

Chap. 563. AN ACT ABOLISHING THE METROPOLITAN TRANSIT AUTHORITY, ESTABLISHING THE MASSACHUSETTS BAY TRANSPORTATION AUTHORITY, AND PROVIDING FOR THE ACQUISITION AND MAINTENANCE OF MASS TRANSPORTATION FACILITIES AND SERVICES WHICH SHALL BE CO-ORDINATED WITH HIGHWAY SYSTEMS AND URBAN DEVELOPMENT PLANS THROUGHOUT THE COMMONWEALTH.

Be it enacted, etc., as follows:

SECTION 1. Chapter 16 of the General Laws is hereby amended by inserting after section 3 the following section: —

Section 3A. There shall be in the department a bureau of transportation planning and development which shall be under the supervision and control of the commission. With the approval of the governor, the commission shall appoint, and with like approval may remove, an officer to be known as the director of transportation planning and development, who shall be the executive and administrative head of the bureau. He shall be a person with professional skill and experience in the field of transportation planning and shall not be subject to chapter thirty-one or to section nine A of chapter thirty.

Said bureau shall serve as the principal source of transportation planning in the commonwealth, and in so serving shall conduct research, surveys, demonstration projects and studies in co-operation with the federal government, other governmental agencies, and appropriate private organizations and be responsible for the continual preparation of comprehensive and co-ordinated transportation plans and programs for submission to and adoption by the commission and for such review or consideration by other governmental agencies as may be required by law or deemed appropriate by the commission. Said plans and programs shall be prepared in co-ordination with comprehensive urban development plans and in co-operation with the said other agencies so far as practicable.

SECTION 2. Chapter 58 of the General Laws is hereby amended by inserting after section 25A the following section: —

Section 25B. The state tax commission shall, as hereinafter provided, certify to the state treasurer for payment, from that portion of the proceeds of the excise on cigarettes as authorized by paragraph (b) of section twenty-eight of chapter sixty-four C, the following: —

(a) From time to time, when required, the contract assistance to the Massachusetts Bay Transportation Authority provided under section twenty-eight of chapter one hundred and sixty-one A;

(b) From time to time, when required, reimbursements to cities and towns comprising transportation areas as provided under section one hundred and fifty-two A of chapter one hundred and sixty-one, and to the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority, as provided under section nine A of chapter seven hundred and one of the acts of nineteen hundred and sixty, as amended;

(c) On or before April fifteenth of each year, the amount determined by the commission to be payable in accordance with this paragraph (c) to the Massachusetts Bay Transportation Authority, to each transportation area established under chapter one hundred and sixty-one and to each common carrier of passengers by motor vehicle granted a certificate of public convenience and necessity pursuant to section

seven of chapter one hundred and fifty-nine A, such amount to be the sum of the following: — (1) the motor vehicle excises paid by such authority, transportation area or company under the provisions of chapter sixty A during the last preceding calendar year with respect to motor vehicles required to be registered by it under chapter ninety and operated under a certificate of public convenience and necessity granted pursuant to section seven of chapter one hundred and fifty-nine A; (2) the fuel and special fuels excises paid by such authority, transportation area or company under the provisions of chapters sixty-four A and sixty-four E during the last preceding calendar year with respect to fuel and special fuels consumed in its operation of motor vehicles upon or over the highways of the commonwealth over routes established or operated by such authority or over routes operated under a certificate of public convenience and necessity granted pursuant to section seven of chapter one hundred and fifty-nine A and not otherwise reimbursable under said chapters sixty-four A and sixty-four E. The number of gallons of fuel or special fuels so consumed shall not exceed the number of miles that such motor vehicles have been operated during the last preceding calendar year over the routes, other than on any turnpike constructed by the Massachusetts Turnpike Authority, authorized by said authority or under said certificate, divided by five.

On or before February fifteenth of each year such authority, transportation area or company shall by sworn statement submit to the commission such information as in the judgment of the commission is necessary in order to determine the amount to which such authority, transportation area or company is entitled in accordance with paragraph (c); provided if such authority, transportation area or company fails to furnish such information on or before the said date, the commission may refuse to certify such amount to the state treasurer. Said amount shall be subject to verification and adjustment by the commission and any adjustment shall correspondingly reduce or increase, as the case may be, the amount for the year in which the adjustment is made. For this purpose, the commission may at any time examine the accounts, books, documents and other papers of such authority, transportation area or company, take testimony and proofs under oath, issue summonses and require the attendance and testimony of witnesses and the production of accounts, books, documents and other papers. Such summonses shall be served in the same manner as summonses for witnesses in criminal cases issued on behalf of the commonwealth, and all provisions of law relative to summonses in such cases shall, so far as applicable, apply to summonses issued hereunder. Any justice of the supreme judicial court or of the superior court may, upon application of the commission, compel the attendance of witnesses, the production of accounts, books, documents and other papers, and the giving of testimony before the commission in the same manner and to the same extent as before the said courts.

(d) On or before November twentieth of each year, the amount certified by the commissioner of education to be payable to any city or town as a transportation allowance under the provisions of section seven B of chapter seventy-one.

SECTION 3. Section 12 of chapter 63 of the General Laws is hereby amended by adding after clause (z) the following clause: —

(aa) Bonds, notes or other evidences of indebtedness issued by the Massachusetts Bay Transportation Authority.

SECTION 4. Every manufacturer, wholesaler, vending machine operator, unclassified acquirer and retailer, as defined in section one of chapter sixty-four C of the General Laws, who has any cigarettes on hand for sale shall make and file with the commissioner of corporations and taxation within twenty days thereafter a return subscribed under penalties of perjury showing a complete inventory of such cigarettes and shall, at the time he is required to file such return, pay an additional excise at the rate of one mill per cigarette on all cigarettes upon which an excise of only three mills has previously been paid. All provisions of said chapter sixty-four C relative to the assessment, collection, payment, abatement, verification and administration of taxes, including penalties, shall, so far as pertinent, be applicable to the excise imposed by this section.

SECTION 5. Section 6 of chapter 64C of the General Laws, as most recently amended by section 7 of chapter 774 of the acts of 1960, is hereby further amended by striking out the second, third and fourth sentences and inserting in place thereof the following three sentences: — Such licensee shall, at the time of filing such return, pay to the commissioner an excise equal to four mills for each cigarette so sold during the calendar month covered by the return; provided that cigarettes with respect to which the excise under this chapter has once been imposed and has not been refunded, if paid, shall not be subject upon a subsequent sale to the excise imposed by this chapter. Every such licensee, provided he has complied with all the requirements of this chapter and all pertinent rules and regulations of the state tax commission promulgated hereunder, may withhold and retain from each payment required to be made by him under the foregoing provisions of this section as compensation for services rendered in compliance with this chapter, a percentage of such payment computed in accordance with the following table: —

Chain store operators, three eighths of one per cent.

Vending machine operators, three fourths of one per cent.

Wholesalers, one and one half per cent.

Each unclassified acquirer shall, upon importation or acquisition of cigarettes into or within the commonwealth, file with the commissioner a return under penalties of perjury, on a form to be furnished by the commissioner, stating the number of cigarettes imported or acquired and such other information as the commissioner shall require, and shall, at the time of filing such return, pay to the commissioner an excise equal to four mills for each cigarette so imported or acquired and held for sale or consumption, and cigarettes, with respect to which such excise has been imposed and has not been refunded if paid, shall not be subject, when subsequently sold, to any further excise under this chapter.

SECTION 6. Said chapter 64C is hereby further amended by adding after section 27 the following section: —

Section 28. All sums received under this chapter shall be paid into the treasury of the commonwealth and shall be credited as follows: —

(a) Three mills of the excise imposed by section six and a proportionate amount of all sums received as penalties, forfeitures, interest, costs of suits and fines shall be credited to the General Fund and shall be used solely toward meeting the debt service obligations of the General Fund.

(b) One mill of the excise imposed by section six and a proportionate amount of all sums received as penalties, forfeitures, interest, costs of suits and fines shall be credited to the General Fund and used solely toward meeting the requirements of section twenty-five B of chapter fifty-eight; provided that there shall be deducted therefrom an amount sufficient to reimburse the commonwealth for the expenses incurred in the administration of this chapter, including any amounts abated or refunded under section seven of this chapter or section twenty-seven of chapter fifty-eight, together with any interest or costs paid on account of such abatements or refunds.

SECTION 7. Section six of chapter seven hundred and seventy-four of the acts of nineteen hundred and sixty is hereby repealed.

SECTION 8. Chapter 71 of the General Laws is hereby amended by inserting after section 7A the following section: —

Section 7B. To provide for the reimbursement of part of the cost not reimbursable under section seven A incurred directly by a school department or indirectly by a city or town on account of an assessment made to meet the cost of maintaining a public transportation system used for the transportation of pupils in a city or town using public transportation facilities licensed under the provisions of sections one and seven of chapter one hundred and fifty-nine A or operated under the provisions of chapter one hundred and sixty-one A for the transporting of pupils to and from school who reside more than one and one half miles from the school they attend as determined by the commissioner, or, if the determination of the number of pupils residing more than one and one half miles from the school of attendance is impracticable, the commissioner shall make such determination according to the following formula: From the net average membership in the public and private schools, determined as provided in section five of chapter seventy, the commissioner shall estimate the number of pupils who reside more than one and one half miles from the school they attend, which number shall not exceed ten per cent of said net average membership.

