

HOUSE No. 4564

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, June 4, 2018.

The committee on Transportation to whom was referred the petition (accompanied by bill, House, no. 4468) of Sarah K. Peake relative to the Cape Cod Regional Transit Authority and the Southeastern Regional Transit Authority, reports recommending that the accompanying bill (House, No. 4564) ought to pass.

For the committee,

WILLIAM M. STRAUS.

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**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act establishing a federal transit funding maximization fund.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1.

2 For the purposes of this act, “private transportation provider” shall mean a private entity
3 operating regular, continuing shared-ride surface transportation services that are open to the
4 general public or open to a segment of the general public defined by age, disability, or low
5 income.

6
7 Notwithstanding the provisions of any general or special law to the contrary, the Cape
8 Cod Regional Transit Authority and the Southeastern Regional Transit Authority are hereby
9 authorized in fiscal year 2018 and thereafter to enter into contracts with private transportation
10 providers to identify and pursue projects to increase federal transit urbanized area formula
11 program funding that is in addition to the current funding from direct transit authority
12 transportation reporting to the Federal Transit Administration National Transit Database.
13 Incentive payments provided to private transportation providers for their reporting efforts and for

14 the enhancement of their transportation services shall be a net neutral expense to the
15 Commonwealth and shall be paid exclusively from the exchange of the additional federal
16 urbanized area formula program funding generated by the private transportation provider
17 reporting to the Federal Transit Administration National Transit Database, with State
18 appropriated transportation funding.

19 There shall be established on the books of the Commonwealth under the MassDOT
20 secretariat, an expendable trust fund known as the Federal Transit Funding Maximization Fund
21 for the purposes of providing funding to the Cape Cod Regional Transit Authority and the
22 Southeastern Regional Transit Authority for the compensation of private transportation providers
23 for reporting transportation data to the Federal Transit Administration National Transit Database,
24 which results in federal transit urbanized area formula program funding that is in addition to
25 formula funding from direct transit authority transportation reporting to the National Transit
26 Database. The transit authority, identified as the designated recipient by the Federal Transit
27 Administration for the urbanized area, is directly allocated the entire federal urbanized area
28 formula funding, of which, the additional federal urbanized area formula funding resulting from
29 the private transportation provider reporting shall be calculated by the transit authority based on
30 the prior federal fiscal year formula funding amounts published by the Federal Transit
31 Administration. The Cape Cod Regional Transit Authority and the Southeastern Regional Transit
32 Authority, in consultation with MassDOT, shall take into consideration direct and indirect state,
33 federal and other in-kind transit authority support provided to the private transportation provider
34 when calculating the percentage and corresponding dollar value for each private transportation
35 provider payment (“earned payment”) under this section, but in no case shall it exceed 25% of
36 the additional federal urbanized area formula funding resulting from the private transportation

37 provider reporting to the National Transit Database. Up to 25% of the additional federal transit
38 urbanized area formula funds generated from the private transportation providers contractual
39 participation in the Transit Funding Maximization Program shall be transferred to the Governor,
40 who shall subsequently reallocate all transferred urbanized area formula funds to transit
41 authorities in large or small urbanized areas within the State for eligible purposes under the
42 urbanized area program. The reallocation of federal transit urbanized area formula funds by the
43 Governor shall include a transfer to the Massachusetts Bay Transportation Authority in an
44 amount equal to the calculated private transportation provider earned payment, with a
45 corresponding reduction to the Commonwealth Transportation Fund, item 1595-6369 through 9C
46 cuts or other means. Funds reallocated by the Governor to transit authorities in large or small
47 urbanized areas within the State shall be used by the transit authority to establish grants through
48 the Federal Transit Administration system, incur expenses and seek reimbursement in
49 compliance with all Federal Transit Administration regulations and guidelines. The Governor,
50 through the secretary of administration and finance, shall provide the comptroller with a certified
51 accounting of reallocated urbanized area formula funds, State transportation funding reductions,
52 and earned private transportation provider payments. The comptroller shall transfer to the
53 Federal Transit Funding Maximization Fund without further appropriation, sufficient funds to
54 provide for the full earned payment compensation of private transportation providers, after
55 verifying an equal reduction to the Commonwealth Transportation Fund, item 1595-6369 has
56 occurred. Within thirty days of deposit, MassDOT shall transfer funds, without further
57 appropriation, from the Federal Transit Funding Maximization Fund to the participating transit
58 authority for the purpose of processing private transportation provider earned payments in
59 compliance with this section. Such incentive payments to participating private transportation

60 providers shall be known as "provider participation payments" and shall be used by the private
61 transportation provider to offset the cost of reporting transportation data to the Federal Transit
62 Administration National Transit Database and to enhance transportation services. In order to be
63 eligible for provider participation payments, the private transportation provider must continue
64 reporting transportation data, which is accepted and approved by the Federal Transit
65 Administration National Transit Database.

66 The Cape Cod Regional Transit Authority and the Southeastern Regional Transit
67 Authority shall report, not later than March 31st of each year for the prior federal fiscal year
68 ending September 30th, to the secretary of administration and finance, the chairs of the house
69 and senate committees on ways and means, and the house and senate chairs of the joint
70 committee on transportation on the results and operations of the Federal Transit Funding
71 Maximization Program authorized by this section. Such information shall detail the following:
72 total federal transit urbanized area formula program funding resulting from private transportation
73 provider reporting; additional/new fiscal year federal transit urbanized area formula program
74 funding resulting from private transportation provider reporting; total federal transit urbanized
75 area formula program funding transferred by the transit authority to the Governor and subsequent
76 transfers by the Governor to transit authorities in large or small urbanized areas within the State;
77 funds transferred by the comptroller.