bonds, notes or other obligations and the~~
28 ~~interest thereon of the commission, and all sinking fund~~
29 ~~requirements of the commission, and other requirements~~
30 ~~provided for by any resolution authorizing the issuance of~~

~~the bonds, notes or other obligations by the commission, or by any trust indenture to which the commission is a party, as the same shall become due.~~

~~(b) Restrictions on toll revenue. Tolls shall not be subject to supervision or regulation by any other State commission, board, bureau or agency. Subject to the terms of any presently existing trust indenture entered into by the commission and any presently existing resolution authorizing the issuance of any bonds, notes or other obligations of the commission, the tolls and all other revenue derived from the Pennsylvania Turnpike System shall be set aside and pledged as may be provided in any resolutions, trust indentures or any other agreements that the commission may hereafter adopt or hereafter enter into with respect to the issuance of bonds, notes or other obligations of the commission.~~

~~§ 8116.1. Electronic toll collection.~~

~~(a) Liability of owner.~~

~~(1) If an operator of a vehicle fails to pay the prescribed toll at any location where tolls are collected by means of electronic toll collection, the owner of the vehicle shall be liable to the commission for failure of the operator of the vehicle to comply with this section if the violation is evidenced by information obtained from a violation enforcement system.~~

~~(2) If a violation of this section is committed, the registration plate number of the vehicle as recorded by a violation enforcement system shall establish an inference that the owner of the vehicle was then operating the vehicle. The inference shall be overcome if the owner does all of the following:~~

1 ~~(i) Testifies that the owner was not operating the~~
2 ~~vehicle at the time of the violation.~~

3 ~~(ii) Submits to an examination as to who at the time~~
4 ~~was operating the vehicle.~~

5 ~~(iii) Reveals the name and residence address, if~~
6 ~~known, of the operator of the vehicle.~~

7 ~~(3) If an action or proceeding is commenced in a county~~
8 ~~other than that of the residence of the owner, a verified~~
9 ~~written statement setting forth the facts prescribed under~~
10 ~~paragraph (2)(i), (ii) and (iii) shall suffice to overcome~~
11 ~~the inference.~~

12 ~~(4) If the inference is overcome, the operator of the~~
13 ~~vehicle may be held liable under this section for failure to~~
14 ~~pay the prescribed toll in the same manner as if the operator~~
15 ~~were the owner of the vehicle.~~

16 ~~(b) Imposition of liability. Liability under this section~~
17 ~~shall be imposed upon an owner for a violation of this section~~
18 ~~or the regulations of the commission occurring within the~~
19 ~~territorial limits of this Commonwealth. If a violation is~~
20 ~~committed as evidenced by a violation enforcement system, the~~
21 ~~following shall apply:~~

22 ~~(1) The commission or an authorized agent or employee~~
23 ~~must prepare and mail a notice of violation as follows:~~

24 ~~(i) The notice of violation must be sent by first~~
25 ~~class mail to each person alleged to be liable as an~~
26 ~~owner for a violation of this section.~~

27 ~~(ii) The notice must be mailed at the address shown~~
28 ~~on the vehicle registration or at the address of the~~
29 ~~operator, as applicable. Notice must be mailed no later~~
30 ~~than 60 days after:~~

1 ~~(A) the alleged conduct; or~~

2 ~~(B) the date the inference is overcome under~~
3 ~~subsection (a)(2).~~

4 ~~(iii) Personal service is not required.~~

5 ~~(iv) The notice must contain all of the following:~~

6 ~~(A) Information advising the person charged of~~
7 ~~the manner and time in which the liability alleged in~~
8 ~~the notice may be contested.~~

9 ~~(B) A warning advising the person charged that~~
10 ~~failure to contest in the manner and time provided~~
11 ~~shall be deemed an admission of liability and that a~~
12 ~~default judgment may be entered on the notice.~~

13 ~~(1.1) A manual or automatic record of mailing prepared~~
14 ~~in the ordinary course of business shall be prima facie~~
15 ~~evidence of the mailing of notice.~~

16 ~~(2) If an owner of a vehicle or an owner that is a~~
17 ~~lessor of a vehicle receives a notice of violation under this~~
18 ~~section for any time period during which the vehicle was~~
19 ~~reported to a police department as having been stolen, it~~
20 ~~shall be a defense to the allegation of liability that the~~
21 ~~vehicle had been reported to the police as having been stolen~~
22 ~~prior to the time the violation occurred and that the vehicle~~
23 ~~had not been recovered by the time of the violation. For~~
24 ~~purposes of asserting the defense under this paragraph, it~~
25 ~~shall be sufficient that a certified copy of the police~~
26 ~~report on the stolen vehicle be sent by first class mail to~~
27 ~~the commission within 30 days after receiving the original~~
28 ~~notice of violation. Failure to send the information within~~
29 ~~the time limit under this paragraph shall render the owner or~~
30 ~~lessor liable for the penalty prescribed by this section.~~

~~(3) An owner that is a lessor of a vehicle as to which a notice of violation was issued under paragraph (1) shall not be liable for a violation if the owner sends to the commission a copy of the rental, lease or other contract document covering the vehicle on the date of the violation, with the name and address of the lessee clearly legible to the commission, within 30 days after receiving the original notice of violation. Failure to send the information within the time limit under this paragraph shall render the lessor liable for the penalty prescribed by this section. If the lessor complies with the provisions of this section, the lessee of the vehicle on the date of the violation shall be deemed to be the owner of the vehicle for purposes of this section and shall be subject to liability for the penalty under this section.~~

~~(4) A certified report or a facsimile report of an authorized agent or employee of the commission reporting a violation of this section or regulations of the commission based upon the recorded information obtained from a violation enforcement system shall be prima facie evidence of the facts contained in the report and shall be admissible as an official record kept in the ordinary course of business in any proceeding charging a violation of this section or the toll collection regulations of the commission.~~

~~(5) Notwithstanding any other provision of law, videotapes, photographs, microphotographs, other recorded images, written records, reports or facsimiles prepared pursuant to this section shall be for the exclusive use of the commission, its authorized agents, its employees and law enforcement officials for the purpose of discharging duties~~

~~under this section and the regulations of the commission. The information shall not be deemed a public record under the act of June 21, 1957 (P.L.390, No.212), referred to as the Right to Know Law. The information shall not be discoverable by court order or otherwise; nor shall it be offered in evidence in any action or proceeding which is not directly related to a violation of this section, the regulations of the commission or indemnification for liability imposed pursuant to this section. The restrictions set forth in this paragraph:~~

~~(i) shall not be deemed to preclude a court of competent jurisdiction from issuing an order directing that the information be provided to law enforcement officials if the information is reasonably described and is requested solely in connection with a criminal law enforcement action;~~

~~(ii) shall not be deemed to preclude the exchange of the information between any entities with jurisdiction over or which operate an electronic toll collection system in this Commonwealth or any other jurisdiction; and~~

~~(iii) shall not be deemed to prohibit the use of information exclusively for the purpose of billing electronic toll collection account holders, deducting toll charges from the account of an account holder, enforcing toll collection laws and related regulations or enforcing the provisions of an account holder agreement.~~

~~(6) An imposition of liability under this section must be based upon a preponderance of evidence.~~

~~(7) An imposition of liability pursuant to this section~~

1 ~~shall not be deemed a conviction of an owner and shall not be~~
2 ~~made part of the motor vehicle operating record of the person~~
3 ~~upon whom the liability is imposed, nor shall it be~~
4 ~~considered in the provision of motor vehicle insurance~~
5 ~~coverage.~~

6 ~~(8) An owner that admits, is found liable or fails to~~
7 ~~respond to the notice of violation for a violation of this~~
8 ~~section shall be civilly liable to the commission for all of~~
9 ~~the following:~~

10 ~~(i) Either:~~

11 ~~(A) the amount of the toll evaded or attempted~~
12 ~~to be evaded if the amount can be determined; or~~

13 ~~(B) the maximum toll from the farthest point of~~
14 ~~entry on the Pennsylvania Turnpike to the actual~~
15 ~~point of exit if the amount of the toll evaded or~~
16 ~~attempted to be evaded cannot be determined.~~

17 ~~(ii) A reasonable administrative fee not to exceed~~
18 ~~\$35 per notification.~~

19 ~~(9) Nothing in this section shall be construed to limit~~
20 ~~the liability of the operator of a vehicle for a violation of~~
21 ~~this section or of the regulations of the commission.~~

22 ~~(c) Placement of electronic toll collection device. An~~
23 ~~electronic toll collection device which is affixed to the front~~
24 ~~windshield of a vehicle in accordance with the regulations of~~
25 ~~the commission shall not be deemed to constitute a violation of~~
26 ~~75 Pa.C.S. § 4524 (relating to windshield obstructions and~~
27 ~~wipers).~~

28 ~~(d) Privacy of electronic toll collection account holder~~
29 ~~information.~~

30 ~~(1) Except as set forth paragraph (2), notwithstanding~~

~~any other provision of law, all of the following apply to information kept by the commission, its authorized agents or its employees which is related to the account of an electronic toll collection system account holder:~~

~~(i) The information shall be for the exclusive use of the commission, its authorized agents, its employees and law enforcement officials for the purpose of discharging their duties pursuant to this section and the regulations of the commission. This subparagraph includes names, addresses, account numbers, account balances, personal financial information, vehicle movement records and other information compiled from transactions with the account holders.~~

~~(ii) The information shall not be deemed a public record under the Right to Know Law, nor shall it be discoverable by court order or otherwise or be offered in evidence in any action or proceeding which is not directly related to the discharge of duties under this section, the regulations of the commission or a violation of an account holder agreement.~~

~~(2) Paragraph (1) shall not be deemed to do any of the following:~~

~~(i) Preclude a court of competent jurisdiction from issuing an order directing that the information be provided to law enforcement officials if the information is reasonably described and is requested solely in connection with a criminal law enforcement action.~~

~~(ii) Preclude the exchange of the information between any entities with jurisdiction over or which operate an electronic toll collection system in this~~

~~Commonwealth or any other jurisdiction.~~

~~(iii) Prohibit the use of the information exclusively for the purpose of billing electronic toll collection account holders, deducting toll charges from the account of an account holder, enforcing toll collection laws and related regulations or enforcing the provisions of an account holder agreement.~~

~~(c) Definition. As used in this section, the term "owner" means any person, corporation, firm, partnership, agency, association, organization or lessor that, at the time a vehicle is operated in violation of this section or regulations of the commission:~~

~~(1) is the beneficial or equitable owner of the vehicle;~~

~~(2) has title to the vehicle; or~~

~~(3) is the registrant or coregistrant of the vehicle registered with the department or a comparable agency of another jurisdiction or uses the vehicle in its vehicle renting or leasing business. The term includes a person entitled to the use and possession of a vehicle subject to a security interest in another person.~~

~~§ 8117. Refunding bonds.~~

~~The commission is authorized to provide, by resolution, for the issuance of turnpike revenue refunding bonds for the purpose of refunding issued and outstanding turnpike revenue bonds, notes or other obligations. Applicable provisions of this chapter govern all of the following:~~

~~(1) Issuance of the turnpike revenue refunding bonds.~~

~~(2) Maturities and other details of the refunding bonds.~~

~~(3) Rights of the holders of the bonds.~~

~~(4) Duties of the Commonwealth and of the commission in~~

1 ~~respect to the bonds.~~

2 ~~§ 8118. Rights of obligation holders and trustees.~~

3 ~~(a) Scope. This section applies to all of the following:~~

4 ~~(1) A holder of:~~

5 ~~(i) a bond, note or other obligation issued under~~
6 ~~this chapter; or~~

7 ~~(ii) a coupon attached to the bond, note or other~~
8 ~~obligation.~~

9 ~~(2) The trustee under an applicable trust indenture.~~

10 ~~(b) Enforcement. Subject to subsection (c), a person~~
11 ~~referred to in subsection (a) may, by an action at law or in~~
12 ~~equity, do all of the following:~~

13 ~~(1) Protect and enforce rights granted under this~~
14 ~~chapter or under the resolution or trust indenture.~~

15 ~~(2) Enforce and compel performance of all duties~~
16 ~~required by this chapter or by the resolution or trust~~
17 ~~indenture to be performed by the commission or an officer of~~
18 ~~the commission. This paragraph includes fixing, charging and~~
19 ~~collecting of tolls for the use of the turnpikes.~~

20 ~~(c) Restriction. Rights under this chapter may be~~
21 ~~restricted by resolution passed before the issuance of the bond,~~
22 ~~note or other obligation or by the trust indenture.~~

23 ~~§ 8119. Authority granted to secretary.~~

24 ~~(a) Agreement with Federal Government.—~~

25 ~~(1) The secretary is authorized to enter into an~~
26 ~~agreement with the United States Department of~~
27 ~~Transportation, the Federal Highway Administration and any~~
28 ~~other Federal agency to obtain Federal funds for projects for~~
29 ~~resurfacing, restoring and rehabilitating toll roads in this~~
30 ~~Commonwealth. The commission is authorized to use Federal~~

~~funds which may be available for toll roads only upon approval of the secretary and only under the authority granted under this section.~~

~~(2) (Reserved).~~

~~(b) Approval by department. Contracts and agreements relating to the construction of the turnpikes and connecting tunnels and bridges must be approved by the department.~~

~~§ 8120. Construction of chapter.~~

~~This chapter shall be regarded as supplemental and additional to powers conferred by other statutes and shall not be regarded as in derogation of any powers now existing and shall be liberally construed to effect its purposes.~~

~~Section 2.3. Section 8901 of Title 75 is amended to read:~~

~~§ 8901. Definitions.~~

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

~~"Annual additional rent." That portion of the rent payable to the Department of Transportation under section 8915.3(5) (relating to lease of Interstate 80).~~

~~"Annual base rent." That portion of the rent payable to the Department of Transportation under section 8915.3(4) (relating to lease of Interstate 80).~~

~~"Annual surplus rent." That portion of the rent payable to the Department of Transportation under section 8915.3(6) (relating to lease of Interstate 80).~~

~~"Auditor General's certificate." The certificate issued by the Auditor General within 180 days after the end of each fiscal year of the Pennsylvania Turnpike Commission certifying all of the following:~~

1 ~~(1) The amount of the general reserve fund surplus for~~
2 ~~the fiscal year.~~

3 ~~(2) Interstate 80 savings for the fiscal year.~~

4 ~~(3) After review of the commission's current ten year~~
5 ~~capital plan, that the transfer of the general reserve fund~~
6 ~~surplus under section 8915.3 (relating to lease of Interstate~~
7 ~~80) shall not impair the ability of the commission to meet~~
8 ~~its obligations under the lease agreement or the commission's~~
9 ~~ten year capital plan.~~

10 ~~"Commission." The Pennsylvania Turnpike Commission.~~

11 ~~"Conversion date." The date the Pennsylvania Turnpike~~
12 ~~Commission intends to assume control over Interstate 80 as set~~
13 ~~forth in the conversion notice.~~

14 ~~"Conversion notice." Written notice to the Secretary of~~
15 ~~Transportation from the Pennsylvania Turnpike Commission~~
16 ~~providing notice of its intent to assume control over Interstate~~
17 ~~80 under section 8915.3(3) (relating to lease of Interstate 80).~~

18 ~~"Conversion period." A period of three years:~~

19 ~~(1) which begins on the date of execution of the lease~~
20 ~~agreement; and~~

21 ~~(2) during which the Pennsylvania Turnpike Commission~~
22 ~~may give the Department of Transportation conversion notice~~
23 ~~or notice that the commission has exercised its option to~~
24 ~~extend the conversion period pursuant to section 8915.3(2)~~
25 ~~(relating to lease of Interstate 80).~~

26 ~~"Fiscal year." The fiscal year of the Pennsylvania Turnpike~~
27 ~~Commission.~~

28 ~~"General reserve fund surplus." The amount which:~~

29 ~~(1) is certified by the Auditor General in the Auditor~~
30 ~~General's certificate as existing in the Pennsylvania~~

~~Turnpike Commission's general reserve fund on the last day of the fiscal year; and~~

~~(2) is not required to be retained in the general reserve fund pursuant to any financial documents, financial covenants, insurance policies, liquidity policies or agreements, swap agreements or rating agency requirements in effect at the commission.~~

~~"Interstate 80 savings." An amount equal to the following:~~

~~(1) Prior to the conversion date, the amount shall be zero.~~

~~(2) After the conversion date, the amount certified in the Auditor General's certificate equal to \$100,000,000, increased by 4% for each year after the year of execution of the lease agreement.~~

~~"Lease agreement." A lease agreement between the Department of Transportation and the Pennsylvania Turnpike Commission which shall include provisions setting forth the terms of the conversion of Interstate 80 to a toll road.~~

~~"Scheduled annual commission contribution." The following amounts:~~

~~(1) \$700,000,000 in fiscal year 2007-2008.~~

~~(2) \$750,000,000 in fiscal year 2008-2009.~~

~~(3) \$800,000,000 in fiscal year 2009-2010.~~

~~(4) \$800,000,000 increased by 2.5% for each fiscal year after fiscal year 2009-2010.~~

~~Section 2.4. Section 8911 introductory paragraph of Title 75 is amended and the section is amended by adding a paragraph to read:~~

~~§ 8911. Improvement and extension authorizations.~~

~~In order to facilitate vehicular traffic within and across~~

1 ~~this Commonwealth, the commission is hereby authorized and~~
2 ~~empowered to construct, reconstruct, widen, expand, extend,~~
3 ~~operate and maintain turnpike extensions and turnpike~~
4 ~~improvements at such specific locations and according to such~~
5 ~~schedule as shall be deemed feasible and approved by the~~
6 ~~commission, together with connecting roads, storm water~~
7 ~~management systems, interchanges, slip ramps, tunnels and~~
8 ~~bridges, subject to the waiver of the Federal toll prohibition~~
9 ~~provisions where applicable, as follows:~~

10 * * *

11 ~~(10) Other slip ramps and interchanges as the commission~~
12 ~~may determine.~~

13 ~~Section 2.5. Sections 8912 introductory paragraph, 8913,~~
14 ~~8914 introductory paragraph and 8915 introductory paragraph of~~
15 ~~Title 75 are amended to read:~~

16 ~~§ 8912. Subsequent extension authorizations.~~

17 ~~The commission is also hereby authorized and empowered to~~
18 ~~construct, reconstruct, widen, expand, extend, operate and~~
19 ~~maintain further extensions and improvements of the turnpike at~~
20 ~~such specific locations and according to such schedules as shall~~
21 ~~be deemed feasible and which shall be approved by the~~
22 ~~commission, subject to the waiver of the Federal toll~~
23 ~~prohibition provisions where applicable, as follows:~~

24 * * *

25 ~~§ 8913. Additional subsequent extension authorizations.~~

26 ~~Upon substantial completion of the turnpike extensions and~~
27 ~~improvements set forth in sections 8911 (relating to improvement~~
28 ~~and extension authorizations) and 8912 (relating to subsequent~~
29 ~~extension authorizations), the commission is hereby authorized~~
30 ~~and empowered to construct, reconstruct, widen, expand, extend,~~

1 ~~operate and maintain further extensions and improvements of the~~
2 ~~turnpike at such specific locations and according to such~~
3 ~~schedules as shall be deemed feasible and which shall be~~
4 ~~approved by the commission, subject to the waiver of the Federal~~
5 ~~toll prohibition provisions where applicable, as follows:~~
6 ~~construct from a point at or near Interstate Route 80~~
7 ~~Interchange 23 at Milesburg southwesterly generally along U.S.~~
8 ~~Route 220 to a connection with the existing U.S. Route 220~~
9 ~~Expressway south of Bald Eagle.~~

10 ~~§ 8914. Further subsequent authorizations.~~

11 ~~Upon completion of the turnpike extensions and improvements~~
12 ~~set forth in sections 8911 (relating to improvement and~~
13 ~~extension authorizations), 8912 (relating to subsequent~~
14 ~~extension authorizations) and 8913 (relating to additional~~
15 ~~subsequent extension authorizations), the commission is hereby~~
16 ~~authorized and empowered to construct, reconstruct, widen,~~
17 ~~expand, extend, operate and maintain further extensions and~~
18 ~~improvements of the turnpike at such specific locations and~~
19 ~~according to such schedules as shall be deemed feasible and~~
20 ~~which shall be approved by the commission, subject to the waiver~~
21 ~~of the Federal toll prohibition provisions where applicable, as~~
22 ~~follows:~~

23 ~~* * *~~

24 ~~§ 8915. Conversion to toll roads.~~

25 ~~In order to facilitate vehicular traffic within and across~~
26 ~~this Commonwealth, and [after] to facilitate the completion of~~
27 ~~the turnpike extensions and improvements authorized in section~~
28 ~~8911 (relating to improvement and extension authorizations), and~~
29 ~~subject to prior legislative approval by the General Assembly~~
30 ~~and the United States Congress, the commission is hereby~~

1 authorized and empowered to convert to toll roads such portions
2 of Pennsylvania's interstate highway system as may [be required
3 in order to] facilitate the completion of the turnpike
4 extensions and improvements authorized in sections 8912
5 (relating to subsequent extension authorizations), 8913
6 (relating to additional subsequent extension authorizations) and
7 8914 (relating to further subsequent authorizations) and to
8 operate and maintain such converted interstates as toll roads
9 upon the approval by the Congress of the United States of
10 America and the General Assembly of this Commonwealth of
11 legislation expressly permitting the conversion of such
12 interstates to toll roads. Such conversions shall take place at
13 a time and manner set forth in the plan for the conversion
14 prepared by the commission with the cooperation of the
15 department. The provisions authorizing the commission to
16 construct, operate and maintain the turnpike routes in sections
17 8911, 8912 and 8913 shall be subject to:

18 * * *

19 Section 2.6. Title 75 is amended by adding sections to read:
20 § 8915.1. Conversion of Interstate 80.

21 In order to facilitate vehicular traffic across this
22 Commonwealth, the commission is authorized and empowered to do
23 all of the following:

24 (1) Construct, reconstruct, widen, expand, extend,
25 operate, maintain and maintain and operate Interstate 80 from
26 a point at or near the Ohio border to a point at or near the
27 New Jersey border, together with connecting roads,
28 interchanges, slip ramps, tunnels and bridges.

29 (2) Issue turnpike revenue bonds, notes or other
30 obligations, payable solely from revenues of the commission,

1 ~~including tolls, or from funds as may be available to the~~
2 ~~commission for that purpose, to pay the cost of construction,~~
3 ~~reconstructing, widening, expanding or extending or any other~~
4 ~~costs of the Pennsylvania Turnpike.~~

5 ~~(3) Convert to a toll road Interstate 80 and to operate~~
6 ~~and maintain the converted interstate as a toll road.~~

7 ~~§ 8915.2. Application to United States Department of~~
8 ~~Transportation.~~

9 ~~(a) Application. The commission, in consultation with the~~
10 ~~department and at its own expense, is authorized to prepare and~~
11 ~~submit an application to the United States Department of~~
12 ~~Transportation in accordance with 23 U.S.C. § 129 (relating to~~
13 ~~toll roads, bridges, tunnels, and ferries) for the conversion of~~
14 ~~Interstate 80 to a toll road under the Interstate Reconstruction~~
15 ~~and Rehabilitation Pilot Program or in accordance with any other~~
16 ~~applicable Federal program or provision of law. The secretary~~
17 ~~shall ensure that all information required for the application~~
18 ~~is made available to the commission as soon as practicable after~~
19 ~~the effective date of this section. If the application is~~
20 ~~submitted pursuant to the Interstate Reconstruction and~~
21 ~~Rehabilitation Pilot Program, it shall contain all of the~~
22 ~~following:~~

23 ~~(1) A consulting civil engineer's report assessing the~~
24 ~~current physical conditions of the roadbed, pavement, bridges~~
25 ~~and interchanges and projecting the costs to upgrade~~
26 ~~Interstate 80, the costs for additional improvements and~~
27 ~~implementation of the tolling facilities and existing funds~~
28 ~~available for Interstate 80, absent tolling and concluding~~
29 ~~that the facility would not be maintained or improved to meet~~
30 ~~current or future needs from the Commonwealth's~~

1 ~~apportionments and allocations and from revenues for highways~~
2 ~~from any other source without toll revenues.~~

3 ~~(2) A traffic and revenue report completed by a third-~~
4 ~~party consultant forecasting future traffic and revenue over~~
5 ~~a minimum of 20 years.~~

6 ~~(3) An environmental scoping analysis assessing the~~
7 ~~fiscal impact, any air and water quality issues and the~~
8 ~~involvement of local metropolitan planning organizations.~~

9 ~~(4) A construction and operational plan for the~~
10 ~~implementation of the Toll Pilot Program for Interstate 80~~
11 ~~which:~~

12 ~~(i) assumes completion no later than five years~~
13 ~~after financing;~~

14 ~~(ii) includes a plan for implementing the imposition~~
15 ~~of tolls on use of Interstate 80, a schedule and finance~~
16 ~~plan for the reconstruction and rehabilitation of~~
17 ~~Interstate 80 using toll revenues and a description of~~
18 ~~the public transportation agency that will be responsible~~
19 ~~for implementation and administration of the toll pilot~~
20 ~~program.~~

21 ~~(5) A financial analysis demonstrating that tolling~~
22 ~~Interstate 80 will produce sufficient revenue to pay debt~~
23 ~~service on any bonds and loans incurred with respect to the~~
24 ~~Toll Pilot Program.~~

25 ~~(b) Open system. A toll system shall consist of what is~~
26 ~~commonly referred to as an open system.~~

27 ~~§ 8915.3. Lease of Interstate 80.~~

28 ~~The department and the commission shall enter into a lease~~
29 ~~agreement relating to Interstate 80. The lease agreement shall~~
30 ~~include provisions setting forth the terms and conditions of the~~

1 ~~conversion of Interstate 80 to a toll road. The lease agreement,~~
2 ~~at a minimum, shall include the following:~~

3 ~~(1) A provision that the term of the lease agreement~~
4 ~~shall be 50 years, unless extended upon mutual agreement of~~
5 ~~the parties to the lease agreement.~~

6 ~~(2) A provision establishing a conversion period and~~
7 ~~authorizing extension of the conversion period at the sole~~
8 ~~option of the commission for three one year extension periods~~
9 ~~after consultation with the secretary. The commission shall~~
10 ~~notify the secretary of its intent to extend the conversion~~
11 ~~period not less than 90 days before the scheduled expiration~~
12 ~~of the conversion period. During the conversion period, all~~
13 ~~legal, financial and operational responsibility for~~
14 ~~Interstate 80 shall remain with the department. All~~
15 ~~operations and programmed rehabilitation shall be maintained~~
16 ~~at levels no less favorable than those set forth in the~~
17 ~~department's 12 year plan at the time of the execution of the~~
18 ~~lease, with modifications as are approved in writing by the~~
19 ~~chairman of the commission.~~

20 ~~(3) A provision permitting the commission to exercise~~
21 ~~its option to convert Interstate 80 to a toll road prior to~~
22 ~~the expiration of the conversion period by providing the~~
23 ~~conversion notice to the secretary. Beginning on the~~
24 ~~conversion date, all legal, financial and operational~~
25 ~~responsibility for Interstate 80, as well as all toll~~
26 ~~revenues collected with respect to its use, shall be~~
27 ~~transferred from the department to the commission. The~~
28 ~~commission shall contract with the department for any portion~~
29 ~~of the maintenance of Interstate 80 at cost levels no less~~
30 ~~favorable than those of the department on the conversion~~

1 ~~date.~~

2 ~~(4) A provision requiring the commission to pay annual~~
3 ~~base rent to the department during the term of the lease~~
4 ~~agreement in the following manner and equal to the following~~
5 ~~amounts:~~

6 ~~(i) Annual debt service on outstanding bonds issued~~
7 ~~under section 9511.2 (relating to special revenue bonds~~
8 ~~payable solely from pledged revenues of Motor License~~
9 ~~Fund) payable as required pursuant to bonds.~~

10 ~~(ii) \$200,000,000 payable annually in four equal~~
11 ~~installments each due the first business day of each~~
12 ~~July, October, January and April.~~

13 ~~(5) A provision requiring the commission to pay annual~~
14 ~~additional rent to the department as follows:~~

15 ~~(i) During the conversion period and after the~~
16 ~~conversion of Interstate 80 to a toll road, the annual~~
17 ~~additional rent shall be equal to the scheduled annual~~
18 ~~commission contribution, minus any amounts paid under~~
19 ~~paragraph (4) less the proceeds of bonds allocable to the~~
20 ~~fiscal year in question issued under section 9511.2 and~~
21 ~~any Interstate 80 savings for that fiscal year as set~~
22 ~~forth in the Auditor General's certificate.~~

23 ~~(ii) If conversion notice is not received by the~~
24 ~~secretary prior to the expiration of the conversion~~
25 ~~period, the annual additional rent shall be equal to~~
26 ~~\$250,000,000.~~

27 ~~The annual additional rent provided under this paragraph is~~
28 ~~deemed to be equal to the fair market value of Interstate 80~~
29 ~~and shall be payable in four equal installments due the first~~
30 ~~business day of each July, October, January and April of each~~

1 ~~year during the term of the lease agreement.~~

2 ~~(6) A provision requiring the commission to pay,~~
3 ~~commencing on the conversion date, annual surplus rent to the~~
4 ~~department equal to the general reserve fund surplus payable~~
5 ~~for each fiscal year from the conversion date until the end~~
6 ~~of the term of the lease agreement. The surplus rent shall be~~
7 ~~payable by the commission within 30 days of receipt by the~~
8 ~~commission of the Auditor General's certificate. If the~~
9 ~~conversion period expires before the conversion date, no~~
10 ~~annual surplus rent shall be payable.~~

11 ~~(7) A provision stating that the obligation of the~~
12 ~~commission to pay the annual base rent, the annual additional~~
13 ~~rent and annual surplus rent shall be a subordinate~~
14 ~~obligation of the commission payable from amounts in the~~
15 ~~general reserve fund of the commission only as permitted by~~
16 ~~any financing documents, financial covenants, liquidity~~
17 ~~policies or agreements, swap agreements or rating agency~~
18 ~~requirements in effect at the commission.~~

19 ~~(8) A provision authorizing the department to receive~~
20 ~~the annual base rent, annual additional rent and annual~~
21 ~~surplus rent, and to deposit amounts so received as follows,~~
22 ~~to the degree permitted by applicable Federal laws and~~
23 ~~regulations:~~

24 ~~(i) proceeds of bonds issued under section 9511.2~~
25 ~~shall be spent consistent with sections 9511.4(h)~~
26 ~~(relating to special revenue bonds and preliminary or~~
27 ~~interim financing) and 9511.5 (relating to application of~~
28 ~~proceeds of obligations, lien of holders of obligations,~~
29 ~~design build requirement and projects approved by the~~
30 ~~General Assembly);~~

1 ~~(ii) be deposited in the Public Transportation Trust~~
2 ~~Fund as follows:~~

3 ~~(A) \$250,000,000 for fiscal year 2007-2008;~~

4 ~~(B) \$300,000,000 for fiscal year 2008-2009;~~

5 ~~(C) \$350,000,000 for fiscal year 2009-2010; and~~

6 ~~(D) \$400,000,000 for fiscal year 2010-2011 and~~

7 ~~increased by 2.5% for each fiscal year thereafter;~~

8 ~~and~~

9 ~~(iii) any balance received from the department shall~~
10 ~~be deposited in the Motor License Fund. For any year in~~
11 ~~which there are no bond proceeds under this paragraph,~~
12 ~~\$5,000,000 of the money deposited shall be for county~~
13 ~~roads and bridges and \$30,000,000 of the money deposited~~
14 ~~shall be for municipal roads and bridges to be allocated~~
15 ~~under the act of June 1, 1956 (1955 P.L.1944, No.655),~~
16 ~~referred to the Liquid Fuels Tax Municipal Allocation~~
17 ~~Law.~~

18 ~~§ 8915.4. Other interstate highways.~~

19 ~~In order to facilitate vehicular traffic across this~~
20 ~~Commonwealth and pursuant to the authority granted under this~~
21 ~~chapter, the commission is hereby authorized and empowered to:~~

22 ~~(1) at its own expense and in consultation with the~~
23 ~~department, prepare a consulting civil engineer report and~~
24 ~~financial analysis with respect to the feasibility of~~
25 ~~converting Interstate 95 to a toll road and operating and~~
26 ~~maintaining the converted interstate as a toll road, upon~~
27 ~~approval of the General Assembly and the United States~~
28 ~~Department of Transportation; and~~

29 ~~(2) at its own expense, and in consultation with the~~
30 ~~department, prepare and submit an application to the United~~

~~States Department of Transportation for the conversion of Interstate 95 to a toll road pursuant to any Federal program for which it may be eligible.~~

~~Section 3. Section 8916 of Title 75 is amended to read:~~

~~§ 8916. Turnpike system.~~

~~The turnpikes and the future toll road conversions authorized by this chapter are hereby or shall be made part of the Pennsylvania Turnpike System, as provided in the act of August 14, 1951 (P.L.1232, No.282), referred to as the Pennsylvania Turnpike System Financing Act. A Public Public Partnership of the Pennsylvania Turnpike System is integral to solving transportation problems referred to in 74 Pa.C.S. § 13A01 (relating to declaration of policy).~~

~~Section 4. Title 75 is amended by adding a section to read:~~

~~§ 9501. Definitions.~~

~~The following words and terms when used in this chapter shall have the meanings given to them in this section, unless the context clearly indicates otherwise:~~

~~"Bond related expenses." The term shall include all of the following:~~

~~(1) Printing, publication or advertising expenses with respect to the sale and issuance of bonds.~~

~~(2) Fees, expenses and costs of registrars.~~

~~(3) Fees, expenses and costs of attorneys, accountants, feasibility consultants, computer programmers or other experts employed to aid in the sale and issuance of the bonds.~~

~~(4) Other costs, fees and expenses incurred or reasonably related to the issuance and sale of the bonds.~~

~~"Bond related obligation." An agreement or contractual~~

~~1 relationship between the Pennsylvania Turnpike Commission and a
2 bank, trust company, insurance company, swap counterparty,
3 surety bonding company, pension fund or other financial
4 institution providing increased credit on or security for the
5 bonds or liquidity for secondary market transactions.~~

~~6 "Commission."—The Pennsylvania Turnpike Commission or any
7 successor organization.~~

~~8 "Cost of the department."~~

~~9 (1) Any of the following, which shall be reimbursed or
10 paid out of the proceeds of the special revenue bonds, notes
11 or other obligations authorized under this chapter:~~

~~12 (i) The cost of constructing, reconstructing,
13 widening, expanding or extending the State highway and
14 rural State highway system and all connecting roads,
15 tunnels and bridges.~~

~~16 (ii) The cost of all lands, property rights, rights
17 of way, easements and franchises acquired, which are
18 deemed necessary or convenient for the construction,
19 reconstruction, widening, expanding or extending under
20 subparagraph (i).~~

~~21 (iii) The cost of all machinery and equipment,
22 financing charges, interest prior to and during
23 construction and for one year after completion of
24 construction.~~

~~25 (iv) The cost of traffic estimates and of
26 engineering and legal expenses, plans, specifications,
27 surveys, estimates of cost and of revenues, other
28 expenses necessary or incident to determining the
29 feasibility or practicability of the enterprise,
30 administrative and legal expenses and other expenses as~~

1 ~~may be necessary or incident to the financing authorized~~
2 ~~under this chapter, the construction, reconstruction,~~
3 ~~widening, expanding or extending of the State highway and~~
4 ~~the rural State highway system and connecting roads,~~
5 ~~tunnels and bridges, the placing of the same in operation~~
6 ~~and the condemnation of property necessary for~~
7 ~~construction and operation.~~

8 ~~(v) Any obligation or expense contracted for by the~~
9 ~~Department of Transportation or with the United States or~~
10 ~~any agency of the United States, for traffic surveys,~~
11 ~~preparation of plans and specifications, supervision of~~
12 ~~construction, and other engineering, administrative and~~
13 ~~legal services and expenses in connection with the~~
14 ~~construction, reconstruction, widening, expanding or~~
15 ~~extending of the State highway and the rural State~~
16 ~~highway system or any of the connecting roads, tunnels~~
17 ~~and bridges.~~

18 ~~(2) Payment of any notes or other obligations if the~~
19 ~~notes or other obligations were issued for the payment of a~~
20 ~~cost.~~

21 ~~"Design build arrangement." A procurement or project~~
22 ~~delivery arrangement whereby a single entity, which may be a~~
23 ~~single contractor or a consortium comprised of multiple~~
24 ~~contractors, engineers and other subconsultants, is responsible~~
25 ~~for both the design and construction of a transportation project~~
26 ~~with a guaranteed completion date and guaranteed maximum price.~~

27 ~~"Owner." The term shall include all individuals,~~
28 ~~copartnerships, associations or corporations having any title or~~
29 ~~interest in any property rights, easements or franchises~~
30 ~~authorized to be acquired by this chapter.~~

1 ~~"Pledged revenues."—Revenues of the Motor License Fund~~
2 ~~pledged to the Pennsylvania Turnpike Commission under sections~~
3 ~~9010 (relating to disposition and use of tax), 9511(i) (relating~~
4 ~~to allocation of proceeds) and 9511.11 (relating to Motor~~
5 ~~License Fund proceeds) and amounts payable by the commission~~
6 ~~under section 8915.3(4)(i) (relating to lease of Interstate 80).~~

7 ~~"Rural State Highway System."—All roads and highways taken~~
8 ~~over by the Commonwealth as State highways under the provisions~~
9 ~~of the act of June 22, 1931 (P.L.594, No.203), referred to as~~
10 ~~the Township State Highway Law and all other roads and highways~~
11 ~~specifically designated by the Secretary of Transportation as~~
12 ~~Rural State Highways.~~

13 ~~"State highway."—All roads and highways taken over by the~~
14 ~~Commonwealth as State highways under the provisions of any~~
15 ~~statute. Unless clearly intended, the term shall not include any~~
16 ~~street in any city, borough or incorporated town, even though~~
17 ~~the same may have been taken over as a State highway.~~

18 ~~Section 5. Title 75 is amended by adding sections to read:~~
19 ~~§ 9511.2. Special revenue bonds payable solely from pledged~~
20 ~~revenues of Motor License Fund.~~

21 ~~(a) Payment source. A special revenue bond, note or other~~
22 ~~obligation issued under this chapter:~~

23 ~~(1) shall not be deemed to be a debt or liability of the~~
24 ~~Commonwealth;~~

25 ~~(2) shall not create or constitute any indebtedness,~~
26 ~~liability or obligation of the Commonwealth; and~~

27 ~~(3) shall be payable solely from revenues of the Motor~~
28 ~~License Fund pledged to the commission for that purpose in~~
29 ~~combination with amounts transferred under section~~
30 ~~8915.3(4)(i) (relating to lease of Interstate 80).~~

~~(b) Statement. A special revenue bond, note or other obligation issued under this chapter must contain a statement on its face that:~~

~~(1) the Commonwealth is not obligated to pay the bond, note or obligation or the interest on it except from revenues of the Motor License Fund pledged for that purpose in combination with amounts transferred under section 8915.3(4)(i); and~~

~~(2) neither the faith and credit nor the taxing power of the Commonwealth is pledged to the payment of the principal or interest of the bond, note or obligation.~~

~~(c) Taxation. The issuance of a special revenue bond, note or other obligation under this chapter shall not directly, indirectly or contingently obligate the Commonwealth to levy a tax or to make an appropriation for payment.~~