The commissioner shall, on or before November first of each year, certify to the state tax commission a transportation allowance payable to such city or town for the preceding school year, the amount of such allowance to be determined by him by multiplying the number of pupils or the estimated number of pupils residing more than one and one half miles from the school by the average cost per pupil in the city or town for transporting all such pupils; provided that such cost shall not exceed twenty cents per pupil per day.

Funds received by each city or town shall be used to pay the cost of providing public transportation or to reimburse a city or town for payments on account of any assessment made upon it to meet the cost of maintaining a public transportation system, provided that notwithstanding the provisions of this section, no amount shall be approved as a reimbursement by the commissioner as herein provided in excess of the amount to be paid by such a city or town for said public transportation.

SECTION 9. Section 12 of chapter 159 of the General Laws is hereby amended by inserting after the word "commonwealth", in line 5, as appearing in the Tercentenary Edition, the words: — and in the exercise thereof, the department shall take cognizance of all applicable transportation plans and programs adopted by the public works commission pursuant to section three A of chapter sixteen.

SECTION 10. Section 143 of chapter 161 of the General Laws, as appearing in the Tercentenary Edition, is hereby amended by inserting after the word "therein", in line 4, the words: — and for the operation of bus and other services for mass transportation of passengers.

SECTION 11. Said chapter 161 is hereby further amended by striking out section 147, as so appearing, and inserting in place thereof the following section: — *Section 147.* The board of trustees of a transportation area shall have full power to operate the street railway property leased or acquired thereby, or any equipment or facility otherwise acquired, or to lease or sublease the same, and to enter into contracts with private companies for the operation of mass transportation services within the transportation area, all such powers being subject to such conditions as may be approved by the department, and may appoint and remove and fix the compensation of such officers, managers and assistants as may be necessary. The board shall have the power to apply for and receive aid of any kind under the provisions of any federal or state law.

If, upon the establishment of a transportation area, the board of trustees shall acquire any private company previously operating within its area, the employees of such company, other than its board of directors, shall become employees of the transportation area and no employee of such company becoming an employee of the transportation area in accordance with this section shall, by reason of transfer to employment by the transportation area, without his consent be removed, lowered in rank or compensation or suspended, except for just cause and for reasons specifically given to him in writing twenty-four hours after such removal, suspension, transfer or lowering in rank or compensation; nor shall any such employee, by reason of such transfer, without his consent be in any worse position in respect to workmen's compensation, pension, superannuation, sickness or any other benefits or allowances granted by his previous employer to himself, his widow, family or personal representatives than he enjoyed under any person, firm or corporation under whom he held his employment immediately prior to his transfer to the employment of the transportation area; provided that the trustees may abolish any office or post of any existing executive officer if in the opinion of the trustees the same is an unreasonable addition to the staff of the transportation area.

SECTION 12. Section 150 of said chapter 161, as so appearing, is hereby amended by inserting after the word "railway", in line 3, the words: — and the bus or other mass transportation route.

SECTION 13. Section 151 of said chapter 161, as so appearing, is hereby amended by adding the following sentence: — Any sum received by the trustees in aid of the operation of the transportation area under any federal or state law shall be credited before reckoning a profit or a deficit.

SECTION 14. Section 152 of said chapter 161, as so appearing, is hereby amended by inserting after the word "property", in line 1, the words: — or other equipment or facility.

SECTION 15. Said chapter 161 is hereby further amended by inserting after section 152 the following section: —

Section 152A. The commonwealth, acting by and through the executive office for administration and finance, may enter into a contract or contracts with the trustees of a transportation area created under the provisions of sections one hundred and forty-three through one hundred

and fifty-eight of this chapter whereby the commonwealth agrees to reimburse the cities and towns comprising the area for an amount equal to ninety per cent of the annual debt service on any bonds issued pursuant to section one hundred and fifty-two of this chapter in respect to any equipment or facility for mass transportation purposes acquired by the trustees after the effective date of this act, less the amount received by any such city or town from surplus as provided under section one hundred and fifty-one of this chapter in any year.

SECTION 16. Said chapter 161 is hereby further amended by striking out section 159, as appearing in the Tercentenary Edition, and inserting in place thereof the following section: — *Section 159.* Sections one hundred and forty-three to one hundred and fifty-eight, inclusive, shall not apply to any territory comprising the Massachusetts Bay Transportation Authority.

SECTION 17. Chapter 701 of the acts of 1960 is hereby amended by inserting after section 9 the following section: —

Section 9A. Notwithstanding any other provisions of this act, the authority is hereby authorized to enter into a contract or contracts with the commonwealth, and the commonwealth, acting by and through the executive office for administration and finance, may enter into a contract or contracts with the authority whereby the commonwealth agrees to reimburse the authority for an amount equal to ninety per cent of the debt service on any bonds issued in respect to any vessels, equipment or facility for mass transportation purposes acquired by the authority after the establishment of the Massachusetts Bay Transportation Authority, less the amounts available from revenues or any reserve fund or sinking fund for such debt service. Such contract shall also provide that in the event that the reserve fund provided in section nine in any year shall exceed the amount established therefor, then the amount of excess paid the commonwealth for distribution to the towns shall first be reduced by any amount previously advanced by the commonwealth for the purposes of this section and not otherwise repaid to it. Such sum shall be returned to the cigarette tax fund for mass transportation purposes, as set forth in paragraph (b) of section twenty-eight of chapter sixty-four C of the General Laws.

SECTION 18. The General Laws are hereby amended by inserting after chapter 161 the following chapter: —

CHAPTER 161A.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY.

Section 1. Wherever used in this chapter, unless the context otherwise requires, the following words or terms shall have the following meanings: —

“Authority”, the Massachusetts Bay Transportation Authority created by section two of this chapter.

“Commuters”, all persons whose place of work is in the city of Boston or the city of Cambridge and whose residence is in one of the fourteen cities or towns or one of the sixty-four cities or towns, regardless of the means of transport of such persons to and from their places of work.

"Net cost of service", the difference between (a) all income received by the authority, including but not limited to revenues and receipts from operations, advertising, parking, sale of capital assets in the ordinary course of business, and gifts and grants for current purposes, and (b) all current expenses incurred by the authority, including but not limited to expenses for operations, wages, contracts for service by others, maintenance, debt service (including any debts, liabilities and obligations assumed under the provisions of law and including any applicable sinking fund requirements), taxes and rentals, and all other expenses which the authority determines not to capitalize, when such expenses exceed such income. Expenditures from the proceeds of bonds or bond anticipation notes shall not be included in current ex- penditures.

"Net saving", any excess of the income items included in the definition of the net cost of service over the expense items included in that computation.

"Equipment", all rolling stock, and other conveyances, vehicles, rails, signal and control systems, lighting and power distribution systems, fences, station equipment, fare collection equipment, incidental apparatus and other tangible personal property, whether or not affixed to realty, required or convenient for the mass movement of persons.

"Fourteen cities and towns", the cities and towns of Arlington, Belmont, Boston, Brookline, Cambridge, Chelsea, Everett, Malden, Medford, Milton, Newton, Revere, Somerville and Watertown.

"Express service", all mass transportation service provided by or under the control of the authority, whether by ownership, lease, contract or otherwise, over rights of way with fully controlled access and restricted to the use of such service exclusively or on a shared basis with other mass transportation service, including but not limited to rapid transit service, the Highland Branch and Mattapan high-speed services and express bus, monorail and other similar services, and such term shall also mean all commuter railroad passenger service provided by or under the control of the authority.

"Local service", all mass transportation service provided by or under the control of the authority, other than express service.

"Mass transportation facilities", all real property (including land, improvements, terminals, stations, garages, yards, shops and structures appurtenant thereto), and all easements, air rights, licenses, permits and franchises, used in connection with the mass movement of persons.

"Sixty-four cities and towns", the cities and towns of Ashland, Bedford, Beverly, Braintree, Burlington, Canton, Cohasset, Concord, Danvers, Dedham, Dover, Duxbury, Framingham, Hamilton, Hanover, Hingham, Holbrook, Hull, Lexington, Lincoln, Lynn, Lynnfield, Manchester, Marblehead, Marshfield, Medfield, Melrose, Middleton, Millis, Nahant, Natick, Needham, Norfolk, North Reading, Norwell, Norwood, Peabody, Pembroke, Quincy, Randolph, Reading, Rockland, Salem, Saugus, Scituate, Sharon, Sherborn, Stoneham, Sudbury, Swampscott, Topsfield, Wakefield, Walpole, Waltham, Wayland, Wellesley, Wrentham, Weston, Westwood, Weymouth, Wilmington, Winchester, Winthrop and Woburn, and such other municipalities as may be added in accordance with section sixteen to the area constituting the authority.

