

**HOUSE . . . . . No. 3565**

---

**The Commonwealth of Massachusetts**

PRESENTED BY:

*Sarah K. Peake and William M. Straus*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act establishing a federal transit funding maximization fund.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Sarah K. Peake</i>	<i>4th Barnstable</i>	<i>2/18/2021</i>
<i>William M. Straus</i>	<i>10th Bristol</i>	<i>2/24/2021</i>

**HOUSE . . . . . No. 3565**

---

---

By Representatives Peake of Provincetown and Straus of Mattapoisett, a petition (accompanied by bill, House, No. 3565) of Sarah K. Peake and William M. Straus establishing a federal transit funding maximization fund. Transportation.

---

---

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE HOUSE, NO. 3107 OF 2019-2020.]

**The Commonwealth of Massachusetts**

\_\_\_\_\_  
**In the One Hundred and Ninety-Second General Court  
(2021-2022)**  
\_\_\_\_\_

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

5

6           Notwithstanding the provisions of any general or special law to the contrary, the Cape  
7 Cod Regional Transit Authority and the Southeastern Regional Transit Authority are hereby  
8 authorized in fiscal year 2021 and thereafter to enter into contracts with private transportation  
9 providers to identify and pursue projects to increase federal transit urbanized area formula

10 program funding that is in addition to the current funding from direct transit authority  
11 transportation reporting to the Federal Transit Administration National Transit Database.  
12 Incentive payments provided to private transportation providers for their reporting efforts and for  
13 the enhancement of their transportation services shall be a net neutral expense to the  
14 Commonwealth and shall be paid exclusively from the exchange of the additional federal  
15 urbanized area formula program funding generated by the private transportation provider  
16 reporting to the Federal Transit Administration National Transit Database, with State  
17 appropriated transportation funding.

18           There shall be established on the books of the Commonwealth under the MassDOT  
19 secretariat, an expendable trust fund known as the Federal Transit Funding Maximization Fund  
20 for the purposes of providing funding to the Cape Cod Regional Transit Authority and the  
21 Southeastern Regional Transit Authority for the compensation of private transportation providers  
22 for reporting transportation data to the Federal Transit Administration National Transit Database,  
23 which results in federal transit urbanized area formula program funding that is in addition to  
24 formula funding from direct transit authority transportation reporting to the National Transit  
25 Database. The transit authority, identified as the designated recipient by the Federal Transit  
26 Administration for the urbanized area, is directly allocated the entire federal urbanized area  
27 formula funding, of which, the additional federal urbanized area formula funding resulting from  
28 the private transportation provider reporting shall be calculated by the transit authority based on  
29 the prior federal fiscal year formula funding amounts published by the Federal Transit  
30 Administration. The Cape Cod Regional Transit Authority and the Southeastern Regional Transit  
31 Authority, in consultation with MassDOT, shall take into consideration direct and indirect state,  
32 federal and other in-kind transit authority support provided to the private transportation provider

33 when calculating the percentage and corresponding dollar value for each private transportation  
34 provider payment (“earned payment”) under this section, but in no case shall it exceed 25% of  
35 the additional federal urbanized area formula funding resulting from the private transportation  
36 provider reporting to the National Transit Database. Up to 25% of the additional federal transit  
37 urbanized area formula funds generated from the private transportation providers contractual  
38 participation in the Transit Funding Maximization Program shall be transferred to the Governor,  
39 who shall subsequently reallocate all transferred urbanized area formula funds to transit  
40 authorities in large or small urbanized areas within the State for eligible purposes under the  
41 urbanized area program. The reallocation of federal transit urbanized area formula funds by the  
42 Governor shall include a transfer to the Massachusetts Bay Transportation Authority in an  
43 amount equal to the calculated private transportation provider earned payment, with a  
44 corresponding reduction to the Commonwealth Transportation Fund, item 1595-6369 through 9C  
45 cuts or other means. Funds reallocated by the Governor to transit authorities in large or small  
46 urbanized areas within the State shall be used by the transit authority to establish grants through  
47 the Federal Transit Administration system, incur expenses and seek reimbursement in  
48 compliance with all Federal Transit Administration regulations and guidelines. The Governor,  
49 through the secretary of administration and finance, shall provide the comptroller with a certified  
50 accounting of reallocated urbanized area formula funds, State transportation funding reductions,  
51 and earned private transportation provider payments. The comptroller shall transfer to the  
52 Federal Transit Funding Maximization Fund without further appropriation, sufficient funds to  
53 provide for the full earned payment compensation of private transportation providers, after  
54 verifying an equal reduction to the Commonwealth Transportation Fund, item 1595-6369 has  
55 occurred. Within thirty days of deposit, MassDOT shall transfer funds, without further

56 appropriation, from the Federal Transit Funding Maximization Fund to the participating transit  
57 authority for the purpose of processing private transportation provider earned payments in  
58 compliance with this section. Such incentive payments to participating private transportation  
59 providers shall be known as "provider participation payments" and shall be used by the private  
60 transportation provider to offset the cost of reporting transportation data to the Federal Transit  
61 Administration National Transit Database and to enhance transportation services. In order to be  
62 eligible for provider participation payments, the private transportation provider must continue  
63 reporting transportation data, which is accepted and approved by the Federal Transit  
64 Administration National Transit Database.

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