~~§ 9511.3. Expenses.~~

~~(a) Reimbursement. The commission shall be reimbursed for the necessary expenses incurred in the performance of the duties performed under the provisions of this chapter.~~

~~(b) Source. All expenses incurred in carrying out the provisions of this chapter shall be paid solely from funds provided under the authority of this chapter, and sufficient funds shall be provided under the authority of this chapter to meet any liability or obligation incurred in carrying out the provisions of this chapter.~~

~~§ 9511.4. Special revenue bonds and preliminary or interim financing.~~

~~(a) Authorization. The commission is authorized to provide, by resolution, for the issuance of special revenue bonds of the commission up to an amount not exceeding \$4,000,000,000 for the~~

~~1 purpose of paying the cost of the department and bond related
2 expenses. The resolution must recite an estimate of the cost of
3 the department. No more than \$600,000,000 of special revenue
4 bonds may be issued in any calendar year. No bond may be issued
5 under this section unless the lease agreement authorized under
6 section 8915.3 (relating to lease of Interstate 80) is in effect
7 as of the date of issuance. Special revenue refunding bonds as
8 set forth in section 9511.9 (relating to special revenue
9 refunding bonds) shall not be deemed to count against the total
10 or annual maximum issuance volume. The principal and interest of
11 the bond shall be payable solely from revenues of the Motor
12 License Fund pledged for that purpose to the commission in
13 combination with the amounts transferred under section
14 8915.3(4)(i).~~

~~15 (b) Form.—~~

~~16 (1) A bond may be issued in registered form.~~

~~17 (2) A bond:~~

~~18 (i) must be dated;~~

~~19 (ii) must bear interest at a rate not exceeding the
20 rate permitted under applicable law;~~

~~21 (iii) must be payable semiannually;~~

~~22 (iv) must mature, as determined by the commission,
23 not exceeding 40 years from the date of the bond; and~~

~~24 (v) may be made redeemable before maturity, at the
25 option of the commission, at a price and under terms and
26 conditions fixed by the commission prior to the issuance
27 of the bonds.~~

~~28 (3) The amount of premium on a bond shall not cause the
29 yield to be more than permitted by applicable law from the
30 date of the bond to the date of redemption.~~

1 ~~(c) Issuance.~~

2 ~~(1) The bond may be issued in registered form. The~~
3 ~~commission may sell a bond in registered form at public or~~
4 ~~private sale and for a price it determines to be in the best~~
5 ~~interest of the Commonwealth, but no sale shall be made at a~~
6 ~~price so low as to require the payment of interest on the~~
7 ~~money received for the bond at more than the rate permitted~~
8 ~~by applicable law, computed with relation to the absolute~~
9 ~~maturity of the bond in accordance with standard tables of~~
10 ~~bond values.~~

11 ~~(2) A bond may be issued at public or private sale in~~
12 ~~series with varying provisions as to all of the following:~~

13 ~~(i) Rates of interest, which may be fixed or~~
14 ~~variable.~~

15 ~~(ii) Maturity.~~

16 ~~(iii) Other provisions not inconsistent with this~~
17 ~~chapter.~~

18 ~~(d) Revenue share. All bonds, of whatever series, shall~~
19 ~~share ratably in the revenues pledged under this chapter as~~
20 ~~security for the bonds, although one series of bonds may have a~~
21 ~~lien on pledged revenues senior to the lien of another series of~~
22 ~~bonds.~~

23 ~~(e) Payment.~~

24 ~~(1) The principal and interest of the bonds may be made~~
25 ~~payable in any lawful medium.~~

26 ~~(2) The commission shall:~~

27 ~~(i) determine the form of bonds; and~~

28 ~~(ii) fix:~~

29 ~~(A) the denomination of the bond; and~~

30 ~~(B) the place of payment of principal and~~

1 ~~interest of the bond, which may be at any bank or~~
2 ~~trust company within or without this Commonwealth.~~

3 ~~(f) Signature. The bond must bear the facsimile signature~~
4 ~~of the Governor and of the chairman of the commission. The~~
5 ~~facsimile of the official seal of the commission shall be~~
6 ~~affixed to the bond and attested by the secretary and treasurer~~
7 ~~of the commission. If an officer whose signature or facsimile of~~
8 ~~a signature appears on a bond ceases to be an officer before the~~
9 ~~delivery of the bond, the signature or facsimile shall~~
10 ~~nevertheless be valid and sufficient for all purposes, as if the~~
11 ~~officer remained in office until delivery.~~

12 ~~(g) Negotiability. A special revenue bond issued under this~~
13 ~~chapter shall have all the qualities and incidents of a~~
14 ~~negotiable instrument under 13 Pa.C.S. Div. 3 (relating to~~
15 ~~negotiable instruments).~~

16 ~~(h) Proceeds.—~~

17 ~~(1) The proceeds of a bond shall be used solely for the~~
18 ~~following:~~

19 ~~(i) Payment of the cost of the department.~~

20 ~~(ii) Bond related expenses.~~

21 ~~(iii) \$5,000,000 in the aggregate of the proceeds of~~
22 ~~bonds issued in any fiscal year, other than a refunding~~
23 ~~issue, shall be used for county roads and bridges and~~
24 ~~\$30,000,000 of the proceeds in the aggregate of the bonds~~
25 ~~issued in any fiscal year, other than a refunding issue,~~
26 ~~shall be used for local roads and bridges to be allocated~~
27 ~~under the act of June 1, 1956 (1955 P.L.1944, No.655),~~
28 ~~referred to as the Liquid Fuels Tax Municipal Allocation~~
29 ~~Law.~~

30 ~~(2) The proceeds of a bond shall be disbursed upon~~

~~requisition of the secretary under restrictions set forth in the resolution authorizing the issuance of the bond or the trust indenture under section 9511.6 (relating to trust indenture, protection of holders of obligations and depositories).~~

~~(3) If the proceeds of a bond, by error of calculation or otherwise, shall be less than the cost of the department, additional bonds may be issued to provide the amount of the deficit and, unless otherwise provided in the resolution authorizing the issuance of the bonds or in the trust indenture, shall be deemed to be of the same issue and shall be entitled to payment from the same fund, without preference or priority of the bonds first issued.~~

~~(i) Temporary bonds. Prior to the preparation of definitive bonds, the commission may, under similar restrictions as those applicable to the definitive bonds, issue temporary bonds, exchangeable for definitive bonds upon the issuance of definitive bonds.~~

~~(j) Replacement bonds. The commission may provide for the replacement of a bond which becomes mutilated or is destroyed or lost. A replacement revenue bond may be issued without any other proceedings or the happening of any other condition than those proceedings and conditions required by this chapter.~~

~~(k) Status as securities.—~~

~~(1) A bond is made a security in which any of the following may properly and legally invest funds, including capital, belonging to them or within their control:~~

~~(i) Commonwealth and municipal officers.~~

~~(ii) Commonwealth agencies.~~

~~(iii) Banks, bankers, savings banks, trust~~

1 ~~companies, saving and loan associations, investment~~
2 ~~companies and other persons carrying on a banking~~
3 ~~business.~~

4 ~~(iv) Insurance companies, insurance associations and~~
5 ~~other persons carrying on an insurance business.~~

6 ~~(v) Fiduciaries.~~

7 ~~(vi) Other persons that are authorized to invest in~~
8 ~~bonds or other obligations of the Commonwealth.~~

9 ~~(2) A bond is made a security which may properly and~~
10 ~~legally be deposited with and received by a Commonwealth or~~
11 ~~municipal officer or a Commonwealth agency for any purpose~~
12 ~~for which the deposit of bonds or other obligations of the~~
13 ~~Commonwealth is authorized by law.~~

14 ~~(1) Borrowing. The following shall apply:~~

15 ~~(1) The commission is authorized to do all of the~~
16 ~~following:~~

17 ~~(i) Borrow money at an interest rate not exceeding~~
18 ~~the rate permitted by law.~~

19 ~~(ii) Provide for preliminary or interim financing,~~
20 ~~up to but not exceeding the estimated total cost of the~~
21 ~~department and bond related expenses and to evidence the~~
22 ~~borrowing by the issuance of special revenue notes and,~~
23 ~~in its discretion, to pledge as collateral for the note~~
24 ~~or other obligation, a special revenue bond issued under~~
25 ~~the provisions of this chapter. The commission may renew~~
26 ~~the note or obligation and the payment or retirement of~~
27 ~~the note or obligation shall be considered to be payment~~
28 ~~of the cost of the project.~~

29 ~~(2) A note or obligation issued under this subsection~~
30 ~~must comply with the following:~~

1 ~~(i) Be executed by the same persons in the same~~
2 ~~manner and with the same effect as provided in this~~
3 ~~section for the execution of a special revenue bond.~~

4 ~~(ii) Contain a statement on its face that:~~

5 ~~(A) the Commonwealth is not obligated to pay the~~
6 ~~note or obligation or interest on it, except from~~
7 ~~pledged revenues of the Motor License Fund; and~~

8 ~~(B) neither the faith and credit nor the taxing~~
9 ~~power of the Commonwealth is pledged to the payment~~
10 ~~of its principal or interest.~~

11 ~~(3) The issuance of a special revenue note or other~~
12 ~~obligation under this chapter shall not directly or~~
13 ~~indirectly or contingently obligate the Commonwealth to levy~~
14 ~~a tax or make an appropriation for payment.~~

15 ~~(4) A note or other obligation issued under this~~
16 ~~subsection shall have all the qualities and incidents of a~~
17 ~~negotiable instrument under 13 Pa.C.S. (relating to~~
18 ~~commercial code).~~

19 ~~§ 9511.5. Application of proceeds of obligations, lien of~~
20 ~~holders of obligations, design build requirement and~~
21 ~~projects approved by General Assembly.~~

22 ~~(a) Application. The following shall apply:~~

23 ~~(1) All money received from any bonds, notes or other~~
24 ~~obligations issued under this chapter shall be applied solely~~
25 ~~to the payment of the cost of the department or to the~~
26 ~~appurtenant fund.~~

27 ~~(2) Until money received from any bonds, notes or other~~
28 ~~obligations issued under this chapter is applied under~~
29 ~~paragraph (1), a lien shall exist upon the money in favor of~~
30 ~~holders of the bonds, notes or other obligations or a trustee~~

1 ~~provided for in respect to the bonds, notes or other~~
2 ~~obligations.~~

3 ~~(b) Design build arrangements. To facilitate the timely~~
4 ~~completion of projects to be financed by the department with~~
5 ~~bond proceeds, the department shall be required to utilize~~
6 ~~design build arrangements for each project estimated by the~~
7 ~~department to have a value in excess of \$100,000,000. The~~
8 ~~selection of the party for the design build arrangement must be~~
9 ~~conducted in a manner consistent with the procurement and public~~
10 ~~bidding laws applicable to the department.~~

11 ~~(c) Capital plan. All projects financed by the department~~
12 ~~with bond proceeds must be set forth in the department's capital~~
13 ~~plan current at the time of the financing and budget which~~
14 ~~capital plan and budget shall be submitted to the General~~
15 ~~Assembly on or before March 31 of each year commencing March 31,~~
16 ~~2008.~~

17 ~~(d) Investment. Pending the application of proceeds to~~
18 ~~costs of the department and bond related expenses, the~~
19 ~~commission may invest the funds in permitted investments as~~
20 ~~defined under any trust indenture if the investment is not~~
21 ~~inconsistent with existing fiduciary obligations of the~~
22 ~~commission.~~

23 ~~§ 9511.6. Trust indenture, protection of holders of obligations~~
24 ~~and depositories.~~

25 ~~(a) Indenture. In the discretion of the commission, a bond,~~
26 ~~note or other obligation may be secured by a trust indenture by~~
27 ~~and between the commission and a corporate trustee, which may be~~
28 ~~any trust company or bank having the powers of a trust company,~~
29 ~~within or without this Commonwealth.~~

30 ~~(b) Pledge or assignment. A trust indenture under~~

1 ~~subsection (a) may pledge or assign revenue to be received, but~~
2 ~~shall not convey or mortgage the turnpike or any part of the~~
3 ~~turnpike.~~

4 ~~(c) Rights and remedies. The resolution providing for the~~
5 ~~issuance of the bond, note or other obligation of the trust~~
6 ~~indenture may contain provisions for protecting and enforcing~~
7 ~~the rights and remedies of the bondholders or holders of notes~~
8 ~~or other obligations as may be reasonable and proper and not in~~
9 ~~violation of law, including covenants setting forth the duties~~
10 ~~of the department in relation to the acquisition of properties,~~
11 ~~the construction, maintenance, operation, repair and insurance~~
12 ~~of the State highway and rural State highway system and the~~
13 ~~custody, safeguarding and application of all money.~~

14 ~~(d) Depository. It shall be lawful for any bank or trust~~
15 ~~company incorporated under the laws of this Commonwealth to act~~
16 ~~as depository of the proceeds of the bond, note or other~~
17 ~~obligation or revenue, to furnish indemnity bonds or to pledge~~
18 ~~securities as may be required by the commission.~~

19 ~~(e) Indenture. The trust indenture may set forth the rights~~
20 ~~and remedies of the bondholders or holders of notes or other~~
21 ~~obligations and of the trustee and may restrict the individual~~
22 ~~right of action of bondholders or holders of notes or other~~
23 ~~obligations as is customary in trust indentures securing bonds,~~
24 ~~debentures of corporations, notes or other obligations. The~~
25 ~~trust indenture may contain other provisions as the commission~~
26 ~~may deem reasonable and proper for the security of bondholders~~
27 ~~or holders of notes or other obligations.~~

28 ~~§ 9511.7. Exemption from Commonwealth taxation.~~

29 ~~The effectuation of the purposes of this chapter is for the~~
30 ~~benefit of the citizens of the Commonwealth and for the~~

1 ~~improvement of their commerce and prosperity. Since the~~
2 ~~commission will be performing essential government functions in~~
3 ~~effectuating these purposes, the commission shall not be~~
4 ~~required to pay any tax or assessment on any property acquired~~
5 ~~or used by it for the purposes provided under this chapter. A~~
6 ~~bond, note or other obligation issued by the commission, its~~
7 ~~transfer and the income from its issuance and transfer,~~
8 ~~including any profits made on the sale of the bond, note or~~
9 ~~other obligation, shall be free from taxation within the~~
10 ~~Commonwealth.~~

11 ~~§ 9511.8. Pledged revenues, contracts for use of turnpike,~~
12 ~~sinking fund and purchase or redemption of~~
13 ~~obligations.~~

14 ~~(a) Authorization. The commission is authorized to collect~~
15 ~~the pledged revenues. The pledged revenues shall be fixed and~~
16 ~~adjusted as to provide funds at least sufficient to pay the~~
17 ~~bonds, notes or other obligations and the interest on the bonds,~~
18 ~~notes or other obligations. All sinking fund requirements and~~
19 ~~other requirements provided by the resolution authorizing the~~
20 ~~issuance of the bonds, notes or other obligations, or by the~~
21 ~~trust indenture, shall be fixed and adjusted as the bonds, notes~~
22 ~~or other obligations become due.~~

23 ~~(b) Supervision. The pledged revenues shall not be subject~~
24 ~~to supervision or regulation by any Commonwealth agency other~~
25 ~~than the commission.~~

26 ~~(c) Set aside. Except for the portion of the pledged~~
27 ~~revenues required to provide reserves as set forth in the~~
28 ~~resolution authorizing the issuance of the bonds, notes or other~~
29 ~~obligations or in the trust indenture, pledged revenues, to the~~
30 ~~degree amounts transferred under section 8915.3(4)(i)(relating~~

1 ~~to lease of Interstate 80) are not sufficient, shall be set~~
2 ~~aside at regular intervals as may be provided in the resolution~~
3 ~~or trust indenture, in one or more accounts, which are pledged~~
4 ~~to and charged with the payment of all of the following:~~

5 ~~(1) The interest upon a bond, note or other obligation,~~
6 ~~as it shall become due and payable.~~

7 ~~(2) The principal of a bond, note or other obligation,~~
8 ~~as it shall become due and payable.~~

9 ~~(3) The necessary fiscal agency charges for paying~~
10 ~~principal and interest.~~

11 ~~(4) A premium upon a bond retired by call or purchase.~~

12 ~~(d) Sinking fund. The use and disposition of the sinking~~
13 ~~fund shall be subject to regulations as may be provided in the~~
14 ~~resolution authorizing the issuance of bonds, notes or other~~
15 ~~obligations or in the trust indenture, but, except as may~~
16 ~~otherwise be provided in the resolution or trust indenture, the~~
17 ~~sinking fund shall be a fund for the benefit of all bonds, notes~~
18 ~~or other obligations issued under this chapter, without~~
19 ~~distinction or priority of one over another.~~

20 ~~(e) Application of money. Subject to the provisions of the~~
21 ~~resolutions authorizing the issuance of bonds, notes or other~~
22 ~~obligations or of the trust indenture, any money in the sinking~~
23 ~~fund in excess of an amount equal to one year's interest on all~~
24 ~~bonds, notes or other obligations then outstanding may be~~
25 ~~applied to the purchase or redemption of bonds, notes or other~~
26 ~~obligations. All bonds, notes or other obligations purchased or~~
27 ~~redeemed under this subsection shall be canceled and shall not~~
28 ~~again be issued.~~

29 ~~§ 9511.9. Special revenue refunding bonds.~~

30 ~~The commission is authorized to provide, by resolution, for~~

~~1 the issuance of special revenue refunding bonds of the
2 commission for the purpose of refunding any special revenue
3 bonds, notes or other obligations issued under the provisions of
4 this chapter and then outstanding. The issuance of the special
5 revenue refunding bonds, the maturities and other details of the
6 bonds, the rights of the holders of the bonds and the duties of
7 the department and of the commission with respect to the bonds
8 shall be governed by the provisions of this chapter.~~

~~9 § 9511.10. Remedies of trustees and of holders of obligations.~~

~~10 (a) Grant of rights. A holder of a bond, note or other
11 obligation issued under this chapter and the trustee under the
12 trust indenture may, either at law or in equity, by suit,
13 action, mandamus or other proceeding, do all of the following:~~

~~14 (1) Protect and enforce any right granted under this
15 chapter or under the resolution or trust indenture.~~

~~16 (2) Enforce and compel performance of all duties
17 required under this chapter or by resolution or trust
18 indenture to be performed by the commission or any officer of
19 its officers, including the collection of the pledged
20 reserves or amounts transferred under section 8915.3(4)(i)
21 (relating to lease of Interstate 80).~~

~~22 (b) Exception. Rights given under this chapter may be
23 restricted by resolution passed before the issuance of the
24 bonds, notes or other obligations, or by the trust indenture.~~

~~25 § 9511.11. Motor License Fund proceeds.~~

~~26 The balance of the proceeds deposited in the Motor License
27 Fund under section 20 of the act of April 17, 1997 (P.L.6,
28 No.3), entitled, "An act amending Titles 74 (Transportation) and
29 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further
30 providing for annual appropriation and computation of subsidy~~

~~1 and for distribution of funding; providing for distribution of
2 supplemental funding; further providing for use of funds
3 distributed; providing for public transportation grants
4 management accountability, for competitive procurement and for
5 the Public Transportation Assistance Fund; further providing for
6 period of registration, for duties of agents, for registration
7 and other fees, for requirements for periodic inspection of
8 vehicles, for limits on number of towed vehicles, for operation
9 of certain combinations on interstate and other highways and for
10 width and length of vehicles; providing for liquid fuels and
11 fuels permits and bond or deposit of securities, for imposition
12 of liquid fuels and fuels tax, for taxpayer, for distributor's
13 report and payment of tax, for determination of tax, penalties
14 and interest, for examination of records and equipment, for
15 retention of records by distributors and dealers, for
16 disposition and use of tax, for discontinuance or transfer of
17 business, for suspension or revocation of permits, for lien of
18 taxes, penalties and interest, for collection of unpaid taxes,
19 for reports from common carriers, for violations and reward for
20 detection of violations, for refunds, for diesel fuel importers
21 and transporters, for prohibiting use of dyed diesel fuel, for
22 disposition of fees, fines and forfeitures, for certified copies
23 of records and for uncollectible checks; further providing for
24 distribution of State highway maintenance funds and for
25 standards and methodology for data collection; providing for
26 dirt and gravel road maintenance; further providing for
27 imposition of tax and additional tax; providing for tax on
28 alternative fuels; further providing for disposition of tax
29 revenue; making an appropriation; and making repeals," is
30 pledged to secure bonds issued by the commission. The proceeds~~

1 ~~may be pledged to secure bonds to be issued by the commission on~~
2 ~~behalf of the department for the construction, reconstruction,~~
3 ~~widening, expansion, extension, maintenance and repair of and~~
4 ~~safety on bridges and costs and expenses incident to those tasks~~
5 ~~and fees and expenses of the commission related to the issuance~~
6 ~~of the bonds, including bond related expenses. Each month, the~~
7 ~~State Treasurer shall transfer amounts as are necessary, in~~
8 ~~combination with amounts transferred under sections~~
9 ~~8915.3(4)(i)(relating to lease of Interstate 80) and 9511~~
10 ~~(relating to allocation of proceeds) to satisfy the provisions~~
11 ~~of the bond indenture relating to bonds issued under this~~
12 ~~section and those amounts are authorized to be appropriated.~~
13 ~~§ 9511.12. Supplement to other laws and liberal construction.~~

14 ~~This chapter shall be regarded as supplemental and additional~~
15 ~~to powers conferred by other statutes and shall not be regarded~~
16 ~~as in derogation of any powers existing on the effective date of~~
17 ~~this section. The provisions of this chapter, being necessary~~
18 ~~for the welfare of the Commonwealth and its citizens shall be~~
19 ~~liberally construed to effect the purposes of this chapter.~~

20 ~~Section 6. (a) Financial assistance made by the Department~~
21 ~~of Transportation to an award recipient under 74 Pa.C.S. Ch. 13~~
22 ~~prior to the effective date of this section may continue to be~~
23 ~~used by award recipients for operating or capital expenses upon~~
24 ~~the same terms and conditions as are contained in the notice of~~
25 ~~grant award or grant agreement executed in connection with the~~
26 ~~award, if the funds are expended within five years following the~~
27 ~~effective date of this section.~~

28 ~~(b) The Department of Transportation may continue to use all~~
29 ~~funds appropriated or otherwise made available to it for public~~
30 ~~transportation purposes prior to the effective date of this~~

1 ~~section in accordance with the laws under which the funds were~~
2 ~~made available.~~

3 ~~Section 7. The following shall apply:~~

4 ~~(1) The General Assembly declares that the repeal under~~
5 ~~paragraph (2) is necessary to effectuate the addition of 74~~
6 ~~Pa.C.S. Ch. 81.~~

7 ~~(2) The act of September 30, 1985 (P.L.240, No.61),~~
8 ~~known as the Turnpike Organization, Extension and Toll Road~~
9 ~~Conversion Act is repealed.~~

10 ~~(3) Section 207.1(c)(2) of the act of April 9, 1929~~
11 ~~(P.L.177, No.175), known as The Administrative Code of 1929,~~
12 ~~is repealed insofar as it is inconsistent with the addition~~
13 ~~of 74 Pa.C.S. § 8105.~~

14 ~~(4) Sections 2301(a) and (b) of the act of March 4, 1971~~
15 ~~(P.L.6, No.2), known as the Tax Reform Code of 1971, insofar~~
16 ~~as they relate to the establishment and existence of the~~
17 ~~Public Transportation Assistance Fund are repealed.~~

18 ~~(5) All other acts and parts of acts are repealed~~
19 ~~insofar as they are inconsistent with this act.~~

20 ~~Section 8. The addition of 74 Pa.C.S. Ch. 81 is a~~
21 ~~continuation of the act of September 30, 1985 (P.L.240, No.61),~~
22 ~~known as the Turnpike Organization, Extension and Toll Road~~
23 ~~Conversion Act. The following shall apply:~~

24 ~~(1) Except as otherwise provided under 74 Pa.C.S. Ch.~~
25 ~~81, all activities initiated under the Turnpike Organization,~~
26 ~~Extension and Toll Road Conversion Act shall continue and~~
27 ~~remain in full force and effect and may be completed under 74~~
28 ~~Pa.C.S. Ch. 81. Orders, regulations, rules and decisions~~
29 ~~which were made under the Turnpike Organization, Extension~~
30 ~~and Toll Road Conversion Act and which are in effect on the~~

1 ~~effective date of section 7(2) of this act shall remain in~~
2 ~~full force and effect until revoked, vacated or modified~~
3 ~~under 74 Pa.C.S. Ch. 81. Contracts, obligations and~~
4 ~~collective bargaining agreements entered into under the~~
5 ~~Turnpike Organization, Extension and Toll Road Conversion Act~~
6 ~~are not affected nor impaired by the repeal of the Turnpike~~
7 ~~Organization, Extension and Toll Road Conversion Act.~~

8 ~~(2) Except as set forth in paragraph (3), any difference~~
9 ~~in language between 74 Pa.C.S. Ch. 81 and the Turnpike~~
10 ~~Organization, Extension and Toll Road Conversion Act is~~
11 ~~intended only to conform to the style of the Pennsylvania~~
12 ~~Consolidated Statutes and is not intended to change or affect~~
13 ~~the legislative intent, judicial construction or~~
14 ~~administration and implementation of the Turnpike~~
15 ~~Organization, Extension and Toll Road Conversion Act.~~

16 ~~(3) Paragraph (2) does not apply to the addition of 74~~
17 ~~Pa.C.S. § 8105.~~

18 ~~Section 9. This act shall take effect as follows:~~

19 ~~(1) The following provisions shall take effect~~
20 ~~immediately:~~

21 ~~(i) The addition of 74 Pa.C.S. § 8105.~~

22 ~~(ii) Section 7(3) of this act.~~

23 ~~(iii) This section.~~

24 ~~(2) The remainder of this act shall take effect in 60~~
25 ~~days.~~

26 SECTION 3. TITLE 74 IS AMENDED BY ADDING A CHAPTER CHAPTERS <—
27 TO READ:

28 CHAPTER 15

29 SUSTAINABLE MOBILITY OPTIONS

30 SEC.

1 1501. SCOPE OF CHAPTER.
2 1502. (RESERVED).
3 1503. DEFINITIONS.
4 1504. DEPARTMENT AUTHORIZATION.
5 1505. REGULATIONS.
6 1506. FUND.
7 1507. APPLICATION AND APPROVAL PROCESS.
8 1508. FEDERAL FUNDING.
9 1509. LIMITATION ON DECISIONS, FINDINGS AND REGULATIONS OF
10 DEPARTMENT.
11 1510. PROGRAM OVERSIGHT AND ADMINISTRATION.
12 1511. REPORT TO GOVERNOR AND GENERAL ASSEMBLY.
13 1512. COORDINATION.
14 1513. OPERATING PROGRAM.
15 1514. ASSET IMPROVEMENT PROGRAM.
16 1515. NEW INITIATIVES PROGRAM.
17 1516. PROGRAMS OF STATEWIDE SIGNIFICANCE.
18 1517. CAPITAL IMPROVEMENTS PROGRAM.
19 1518. PROGRAM OVERSIGHT AND ADMINISTRATION.
20 1519. RETROACTIVE AUTHORITY.

21 § 1501. SCOPE OF CHAPTER.

22 THIS CHAPTER RELATES TO SUSTAINABLE MOBILITY OPTIONS.

23 § 1502. (RESERVED).

24 § 1503. DEFINITIONS.

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

28 "ACCESS TO JOBS PROJECT." A PROJECT RELATING TO THE
29 DEVELOPMENT AND MAINTENANCE OF TRANSPORTATION SERVICES DESIGNED
30 TO TRANSPORT WELFARE RECIPIENTS AND ELIGIBLE LOW-INCOME

1 INDIVIDUALS TO AND FROM JOBS AND ACTIVITIES RELATED TO THEIR
2 EMPLOYMENT AS DEFINED UNDER 49 U.S.C. § 5316 (RELATING TO JOB
3 ACCESS AND REVERSE COMMUTE FORMULA GRANTS).

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

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

10 "AWARD RECIPIENT." A RECIPIENT OF FINANCIAL ASSISTANCE UNDER
11 THIS CHAPTER.

12 "BASE OPERATING ALLOCATION." THE TOTAL AMOUNT OF STATE
13 OPERATING ASSISTANCE, REIMBURSEMENT IN LIEU OF FARES FOR SENIOR
14 PASSENGERS AND OTHER ASSISTANCE WHICH WAS USED FOR OPERATING
15 ASSISTANCE AS DETERMINED BY THE DEPARTMENT IN FISCAL YEAR 2005-
16 2006.

17 "CAPITAL EXPENDITURES." ALL COSTS OF CAPITAL PROJECTS,
18 INCLUDING, BUT NOT LIMITED TO, THE COSTS OF ACQUISITION,
19 CONSTRUCTION, INSTALLATION, START-UP OF OPERATIONS, IMPROVEMENTS
20 AND ALL WORK AND MATERIALS INCIDENT THERETO.

21 "CAPITAL PROJECT." A SYSTEM OR COMPONENT OF ~~THE~~ A SYSTEM FOR <—
22 THE PROVISION OF PUBLIC PASSENGER TRANSPORTATION. THE TERM
23 INCLUDES VEHICLES; INFRASTRUCTURE POWER; PASSENGER AMENITIES;
24 STORAGE AND MAINTENANCE BUILDINGS; PARKING FACILITIES; THE LAND
25 ON WHICH ANY CAPITAL PROJECT IS SITUATED AND THE LAND NEEDED TO
26 SUPPORT IT, WHETHER OWNED IN WHOLE OR IN PART; OVERHAUL OF
27 VEHICLES; DEBT SERVICE AND THE COST OF ISSUANCE OF BONDS, NOTES
28 AND OTHER EVIDENCES OF INDEBTEDNESS WHICH A LOCAL TRANSPORTATION
29 ORGANIZATION OR TRANSPORTATION COMPANY IS PERMITTED TO ISSUE
30 UNDER ANY LAW OF THIS COMMONWEALTH.

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

4 "COMMUNITY TRANSPORTATION SERVICE" OR "SHARED RIDE SERVICE."
5 DOOR-TO-DOOR DEMAND TRANSPORTATION THAT IS AVAILABLE TO THE
6 GENERAL PUBLIC ON A NONEXCLUSIVE BASIS, OPERATES ON A NONFIXED
7 ROUTE BASIS AND CHARGES A FARE TO ALL RIDERS. THE TERM DOES NOT
8 INCLUDE EXCLUSIVE RIDE TAXI SERVICE, CHARTER AND SIGHTSEEING
9 SERVICE, NONPUBLIC TRANSPORTATION, SCHOOL BUS AND LIMOUSINE
10 SERVICE.

11 "COMMUNITY TRANSPORTATION SYSTEM." A PERSON THAT PROVIDES
12 COMMUNITY TRANSPORTATION SERVICE AND CONTRACTS WITH THE
13 DEPARTMENT OF TRANSPORTATION TO RECEIVE REVENUE REPLACEMENT
14 FUNDS.

15 "DEPARTMENT." THE DEPARTMENT OF TRANSPORTATION OF THE
16 COMMONWEALTH.

17 "FINANCIAL ASSISTANCE." GRANTS OR OTHER TYPES OF FINANCIAL
18 SUPPORT PROVIDED BY THE DEPARTMENT OF TRANSPORTATION UNDER THIS
19 CHAPTER.

20 "FIXED GUIDEWAY SYSTEM." A FIXED-ROUTE PUBLIC TRANSPORTATION
21 SERVICE THAT USES AND OCCUPIES A SEPARATE RIGHT-OF-WAY OR RAIL
22 LINE FOR THE EXCLUSIVE USE OF PUBLIC TRANSPORTATION AND OTHER
23 HIGH OCCUPANCY VEHICLES OR USES A FIXED CATENARY SYSTEM AND A
24 RIGHT-OF-WAY USABLE BY OTHER FORMS OF TRANSPORTATION. THE TERM
25 INCLUDES LIGHT RAIL, COMMUTER RAIL, AUTOMATED GUIDEWAY TRANSIT,
26 PEOPLE MOVERS, FERRY BOAT SERVICE AND FIXED GUIDEWAY FACILITIES
27 FOR BUSES SUCH AS BUS RAPID TRANSIT AND HIGH OCCUPANCY VEHICLES.

28 "FIXED-ROUTE PUBLIC TRANSPORTATION SERVICE." REGULARLY
29 SCHEDULED GENERAL PUBLIC TRANSPORTATION THAT IS PROVIDED
30 ACCORDING TO PUBLISHED SCHEDULES ALONG DESIGNATED ROUTES, WITH

1 SPECIFIED STOPPING POINTS FOR THE TAKING ON AND DISCHARGING OF
2 PASSENGERS, INCLUDING PUBLIC BUS AND COMMUTER RAIL SYSTEMS AND
3 OTHER DEPARTMENT-APPROVED SERVICE. THE TERM DOES NOT INCLUDE
4 EXCLUSIVE RIDE TAXI SERVICE, CHARTER OR SIGHTSEEING SERVICE,
5 NONPUBLIC TRANSPORTATION, SCHOOL BUS AND LIMOUSINE SERVICE.

6 "FUND." THE PUBLIC TRANSPORTATION TRUST FUND ESTABLISHED
7 UNDER SECTION 1506 (RELATING TO FUND).

8 "INTERCITY BUS SERVICE." PASSENGER BUS SERVICE OF 35 MILES
9 OR MORE IN LENGTH THAT IS PROVIDED WITH AN OVER-THE-ROAD BUS AND
10 OPERATED BETWEEN TWO NONCONTIGUOUS URBANIZED AREAS, BETWEEN AN
11 URBANIZED AREA LOCATED IN ONE COUNTY AND RURAL COMMUNITIES
12 LOCATED IN ANOTHER COUNTY OR BETWEEN RURAL COMMUNITIES LOCATED
13 IN DIFFERENT COUNTIES AND CONTAINS ALL OF THE FOLLOWING
14 ELEMENTS:

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

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

20 "INTERCITY PASSENGER RAIL SERVICE." PASSENGER RAILROAD
21 SERVICE THAT CONNECTS TWO OR MORE URBANIZED AREAS AND IS
22 DETERMINED BY THE DEPARTMENT OF TRANSPORTATION TO QUALIFY AS
23 INTERCITY SERVICE RATHER THAN COMMUTER RAIL SERVICE.

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

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

27 (1) A POLITICAL SUBDIVISION OR A PUBLIC TRANSPORTATION
28 PORT OR REDEVELOPMENT AUTHORITY ORGANIZED UNDER THE LAWS OF
29 THIS COMMONWEALTH OR PURSUANT TO AN INTERSTATE COMPACT OR
30 OTHERWISE EMPOWERED TO RENDER, CONTRACT FOR THE RENDERING OR

1 ASSIST IN THE RENDERING OF TRANSPORTATION SERVICE IN A
2 LIMITED AREA IN THIS COMMONWEALTH, EVEN THOUGH IT MAY ALSO
3 RENDER OR ASSIST IN RENDERING TRANSPORTATION SERVICE IN
4 ADJACENT STATES.

5 (2) A NONPROFIT ASSOCIATION THAT DIRECTLY OR INDIRECTLY
6 PROVIDES PUBLIC TRANSPORTATION SERVICE.

7 (3) A NONPROFIT ASSOCIATION OF PUBLIC TRANSPORTATION
8 PROVIDERS OPERATING WITHIN THIS COMMONWEALTH.

9 "MATERIALS AND SUPPLIES." THOSE CATEGORIES OF EXPENSES AS
10 SPECIFIED IN UNIFORM SYSTEM OF ACCOUNTS EXPENSE OBJECT CLASS
11 504, NATIONAL TRANSIT DATABASE OPERATING EXPENSES FORM F 30,
12 NATIONAL TRANSIT DATABASE, FINAL RULE, FEDERAL TRANSIT
13 ADMINISTRATION, DATED JANUARY 15, 1993, OR ANY SUCCESSOR.

14 "NEW FIXED GUIDEWAY SYSTEM." A NEWLY CONSTRUCTED FIXED
15 GUIDEWAY SYSTEM IN A CORRIDOR OR ALIGNMENT WHERE NO SUCH SYSTEM
16 PREVIOUSLY EXISTED.

17 "NEW FREEDOM PROGRAM." A PUBLIC TRANSPORTATION PROGRAM
18 DESIGNED TO PROVIDE FUNDS TO RECIPIENTS FOR NEW PUBLIC
19 TRANSPORTATION SERVICES AND PUBLIC TRANSPORTATION ALTERNATIVES
20 BEYOND THOSE REQUIRED BY THE AMERICANS WITH DISABILITIES ACT OF
21 1990 (PUBLIC LAW 101-336, 104 STAT. 327) THAT ASSIST INDIVIDUALS
22 WITH DISABILITIES WITH TRANSPORTATION, INCLUDING TRANSPORTATION
23 TO AND FROM JOBS AND EMPLOYMENT SUPPORT SERVICES ADMINISTERED
24 UNDER THE PROVISIONS OF 49 U.S.C. § 5317 (RELATING TO NEW
25 FREEDOM PROGRAM).

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

28 "NONURBANIZED AREA." AN AREA WITHIN THIS COMMONWEALTH THAT
29 DOES NOT FALL WITHIN AN AREA CLASSIFIED AS "URBANIZED" BY THE
30 UNITED STATES BUREAU OF THE CENSUS OF THE UNITED STATES

1 DEPARTMENT OF COMMERCE IN THE MOST RECENT CENSUS OF POPULATION.
2 "NONVEHICLE MAINTENANCE EXPENSES." THE CATEGORIES OF COSTS
3 ASSOCIATED WITH THE INSPECTION, MAINTENANCE AND REPAIR OF
4 ASSETS, OTHER THAN VEHICLES, AS SPECIFIED IN UNIFORM SYSTEM OF
5 ACCOUNTS, EXPENSE FUNCTION 042, NATIONAL TRANSIT DATABASE
6 OPERATING EXPENSES FORM, F 30, NATIONAL TRANSIT DATABASE, FINAL
7 RULE, FEDERAL TRANSIT ADMINISTRATION, DATED JANUARY 15, 1993, OR
8 ANY SUCCESSOR.

9 "OPERATING EXPENSES." TOTAL EXPENSES REQUIRED TO CONTINUE
10 SERVICE TO THE PUBLIC AND TO PERMIT NEEDED IMPROVEMENTS IN
11 SERVICE WHICH ARE NOT SELF-SUPPORTING AND OTHERWISE FOR ANY
12 PURPOSE IN FURTHERANCE OF PUBLIC PASSENGER TRANSPORTATION,
13 INCLUDING ALL STATE ASSET MAINTENANCE COSTS. THE TERM DOES NOT
14 INCLUDE EXPENDITURES FOR CAPITAL PROJECTS UNLESS SPECIFIC
15 APPROVAL IS PROVIDED BY THE DEPARTMENT OF TRANSPORTATION.

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

19 (1) PASSENGER FARES.

20 (2) REIMBURSEMENTS PROVIDED IN LIEU OF FARES FOR SENIOR
21 PASSENGERS.

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

23 (4) OTHER MISCELLANEOUS REVENUE SUCH AS PUBLIC AND
24 PRIVATE ROUTE GUARANTEE FUNDS.