Section 2. The territory within and the inhabitants of the fourteen cities and towns and the sixty-four cities and towns are hereby made a

body politic and corporate and a political subdivision of the commonwealth under the name of Massachusetts Bay Transportation Authority. The authority shall have power to hold property, to sue and be sued in law and equity and to prosecute and defend all actions relating to its property and affairs. The authority shall be liable for its debts and obligations, but the property of the authority shall not be subject to attachment nor levied upon by execution or otherwise. Process may be served upon the treasurer of the authority or, in the absence of the treasurer, upon any member of the board of directors of the authority.

Section 3. In addition to all powers otherwise granted to the authority by law, the authority shall have the following powers, in each case to be exercised by the directors of the authority unless otherwise specifically provided:

(a) To adopt and use a corporate seal and designate the custodian thereof.

(b) To establish within its area a principal office and such other offices as may be deemed necessary.

(c) To hold, operate and manage the mass transportation facilities and equipment acquired by the authority.

(d) To appoint and employ officers, agents and employees to serve at the pleasure of the directors (except as may otherwise be provided in collective bargaining agreements), and to fix their compensation and conditions of employment; provided, however, that (i) the appointment and employment of the general manager shall be subject to the approval of the advisory board, and (ii) the authority may bind itself by contract to employ a general manager and not more than five other senior officers but no such contract shall be for a period of more than five years.

(e) To make, and from time to time revise and repeal, by-laws, rules, regulations and resolutions.

(f) To enter into agreements with other parties, including, without limiting the generality of the foregoing, government agencies, municipalities, authorities, private transportation companies, railroads, and other concerns, providing (i) for construction, operation and use of any mass transportation facility and equipment held or later acquired by the authority; (ii) for joint or co-operative operation of any mass transportation facility and equipment with another party; (iii) for operation and use of any mass transportation facility and equipment for the account of the authority, for the account of another party or for their joint account; or (iv) for the acquisition of any mass transportation facility and equipment of another party where the whole or any part of the operations of such other party takes place within the area constituting the authority. Any such other party is hereby given power and authority to enter into any such agreements, subject to such provisions of law as may be applicable. Any agreement with a private company under any provision of this chapter which is to be financed from the proceeds of bonds or bond anticipation notes and which provides for the rendering of transportation service by such company and for financial assistance to such company by subsidy, lease or otherwise, shall include such standards for such service as the authority may deem appropriate and shall not bind the authority for a period of longer than one year from its effective date, but this shall not prohibit agreements for longer than one year if the authority's obliga-

tions thereunder are subject to annual renewal or annual cancellation by the authority. Such agreements may provide for cash payments for services rendered, but not more than will permit any private company a reasonable return.

(g) To establish at or near its terminals and stations such off-street parking facilities and access roads as may be deemed necessary and desirable. The authority may charge such fees for the use of such facilities as it may deem desirable, or it may allow the use of such facilities free.

(h) To accept gifts, grants and loans from agencies of local, state and federal governments, or from private agencies or persons, and to accede to such conditions and obligations as may be imposed as a prerequisite to any such gift, grant or loan.

(i) To provide mass transportation service, whether directly, jointly or under contract, on an exclusive basis, except as provided in paragraph (k) of section five, in the area constituting the authority and without being subject to the jurisdiction and control of the department of public utilities in any manner except as to safety of equipment and operations; provided that schedules and routes shall not be considered matters of safety subject to the jurisdiction and control of said department.

(j) To operate mass transportation facilities and equipment, directly or under contract in areas outside the area constituting the authority; but only pursuant to (i) an agreement with or purchase of a private mass transportation company, part of whose operations were, at the time the authority was established, within the area constituting the authority or (ii) an agreement with a transportation area or a municipality for service between the area of the authority and that of such transportation area or municipality, where no private company is otherwise providing such service.

(k) To provide for construction, extension, modification or improvement of the mass transportation facilities in the area constituting the authority; provided that any such construction, extension, modification or improvement shall be consistent with its program for public mass transportation hereinafter referred to, as approved by the advisory board, unless specifically authorized by legislation. Subject to the approval of the advisory board, the authority may also undertake any modification or improvement of existing facilities which it finds necessary prior to the adoption of its program for public mass transportation.

(l) To conduct research, surveys, experimentation, evaluation, design and development, in co-operation with other government agencies and private organizations when appropriate, with regard to the mass transportation needs of the area, and to the facilities, equipment and services necessary to meet such needs.

(m) To grant such easements over any real property held by the authority as will not in the judgment of the authority unduly interfere with the operation of any of its mass transportation facilities.

(n) To sell, lease or otherwise contract for advertising in or on the facilities of the authority.

(o) To take real property by eminent domain in accordance with the provisions of chapter seventy-nine or chapter eighty A; provided that land devoted to any public use other than mass transportation may be taken by the authority only (i) if any substantial interference with such public use is temporary or any permanent interference therewith is not

substantial, or both, or (ii) in the case of takings not authorized by clause (i), upon providing equivalent land for such public use. Interference with the public use of a street or public utility line shall not be considered to be substantial unless the interference with the traffic or utility system of which it is a part is substantial.

(p) To issue bonds, notes and other evidences of indebtedness as hereinafter provided.

(q) Consistent with the constitution and laws of the commonwealth, the authority shall have such other powers, including the power to buy, sell, lease, pledge and otherwise deal with real and personal property, as may be necessary for or incident to carrying out the foregoing powers and the accomplishment of the purposes of this chapter.

Section 4. (a) In addition to the powers granted to the authority under section three and all other powers granted by law, the authority shall have the power to establish on a self-liquidating basis one or more separate units of mass transportation facilities and equipment to furnish, in each instance, express service or local service between specified terminal points and over a fixed route or routes. In establishing such separate units, the authority may enter into one or more unit lease arrangements with such persons, firms and corporations as the authority shall select and franchise. Each such unit lease arrangement shall provide for the following:

(i) Acquisition by the authority of real property, including easements and rights of way, necessary or desirable for the operation of such units of mass transportation facilities and equipment, parking and other related auxiliary services and facilities, by purchase or exercise of the authority's power of eminent domain under paragraph (o) of section three;

(ii) design, construction and acquisition of mass transportation facilities and equipment; and

(iii) operation of the mass transportation facilities and equipment so designed, constructed and acquired by a lessee of said facilities and equipment (1) for a period not in excess of forty years, (2) at a rental or lease charge at least sufficient to discharge the authority's financial obligations incurred in connection with said unit of facilities and equipment under the authority's powers as hereinafter set forth in paragraph (b), and (3) upon such provisions and conditions as to fares and other matters relating to the conduct and operation of said mass transportation facilities and equipment as the authority and lessee shall agree.

(iv) power in the authority to cancel or terminate said unit lease arrangement at stated times which shall be not less frequent than once in each calendar year.

(b) To meet the expenditures necessary in carrying out the provisions of this section, the authority may issue bonds in accordance with the provisions of clause (4) of the first paragraph of section twenty-three, and such bonds shall provide, in addition to other provisions allowed under this chapter, that all payments of principal and interest shall be made solely from (a) the rental or lease charges received by the authority under its lease with the lessee of mass transportation facilities and equipment as aforesaid, which said lease may be assigned by the authority to secure the obligations of said bonds; or (b) in the event the authority terminates said lease, from the income derived from operation of said mass transportation facilities and equipment; provided that

bonds issued for the purposes of this section shall not be included in the computation of the bonds to which the limitations on amount contained in section twenty-three shall apply.

Section 5. The authority shall be subject to the following limitations, conditions, obligations and duties:

(a) The authority shall have the duty to develop, finance and operate the mass transportation facilities and equipment in the public interest, consistent with the purposes and provisions of this chapter, and to achieve maximum effectiveness in complementing other forms of transportation in order to promote the general economic and social well-being of the area and of the commonwealth.

(b) No real estate shall be sold unless notice of the intent to sell such real estate shall have been given to the advisory board not less than thirty days prior to the date of sale and unless the sale shall have been advertised at least once a week for three successive weeks prior to the date of sale in a newspaper of general circulation in the city or town in which the real property to be sold is located. Such real property shall be sold to the highest bidder therefor, unless the authority shall find that sound reasons in the public interest require otherwise.

(c) Any concession in or lease of property for a term of more than one year shall be awarded to the highest responsible and eligible bidder therefor unless the authority shall find that sound reasons in the public interest require otherwise.

(d) Excluding any loss suffered in the operation of commuter railroad service and the Highland Branch and Mattapan high speed services while operated and equipped with streetcars, the authority shall operate its express service, so far as practicable, in such a manner that no net cost of service exclusive of debt service shall arise on account of such express service in any year. In addition the authority shall operate all its services in such manner as to produce the highest return consistent with the authority's obligations under subsection (a).

(e) No change in fares shall be effective unless submitted to the advisory board and approved by it, except that changes in fares required in order to satisfy the provisions of the first sentence of subsection (d) shall be reported to, but need not be approved by, the advisory board.

(f) No substantial change in mass transportation service in the area constituting the authority shall be made unless notice thereof shall have been given to the advisory board at least thirty days prior to the change.

