

# **HOUSE . . . . . No. 4564**

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## The Commonwealth of Massachusetts

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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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**The Commonwealth of Massachusetts**

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

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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.