25 "PARATRANSIT SERVICE." TRANSIT SERVICE OPERATING ON A
26 NONFIXED-ROUTE BASIS IN ORDER TO PROVIDE COMPLEMENTARY
27 TRANSPORTATION SERVICE TO PERSONS WHO ARE FUNCTIONALLY UNABLE TO
28 USE FIXED-ROUTE TRANSPORTATION, AS REQUIRED BY THE AMERICANS
29 WITH DISABILITIES ACT OF 1990 (PUBLIC LAW 101-336, 104 STAT.
30 327).

1 "PASSENGERS." THE TOTAL OF ALL ORIGINATING PASSENGERS PLUS
2 TRANSFER PASSENGERS CARRIED ON FIXED ROUTE SERVICE AND
3 PARATRANSIT SERVICE WITH RESPECT TO THE MOST RECENT FISCAL YEAR
4 AS REPORTED IN THE MOST RECENTLY PUBLISHED RECENT PUBLIC ←
5 PASSENGER TRANSPORTATION PERFORMANCE REPORT.

6 "PUBLIC PASSENGER TRANSPORTATION." TRANSPORTATION WITHIN AN
7 AREA THAT INCLUDES A MUNICIPALITY OR OTHER BUILT-UP PLACE THAT
8 IS APPROPRIATE IN THE JUDGMENT OF THE DEPARTMENT OF
9 TRANSPORTATION TO SERVE COMMUTERS OR OTHERS IN THE LOCALITY,
10 TAKING INTO CONSIDERATION THE LOCAL PATTERNS AND TRENDS OF
11 GROWTH BY BUS OR RAIL OR OTHER CONVEYANCE, EITHER PUBLICLY OR
12 PRIVATELY OWNED, SERVING THE GENERAL PUBLIC. THE TERM DOES NOT
13 INCLUDE SCHOOL BUSES, CHARTER OR SIGHTSEEING SERVICES.

14 "PUBLIC PASSENGER TRANSPORTATION PERFORMANCE REPORT." AN
15 ANNUAL REPORT COMPLETED BY THE DEPARTMENT OF TRANSPORTATION
16 WHICH SHALL INCLUDE ALL OF THE FOLLOWING:

17 (1) EACH LOCAL TRANSPORTATION ORGANIZATION'S PASSENGERS,
18 REVENUE VEHICLE MILES, REVENUE VEHICLE HOURS, AND SENIOR
19 PASSENGERS STATISTICS FOR THE MOST RECENTLY AVAILABLE FISCAL
20 YEAR.

21 (2) ANY OTHER STATISTICAL INFORMATION THAT THE
22 DEPARTMENT OF TRANSPORTATION DEEMS NECESSARY OR USEFUL. ←

23 "REVENUE REPLACEMENT FUNDS." PAYMENTS MADE TO LOCAL
24 TRANSPORTATION ORGANIZATIONS AND TRANSPORTATION COMPANIES TO
25 OFFSET OR PARTIALLY OFFSET FARES.

26 "REVENUE VEHICLE HOURS." THE TOTAL AMOUNT OF TIME CALCULATED
27 IN HOURS DURING WHICH VEHICLES ARE IN SERVICE AND AVAILABLE FOR
28 PUBLIC USE IN FIXED-ROUTE SERVICE OR PARATRANSIT SERVICE WITH
29 RESPECT TO THE MOST RECENT FISCAL YEAR AS REPORTED IN THE MOST
30 RECENT PUBLIC PASSENGER TRANSPORTATION PERFORMANCE REPORT. THE

1 TERM DOES NOT INCLUDE DEADHEAD HOURS.

2 "REVENUE VEHICLE MILES." THE TOTAL AMOUNT OF DISTANCE
3 CALCULATED IN MILES DURING WHICH VEHICLES ARE IN SERVICE AND
4 AVAILABLE FOR PUBLIC USE IN FIXED-ROUTE SERVICE OR PARATRANSIT
5 SERVICE WITH RESPECT TO THE MOST RECENT FISCAL YEAR AS REPORTED
6 IN THE MOST RECENT PUBLIC PASSENGER TRANSPORTATION PERFORMANCE
7 REPORT. THE TERM DOES NOT INCLUDE DEADHEAD MILES.

8 "REVERSE COMMUTE PROJECT." A PUBLIC TRANSPORTATION PROJECT
9 DESIGNED TO TRANSPORT RESIDENTS OF URBANIZED AND NONURBANIZED
10 AREAS TO SUBURBAN EMPLOYMENT OPPORTUNITIES AS DEFINED UNDER 49
11 U.S.C. § 5316 (RELATING TO JOB ACCESS AND REVERSE COMMUTE
12 FORMULA GRANTS).

13 "SECRETARY." THE SECRETARY OF TRANSPORTATION OF THE
14 COMMONWEALTH.

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

16 "SENIOR PASSENGER." A SENIOR CITIZEN WHO RIDES ON FIXED-
17 ROUTE SERVICE.

18 "SENIOR PASSENGERS." THE NUMBER OF SENIOR PASSENGERS
19 TRANSPORTED BY A LOCAL TRANSPORTATION ORGANIZATION WITH RESPECT
20 TO THE MOST RECENT FISCAL YEAR AS REPORTED IN THE MOST RECENTLY <—
21 ~~PUBLISHED~~ RECENT PUBLIC PASSENGER TRANSPORTATION PERFORMANCE <—
22 REPORT.

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

25 "TRANSPORTATION COMPANY." A PERSON THAT RENDERS PUBLIC
26 PASSENGER TRANSPORTATION SERVICE.

27 "URBANIZED AREA." A PORTION OF THIS COMMONWEALTH CLASSIFIED
28 AS URBANIZED BY THE UNITED STATES BUREAU OF THE CENSUS OF THE
29 UNITED STATES DEPARTMENT OF COMMERCE IN THE MOST RECENT CENSUS
30 OF POPULATION.

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

7 "WELFARE-TO-WORK." ANY FEDERAL OR STATE PROGRAM DESIGNED TO
8 MOVE INDIVIDUALS FROM DEPENDENCY ON PUBLIC WELFARE PROGRAMS TO
9 SELF-SUFFICIENCY THROUGH PAID WORK.

10 § 1504. DEPARTMENT AUTHORIZATION.

11 (A) GENERAL.--THE DEPARTMENT MAY, WITHIN THE LIMITATIONS
12 PROVIDED IN THIS CHAPTER, INCUR COSTS DIRECTLY AND PROVIDE
13 FINANCIAL ASSISTANCE FOR THE PURPOSES AND ACTIVITIES ENUMERATED
14 IN THIS CHAPTER.

15 (B) SUPPLEMENTATION OF FEDERAL AND LOCAL FUNDS.--THE
16 AUTHORITY CONFERRED ON THE DEPARTMENT BY THIS CHAPTER INCLUDES, <—
17 ~~BUT IS NOT LIMITED TO,~~ PROVIDING FINANCIAL ASSISTANCE FOR PUBLIC
18 PASSENGER TRANSPORTATION PURPOSES AND ~~TO SUPPLEMENT~~ <—
19 SUPPLEMENTING FEDERAL FUNDING OR LOCAL FUNDING OR BOTH. <—

20 § 1505. REGULATIONS.

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

26 (B) TEMPORARY REGULATIONS.--

27 (1) UNLESS OTHERWISE PROVIDED IN THIS CHAPTER, IN ORDER
28 TO FACILITATE THE PROMPT IMPLEMENTATION OF THIS CHAPTER,
29 DURING THE TWO-YEAR PERIOD FOLLOWING THE EFFECTIVE DATE OF
30 THIS SECTION, THE DEPARTMENT SHALL PROMULGATE TEMPORARY

1 REGULATIONS WHICH SHALL EXPIRE FOUR YEARS FROM THE EFFECTIVE
2 DATE OF THIS SECTION. THE TEMPORARY REGULATIONS SHALL BE
3 EXEMPT FROM THE FOLLOWING:

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

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

9 (III) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181),
10 KNOWN AS THE REGULATORY REVIEW ACT.

11 (2) THE AUTHORITY OF THE DEPARTMENT TO PROMULGATE
12 TEMPORARY REGULATIONS UNDER THIS SUBSECTION SHALL EXPIRE TWO
13 YEARS FROM THE EFFECTIVE DATE OF THIS SECTION. REGULATIONS
14 ADOPTED AFTER THE TWO-YEAR PERIOD SHALL BE PROMULGATED AS
15 PROVIDED BY STATUTE.

16 § 1506. FUND.

17 (A) ESTABLISHMENT.--A SPECIAL FUND IS ESTABLISHED WITHIN THE
18 STATE TREASURY TO BE KNOWN AS THE PUBLIC TRANSPORTATION TRUST
19 FUND. MONEY IN THE FUND IS HEREBY APPROPRIATED, UPON APPROVAL OF
20 THE GOVERNOR, TO THE DEPARTMENT FOR THE PURPOSES SET FORTH UNDER
21 THIS CHAPTER.

22 (B) DEPOSITS TO FUND BY DEPARTMENT.--

23 (1) THE FOLLOWING APPLY:

24 (I) EXCEPT AS PROVIDED UNDER SUBPARAGRAPH (II), UPON
25 RECEIPT, THE DEPARTMENT SHALL DEPOSIT INTO THE FUND THE
26 REVENUES RECEIVED BY THE DEPARTMENT UNDER 75 PA.C.S. CH.
27 89 (RELATING TO PENNSYLVANIA TURNPIKE) AND THE LEASE
28 AGREEMENT EXECUTED BETWEEN THE DEPARTMENT AND THE
29 PENNSYLVANIA TURNPIKE COMMISSION UNDER 75 PA.C.S. §
30 8915.3 (RELATING TO LEASE OF INTERSTATE 80) AS FOLLOWS:

1 (A) FOR FISCAL YEAR 2007-2008, \$250,000,000.

2 (B) FOR FISCAL YEAR 2008-2009, \$250,000,000.

3 (C) FOR FISCAL YEAR 2009-2010, \$250,000,000.

4 (D) FOR FISCAL YEAR 2010-2011 AND EACH FISCAL
5 YEAR THEREAFTER, THE AMOUNT CALCULATED FOR THE
6 PREVIOUS FISCAL YEAR, INCREASED ANNUALLY BY 2.5%. <—

7 (II) THE DEPOSITS MADE TO THE FUND UNDER THIS
8 SUBSECTION SHALL EQUAL \$250,000,000 ANNUALLY FOR EACH
9 FISCAL YEAR COMMENCING AFTER THE EXPIRATION OF THE
10 CONVERSION PERIOD IF THE CONVERSION NOTICE IS NOT
11 RECEIVED BY THE SECRETARY PRIOR TO EXPIRATION OF THE
12 CONVERSION PERIOD AS SET FORTH UNDER 75 PA.C.S. §
13 8915.3(3).

14 (2) UPON RECEIPT, THE DEPARTMENT SHALL DEPOSIT THE
15 AMOUNT MADE AVAILABLE TO THE DEPARTMENT AS AN EXECUTIVE
16 AUTHORIZATION AND ANY APPROPRIATION FOR THE 2007-2008 FISCAL
17 YEAR AND EACH FISCAL YEAR THEREAFTER FROM THE STATE LOTTERY
18 FUND FOR FIXED ROUTE TRANSIT AND FOR THE FREE TRANSIT PROGRAM
19 FOR SENIOR CITIZENS ESTABLISHED UNDER THE ACT OF AUGUST 26,
20 1971 (P.L.351, NO.91), KNOWN AS THE STATE LOTTERY LAW. THE
21 FUNDS DEPOSITED UNDER THIS PARAGRAPH SHALL ONLY BE USED AS
22 PERMITTED BY THE STATE LOTTERY LAW, EXCEPT THAT:

23 (I) FUNDS MAY BE USED TO PAY ESTIMATED TRANSIT
24 LOSSES RESULTING FROM PROVIDING FREE SERVICE FOR SENIOR
25 PASSENGERS DURING THE PROVIDER'S REGULAR HOURS OF
26 SERVICE; AND

27 (II) FARES FOR SENIOR CITIZENS ON COMMUTER RAIL
28 SERVICE SHALL BE LIMITED TO \$1 PER TRIP AND SHALL BE
29 EXTENDED TO ALL HOURS OF COMMUTER RAIL SERVICE.

30 (C) OTHER DEPOSITS.--THE FOLLOWING SHALL BE DEPOSITED INTO

1 THE FUND:

2 (1) 4.4% OF THE AMOUNT COLLECTED UNDER ARTICLE II OF THE
3 TAX REFORM CODE INTO THE FUND. REVENUES UNDER THIS PARAGRAPH <—
4 SHALL BE DEPOSITED INTO THE FUND BY THE 20TH DAY OF EACH
5 MONTH FOR THE PRECEDING MONTH. THE AMOUNT DEPOSITED UNDER
6 THIS PARAGRAPH IS ESTIMATED TO BE EQUIVALENT OF THE MONEY
7 AVAILABLE TO THE DEPARTMENT FROM THE FOLLOWING SOURCES: <—

8 (I) THE SUPPLEMENTAL PUBLIC TRANSPORTATION ACCOUNT
9 ESTABLISHED UNDER FORMER SECTION 1310.1 (RELATING TO
10 SUPPLEMENTAL PUBLIC TRANSPORTATION ASSISTANCE FUNDING).

11 (II) THE AMOUNT APPROPRIATED ANNUALLY BY THE
12 COMMONWEALTH FROM THE GENERAL FUND FOR MASS TRANSIT
13 PROGRAMS PURSUANT TO A GENERAL APPROPRIATIONS ACT.

14 (2) PROCEEDS OF COMMONWEALTH CAPITAL BONDS.

15 (3) REVENUE IN THE PUBLIC TRANSPORTATION ASSISTANCE FUND
16 ESTABLISHED UNDER ARTICLE XXIII OF THE TAX REFORM CODE NOT
17 OTHERWISE DEDUCTED DEDICATED PURSUANT TO LAW. <—

18 (4) OTHER APPROPRIATIONS, DEPOSITS OR TRANSFERS TO THE <—
19 FUND.

20 (D) USE OF REVENUES.--MONEY IN THE FUND SHALL BE USED BY THE
21 DEPARTMENT AS FOLLOWS:

22 (1) TO PROVIDE FINANCIAL ASSISTANCE THROUGH THE PROGRAMS
23 ESTABLISHED UNDER THIS CHAPTER;

24 (2) FOR COSTS INCURRED DIRECTLY BY THE DEPARTMENT IN THE
25 ADMINISTRATION OF PUBLIC PASSENGER TRANSPORTATION PROGRAMS,
26 INCLUDING UNDER THIS CHAPTER; AND

27 (3) FOR ALL OTHER PURPOSES ENUMERATED UNDER THIS
28 CHAPTER.

29 (E) PROGRAM FUNDING AMOUNTS.--SUBJECT TO AVAILABLE FUNDS,
30 THE PROGRAMS ESTABLISHED UNDER THIS CHAPTER SHALL BE FUNDED

1 ANNUALLY AS FOLLOWS: <—

2 (1) FOR THE PROGRAM ESTABLISHED UNDER SECTION 1513
3 (RELATING TO OPERATING PROGRAM), THE FOLLOWING AMOUNTS SHALL
4 BE ALLOCATED FROM THE FUND:

5 (I) ALL REVENUES DEPOSITED IN THE FUND UNDER
6 SUBSECTION (B)(1).

7 (II) ALL REVENUES DEPOSITED IN THE FUND UNDER
8 SUBSECTION (B)(2).

9 (III) 69.99% OF THE REVENUES DEPOSITED IN THE FUND
10 UNDER SUBSECTION (C)(1).

11 (IV) ALL REVENUES DEPOSITED INTO THE FUND UNDER <—
12 SUBSECTION (C)(3).

13 (2) (I) EXCEPT AS PROVIDED UNDER SUBPARAGRAPH (II), FOR
14 THE PROGRAM ESTABLISHED UNDER SECTION 1514 (RELATING TO ASSET
15 IMPROVEMENT PROGRAM):

16 (A) BY THE PROCEEDS OF COMMONWEALTH CAPITAL
17 BONDS.

18 (A.1) FOR FISCAL YEAR 2007-2008, \$50,000,000 <—
19 FROM THE REVENUES RECEIVED BY THE DEPARTMENT UNDER 75
20 PA.C.S. CH. 89 AND THE LEASE AGREEMENT EXECUTED
21 BETWEEN THE DEPARTMENT AND THE PENNSYLVANIA TURNPIKE
22 COMMISSION UNDER 75 PA.C.S. § 8915.3. THE AMOUNT
23 RECEIVED BY THE DEPARTMENT UNDER THIS SECTION SHALL
24 BE DEPOSITED INTO THE FUND PRIOR TO DISTRIBUTION AND
25 SHALL BE IN ADDITION TO THE AMOUNTS RECEIVED UNDER
26 SUBSECTION (B)(1).

27 (B) FOR FISCAL YEAR 2008-2009, \$100,000,000 FROM
28 THE REVENUES RECEIVED BY THE DEPARTMENT UNDER 75
29 PA.C.S. CH. 89 AND THE LEASE AGREEMENT EXECUTED
30 BETWEEN THE DEPARTMENT AND THE PENNSYLVANIA TURNPIKE

1 COMMISSION UNDER 75 PA.C.S. § 8915.3. THE AMOUNT
2 RECEIVED BY THE DEPARTMENT UNDER THIS SECTION SHALL
3 BE DEPOSITED INTO THE FUND PRIOR TO DISTRIBUTION AND
4 SHALL BE IN ADDITION TO THE AMOUNTS RECEIVED UNDER
5 SUBSECTION (B)(1).

6 (C) FOR FISCAL YEAR 2009-2010, \$150,000,000 FROM
7 THE REVENUES RECEIVED BY THE DEPARTMENT UNDER 75
8 PA.C.S. CH. 89 AND THE LEASE AGREEMENT EXECUTED
9 BETWEEN THE DEPARTMENT AND THE PENNSYLVANIA TURNPIKE
10 COMMISSION UNDER 75 PA.C.S. § 8915.3. THE AMOUNT
11 RECEIVED BY THE DEPARTMENT UNDER THIS SECTION SHALL
12 BE DEPOSITED INTO THE FUND PRIOR TO DISTRIBUTION AND
13 SHALL BE IN ADDITION TO THE AMOUNTS RECEIVED UNDER
14 SUBSECTION (B)(1).

15 (D) FOR FISCAL YEAR 2010-2011 AND EACH FISCAL
16 YEAR THEREAFTER, \$150,000,000, INCREASED ANNUALLY THE ←
17 AMOUNT CALCULATED FOR THE PRIOR FISCAL YEAR,
18 INCREASED BY 2.5% FROM THE REVENUES RECEIVED BY THE
19 DEPARTMENT UNDER 75 PA.C.S. CH. 89 AND THE LEASE
20 AGREEMENT EXECUTED BETWEEN THE DEPARTMENT AND THE
21 PENNSYLVANIA TURNPIKE COMMISSION UNDER 75 PA.C.S. §
22 8915.3. THE AMOUNT RECEIVED BY THE DEPARTMENT UNDER
23 THIS SECTION SHALL BE DEPOSITED INTO THE FUND PRIOR
24 TO DISTRIBUTION AND SHALL BE IN ADDITION TO THE
25 AMOUNTS RECEIVED UNDER SUBSECTION (B)(1).

26 (II) IF THE CONVERSION NOTICE IS NOT RECEIVED BY THE
27 SECRETARY PRIOR TO THE END OF THE CONVERSION PERIOD AS
28 SET FORTH IN 75 PA.C.S. § 8915.3(3), NO PAYMENT ←
29 ADDITIONAL ALLOCATION SHALL BE REQUIRED UNDER THIS ←
30 SUBPARAGRAPH MADE UNDER SUBPARAGRAPH (I). ←

1 (3) FOR THE PROGRAM ESTABLISHED UNDER SECTION 1516
2 (RELATING TO PROGRAMS OF STATEWIDE SIGNIFICANCE), ~~5.5%~~ 13.24% ←
3 OF THE REVENUES DEPOSITED IN THE FUND UNDER SUBSECTION (C)(1)
4 SHALL BE ALLOCATED FROM THE FUND.

5 (4) FOR THE PROGRAM ESTABLISHED UNDER SECTION 1517
6 (RELATING TO CAPITAL IMPROVEMENTS PROGRAM), 16.77% OF THE
7 REVENUES DEPOSITED IN THE FUND UNDER SUBSECTION (C)(1).
8 ADDITIONAL FUNDS FOR THIS PROGRAM MAY BE PROVIDED FROM THE
9 FUNDS ALLOCATED BUT NOT DISTRIBUTED BASED ON THE LIMITATION
10 SET FORTH UNDER SECTION ~~1513(C)~~ 1513(C)(3). ←

11 § 1507. APPLICATION AND APPROVAL PROCESS.

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

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

17 (2) THE NAME AND TELEPHONE NUMBER OF A CONTACT PERSON
18 FOR THE APPLICANT.

19 (3) THE AMOUNT AND TYPE OF FINANCIAL ASSISTANCE
20 REQUESTED AND THE PROPOSED USE OF THE FUNDS.

21 (4) A STATEMENT AS TO THE PARTICULAR NEED FOR THE
22 FINANCIAL ASSISTANCE.

23 (5) A CERTIFIED COPY OF A CURRENT RESOLUTION AUTHORIZING
24 SUBMISSION OF THE APPLICATION IF THE APPLICANT IS A GOVERNING
25 BODY.

26 (6) EVIDENCE SATISFACTORY TO THE DEPARTMENT OF THE
27 COMMITMENT FOR MATCHING FUNDS REQUIRED UNDER THIS CHAPTER
28 SUFFICIENT TO MATCH THE PROJECTED FINANCIAL ASSISTANCE
29 PAYMENTS AT THE SAME TIMES THAT THE FINANCIAL ASSISTANCE
30 PAYMENTS ARE TO BE PROVIDED.

1 (7) ANY OTHER INFORMATION THE DEPARTMENT DEEMS NECESSARY
2 OR DESIRABLE.

3 (B) APPROVAL AND AWARD.--UPON DETERMINING THAT AN APPLICANT
4 HAS COMPLIED WITH THIS CHAPTER, APPLICABLE RULES AND REGULATIONS
5 AND ANY OTHER REQUIREMENT WITH RESPECT TO THE FINANCIAL
6 ASSISTANCE REQUESTED, THE DEPARTMENT MAY AWARD FINANCIAL
7 ASSISTANCE TO THE APPLICANT. IF THE DEPARTMENT AWARDS FINANCIAL
8 ASSISTANCE TO THE APPLICANT, THE DEPARTMENT AND THE APPLICANT
9 SHALL ENTER INTO A FINANCIAL ASSISTANCE AGREEMENT SETTING FORTH
10 THE TERMS AND CONDITIONS GOVERNING THE USE OF THE FINANCIAL
11 ASSISTANCE AND THE TIMING OF PAYMENT OF THE FUNDS. THE
12 DEPARTMENT SHALL DEVELOP GUIDELINES FOR THE APPLICATION FOR AND
13 AWARDING OF FINANCIAL ASSISTANCE UNDER THIS CHAPTER AND SHALL
14 FORWARD THEM TO THE LEGISLATIVE REFERENCE BUREAU FOR PUBLICATION
15 IN THE PENNSYLVANIA BULLETIN.

16 (C) RESTRICTION ON USE OF FUNDS.--FINANCIAL ASSISTANCE UNDER
17 THIS CHAPTER SHALL BE USED ONLY FOR ACTIVITIES SET FORTH UNDER
18 THE FINANCIAL ASSISTANCE AGREEMENT UNLESS THE DEPARTMENT GRANTS <—
19 THE AWARD RECIPIENT A WAIVER ALLOWING THE FUNDS TO BE USED FOR A
20 DIFFERENT PURPOSE. THE DEPARTMENT'S REGULATIONS SHALL DESCRIBE
21 CIRCUMSTANCES UNDER WHICH IT WILL CONSIDER WAIVER REQUESTS AND
22 SHALL SET FORTH ALL INFORMATION TO BE INCLUDED IN A WAIVER
23 REQUEST. THE MAXIMUM DURATION OF A WAIVER SHALL BE ONE YEAR, AND
24 A WAIVER REQUEST SHALL INCLUDE A PLAN OF CORRECTIVE ACTION TO
25 DEMONSTRATE THAT THE AWARD RECIPIENT DOES NOT HAVE AN ONGOING
26 NEED TO USE FINANCIAL ASSISTANCE FUNDS FOR ACTIVITIES OTHER THAN
27 THOSE FOR WHICH FUNDS WERE ORIGINALLY AWARDED.

28 § 1508. FEDERAL FUNDING.

29 (A) GENERAL RULE.--THE DEPARTMENT SHALL ADMINISTER THE
30 PROGRAM PROGRAMS ESTABLISHED UNDER THIS CHAPTER IN A MANNER THAT <—

1 PERMITS FULL COOPERATION BETWEEN FEDERAL, STATE AND LOCAL
2 GOVERNMENTS, AGENCIES AND INSTRUMENTALITIES, LOCAL
3 TRANSPORTATION ORGANIZATIONS AND PRIVATE INTERESTS, SO AS TO
4 RESULT IN AS EFFECTIVE AND ECONOMICAL A PROGRAM AS POSSIBLE.

5 (B) AGREEMENTS.--THE DEPARTMENT MAY ENTER INTO AGREEMENTS
6 FOR MUTUAL COOPERATION BETWEEN OR AMONG THE DEPARTMENT AND A
7 FEDERAL AGENCY, LOCAL TRANSPORTATION ORGANIZATION OR
8 TRANSPORTATION COMPANY CONCERNING A PROJECT TO BE FUNDED WITH
9 FINANCIAL ASSISTANCE UNDER THIS CHAPTER, INCLUDING JOINT
10 APPLICATIONS FOR FEDERAL GRANTS.

11 (C) GENERAL AUTHORITY OF DEPARTMENT.--THE DEPARTMENT MAY DO
12 ANYTHING NECESSARY OR DESIRABLE TO SECURE FINANCIAL AID OR
13 COOPERATION OF A FEDERAL AGENCY FOR A PROJECT FUNDED WITH
14 FINANCIAL ASSISTANCE UNDER THIS CHAPTER AND TO COMPLY WITH A
15 FEDERAL STATUTE OR LAWFUL REQUIREMENT OF A FEDERAL AGENCY
16 AUTHORIZED TO ADMINISTER A PROGRAM OF FEDERAL AID TO
17 TRANSPORTATION. THE DEPARTMENT MAY ENTER INTO A PROTECTIVE
18 AGREEMENT WITH ORGANIZED LABOR TO THE EXTENT REQUIRED UNDER 49
19 U.S.C. § 5333 (RELATING TO LABOR STANDARDS) IN ORDER TO OBTAIN
20 FEDERAL GRANT MONEY FOR TRANSPORTATION ASSISTANCE. PROTECTIVE
21 AGREEMENTS SHALL BE NARROWLY DRAWN AND STRICTLY CONSTRUED TO
22 PROVIDE NO MORE THAN THE MINIMUM PROTECTIONS REQUIRED BY THE
23 UNITED STATES DEPARTMENT OF LABOR FOR THE AGREEMENTS.

24 (D) DIRECT RECIPIENTS.--LOCAL TRANSPORTATION ORGANIZATIONS
25 THAT ARE DIRECT RECIPIENTS OF FEDERAL FUNDING SHALL BE UNDER NO
26 OBLIGATION TO ENTER INTO CONTRACTS WITH THE DEPARTMENT FOR
27 EXPENDITURE OF THOSE FUNDS, EXCEPT THAT THE DEPARTMENT MAY
28 REQUIRE A CONTRACT FOR EXPENDITURE OF THE STATE PORTION OF THE
29 PROJECT ASSISTED BY THOSE FEDERAL FUNDS.

30 § 1509. LIMITATION ON DECISIONS, FINDINGS AND REGULATIONS OF

1 DEPARTMENT.

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

6 § 1510. PROGRAM OVERSIGHT AND ADMINISTRATION.

7 (A) REVIEW AND OVERSIGHT.--THE DEPARTMENT SHALL INITIATE AND
8 MAINTAIN A PROGRAM OF FINANCIAL AND PERFORMANCE REVIEW AND
9 OVERSIGHT FOR ALL PROGRAMS RECEIVING FINANCIAL ASSISTANCE UNDER
10 THIS CHAPTER. THE DEPARTMENT MAY PERFORM INDEPENDENT FINANCIAL
11 AUDITS OF EACH AWARD RECIPIENT TO ENSURE COMPLIANCE BY AWARD
12 RECIPIENTS WITH THIS CHAPTER, DEPARTMENT REGULATIONS AND
13 POLICIES AND FINANCIAL ASSISTANCE AGREEMENTS. AUDITS SHALL BE
14 CONDUCTED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING
15 STANDARDS.

16 (B) STATE RAIL TRANSIT SAFETY INSPECTION PROGRAM.--THE
17 DEPARTMENT MAY CONDUCT A STATE RAIL TRANSIT SAFETY INSPECTION
18 PROGRAM, AS MAY BE DEFINED FROM TIME TO TIME BY THE FEDERAL
19 TRANSIT ADMINISTRATION, TO MEET OVERSIGHT REQUIREMENTS OF THE
20 FEDERAL TRANSIT ADMINISTRATION. THE PUBLIC TRANSPORTATION MODES
21 COVERED SHALL INCLUDE HEAVY RAIL, LIGHT RAIL, TRACKLESS TROLLEY
22 BUS AND INCLINED PLANE SERVICES AND RELATED FACILITIES.

23 § 1511. REPORT TO GOVERNOR AND GENERAL ASSEMBLY.

24 THE FOLLOWING SHALL APPLY:

25 (1) EXCEPT AS PROVIDED IN PARAGRAPH (2), THE DEPARTMENT
26 SHALL ~~FILE~~ SUBMIT A PUBLIC PASSENGER TRANSPORTATION <—
27 PERFORMANCE REPORT ~~WITH~~ TO THE GOVERNOR AND THE GENERAL <—
28 ASSEMBLY BY APRIL 30 OF EACH YEAR, COVERING THE PRIOR FISCAL
29 YEAR.

30 (2) THE REPORT COVERING THE 2005-2006 FISCAL YEAR SHALL

1 BE PUBLISHED SUBMITTED BY JULY 31, 2007.

2 § 1512. COORDINATION.

3 COORDINATION IS REQUIRED IN REGIONS WHERE TWO OR MORE AWARD
4 RECIPIENTS HAVE SERVICES OR ACTIVITIES FOR WHICH FINANCIAL
5 ASSISTANCE IS BEING PROVIDED UNDER THIS CHAPTER TO ASSURE THAT
6 THE SERVICES OR ACTIVITIES ARE PROVIDED EFFICIENTLY AND
7 EFFECTIVELY.

8 § 1513. OPERATING PROGRAM.

9 (A) ELIGIBLE APPLICANTS.--THE FOLLOWING MAY APPLY FOR
10 FINANCIAL ASSISTANCE FOR OPERATING EXPENSES UNDER THIS SECTION:

11 (1) THE GOVERNING BODY OF A MUNICIPALITY OR AN
12 INSTRUMENTALITY OF A MUNICIPALITY.

13 (2) A COMMONWEALTH AGENCY OR INSTRUMENTALITY.

14 (3) A LOCAL TRANSPORTATION ORGANIZATION.

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 APPLICANT'S REASONABLE ESTIMATES OF OPERATING
19 REVENUE AND GOVERNMENT SUBSIDIES SUFFICIENT TO COVER ALL
20 PROJECTED OPERATING EXPENSES.

21 (C) DISTRIBUTION FORMULA.--

22 (1) NO LATER THAN 15 BUSINESS DAYS AFTER THE EFFECTIVE
23 DATE OF THIS SECTION THE DEPARTMENT SHALL FORWARD TO THE
24 LEGISLATIVE REFERENCE BUREAU FOR PUBLICATION IN THE
25 PENNSYLVANIA BULLETIN THE BASE OPERATING ALLOCATION FOR EACH
26 LOCAL TRANSPORTATION ORGANIZATION.

27 (1.1) FOR PURPOSES OF DETERMINING THE AMOUNT OF
28 ASSISTANCE AVAILABLE FOR DISTRIBUTION UNDER THIS SUBSECTION,
29 IN ADDITION TO THE AMOUNTS ALLOCATED UNDER SECTION
30 1506(E)(1)(RELATING TO FUND), AN AMOUNT EQUAL TO THE REVENUE

1 IN THE PUBLIC TRANSPORTATION ASSISTANCE FUND DEDICATED
2 PURSUANT TO LAW SHALL BE INCLUDED.

3 (2) FOR FISCAL YEAR 2007-2008 AND EVERY FISCAL YEAR
4 THEREAFTER EACH QUALIFYING LOCAL TRANSPORTATION ORGANIZATION ←
5 SHALL RECEIVE FINANCIAL ASSISTANCE WHICH SHALL CONSIST OF THE
6 FOLLOWING:

7 (I) ITS BASE OPERATING ALLOCATION MULTIPLIED BY
8 1.0506.

9 (II) AN ADDITIONAL AMOUNT WHICH SHALL BE ALLOCATED
10 BASED ON THE FOLLOWING DISTRIBUTION FORMULA:

11 (A) TWENTY-FIVE PERCENT OF THE AWARD AMOUNT
12 SHALL BE BASED ON THE NUMBER OF PASSENGERS. THE
13 ACTUAL AMOUNT RECEIVED BY EACH LOCAL TRANSPORTATION
14 ORGANIZATION UNDER THIS CLAUSE SHALL BE CALCULATED AS
15 FOLLOWS:

16 (I) MULTIPLY THE TOTAL AMOUNT OF FUNDING
17 AVAILABLE FOR DISTRIBUTION UNDER THIS PARAGRAPH
18 BY 0.25.

19 (II) MULTIPLY THE PRODUCT UNDER SUBCLAUSE
20 (I) BY THE LOCAL TRANSPORTATION ORGANIZATION'S
21 NUMBER OF PASSENGERS.

22 (III) DIVIDE THE PRODUCT UNDER SUBCLAUSE
23 (II) BY THE TOTAL NUMBER OF PASSENGERS FOR ALL
24 QUALIFYING LOCAL TRANSPORTATION ORGANIZATIONS. ←

25 (B) TEN PERCENT OF THE AWARD AMOUNT SHALL BE
26 BASED ON THE NUMBER OF SENIOR PASSENGERS TO OFFSET
27 FREE FARES FOR SENIOR PASSENGERS. THE ACTUAL AMOUNT
28 RECEIVED BY EACH LOCAL TRANSPORTATION ORGANIZATION
29 UNDER THIS CLAUSE SHALL BE CALCULATED AS FOLLOWS:

30 (I) MULTIPLY THE TOTAL AMOUNT OF FUNDING

1 AVAILABLE FOR DISTRIBUTION UNDER THIS PARAGRAPH
2 BY 0.10.

3 (II) MULTIPLY THE PRODUCT UNDER SUBCLAUSE
4 (I) BY THE LOCAL TRANSPORTATION ORGANIZATION'S
5 NUMBER OF SENIOR PASSENGERS.

6 (III) DIVIDE THE PRODUCT UNDER SUBCLAUSE
7 (II) BY THE TOTAL NUMBER OF SENIOR PASSENGERS FOR
8 ALL ~~QUALIFYING~~ LOCAL TRANSPORTATION <—
9 ORGANIZATIONS.

10 (C) THIRTY-FIVE PERCENT OF THE AWARD AMOUNT
11 SHALL BE BASED ON THE NUMBER OF REVENUE VEHICLE
12 HOURS. THE ACTUAL AMOUNT RECEIVED BY EACH LOCAL
13 TRANSPORTATION ORGANIZATION UNDER THIS CLAUSE SHALL
14 BE CALCULATED AS FOLLOWS:

15 (I) MULTIPLY THE TOTAL AMOUNT OF FUNDING
16 AVAILABLE FOR DISTRIBUTION UNDER THIS PARAGRAPH
17 BY 0.35.

18 (II) MULTIPLY THE PRODUCT UNDER SUBCLAUSE
19 (I) BY THE LOCAL TRANSPORTATION ORGANIZATION'S
20 NUMBER OF REVENUE VEHICLE HOURS.

21 (III) DIVIDE THE PRODUCT UNDER SUBCLAUSE
22 (II) BY THE TOTAL OF THE REVENUE VEHICLE HOURS
23 FOR ALL ~~QUALIFYING~~ LOCAL TRANSPORTATION <—
24 ORGANIZATIONS.

25 (D) THIRTY PERCENT OF THE AWARD AMOUNT SHALL BE
26 BASED ON THE NUMBER OF REVENUE VEHICLE MILES. THE
27 ACTUAL AMOUNT RECEIVED BY EACH LOCAL TRANSPORTATION
28 ORGANIZATION UNDER THIS CLAUSE SHALL BE CALCULATED AS
29 FOLLOWS:

30 (I) MULTIPLY THE TOTAL AMOUNT OF FUNDING

1 AVAILABLE FOR DISTRIBUTION UNDER THIS PARAGRAPH
2 BY 0.30.

3 (II) MULTIPLY THE PRODUCT UNDER SUBCLAUSE
4 (I) BY THE LOCAL TRANSPORTATION ORGANIZATION'S
5 NUMBER OF REVENUE VEHICLE MILES.

6 (III) DIVIDE THE PRODUCT UNDER SUBCLAUSE
7 (II) BY THE TOTAL NUMBER OF REVENUE VEHICLE MILES
8 FOR ALL QUALIFYING LOCAL TRANSPORTATION <—
9 ORGANIZATIONS.

10 (3) FOR THE 2007-2008 FISCAL YEAR, NO LOCAL
11 TRANSPORTATION ORGANIZATION SHALL RECEIVE TOTAL FINANCIAL
12 ASSISTANCE UNDER THIS SUBSECTION THAT WOULD BE MORE THAN 50%
13 HIGHER THAN THE AMOUNT IT RECEIVES UNDER PARAGRAPH (2)(I). <—
14 FOR EACH SUBSEQUENT FISCAL YEAR, THE INCREASE IN THE TOTAL
15 FINANCIAL ASSISTANCE PROVIDED TO EACH APPLICANT LOCAL <—
16 TRANSPORTATION ORGANIZATION SHALL NOT EXCEED 20% OF THE PRIOR
17 YEAR ALLOCATION.

18 (C.1) MINIMUM.--NO LOCAL TRANSPORTATION ORGANIZATION SHALL <—
19 RECEIVE FINANCIAL ASSISTANCE UNDER THIS SECTION IN AN AMOUNT
20 LESS THAN THE AMOUNT RECEIVED IN THE PREVIOUS FISCAL YEAR.

21 (D) LOCAL MATCH REQUIREMENTS.--

22 (1) FOR FISCAL YEAR 2007-2008 AND EACH FISCAL YEAR
23 THEREAFTER, FINANCIAL ASSISTANCE PROVIDED UNDER THIS SECTION
24 SHALL BE MATCHED BY LOCAL OR PRIVATE CASH FUNDING IN AN
25 AMOUNT NOT LESS THAN THE GREATER OF:

26 (I) 15% OF THE AMOUNT OF THE FINANCIAL ASSISTANCE
27 BEING PROVIDED; OR

28 (II) THE AMOUNT REQUIRED UNDER FORMER SECTION
29 1311(D) (RELATING TO USE OF FUNDS DISTRIBUTED) FOR FISCAL
30 YEAR 2006-2007.