(g) The authority shall prepare and from time to time revise its program for mass transportation within the area constituting the authority. Such program shall be based upon transportation plans and programs adopted by the public works commission pursuant to section three A of chapter sixteen, shall be prepared in consultation with the department of commerce and development, the metropolitan area planning council, and such other agencies of the commonwealth or of the federal government as may be concerned with the said program, and shall be subject to the approval of the advisory board; provided, however, that if within thirty days following such approval any such agency shall advise the authority in writing that the program is not based on the transportation plans and programs adopted by the said commission, the program shall be subject to the approval of the governor. The said program shall include a long-range plan for the construction, reconstruc-

tion or alteration of facilities for mass transportation within the area constituting the authority together with a schedule for the implementation of such construction plan and comprehensive financial estimates of costs and revenues, and shall, so far as practicable, meet the criteria established by any federal law authorizing federal assistance to preserve, maintain, assist, improve, extend or build local, metropolitan or regional mass transportation facilities or systems.

✓ (h) The authority shall as soon as practicable in nineteen hundred and sixty-five and thereafter on or before April first of each year render to the governor, the advisory board, and the general court, a report of its operations for the preceding calendar year, including therein a description of the organization of the authority, its recommendations for legislation, and its comprehensive program for mass transportation as most recently revised.

(i) All current expenses of the authority shall be in accordance with an itemized budget prepared and submitted by the authority to the advisory board not later than November first of each year for the ensuing calendar year. Within thirty days after such submission, the advisory board shall approve said budget as submitted or subject to such itemized reductions therein as the advisory board shall deem appropriate. The budget shall govern the current expenses of the authority during such calendar year. No such expenses may be incurred in excess of those shown in the budget, but the budget may from time to time be amended by the preparation and submission by the authority to the advisory board of supplements thereto. The advisory board shall within thirty days after submission to it approve or reduce any such supplementary budget as provided above.

(j) Any agreement entered into by the authority with a municipality outside of the area of the authority for service to such municipality directly by the authority, or through agreement with a private company, shall provide for reimbursement by such municipality to the authority only for the net additional expense of such service as determined by the authority. Such agreements may be for such terms, not exceeding five years, as the parties may determine, except as provided in paragraph (f) of section three. They shall not be subject to the provisions of section four of chapter forty or section thirty-one of chapter forty-four. Municipalities may appropriate from taxes or from any available funds to meet their obligations under any such contracts.

(k) Any private company lawfully providing mass transportation service in the area constituting the authority at the time the authority is established may continue so to operate the same route or routes and levels of service as theretofore, and may conduct such further operations as the authority may permit in the future with or without a contract; provided that the authority shall in all respects have the same powers and duties in respect to such private carriers as are provided by law for the department of public utilities except as to safety of equipment and operations, schedules and routes not being, however, considered safety of equipment and operations for the purposes of this paragraph; and provided, further, that whenever the authority desires to add new routes for service in any area, it shall give preference in the operation of such routes to the private carrier then serving such area unless the authority concludes that such carrier has not demonstrated an ability to render such service according to the standards of the authority, that such

service can be operated directly by the authority at substantially lesser expense to the authority and the public than if operated by such private carrier, or that for substantial and compelling reasons in the public interest operation by such private carrier is not feasible.

Section 6. The affairs of the authority shall be managed by a board of five directors, hereinafter in this chapter called the directors, who shall be appointed by the governor of whom two shall be appointed with the approval of the council; one with the approval of the advisory board; one with the approval of the fourteen cities and towns; and one with the approval of the sixty-four cities and towns. The approval of the fourteen cities and towns and of the sixty-four cities and towns, respectively, shall be determined by a majority vote of their mayors (or city managers in the case of Plans D and E cities) and chairmen of selectmen with the vote of each city and town counted as on the advisory board pursuant to section seven; provided that the vote of at least four municipalities shall be required to constitute the majority of the fourteen cities and towns. One of the appointees of the governor shall be experienced in transportation, one a member of organized labor who shall be a member of a national or international labor organization, and one experienced in administration and finance. No more than three of the five directors shall be members of the same political party. Each director appointed hereunder shall hold office until the qualification of his successor. Upon the expiration of the term of any member his successor shall be appointed in like manner for a term of five years. From time to time the governor shall designate one of the directors as chairman. Any director may be removed for cause by the governor, and any vacancy in the office of a director shall be filled, for the unexpired term, by appointment of the governor with the approval applicable to such vacancy. Section three of chapter twelve shall not apply to said board of directors. The chairman of the board of directors shall receive a salary of ten thousand dollars, and each of the other directors a salary of seven thousand five hundred dollars.

Section 7. There shall be an advisory board to the authority consisting of the city manager in the case of a Plan D or E city or the mayor of each other city, and the chairman of the board of selectmen of each town, constituting the authority. Each mayor or city manager and each chairman may, by writing filed with the authority, from time to time appoint a designee to act for him on the advisory board or to act for him or her in exercising the powers of the sixty-four cities and towns or of the fourteen cities and towns under section six. Each city and each town shall have one vote on the advisory board plus additional votes and fractions thereof determined by multiplying one and one half times the total number of cities and towns in the authority by a fraction of which the numerator shall be the total amount of all assessments made by the state treasurer to such city or town under this chapter and the denominator shall be the total amount of all assessments made by the state treasurer to all such cities and towns. The total vote of each city and town shall each year beginning in nineteen hundred and sixty-six be determined by the authority and delivered in writing to the advisory board thirty days after the state treasurer has sent his warrants for payments to the cities and towns. The determination of votes shall be based upon the most recent annual assessment. Until the determination

of vote by the authority in nineteen hundred and sixty-six, each city and town shall have the following number of votes:

<i>Cities and Towns.</i>	<i>Number of Votes.</i>	<i>Cities and Towns.</i>	<i>Number of Votes.</i>
Arlington.....	3.11	Natick.....	1.09
Ashland.....	1.01	Needham.....	1.17
Bedford.....	1.03	Newton.....	2.40
Belmont.....	2.31	Norfolk.....	1.01
Beverly.....	1.07	North Reading.....	1.03
Boston.....	73.29	Norwell.....	1.02
Braintree.....	1.24	Norwood.....	1.09
Brookline.....	5.17	Peabody.....	1.05
Burlington.....	1.06	Pembroke.....	1.01
Cambridge.....	10.56	Quincy.....	1.57
Canton.....	1.08	Randolph.....	1.13
Chelsea.....	3.01	Reading.....	1.09
Cohasset.....	1.03	Revere.....	2.94
Concord.....	1.04	Rockland.....	1.04
Danvers.....	1.02	Salem.....	1.05
Dedham.....	1.18	Saugus.....	1.09
Dover.....	1.01	Scituate.....	1.04
Duxbury.....	1.01	Sharon.....	1.07
Everett.....	3.68	Sherborn.....	1.01
Framingham.....	1.09	Somerville.....	6.51
Hamilton.....	1.01	Stoneham.....	1.09
Hanover.....	1.02	Sudbury.....	1.01
Hingham.....	1.07	Swampscott.....	1.05
Holbrook.....	1.06	Topsfield.....	1.01
Hull.....	1.04	Wakefield.....	1.09
Lexington.....	1.14	Walpole.....	1.03
Lincoln.....	1.02	Waltham.....	1.14
Lynn.....	1.19	Watertown.....	2.42
Lynnfield.....	1.03	Wayland.....	1.04
Malden.....	4.37	Wellesley.....	1.14
Manchester.....	1.01	Wenham.....	1.01
Marblehead.....	1.07	Weston.....	1.04
Marshfield.....	1.03	Westwood.....	1.07
Medfield.....	1.01	Weymouth.....	1.24
Medford.....	4.48	Wilmington.....	1.05
Melrose.....	1.18	Winchester.....	1.13
Middleton.....	1.01	Winthrop.....	1.20
Millis.....	1.01	Woburn.....	1.12
Milton.....	1.94		
Nahant.....	1.02	Total.....	195.00

Whenever the approval of the advisory board or of the sixty-four cities and towns or of the fourteen cities and towns is required for any appointment or action by the governor or the authority, such approval shall be deemed, to have been granted unless, within thirty days of submission of the appointment or action, the advisory board or the sixty-four cities and towns or the fourteen cities and towns has or have communicated its or their disapproval to the governor or to the authority in writing, or in case of action on a proposed budget, the advisory board's qualified approval.

Any notice or submission hereunder to the advisory board or to the sixty-four cities and towns or to the fourteen cities and towns shall be given in such manner as the governor or authority deems reasonable.

Except as otherwise provided by vote of the advisory board or of the sixty-four cities and towns or of the fourteen cities and towns, respectively, a meeting may be called by the representative or representatives

of cities and towns having five per cent or more of the votes of the advisory board or sixty-four cities and towns or fourteen cities and towns, as the case may be. The first meeting of the advisory board, which shall be immediately followed by the first meetings of the sixty-four cities and towns and of the fourteen cities and towns, shall be held as soon as practicable upon the call of the governor. The advisory board shall act by a majority vote, except that it may delegate its power of approval to an executive committee formed and elected pursuant to duly adopted by-laws of the board and constituting among its members at least one half of the total vote of the board, and may, at any time, revoke such delegation; provided that no such executive committee shall be empowered to approve the governor's appointments to the board of directors.

Section 8. In any year, commencing with the calendar year nineteen hundred and sixty-six, if the commonwealth shall be called upon to pay any amount on account of the net cost of express service during the previous calendar year, whether provided by ownership, lease, contract or otherwise, seventy-five per cent of such net cost of service of such previous calendar year shall be assessed upon all cities and towns comprising the authority's territory in the proportion which the number of commuters in each said city or town bears to the total number of commuters in all of said cities or towns; provided, however, that there shall not be assessed under this paragraph that part of the net cost of service which represents the debt service on any obligation of the Metropolitan Transit Authority issued for express service purposes or any obligation of the Massachusetts Bay Transportation Authority issued to refinance the same. The number of commuters shall be determined in accordance with the latest decennial census made by the United States Department of Commerce. If said census shall not provide the necessary data for determining the number of commuters, the authority shall determine the number of commuters by some accurate and otherwise appropriate method. Twenty-five per cent of such net cost of service of such previous calendar year shall be assessed upon those cities and towns of the authority which had one or more express service stations as of the first day of July of such previous calendar year. Such assessments shall be in the proportion which the number of riders boarding at all express service stations in such city or town bears to the number of riders boarding at all express service stations in the area constituting the authority. The number of riders shall be determined by a rider count taken during the year nineteen hundred and sixty-five. Subsequent rider counts shall be made from time to time by the authority so as to maintain as much accuracy as possible with respect to changes in such service and in no event less frequently than every two years.

If the commonwealth shall be called upon to pay, otherwise than under section twenty-eight, any amount on account of that part of the net cost of service which represents the debt service of any obligation of the Metropolitan Transit Authority issued for express service purposes or any obligation of the Massachusetts Bay Transportation Authority issued to refinance the same, the cost of such debt service shall be assessed upon the fourteen cities and towns in proportion to the assessment of each such city or town in the same year under the provisions of the foregoing paragraph.

The aggregate amount to be assessed under this section in any year shall, to the extent of such debt service, be deemed to represent pro rata the debt service referred to in the foregoing paragraph and other debt service of the authority for express purposes.

✓ *Section 9.* In any year commencing with the calendar year nineteen hundred and sixty-six and ending with the calendar year nineteen hundred and seventy-five, if the commonwealth shall be called upon to pay any amount on account of the net cost of local service provided in the fourteen cities and towns during the previous calendar year, whether provided by ownership, lease, contract or otherwise, such cities and towns shall be assessed for such net cost of service on the basis of a combination of two percentages, one, hereinafter called "A", based upon the prior method of assessment, and the other, hereinafter called "B", based upon the proportion which the net loss attributable to all routes ✓ of such service in each such city or town bears to the net loss attributable to all such routes in all such cities and towns, as follows:

<i>Calendar Year During Which Net Cost of Local Service Occurs.</i>	<i>"A" Percentage of Assessment Based Upon Prior Method of Assessment.</i>	<i>"B" Percentage of Assessment Based Upon Loss Attributable to Routes.</i>
1965.....	95%	5%
1966.....	90%	10%
1967.....	85%	15%
1968.....	80%	20%
1969.....	75%	25%
1970.....	70%	30%
1971.....	65%	35%
1972.....	60%	40%
1973.....	55%	45%
1974.....	50%	50%

The loss attributable to each such route in each such city or town shall be determined by the authority in accordance with sound accounting practice on the basis of the difference between the revenues from such route in such city or town and the cost of providing such route therein.

✓ *Section 10.* In any year commencing with the calendar year nineteen hundred and seventy-six, if the commonwealth shall be called upon to pay any amount on account of the net cost of local service provided in the fourteen cities and towns for the previous calendar year, whether provided by ownership, lease, contract or otherwise, fifty per cent of such net cost of service shall be assessed upon such cities and towns in the proportion which the population of each said city or town bears to the total population of all such cities or towns, and fifty per cent of such net cost of service shall be assessed upon such cities and towns in the proportion which the net loss attributable to all routes of such service in each such city or town bears to the net loss attributable to all such routes in all such cities and towns. Population shall mean population as determined by the last preceding national census. The loss attributable to each such route in each such city or town shall be determined in the same manner as provided in section nine.

✓ *Section 11.* In any year commencing with the calendar year nineteen hundred and sixty-six, if the commonwealth shall be called upon to

pay any amount on account of the net cost of local service for the previous calendar year provided in the sixty-four cities or towns, whether provided by ownership, lease, contract or otherwise, fifty per cent of such cost of service shall be assessed upon such cities and towns in the proportion which the population of each said city or town bears to the total population of all such cities or towns, and fifty per cent of such net cost of service shall be assessed upon any such city and town in the proportion which the net loss attributable to all routes of such service in such city or town bears to the net loss attributable to all such routes in all such cities and towns. Population shall mean population as determined by the last preceding national census.

The loss attributable to each such route in each such city or town shall be determined in the same manner as provided in section nine.

Section 12. If as of the last day of December in any year there was any net cost of service, the authority shall notify the state treasurer of the amount of such net cost of service, whether from express service or local service, and all other facts required by the treasurer in order to proceed in accordance with the provisions of this chapter to assess such net cost. Upon notification of the amount of such net cost the commonwealth shall pay over to the authority said amount.

In order to meet any payment required of the commonwealth under this section, the state treasurer may borrow at any time, in anticipation of the assessments to be levied upon the cities and towns constituting the authority, such sums of money as may be necessary to make said payments and to pay any interest or other charges incurred in borrowing such money and he shall repay any sum so borrowed as soon after said assessments are paid as is expedient, but in any event before the close of the year in which the same were borrowed. { Such interest and other charges shall be included in the assessments in proportion to the respective assessments on the cities and towns constituting the authority. }

Pending any payment from the state treasurer to the authority and at any other time when the authority, in the opinion of the directors, has not sufficient cash to make the payments required of it in the course of its duties as such payments become due, the authority may temporarily borrow money and issue notes of the authority therefor.

All assessments made under this chapter shall be made as provided in section twenty of chapter fifty-nine.

The entire net cost of service shall be attributed by the authority to express service or local service. Any net saving from express service shall be applied pro rata to reduce the net costs of local service. Any net saving from local service in the sixty-four or the fourteen cities and towns shall be applied first to reduce the net cost of express service and, second, to reduce the net cost of other local service. All remaining net savings after such application shall be applied to reimbursing the commonwealth, first, for any contract assistance which it may have paid to the authority under the provisions of section twenty-eight and, second, for any other amounts which it may have paid under the provisions of this section and section thirteen, or otherwise paid on account of the net cost of service, and the commonwealth shall thereupon distribute the latter among the cities and towns constituting the authority up to and in proportion to the amounts they were respectively assessed in the previous calendar year for express or local service or both, without any separation as between assessments for local and express service.

All remaining net savings shall be similarly distributed up to and in proportion to the amounts assessed in earlier calendar years, proceeding in inverse chronological order.

✓ *Section 13.* If during any calendar year the authority, in the opinion of the directors, has not sufficient cash to make the payments required of it in the course of its duties, the authority may, from time to time during such year, certify to the state treasurer an amount which together with all amounts previously paid in such year to the authority under this section shall not exceed the net cost of service as estimated by the authority for that portion of such year which has expired up to the date of such certification; and the commonwealth shall thereupon pay over to the authority the amount so certified. If payments made by the commonwealth during any calendar year on account of the net cost of service of such year exceed the net cost of service as of the last day of such year, such excess shall be repaid to the commonwealth by the authority at the time the authority notifies the state treasurer of the amount of such net cost or, if there is no such net cost, at the time the authority ascertains that fact. Any amounts which the commonwealth pays or is required to pay to the authority under this section during any calendar year and any amount paid as contract assistance under section twenty-eight, except contract assistance under clause (B) of the first paragraph of said section twenty-eight, any amounts paid by the commonwealth under its guarantee of bond anticipation notes of the authority, and any payments by the commonwealth of debt service due after the creation of the authority pursuant to paragraph (l) of section eight A of chapter five hundred and forty-four of the acts of nineteen hundred and forty-seven or section seven of chapter six hundred and forty-nine of the acts of nineteen hundred and forty-nine, shall be treated as payments on account of the amount which the commonwealth shall be called upon to pay under the preceding section with respect to net cost of service as of the last day of such calendar year. Any payment which is treated as a payment on account of the net cost of service shall not be treated as an income item in computing the net cost of service.