1 (2) IN FISCAL YEAR 2007-2008 AND EACH FISCAL YEAR
2 THEREAFTER, IF THE LOCAL MATCH REQUIRED UNDER THIS SUBSECTION
3 DOES NOT EQUAL 15%, THE LOCAL MATCH SHALL BE INCREASED
4 ANNUALLY IN AN AMOUNT NOT TO EXCEED 5% UNTIL THE LOCAL MATCH
5 EQUALS 15%.

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

18 (I) ANY FORM OF TRANSIT OPERATING REVENUE OR OTHER
19 FORMS OF TRANSIT INCOME PROVIDED BY THE LOCAL
20 TRANSPORTATION ORGANIZATION.

21 (II) FUNDS USED TO REPLACE FARES.

22 (4) A MUNICIPALITY IN A METROPOLITAN AREA WHICH IS A
23 MEMBER OF A LOCAL TRANSPORTATION ORGANIZATION IS AUTHORIZED
24 TO PROVIDE ANNUAL FINANCIAL ASSISTANCE FROM CURRENT REVENUES
25 TO THE LOCAL TRANSPORTATION ORGANIZATION OF WHICH IT IS A
26 MEMBER OR ENTER INTO A LONG-TERM AGREEMENT FOR PAYMENT OF
27 MONEY TO ASSIST IN DEFRAYING THE COSTS OF OPERATION,
28 MAINTENANCE AND DEBT SERVICE OF THE LOCAL TRANSPORTATION
29 ORGANIZATION OR OF A PARTICULAR PUBLIC TRANSPORTATION PROJECT
30 OF A LOCAL TRANSPORTATION ORGANIZATION. THE OBLIGATION OF A

1 MUNICIPALITY UNDER AN AGREEMENT PURSUANT TO THIS PARAGRAPH
2 SHALL NOT BE CONSIDERED TO BE A PART OF THE INDEBTEDNESS OF
3 THE MUNICIPALITY, NOR SHALL THE OBLIGATION BE DEEMED TO
4 IMPAIR THE STATUS OF ANY INDEBTEDNESS OF THE MUNICIPALITY
5 WHICH WOULD OTHERWISE BE CONSIDERED SELF-SUSTAINING.

6 (E) PERFORMANCE REVIEWS.--

7 (1) THE DEPARTMENT MAY CONDUCT PERFORMANCE REVIEWS OF AN
8 AWARD RECIPIENT UNDER THIS SECTION TO DETERMINE THE
9 EFFICIENCY AND EFFECTIVENESS OF THE FINANCIAL ASSISTANCE.
10 REVIEWS SHALL BE CONDUCTED AT REGULAR INTERVALS AS
11 ESTABLISHED BY THE DEPARTMENT IN CONSULTATION WITH THE
12 MANAGEMENT OF THE AWARD RECIPIENT. AFTER COMPLETION OF A
13 REVIEW, THE DEPARTMENT SHALL ISSUE A REPORT THAT:

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

16 (II) ASSESSES PERFORMANCE, EFFICIENCY AND
17 EFFECTIVENESS OF THE USE OF THE FINANCIAL ASSISTANCE;

18 (III) MAKES RECOMMENDATIONS ON FOLLOW-UP ACTIONS
19 REQUIRED TO REMEDY ANY PROBLEM IDENTIFIED; AND

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

23 (2) THE DEPARTMENT SHALL DELIVER THE REPORT TO THE
24 GOVERNOR, TO THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
25 TRANSPORTATION COMMITTEE OF THE SENATE AND TO THE CHAIRMAN
26 AND MINORITY CHAIRMAN OF THE TRANSPORTATION COMMITTEE OF THE
27 HOUSE OF REPRESENTATIVES. THE DEPARTMENT'S REGULATIONS SHALL
28 CONTAIN A DESCRIPTION OF THE IMPACT ON BOTH THE AMOUNT OF,
29 AND FUTURE ELIGIBILITY FOR, FINANCIAL ASSISTANCE UNDER THIS
30 CHAPTER BASED UPON THE DEGREE TO WHICH THE LOCAL

1 TRANSPORTATION ORGANIZATION COMPLIES WITH THE RECOMMENDATIONS
2 IN THE REPORT. THE DEPARTMENT SHALL DEVELOP A LIST OF BEST
3 PRACTICES REVEALED BY THE REPORTS ISSUED UNDER THIS
4 SUBSECTION AND SHALL POST THEM ON THE DEPARTMENT'S INTERNET
5 WEBSITE.

6 (F) PERFORMANCE CRITERIA.--CRITERIA USED FOR THE REVIEWS
7 CONDUCTED UNDER SUBSECTION (E) SHALL CONSIST OF PASSENGERS PER
8 REVENUE VEHICLE HOUR, OPERATING COSTS PER REVENUE VEHICLE HOUR,
9 OPERATING REVENUE PER REVENUE VEHICLE HOUR, OPERATING COSTS PER
10 PASSENGER AND OTHER ITEMS AS THE DEPARTMENT MAY ESTABLISH. THE
11 DEPARTMENT'S REGULATIONS SHALL SET FORTH THE MINIMUM SYSTEM
12 PERFORMANCE CRITERIA, BASED UPON COMPARISON OF THE AWARD
13 RECIPIENT TO ITS PAST PERFORMANCE AND TO ITS PEERS, THAT AN
14 AWARD RECIPIENT MUST SATISFY.

15 (G) FAILURE TO SATISFY MINIMUM PERFORMANCE CRITERIA.--

16 (1) IF A PERFORMANCE REVIEW CONDUCTED UNDER SUBSECTION
17 (E) REVEALS THAT THE PERFORMANCE OF AN AWARD RECIPIENT'S
18 TRANSPORTATION SYSTEM HAS DECREASED COMPARED TO PERFORMANCE
19 DETERMINED THROUGH A PRIOR REVIEW, THE DEPARTMENT MAY, UPON
20 THE WRITTEN REQUEST OF AN AWARD RECIPIENT, WAIVE ANY
21 REQUIREMENT FOR A REDUCTION IN THE AMOUNT OF FINANCIAL
22 ASSISTANCE TO BE AWARDED UNDER THIS SECTION FOR A REASONABLE
23 TIME PERIOD TO ALLOW THE AWARD RECIPIENT TO BRING THE SYSTEM
24 BACK TO THE REQUIRED PERFORMANCE LEVEL. THE AWARD RECIPIENT
25 SHALL PROVIDE WRITTEN JUSTIFICATION FOR PROVIDING A TIME
26 PERIOD LONGER THAN TWO YEARS. IN ORDER TO OBTAIN THE WAIVER
27 FOR THE PERIOD REQUESTED, THE AWARD RECIPIENT MUST DO ALL OF
28 THE FOLLOWING:

29 (I) DEVELOP AN ACTION PLAN TO IMPROVE SYSTEM
30 PERFORMANCE THAT CONTAINS KEY MEASURABLE MILESTONES. THE

1 ACTION PLAN MUST BE ACCEPTABLE TO THE DEPARTMENT AND MUST
2 BE APPROVED BY THE DEPARTMENT IN WRITING.

3 (II) SUBMIT QUARTERLY PROGRESS REPORTS ON THE ACTION
4 PLAN TO THE DEPARTMENT.

5 (2) THE DEPARTMENT SHALL REVIEW AND EVALUATE THE AWARD
6 RECIPIENT'S PROGRESS TO DETERMINE IF THE SYSTEM HAS IMPROVED.
7 IF THE SYSTEM HAS IMPROVED, THE AWARD RECIPIENT WILL REMAIN
8 ELIGIBLE FOR FULL FORMULA FUNDING AS DETERMINED UNDER
9 SUBSECTION (C). IF THE SYSTEM HAS NOT IMPROVED BY THE END OF
10 THE WAIVER PERIOD, THE WAIVER WILL BE WITHDRAWN. EXPENSES
11 INCURRED BY THE AWARD RECIPIENT AS A RESULT OF THE FAILURE OF
12 THE AWARD RECIPIENT'S SYSTEM TO MEET THE MINIMUM PERFORMANCE
13 CRITERIA SHALL BE BORNE BY THE AWARD RECIPIENT.

14 (H) ADJUSTMENTS TO MINIMUM PERFORMANCE CRITERIA.--UPON
15 WRITTEN REQUEST OF AN AWARD RECIPIENT, THE DEPARTMENT MAY ADJUST
16 THE MINIMUM PERFORMANCE CRITERIA DESCRIBED IN SUBSECTION (G) IN
17 A GIVEN YEAR IF THE PERFORMANCE OF THE AWARD RECIPIENT'S SYSTEM
18 IS ADVERSELY AFFECTED BY CIRCUMSTANCES WHICH ARE BEYOND THE
19 AWARD RECIPIENT'S CONTROL. EXAMPLES ARE LABOR STRIKES,
20 INFRASTRUCTURE FAILURES AND NATURAL DISASTERS. THE REQUEST MUST
21 INCLUDE THE AWARD RECIPIENT'S REASONS FOR SEEKING THE
22 ADJUSTMENT.

23 § 1514. ASSET IMPROVEMENT PROGRAM.

24 (A) ELIGIBLE APPLICANTS.--

25 (1) THE FOLLOWING MAY APPLY FOR FINANCIAL ASSISTANCE FOR
26 IMPROVEMENT, REPLACEMENT OR EXPANSION OF CAPITAL PROJECTS
27 UNDER THIS SECTION:

28 (I) A LOCAL TRANSPORTATION ORGANIZATION.

29 (II) AN AGENCY OR INSTRUMENTALITY OF THE
30 COMMONWEALTH.

1 (III) A PERSON RESPONSIBLE FOR COORDINATING
2 COMMUNITY TRANSPORTATION PROGRAM SERVICES.

3 (IV) ANY OTHER PERSON THE DEPARTMENT DEEMS TO BE
4 ELIGIBLE.

5 (2) THE DEPARTMENT SHALL DEVELOP AND MAINTAIN FOUR-YEAR
6 AND 12-YEAR PLANS THAT SUMMARIZE THE CAPITAL PROJECTS AND
7 FINANCIAL ASSISTANCE COMMITMENTS FOR EACH APPLICANT. THE
8 DEPARTMENT MAY ENTER INTO MULTIYEAR AGREEMENTS TO PROVIDE
9 FINANCIAL ASSISTANCE FOR CAPITAL PROJECTS BASED UPON CASH
10 FLOW AND REVENUE PROJECTIONS FOR THE FUND. EACH CAPITAL
11 PROJECT SHALL BE BASED ON THE PLAN DEVELOPED BY THE
12 DEPARTMENT.

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

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

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

30 (3) IF THE APPLICANT IS REQUESTING FINANCIAL ASSISTANCE

1 FOR EXPANSION OF A CAPITAL PROJECT, EVIDENCE SATISFACTORY TO
2 THE DEPARTMENT THAT THE APPLICANT WILL HAVE SUFFICIENT FUTURE
3 ANNUAL OPERATING FUNDS TO SUPPORT THE PROPOSED EXPANSION.

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

7 (C) LOCAL MATCH REQUIREMENTS.--FINANCIAL ASSISTANCE UNDER
8 THIS SECTION SHALL BE MATCHED BY LOCAL OR PRIVATE CASH FUNDING
9 IN AN AMOUNT NOT LESS THAN 3.33% OF THE AMOUNT OF THE FINANCIAL
10 ASSISTANCE BEING PROVIDED. THE SOURCE OF FUNDS FOR THE LOCAL
11 MATCH SHALL BE SUBJECT TO THE REQUIREMENTS OF SECTION ~~1513(D)~~ <---
12 1513(D)(3) (RELATING TO OPERATING PROGRAM). <---

13 (D) CONDITIONS FOR RECEIPT OF BOND FUNDING.--FINANCIAL
14 ASSISTANCE THAT IS FUNDED BY PROCEEDS OF COMMONWEALTH CAPITAL
15 BONDS MAY BE PROVIDED TO AN APPLICANT IF ALL OF THE FOLLOWING
16 CONDITIONS ARE MET:

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

19 (2) THE APPLICANT'S CAPITAL PROJECT WAS INCLUDED IN THE
20 DEPARTMENT'S APPROVED ANNUAL RELEASE REQUEST APPROVING THE
21 USE OF THE FUNDS FOR THE PROPOSED CAPITAL PROJECT IN THE
22 FISCAL YEAR IN WHICH THE FUNDS ARE EXPECTED TO BE EXPENDED.

23 (3) THE DEPARTMENT HAS APPROVED THE UNDERLYING
24 APPLICATION FOR THE CAPITAL PROJECT.

25 (4) THE CAPITAL PROJECT HAS A USEFUL LIFE OF 20 YEARS OR
26 LONGER.

27 (E) PRIORITIES.--THE AWARD OF FINANCIAL ASSISTANCE UNDER
28 THIS SECTION SHALL BE SUBJECT TO THE FOLLOWING SET OF PRIORITIES
29 IN DESCENDING ORDER OF SIGNIFICANCE UNLESS A COMPELLING RETURN
30 ON INVESTMENT ANALYSIS FOR A PROJECT IN A LOWER CATEGORY IS

1 PROVIDED TO AND APPROVED BY THE DEPARTMENT:

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

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

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

26 (I) ESSENTIAL EMERGENCY ASSET IMPROVEMENT PROJECTS.

27 (II) STANDARD REPLACEMENT OF EXISTING ASSETS THAT
28 HAVE EXCEEDED THEIR USEFUL LIFE.

29 (III) ASSET IMPROVEMENT PROJECTS TO EXTEND THE
30 USEFUL LIFE OF THE AFFECTED ASSETS.

1 (IV) ACQUISITION OF NEW ASSETS AND OTHER ACCEPTABLE
2 PURPOSES, OTHER THAN PROJECTS TO BE FUNDED UNDER THE NEW
3 INITIATIVES PROGRAM DESCRIBED IN SECTION 1515 (RELATING
4 TO NEW INITIATIVES PROGRAM), AS DETERMINED BY THE ←
5 DEPARTMENT.

6 (F) BONDING BY AWARD RECIPIENTS.--WITH THE APPROVAL OF THE
7 DEPARTMENT, AN AWARD RECIPIENT THAT IS PERMITTED BY LAW TO ISSUE
8 BONDS MAY DO SO FOR THE PURPOSE OF FINANCING A MULTIYEAR CAPITAL
9 PROJECT. THE DEPARTMENT SHALL ENTER INTO AN AGREEMENT WITH THE
10 AWARD RECIPIENT PROVIDING THAT PAYMENTS OF THE AWARDED FUNDS
11 SUFFICIENT TO SATISFY REQUIREMENTS OF THE BONDS ISSUED BE MADE
12 DIRECTLY TO THE TRUSTEE OF THE BOND HOLDERS UNTIL SUCH TIME AS
13 THE BONDS ARE RETIRED.

14 § 1515. NEW INITIATIVES PROGRAM.

15 (A) ELIGIBLE APPLICANTS.--PERSONS ELIGIBLE TO APPLY FOR
16 FINANCIAL ASSISTANCE UNDER SECTION 1514 (RELATING TO ASSET
17 IMPROVEMENT PROGRAM) SHALL ALSO BE ELIGIBLE TO APPLY FOR
18 FINANCIAL ASSISTANCE FOR NEW OR EXPANSIONS OF FIXED GUIDEWAY
19 SYSTEMS UNDER THIS SECTION.

20 (B) APPLICATIONS.--IN ADDITION TO THE INFORMATION REQUIRED
21 UNDER SECTION 1507 (RELATING TO APPLICATION AND APPROVAL
22 PROCESS), AN APPLICATION FOR FINANCIAL ASSISTANCE UNDER THIS
23 SECTION SHALL INCLUDE ALL OF THE INFORMATION REQUIRED IN AN
24 APPLICATION FOR FINANCIAL ASSISTANCE UNDER SECTION 1514
25 (RELATING TO ASSET IMPROVEMENT PROGRAM). IF THE APPLICATION IS
26 FOR A PROPOSED EXPANSION OF A CAPITAL PROJECT, THE APPLICATION
27 SHALL ALSO INCLUDE EVIDENCE SATISFACTORY TO THE DEPARTMENT THAT
28 THE APPLICANT WILL HAVE SUFFICIENT FUTURE ANNUAL OPERATING FUNDS
29 TO SUPPORT THE PROPOSED EXPANSION.

30 (C) SOURCE OF FUNDS AND PRIORITIES.--

1 (1) SUMS ALLOCATED FOR THE ASSET IMPROVEMENT PROGRAM
2 UNDER SECTION 1506(E)(2) (RELATING TO FUND), UP TO A MAXIMUM
3 OF \$50,000,000 ANNUALLY, MAY BE USED BY THE DEPARTMENT TO
4 PROVIDE FINANCIAL ASSISTANCE UNDER THIS SECTION.

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

14 (I) INVESTMENTS IN EXISTING SERVICE AREAS HAVE BEEN
15 OPTIMIZED.

16 (II) AN ANALYSIS REVEALS A REASONABLE RETURN ON
17 INVESTMENT.

18 (III) THE PUBLIC BENEFIT OF THE PROJECT HAS BEEN
19 IDENTIFIED.

20 (IV) THERE EXISTS A LOCAL DEDICATED FUNDING COMMITMENT
21 TO PAY ANY REQUIRED LOCAL MATCH FOR THE PROJECT AND ONGOING
22 OPERATING COSTS.

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

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

27 (D) LOCAL MATCH REQUIREMENT.--FINANCIAL ASSISTANCE UNDER
28 THIS SECTION SHALL BE MATCHED BY LOCAL OR PRIVATE CASH FUNDING
29 IN AN AMOUNT NOT LESS THAN 3.33% OF THE AMOUNT OF THE FINANCIAL
30 ASSISTANCE BEING PROVIDED. THE SOURCE OF FUNDS FOR THIS LOCAL

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1 MATCH SHALL BE SUBJECT TO THE REQUIREMENTS OF SECTION 1513(D)(3)
2 (RELATING TO OPERATING PROGRAM).

3 § 1516. PROGRAMS OF STATEWIDE SIGNIFICANCE.

4 (A) GENERAL RULE.--MONEY IN THE FUND ALLOCATED FOR PROGRAMS
5 OF STATEWIDE SIGNIFICANCE SHALL BE USED BY THE DEPARTMENT TO
6 SUPPORT PUBLIC TRANSPORTATION PROGRAMS, ACTIVITIES AND SERVICES
7 NOT OTHERWISE FULLY FUNDED THROUGH THE OPERATING PROGRAM,
8 CAPITAL PROGRAM OR ASSET IMPROVEMENT PROGRAM. IN ADDITION TO ANY
9 REQUIREMENTS CONTAINED IN THIS SECTION, APPLICATIONS MUST COMPLY
10 WITH THE SECTION 1507 (RELATING TO APPLICATION AND APPROVAL ←
11 PROCESS). PROGRAMS OF STATEWIDE SIGNIFICANCE SHALL INCLUDE:

12 (1) THE PERSONS WITH DISABILITIES PROGRAM.

13 (2) INTERCITY RAIL AND BUS SERVICES.

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

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

18 (5) DEMONSTRATION AND RESEARCH PROJECTS.

19 (6) TECHNICAL ASSISTANCE.

20 (7) OTHER PROGRAMS AS DETERMINED BY THE DEPARTMENT.

21 (8) THE DEPARTMENT'S COSTS UNDER SECTION 1510(B)
22 (RELATING TO PROGRAM OVERSIGHT AND ADMINISTRATION) AND
23 SECTION 1518 (RELATING TO PROGRAM OVERSIGHT AND
24 ADMINISTRATION).

25 (B) PERSONS WITH DISABILITIES.--THE DEPARTMENT SHALL
26 ESTABLISH AND ADMINISTER A PROGRAM PROVIDING REDUCED FARES TO
27 PERSONS WITH DISABILITIES ON COMMUNITY TRANSPORTATION SERVICES
28 AND TO PROVIDE FINANCIAL ASSISTANCE FOR START-UP, ADMINISTRATIVE
29 AND CAPITAL EXPENSES RELATED TO REDUCED FARES FOR PERSONS WITH
30 DISABILITIES. ALL OF THE FOLLOWING SHALL APPLY:

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

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

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

26 (1) AN INTERCITY PASSENGER RAIL SERVICE PROVIDER, A
27 LOCAL TRANSPORTATION ORGANIZATION, AN AGENCY OR
28 INSTRUMENTALITY OF THE COMMONWEALTH OR A TRANSPORTATION
29 COMPANY THAT PROVIDES INTERCITY PUBLIC TRANSPORTATION SERVICE
30 MAY APPLY FOR FINANCIAL ASSISTANCE UNDER THIS SUBSECTION. THE

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

12 (2) OPERATING ASSISTANCE AND CAPITAL ASSISTANCE MAY BE
13 PROVIDED FOR INTERCITY BUS ~~AND RAIL SERVICES~~ SERVICE AND <—
14 INTERCITY PASSENGER RAIL SERVICE AS DETERMINED BY THE
15 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 SUBSIDIZED PUBLIC
20 PASSENGER TRANSPORTATION SERVICE, AND CONTRIBUTED BY THE
21 TRANSPORTATION COMPANY IN THE AMOUNT AND FOR THE TIME PERIOD
22 SPECIFIED IN THE FINANCIAL ASSISTANCE AGREEMENT.

23 (4) LOCAL MATCH REQUIREMENTS ARE AS FOLLOWS:

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

29 (II) FOR INTERCITY ~~RAIL~~ PASSENGER RAIL SERVICE <—
30 OPERATING AND CAPITAL ASSISTANCE, FINANCIAL ASSISTANCE

1 SHALL REQUIRE A LOCAL MATCH ON A CASE-BY-CASE BASIS,
2 TAKING INTO ACCOUNT THE BEST INTERESTS OF THE
3 COMMONWEALTH.

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

9 (D) COMMUNITY TRANSPORTATION.--

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

12 (I) CAPITAL EXPENDITURES FOR THE PROVISION OF
13 COMMUNITY TRANSPORTATION SERVICE; AND

14 (II) SERVICE STABILIZATION, INCLUDING:

15 (A) STABILIZING CURRENT SERVICE AND FARES.

16 (B) PROVIDING ADVICE OR TECHNICAL ASSISTANCE TO
17 ANALYZE AND ENHANCE COMMUNITY TRANSPORTATION SYSTEM
18 RESOURCES AND SERVICES.

19 (C) MAXIMIZING AVAILABLE FUNDING INCLUDING
20 FEDERAL DOLLARS.

21 (D) ENSURING EQUITABLE COST SHARING.

22 (2) SUBJECT TO THE LIMITATIONS OF THIS SUBSECTION, THE
23 FOLLOWING MAY APPLY FOR FINANCIAL ASSISTANCE UNDER THIS
24 SUBSECTION:

25 (I) THE GOVERNING BODY OF A COUNTY, OTHER THAN A
26 COUNTY OF THE FIRST OR SECOND CLASS.

27 (II) A TRANSPORTATION COMPANY DESIGNATED BY THE
28 GOVERNING BODY OF THE COUNTY AS THE COORDINATOR OF
29 COMMUNITY TRANSPORTATION SERVICE.

30 (III) AN AGENCY OR INSTRUMENTALITY OF THE

1 COMMONWEALTH.

2 (2.1) EACH ELIGIBLE APPLICANT SHALL BE SUBJECT TO ALL OF
3 THE FOLLOWING REQUIREMENTS:

4 (I) AN APPLICANT FOR FINANCIAL ASSISTANCE FOR
5 CAPITAL EXPENDITURES FOR THE PROVISION OF PUBLIC
6 COMMUNITY TRANSPORTATION SERVICE SHALL CERTIFY TO THE
7 DEPARTMENT THAT IT HAS TAKEN ALL REASONABLE STEPS TO
8 COORDINATE LOCAL SERVICE FOR THE ELDERLY AND PERSONS WITH
9 DISABILITIES AND THAT THE SERVICES TO BE OFFERED WITH THE
10 CAPITAL ASSETS DO NOT DUPLICATE EXISTING FIXED-ROUTE
11 SERVICES.

12 (II) THE GOVERNING BODY OF A COUNTY OR THE
13 COORDINATOR DESCRIBED UNDER THIS PARAGRAPH SHALL NOT BE
14 ELIGIBLE FOR FINANCIAL ASSISTANCE FOR SERVICE
15 STABILIZATION IF ANY OF THE FOLLOWING APPLY:

16 (A) THE COORDINATOR RECEIVES FINANCIAL
17 ASSISTANCE UNDER THE OPERATING PROGRAM ESTABLISHED
18 UNDER THIS CHAPTER.

19 (B) THE COORDINATOR IS A PRIVATE FOR-PROFIT
20 PROVIDER.

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

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

24 (II) TECHNOLOGY INVESTMENT.

25 (III) TRAINING PROGRAMS DESIGNED TO ENHANCE
26 TRANSPORTATION MANAGEMENT AND STAFF EXPERTISE.

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

29 (V) MARKETING ACTIVITIES.

30 (VI) OTHER STABILIZATION PURPOSES APPROVED BY THE

1 DEPARTMENT.

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

6 (5) THE DEPARTMENT SHALL CONDUCT A STUDY TO EVALUATE THE
7 EFFECTIVENESS AND EFFICIENCY OF COMMUNITY TRANSPORTATION
8 SERVICE DELIVERY AS IT RELATES TO HUMAN SERVICE PROGRAMS. THE
9 DEPARTMENT OF PUBLIC WELFARE, THE OFFICE OF THE BUDGET AND
10 THE DEPARTMENT OF AGING AND OTHER APPROPRIATE COMMONWEALTH
11 AGENCIES IDENTIFIED BY THE DEPARTMENT SHALL PARTICIPATE IN
12 THE STUDY. WITHIN TWO YEARS FOLLOWING THE EFFECTIVE DATE OF
13 THIS SECTION, THESE AGENCIES SHALL MAKE RECOMMENDATIONS TO
14 THE GOVERNOR AND THE MAJORITY AND MINORITY CHAIRPERSONS OF
15 THE TRANSPORTATION COMMITTEE OF THE SENATE AND THE MAJORITY
16 AND MINORITY CHAIRPERSONS OF THE TRANSPORTATION COMMITTEE OF
17 THE HOUSE OF REPRESENTATIVES FOR IMPROVING COORDINATION AND
18 EFFICIENCY OF HUMAN SERVICES AND COMMUNITY TRANSPORTATION.

19 (D.1) WELFARE-TO-WORK AND FEDERAL PROGRAMS MATCH.--THE
20 DEPARTMENT IS AUTHORIZED TO PROVIDE FINANCIAL ASSISTANCE UNDER
21 THIS SECTION TO DESIGN AND IMPLEMENT PROJECTS AND SERVICES AND
22 TO REIMBURSE AWARD RECIPIENTS FOR THE EXPENSES ASSOCIATED WITH
23 THE PROJECTS AND SERVICES THAT IDENTIFY AND ADDRESS PUBLIC
24 PASSENGER TRANSPORTATION AND RELATED BARRIERS PREVENTING
25 INDIVIDUALS ELIGIBLE FOR PARTICIPATION IN THE FEDERAL WELFARE-
26 TO-WORK PROGRAM FROM SECURING AND MAINTAINING EMPLOYMENT AND
27 FROM ACCESSING COMMUNITY SERVICES AND FACILITIES. ALL OF THE
28 FOLLOWING SHALL APPLY:

29 (1) A LOCAL TRANSPORTATION ORGANIZATION, A
30 TRANSPORTATION COMPANY DESIGNATED BY A COUNTY AS THE

1 COORDINATOR OF COMMUNITY TRANSPORTATION SERVICES OR ANY OTHER
2 PERSON APPROVED BY THE DEPARTMENT MAY APPLY TO THE DEPARTMENT
3 FOR FINANCIAL ASSISTANCE UNDER THIS SUBSECTION.

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

6 (I) FIXED-ROUTE SERVICE SUBSIDY.

7 (II) CONTRACTED TRANSPORTATION SERVICES.

8 (III) FIXED-ROUTE FARE DISCOUNTS.

9 (IV) COMMUNITY TRANSPORTATION FARE DISCOUNTS.

10 (V) TAXI FARE DISCOUNTS.

11 (VI) MILEAGE REIMBURSEMENT.

12 (VII) VEHICLE PURCHASE, INSURANCE, MAINTENANCE AND
13 REPAIR.

14 (VIII) DRIVER EDUCATION CLASSES.

15 (IX) ADMINISTRATIVE EXPENSES.

16 (X) CASE MANAGEMENT EXPENSES.

17 (XI) ANY OTHER ACTIVITIES CONSISTENT WITH THE
18 TRANSPORTATION RELATED ELEMENTS OF THE WELFARE-TO-WORK
19 PROGRAM.

20 (3) THE DEPARTMENT SHALL GIVE HIGH PRIORITY TO PROVIDING
21 FINANCIAL ASSISTANCE UNDER THIS SUBSECTION AS MATCH FOR
22 FEDERAL FUNDING TO SUPPORT PROJECTS WITH SIMILAR PURPOSES AND
23 ELIGIBLE USES, INCLUDING THE FEDERAL JOB ACCESS REVERSE
24 COMMUTE AND NEW FREEDOMS PROGRAMS.

25 (E) TECHNICAL ASSISTANCE AND DEMONSTRATION.--THE DEPARTMENT
26 IS AUTHORIZED TO PROVIDE FINANCIAL ASSISTANCE UNDER THIS SECTION
27 FOR TECHNICAL ASSISTANCE, RESEARCH AND SHORT-TERM DEMONSTRATION
28 PROJECTS. ALL OF THE FOLLOWING SHALL APPLY:

29 (1) A LOCAL TRANSPORTATION ORGANIZATION OR AN AGENCY OR
30 INSTRUMENTALITY OF THE COMMONWEALTH MAY APPLY TO THE

1 DEPARTMENT FOR FINANCIAL ASSISTANCE UNDER THIS SUBSECTION.

2 (2) FINANCIAL ASSISTANCE PROVIDED UNDER THIS SUBSECTION
3 MAY BE USED FOR REIMBURSEMENT FOR ANY APPROVED OPERATING OR
4 CAPITAL COSTS RELATED TO TECHNICAL ASSISTANCE AND
5 DEMONSTRATION PROGRAM PROJECTS. FINANCIAL ASSISTANCE FOR
6 SHORT-TERM DEMONSTRATION PROJECTS MAY BE PROVIDED AT THE
7 DEPARTMENT'S DISCRETION ON AN ANNUAL BASIS BASED ON THE LEVEL
8 OF FINANCIAL COMMITMENT PROVIDED BY THE AWARD RECIPIENT TO
9 PROVIDE ONGOING FUTURE FUNDING FOR THE PROJECT AS SOON AS THE
10 PROJECT MEETS THE CRITERIA ESTABLISHED BY THE DEPARTMENT AND
11 THE AWARD RECIPIENT. FINANCIAL ASSISTANCE FOR THIS PURPOSE
12 SHALL NOT BE PROVIDED FOR MORE THAN THREE FISCAL YEARS.
13 FINANCIAL ASSISTANCE MAY BE PROVIDED TO MEET ANY SHORT-TERM
14 EMERGENCY NEED THAT REQUIRES IMMEDIATE ATTENTION AND CANNOT
15 BE FUNDED THROUGH OTHER SOURCES.

16 (3) FINANCIAL ASSISTANCE UNDER THIS SUBSECTION PROVIDED
17 TO A LOCAL TRANSPORTATION ORGANIZATION SHALL BE MATCHED BY
18 LOCAL OR PRIVATE CASH FUNDING IN AN AMOUNT NOT LESS THAN
19 3.33% OF THE AMOUNT OF THE FINANCIAL ASSISTANCE BEING
20 PROVIDED. THE SOURCES OF FUNDS FOR THE LOCAL MATCH SHALL BE
21 SUBJECT TO THE REQUIREMENTS OF SECTION 1513(D) (RELATING TO
22 OPERATING PROGRAM).

23 § 1517. CAPITAL IMPROVEMENTS PROGRAM.

24 (A) ELIGIBILITY.--A LOCAL TRANSPORTATION ORGANIZATION MAY
25 APPLY FOR FINANCIAL ASSISTANCE UNDER THIS SECTION.

26 (B) APPLICATIONS.--THE DEPARTMENT SHALL ESTABLISH THE
27 CONTENTS OF THE APPLICATION FOR THE PROGRAM ESTABLISHED UNDER
28 THIS SECTION. THE INFORMATION SHALL BE IN ADDITION TO
29 INFORMATION REQUIRED UNDER SECTION 1507 (RELATING TO APPLICATION
30 AND APPROVAL PROCESS).

1 (C) DISTRIBUTION FORMULA.--THE DEPARTMENT SHALL AWARD
2 FINANCIAL ASSISTANCE UNDER THIS PROGRAM SECTION BASED ON THE <—
3 NUMBER OF PASSENGERS. THE ACTUAL AMOUNT AWARDED TO A LOCAL
4 TRANSPORTATION ORGANIZATION UNDER THIS SUBSECTION SHALL BE
5 CALCULATED AS FOLLOWS:

6 (1) MULTIPLY THE LOCAL TRANSPORTATION ORGANIZATION'S
7 PASSENGERS BY THE TOTAL AMOUNT OF FUNDING AVAILABLE UNDER
8 THIS SECTION.

9 (2) DIVIDE THE PRODUCT UNDER PARAGRAPH (1) BY THE SUM OF
10 THE PASSENGERS FOR ALL QUALIFYING LOCAL TRANSPORTATION
11 ORGANIZATIONS.

12 (D) PAYMENTS.--FINANCIAL ASSISTANCE UNDER THIS SECTION SHALL
13 BE PAID TO LOCAL TRANSPORTATION ORGANIZATIONS AT LEAST
14 QUARTERLY.

15 ~~(E) REDUCTION IN FINANCIAL ASSISTANCE.--LOCAL TRANSPORTATION~~ <—
16 ~~ORGANIZATIONS RECEIVING FINANCIAL ASSISTANCE UNDER THIS SECTION~~
17 ~~SHALL HAVE THEIR FINANCIAL ASSISTANCE FROM THIS PROGRAM REDUCED~~
18 ~~BY AN AMOUNT EQUAL TO~~

19 (E) REDUCTION IN FINANCIAL ASSISTANCE.--FINANCIAL ASSISTANCE <—
20 PROVIDED TO A LOCAL TRANSPORTATION ORGANIZATION UNDER THIS
21 SECTION SHALL BE REDUCED BY ANY FINANCIAL ASSISTANCE RECEIVED
22 PREVIOUSLY UNDER THIS PROGRAM SECTION WHICH HAS NOT BEEN SPENT <—
23 OR COMMITTED IN A CONTRACT WITHIN THREE YEARS OF ITS RECEIPT.

24 § 1518. PROGRAM OVERSIGHT AND ADMINISTRATION.

25 THE DEPARTMENT IS AUTHORIZED TO USE AVAILABLE MONEY IN THE
26 FUND TO COVER THE COSTS INCURRED BY THE DEPARTMENT IN
27 ADMINISTERING ALL OF ITS PUBLIC PASSENGER TRANSPORTATION FUNDING
28 PROGRAMS, INCLUDING THOSE ESTABLISHED UNDER THIS CHAPTER, AND
29 INCURRED IN THE CARRYING OUT OF ITS RESPONSIBILITIES WITH
30 RESPECT TO THE PROGRAMS.

1 § 1519. RETROACTIVE AUTHORITY.

2 (A) DATE OF PROJECT.--FINANCIAL ASSISTANCE MAY BE AWARDED
3 UNDER THIS CHAPTER BY THE DEPARTMENT WITH REFERENCE TO AN
4 APPROPRIATE PROJECT IRRESPECTIVE OF WHEN IT WAS FIRST COMMENCED
5 OR CONSIDERED AND REGARDLESS OF WHETHER COSTS WITH RESPECT TO
6 THE PROJECT WERE INCURRED PRIOR TO THE TIME THE FINANCIAL
7 ASSISTANCE IS APPLIED FOR OR PROVIDED.

8 (B) CAPITAL PROJECTS.--

9 (1) FOR CAPITAL PROJECTS, THE APPLICANT MUST OBTAIN
10 WRITTEN APPROVAL FROM THE DEPARTMENT PRIOR TO INCURRING ANY
11 EXPENSES FOR WHICH THE APPLICANT MAY LATER SEEK
12 REIMBURSEMENT.

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

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

20 ~~SECTION 4. TITLE 74 IS AMENDED BY ADDING CHAPTERS TO READ:~~ <—

21 CHAPTER 81

22 TURNPIKE

23 SEC.

24 8101. SCOPE OF CHAPTER.

25 8102. DEFINITIONS.

26 8103. (RESERVED).

27 8104. STATUS OF TURNPIKE REVENUE BONDS, NOTES OR OTHER
28 OBLIGATIONS.

29 8105. COMMISSION.

30 8106. EXERCISE OF COMMISSION POWERS.

- 1 8107. COMMISSION POWERS AND DUTIES.
- 2 8108. EXPENSES AND BONDING OF COMMISSION MEMBERS.
- 3 8109. ACQUISITION OF PROPERTY RIGHTS BY COMMISSION.
- 4 8110. PROCEDURAL REQUIREMENTS OF ACQUISITION.
- 5 8111. ENTRY AND POSSESSION OF PROPERTY CONDEMNED.
- 6 8112. ISSUANCE OF TURNPIKE REVENUE BONDS OR OTHER
- 7 OBLIGATIONS.
- 8 8113. OBLIGATION PROCEEDS RESTRICTED AND LIEN CREATED.
- 9 8114. TRUST INDENTURE AUTHORIZED.
- 10 8115. COMMISSION AND OBLIGATIONS TAX EXEMPT.
- 11 8116. COLLECTION AND DISPOSITION OF TOLLS AND OTHER REVENUE.
- 12 8117. ELECTRONIC TOLL COLLECTION.
- 13 8118. REFUNDING BONDS.
- 14 8119. RIGHTS OF OBLIGATION HOLDERS AND TRUSTEES.
- 15 8120. AUTHORITY GRANTED TO SECRETARY.
- 16 8121. (RESERVED).
- 17 8122. (RESERVED).
- 18 8123. CONSTRUCTION OF CHAPTER.

19 § 8101. SCOPE OF CHAPTER.

20 THIS CHAPTER RELATES TO TURNPIKE ORGANIZATION, EXTENSION AND

21 TOLL ROAD CONVERSION.

22 § 8102. 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 "COMMISSION." THE PENNSYLVANIA TURNPIKE COMMISSION.

27 "COST OF THE DEPARTMENT." THE TERM INCLUDES THE COSTS OF ALL

28 OF THE FOLLOWING:

29 (1) CONSTRUCTING, RECONSTRUCTING, WIDENING, EXPANDING OR

30 EXTENDING THE STATE HIGHWAY AND RURAL STATE HIGHWAY SYSTEM

1 AND CONNECTING ROADS, TUNNELS AND BRIDGES.

2 (2) SYSTEMS OF PUBLIC PASSENGER TRANSPORTATION OR
3 PORTIONS OF THE SYSTEMS.

4 (3) LANDS, PROPERTY RIGHTS, RIGHTS-OF-WAY, EASEMENTS AND
5 FRANCHISES ACQUIRED, WHICH ARE DEEMED NECESSARY OR CONVENIENT
6 FOR THE CONSTRUCTION, RECONSTRUCTION, WIDENING, EXPANDING OR
7 EXTENDING UNDER PARAGRAPH (1) OR (2).

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

11 (5) ANY OF THE FOLLOWING:

12 (I) TRAFFIC ESTIMATES AND OF ENGINEERING AND LEGAL
13 EXPENSES, PLANS, SPECIFICATIONS, SURVEYS, ESTIMATES OF
14 COST AND OF REVENUES.

15 (II) OTHER EXPENSES NECESSARY OR INCIDENT TO
16 DETERMINING THE FEASIBILITY OR PRACTICABILITY OF THE
17 ENTERPRISE. THIS SUBPARAGRAPH INCLUDES ADMINISTRATIVE AND
18 LEGAL EXPENSES.

19 (III) OTHER EXPENSES AS MAY BE NECESSARY OR INCIDENT
20 TO THE FINANCING AUTHORIZED UNDER THIS CHAPTER, THE
21 CONSTRUCTION, RECONSTRUCTION, WIDENING, EXPANDING OR
22 EXTENDING OF THE STATE HIGHWAY AND THE RURAL STATE
23 HIGHWAY SYSTEM AND CONNECTING ROADS, TUNNELS AND BRIDGES.

24 (IV) THE COSTS OF SYSTEMS OF PUBLIC PASSENGER
25 TRANSPORTATION OR PORTIONS OF THE SYSTEMS AND THE PLACING
26 OF THE SYSTEMS IN OPERATION AND THE CONDEMNATION OF
27 PROPERTY NECESSARY FOR CONSTRUCTION AND OPERATION OF THE ←
28 TURNPIKES.

29 (6) ANY OBLIGATION OR EXPENSE CONTRACTED FOR BY THE
30 DEPARTMENT OR WITH THE UNITED STATES OR AN AGENCY OF THE

1 UNITED STATES, FOR TRAFFIC SURVEYS, PREPARATION OF PLANS AND
2 SPECIFICATIONS, SUPERVISION OF CONSTRUCTION AND OTHER
3 ENGINEERING, ADMINISTRATIVE AND LEGAL SERVICES AND EXPENSES
4 IN CONNECTION WITH THE CONSTRUCTION, RECONSTRUCTION,
5 WIDENING, EXPANDING OR EXTENDING OF THE STATE HIGHWAY AND
6 RURAL STATE HIGHWAY SYSTEM OR ANY OF THE CONNECTING ROADS,
7 TUNNELS AND BRIDGES OR THE COSTS OF THE SYSTEMS OF PUBLIC
8 PASSENGER TRANSPORTATION OR PORTIONS OF THE SYSTEMS.

9 (7) PAYMENT OF ANY NOTES OR OTHER OBLIGATIONS IF THE
10 NOTES OR OTHER OBLIGATIONS WERE ISSUED FOR THE PAYMENT OF A
11 COST OF THE DEPARTMENT.

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

13 (1) CONSTRUCTING, RECONSTRUCTING, WIDENING, EXPANDING OR
14 EXTENDING TURNPIKES, CONNECTING ROADS, STORM WATER MANAGEMENT
15 SYSTEMS, INTERCHANGES, SLIP RAMPS, TUNNELS AND BRIDGES.

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

19 (3) MACHINERY AND EQUIPMENT, FINANCING CHARGES AND
20 INTEREST.

21 (4) TRAFFIC ESTIMATES, ENGINEERING AND LEGAL EXPENSES,
22 PLANS, SPECIFICATIONS, SURVEYS, COST AND REVENUE ESTIMATES,
23 OTHER EXPENSES NECESSARY OR INCIDENT TO DETERMINING THE
24 FEASIBILITY OR PRACTICABILITY OF THE ENTERPRISE,
25 ADMINISTRATIVE AND LEGAL EXPENSE AND OTHER EXPENSES AS MAY BE
26 NECESSARY OR INCIDENT TO THE FINANCING AUTHORIZED IN THIS
27 CHAPTER.

28 (5) CONDEMNATION OR OTHER MEANS OF ACQUISITION OF
29 PROPERTY NECESSARY FOR THE CONSTRUCTION AND OPERATION OF THE
30 TURNPIKES.

1 (6) AN OBLIGATION OR EXPENSE CONTRACTED FOR BY THE
2 COMMISSION WITH THE DEPARTMENT OR WITH THE UNITED STATES OR A
3 FEDERAL AGENCY FOR ANY OF THE FOLLOWING:

4 (I) TRAFFIC SURVEYS, PREPARATION OF PLANS AND
5 SPECIFICATIONS, SUPERVISION OF CONSTRUCTION AND OTHER
6 ENGINEERING AND ADMINISTRATIVE AND LEGAL SERVICES AND
7 EXPENSES IN CONNECTION WITH THE CONSTRUCTION,
8 RECONSTRUCTION, WIDENING, EXPANSION OR EXTENSION OF THE
9 TURNPIKE OR ANY OF THE CONNECTING ROADS, STORM WATER
10 MANAGEMENT SYSTEMS, INTERCHANGES, SLIP RAMPS, TUNNELS AND
11 BRIDGES.

12 (II) COSTS OF REIMBURSING THE FEDERAL GOVERNMENT
13 PURSUANT TO THE MANDATES OF THE FEDERAL LAW FOR FEDERAL
14 FUNDS EXPENDED FOR INTERSTATE OR OTHER HIGHWAYS WHICH ARE
15 TO BE MADE PART OF THE TURNPIKE SYSTEM PURSUANT TO THIS
16 CHAPTER.

17 "DEPARTMENT." THE DEPARTMENT OF TRANSPORTATION OF THE
18 COMMONWEALTH.

19 "ELECTRONIC TOLL COLLECTION." A SYSTEM OF COLLECTING TOLLS
20 OR CHARGES THAT IS CAPABLE OF CHARGING AN ACCOUNT HOLDER FOR THE
21 PRESCRIBED TOLL BY ELECTRONIC TRANSMISSION OF INFORMATION
22 BETWEEN A DEVICE ON A VEHICLE AND A DEVICE IN A TOLL LANE AT A
23 TOLL COLLECTION FACILITY.

24 "LESSEE." A PERSON, CORPORATION, FIRM, PARTNERSHIP, AGENCY,
25 ASSOCIATION OR ORGANIZATION THAT RENTS, LEASES OR CONTRACTS FOR
26 THE USE OF A VEHICLE AND HAS EXCLUSIVE USE OF THE VEHICLE FOR
27 ANY PERIOD OF TIME.

28 "LESSOR." A PERSON, CORPORATION, FIRM, PARTNERSHIP, AGENCY,
29 ASSOCIATION OR ORGANIZATION ENGAGED IN THE BUSINESS OF RENTING
30 OR LEASING VEHICLES TO ANY LESSEE UNDER A RENTAL AGREEMENT,

1 LEASE OR OTHER AGREEMENT UNDER WHICH THE LESSEE HAS THE
2 EXCLUSIVE USE OF THE VEHICLE FOR ANY PERIOD OF TIME.

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

5 "OWNER." EXCEPT AS PROVIDED UNDER SECTION ~~8116.1(E)~~ 8117(E) <—
6 (RELATING TO ELECTRONIC TOLL COLLECTION), AN INDIVIDUAL,
7 COPARTNERSHIP, ASSOCIATION OR CORPORATION HAVING TITLE OR
8 INTEREST IN A PROPERTY RIGHT, EASEMENT OR FRANCHISE AUTHORIZED
9 TO BE ACQUIRED UNDER THIS CHAPTER.

10 "PUBLIC PASSENGER TRANSPORTATION." TRANSPORTATION WITHIN AN
11 AREA THAT INCLUDES A MUNICIPALITY OR OTHER BUILT UP PLACE THAT
12 IS APPROPRIATE IN THE JUDGMENT OF THE DEPARTMENT OF
13 TRANSPORTATION TO SERVE COMMUTERS OR OTHERS IN THE LOCALITY
14 TAKING INTO CONSIDERATION THE LOCAL PATTERNS AND TRENDS OF
15 GROWTH BY BUS OR RAIL OR OTHER CONVEYANCE, EITHER PUBLICLY OR
16 PRIVATELY OWNED, SERVING THE GENERAL PUBLIC. THE TERM DOES NOT
17 INCLUDE SCHOOL BUSES, CHARTER OR SIGHTSEEING SERVICES.

18 "RURAL STATE HIGHWAY SYSTEM." ALL ROADS AND HIGHWAYS TAKEN
19 OVER BY THE COMMONWEALTH AS STATE HIGHWAYS UNDER THE PROVISIONS
20 OF THE ACT OF JUNE 22, 1931 (P.L.594, NO.203), REFERRED TO AS
21 THE TOWNSHIP STATE HIGHWAY LAW, AND ALL OTHER ROADS AND HIGHWAYS
22 SPECIFICALLY DESIGNATED BY THE SECRETARY OF THE COMMONWEALTH AS
23 RURAL STATE HIGHWAYS.

24 "SECRETARY." THE SECRETARY OF TRANSPORTATION OF THE
25 COMMONWEALTH.

26 "STATE HIGHWAY." ALL ROADS AND HIGHWAYS TAKEN OVER BY THE
27 COMMONWEALTH AS STATE HIGHWAYS UNDER THE PROVISIONS OF ANY
28 STATUTE OTHER THAN THE ACT OF JUNE 22, 1931 (P.L.594, NO.203),
29 REFERRED TO AS THE TOWNSHIP STATE HIGHWAY LAW. UNLESS CLEARLY
30 INTENDED, THE TERM SHALL NOT INCLUDE ANY STREET IN ANY CITY,

1 BOROUGH OR INCORPORATED TOWN, EVEN THOUGH THE STREET MAY HAVE
2 BEEN TAKEN OVER AS A STATE HIGHWAY.

3 "SYSTEM OF PUBLIC PASSENGER TRANSPORTATION." A SYSTEM OF
4 PUBLIC PASSENGER TRANSPORTATION, INCLUDING RAIL TRANSPORTATION
5 FACILITIES USED FOR PUBLIC PASSENGER TRANSPORTATION, WHICH MAY
6 INCLUDE THE ANY OF FOLLOWING:

7 (1) RAILWAY, STREET RAILWAY, SUBWAY, ELEVATED AND
8 MONORAIL PASSENGER OR PASSENGER AND RAIL ROLLING STOCK,
9 INCLUDING SELF-PROPELLED AND GALLERY CARS, LOCOMOTIVES,
10 PASSENGER BUSES AND WIRES, POLES AND EQUIPMENT FOR THE
11 ELECTRIFICATION OF ANY OF THE RAILS, TRACKS AND ROADBEDS,
12 GUIDEWAYS, ELEVATED STRUCTURES, BUILDINGS, STATIONS,
13 TERMINALS, DOCKS, SHELTERS AND PARKING AREAS FOR USE IN
14 CONNECTION WITH THE RAIL TRANSPORTATION SYSTEMS,
15 INTERCONNECTING LINES AND TUNNELS TO PROVIDE PASSENGER OR
16 PASSENGER AND RAIL SERVICE CONNECTIONS BETWEEN TRANSPORTATION
17 SYSTEMS, TRANSPORTATION ROUTES, CORRIDORS AND RIGHTS-OF-WAY
18 THEREFOR, BUT NOT FOR PUBLIC HIGHWAYS.

19 (2) SIGNAL AND COMMUNICATION SYSTEMS NECESSARY OR
20 DESIRABLE FOR THE CONSTRUCTION, OPERATION OR IMPROVEMENT OF A
21 PUBLIC PASSENGER TRANSPORTATION SYSTEM.

22 (3) ANY IMPROVEMENT OR OVERHAUL OF ANY VEHICLE EQUIPMENT
23 OR FURNISHINGS OF ANY OF THE ITEMS SPECIFIED UNDER PARAGRAPHS
24 (1) AND (2) OR ANY PART OR FRACTIONAL AND UNDIVIDED CO-
25 OWNERSHIP OR LEASEHOLD INTEREST IN ANY ONE OR COMBINATION OF
26 ANY OF THE ITEMS SPECIFIED UNDER PARAGRAPHS (1) AND (2) THAT
27 MAY BE DESIGNATED AS A SYSTEM OF PUBLIC PASSENGER
28 TRANSPORTATION BY THE SECRETARY OF TRANSPORTATION.

29 "TOLL ROAD CONVERSION." THE INCLUSION WITHIN THE TURNPIKE
30 SYSTEM AND THE IMPOSITION OF TOLLS ON THE SYSTEM OF A HIGHWAY

1 THAT IS PRESENTLY TOLL FREE.

2 "TURNPIKES." ANY OF THE FOLLOWING:

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

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

7 (3) RELATED STORM WATER MANAGEMENT SYSTEMS,
8 INTERCHANGES, SLIP RAMPS, TUNNELS AND BRIDGES, PROPERTY
9 RIGHTS, EASEMENTS AND FRANCHISES DEEMED NECESSARY OR
10 CONVENIENT FOR THE CONSTRUCTION, RECONSTRUCTION, WIDENING,
11 EXPANSION, EXTENSION OR THE OPERATION OF THE TURNPIKE,
12 TURNPIKE EXTENSION, TURNPIKE IMPROVEMENT AND 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) (RESERVED).

18 (B) VACANCIES AND TERMS.--

19 (1) NOTWITHSTANDING ANY OTHER LAW, ANY VACANCY IN THE
20 MEMBERSHIP OF THE COMMISSION SHALL BE FILLED BY APPOINTMENT
21 OF THE GOVERNOR BY AND WITH THE ADVICE AND CONSENT OF TWO-
22 THIRDS OF THE MEMBERS ELECTED TO THE SENATE.

23 (2) THE APPOINTED MEMBER SHALL SERVE FOR A TERM OF FOUR
24 YEARS. UPON

25 THE EXPIRATION OF THIS TERM, THE APPOINTED MEMBER MAY
26 CONTINUE TO HOLD OFFICE FOR 90 DAYS OR UNTIL HIS SUCCESSOR SHALL <—
27 BE DULY APPOINTED AND QUALIFIED. , WHICHEVER PERIOD IS SHORTER, <—
28 BUT SHALL NOT CONTINUE TO HOLD OFFICE THEREAFTER UNLESS
29 REAPPOINTED IN ACCORDANCE WITH LAW.

30 (C) (RESERVED).

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

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

12 (F) ACTIONS BY THE COMMISSION.--NOTWITHSTANDING ANY OTHER
13 LAW, COURT DECISION, PRECEDENT OR PRACTICE TO THE CONTRARY, ANY
14 AND ALL ACTIONS BY OR ON BEHALF OF THE COMMISSION SHALL BE TAKEN
15 SOLELY UPON THE APPROVAL OF A MAJORITY OF THE MEMBERS TO THE
16 COMMISSION. THE TERM "ACTIONS BY OR ON BEHALF OF THE COMMISSION"
17 MEANS ANY ACTION WHATSOEVER OF THE COMMISSION, INCLUDING, BUT
18 NOT LIMITED TO, THE HIRING, APPOINTMENT, REMOVAL, TRANSFER,
19 PROMOTION OR DEMOTION OF ANY OFFICERS AND EMPLOYEES; THE
20 RETENTION, USE OR REMUNERATION OF ANY ADVISORS, COUNSEL,
21 AUDITORS, ARCHITECTS, ENGINEERS OR CONSULTANTS; THE INITIATION
22 OF ANY LEGAL ACTION; THE MAKING OF ANY CONTRACTS, LEASES,
23 AGREEMENTS, BONDS, NOTES OR COVENANTS; THE APPROVAL OF
24 REQUISITIONS, PURCHASE ORDERS, INVESTMENTS AND REINVESTMENTS;
25 AND THE ADOPTION, AMENDMENT, REVISION OR RESCISSION OF ANY RULES
26 AND REGULATIONS, ORDERS OR OTHER DIRECTIVES. THE CHAIRMAN, VICE
27 CHAIRMAN OR ANY OTHER OFFICER OR EMPLOYEE OF THE COMMISSION MAY
28 TAKE NO ACTION BY OR ON BEHALF OF THE COMMISSION EXCEPT AS
29 EXPRESSLY AUTHORIZED BY A MAJORITY OF THE MEMBERS OF THE
30 COMMISSION.

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

6 § 8106. EXERCISE OF COMMISSION POWERS.

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

12 § 8107. COMMISSION POWERS AND DUTIES.

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

14 (1) MAINTAIN A PRINCIPAL OFFICE AT A PLACE DESIGNATED BY
15 THE COMMISSION.

16 (2) CONTRACT AND BE CONTRACTED WITH IN ITS OWN NAME.

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

21 (4) HAVE AN OFFICIAL SEAL.

22 (5) MAKE NECESSARY RULES AND REGULATIONS FOR ITS OWN
23 GOVERNANCE AND IN CONTROL OF TRAFFIC.

24 (6) ACQUIRE, HOLD, ACCEPT, OWN, USE, HIRE, LEASE,
25 EXCHANGE, OPERATE AND DISPOSE OF PERSONAL PROPERTY, REAL
26 PROPERTY AND INTERESTS IN REAL PROPERTY AND MAKE AND ENTER
27 INTO ALL CONTRACTS AND AGREEMENTS NECESSARY OR INCIDENTAL TO
28 THE PERFORMANCE OF ITS DUTIES AND THE EXECUTION OF ITS POWERS
29 UNDER THIS CHAPTER AND EMPLOY ENGINEERING, TRAFFIC,
30 ARCHITECTURAL AND CONSTRUCTION EXPERTS AND INSPECTORS,

1 ATTORNEYS AND OTHER EMPLOYEES AS MAY IN ITS JUDGMENT BE
2 NECESSARY AND FIX THEIR COMPENSATION.

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

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

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

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

26 (8) PETITION THE COURT OF COMMON PLEAS OF THE COUNTY IN
27 WHICH ANY PUBLIC ROAD OR PART THEREOF IS LOCATED AND AFFECTED
28 BY THE LOCATION OF THE TURNPIKES, FOR THE VACATION,
29 RELOCATION OR SUPPLY OF THE SAME OR ANY PART THEREOF WITH THE
30 SAME FORCE AND EFFECT AS IS NOW GIVEN BY EXISTING LAWS TO THE

1 INHABITANTS OF ANY TOWNSHIP OR THE COUNTY, AND THE
2 PROCEEDINGS UPON PETITION, WHETHER FOR THE APPOINTMENT OF
3 VIEWERS OR OTHERWISE, SHALL BE THE SAME AS PROVIDED BY
4 EXISTING LAW FOR SIMILAR PROCEEDINGS UPON THE PETITIONS.

5 (9) NEGOTIATE AND ENTER INTO INTEREST RATE SWAPS AND
6 OTHER INTEREST RATE HEDGES TO ASSIST THE COMMISSION IN
7 MANAGING INTEREST COST AND RATE RISK IN CONNECTION WITH ITS
8 DEBT.

9 (10) PROVIDE FOR COSTS OF THE DEPARTMENT.

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

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

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

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

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

26 § 8108. EXPENSES AND BONDING OF COMMISSION MEMBERS.

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

1 BE INCURRED UNDER THIS CHAPTER BEYOND THE EXTENT TO WHICH MONEY
2 SHALL HAVE BEEN PROVIDED UNDER THE AUTHORITY OF THIS CHAPTER.

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

8 § 8109. ACQUISITION OF PROPERTY RIGHTS BY COMMISSION.

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

16 (B) PURCHASE.--

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

30 (2) THE NET PROCEEDS OF THE PURCHASE PRICE PAYABLE TO A

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

10 § 8110. PROCEDURAL REQUIREMENTS OF ACQUISITION.

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

13 (B) ENTRY.--

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

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

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

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

1 THIS CHAPTER.

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

15 § 8111. ENTRY AND POSSESSION OF PROPERTY CONDEMNED.

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

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

23 (A) AUTHORIZATION.--

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

26 (I) SERIES.

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

29 (III) INTEREST.

30 (IV) DENOMINATION.

1 (V) FORM, EITHER COUPON OR FULLY REGISTERED WITHOUT
2 COUPONS.

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

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

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

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

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

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

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

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

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

1 PROJECTS OR PROPERTIES.

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

11 (3) TERMS AND PROVISIONS OF THE BOND.

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

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

16 (6) THE SETTING ASIDE, REGULATION AND DISPOSITION OF
17 RESERVES AND SINKING FUNDS.

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

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

22 (9) OTHER ADDITIONAL AGREEMENTS WITH THE HOLDER OF THE
23 BOND.

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

1 AGREEMENT MAY CONTAIN PROVISIONS AS MAY BE CUSTOMARY IN SUCH
2 INSTRUMENTS OR AS THE COMMISSION MAY AUTHORIZE, INCLUDING
3 PROVISIONS AS TO THE FOLLOWING:

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

13 (2) APPLICATION OF FUNDS AND THE SAFEGUARDING OF FUNDS
14 ON HAND OR ON DEPOSIT.

15 (3) RIGHTS AND REMEDIES OF TRUSTEES AND BONDHOLDERS,
16 INCLUDING RESTRICTIONS UPON THE INDIVIDUAL RIGHT OF ACTION OF
17 A BONDHOLDER.

18 (4) TERMS AND PROVISIONS OF THE BOND OR THE RESOLUTION
19 AUTHORIZING THE ISSUANCE OF THE BOND.

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

23 § 8113. OBLIGATION PROCEEDS RESTRICTED AND LIEN CREATED.

24 ALL MONEY RECEIVED FROM ANY BONDS, NOTES OR OTHER OBLIGATIONS
25 ISSUED UNDER THIS CHAPTER SHALL BE APPLIED SOLELY TO THE PAYMENT
26 OF THE COSTS OF THE DEPARTMENT, THE COSTS OF THE TURNPIKES, THE
27 TURNPIKE EXTENSIONS AND IMPROVEMENTS AND THE TOLL ROAD
28 CONVERSIONS, INCLUDING THE RECONSTRUCTION OF THE CONVERTED ROADS
29 AS PROVIDED FOR IN THIS CHAPTER AND THE REPAYMENT TO THE FEDERAL
30 TREASURY OF ANY FUNDS SO REQUIRED TO BE REPAID PURSUANT TO ANY

1 SPECIAL LEGISLATION PASSED BY THE CONGRESS OF THE UNITED STATES
2 AUTHORIZING THE CONVERSION OF TOLL-FREE ROADS TO TOLL ROADS OR
3 TO THE APPURTENANT FUND. THERE IS CREATED AND GRANTED A LIEN
4 UPON THE MONEY, UNTIL SO APPLIED, IN FAVOR OF HOLDERS OF THE
5 BONDS, NOTES OR OTHER OBLIGATIONS OR THE TRUSTEE PROVIDED FOR IN
6 THIS CHAPTER IN RESPECT OF THE BONDS, NOTES OR OTHER
7 OBLIGATIONS.

8 § 8114. TRUST INDENTURE AUTHORIZED.

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

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

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

15 § 8115. COMMISSION AND OBLIGATIONS TAX EXEMPT.

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

27 § 8116. COLLECTION AND DISPOSITION OF TOLLS AND OTHER REVENUE.

28 (A) ESTABLISHMENT AND CHANGES IN TOLL AMOUNTS.--SUBJECT TO
29 THE TERMS OF ANY TRUST INDENTURE ENTERED INTO BY THE COMMISSION
30 OR ANY RESOLUTION AUTHORIZING THE ISSUANCE OF ANY BONDS, NOTES

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

18 (1) THE COST OF THE TURNPIKES. THIS PARAGRAPH INCLUDES
19 THE COST OF CONSTRUCTING, RECONSTRUCTING, WIDENING,
20 EXPANDING, EXTENDING, MAINTAINING, REPAIRING AND OPERATING
21 THE PENNSYLVANIA TURNPIKE SYSTEM AND THE DIFFERENT PARTS AND
22 SECTIONS OF THE SYSTEM.

23 (2) ANY OF THE FOLLOWING:

24 (I) THE COMMISSION'S BONDS, NOTES OR OTHER
25 OBLIGATIONS AND THE INTEREST ON THEM.

26 (II) SINKING FUND REQUIREMENTS OF THE COMMISSION.

27 (III) OTHER REQUIREMENTS PROVIDED FOR BY ANY
28 RESOLUTION AUTHORIZING THE ISSUANCE OF THE BONDS, NOTES
29 OR OTHER OBLIGATIONS BY THE COMMISSION, OR BY ANY TRUST
30 INDENTURE TO WHICH THE COMMISSION IS A PARTY, AS THEY

1 BECOME DUE.

2 (3) AMOUNTS DUE TO THE DEPARTMENT UNDER 75 PA.C.S. CH.
3 89 (RELATING TO PENNSYLVANIA TURNPIKE) AND PURSUANT TO THE
4 LEASE AGREEMENT UNDER 75 PA.C.S. § 8915.3 (RELATING TO LEASE
5 OF INTERSTATE 80).

6 (4) THE COST OF REPAYMENT TO THE FEDERAL GOVERNMENT OF
7 FUNDS REQUIRED TO BE REPAID PURSUANT TO FEDERAL LEGISLATION
8 AUTHORIZING THE CONVERSION OF TOLL-FREE ROADS TO TOLL ROADS.

9 (5) ANY OTHER AMOUNTS PAYABLE TO THE COMMONWEALTH OR TO
10 THE DEPARTMENT.

11 (B) RESTRICTIONS ON TOLL REVENUE.--TOLLS SHALL NOT BE
12 SUBJECT TO SUPERVISION OR REGULATION BY ANY OTHER STATE
13 COMMISSION, BOARD, BUREAU OR AGENCY. SUBJECT TO THE TERMS OF ANY
14 PRESENTLY EXISTING TRUST INDENTURE ENTERED INTO BY THE
15 COMMISSION AND ANY PRESENTLY EXISTING RESOLUTION AUTHORIZING THE
16 ISSUANCE OF ANY BONDS, NOTES OR OTHER OBLIGATIONS OF THE
17 COMMISSION, THE TOLLS AND ALL OTHER REVENUE DERIVED FROM THE
18 PENNSYLVANIA TURNPIKE SYSTEM SHALL BE SET ASIDE AND PLEDGED AS
19 MAY BE PROVIDED IN ANY RESOLUTIONS, TRUST INDENTURES OR ANY
20 OTHER AGREEMENTS THAT THE COMMISSION MAY HEREAFTER ADOPT OR
21 HEREAFTER ENTER INTO WITH RESPECT TO THE ISSUANCE OF BONDS,
22 NOTES OR OTHER OBLIGATIONS OF THE COMMISSION.

23 § 8117. ELECTRONIC TOLL COLLECTION.

24 (A) LIABILITY OF OWNER.--

25 (1) IF AN OPERATOR OF A VEHICLE FAILS TO PAY THE
26 PRESCRIBED TOLL AT ANY LOCATION WHERE TOLLS ARE COLLECTED BY
27 MEANS OF ELECTRONIC TOLL COLLECTION, THE OWNER OF THE VEHICLE
28 SHALL BE LIABLE TO THE COMMISSION FOR FAILURE OF THE OPERATOR
29 OF THE VEHICLE TO COMPLY WITH THIS SECTION IF THE VIOLATION
30 IS EVIDENCED BY INFORMATION OBTAINED FROM A VIOLATION

1 ENFORCEMENT SYSTEM.

2 (2) IF A VIOLATION OF THIS SECTION IS COMMITTED, THE
3 REGISTRATION PLATE NUMBER OF THE VEHICLE AS RECORDED BY A
4 VIOLATION ENFORCEMENT SYSTEM SHALL ESTABLISH AN INFERENCE
5 THAT THE OWNER OF THE VEHICLE WAS THEN OPERATING THE VEHICLE.
6 THE INFERENCE SHALL BE OVERCOME IF THE OWNER DOES ALL OF THE
7 FOLLOWING:

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

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

12 (III) REVEALS THE NAME AND RESIDENCE ADDRESS, IF
13 KNOWN, OF THE OPERATOR OF THE VEHICLE.

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

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

23 (B) IMPOSITION OF LIABILITY.--LIABILITY UNDER THIS SECTION
24 SHALL BE IMPOSED UPON AN OWNER FOR A VIOLATION OF THIS SECTION
25 OR THE REGULATIONS OF THE COMMISSION OCCURRING WITHIN THE
26 TERRITORIAL LIMITS OF THIS COMMONWEALTH. IF A VIOLATION IS
27 COMMITTED AS EVIDENCED BY A VIOLATION ENFORCEMENT SYSTEM, THE
28 FOLLOWING SHALL APPLY:

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

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

4 (II) THE NOTICE MUST BE MAILED AT THE ADDRESS SHOWN
5 ON THE VEHICLE REGISTRATION OR AT THE ADDRESS OF THE
6 OPERATOR, AS APPLICABLE. NOTICE MUST BE MAILED NO LATER
7 THAN 60 DAYS AFTER:

8 (A) THE ALLEGED CONDUCT; OR

9 (B) THE DATE THE INFERENCE IS OVERCOME UNDER
10 SUBSECTION (A)(2).

11 (III) PERSONAL SERVICE IS NOT REQUIRED.

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

13 (A) INFORMATION ADVISING THE PERSON CHARGED OF
14 THE MANNER AND TIME IN WHICH THE LIABILITY ALLEGED IN
15 THE NOTICE MAY BE CONTESTED.

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

20 (1.1) A MANUAL OR AUTOMATIC RECORD OF MAILING PREPARED
21 IN THE ORDINARY COURSE OF BUSINESS SHALL BE PRIMA FACIE
22 EVIDENCE OF THE MAILING OF NOTICE.

23 (2) IF AN OWNER OF A VEHICLE OR AN OWNER THAT IS A
24 LESSOR OF A VEHICLE RECEIVES A NOTICE OF VIOLATION UNDER THIS
25 SECTION FOR ANY TIME PERIOD DURING WHICH THE VEHICLE WAS
26 REPORTED TO A POLICE DEPARTMENT AS HAVING BEEN STOLEN, IT
27 SHALL BE A DEFENSE TO THE ALLEGATION OF LIABILITY THAT THE
28 VEHICLE HAD BEEN REPORTED TO THE POLICE AS HAVING BEEN STOLEN
29 PRIOR TO THE TIME THE VIOLATION OCCURRED AND THAT THE VEHICLE
30 HAD NOT BEEN RECOVERED BY THE TIME OF THE VIOLATION. FOR

1 PURPOSES OF ASSERTING THE DEFENSE UNDER THIS PARAGRAPH, IT
2 SHALL BE SUFFICIENT THAT A CERTIFIED COPY OF THE POLICE
3 REPORT ON THE STOLEN VEHICLE BE SENT BY FIRST CLASS MAIL TO
4 THE COMMISSION WITHIN 30 DAYS AFTER RECEIVING THE ORIGINAL
5 NOTICE OF VIOLATION. FAILURE TO SEND THE INFORMATION WITHIN
6 THE TIME LIMIT UNDER THIS PARAGRAPH SHALL RENDER THE OWNER OR
7 LESSOR LIABLE FOR THE PENALTY PRESCRIBED BY THIS SECTION.

8 (3) AN OWNER THAT IS A LESSOR OF A VEHICLE AS TO WHICH A
9 NOTICE OF VIOLATION WAS ISSUED UNDER PARAGRAPH (1) SHALL NOT
10 BE LIABLE FOR A VIOLATION IF THE OWNER SENDS TO THE
11 COMMISSION A COPY OF THE RENTAL, LEASE OR OTHER CONTRACT
12 DOCUMENT COVERING THE VEHICLE ON THE DATE OF THE VIOLATION,
13 WITH THE NAME AND ADDRESS OF THE LESSEE CLEARLY LEGIBLE TO
14 THE COMMISSION, WITHIN 30 DAYS AFTER RECEIVING THE ORIGINAL
15 NOTICE OF VIOLATION. FAILURE TO SEND THE INFORMATION WITHIN
16 THE TIME LIMIT UNDER THIS PARAGRAPH SHALL RENDER THE LESSOR
17 LIABLE FOR THE PENALTY PRESCRIBED BY THIS SECTION. IF THE
18 LESSOR COMPLIES WITH THE PROVISIONS OF THIS SECTION, THE
19 LESSEE OF THE VEHICLE ON THE DATE OF THE VIOLATION SHALL BE
20 DEEMED TO BE THE OWNER OF THE VEHICLE FOR PURPOSES OF THIS
21 SECTION AND SHALL BE SUBJECT TO LIABILITY FOR THE PENALTY
22 UNDER THIS SECTION.

23 (4) A CERTIFIED REPORT OR A FACSIMILE REPORT OF AN
24 AUTHORIZED AGENT OR EMPLOYEE OF THE COMMISSION REPORTING A
25 VIOLATION OF THIS SECTION OR REGULATIONS OF THE COMMISSION
26 BASED UPON THE RECORDED INFORMATION OBTAINED FROM A VIOLATION
27 ENFORCEMENT SYSTEM SHALL BE PRIMA FACIE EVIDENCE OF THE FACTS
28 CONTAINED IN THE REPORT AND SHALL BE ADMISSIBLE AS AN
29 OFFICIAL RECORD KEPT IN THE ORDINARY COURSE OF BUSINESS IN
30 ANY PROCEEDING CHARGING A VIOLATION OF THIS SECTION OR THE

1 TOLL COLLECTION REGULATIONS OF THE COMMISSION.

2 (5) NOTWITHSTANDING ANY OTHER PROVISION OF LAW,
3 VIDEOTAPES, PHOTOGRAPHS, MICROPHOTOGRAPHS, OTHER RECORDED
4 IMAGES, WRITTEN RECORDS, REPORTS OR FACSIMILES PREPARED
5 PURSUANT TO THIS SECTION SHALL BE FOR THE EXCLUSIVE USE OF
6 THE COMMISSION, ITS AUTHORIZED AGENTS, ITS EMPLOYEES AND LAW
7 ENFORCEMENT OFFICIALS FOR THE PURPOSE OF DISCHARGING DUTIES
8 UNDER THIS SECTION AND THE REGULATIONS OF THE COMMISSION. THE
9 INFORMATION SHALL NOT BE DEEMED A PUBLIC RECORD UNDER THE ACT
10 OF JUNE 21, 1957 (P.L.390, NO.212), REFERRED TO AS THE RIGHT-
11 TO-KNOW LAW. THE INFORMATION SHALL NOT BE DISCOVERABLE BY
12 COURT ORDER OR OTHERWISE; NOR SHALL IT BE OFFERED IN EVIDENCE
13 IN ANY ACTION OR PROCEEDING WHICH IS NOT DIRECTLY RELATED TO
14 A VIOLATION OF THIS SECTION, THE REGULATIONS OF THE
15 COMMISSION OR INDEMNIFICATION FOR LIABILITY IMPOSED PURSUANT
16 TO THIS SECTION. THE RESTRICTIONS SET FORTH IN THIS
17 PARAGRAPH:

18 (I) SHALL NOT BE DEEMED TO PRECLUDE A COURT OF
19 COMPETENT JURISDICTION FROM ISSUING AN ORDER DIRECTING
20 THAT THE INFORMATION BE PROVIDED TO LAW ENFORCEMENT
21 OFFICIALS IF THE INFORMATION IS REASONABLY DESCRIBED AND
22 IS REQUESTED SOLELY IN CONNECTION WITH A CRIMINAL LAW
23 ENFORCEMENT ACTION;

24 (II) SHALL NOT BE DEEMED TO PRECLUDE THE EXCHANGE OF
25 THE INFORMATION BETWEEN ANY ENTITIES WITH JURISDICTION
26 OVER OR WHICH OPERATE AN ELECTRONIC TOLL COLLECTION
27 SYSTEM IN THIS COMMONWEALTH OR ANY OTHER JURISDICTION;
28 AND

29 (III) SHALL NOT BE DEEMED TO PROHIBIT THE USE OF
30 INFORMATION EXCLUSIVELY FOR THE PURPOSE OF BILLING

1 ELECTRONIC TOLL COLLECTION ACCOUNT HOLDERS, DEDUCTING
2 TOLL CHARGES FROM THE ACCOUNT OF AN ACCOUNT HOLDER,
3 ENFORCING TOLL COLLECTION LAWS AND RELATED REGULATIONS OR
4 ENFORCING THE PROVISIONS OF AN ACCOUNT HOLDER AGREEMENT.

5 (6) AN IMPOSITION OF LIABILITY UNDER THIS SECTION MUST
6 BE BASED UPON A PREPONDERANCE OF EVIDENCE.

7 (7) AN IMPOSITION OF LIABILITY PURSUANT TO THIS SECTION
8 SHALL NOT BE DEEMED A CONVICTION OF AN OWNER AND SHALL NOT BE
9 MADE PART OF THE MOTOR VEHICLE OPERATING RECORD OF THE PERSON
10 UPON WHOM THE LIABILITY IS IMPOSED, NOR SHALL IT BE
11 CONSIDERED IN THE PROVISION OF MOTOR VEHICLE INSURANCE
12 COVERAGE.

13 (8) AN OWNER THAT ADMITS, IS FOUND LIABLE OR FAILS TO
14 RESPOND TO THE NOTICE OF VIOLATION FOR A VIOLATION OF THIS
15 SECTION SHALL BE CIVILLY LIABLE TO THE COMMISSION FOR ALL OF
16 THE FOLLOWING:

17 (I) EITHER:

18 (A) THE AMOUNT OF THE TOLL EVADED OR ATTEMPTED
19 TO BE EVADED IF THE AMOUNT CAN BE DETERMINED; OR

20 (B) THE MAXIMUM TOLL FROM THE FARTHEST POINT OF
21 ENTRY ON THE PENNSYLVANIA TURNPIKE TO THE ACTUAL
22 POINT OF EXIT IF THE AMOUNT OF THE TOLL EVADED OR
23 ATTEMPTED TO BE EVADED CANNOT BE DETERMINED.

24 (II) A REASONABLE ADMINISTRATIVE FEE NOT TO EXCEED
25 \$35 PER NOTIFICATION.

26 (9) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO LIMIT
27 THE LIABILITY OF THE OPERATOR OF A VEHICLE FOR A VIOLATION OF
28 THIS SECTION OR OF THE REGULATIONS OF THE COMMISSION.

29 (C) PLACEMENT OF ELECTRONIC TOLL COLLECTION DEVICE.--AN
30 ELECTRONIC TOLL COLLECTION DEVICE WHICH IS AFFIXED TO THE FRONT

1 WINDSHIELD OF A VEHICLE IN ACCORDANCE WITH THE REGULATIONS OF
2 THE COMMISSION SHALL NOT BE DEEMED TO CONSTITUTE A VIOLATION OF
3 75 PA.C.S. § 4524 (RELATING TO WINDSHIELD OBSTRUCTIONS AND
4 WIPERS).

5 (D) PRIVACY OF ELECTRONIC TOLL COLLECTION ACCOUNT HOLDER
6 INFORMATION.--

7 (1) EXCEPT AS SET FORTH PARAGRAPH (2), NOTWITHSTANDING
8 ANY OTHER PROVISION OF LAW, ALL OF THE FOLLOWING APPLY TO
9 INFORMATION KEPT BY THE COMMISSION, ITS AUTHORIZED AGENTS OR
10 ITS EMPLOYEES WHICH IS RELATED TO THE ACCOUNT OF AN
11 ELECTRONIC TOLL COLLECTION SYSTEM ACCOUNT HOLDER:

12 (I) THE INFORMATION SHALL BE FOR THE EXCLUSIVE USE
13 OF THE COMMISSION, ITS AUTHORIZED AGENTS, ITS EMPLOYEES
14 AND LAW ENFORCEMENT OFFICIALS FOR THE PURPOSE OF
15 DISCHARGING THEIR DUTIES PURSUANT TO THIS SECTION AND THE
16 REGULATIONS OF THE COMMISSION. THIS SUBPARAGRAPH INCLUDES
17 NAMES, ADDRESSES, ACCOUNT NUMBERS, ACCOUNT BALANCES,
18 PERSONAL FINANCIAL INFORMATION, VEHICLE MOVEMENT RECORDS
19 AND OTHER INFORMATION COMPILED FROM TRANSACTIONS WITH THE
20 ACCOUNT HOLDERS.