If at any time any principal or interest is due or about to come due on any bond or note issued or assumed by the authority, other than any principal or interest on any bond anticipation note guaranteed by the commonwealth, and funds to pay the same are not available, the directors shall certify to the state treasurer the amount required to meet such obligations and the commonwealth shall thereupon pay over to the authority the amount so certified. If the commonwealth shall not make such payment within a reasonable time or shall not pay when required any applicable contract assistance under section twenty-eight, the authority or any holder of an unpaid bond or note issued or assumed by the authority, acting in the name and on behalf of the authority, shall have the right to require the commonwealth to pay the authority the amount remaining unpaid, which right shall be enforceable as a claim against the commonwealth. The authority or any such holder of an unpaid bond or note may file a petition in the superior court for Suffolk county to enforce such claim or intervene in any such proceeding already commenced and the provisions of chapter two hundred and fifty-eight shall apply to such petition in so far as it relates to the enforcement of a claim against the commonwealth. Any such holder who

shall have filed such a petition may apply for an order of said court requiring the authority to apply funds received by the authority on its claim against the commonwealth to the payment of the petitioner's unpaid bond or note, and said court if it finds such amount to be due him shall issue such an order.

[Any payment by the commonwealth on account of the net cost of service may be included in the amounts to be borrowed by the state treasurer under section twelve, any such borrowing to take place in the calendar year in which the assessments under section twelve are to be made.)

Section 14. (a) If the authority shall operate or contract for the operation of a mass transportation service or route which is not substantially similar to a service or route previously operated by the authority or the Metropolitan Transit Authority and which is in competition with a pre-existing mass transportation service or route provided by a private company, and if such competition causes substantial economic damage to such company, the company may file a claim for relief with the authority within six months of the commencement of such new operation. The claim for relief shall state all of the facts relevant to the claimed competition and to the alleged damage suffered therefrom. Thereupon the authority shall make a prompt and full investigation of the claim. During its investigation and any subsequent arbitration the authority shall have access to the books and records of the company, including but not limited to copies of all federal and state tax returns of such company for prior years. Within one hundred and twenty calendar days after the filing of the claim for relief the authority shall issue a report setting forth its findings with respect to said claim, together with a detailed statement of the facts as to the respective patronage, revenues and costs on the allegedly competing routes and, if deemed appropriate, an offer of relief. Such offer may include a proposal that the authority purchase all or a portion of the assets of such company, or that the authority grant to such company a contract pursuant to the provisions of section three, or it may propose such other plan or alternative plans of relief as it shall deem reasonable and in the public interest. Within ninety calendar days of receipt of such report the company shall accept or reject any offer or offers of the authority or it shall make one or more counter-offers. The authority shall accept or reject any counter-offers within thirty calendar days of receipt. The authority may modify or revoke any such offer and the company may modify or revoke any such counter-offer at any time before acceptance or rejection.

(b) If the authority shall decline to make any offer to the company, or if all offers or counter-offers shall be rejected, or if the authority or the company shall fail to act with respect to such offers or counter-offers within the time prescribed herein, the matter shall be referred to a board of arbitration for final and binding adjudication. Unless the parties shall agree in writing to some other method of constituting the board of arbitration, of selecting its members and of providing for the rules of procedure by which it shall be governed, the board shall be appointed and its proceedings regulated in accordance with the provisions of the applicable sections of chapter two hundred and fifty-one. The function of the board of arbitration shall be to determine whether the operations of the authority in competition with those of the company during the period com-

plained of have constituted a proximate cause of substantial damage to the company; to identify and designate the portion of the company's operations so damaged, such designation to include a complete list of the physical assets of the company, real and personal, fairly allocable to such portion; and to fix the fair value of such portion of the company's operations as of the time that such competition commenced. In determining such fair value the board of arbitration shall follow generally accepted accounting principles and shall place particular emphasis on capitalization of the average net income of the company for prior years, excluding, however, from such average net income any amounts received by such company under the provisions of section twenty-five B of chapter fifty-eight, and upon an appraisal of the listed physical assets of the company valued at their cost basis less depreciation in a manner consistent with the valuation and depreciation methods employed by the company in filing federal and state income tax returns for such prior years. Under no method of valuation shall any value be placed upon franchises or good will. Within thirty calendar days after the award of the board of arbitration the company shall sell, and the authority shall purchase, the physical assets listed by the board, and the authority shall pay to the company the fair value of the portion of the company's operations as found by the board. The cost to the authority of any acquisition under this section shall be paid from the proceeds of bonds or bond anticipation notes issued as hereinafter provided. An award under this section shall be subject to the availability of such bond or note proceeds and any sale hereunder may be postponed by the agreement of the parties pending the availability of such funds.

(c) The procedure set forth in this section shall constitute the exclusive remedy of a private mass transportation company against the authority for relief from the effects of the authority's operations or activities, and no action or suit shall be brought against the authority on account of alleged damage suffered except to enforce compliance with the provisions of this section. Nothing herein shall prohibit the authority and the company from entering into an agreement in settlement of the claim for relief at any time, notwithstanding the rejection of an offer or counter-offer, the pendency of arbitration proceedings or the existence of an award. All time requirements set forth herein may be extended by the written agreement of the authority and the company. It is the intent of this section to encourage co-operation between the authority and private companies so as to provide fair and reasonable relief as speedily as possible in case of damaging competition.

Section 15. If any city or town within the authority is assessed in accordance with sections nine, ten or eleven on account of local service, the said city or town may place upon the official ballot at any biennial or regular or special city election or annual or special town election next following the last day of April of the year next following the year on account of which such assessment has been made the question of whether all such local service in such city or town should be discontinued, said question to be phrased as follows: —

"Shall the local mass transportation service in this (city, town) be discontinued?"

YES.	
NO.	

Such question shall not be placed upon the official ballot (a) unless the city council or town meeting shall have voted that such question be so placed, or a petition signed by not less than five per cent

of the registered voters of the city or town, certified as such by the registrars of voters thereof, shall have been filed with the city or town clerk, at least sixty days before the date for any such election; or (b) if the city or town is the terminus of any local service route at an express service station and other cities or towns are on the said route, or the said route extends beyond the borders of the city or town to a city or town further from the terminus. Forms for such petitions shall be made available without cost by the city or town clerk and each form shall bear the following heading: "The undersigned registered voters of the (city or town) hereby petition for the placement upon the official ballot of the question whether the local mass transportation service in this (city, town) shall be discontinued".

The votes upon such a question shall be counted and returned to the city or town clerk in the same manner as votes for candidates in municipal elections. Said clerk shall forthwith notify the authority of the result of the vote. If a majority of the votes cast upon the question shall be in the affirmative, the authority shall forthwith take all steps necessary and appropriate for the discontinuance of such local service in the city or town.

If the city council or town meeting of more than one city or town within the authority shall vote to have such question placed on the official ballot, or a petition signed as provided in this section shall be filed with more than one city or town clerk, and if such combination of cities or towns, if regarded as a single municipality, would not be prohibited from placing the question on the official ballot by virtue of clause (b) contained in the second sentence of this section, such question shall be placed upon the official ballot of each such city or town. The votes upon such questions shall be counted and returned to each city or town clerk in the same manner as votes for candidates in municipal elections. The city or town clerks for each said city or town shall forthwith notify the authority of the result of its vote. If a majority of the votes cast upon the vote in each such city or town shall be in the affirmative, the authority shall discontinue such local service in each of such cities or towns.

Any local service discontinued in accordance with this section shall not be reinstated by the authority for a period of at least two years from the date of discontinuance.

Section 16. Any city or town contiguous to the area constituting the authority, may place upon the official ballot at any biennial or regular or special city election or annual or special town election the following question: "Shall this (city, town) be added to the Massachusetts Bay Transportation Authority?"

YES.	
NO.	

provided, however, that such question shall not be placed upon the official ballot unless the city council or town meeting shall have voted to have such question so placed or unless a petition signed by not less than five per cent of the registered voters of the city or town, certified as such by the registrars of voters thereof, shall have been filed with the city or town clerk, at least ninety days before the date of any such election. Forms for such petitions shall be made available without cost by the city or town clerk and each form shall bear the following heading: "The undersigned registered voters of the (city, town) hereby petition for the placement upon the official ballot of the question whether this (city, town) shall be added to the Massachusetts Bay Transportation Area". The votes upon such question shall be counted and re-

turned to the city or town clerk in the same manner as votes for candidates in municipal elections. Said clerk shall forthwith notify the authority of the results of the vote. If a majority of the votes cast upon the question shall be in the affirmative, the city or town shall be deemed to be added to the authority effective on the first day of January next following the notification by the clerk.

If the city council or town meeting of more than one city or town shall vote to have such question placed on the official ballot, or if a petition signed as provided in this section shall be filed with more than one city or town clerk, and if such combination of cities or towns, if regarded as a single municipality, would be contiguous to the area constituting the authority, such question shall be placed upon the official ballot in each such city or town. The votes upon such questions shall be counted and returned to each city or town clerk in the same manner as votes for candidates in municipal elections. The city or town clerks for each said city or town shall forthwith notify the authority of the result of its vote. If a majority of the votes cast upon the vote in each city or town shall be in the affirmative, each said city or town shall be deemed to be within the authority effective on the first day of January next following the notifications by the clerks.

Where any city or town is added to the authority effective on a first day of January in accordance with this section, such city or town shall not share in the assessments made on account of the prior year under sections eight through twelve.