21 (II) THE INFORMATION SHALL NOT BE DEEMED A PUBLIC
22 RECORD UNDER THE RIGHT-TO-KNOW LAW, NOR SHALL IT BE
23 DISCOVERABLE BY COURT ORDER OR OTHERWISE OR BE OFFERED IN
24 EVIDENCE IN ANY ACTION OR PROCEEDING WHICH IS NOT
25 DIRECTLY RELATED TO THE DISCHARGE OF DUTIES UNDER THIS
26 SECTION, THE REGULATIONS OF THE COMMISSION OR A VIOLATION
27 OF AN ACCOUNT HOLDER AGREEMENT.

28 (2) PARAGRAPH (1) SHALL NOT BE DEEMED TO DO ANY OF THE
29 FOLLOWING:

30 (I) PRECLUDE A COURT OF COMPETENT JURISDICTION FROM

1 ISSUING AN ORDER DIRECTING THAT THE INFORMATION BE
2 PROVIDED TO LAW ENFORCEMENT OFFICIALS IF THE INFORMATION
3 IS REASONABLY DESCRIBED AND IS REQUESTED SOLELY IN
4 CONNECTION WITH A CRIMINAL LAW ENFORCEMENT ACTION.

5 (II) PRECLUDE THE EXCHANGE OF THE INFORMATION
6 BETWEEN ANY ENTITIES WITH JURISDICTION OVER OR WHICH
7 OPERATE AN ELECTRONIC TOLL COLLECTION SYSTEM IN THIS
8 COMMONWEALTH OR ANY OTHER JURISDICTION.

9 (III) PROHIBIT THE USE OF THE INFORMATION
10 EXCLUSIVELY FOR THE PURPOSE OF BILLING ELECTRONIC TOLL
11 COLLECTION ACCOUNT HOLDERS, DEDUCTING TOLL CHARGES FROM
12 THE ACCOUNT OF AN ACCOUNT HOLDER, ENFORCING TOLL
13 COLLECTION LAWS AND RELATED REGULATIONS OR ENFORCING THE
14 PROVISIONS OF AN ACCOUNT HOLDER AGREEMENT.

15 (E) DEFINITION.--AS USED IN THIS SECTION, THE TERM "OWNER"
16 MEANS ANY PERSON, CORPORATION, FIRM, PARTNERSHIP, AGENCY,
17 ASSOCIATION, ORGANIZATION OR LESSOR THAT, AT THE TIME A VEHICLE
18 IS OPERATED IN VIOLATION OF THIS SECTION OR REGULATIONS OF THE
19 COMMISSION:

20 (1) IS THE BENEFICIAL OR EQUITABLE OWNER OF THE VEHICLE;

21 (2) HAS TITLE TO THE VEHICLE; OR

22 (3) IS THE REGISTRANT OR COREGISTRANT OF THE VEHICLE
23 REGISTERED WITH THE DEPARTMENT OR A COMPARABLE AGENCY OF
24 ANOTHER JURISDICTION OR USES THE VEHICLE IN ITS VEHICLE
25 RENTING OR LEASING BUSINESS. THE TERM INCLUDES A PERSON
26 ENTITLED TO THE USE AND POSSESSION OF A VEHICLE SUBJECT TO A
27 SECURITY INTEREST IN ANOTHER PERSON.

28 § 8118. REFUNDING BONDS.

29 THE COMMISSION IS AUTHORIZED TO PROVIDE, BY RESOLUTION, FOR
30 THE ISSUANCE OF TURNPIKE REVENUE REFUNDING BONDS FOR THE PURPOSE

1 OF REFUNDING ISSUED AND OUTSTANDING TURNPIKE REVENUE BONDS,
2 NOTES OR OTHER OBLIGATIONS. APPLICABLE PROVISIONS OF THIS
3 CHAPTER GOVERN ALL OF THE FOLLOWING:

4 (1) ISSUANCE OF THE TURNPIKE REVENUE REFUNDING BONDS.

5 (2) MATURITIES AND OTHER DETAILS OF THE REFUNDING BONDS.

6 (3) RIGHTS OF THE HOLDERS OF THE BONDS.

7 (4) DUTIES OF THE COMMONWEALTH AND OF THE COMMISSION IN
8 RESPECT TO THE BONDS.

9 § 8119. RIGHTS OF OBLIGATION HOLDERS AND TRUSTEES.

10 (A) SCOPE.--THIS SECTION APPLIES TO ALL OF THE FOLLOWING:

11 (1) A HOLDER OF:

12 (I) A BOND, NOTE OR OTHER OBLIGATION ISSUED UNDER
13 THIS CHAPTER; OR

14 (II) A COUPON ATTACHED TO THE BOND, NOTE OR OTHER
15 OBLIGATION.

16 (2) THE TRUSTEE UNDER AN APPLICABLE TRUST INDENTURE.

17 (B) ENFORCEMENT.--SUBJECT TO SUBSECTION (C), A PERSON
18 REFERRED TO IN SUBSECTION (A) MAY, BY AN ACTION AT LAW OR IN
19 EQUITY, DO ALL OF THE FOLLOWING:

20 (1) PROTECT AND ENFORCE RIGHTS GRANTED UNDER THIS
21 CHAPTER OR UNDER THE RESOLUTION OR TRUST INDENTURE.

22 (2) ENFORCE AND COMPEL PERFORMANCE OF ALL DUTIES
23 REQUIRED BY THIS CHAPTER OR BY THE RESOLUTION OR TRUST
24 INDENTURE TO BE PERFORMED BY THE COMMISSION OR AN OFFICER OF
25 THE COMMISSION. THIS PARAGRAPH INCLUDES FIXING, CHARGING AND
26 COLLECTING OF TOLLS FOR THE USE OF THE TURNPIKES.

27 (C) RESTRICTION.--RIGHTS UNDER THIS CHAPTER MAY BE
28 RESTRICTED BY RESOLUTION PASSED BEFORE THE ISSUANCE OF THE BOND,
29 NOTE OR OTHER OBLIGATION OR BY THE TRUST INDENTURE.

30 § 8120. AUTHORITY GRANTED TO SECRETARY.

1 (A) AGREEMENT WITH FEDERAL GOVERNMENT.--

2 (1) THE SECRETARY IS AUTHORIZED TO ENTER INTO AN
3 AGREEMENT WITH THE UNITED STATES DEPARTMENT OF
4 TRANSPORTATION, THE FEDERAL HIGHWAY ADMINISTRATION AND ANY
5 OTHER FEDERAL AGENCY TO OBTAIN FEDERAL FUNDS FOR PROJECTS FOR
6 RESURFACING, RESTORING AND REHABILITATING TOLL ROADS IN THIS
7 COMMONWEALTH. THE COMMISSION IS AUTHORIZED TO USE FEDERAL
8 FUNDS WHICH MAY BE AVAILABLE FOR TOLL ROADS ONLY UPON
9 APPROVAL OF THE SECRETARY AND ONLY UNDER THE AUTHORITY
10 GRANTED UNDER THIS SECTION.

11 (2) (RESERVED).

12 (B) APPROVAL BY DEPARTMENT.--A COPY OF EACH CONTRACT AND
13 AGREEMENT RELATING TO THE CONSTRUCTION OF THE TURNPIKES AND
14 CONNECTING TUNNELS, BRIDGES, SLIP INTERCHANGES AND SLIP RAMPS
15 SHALL BE PROVIDED TO THE DEPARTMENT FOR REVIEW AND COMMENT PRIOR
16 TO EXECUTION OF THIS CONTRACT OR AGREEMENT.

17 § 8121. (RESERVED).

18 § 8122. (RESERVED).

19 § 8123. CONSTRUCTION OF CHAPTER.

20 THIS CHAPTER SHALL BE REGARDED AS SUPPLEMENTAL AND ADDITIONAL
21 TO POWERS CONFERRED BY OTHER STATUTES AND SHALL NOT BE REGARDED
22 AS IN DEROGATION OF ANY POWERS NOW EXISTING AND SHALL BE
23 LIBERALLY CONSTRUED TO EFFECT ITS PURPOSES.

24 CHAPTER 82

25 TURNPIKE COMMISSION STANDARDS OF CONDUCT
26 SEC.

27 8201. SCOPE.

28 8202. DEFINITIONS.

29 8203. QUALIFICATIONS, RESTRICTIONS AND DUTIES OF COMMISSION
30 MEMBERS AND EMPLOYEES.

1 8204. CODE OF CONDUCT.

2 8205. APPLICABILITY OF OTHER STATUTES.

3 § 8201. SCOPE.

4 THIS CHAPTER SHALL APPLY TO THE PENNSYLVANIA TURNPIKE
5 COMMISSION FORMED OR MAINTAINED UNDER AUTHORITY OF THE ACT OF
6 MAY 21, 1937 (P.L.774, NO.211), REFERRED TO AS THE PENNSYLVANIA
7 TURNPIKE COMMISSION ACT AND THE ACT OF SEPTEMBER 30, 1985
8 (P.L.240, NO.61), KNOWN AS THE TURNPIKE ORGANIZATION, EXTENSION
9 AND TOLL ROAD CONVERSION ACT, OR ANY SUCCESSOR ENTITY.

10 § 8202. DEFINITIONS.

11 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
12 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
13 CONTEXT CLEARLY INDICATES OTHERWISE:

14 "BUSINESS." ANY CORPORATION, PARTNERSHIP, SOLE
15 PROPRIETORSHIP, FIRM, ENTERPRISE, FRANCHISE, ASSOCIATION,
16 ORGANIZATION, SELF-EMPLOYED INDIVIDUAL, HOLDING COMPANY, JOINT
17 STOCK COMPANY, RECEIVERSHIP, TRUST OR ANY LEGAL ENTITY ORGANIZED
18 FOR PROFIT.

19 "COMMISSION." THE PENNSYLVANIA TURNPIKE COMMISSION.

20 "EXECUTIVE-LEVEL EMPLOYEE." THE CHIEF EXECUTIVE OFFICER,
21 CHIEF FINANCIAL OFFICER, CHIEF OPERATING OFFICER, CHIEF COUNSEL
22 OR ANY OTHER SENIOR MANAGEMENT EMPLOYEE WITH DISCRETIONARY
23 POWERS WHICH MAY AFFECT THE OUTCOME OF A PENNSYLVANIA TURNPIKE
24 COMMISSION ACTION OR DECISION OR WHO FUNCTIONS IN PRESS OR
25 PUBLIC RELATIONS, LEGISLATIVE LIAISON OR DEVELOPMENT OF
26 EXECUTIVE POLICY.

27 "FACILITY." REST AREAS, SERVICE PLAZAS, RESTAURANTS, FUELING
28 STATIONS, TRAFFIC ADVISORY SYSTEMS, CALL BOXES OR OTHER SERVICES
29 PROVIDED TO PERSONS USING TOLL ROADS OR HIGHWAYS OPERATED BY THE
30 PENNSYLVANIA TURNPIKE COMMISSION.

1 "IMMEDIATE FAMILY." A SPOUSE, PARENT, BROTHER, SISTER OR
2 CHILD.

3 "MEMBER." A COMMISSIONER APPOINTED TO THE PENNSYLVANIA
4 TURNPIKE COMMISSION, INCLUDING THE SECRETARY OF TRANSPORTATION,
5 AND ANY SUCCESSOR ENTITY THERETO.

6 "OWNERSHIP INTEREST." OWNING OR HOLDING, OR BEING DEEMED TO
7 HOLD, DEBT OR EQUITY SECURITIES OR OTHER OWNERSHIP INTEREST OR
8 PROFIT INTEREST.

9 "PARTY OFFICER." A MEMBER OF A NATIONAL COMMITTEE OF A <—
10 POLITICAL PARTY; A CHAIRMAN, VICE CHAIRMAN, SECRETARY, TREASURER
11 OR COUNSEL OF A STATE COMMITTEE OR MEMBER OF THE EXECUTIVE
12 COMMITTEE OF A STATE COMMITTEE OF A POLITICAL PARTY; OR A COUNTY <—
13 CHAIRMAN, VICE CHAIRMAN, COUNSEL, SECRETARY OR TREASURER OF A
14 COUNTY COMMITTEE OR A CITY CHAIRMAN, VICE CHAIRMAN, COUNSEL,
15 SECRETARY OR TREASURER OF A CITY COMMITTEE OF A POLITICAL PARTY. <—

16 "PENNSYLVANIA TURNPIKE COMMISSION." AN ENTITY FORMED OR
17 MAINTAINED UNDER AUTHORITY OF THE ACT OF MAY 21, 1937 (P.L.774,
18 NO.211), REFERRED TO AS THE PENNSYLVANIA TURNPIKE COMMISSION
19 ACT, AND THE ACT OF SEPTEMBER 30, 1985 (P.L.240, NO.61), KNOWN
20 AS THE TURNPIKE ORGANIZATION, EXTENSION AND TOLL ROAD CONVERSION
21 ACT, OR ANY SUCCESSOR ENTITY.

22 "PUBLIC OFFICIAL." ANY OFFICIAL ELECTED TO A FEDERAL, STATE <—
23 OR COUNTY OFFICE.

24 § 8203. QUALIFICATIONS, RESTRICTIONS AND DUTIES OF COMMISSION
25 MEMBERS AND EMPLOYEES.

26 (A) GENERAL RULE.--THE FOLLOWING QUALIFICATIONS AND
27 RESTRICTIONS SHALL APPLY TO MEMBERS AND EXECUTIVE-LEVEL
28 EMPLOYEES:

29 (1) A MEMBER SHALL BE AT LEAST 25 YEARS OF AGE AND SHALL
30 HAVE BEEN A RESIDENT OF THIS COMMONWEALTH FOR A PERIOD OF AT

1 LEAST ONE YEAR IMMEDIATELY PRECEDING APPOINTMENT. EACH MEMBER
2 SHALL CONTINUE TO REMAIN A RESIDENT OF THIS COMMONWEALTH
3 DURING THE TERM OF MEMBERSHIP ON THE COMMISSION.

4 ~~(2) EXCEPT FOR THE SECRETARY OF TRANSPORTATION, NO~~ <—
5 ~~PERSON SHALL BE APPOINTED OR SERVE AS A MEMBER OR HOLD AN~~
6 ~~EXECUTIVE LEVEL POSITION IF THAT PERSON HOLDS ANY OTHER~~
7 ~~ELECTED OFFICE OR PARTY OFFICE.~~

8 ~~(3) NO~~

9 (2) EXCEPT FOR THE SECRETARY OF TRANSPORTATION, NO <—
10 MEMBER OR EXECUTIVE-LEVEL EMPLOYEE SHALL BE A PUBLIC OFFICIAL
11 OR PARTY OFFICER IN THIS COMMONWEALTH. ~~OR ANY OF ITS~~ <—
12 ~~POLITICAL SUBDIVISIONS.~~

13 ~~(4) (3) (I) NO MEMBER OR EXECUTIVE-LEVEL EMPLOYEE SHALL~~ <—
14 ~~BE PAID OR RECEIVE ANY FEE OR OTHER COMPENSATION OTHER~~
15 ~~THAN SALARY AND EXPENSES PROVIDED BY LAW FOR ANY ACTIVITY~~
16 ~~DIRECTLY PERTAINING TO THE DUTIES OF THE COMMISSION.~~

17 (II) NOTHING IN THIS CHAPTER SHALL BE CONSTRUED TO
18 PROHIBIT A MEMBER OR EXECUTIVE-LEVEL EMPLOYEE FROM
19 ENGAGING IN ANY EMPLOYMENT OR VOCATION THAT IS NOT
20 INCOMPATIBLE WITH SERVICE AS A MEMBER OR EXECUTIVE-LEVEL
21 EMPLOYEE.

22 ~~(5) (4) (I) AT THE TIME OF APPOINTMENT AND ANNUALLY~~ <—
23 ~~THEREAFTER, EACH MEMBER SHALL DISCLOSE THE EXISTENCE OF~~
24 ~~ALL OWNERSHIP INTERESTS IN ANY FACILITY OR BUSINESS WITH~~
25 ~~WHICH THE COMMISSION HAS CONTRACTED FOR ROADWAY~~
26 ~~CONSTRUCTION OR MAINTENANCE OR SERVICES OF ANY KIND.~~

27 (II) THE DISCLOSURE STATEMENT SHALL BE FILED WITH
28 THE CHIEF EXECUTIVE OFFICER OF THE COMMISSION AND SHALL
29 BE OPEN TO INSPECTION BY THE PUBLIC AT THE OFFICE OF THE
30 COMMISSION DURING NORMAL BUSINESS HOURS OF THE COMMISSION

1 DURING THE TENURE OF THE MEMBER.

2 (B) FIDUCIARY RELATIONSHIP.--EACH MEMBER AND EXECUTIVE-LEVEL
3 EMPLOYEE OF THE COMMISSION SHALL SERVE AS A FIDUCIARY OF THE <—
4 COMMONWEALTH COMMISSION. <—

5 § 8204. CODE OF CONDUCT.

6 (A) CONTENTS.--THE COMMISSION SHALL ADOPT A COMPREHENSIVE
7 CODE OF CONDUCT WITHIN 90 DAYS OF THE EFFECTIVE DATE OF THIS <—
8 SECTION. THE CODE OF CONDUCT SHALL SUPPLEMENT ALL OTHER
9 REQUIREMENTS UNDER THIS CHAPTER AND SHALL PROVIDE GUIDELINES
10 APPLICABLE TO MEMBERS AND EXECUTIVE-LEVEL EMPLOYEES OF THE <—
11 COMMISSION AND THE IMMEDIATE FAMILIES OF THE MEMBERS AND
12 EXECUTIVE-LEVEL EMPLOYEES OF THE COMMISSION TO ENABLE THEM TO <—
13 AVOID ANY PERCEIVED OR ACTUAL CONFLICT OF INTEREST AND TO
14 PROMOTE PUBLIC CONFIDENCE IN THE INTEGRITY AND IMPARTIALITY OF
15 THE COMMISSION. AT A MINIMUM, THE CODE OF CONDUCT ADOPTED UNDER
16 THIS SECTION SHALL PROVIDE THAT:

17 (1) NO MEMBER OR EXECUTIVE-LEVEL EMPLOYEE OF THE <—
18 COMMISSION MAY ACCEPT ANY DISCOUNT, GIFT, GRATUITY,
19 COMPENSATION, TRAVEL, LODGING OR OTHER THING OF VALUE, IN <—
20 EXCESS OF THE LIMITS UNDER 65 PA.C.S. § 1105(B)(6) AND (7)
21 (RELATING TO STATEMENT OF FINANCIAL INTERESTS) DIRECTLY OR
22 INDIRECTLY, FROM ANY FACILITY OR BUSINESS WITH WHICH THE
23 COMMISSION HAS A CONTRACTUAL RELATIONSHIP.

24 (2) MEMBERS AND EXECUTIVE-LEVEL EMPLOYEES OF THE <—
25 COMMISSION SHALL REFRAIN FROM ANY FINANCIAL OR BUSINESS
26 DEALING WHICH WOULD REFLECT ADVERSELY ON AFFECT THE MEMBER'S <—
27 OBJECTIVITY, IMPARTIALITY OR INDEPENDENCE OF JUDGMENT.

28 (3) (I) NO MEMBER OR EXECUTIVE-LEVEL EMPLOYEE MAY USE
29 THE PROMISE OF BUSINESS WITH THE COMMISSION TO SOLICIT
30 FUNDS FOR ANY CHARITABLE, EDUCATIONAL, RELIGIOUS, HEALTH,

1 FRATERNAL, CIVIC OR OTHER NONPROFIT ENTITY.

2 (II) A MEMBER OR EXECUTIVE-LEVEL EMPLOYEE MAY SERVE
3 AS AN OFFICER, EMPLOYEE OR MEMBER OF THE GOVERNING BODY
4 OF A NONPROFIT ENTITY AND MAY ATTEND, MAKE PERSONAL
5 CONTRIBUTIONS TO AND PLAN OR PRESIDE OVER THE ENTITY'S
6 FUNDRAISING EVENTS.

7 (III) A MEMBER OR EXECUTIVE-LEVEL EMPLOYEE MAY
8 PERMIT HIS NAME TO APPEAR ON THE LETTERHEAD USED FOR
9 FUNDRAISING EVENTS IF THE LETTERHEAD CONTAINS ONLY THE
10 MEMBER'S NAME AND POSITION WITH THE NONPROFIT ENTITY.

11 (4) NO MEMBER OR EXECUTIVE-LEVEL EMPLOYEE NOR THE
12 IMMEDIATE FAMILY OF SUCH PERSON, SHALL PARTICIPATE IN ANY
13 HEARING OR PROCEEDING DELIBERATIONS OR VOTE OF THE COMMISSION <—
14 IN WHICH THAT PERSON MAY HAVE A DIRECT OR INDIRECT PECUNIARY
15 INTEREST.

16 (5) (I) A MEMBER SHALL ABSTAIN FROM ANY VOTE OR
17 DECISION WHICH AUTHORIZES A CONTRACT IN WHICH THE MEMBER
18 HAS ANY PECUNIARY INTEREST. THE MEMBER SHALL DISCLOSE THE
19 INTEREST IN A PUBLIC MEETING PRIOR TO THE VOTE OR
20 DECISION.

21 (II) FAILURE TO COMPLY WITH THIS PARAGRAPH SHALL
22 MAKE THE CONTRACT NULL AND VOID.

23 (6) NO FORMER MEMBER OR EXECUTIVE-LEVEL EMPLOYEE MAY <—
24 ACCEPT EMPLOYMENT WITH ANY FACILITY OR BUSINESS WITH WHICH <—
25 THE COMMISSION DOES BUSINESS FOR A PERIOD OF ONE YEAR FROM
26 THE TERMINATION OF EMPLOYMENT OR SERVICE WITH THE COMMISSION.
27 RECEIVE ANY PECUNIARY BENEFIT FROM A CONTRACT BETWEEN THE <—
28 COMMISSION AND THE EMPLOYER OF THE FORMER MEMBER OR
29 EXECUTIVE-LEVEL EMPLOYEE FOR A PERIOD OF ONE YEAR FROM THE
30 TERMINATION OF EMPLOYMENT OR SERVICE WITH THE COMMISSION. NO

1 FORMER MEMBER OR EXECUTIVE-LEVEL EMPLOYEE MAY SOLICIT ANY
2 CONTRACTS WITH THE COMMISSION FOR A PERIOD OF ONE YEAR FROM
3 THE TERMINATION OF EMPLOYMENT OR SERVICE WITH THE COMMISSION.

4 (7) A MEMBER OF THE COMMISSION WHO HAS BEEN CONVICTED
5 DURING HIS TERM IN ANY DOMESTIC OR FOREIGN JURISDICTION OF A
6 FELONY OR A CRIME OF MORAL TURPITUDE SHALL, UPON CONVICTION, <—
7 BE AUTOMATICALLY REMOVED FROM THE COMMISSION AND SHALL BE
8 INELIGIBLE TO BECOME A COMMISSION MEMBER IN THE FUTURE.

9 (8) NO MEMBER MAY SOLICIT, REQUEST, SUGGEST OR RECOMMEND
10 THE EMPLOYMENT, BY EITHER THE COMMISSION OR A CONTRACTOR WITH
11 THE COMMISSION, OF ANY INDIVIDUAL RELATED WITHIN THE FIRST
12 DEGREE OF CONSANGUINITY TO THE MEMBER AS SET FORTH IN 23
13 PA.C.S. § 1304(E) (RELATING TO RESTRICTIONS ON ISSUANCE OF
14 LICENSE) OR THE SPOUSE OF THE INDIVIDUAL.

15 (B) AUDIT.--

16 (1) AT LEAST ONCE EVERY FOUR YEARS, THE DEPARTMENT OF
17 THE AUDITOR GENERAL SHALL REVIEW THE PERFORMANCE, PROCEDURES,
18 OPERATING BUDGET, CAPITAL BUDGET AND DEBT OF THE COMMISSION
19 AND SHALL AUDIT, SETTLE AND ADJUST THE ACCOUNTS OF THE
20 COMMISSION.

21 (2) THE AUDITOR GENERAL SHALL BE ENTITLED TO GO BEYOND
22 MERE FINANCIAL STATEMENTS, AND SHALL BE ENTITLED TO EXAMINE
23 ORIGINAL SOURCE DOCUMENTS AT SUCH TIME AS IS BELIEVED
24 NECESSARY OR MAY OTHERWISE EXAMINE ORIGINAL DOCUMENTS ON A
25 RANDOM BASIS DESIGNED TO ENSURE THE INTEGRITY OF THE AUDIT.

26 § 8205. APPLICABILITY OF OTHER STATUTES.

27 (A) GENERAL RULE.--NOTWITHSTANDING ANY OTHER PROVISION OF
28 LAW, THE FOLLOWING ACTS SHALL APPLY TO THE COMMISSION UNDER THIS
29 CHAPTER:

30 (1) THE ACT OF JUNE 21, 1957 (P.L.390, NO.212), REFERRED

1 TO AS THE RIGHT-TO-KNOW LAW.

2 (2) THE ACT OF JULY 19, 1957 (P.L.1017, NO.451), KNOWN
3 AS THE STATE ADVERSE INTEREST ACT.

4 (3) THE PROVISIONS OF 65 PA.C.S. CHS. 7 (RELATING TO
5 OPEN MEETINGS) AND 11 (RELATING TO ETHICS STANDARDS AND
6 FINANCIAL DISCLOSURE).

7 (B) STATUS OF COMMISSION.--THE COMMISSION SHALL BE
8 CONSIDERED AN "AGENCY" FOR THE PURPOSES OF THE FOLLOWING:

9 (1) THE ACT OF JULY 31, 1968 (P.L.769, NO.240), REFERRED
10 TO AS THE COMMONWEALTH DOCUMENTS LAW.

11 (2) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
12 THE REGULATORY REVIEW ACT.

13 SECTION 5 4. SECTION 8901 OF TITLE 75 IS AMENDED TO READ: <—

14 § 8901. DEFINITIONS.

15 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
16 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
17 CONTEXT CLEARLY INDICATES OTHERWISE:

18 "ANNUAL ADDITIONAL RENT PAYMENTS." AS FOLLOWS: <—

19 (1) DURING THE CONVERSION PERIOD AND AFTER THE
20 CONVERSION DATE, A SUM EQUAL TO THE SCHEDULED ANNUAL
21 COMMISSION CONTRIBUTION, MINUS THE SUM OF:

22 (I) \$200,000,000 PAID AS ANNUAL BASE PAYMENTS;

23 (II) ANY INTERSTATE 80 SAVINGS FOR THAT FISCAL YEAR.

24 (2) IF THE CONVERSION PERIOD HAS EXPIRED AND A
25 CONVERSION NOTICE HAS NOT BEEN RECEIVED BY THE SECRETARY, IN
26 EACH SUBSEQUENT FISCAL YEAR UNTIL THE END OF THE TERM OF THE
27 LEASE AGREEMENT THE ANNUAL ADDITIONAL PAYMENTS SHALL BE
28 \$250,000,000.

29 "ANNUAL BASE PAYMENTS." AN AMOUNT EQUAL TO THE SUM OF THE
30 FOLLOWING:

1 (1) ANNUAL DEBT SERVICE ON OUTSTANDING BONDS ISSUED
2 UNDER SECTION 9511.2 (RELATING TO SPECIAL REVENUE BONDS)
3 PAYABLE AS REQUIRED PURSUANT TO THE BONDS.

4 (2) TWO HUNDRED MILLION DOLLARS PAYABLE ANNUALLY IN FOUR
5 EQUAL INSTALLMENTS EACH DUE THE LAST BUSINESS DAY OF EACH
6 JULY, OCTOBER, JANUARY AND APRIL.

7 "ANNUAL SURPLUS PAYMENTS." AN AMOUNT EQUAL TO THE GENERAL
8 RESERVE FUND SURPLUS PAYABLE FOR EACH FISCAL YEAR UNTIL THE END
9 OF THE TERM OF THE LEASE AGREEMENT.

10 "AUDITOR GENERAL'S CERTIFICATE." THE CERTIFICATE ISSUED BY
11 THE AUDITOR GENERAL WITHIN 180 DAYS AFTER THE END OF EACH FISCAL
12 YEAR OF THE PENNSYLVANIA TURNPIKE COMMISSION CERTIFYING ALL OF
13 THE FOLLOWING:

14 (1) THE AMOUNT OF THE GENERAL RESERVE FUND SURPLUS FOR
15 THE FISCAL YEAR.

16 (2) AFTER REVIEW OF THE COMMISSION'S CURRENT TEN-YEAR
17 CAPITAL PLAN, THAT THE TRANSFER OF THE GENERAL RESERVE FUND
18 SURPLUS UNDER SECTION 8915.3 (RELATING TO LEASE OF INTERSTATE
19 ~~80~~ 80; RELATED AGREEMENTS) SHALL NOT IMPAIR THE ABILITY OF <—
20 THE COMMISSION TO MEET ITS OBLIGATIONS UNDER THE LEASE
21 AGREEMENT OR THE COMMISSION'S TEN-YEAR CAPITAL PLAN.

22 "COMMISSION." THE PENNSYLVANIA TURNPIKE COMMISSION.

23 "CONVERSION DATE." THE DATE SET FORTH IN THE CONVERSION
24 NOTICE WHEN THE PENNSYLVANIA TURNPIKE COMMISSION INTENDS TO
25 EXERCISE ITS OPTION TO CONVERT INTERSTATE 80 TO A TOLL ROAD.

26 "CONVERSION NOTICE." WRITTEN NOTICE TO THE SECRETARY OF
27 TRANSPORTATION FROM THE PENNSYLVANIA TURNPIKE COMMISSION
28 PROVIDING NOTICE OF ITS INTENT TO ~~ASSUME CONTROL OVER EXERCISE~~ <—
29 ITS OPTIONS TO CONVERT INTERSTATE 80 UNDER SECTION 8915.3(3)
30 (RELATING TO LEASE OF INTERSTATE 80).

1 "CONVERSION PERIOD." A PERIOD OF THREE YEARS:

2 (1) WHICH BEGINS ON THE DATE OF EXECUTION OF THE LEASE
3 AGREEMENT; AND

4 (2) DURING WHICH THE PENNSYLVANIA TURNPIKE COMMISSION
5 MAY GIVE THE DEPARTMENT OF TRANSPORTATION CONVERSION NOTICE
6 OR NOTICE THAT THE COMMISSION HAS EXERCISED ITS OPTION TO
7 EXTEND THE CONVERSION PERIOD PURSUANT TO SECTION 8915.3(2)
8 (RELATING TO LEASE OF INTERSTATE 80).

9 "FISCAL YEAR." THE FISCAL YEAR OF THE COMMONWEALTH.

10 "GENERAL RESERVE FUND SURPLUS." THE AMOUNT WHICH:

11 (1) IS CERTIFIED BY THE AUDITOR GENERAL IN THE AUDITOR
12 GENERAL'S CERTIFICATE AS EXISTING IN THE PENNSYLVANIA
13 TURNPIKE COMMISSION'S GENERAL RESERVE FUND ON THE LAST DAY OF
14 THE FISCAL YEAR OF THE COMMISSION; AND ←

15 (2) IS NOT REQUIRED TO BE RETAINED IN THE GENERAL
16 RESERVE FUND PURSUANT TO ANY FINANCIAL DOCUMENTS, FINANCIAL
17 COVENANTS, INSURANCE POLICIES, LIQUIDITY POLICIES OR
18 AGREEMENTS IN EFFECT AT THE COMMISSION.

19 "INTERSTATE 80 SAVINGS." AN AMOUNT EQUAL TO THE FOLLOWING:

20 (1) PRIOR TO THE CONVERSION DATE, THE AMOUNT SHALL BE
21 ZERO.

22 (2) IN THE FIRST FISCAL YEAR INCLUDING THE CONVERSION
23 DATE, THE AMOUNT SHALL BE A PRO RATA SHARE OF \$116,985,856
24 CALCULATED USING THE NUMBER OF CALENDAR DAYS IN THE YEAR
25 AFTER THE CONVERSION DATE DIVIDED BY 365 DAYS.

26 (3) IN THE FISCAL YEAR SUCCEEDING THE YEAR INCLUDING THE
27 CONVERSION DATE, THE AMOUNT SHALL BE \$121,665,290.

28 (4) IN SUBSEQUENT FISCAL YEARS, THE AMOUNT SHALL BE THE
29 AMOUNT CALCULATED FOR THE PREVIOUS YEAR INCREASED BY 4%.

30 "LEASE AGREEMENT." A LEASE AGREEMENT BETWEEN THE DEPARTMENT

1 OF TRANSPORTATION AND THE PENNSYLVANIA TURNPIKE COMMISSION WHICH
2 SHALL INCLUDE PROVISIONS SETTING FORTH THE TERMS OF THE
3 CONVERSION OF INTERSTATE 80 TO A TOLL ROAD.

4 "SCHEDULED ANNUAL COMMISSION CONTRIBUTION." THE FOLLOWING
5 AMOUNTS:

6 (1) ~~\$700,000,000~~ \$750,000,000 IN FISCAL YEAR 2007-2008. <—

7 (2) \$850,000,000 IN FISCAL YEAR 2008-2009.

8 (3) \$900,000,000 IN FISCAL YEAR 2009-2010.

9 (4) FOR FISCAL YEAR 2010-2011, AND EACH FISCAL YEAR

10 THEREAFTER, THE AMOUNT SHALL BE THE AMOUNT CALCULATED FOR THE
11 PREVIOUS YEAR INCREASED BY 2.5%, EXCEPT THAT THE AMOUNT SHALL
12 BE EQUAL TO THE ANNUAL BASE PAYMENTS PLUS \$250,000,000 IF THE
13 CONVERSION NOTICE IS NOT RECEIVED BY THE SECRETARY PRIOR TO
14 THE EXPIRATION OF THE CONVERSION PERIOD.

15 SECTION ~~6~~ 5. SECTION 8911 INTRODUCTORY PARAGRAPH OF TITLE 75 <—
16 IS AMENDED AND THE SECTION IS AMENDED BY ADDING A PARAGRAPH TO
17 READ:

18 § 8911. IMPROVEMENT AND EXTENSION AUTHORIZATIONS.

19 IN ORDER TO FACILITATE VEHICULAR TRAFFIC WITHIN AND ACROSS
20 THIS COMMONWEALTH, THE COMMISSION IS HEREBY AUTHORIZED AND
21 EMPOWERED TO CONSTRUCT, OPERATE AND MAINTAIN TURNPIKE EXTENSIONS
22 AND TURNPIKE IMPROVEMENTS AT SUCH SPECIFIC LOCATIONS AND
23 ACCORDING TO SUCH SCHEDULE AS SHALL BE DEEMED FEASIBLE AND
24 APPROVED BY THE COMMISSION, TOGETHER WITH CONNECTING ROADS,
25 STORM WATER MANAGEMENT SYSTEMS, INTERCHANGES, SLIP RAMPS,
26 TUNNELS AND BRIDGES, SUBJECT TO THE WAIVER OF THE FEDERAL TOLL
27 PROHIBITION PROVISIONS WHERE APPLICABLE, AS FOLLOWS:

28 * * *

29 (10) OTHER SLIP RAMPS AND INTERCHANGES AS THE COMMISSION
30 MAY DETERMINE.

1 SECTION 7 6. SECTION 8915 INTRODUCTORY PARAGRAPH OF TITLE 75 <—
2 IS AMENDED TO READ:

3 § 8915. CONVERSION TO TOLL ROADS.

4 IN ORDER TO FACILITATE VEHICULAR TRAFFIC WITHIN AND ACROSS
5 THIS COMMONWEALTH, AND [AFTER] TO FACILITATE THE COMPLETION OF
6 THE TURNPIKE EXTENSIONS AND IMPROVEMENTS AUTHORIZED IN SECTION
7 8911 (RELATING TO IMPROVEMENT AND EXTENSION AUTHORIZATIONS), AND
8 SUBJECT TO PRIOR LEGISLATIVE APPROVAL BY THE GENERAL ASSEMBLY
9 AND THE UNITED STATES CONGRESS, THE COMMISSION IS HEREBY
10 AUTHORIZED AND EMPOWERED TO CONVERT TO TOLL ROADS SUCH PORTIONS
11 OF PENNSYLVANIA'S INTERSTATE HIGHWAY SYSTEM AS MAY [BE REQUIRED
12 IN ORDER TO] FACILITATE THE COMPLETION OF THE TURNPIKE
13 EXTENSIONS AND IMPROVEMENTS AUTHORIZED IN SECTIONS 8912
14 (RELATING TO SUBSEQUENT EXTENSION AUTHORIZATIONS), 8913
15 (RELATING TO ADDITIONAL SUBSEQUENT EXTENSION AUTHORIZATIONS) AND
16 8914 (RELATING TO FURTHER SUBSEQUENT AUTHORIZATIONS) AND TO
17 OPERATE AND MAINTAIN SUCH CONVERTED INTERSTATES AS TOLL ROADS
18 UPON THE APPROVAL BY THE CONGRESS OF THE UNITED STATES OF
19 AMERICA AND THE GENERAL ASSEMBLY OF THIS COMMONWEALTH OF
20 LEGISLATION EXPRESSLY PERMITTING THE CONVERSION OF SUCH
21 INTERSTATES TO TOLL ROADS. SUCH CONVERSIONS SHALL TAKE PLACE AT
22 A TIME AND MANNER SET FORTH IN THE PLAN FOR THE CONVERSION
23 PREPARED BY THE COMMISSION WITH THE COOPERATION OF THE
24 DEPARTMENT. THE PROVISIONS AUTHORIZING THE COMMISSION TO
25 CONSTRUCT, OPERATE AND MAINTAIN THE TURNPIKE ROUTES IN SECTIONS
26 8911, 8912 AND 8913 SHALL BE SUBJECT TO:

27 * * *

28 SECTION 8 7. TITLE 75 IS AMENDED BY ADDING SECTIONS TO READ: <—
29 § 8915.1. CONVERSION OF INTERSTATE 80.

30 IN ORDER TO FACILITATE VEHICULAR TRAFFIC ACROSS THIS

1 COMMONWEALTH, THE COMMISSION IS AUTHORIZED AND EMPOWERED TO DO
2 ALL OF THE FOLLOWING:

3 (1) CONVERT INTERSTATE 80 TO A TOLL ROAD AND MAINTAIN
4 AND OPERATE IT AS A TOLL ROAD.

5 (2) CONSTRUCT, RECONSTRUCT, WIDEN, EXPAND, EXTEND,
6 ~~OPERATE, MAINTAIN AND~~ MAINTAIN AND OPERATE INTERSTATE 80 FROM ←
7 A POINT AT OR NEAR THE OHIO BORDER TO A POINT AT OR NEAR THE
8 NEW JERSEY BORDER, TOGETHER WITH CONNECTING ROADS,
9 INTERCHANGES, SLIP RAMPS, TUNNELS AND BRIDGES.

10 (3) ISSUE TURNPIKE REVENUE BONDS, NOTES OR OTHER
11 OBLIGATIONS, PAYABLE SOLELY FROM REVENUES OF THE COMMISSION,
12 INCLUDING TOLLS, OR FROM FUNDS AS MAY BE AVAILABLE TO THE
13 COMMISSION FOR THAT PURPOSE, TO PAY THE COST OF CONSTRUCTION,
14 RECONSTRUCTING, WIDENING, EXPANDING OR EXTENDING OR ANY OTHER
15 COSTS OF INTERSTATE 80 AND THE PENNSYLVANIA TURNPIKE.

16 § 8915.2. APPLICATION TO UNITED STATES DEPARTMENT OF
17 TRANSPORTATION.

18 (A) APPLICATION.--THE COMMISSION, IN CONSULTATION WITH THE
19 DEPARTMENT AND AT ITS OWN EXPENSE, IS AUTHORIZED TO PREPARE AND
20 SUBMIT AN APPLICATION TO THE UNITED STATES DEPARTMENT OF
21 TRANSPORTATION FOR THE CONVERSION OF INTERSTATE 80 TO A TOLL
22 ROAD. THE SECRETARY SHALL ENSURE THAT ALL INFORMATION REQUIRED
23 FOR THE APPLICATION IS MADE AVAILABLE TO THE COMMISSION AS SOON
24 AS PRACTICABLE AFTER THE EFFECTIVE DATE OF THIS SECTION.

25 (B) OPEN SYSTEM.--A TOLL SYSTEM SHALL CONSIST OF WHAT IS
26 COMMONLY REFERRED TO AS AN OPEN SYSTEM WITH NO MORE THAN TEN
27 TOLL COLLECTION POINTS.

28 (C) OTHER AGREEMENTS.--THE COMMISSION AND THE DEPARTMENT MAY
29 ENTER INTO ANY OTHER AGREEMENTS AS MAY BE NECESSARY TO
30 EFFECTUATE THE EXECUTION OF THE APPLICATION FILED UNDER THIS

1 SECTION.

2 § 8915.3. LEASE OF INTERSTATE 80; RELATED AGREEMENTS.

3 THE DEPARTMENT AND THE COMMISSION SHALL ENTER INTO A LEASE
4 AGREEMENT RELATING TO INTERSTATE 80 PRIOR TO OCTOBER 15, 2007.
5 THE LEASE AGREEMENT SHALL INCLUDE PROVISIONS SETTING FORTH THE
6 TERMS AND CONDITIONS OF THE CONVERSION OF INTERSTATE 80 TO A
7 TOLL ROAD. THE LEASE AGREEMENT AND ANY RELATED AGREEMENT, AT A
8 MINIMUM, SHALL INCLUDE THE FOLLOWING:

9 (1) A PROVISION THAT THE TERM OF THE LEASE AGREEMENT
10 SHALL BE 50 YEARS, UNLESS EXTENDED UPON MUTUAL AGREEMENT OF
11 THE PARTIES TO THE LEASE AGREEMENT.

12 (2) A PROVISION ESTABLISHING A THE CONVERSION PERIOD AND ←
13 AUTHORIZING EXTENSION OF THE CONVERSION PERIOD AT THE SOLE
14 OPTION OF THE COMMISSION FOR THREE ONE-YEAR EXTENSION PERIODS
15 AFTER CONSULTATION WITH THE SECRETARY. THE COMMISSION SHALL
16 NOTIFY THE SECRETARY OF ITS INTENT TO EXTEND THE CONVERSION
17 PERIOD NOT LESS THAN 90 DAYS BEFORE THE SCHEDULED EXPIRATION
18 OF THE CONVERSION PERIOD. DURING THE CONVERSION PERIOD, ALL
19 LEGAL, FINANCIAL AND OPERATIONAL RESPONSIBILITY FOR
20 INTERSTATE 80 SHALL REMAIN WITH THE DEPARTMENT. ALL
21 OPERATIONS AND PROGRAMMED REHABILITATION SHALL BE MAINTAINED
22 AT LEVELS NO LESS FAVORABLE THAN THOSE SET FORTH IN THE
23 DEPARTMENT'S 12-YEAR PLAN AT THE TIME OF THE EXECUTION OF THE
24 LEASE, WITH MODIFICATIONS AS ARE APPROVED IN WRITING BY THE
25 CHAIRMAN OF THE COMMISSION.

26 (3) A PROVISION PERMITTING THE COMMISSION TO EXERCISE
27 ITS OPTION TO CONVERT INTERSTATE 80 TO A TOLL ROAD PRIOR TO
28 THE EXPIRATION OF THE CONVERSION PERIOD BY PROVIDING THE
29 CONVERSION NOTICE TO THE SECRETARY. BEGINNING ON THE
30 CONVERSION DATE, ALL LEGAL, FINANCIAL AND OPERATIONAL

1 RESPONSIBILITY FOR INTERSTATE 80, AS WELL AS ALL TOLL
2 REVENUES SUBSEQUENTLY COLLECTED WITH RESPECT TO ITS USE,
3 SHALL AUTOMATICALLY TRANSFER TO THE COMMISSION. THE
4 SECRETARY, WITHIN FIVE BUSINESS DAYS AFTER RECEIVING THE
5 CONVERSION NOTICE, SHALL FORWARD NOTICE OF THE CONVERSION
6 DATE TO THE LEGISLATIVE REFERENCE BUREAU FOR PUBLICATION IN
7 THE PENNSYLVANIA BULLETIN. ANY REVENUES COLLECTED PRIOR TO
8 THE CONVERSION DATE SHALL BE RETAINED BY THE DEPARTMENT. THE
9 COMMISSION ~~MAY~~ SHALL CONTRACT WITH THE DEPARTMENT FOR ANY ←
10 PORTION OF THE MAINTENANCE OF INTERSTATE 80 AT COST LEVELS
11 AGREED TO BY THE DEPARTMENT AND THE COMMISSION.

12 (4) A PROVISION REQUIRING THE COMMISSION TO PAY ANNUAL
13 BASE PAYMENTS TO THE DEPARTMENT DURING THE TERM OF THE LEASE
14 AGREEMENT.

15 (5) A PROVISION REQUIRING THE COMMISSION TO PAY ANNUAL
16 ADDITIONAL PAYMENTS TO THE DEPARTMENT. THE ANNUAL ADDITIONAL
17 PAYMENTS SHALL BE PAYABLE IN FOUR EQUAL INSTALLMENTS ON THE
18 LAST BUSINESS DAY OF EACH JULY, OCTOBER, JANUARY AND APRIL OF
19 EACH YEAR DURING THE TERM OF THE LEASE AGREEMENT.

20 (6) A PROVISION REQUIRING THE COMMISSION TO PAY,
21 COMMENCING IN THE FISCAL YEAR INCLUDING THE CONVERSION DATE,
22 ANNUAL SURPLUS PAYMENTS TO THE DEPARTMENT. THE ANNUAL SURPLUS
23 PAYMENTS SHALL BE PAYABLE BY THE COMMISSION WITHIN 30 DAYS OF
24 RECEIPT BY THE COMMISSION OF THE AUDITOR GENERAL'S
25 CERTIFICATE.

26 (7) A PROVISION STATING THAT THE OBLIGATION OF THE
27 COMMISSION TO PAY THE ANNUAL BASE PAYMENTS, THE ANNUAL
28 ADDITIONAL PAYMENTS AND ANNUAL SURPLUS PAYMENTS SHALL BE A
29 SUBORDINATE OBLIGATION OF THE COMMISSION PAYABLE FROM AMOUNTS
30 IN THE GENERAL RESERVE FUND OF THE COMMISSION ONLY AS

1 PERMITTED BY ANY FINANCING DOCUMENTS, FINANCIAL COVENANTS,
2 LIQUIDITY POLICIES OR AGREEMENTS IN EFFECT AT THE COMMISSION.

3 § 8915.4. INITIAL PAYMENT.

4 (A) COMMISSION PAYMENT REQUIRED.--WITHIN 20 DAYS AFTER THE
5 EFFECTIVE DATE OF THIS SECTION, THE COMMISSION SHALL PAY TO THE
6 DEPARTMENT AN AMOUNT EQUAL TO \$62,500,000, WHICH SHALL BE
7 DEPOSITED INTO THE PUBLIC TRANSPORTATION TRUST FUND. THE AMOUNT
8 PAID SHALL REPRESENT 25% OF THE AMOUNT THE DEPARTMENT IS
9 REQUIRED TO DEPOSIT INTO THE PUBLIC TRANSPORTATION TRUST FUND
10 UNDER 74 PA.C.S. § 1506(B)(1)(I)(A) (RELATING TO FUND) AND IS <—
11 PAYABLE BY THE COMMISSION UNDER THE LEASE AGREEMENT. REQUIRED TO <—
12 BE EXECUTED BETWEEN THE COMMISSION AND THE DEPARTMENT UNDER
13 SECTION 8915.3 (RELATING TO LEASE OF INTERSTATE 80).

14 (B) USE OF PAYMENT.--THE DEPARTMENT SHALL ALLOCATE THE FUNDS
15 RECEIVED UNDER SUBSECTION (A) AS PRESCRIBED UNDER 74 PA.C.S. § <—
16 1506 PURSUANT TO 74 PA.C.S. CH. 15 (RELATING TO SUSTAINABLE <—
17 MOBILITY OPTIONS).

18 (C) CREDITS.--THE PAYMENT MADE BY THE COMMISSION UNDER THIS
19 SECTION SHALL BE CREDITED AGAINST THE TOTAL AMOUNT OWED PAYABLE <—
20 BY THE COMMISSION UNDER THE LEASE AGREEMENT FOR THE 2007-2008
21 FISCAL YEAR.

22 § 8915.5. OTHER INTERSTATE HIGHWAYS.

23 IN ORDER TO FACILITATE VEHICULAR TRAFFIC ACROSS THIS
24 COMMONWEALTH AND PURSUANT TO THE AUTHORITY GRANTED UNDER THIS
25 CHAPTER, THE COMMISSION IS HEREBY AUTHORIZED AND EMPOWERED TO:

- 26 (1) AT ITS OWN EXPENSE AND IN CONSULTATION WITH THE
27 DEPARTMENT, PREPARE A CONSULTING CIVIL ENGINEER REPORT AND
28 FINANCIAL ANALYSIS WITH RESPECT TO THE FEASIBILITY OF
29 CONVERTING ANY INTERSTATE HIGHWAY OR INTERSTATE HIGHWAY
30 SEGMENT TO A TOLL ROAD OR ADDING TO SAID INTERSTATES

1 ADDITIONAL CAPACITY PROJECTS FINANCED BY TOLLS; AND

2 (2) AT ITS OWN EXPENSE, AND IN CONSULTATION WITH THE
3 DEPARTMENT AND WITH APPROVAL OF THE GENERAL ASSEMBLY, PREPARE
4 AND SUBMIT AN APPLICATION TO THE UNITED STATES DEPARTMENT OF
5 TRANSPORTATION FOR THE CONVERSION OF ANY INTERSTATE OR
6 INTERSTATE SEGMENT DETERMINED TO BE ELIGIBLE FOR CONVERSION
7 TO A TOLL ROAD UNDER ANY APPLICABLE FEDERAL PROGRAM.

8 § 8915.6. DEPOSIT AND DISTRIBUTION OF FUNDS.

9 (A) DEPOSITS.--THE UPON RECEIPT BY THE DEPARTMENT, THE ←
10 FOLLOWING AMOUNTS FROM THE SCHEDULED ANNUAL COMMISSION
11 CONTRIBUTION SHALL BE DEPOSITED IN THE MOTOR LICENSE FUND:

12 (1) FOR FISCAL YEAR 2007-2008, \$450,000,000.

13 (2) FOR FISCAL YEAR 2008-2009, \$500,000,000.

14 (3) FOR FISCAL YEAR 2009-2010, \$500,000,000.

15 (4) FOR FISCAL YEAR 2010-2011 AND EACH FISCAL YEAR
16 THEREAFTER, THE AMOUNT CALCULATED FOR THE PREVIOUS YEAR
17 INCREASED BY 2.5%.

18 (B) DISTRIBUTION.--THE FOLLOWING SHALL APPLY:

19 (1) ANNUALLY, 15% OF THE AMOUNT DEPOSITED IN ANY FISCAL
20 YEAR UNDER SUBSECTION (A) SHALL BE DISTRIBUTED AT THE
21 DISCRETION OF THE SECRETARY.

22 (2) ANNUALLY, \$5,000,000 OF THE AMOUNT DEPOSITED IN ANY
23 FISCAL YEAR UNDER SUBSECTION (A) SHALL BE DISTRIBUTED TO
24 COUNTIES.

25 (I) THE DISTRIBUTION SHALL BE IN THE RATIO OF:

26 (A) THE SQUARE FOOTAGE OF DECK AREA OF A
27 COUNTY'S COUNTY-OWNED BRIDGES; TO

28 (B) THE TOTAL SQUARE FOOTAGE OF DECK AREA OF
29 COUNTY-OWNED BRIDGES THROUGHOUT THIS COMMONWEALTH.

30 (II) THE AMOUNT OF SQUARE FOOTAGE UNDER SUBPARAGRAPH

1 (1) SHALL BE THAT REPORTED AS PART OF THE NATIONAL BRIDGE
2 INSPECTION STANDARDS PROGRAM.

3 (3) ANNUALLY, \$30,000,000 OF THE AMOUNT DEPOSITED IN ANY
4 FISCAL YEAR UNDER SUBSECTION (A) SHALL BE DISTRIBUTED TO
5 MUNICIPALITIES PURSUANT TO THE ACT OF JUNE 1, 1956 (1955
6 P.L.1944, NO.655), REFERRED TO AS THE LIQUID FUELS TAX
7 MUNICIPAL ALLOCATION LAW.

8 (4) ANY FUNDS DEPOSITED UNDER SUBSECTION (A) BUT NOT
9 DISTRIBUTED UNDER PARAGRAPHS (1), (2) AND (3) SHALL BE
10 DISTRIBUTED IN ACCORDANCE WITH NEEDS-BASED FORMULAS THAT ARE
11 DEVELOPED AND SUBJECT TO PERIODIC REVISION BASED ON
12 CONSULTATION AND COLLABORATION AMONG METROPOLITAN PLANNING
13 ORGANIZATIONS, RURAL PLANNING ORGANIZATIONS AND THE
14 DEPARTMENT.

15 (C) DEFINITIONS.--THE FOLLOWING WORDS AND PHRASES WHEN USED
16 IN THIS SECTION SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
17 SUBSECTION, UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

18 "METROPOLITAN PLANNING ORGANIZATION." THE POLICY BOARD OF AN
19 ORGANIZATION CREATED AND DESIGNATED TO CARRY OUT THE
20 METROPOLITAN TRANSPORTATION PLANNING PROCESS.

21 "RURAL PLANNING ORGANIZATION." THE ORGANIZATION OF COUNTIES
22 WITH POPULATIONS OF LESS THAN 50,000 CREATED AND DESIGNATED AS
23 LOCAL DEVELOPMENT DISTRICTS AND WHICH CARRY OUT THE RURAL
24 TRANSPORTATION PLANNING PROCESS.

25 § 8917. FINANCIAL PLAN.

26 (A) SUBMISSION.--

27 (1) NO LATER THAN APRIL 1 OF EACH YEAR, THE COMMISSION
28 SHALL PREPARE AND PROVIDE TO THE SECRETARY OF THE BUDGET A
29 FINANCIAL PLAN FOR THE ENSUING FISCAL YEAR OF THE COMMISSION
30 THAT DESCRIBES THE COMMISSION'S PROPOSED:

- 1 (I) OPERATING AND CAPITAL EXPENDITURES;
2 (II) BORROWINGS;
3 (III) LIQUIDITY AND OTHER FINANCIAL MANAGEMENT
4 COVENANTS AND POLICIES;
5 (IV) ESTIMATED TOLL RATES; AND
6 (V) ALL OTHER REVENUES AND EXPENDITURES.

7 (2) THE FINANCIAL PLAN SHALL DEMONSTRATE THAT THE
8 OPERATION OF THE COMMISSION IN ACCORDANCE WITH THE PLAN CAN
9 REASONABLY BE ANTICIPATED TO RESULT IN THE COMMISSION HAVING
10 UNENCUMBERED FUNDS DURING THE ENSUING AND FUTURE FISCAL YEARS
11 OF THE COMMISSION SUFFICIENT TO MAKE THE PAYMENTS DUE TO THE
12 DEPARTMENT UNDER THIS CHAPTER AND THE LEASE AGREEMENT FOR THE
13 ENSUING AND FUTURE FISCAL YEARS AFTER ALL OTHER OBLIGATIONS
14 OF THE COMMISSION HAVE BEEN MET. FINANCIAL PLANS PREPARED
15 AFTER APRIL 1, 2008, SHALL ALSO DESCRIBE ANY DEVIATIONS THAT
16 OCCURRED FROM THE FINANCIAL PLAN FOR THE PRIOR FISCAL YEAR OF
17 THE COMMISSION AND THE REASONS FOR THE DEVIATIONS.

18 (B) RECEIPT.--IF THE SECRETARY OF THE BUDGET RECEIVES THE
19 FINANCIAL PLAN BY THE DATE REQUIRED UNDER SUBSECTION (A), THE
20 COMMISSION SHALL BE AUTHORIZED TO CONDUCT ITS OPERATIONS IN
21 ACCORDANCE WITH THE PLAN. THE FINANCIAL PLAN MAY NOT BE AMENDED
22 BY THE COMMISSION UNLESS THE COMMISSION NOTIFIES THE SECRETARY
23 IN WRITING OF THE AMENDMENT.

24 (C) COOPERATION.--THE COMMISSION SHALL PROVIDE TO THE
25 SECRETARY OF THE BUDGET ALL INFORMATION REQUESTED IN CONNECTION
26 WITH REVIEW OF A FINANCIAL PLAN, INCLUDING MATERIALS USED TO
27 PREPARE THE PLAN. THE INFORMATION SHALL BE PROVIDED AS SOON AS
28 PRACTICABLE AFTER THE REQUEST.

29 (D) EFFECT OF PROVISIONS.--NOTHING IN THIS SECTION OR
30 SECTION 8918 (RELATING TO FAILURE TO PERFORM) SHALL BE DEEMED TO

1 PREVENT THE COMMISSION FROM CONDUCTING ITS NORMAL COURSE OF
2 BUSINESS OR PREVENT THE COMMISSION FROM COMPLYING WITH ANY
3 COVENANTS MADE TO CURRENT BONDHOLDERS.

4 (E) LEASE AGREEMENT.--THE PROVISIONS OF THIS SECTION AND
5 SECTION 8918 SHALL BE INCLUDED IN THE LEASE AGREEMENT.
6 § 8918. FAILURE TO PERFORM.

7 (A) NOTICE.--THE SECRETARY OF THE BUDGET SHALL SEND WRITTEN
8 NOTICE TO THE COMMISSION AND TO THE GOVERNOR OF THE FAILURE OF
9 THE COMMISSION TO DO ANY OF THE FOLLOWING:

10 (1) MAKE A PAYMENT TO THE DEPARTMENT UNDER THIS CHAPTER
11 OR THE LEASE AGREEMENT.

12 (2) DELIVER A FINANCIAL PLAN TO THE SECRETARY OF THE
13 BUDGET WITHIN THE TIME PRESCRIBED UNDER SECTION 8917
14 (RELATING TO FINANCIAL PLAN).

15 (B) UNANIMOUS VOTE REQUIRED.--

16 (1) UPON THE RECEIPT BY THE COMMISSION OF THE NOTICE
17 UNDER SUBSECTION (A) AND NOTWITHSTANDING ANY OTHER PROVISION
18 OF LAW, ACTION OF THE COMMISSION TAKEN BY VOTE OF THE
19 COMMISSIONERS SHALL REQUIRE A UNANIMOUS VOTE OF ALL
20 COMMISSIONERS. VIOLATION OF THIS PARAGRAPH SHALL RENDER THE
21 ACTION INVALID.

22 (2) THE REQUIREMENT OF PARAGRAPH (1) SHALL CONTINUE
23 UNTIL:

24 (I) THE REQUIRED PAYMENTS HAVE BEEN MADE TO THE
25 DEPARTMENT OR THE REQUIRED FINANCIAL PLAN HAS BEEN
26 DELIVERED; AND

27 (II) THE SECRETARY OF THE BUDGET HAS NOTIFIED THE
28 COMMISSION AND THE GOVERNOR OF THAT FACT.

29 ~~SECTION 9. TITLE 75 IS AMENDED BY ADDING SECTIONS TO READ:~~ <—
30 § 9501. DEFINITIONS.

1 THE FOLLOWING WORDS AND TERMS WHEN USED IN THIS CHAPTER SHALL
2 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION, UNLESS THE
3 CONTEXT CLEARLY INDICATES OTHERWISE:

4 "ACT 3." THE ACT OF APRIL 17, 1997 (P.L.6, NO.3), ENTITLED,
5 "AN ACT AMENDING TITLES 74 (TRANSPORTATION) AND 75 (VEHICLES) OF
6 THE PENNSYLVANIA CONSOLIDATED STATUTES, FURTHER PROVIDING FOR
7 ANNUAL APPROPRIATION AND COMPUTATION OF SUBSIDY AND FOR
8 DISTRIBUTION OF FUNDING; PROVIDING FOR DISTRIBUTION OF
9 SUPPLEMENTAL FUNDING; FURTHER PROVIDING FOR USE OF FUNDS
10 DISTRIBUTED; PROVIDING FOR PUBLIC TRANSPORTATION GRANTS
11 MANAGEMENT ACCOUNTABILITY, FOR COMPETITIVE PROCUREMENT AND FOR
12 THE PUBLIC TRANSPORTATION ASSISTANCE FUND; FURTHER PROVIDING FOR
13 PERIOD OF REGISTRATION, FOR DUTIES OF AGENTS, FOR REGISTRATION
14 AND OTHER FEES, FOR REQUIREMENTS FOR PERIODIC INSPECTION OF
15 VEHICLES, FOR LIMITS ON NUMBER OF TOWED VEHICLES, FOR OPERATION
16 OF CERTAIN COMBINATIONS ON INTERSTATE AND OTHER HIGHWAYS AND FOR
17 WIDTH AND LENGTH OF VEHICLES; PROVIDING FOR LIQUID FUELS AND
18 FUELS PERMITS AND BOND OR DEPOSIT OF SECURITIES, FOR IMPOSITION
19 OF LIQUID FUELS AND FUELS TAX, FOR TAXPAYER, FOR DISTRIBUTOR'S
20 REPORT AND PAYMENT OF TAX, FOR DETERMINATION OF TAX, PENALTIES
21 AND INTEREST, FOR EXAMINATION OF RECORDS AND EQUIPMENT, FOR
22 RETENTION OF RECORDS BY DISTRIBUTORS AND DEALERS, FOR
23 DISPOSITION AND USE OF TAX, FOR DISCONTINUANCE OR TRANSFER OF
24 BUSINESS, FOR SUSPENSION OR REVOCATION OF PERMITS, FOR LIEN OF
25 TAXES, PENALTIES AND INTEREST, FOR COLLECTION OF UNPAID TAXES,
26 FOR REPORTS FROM COMMON CARRIERS, FOR VIOLATIONS AND REWARD FOR
27 DETECTION OF VIOLATIONS, FOR REFUNDS, FOR DIESEL FUEL IMPORTERS
28 AND TRANSPORTERS, FOR PROHIBITING USE OF DYED DIESEL FUEL, FOR
29 DISPOSITION OF FEES, FINES AND FORFEITURES, FOR CERTIFIED COPIES
30 OF RECORDS AND FOR UNCOLLECTIBLE CHECKS; FURTHER PROVIDING FOR

1 DISTRIBUTION OF STATE HIGHWAY MAINTENANCE FUNDS AND FOR
2 STANDARDS AND METHODOLOGY FOR DATA COLLECTION; PROVIDING FOR
3 DIRT AND GRAVEL ROAD MAINTENANCE; FURTHER PROVIDING FOR
4 IMPOSITION OF TAX AND ADDITIONAL TAX; PROVIDING FOR TAX ON
5 ALTERNATIVE FUELS; FURTHER PROVIDING FOR DISPOSITION OF TAX
6 REVENUE; MAKING AN APPROPRIATION; AND MAKING REPEALS."

7 "ANNUAL DEBT SERVICE PAYMENTS." THE ANNUAL DEBT SERVICE
8 PAYMENTS ON THE BONDS ISSUED UNDER SECTION 9511.2 (RELATING TO
9 SPECIAL REVENUE BONDS) AND PAYABLE BY THE COMMISSION TO THE
10 DEPARTMENT AS PART OF ANNUAL BASE PAYMENTS AS DEFINED UNDER 75
11 PA.C.S. § 8901 (RELATING TO DEFINITIONS).

12 "BOND RELATED EXPENSES." THE TERM SHALL INCLUDE ALL OF THE
13 FOLLOWING:

14 (1) PRINTING, PUBLICATION OR ADVERTISING EXPENSES WITH
15 RESPECT TO THE SALE AND ISSUANCE OF BONDS.

16 (2) FEES, EXPENSES AND COSTS OF REGISTRARS.

17 (3) FEES, EXPENSES AND COSTS OF ATTORNEYS, ACCOUNTANTS,
18 FEASIBILITY CONSULTANTS, COMPUTER PROGRAMMERS OR OTHER
19 EXPERTS EMPLOYED TO AID IN THE SALE AND ISSUANCE OF THE
20 BONDS.

21 (4) OTHER COSTS, FEES AND EXPENSES INCURRED OR
22 REASONABLY RELATED TO THE ISSUANCE AND SALE OF THE BONDS
23 INCLUDING THE FUNDING OF A DEBT SERVICE RESERVE FUND.

24 "BOND-RELATED OBLIGATION." AN AGREEMENT OR CONTRACTUAL
25 RELATIONSHIP BETWEEN THE PENNSYLVANIA TURNPIKE COMMISSION AND:

26 (1) A BANK, TRUST COMPANY, INSURANCE COMPANY, SURETY
27 BONDING COMPANY, PENSION FUND OR OTHER FINANCIAL INSTITUTION
28 PROVIDING INCREASED CREDIT ON OR SECURITY FOR THE BONDS OR
29 LIQUIDITY FOR SECONDARY MARKET TRANSACTIONS; OR

30 (2) THE COUNTER PARTY TO A SWAP AGREEMENT.

1 "COMMISSION." THE PENNSYLVANIA TURNPIKE COMMISSION OR ANY
2 SUCCESSOR ORGANIZATION.

3 "COST OF THE DEPARTMENT." ANY OF THE FOLLOWING:

4 (1) THE COST OF CONSTRUCTING, RECONSTRUCTING, WIDENING,
5 EXPANDING OR EXTENDING THE STATE HIGHWAY AND RURAL STATE
6 HIGHWAY SYSTEM AND ALL CONNECTING ROADS, TUNNELS AND BRIDGES.

7 (2) THE COST OF ALL LANDS, PROPERTY RIGHTS, RIGHTS-OF-
8 WAY, EASEMENTS AND FRANCHISES ACQUIRED, WHICH ARE DEEMED
9 NECESSARY OR CONVENIENT FOR THE CONSTRUCTION, RECONSTRUCTION,
10 WIDENING, EXPANDING OR EXTENDING UNDER PARAGRAPH (1).

11 (3) THE COST OF ALL MACHINERY AND EQUIPMENT, FINANCING
12 CHARGES, INTEREST PRIOR TO AND DURING CONSTRUCTION AND FOR
13 ONE YEAR AFTER COMPLETION OF CONSTRUCTION.

14 (4) THE COST OF TRAFFIC ESTIMATES ~~AND OF~~, ENGINEERING ←
15 AND LEGAL EXPENSES, PLANS, SPECIFICATIONS, SURVEYS, ESTIMATES
16 OF COST AND OF REVENUES, OTHER EXPENSES NECESSARY OR INCIDENT
17 TO DETERMINING THE FEASIBILITY OR PRACTICABILITY OF THE
18 ENTERPRISE, ADMINISTRATIVE AND LEGAL EXPENSES AND OTHER
19 EXPENSES AS MAY BE NECESSARY OR INCIDENT TO THE FINANCING
20 AUTHORIZED UNDER THIS CHAPTER, THE CONSTRUCTION,
21 RECONSTRUCTION, WIDENING, EXPANDING OR EXTENDING OF THE STATE
22 HIGHWAY AND THE RURAL STATE HIGHWAY SYSTEM AND CONNECTING
23 ROADS, TUNNELS AND BRIDGES, THE PLACING OF THE SAME IN
24 OPERATION AND THE CONDEMNATION OF PROPERTY NECESSARY FOR
25 CONSTRUCTION AND OPERATION.

26 (5) ANY OBLIGATION OR EXPENSE CONTRACTED FOR BY THE
27 DEPARTMENT OF TRANSPORTATION OR WITH THE UNITED STATES OR ANY
28 AGENCY OF THE UNITED STATES, FOR TRAFFIC SURVEYS, PREPARATION
29 OF PLANS AND SPECIFICATIONS, SUPERVISION OF CONSTRUCTION AND
30 OTHER ENGINEERING, ADMINISTRATIVE AND LEGAL SERVICES AND

1 EXPENSES IN CONNECTION WITH THE CONSTRUCTION, RECONSTRUCTION,
2 WIDENING, EXPANDING OR EXTENDING OF THE STATE HIGHWAY AND THE
3 RURAL STATE HIGHWAY SYSTEM OR ANY OF THE CONNECTING ROADS,
4 TUNNELS AND BRIDGES.

5 (6) PAYMENT OF ANY NOTES OR OTHER OBLIGATIONS IF THE
6 NOTES OR OTHER OBLIGATIONS WERE ISSUED FOR THE PAYMENT OF A
7 COST.

8 "DESIGN BUILD ARRANGEMENT." A PROCUREMENT OR PROJECT
9 DELIVERY ARRANGEMENT WHEREBY A SINGLE ENTITY, WHICH MAY BE A
10 SINGLE CONTRACTOR OR A CONSORTIUM COMPRISED OF MULTIPLE
11 CONTRACTORS, ENGINEERS AND OTHER SUBCONSULTANTS, IS RESPONSIBLE
12 FOR BOTH THE DESIGN AND CONSTRUCTION OF A TRANSPORTATION PROJECT
13 WITH A GUARANTEED COMPLETION DATE AND GUARANTEED MAXIMUM PRICE.

14 "PLEGGED REVENUES." ~~THE~~ ANNUAL DEBT SERVICE PAYMENTS AND <—
15 REVENUES DESCRIBED IN SECTION ~~9511.11(A) AND (B)~~ 9511.11(B)(2) <—
16 (RELATING TO PLEDGED REVENUES).

17 "REGULARLY SCHEDULED DEBT SERVICE." THE SCHEDULED PAYMENTS
18 DUE FOR PRINCIPAL AND INTEREST ON BONDS, WITHOUT REGARD TO ANY
19 ACCELERATION OF THE DUE DATE OF SUCH PRINCIPAL OR INTEREST BY
20 REASON OF MANDATORY OR OPTIONAL REDEMPTION OR ACCELERATION
21 RESULTING FROM DEFAULT OR OTHERWISE. ~~THE TERM DOES NOT INCLUDE,~~ <—
22 OTHER THAN AN ADVANCEMENT OF PAYMENT RESULTING FROM A MANDATORY
23 SINKING FUND PAYMENT.

24 "RURAL STATE HIGHWAY SYSTEM." ALL ROADS AND HIGHWAYS TAKEN
25 OVER BY THE COMMONWEALTH AS STATE HIGHWAYS UNDER THE PROVISIONS
26 OF THE ACT OF JUNE 22, 1931 (P.L.594, NO.203), REFERRED TO AS
27 THE TOWNSHIP STATE HIGHWAY LAW AND ALL OTHER ROADS AND HIGHWAYS
28 SPECIFICALLY DESIGNATED BY THE SECRETARY OF TRANSPORTATION AS
29 RURAL STATE HIGHWAYS.

30 "STATE HIGHWAY." ALL ROADS AND HIGHWAYS TAKEN OVER BY THE

1 COMMONWEALTH AS STATE HIGHWAYS UNDER THE PROVISIONS OF ANY
2 STATUTE OTHER THAN THE ACT OF JUNE 22, 1931 (P.L.594, NO.203),
3 REFERRED TO AS THE TOWNSHIP STATE HIGHWAY LAW. UNLESS CLEARLY
4 INTENDED, THE TERM SHALL NOT INCLUDE ANY STREET IN ANY CITY,
5 BOROUGH OR INCORPORATED TOWN, EVEN THOUGH THE SAME MAY HAVE BEEN
6 TAKEN OVER AS A STATE HIGHWAY.

7 § 9511.2. SPECIAL REVENUE BONDS.

8 (A) PAYMENT SOURCE.--A SPECIAL REVENUE BOND, NOTE OR OTHER
9 OBLIGATION ISSUED UNDER THIS CHAPTER:

10 (1) SHALL NOT BE DEEMED TO BE A DEBT OR LIABILITY OF THE
11 COMMONWEALTH;

12 (2) SHALL NOT CREATE OR CONSTITUTE ANY INDEBTEDNESS,
13 LIABILITY OR OBLIGATION OF THE COMMONWEALTH; AND

14 (3) SHALL BE PAYABLE SOLELY FROM PLEDGED REVENUES. <—

15 (B) STATEMENT.--A SPECIAL REVENUE BOND, NOTE OR OTHER
16 OBLIGATION ISSUED UNDER THIS CHAPTER MUST CONTAIN A STATEMENT ON
17 ITS FACE THAT:

18 (1) THE COMMONWEALTH IS NOT OBLIGATED TO PAY THE BOND,
19 NOTE OR OBLIGATION OR THE INTEREST ON IT EXCEPT FROM PLEDGED
20 REVENUES; AND

21 (2) NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF
22 THE COMMONWEALTH IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL
23 OR INTEREST OF THE BOND, NOTE OR OBLIGATION.

24 (C) TAXATION.--THE ISSUANCE OF A SPECIAL REVENUE BOND, NOTE
25 OR OTHER OBLIGATION UNDER THIS CHAPTER SHALL NOT DIRECTLY,
26 INDIRECTLY OR CONTINGENTLY OBLIGATE THE COMMONWEALTH TO LEVY A
27 TAX OR TO MAKE AN APPROPRIATION FOR PAYMENT.

28 § 9511.3. EXPENSES.

29 (A) REIMBURSEMENT.--THE COMMISSION SHALL BE REIMBURSED FROM <—
30 BOND PROCEEDS FOR THE NECESSARY AND DOCUMENTED REASONABLE

1 EXPENSES INCURRED IN THE PERFORMANCE OF THE DUTIES PERFORMED
2 UNDER THE PROVISIONS OF THIS CHAPTER.

3 (B) SOURCE.--ALL EXPENSES INCURRED IN CARRYING OUT THE
4 PROVISIONS OF THIS CHAPTER SHALL BE PAID SOLELY FROM FUNDS
5 PROVIDED UNDER THE AUTHORITY OF THIS CHAPTER, AND SUFFICIENT
6 FUNDS SHALL BE PROVIDED UNDER THE AUTHORITY OF THIS CHAPTER TO
7 MEET ANY LIABILITY OR OBLIGATION INCURRED IN CARRYING OUT THE
8 PROVISIONS OF THIS CHAPTER.

9 § 9511.4. SPECIAL REVENUE BONDS AND PRELIMINARY OR INTERIM
10 FINANCING.

11 (A) AUTHORIZATION.--THE COMMISSION IS AUTHORIZED TO PROVIDE,
12 BY RESOLUTION, FOR THE ISSUANCE OF SPECIAL REVENUE BONDS OF THE
13 COMMISSION UP TO AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING <—
14 \$5,000,000,000 FOR THE PURPOSE OF PAYING THE COST OF THE
15 DEPARTMENT AND BOND-RELATED EXPENSES. THE RESOLUTION MUST RECITE
16 AN ESTIMATE OF THE COST OF THE DEPARTMENT. NO MORE THAN
17 \$600,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF SPECIAL REVENUE <—
18 BONDS MAY BE ISSUED IN ANY CALENDAR YEAR. NO BOND MAY BE ISSUED
19 AND OUTSTANDING UNDER THIS SECTION UNLESS THE LEASE AGREEMENT <—
20 AUTHORIZED UNDER SECTION 8915.3 (RELATING TO LEASE OF INTERSTATE
21 80) IS IN EFFECT AS OF THE DATE OF ISSUANCE. NO BOND MAY BE <—
22 OUTSTANDING BEYOND THE TERM OF THE LEASE. SPECIAL REVENUE
23 REFUNDING BONDS AS SET FORTH IN SECTION 9511.9 (RELATING TO
24 SPECIAL REVENUE REFUNDING BONDS) SHALL NOT BE DEEMED TO COUNT
25 AGAINST THE TOTAL OR ANNUAL MAXIMUM ISSUANCE VOLUME. THE
26 PRINCIPAL AND INTEREST OF THE BOND SHALL BE PAYABLE SOLELY FROM
27 REVENUES PLEDGED REVENUES. ~~OF THE MOTOR LICENSE FUND TRANSFERRED~~ <—
28 ~~TO THE COMMISSION FOR THAT PURPOSE TO THE COMMISSION IN~~
29 ~~COMBINATION WITH ANNUAL DEBT SERVICE ON OUTSTANDING BONDS ISSUED~~
30 ~~UNDER SECTION 9511.2 (RELATING TO SPECIAL REVENUE BONDS) PAYABLE~~

1 ~~AS REQUIRED PURSUANT TO THE BONDS.~~

2 (B) FORM.--

3 (1) A BOND MAY BE ISSUED IN REGISTERED FORM.

4 (2) A BOND:

5 (I) MUST BE DATED;

6 (II) MUST BEAR INTEREST AT A RATE NOT EXCEEDING THE
7 RATE PERMITTED UNDER APPLICABLE LAW;

8 (III) MUST BE PAYABLE SEMIANNUALLY OR AT OTHER TIMES
9 AS SET FORTH IN THE RESOLUTION OF THE COMMISSION
10 AUTHORIZING THE ISSUANCE OF THE BONDS;

11 (IV) MUST MATURE, AS DETERMINED BY THE COMMISSION,
12 NO LATER THAN 40 YEARS FROM THE DATE OF THE BOND; AND

13 (V) MAY BE MADE REDEEMABLE BEFORE MATURITY, AT THE
14 OPTION OF THE COMMISSION, AT A PRICE AND UNDER TERMS AND
15 CONDITIONS FIXED BY THE COMMISSION PRIOR TO THE ISSUANCE
16 OF THE BONDS.

17 (C) ISSUANCE.--

18 (1) THE COMMISSION MAY SELL BONDS AT PUBLIC OR PRIVATE
19 SALE AND FOR A PRICE IT DETERMINES TO BE IN THE BEST INTEREST
20 OF THE COMMONWEALTH.

21 (2) BONDS MAY BE ISSUED IN SERIES WITH VARYING
22 PROVISIONS AS TO ALL OF THE FOLLOWING:

23 (I) RATES OF INTEREST, WHICH MAY BE FIXED OR
24 VARIABLE.

25 (II) OTHER PROVISIONS NOT INCONSISTENT WITH THIS
26 CHAPTER.

27 (D) (RESERVED).

28 (E) PAYMENT.--

29 (1) THE PRINCIPAL AND INTEREST OF THE BONDS MAY BE MADE
30 PAYABLE IN ANY LAWFUL MEDIUM.