Section 17. The department of the state auditor shall annually make an audit of the accounts of the authority and make a report thereon to the directors, the governor and the general court. In making said audits, said department of the state auditor may call upon any of the departments, commissions, officers and agencies of the commonwealth for such information as may be needed in the course of making such audits. The state auditor may employ such auditors, accountants and other assistants as he deems necessary for carrying out said duties, and chapter thirty-one and the rules made thereunder shall not apply to such employees. The commonwealth shall be reimbursed by the authority for the cost of the audit.

Section 18. The authority and all its real and personal property shall be exempt from taxation and from betterments and special assessments; and the authority shall not be required to pay any tax, excise or assessment to or for the commonwealth or any of its political subdivisions; nor shall the authority be required to pay any fee or charge for any permit or license issued to it by the commonwealth, by any department, board or officer thereof, or by any political subdivision of the commonwealth, or by any department, board or officer of such political subdivision; and, so far as constitutionally permissible, the authority shall be exempt from tolls for the use of highways, bridges and tunnels. The authority shall be required to pay fees, duties, excise or license taxes for the registration, operation or use of its vehicles on public highways and for fuels used for propelling such vehicles in the same manner and to the same extent as cities and towns of the commonwealth in general pay such fees, duties, excise or license taxes. Bonds and notes issued by the authority, their transfer and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation within the commonwealth.

Section 19. The directors shall have authority to bargain collectively with labor organizations representing employees of the authority and to enter into agreements with such organizations relative to wages, salaries, hours, working conditions, health benefits, pensions and retirement allowances of such employees. The employees of the authority shall submit all grievances and disputes pursuant to arbitration provisions in agreements existing at the time of the creation of the authority or subsequently entered into with the authority, or, in the absence of such provisions, to the state board of conciliation and arbitration, or other board or body having similar powers and duties. The provisions of general or special laws relative to rates of wages, hours of employment and working conditions of public employees and relating to contracts for public works, shall not apply to the authority nor to the employees thereof, nor to employees of contractors with the authority but the authority and its employees shall be governed with respect to hours of employment, rates of wages, salaries, hours, working conditions, health benefits, pensions and retirement allowances of its employees and with respect to contracts for construction, maintenance and repair by the laws relating to street railway companies.

Section 20. Notwithstanding any contrary provision of law, whenever there exists a continued interruption, stoppage or slowdown of transportation of passengers on any vehicle or line of the authority or a strike causing the same, and which is in violation of an injunction, a temporary injunction, a restraining order, or other order of a court of competent jurisdiction, and which threatens the availability of essential services of transportation to such an extent as to endanger the health, safety or welfare of the community, the governor may declare that an emergency exists. During such emergency he may take possession of, and operate in whole or in part, the lines and facilities of the authority in order to safeguard the public health, safety and welfare. Such power and authority may be exercised through any department or agency of the commonwealth or through any person or persons and with the assistance of such public or private instrumentalities as may be designated by him. Such lines and facilities shall be operated for the account of the authority. The powers hereby granted to the governor shall expire forty-five days after his proclamation that a state of emergency exists.

Section 21. The authority shall be liable for the acts and negligence of the directors and of the servants and employees of the authority in the management and operation of the authority and of the properties owned, leased and operated by it to the same extent as though the authority were a street railway company, but the directors shall not be personally liable except for malfeasance in office.

The authority shall be liable in tort to passengers, and to persons in the exercise of due care who are not passengers or in the employment of the authority, for personal injury and for death and for damages to property in the same manner as though it were a street railway company; provided that any action for such personal injury or property damage shall be commenced only within two years next after the date of such injury or damage and in case of death only within two years next after the date of the injury which caused the death.

The directors shall have charge of and supervise the investigation, settlement and defense of all such claims and of all other suits or actions

relating to the property or arising out of the construction, maintenance or operation of the authority.

Section 22. In the event of any conflict between the regulatory powers and duties of the department of public utilities and the regulatory powers and duties of the authority within its area, the department of public utilities shall resolve such dispute and exercise such powers as it deems required in the particular instance.

Section 23. The authority is hereby authorized to provide by resolution at one time or from time to time for the issue of bonds of the authority for any one or more of the following purposes:

(1) To acquire, design and construct mass transportation facilities for express service and to provide equipment therefor (except for rolling stock, garages, yards and shops);

(2) Subject to the limitations contained in paragraph (f) of section three, to finance agreements with railroads to provide passenger service to and from Boston extending no later than December thirty-first, nineteen hundred and sixty-seven;

(3) (a) To design and acquire, for itself or for lease to any eligible private company, by purchase or otherwise mass transportation facilities and equipment to be used to provide local service and (b) to provide relief to any private company, whether by agreement or arbitration award, under the provisions of section fourteen;

(4) To pay any capital costs of the authority including but not limited to costs of rolling stock, garages, yards and shops, whether or not bonds for any such purpose may also be issued under any other provision of this section.

Bonds may be issued for any costs of the foregoing incurred either before or after the issue of the bonds. Bonds issued under any of the foregoing clauses may be issued in sufficient amount to pay the expenses of issue and to establish such reserves as may be required by any applicable trust agreement or bond resolution.

Not more than five million dollars of bonds shall be issued under paragraph (2) of this section, exclusive of any additional amount of bonds issued to establish reserves as provided above. Not more than eighty million dollars of bonds shall be issued whose debt service is not assisted by contract under section twenty-eight exclusive of refunding bonds.

The bonds of each issue shall be dated, shall bear interest at such rates, shall mature at such time or times not exceeding forty years from their date or dates as may be determined by the authority, and may be made redeemable before maturity at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority prior to the issue of the bonds. The authority shall determine the form of the bonds, including any interest coupons to be attached thereto, and the manner of execution of the bonds, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within the commonwealth. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until such delivery. All bonds issued under the provisions of this chapter shall have and are hereby declared to have all the qualities and incidents of negotiable in-

struments under the Uniform Commercial Code. The bonds may be issued in coupon or in registered form, or both, as the authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone, and also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest and for the exchange of coupon and registered bonds. The authority may sell such bonds in such manner, either at public or private sale, and for such price as it may determine to be for the best interests of the authority.

The proceeds of such bonds shall be disbursed in such manner and under such restrictions, if any, as the authority may provide. The authority may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds and bond anticipation notes may be issued under the provisions of this chapter without obtaining the consent of any department, division, commission, board, bureau or agency of the commonwealth, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this chapter. Provisions of this chapter relating to the preparation, adoption or approval of plans, programs, projects, budgets and expenditures shall not affect the issue of bonds and bond anticipation notes and the bonds and bond anticipation notes may be issued either before or after such preparation, adoption or approval.

In addition to the foregoing, the authority is hereby authorized to provide by resolution for the issue of refunding bonds of the authority for the purpose of refunding any principal, interest and sinking fund requirements on any indebtedness that is outstanding and issued on the effective date of this chapter and assumed by the authority pursuant to law, including payment of any redemption premium thereon, any interest accrued or to accrue to the date of redemption of such indebtedness, and any expenses of issue of the refunding bonds. The issue of such bonds, the maturities and other details thereof, and the duties of the authority in respect to the same, shall be governed by the provisions of this chapter in so far as the same may be applicable.

While any bonds or notes issued or assumed by the authority remain outstanding, the powers, duties and existence of the authority and the provisions for payments by the commonwealth to the authority shall not be diminished or impaired in any way that will affect adversely the interests and rights of the holders of such bonds or notes. This section shall constitute specific authorization as required by paragraph (k) of section three for the construction of projects of the kind described in paragraph (1), for which not more than fifty-five million dollars of bond proceeds may be expended.

Section 24. In the discretion of the authority such bonds or refunding bonds shall be secured by a trust agreement by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within the commonwealth. Either the resolution providing for the issue of bonds or such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the acquisition, improvement, maintenance, operation, repair and insurance of property, and the custody, safeguard-

ing and application of all moneys and may pledge or assign the revenues to be received, but shall not convey or mortgage any property.

It shall be lawful for any bank or trust company incorporated under the laws of the commonwealth to act as depository of the proceeds of bonds or of revenues and to furnish such indemnifying bonds or to pledge such securities as may be required by the authority. Such trust agreements or bond resolution may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders. In addition to the foregoing, such trust agreement or bond resolution may contain such other provisions, including a provision for a sinking fund, as the authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement or bond resolution may be treated as current expenses of the authority.

Section 25. Bonds and refunding bonds issued under this chapter are hereby made securities in which all public officers and public bodies of the commonwealth and its political subdivisions, all insurance companies, trust companies in their commercial departments, banking associations, investment companies, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of a similar nature may properly and legally invest funds, including capital in their control or belonging to them, and such bonds are hereby made obligations which may properly and legally be made eligible for the investment of savings deposits and the income thereof in the manner provided by paragraph 2 of section fifty of chapter one hundred and sixty-eight. Such revenue bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the commonwealth for any purpose for which the deposit of bonds or other obligations of the commonwealth now or may hereafter be authorized by law.