1 (2) THE COMMISSION SHALL:

2 (I) DETERMINE THE FORM OF BONDS; AND

3 (II) FIX:

4 (A) THE DENOMINATION OF THE BOND; AND

5 (B) THE PLACE OF PAYMENT OF PRINCIPAL AND

6 INTEREST OF THE BOND, WHICH MAY BE AT ANY BANK OR

7 TRUST COMPANY WITHIN OR WITHOUT THIS COMMONWEALTH.

8 (F) SIGNATURE.--THE BOND MUST BEAR THE MANUAL OR FACSIMILE <—
9 SIGNATURE OF THE GOVERNOR AND OF THE CHAIRMAN OF THE COMMISSION.

10 ~~THE FACSIMILE OF THE OFFICIAL SEAL OF THE COMMISSION SHALL BE~~ <—

11 ~~AFFIXED TO OR A FACSIMILE OF THE OFFICIAL SEAL SHALL BE AFFIXED~~ <—

12 ~~TO OR PRINTED ON THE BOND AND ATTESTED BY THE SECRETARY AND~~

13 ~~TREASURER OF THE COMMISSION. IF AN OFFICER WHOSE SIGNATURE OR~~

14 ~~FACSIMILE OF A SIGNATURE APPEARS ON A BOND CEASES TO BE AN~~

15 ~~OFFICER BEFORE THE DELIVERY OF THE BOND, THE SIGNATURE OR~~

16 ~~FACSIMILE SHALL NEVERTHELESS BE VALID AND SUFFICIENT FOR ALL~~

17 ~~PURPOSES, AS IF THE OFFICER REMAINED IN OFFICE UNTIL DELIVERY.~~

18 (G) NEGOTIABILITY.--A SPECIAL REVENUE BOND ISSUED UNDER THIS

19 CHAPTER SHALL HAVE ALL THE QUALITIES AND INCIDENTS OF A

20 NEGOTIABLE INSTRUMENT UNDER 13 PA.C.S. DIV. 3 (RELATING TO

21 NEGOTIABLE INSTRUMENTS).

22 ~~(H) PROCEEDS.~~ <—

23 ~~(1) THE PROCEEDS OF A BOND SHALL BE USED SOLELY FOR THE~~
24 ~~FOLLOWING:~~

25 ~~(I) PAYMENT OF THE COST OF THE DEPARTMENT.~~

26 ~~(II) BOND RELATED EXPENSES.~~

27 ~~(2) THE PROCEEDS OF A BOND SHALL BE DISBURSED UPON~~

28 ~~REQUISITION OF THE SECRETARY UNDER RESTRICTIONS SET FORTH IN~~

29 ~~THE RESOLUTION AUTHORIZING THE ISSUANCE OF THE BOND OR THE~~

30 ~~TRUST INDENTURE UNDER SECTION 9511.6 (RELATING TO TRUST~~

INDENTURE, PROTECTION OF HOLDERS OF OBLIGATIONS AND DEPOSITORIES).

(H) PROCEEDS.--THE PROCEEDS OF A BOND SHALL BE USED SOLELY FOR THE FOLLOWING:

(1) PAYMENT OF THE COST OF THE DEPARTMENT.

(2) BOND-RELATED EXPENSES.

(I) TEMPORARY BONDS.--PRIOR TO THE PREPARATION OF DEFINITIVE BONDS, THE COMMISSION MAY, UNDER SIMILAR RESTRICTIONS AS THOSE APPLICABLE TO THE DEFINITIVE BONDS, ISSUE TEMPORARY BONDS, EXCHANGEABLE FOR DEFINITIVE BONDS UPON THE ISSUANCE OF DEFINITIVE BONDS.

(J) (RESERVED).

(K) STATUS AS SECURITIES.--

(1) A BOND IS MADE A SECURITY IN WHICH ANY OF THE FOLLOWING MAY PROPERLY AND LEGALLY INVEST FUNDS, INCLUDING CAPITAL, BELONGING TO THEM OR WITHIN THEIR CONTROL:

(I) COMMONWEALTH AND MUNICIPAL OFFICERS.

(II) COMMONWEALTH AGENCIES.

(III) BANKS, BANKERS, SAVINGS BANKS, TRUST COMPANIES, SAVING AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES AND OTHER PERSONS CARRYING ON A BANKING BUSINESS.

(IV) INSURANCE COMPANIES, INSURANCE ASSOCIATIONS AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS.

(V) FIDUCIARIES.

(VI) OTHER PERSONS THAT ARE AUTHORIZED TO INVEST IN BONDS OR OTHER OBLIGATIONS OF THE COMMONWEALTH.

(2) A BOND IS MADE A SECURITY WHICH MAY PROPERLY AND LEGALLY BE DEPOSITED WITH AND RECEIVED BY A COMMONWEALTH OR MUNICIPAL OFFICER OR A COMMONWEALTH AGENCY FOR ANY PURPOSE

1 FOR WHICH THE DEPOSIT OF BONDS OR OTHER OBLIGATIONS OF THE
2 COMMONWEALTH IS AUTHORIZED BY LAW.

3 (L) BORROWING.--THE FOLLOWING SHALL APPLY:

4 (1) THE COMMISSION IS AUTHORIZED TO DO ALL OF THE
5 FOLLOWING:

6 (I) BORROW MONEY AT AN INTEREST RATE NOT EXCEEDING
7 THE RATE PERMITTED BY LAW.

8 (II) PROVIDE FOR PRELIMINARY OR INTERIM FINANCING,
9 UP TO BUT NOT EXCEEDING THE ESTIMATED TOTAL COST OF THE
10 DEPARTMENT AND BOND-RELATED EXPENSES AND TO EVIDENCE THE
11 BORROWING BY THE ISSUANCE OF SPECIAL REVENUE NOTES AND,
12 IN ITS DISCRETION, TO PLEDGE AS COLLATERAL FOR THE NOTE
13 OR OTHER OBLIGATION, A SPECIAL REVENUE BOND ISSUED UNDER
14 THE PROVISIONS OF THIS CHAPTER. THE COMMISSION MAY RENEW
15 THE NOTE OR OBLIGATION, AND THE PAYMENT OR RETIREMENT OF
16 THE NOTE OR OBLIGATION SHALL BE CONSIDERED TO BE PAYMENT
17 OF THE COST OF THE PROJECT.

18 (2) A NOTE OR OBLIGATION ISSUED UNDER THIS SUBSECTION
19 MUST CONTAIN A STATEMENT ON ITS FACE THAT:

20 (I) THE COMMONWEALTH IS NOT OBLIGATED TO PAY THE
21 NOTE OR OBLIGATION OR INTEREST ON IT, EXCEPT FROM PLEDGED
22 REVENUES OF THE MOTOR LICENSE FUND; AND ←

23 (II) NEITHER THE FAITH AND CREDIT NOR THE TAXING
24 POWER OF THE COMMONWEALTH IS PLEDGED TO THE PAYMENT OF
25 ITS PRINCIPAL OR INTEREST.

26 § 9511.5. APPLICATION OF PROCEEDS OF OBLIGATIONS, LIEN OF
27 HOLDERS OF OBLIGATIONS, DESIGN-BUILD REQUIREMENT AND
28 PROJECTS APPROVED BY GENERAL ASSEMBLY.

29 (A) APPLICATION.--THE FOLLOWING SHALL APPLY:

30 (1) ALL MONEY PROCEEDS RECEIVED FROM ANY BONDS, NOTES OR ←

1 OTHER OBLIGATIONS ISSUED UNDER THIS CHAPTER SHALL BE APPLIED
2 SOLELY TO THE PAYMENT OF:

3 (I) THE COST OF THE DEPARTMENT WHICH IS CONSISTENT <—
4 WITH THE PURPOSE OF THE ISSUE; AND

5 (II) BOND-RELATED EXPENSES.

6 (2) THE COMMISSION MAY PROVIDE BY RESOLUTION THAT UNTIL
7 MONEY PROCEEDS RECEIVED FROM ANY BONDS, NOTES OR OTHER <—
8 OBLIGATIONS ISSUED UNDER THIS CHAPTER IS APPLIED UNDER
9 PARAGRAPH (1), A LIEN SHALL EXIST UPON THE MONEY PROCEEDS IN <—
10 FAVOR OF HOLDERS OF THE BONDS, NOTES OR OTHER OBLIGATIONS OR
11 A TRUSTEE PROVIDED FOR IN RESPECT TO THE BONDS, NOTES OR
12 OTHER OBLIGATIONS.

13 (B) DESIGN-BUILD ARRANGEMENTS.--

14 (1) TO FACILITATE THE TIMELY COMPLETION OF PROJECTS TO
15 BE FINANCED BY THE DEPARTMENT WITH BOND PROCEEDS, THE
16 DEPARTMENT SHALL BE REQUIRED TO UTILIZE DESIGN-BUILD
17 ARRANGEMENTS FOR EACH PROJECT TO BE FINANCED WITH BOND <—
18 PROCEEDS IF THE PROJECT VALUE IS ESTIMATED BY THE DEPARTMENT
19 TO HAVE A VALUE IN EXCESS OF EXCEED \$100,000,000. <—

20 (2) NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW, THE
21 DEPARTMENT MAY UTILIZE DESIGN-BUILD ARRANGEMENTS FOR THE
22 FOLLOWING:

23 (I) PROJECTS TO BE FINANCED BY THE DEPARTMENT WITH
24 BOND PROCEEDS FOR PROJECTS ESTIMATED BY THE DEPARTMENT TO
25 HAVE A VALUE OF \$100,000,000 OR LESS; AND

26 (II) ALL OTHER CONSTRUCTION PROJECTS OF THE
27 DEPARTMENT NOT INCLUDED UNDER SUBPARAGRAPH (I) OR <—
28 PARAGRAPH (1).

29 (3) THE SELECTION OF THE PARTY FOR A DESIGN-BUILD
30 ARRANGEMENT UNDER THIS SUBSECTION MUST BE CONDUCTED IN A

1 MANNER CONSISTENT WITH THE PROCUREMENT AND PUBLIC BIDDING
2 LAWS APPLICABLE TO THE DEPARTMENT.

3 (C) CAPITAL PROJECTS.--ALL PROJECTS FINANCED BY THE
4 DEPARTMENT WITH BOND PROCEEDS SHALL BE INCLUDED IN ANY
5 SUBMISSION THE DEPARTMENT IS ALREADY REQUIRED TO MAKE TO THE
6 GENERAL ASSEMBLY WITH RESPECT TO THE EXPENDITURE OF FUNDS FOR
7 HIGHWAY PROJECTS.

8 (D) INVESTMENT.--PENDING THE APPLICATION OF PROCEEDS TO
9 COSTS COST OF THE DEPARTMENT AND BOND-RELATED EXPENSES, THE <—
10 COMMISSION MAY INVEST THE FUNDS IN PERMITTED INVESTMENTS AS
11 DEFINED UNDER ANY TRUST INDENTURE. IF THE INVESTMENT IS NOT <—
12 INCONSISTENT WITH EXISTING FIDUCIARY OBLIGATIONS OF THE
13 COMMISSION.

14 § 9511.6. TRUST INDENTURE, PROTECTION OF HOLDERS OF OBLIGATIONS
15 AND DEPOSITORIES.

16 (A) INDENTURE.--IN THE DISCRETION OF THE COMMISSION, A BOND,
17 NOTE OR OTHER OBLIGATION MAY BE SECURED BY A TRUST INDENTURE BY
18 AND BETWEEN THE COMMISSION AND A CORPORATE TRUSTEE, WHICH MAY BE
19 ANY TRUST COMPANY OR BANK HAVING THE POWERS OF A TRUST COMPANY,
20 WITHIN OR WITHOUT THIS COMMONWEALTH.

21 (B) PLEDGE OR ASSIGNMENT.--A TRUST INDENTURE UNDER
22 SUBSECTION (A) MAY PLEDGE OR ASSIGN THE PLEDGED REVENUES, BUT
23 SHALL NOT CONVEY OR MORTGAGE THE TURNPIKE OR ANY PART OF THE
24 TURNPIKE.

25 (C) RIGHTS AND REMEDIES.--THE RESOLUTION PROVIDING FOR THE
26 ISSUANCE OF THE BOND, NOTE OR OTHER OBLIGATION OF THE TRUST
27 INDENTURE MAY CONTAIN PROVISIONS FOR PROTECTING AND ENFORCING
28 THE RIGHTS AND REMEDIES OF THE BONDHOLDERS OR HOLDERS OF NOTES
29 OR OTHER OBLIGATIONS AS MAY BE REASONABLE AND PROPER AND NOT IN
30 VIOLATION OF LAW.

1 (D) DEPOSITORY.--IT SHALL BE LAWFUL FOR ANY BANK OR TRUST
2 COMPANY INCORPORATED UNDER THE LAWS OF THIS COMMONWEALTH TO ACT
3 AS DEPOSITORY OF THE PROCEEDS OF THE BOND, NOTE OR OTHER
4 OBLIGATION OR REVENUE, TO FURNISH INDEMNITY BONDS OR TO PLEDGE
5 SECURITIES AS MAY BE REQUIRED BY THE COMMISSION.

6 (E) INDENTURE.--THE TRUST INDENTURE MAY SET FORTH THE RIGHTS
7 AND REMEDIES OF THE BONDHOLDERS OR HOLDERS OF NOTES OR OTHER
8 OBLIGATIONS AND OF THE TRUSTEE AND MAY RESTRICT THE INDIVIDUAL
9 RIGHT OF ACTION OF BONDHOLDERS OR HOLDERS OF NOTES OR OTHER
10 OBLIGATIONS AS IS CUSTOMARY IN TRUST INDENTURES SECURING BONDS,
11 DEBENTURES OF CORPORATIONS, NOTES OR OTHER OBLIGATIONS. THE
12 TRUST INDENTURE MAY CONTAIN OTHER PROVISIONS AS THE COMMISSION
13 MAY DEEM REASONABLE AND PROPER FOR THE SECURITY OF BONDHOLDERS
14 OR HOLDERS OF NOTES OR OTHER OBLIGATIONS.

15 § 9511.7. EXEMPTION FROM COMMONWEALTH TAXATION.

16 THE EFFECTUATION OF THE PURPOSES OF THIS CHAPTER IS FOR THE
17 BENEFIT OF THE CITIZENS OF THIS COMMONWEALTH AND FOR THE
18 IMPROVEMENT OF THEIR COMMERCE AND PROSPERITY. SINCE THE
19 COMMISSION WILL BE PERFORMING ESSENTIAL GOVERNMENT FUNCTIONS IN
20 EFFECTUATING THESE PURPOSES, THE COMMISSION SHALL NOT BE
21 REQUIRED TO PAY ANY TAX OR ASSESSMENT ON ANY PROPERTY ACQUIRED
22 OR USED BY IT FOR THE PURPOSES PROVIDED UNDER THIS CHAPTER. A
23 BOND, NOTE OR OTHER OBLIGATION ISSUED BY THE COMMISSION, ITS
24 TRANSFER AND THE INCOME FROM ITS ISSUANCE AND TRANSFER,
25 INCLUDING ANY PROFITS MADE ON THE SALE OF THE BOND, NOTE OR
26 OTHER OBLIGATION, SHALL BE FREE FROM TAXATION WITHIN THE
27 COMMONWEALTH.

28 § 9511.8. COSTS RELATED TO FEDERAL INCOME TAX MATTERS.

29 TAX MATTER COSTS INCURRED BY THE COMMISSION IN CONNECTION
30 WITH ANY PROCEEDING OF OR FILING WITH THE INTERNAL REVENUE

<—

1 SERVICE CONCERNING THE USE OF PROCEEDS OF BONDS ISSUED UNDER
2 THIS CHAPTER SHALL BE PAID OR REIMBURSED FROM AVAILABLE FUNDS IN
3 THE MOTOR LICENSE FUND. IT IS ANTICIPATED THAT THE INCOME
4 RECEIVED BY THE COMMISSION AS A RESULT OF THE SALE OF BONDS
5 UNDER THIS CHAPTER WILL BE FREE OF FEDERAL INCOME TAX. IF THE
6 ACT OR FAILURE TO ACT OF THE DEPARTMENT DIRECTLY RESULTS IN TAX
7 LIABILITY TO THE COMMISSION, THE DEPARTMENT SHALL PAY TO THE
8 COMMISSION, FROM AVAILABLE FUNDS IN THE FUND, THE AMOUNT OF THE
9 LIABILITY. TAX MATTER COSTS SHALL INCLUDE ALL OF THE FOLLOWING:

10 (1) FEES OF TAX COUNSEL OR ARBITRAGE REBATE CALCULATION
11 PROVIDERS.

12 (2) ARBITRAGE REBATE PAYMENTS TO THE EXTENT NOT PROPERLY
13 PAYABLE FROM FUNDS HELD UNDER THE BOND INDENTURE.

14 (3) SETTLEMENT PAYMENTS TO THE INTERNAL REVENUE SERVICE,
15 EITHER IN RELATION TO AN EXAMINATION INITIATED BY THE
16 INTERNAL REVENUE SERVICE OR A CLOSING AGREEMENT REQUESTED BY
17 THE COMMISSION.

18 (4) PAYMENTS TO BONDHOLDERS AS A RESULT OF CLAIMS BASED
19 ON PENDING, THREATENED OR ACTUAL ASSESSMENTS OF TAX, INTEREST
20 OR PENALTIES BY THE INTERNAL REVENUE SERVICE.

21 (5) ANY OTHER COST REASONABLY RELATED TO A PROCEEDING BY
22 OR FILING WITH THE INTERNAL REVENUE SERVICE CONCERNING THE
23 USE OF PROCEEDS OF THE BONDS.

24 § 9511.9. SPECIAL REVENUE REFUNDING BONDS.

25 THE COMMISSION IS AUTHORIZED TO PROVIDE, BY RESOLUTION, FOR
26 THE ISSUANCE OF SPECIAL REVENUE REFUNDING BONDS OF THE
27 COMMISSION FOR THE PURPOSE OF REFUNDING ANY SPECIAL REVENUE
28 BONDS, NOTES OR OTHER OBLIGATIONS ISSUED UNDER THE PROVISIONS OF
29 THIS CHAPTER AND THEN OUTSTANDING. THE ISSUANCE OF THE SPECIAL
30 REVENUE REFUNDING BONDS, THE MATURITIES AND OTHER DETAILS OF THE

1 BONDS, THE RIGHTS OF THE HOLDERS OF THE BONDS AND THE DUTIES OF
2 THE DEPARTMENT AND OF THE COMMISSION WITH RESPECT TO THE BONDS
3 SHALL BE GOVERNED BY THE PROVISIONS OF THIS CHAPTER.

4 § 9511.10. REMEDIES OF TRUSTEES AND OF HOLDERS OF OBLIGATIONS.

5 (A) GRANT OF RIGHTS.--A HOLDER OF A BOND, NOTE OR OTHER
6 OBLIGATION ISSUED UNDER THIS CHAPTER AND THE TRUSTEE UNDER THE
7 TRUST INDENTURE MAY, EITHER AT LAW OR IN EQUITY, BY SUIT,
8 ACTION, MANDAMUS OR OTHER PROCEEDING, DO ALL OF THE FOLLOWING:

9 (1) PROTECT AND ENFORCE ANY RIGHT GRANTED UNDER THIS
10 CHAPTER OR UNDER THE RESOLUTION OR TRUST INDENTURE.

11 (2) ENFORCE AND COMPEL PERFORMANCE OF ALL DUTIES
12 REQUIRED UNDER THIS CHAPTER OR BY RESOLUTION OR TRUST
13 INDENTURE TO BE PERFORMED BY THE COMMISSION OR ANY OFFICER OF
14 ITS OFFICERS, INCLUDING THE COLLECTION OF THE PLEDGED
15 RESERVES.

16 (B) EXCEPTION.--RIGHTS GIVEN UNDER THIS CHAPTER MAY BE
17 RESTRICTED BY RESOLUTION PASSED BEFORE THE ISSUANCE OF THE
18 BONDS, NOTES OR OTHER OBLIGATIONS, OR BY THE TRUST INDENTURE.

19 § 9511.11. PLEDGED REVENUES.

20 (A) ANNUAL DEBT SERVICE PAYMENTS.--UPON RECEIPT BY THE
21 DEPARTMENT OF THE ANNUAL DEBT SERVICE PAYMENTS, THE DEPARTMENT
22 SHALL PAY THEM TO THE TRUSTEE FOR THE HOLDERS OF THE BONDS
23 ISSUED UNDER SECTION 9511.2 (RELATING TO SPECIAL REVENUE BONDS).

24 (B) PAYMENT DEFAULT.--

25 (1) THE DEPARTMENT SHALL NOTIFY THE STATE TREASURER IF
26 THE DEPARTMENT RECEIVES A NOTICE FROM THE TRUSTEE WHICH:

27 (I) INDICATES THAT A DEFAULT IN THE PAYMENT OF
28 REGULARLY SCHEDULED DEBT SERVICE ON THE BONDS HAS
29 OCCURRED; AND

30 (II) INDICATES THE AMOUNT REQUIRED TO REMEDY THE

1 DEFAULT.

2 (2) UPON NOTICE UNDER PARAGRAPH (1), THE STATE TREASURER
3 SHALL DO ALL OF THE FOLLOWING:

4 (I) NOTWITHSTANDING SECTION 9010 (RELATING TO
5 DISPOSITION AND USE OF TAX), TRANSFER TO THE TRUSTEE FROM
6 FUNDS IN THE MOTOR LICENSE FUND AS A RESULT OF THE
7 IMPOSITION OF THE TAX UNDER SECTION 9004(A) (RELATING TO
8 IMPOSITION OF TAX, EXEMPTIONS AND DEDUCTIONS) THE AMOUNT
9 NECESSARY TO REMEDY THE DEFAULT UNDER PARAGRAPH (1)(II).

10 (II) IF FUNDS IN THE MOTOR LICENSE FUND AS A RESULT
11 OF THE IMPOSITION OF THE TAX UNDER SECTION 9004(A) ARE
12 NOT SUFFICIENT TO REMEDY THE DEFAULT UNDER PARAGRAPH
13 (1)(II) AND NOTWITHSTANDING SECTION 9511 (RELATING TO
14 ALLOCATION OF PROCEEDS), TRANSFER TO THE TRUSTEE FROM
15 FUNDS IN THE MOTOR LICENSE FUND AS A RESULT OF THE
16 IMPOSITION OF THE TAX UNDER 9502(A)(1), (2)(I), (II),
17 (III) AND (IV) AND (3)(II) (RELATING TO IMPOSITION OF
18 TAX), AN AMOUNT NECESSARY, WHEN COMBINED WITH ANY FUNDS
19 TRANSFERRED UNDER SUBPARAGRAPH (I), TO REMEDY THE
20 DEFAULT.

21 (III) IF FUNDS IN THE MOTOR LICENSE FUND AS A RESULT OF
22 THE IMPOSITION OF THE TAX UNDER SECTION 9004(A) AND
23 SECTION 9502(A)(1), (2)(I), (II), (III) AND (IV) AND
24 (3)(II) ARE NOT SUFFICIENT TO REMEDY THE DEFAULT UNDER
25 PARAGRAPH (1)(II) AND NOTWITHSTANDING THE PROVISIONS OF
26 SECTION 20 OF ACT 3, TRANSFER TO THE TRUSTEE FROM FUNDS
27 IN THE MOTOR LICENSE FUND AS A RESULT OF THE
28 APPROPRIATION TO THE COMMISSION UNDER SECTION 20 OF ACT
29 3, AN AMOUNT NECESSARY, WHEN COMBINED WITH FUNDS
30 TRANSFERRED UNDER SUBPARAGRAPHS (I) AND (II), TO REMEDY

1 THE DEFAULT.

2 (C) COMMONWEALTH PLEDGE.--THIS SUBSECTION SHALL OPERATE AS A
3 PLEDGE BY THE COMMONWEALTH TO AN INDIVIDUAL OR ENTITY THAT
4 ACQUIRES A BOND ISSUED BY THE COMMISSION UNDER SECTION 9511.2:

5 (1) TO SECURE THE PORTION OF THE MONEY DESCRIBED UNDER
6 THIS SECTION AND DISTRIBUTED UNDER THIS SECTION; AND

7 (2) TO NOT LIMIT OR ALTER THE RIGHTS VESTED IN THE
8 COMMISSION OR THE TRUSTEE FOR THE BONDS TO THE APPROPRIATION
9 AND DISTRIBUTION OF MONEY SET FORTH UNDER THIS SECTION.

10 ~~§ 9511.12. LIMIT ON TRANSFERS FROM THE MOTOR LICENSE FUND.~~ <—

11 ~~IF IN ANY MONTH THE STATE TREASURER RECEIVES A NOTICE FROM~~
12 ~~THE COMMISSION UNDER SECTION 8915.3(4) (RELATING TO LEASE OF~~
13 ~~INTERSTATE 80; RELATED AGREEMENTS) THAT MONEY IS REQUIRED TO BE~~
14 ~~TRANSFERRED TO THE TRUSTEE TO SATISFY THE PROVISIONS OF THE~~
15 ~~TRUST INDENTURE RELATING TO BONDS ISSUED UNDER SECTION 9511.2~~
16 ~~(RELATING TO SPECIAL REVENUE BONDS), THE STATE TREASURER SHALL,~~
17 ~~IN THAT MONTH, TRANSFER FROM THE MOTOR LICENSE FUND UNDER~~
18 ~~SECTION 9511.11 (RELATING TO PLEDGED REVENUES), AN AGGREGATE~~
19 ~~AMOUNT, NOT TO EXCEED \$ _____, EQUAL TO THE AMOUNT REQUIRED~~
20 ~~TO BE TRANSFERRED TO THE COMMISSION PURSUANT TO THE NOTICE.~~

21 ~~§ 9511.12. (RESERVED).~~ <—

22 ~~§ 9511.13. SUPPLEMENT TO OTHER LAWS AND LIBERAL CONSTRUCTION.~~

23 THIS CHAPTER SHALL BE REGARDED AS SUPPLEMENTAL AND ADDITIONAL
24 TO POWERS CONFERRED BY OTHER STATUTES AND SHALL NOT BE REGARDED
25 AS IN DEROGATION OF ANY POWERS EXISTING ON THE EFFECTIVE DATE OF
26 THIS SECTION. THE PROVISIONS OF THIS CHAPTER, BEING NECESSARY
27 FOR THE WELFARE OF THE COMMONWEALTH AND ITS CITIZENS, SHALL BE
28 LIBERALLY CONSTRUED TO EFFECT THE PURPOSES OF THIS CHAPTER.

29 SECTION 13 8. (A) FINANCIAL ASSISTANCE MADE BY THE <—
30 DEPARTMENT OF TRANSPORTATION UNDER 74 PA.C.S. CH. 13 PRIOR TO

1 THE EFFECTIVE DATE OF THIS SECTION MAY CONTINUE TO BE USED BY
2 RECIPIENTS FOR OPERATING OR CAPITAL EXPENSES UPON THE SAME TERMS
3 AND CONDITIONS AS ARE CONTAINED IN THE NOTICE OF GRANT AWARD OR
4 GRANT AGREEMENT EXECUTED IN CONNECTION WITH THE AWARD, IF THE
5 FUNDS ARE EXPENDED WITHIN FIVE YEARS FOLLOWING THE EFFECTIVE
6 DATE OF THIS SECTION.

7 (B) THE DEPARTMENT OF TRANSPORTATION MAY CONTINUE TO USE ALL
8 FUNDS APPROPRIATED OR OTHERWISE MADE AVAILABLE TO IT FOR PUBLIC
9 TRANSPORTATION PURPOSES PRIOR TO THE EFFECTIVE DATE OF THIS
10 SECTION IN ACCORDANCE WITH THE LAWS UNDER WHICH THE FUNDS WERE
11 MADE AVAILABLE.

12 SECTION ~~13.1~~ 9. THE REPEAL OF 74 PA.C.S. CH. 13 IS SUBJECT ←
13 TO THE FOLLOWING:

14 (1) NOTWITHSTANDING THE REPEAL:

15 (I) THE FUND SHALL CONTINUE TO RECEIVE ~~TAX~~ REVENUE ←
16 THE FUND WAS ENTITLED TO RECEIVE ON JUNE 30, 2007.

17 (II) TRANSIT ENTITIES THAT HAVE OUTSTANDING
18 OBLIGATIONS SHALL CONTINUE TO RECEIVE MONEY FROM THE FUND
19 CALCULATED AND PAID IN THE SAME MANNER AS WAS PROVIDED ON
20 JUNE 30, 2007.

21 (III) TRANSIT ENTITIES THAT DO NOT HAVE OUTSTANDING
22 OBLIGATIONS SHALL NOT BE ENTITLED TO RECEIVE ADDITIONAL
23 MONEY FROM THE FUND AFTER JUNE 30, 2007.

24 (IV) NO TRANSIT ENTITY SHALL BE ENTITLED TO PLEDGE
25 THE MONEY FROM THE FUND TO SECURE ADDITIONAL OBLIGATIONS
26 ISSUED AFTER JUNE 30, 2007.

27 (V) MONEY REMAINING IN THE FUND AFTER PAYMENTS UNDER
28 SUBPARAGRAPH (II) SHALL BE TRANSFERRED MONTHLY TO THE
29 PUBLIC TRANSPORTATION TRUST FUND ESTABLISHED UNDER 74
30 PA.C.S. § 1506.

1 (VI) PAYMENTS TO TRANSIT ENTITIES UNDER 75 74 <—
2 PA.C.S. CH. 15 SHALL BE ~~CALCULATED AND PAID BY THE~~ <—
3 ~~DEPARTMENT SO AS TO DEDUCT FROM THE PAYMENTS~~ REDUCED BY <—
4 AMOUNTS RECEIVED BY THE TRANSIT ENTITY FROM THE FUND
5 UNDER SUBPARAGRAPH (II).

6 (2) AS USED IN THIS SECTION, THE FOLLOWING WORDS AND
7 PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
8 SUBSECTION:

9 "DEPARTMENT." THE DEPARTMENT OF TRANSPORTATION OF THE
10 COMMONWEALTH.

11 "FUND." THE PUBLIC TRANSPORTATION ASSISTANCE FUND.

12 ~~"OUTSTANDING OBLIGATIONS."~~ "OBLIGATIONS." ANY BONDS, <—
13 NOTES, BOND ANTICIPATION NOTES, REFUNDING NOTES AND BONDS,
14 INTERIM CERTIFICATES, DEBENTURES AND OTHER EVIDENCES OF
15 INDEBTEDNESS OR OBLIGATIONS OF A TRANSIT ENTITY WITH RESPECT
16 TO WHICH REVENUES FROM THE FUND HAVE BEEN PLEDGED PRIOR TO
17 JUNE 30, 2007.

18 "TRANSIT ENTITY." ANY CLASS OF TRANSIT ENTITY, AS
19 DEFINED IN FORMER SECTION 1301 OF TITLE 74.

20 (3) THE COMMONWEALTH PLEDGES TO AND AGREES WITH ANY <—
21 PERSON, FIRM OR CORPORATION HOLDING ANY BONDS PREVIOUSLY
22 ISSUED BY, OR ANY OTHER DEBT INCURRED BY, A LOCAL
23 TRANSPORTATION ORGANIZATION AND SECURED IN WHOLE OR PART BY A
24 PLEDGE OF THE FUNDS PROVIDED TO THE LOCAL TRANSPORTATION
25 ORGANIZATION FROM THE PUBLIC TRANSPORTATION ASSISTANCE FUND
26 THAT THE COMMONWEALTH WILL NOT LIMIT OR ALTER RIGHTS VESTED
27 IN A LOCAL TRANSPORTATION ORGANIZATION IN ANY MANNER
28 INCONSISTENT WITH OBLIGATIONS OF THE LOCAL TRANSPORTATION
29 ORGANIZATION TO THE OBLIGEEES OF THE LOCAL TRANSPORTATION
30 ORGANIZATION UNTIL ALL BONDS PREVIOUSLY ISSUED OR OTHER DEBT

1 INCURRED, TOGETHER WITH THE INTEREST ON THE BONDS OR DEBT, IS
2 FULLY PAID OR PROVIDED FOR.

3 SECTION ~~14~~ 10. THE FOLLOWING SHALL APPLY: ←

4 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER
5 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE ADDITION OF 74
6 PA.C.S. CH. 81.

7 (2) THE ACT OF SEPTEMBER 30, 1985 (P.L.240, NO.61),
8 KNOWN AS THE TURNPIKE ORGANIZATION, EXTENSION AND TOLL ROAD
9 CONVERSION ACT IS REPEALED.

10 (3) SECTION 207.1(C)(2) OF THE ACT OF APRIL 9, 1929
11 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929,
12 IS REPEALED INSOFAR AS IT IS INCONSISTENT WITH THE ADDITION
13 OF 74 PA.C.S. § 8105.

14 (3.1) IN ORDER TO EFFECTUATE THE FUNDING ASPECTS OF THIS ←
15 ACT, THE FOLLOWING STATE APPROPRIATIONS IN SECTION 222 OF THE
16 ACT OF _____, 2007 (P.L. _____, NO. _____), KNOWN AS THE GENERAL
17 APPROPRIATION ACT OF 2007 ARE REPEALED:

18 (I) THE SUM OF \$800,000 OF THE APPROPRIATION FOR
19 GENERAL GOVERNMENT OPERATIONS OF THE DEPARTMENT OF
20 TRANSPORTATION.

21 (II) THE ENTIRE APPROPRIATION FOR THE RAIL SAFETY
22 INSPECTION PROGRAM.

23 (III) THE ENTIRE APPROPRIATION FOR MASS
24 TRANSPORTATION ASSISTANCE FOR GRANTS TO LOCAL
25 TRANSPORTATION ORGANIZATIONS.

26 (IV) THE ENTIRE APPROPRIATION FOR SUPPLEMENTAL
27 GRANTS TO CLASS 3 AND CLASS 4 TRANSIT ENTITIES AND TO
28 SUPPORT ACCESS TO JOBS TRANSPORTATION DEMONSTRATION
29 ACTIVITIES.

30 (V) THE ENTIRE APPROPRIATION TO AUGMENT STATE

1 LOTTERY FUNDS FOR PAYMENTS TO TRANSPORTATION PROVIDERS
2 FOR FIXED-ROUTE TRANSPORTATION SERVICES AND RELATED
3 IMPROVEMENTS AND FOR OTHER TRANSPORTATION ACTIVITIES.

4 (VI) THE ENTIRE APPROPRIATION FOR SHARED-RIDE
5 TRANSIT FOR PERSONS WITH DISABILITIES.

6 (VII) THE ENTIRE APPROPRIATION FOR INTERCITY
7 TRANSPORTATION FOR INTERCITY BUS, RAIL PASSENGER AND
8 OTHER OPERATING SUBSIDIES AND RELATED IMPROVEMENTS.

9 (4) ALL OTHER ACTS AND PARTS OF ACTS ARE REPEALED
10 INSOFAR AS THEY ARE INCONSISTENT WITH THIS ACT.

11 SECTION ~~15~~ 11. THE ADDITION OF 74 PA.C.S. CH. 81 IS A ←
12 CONTINUATION OF THE ACT OF SEPTEMBER 30, 1985 (P.L.240, NO.61),
13 KNOWN AS THE TURNPIKE ORGANIZATION, EXTENSION AND TOLL ROAD
14 CONVERSION ACT. THE FOLLOWING SHALL APPLY:

15 (1) EXCEPT AS OTHERWISE PROVIDED UNDER 74 PA.C.S. CH.
16 81, ALL ACTIVITIES INITIATED UNDER THE TURNPIKE ORGANIZATION,
17 EXTENSION AND TOLL ROAD CONVERSION ACT SHALL CONTINUE AND
18 REMAIN IN FULL FORCE AND EFFECT AND MAY BE COMPLETED UNDER 74
19 PA.C.S. CH. 81. ORDERS, REGULATIONS, RULES AND DECISIONS
20 WHICH WERE MADE UNDER THE TURNPIKE ORGANIZATION, EXTENSION
21 AND TOLL ROAD CONVERSION ACT AND WHICH ARE IN EFFECT ON THE
22 EFFECTIVE DATE OF SECTION ~~14(2)~~ 10(2) OF THIS ACT SHALL ←
23 REMAIN IN FULL FORCE AND EFFECT UNTIL REVOKED, VACATED OR
24 MODIFIED UNDER 74 PA.C.S. CH. 81. CONTRACTS, OBLIGATIONS AND
25 COLLECTIVE BARGAINING AGREEMENTS ENTERED INTO UNDER THE
26 TURNPIKE ORGANIZATION, EXTENSION AND TOLL ROAD CONVERSION ACT
27 ARE NOT AFFECTED NOR IMPAIRED BY THE REPEAL OF THE TURNPIKE
28 ORGANIZATION, EXTENSION AND TOLL ROAD CONVERSION ACT.

29 (2) EXCEPT AS SET FORTH IN PARAGRAPH (3), ANY DIFFERENCE
30 IN LANGUAGE BETWEEN 74 PA.C.S. CH. 81 AND THE TURNPIKE

1 ORGANIZATION, EXTENSION AND TOLL ROAD CONVERSION ACT IS
2 INTENDED ONLY TO CONFORM TO THE STYLE OF THE PENNSYLVANIA
3 CONSOLIDATED STATUTES AND IS NOT INTENDED TO CHANGE OR AFFECT
4 THE LEGISLATIVE INTENT, JUDICIAL CONSTRUCTION OR
5 ADMINISTRATION AND IMPLEMENTATION OF THE TURNPIKE
6 ORGANIZATION, EXTENSION AND TOLL ROAD CONVERSION ACT.

7 (3) PARAGRAPH (2) SHALL NOT APPLY TO ANY OF THE
8 FOLLOWING:

9 (I) IN SECTION 8102:

10 (A) PARAGRAPHS (1) AND (6) OF THE DEFINITION OF
11 "COST OF THE TURNPIKES."

12 (B) PARAGRAPH (2) OF THE DEFINITION OF
13 "TURNPIKES."

14 (C) THE DEFINITIONS OF "AUDITOR GENERAL'S
15 CERTIFICATE," "COSTS OF THE DEPARTMENT," "GENERAL
16 RESERVE FUND SURPLUS," "PUBLIC PASSENGER
17 TRANSPORTATION," "RURAL STATE HIGHWAY SYSTEM,"
18 "SECRETARY," "STATE HIGHWAY," AND "SYSTEM OF PUBLIC
19 PASSENGER TRANSPORTATION."

20 ~~(II) IN SECTION 8103:~~ <—

21 ~~(A) SUBSECTION (A) INTRODUCTORY PARAGRAPH.~~

22 ~~(B) SUBSECTION (B) INTRODUCTORY PARAGRAPH.~~

23 ~~(C) SUBSECTION (D) INTRODUCTORY PARAGRAPH.~~

24 ~~(D) SUBSECTION (E) INTRODUCTORY PARAGRAPH.~~

25 (II) SECTION 8105(B)(2). <—

26 (III) SECTION 8107(A)(9) AND (10).

27 (IV) SECTION 8112(A)(1)(III), (2) AND (4), (B)(2) AND <—

28 (C)(1), ~~(E) AND (F)~~. <—

29 (V) SECTION 8113.

30 (VI) SECTION 8114(C) AND (D).

1 (VII) SECTION 8116.

2 ~~(VIII) SECTION 8119(C).~~ ←

3 SECTION 16 12. THIS ACT SHALL TAKE EFFECT IMMEDIATELY. ←