Section 26. Any holder of bonds or refunding bonds issued under the provisions of this chapter or of any of the coupons appertaining thereto, and the trustee under the trust agreement, if any, except to the extent the rights herein given may be restricted by such resolution or trust agreement, may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights under the laws of the commonwealth or granted hereunder or under such resolution or trust agreement, and may enforce and compel the performance of all duties required by this chapter or by such resolution or trust agreement to be performed by the authority or by any officer thereof.

Section 27. The authority is authorized to provide by resolution at one time or from time to time for the issue of interest bearing or discounted notes for the purposes and in the amounts that bonds may be issued. The notes shall be payable within three years from their dates or by June thirtieth, nineteen hundred and seventy, whichever is later, but the principal of and interest on notes issued for a shorter period may be renewed or paid from time to time by the issue of other notes hereunder maturing within the required time from the date of the original loan being refunded. When bonds are issued for the purposes for which the notes were issued, the proceeds of the bonds shall be used to repay the notes, except that interest on the notes may be financed as a current expense to the extent deemed appropriate by the authority. The notes

may be secured by a trust agreement or by the provisions of a resolution, as in the case of bonds. Bond anticipation notes may be issued either before or after the authorization of the bonds being anticipated. If any bond anticipation note is paid otherwise than from the proceeds of bonds or renewal notes, such payment shall be included in the measure of the net cost of service. But, if bonds or renewal notes are later issued to provide for such payment, there shall be a corresponding offset against the net cost of service.

Section 28. The commonwealth, acting by and through the executive office for administration and finance, may enter into a contract or contracts with the authority providing that a portion of the net cost of service shall be paid by the commonwealth, and shall not be assessed upon the cities and towns constituting the authority. [The portion of the net cost of service not to be so assessed, hereinafter called contract assistance, is limited to (A) the annual debt service on ninety per cent of the bonds issued under paragraph (1) of section twenty-three, and the annual debt service on fifty per cent of the bonds issued under paragraph (3) of said section twenty-three, but not in the aggregate exceeding under this clause (A) the debt service on one hundred and forty-five million dollars of bonds, and (B) not more than a total of five million dollars to be paid to the authority for not more than one half of the cost to the authority of agreements with railroads authorized by paragraph (2) of section twenty-three, and (C) not more than three million dollars annually, not more than seven hundred and fifty thousand dollars in the year nineteen hundred and sixty-four, to pay interest, principal and sinking fund requirements due upon indebtedness assumed by the authority for or on account of bonds, notes and other evidences of indebtedness issued to finance or refinance the construction or purchase of express service mass transportation facilities and indebtedness issued by the authority to refinance the same; provided that all facilities, title to which was transferred to the Metropolitan Transit Authority, pursuant to paragraph (d) of section eight A of chapter five hundred and forty-four of the acts of nineteen hundred and forty-seven shall be considered to be express service mass transportation facilities for the purpose of this clause (C); and provided, further, that no amount shall be expended under this clause (C) to pay any interest, principal or sinking fund requirements on any bonds, notes or other evidences of indebtedness issued to finance or refinance the purchase or construction of rolling stock, garages, yards and shops. For all purposes of this chapter, any moneys due and payable to the commonwealth by the authority as rent for the Cambridge subway shall be considered as debt service on bonds outstanding and may be paid by the commonwealth under clause (C), or otherwise paid or refunded in accordance with this chapter. The proceeds of bonds receiving contract assistance under clause (A) above may not be expended for projects in an aggregate amount exceeding fifty-five million dollars for the purposes of paragraph (1) of section twenty-three or exceeding sixty million dollars for all purposes until a program for public mass transportation has been adopted pursuant to this chapter. Any such program shall provide for the use of such proceeds.

Any debt service or indebtedness issued by the authority, for which contract assistance is provided, shall mature serially beginning not later than ten years after the date of issue and ending not later than forty

years after the date of the bonds, each annual installment of principal being no less than one half as large as the largest installment of principal on account of the same loan or, in the alternative, no annual installment of principal and interest combined being less than any later installment of principal and interest combined.

Any debt service, for which contract assistance is paid under clause (A) or (C) above, shall be excluded from the computation of assessments under sections eight, nine, ten and eleven and from the computation of net savings to reduce net costs of service pursuant to section twelve. The bonds whose debt service is to receive contract assistance shall be selected in a manner which is consistent with the purposes for which the assistance is granted and which allocates the benefits of the assistance equitably.

Contracts shall provide for payment of debt service by the commonwealth when due, except to the extent that the authority shall have previously notified the state treasurer that the revenues of the authority are sufficient for the purpose.

Bonds whose debt service receives contract assistance may be consolidated and issued with bonds whose debt service is not so assisted, but need not mature in proportion to one another.

The executive office for administration and finance and the authority shall adopt rules and regulations governing the procedures for applying for assistance to private companies under paragraph (3) of section twenty-three and governing the use of such assistance. Such rules and regulations shall include provisions (a) requiring any private company which receives such assistance to agree to limit its profits and its expenses for salaries and overhead so as to make available as much of its earnings as possible for repayment to the authority of such assistance; (b) requiring such repayment; (c) enabling the authority and the executive office for administration and finance to examine and audit the books and records of such company for the purpose of establishing and enforcing such limitation and repayment; and (d) requiring the authority to transfer to the commonwealth the commonwealth's share of such repayment.

Any contract under this section shall include such provisions as the executive office for administration and finance deems necessary and desirable to assure the efficient operation of the authority and the minimum burden on the commonwealth and on the cities and towns within the authority.

Pursuant to a contract under this section the executive office for administration and finance may provide for the guarantee by the commonwealth of temporary notes issued by the authority in anticipation of bonds. Such guarantees shall be executed by the state treasurer.

Section 29. The authority is authorized and directed from time to time to take all necessary action to secure any federal assistance which is or may become available to the commonwealth or any of its subdivisions for any of the purposes of this chapter. If any federal law, administrative regulation or practice requires any action relating to such federal assistance to be taken by any department or instrumentality of the commonwealth other than the authority, such other department or instrumentality is authorized and directed to take all such action, including without limitation filing applications for assistance, supervising the expenditure of federal grants or loans and making any determinations and certifications necessary or appropriate to the foregoing, and the authority

is authorized and directed to take all action necessary to permit such other department or instrumentality to comply with all federal requirements. It is the intent of this section that the provisions of any federal law, administrative regulation or practice governing federal assistance for the purposes of this chapter shall, to the extent necessary to enable the commonwealth or its subdivisions to receive such assistance and not constitutionally prohibited, override any inconsistent provisions of this chapter.

SECTION 19. Section nine A of chapter thirty and chapter thirty-one of the General Laws shall not apply to any officers and employees of any authority created by chapter one hundred and sixty-one A of the General Laws, inserted by section eighteen of this act, excepting those employees of the Metropolitan Transit Authority to whom said chapter thirty-one was applicable on the effective date of this act.

Chapter thirty-two of the General Laws shall not apply to any retirement or pension system of the Massachusetts Bay Transportation Authority, but the directors shall continue payment of pensions and retirement allowances under and in accordance with the present pension plan and authorizations of the board of trustees of the Metropolitan Transit Authority, as from time to time modified by the directors.

SECTION 20. The Metropolitan Transit Authority is hereby abolished; all mass transportation facilities, as defined in section one of chapter one hundred and sixty-one A of the General Laws, inserted by section eighteen of this act, and all other property, real and personal, owned, controlled by or in the custody of the Metropolitan Transit Authority is hereby transferred to the ownership, control and custody of the Massachusetts Bay Transportation Authority created by section two of said chapter one hundred and sixty-one A; and all debts, liabilities and obligations of the Metropolitan Transit Authority are hereby transferred to, assumed by and imposed upon the Massachusetts Bay Transportation Authority; provided that the obligation to pay interest, principal and sinking fund requirements on all bonds and long-term notes of the Metropolitan Transit Authority, which shall be deemed to include rent to the commonwealth for the Cambridge subway, and on all indebtedness of the Massachusetts Bay Transportation Authority issued to refinance the same shall, to the extent of the net cost of service and except for any amount covered by contracts for financial assistance made under the provisions of section twenty-eight of said chapter one hundred and sixty-one A, be assessed upon the fourteen cities and towns, as defined in section one of said chapter one hundred and sixty-one A, in the manner provided by sections eight, nine and ten of said chapter.]

Notwithstanding any provision of existing law, whether or not such provision is expressly repealed by this act, any assessment on account of any debt, liability or obligation of the Metropolitan Transit Authority which is assumed by the Massachusetts Bay Transportation Authority shall be governed by the provisions of chapter one hundred and sixty-one A of the General Laws, except as provided below and in the last sentence of section twenty-two of this act.

Where the commonwealth is required by paragraph (l) of section eight A of chapter five hundred and forty-four of the acts of nineteen hundred and forty-seven or by section seven of chapter six hundred and forty-nine of the acts of nineteen hundred and forty-nine to pay any debt service of the year in which such payment is to be made and where such require-

ment is not superseded by the provisions for contract assistance in said chapter one hundred and sixty-one A, the amounts so paid or to be paid by the commonwealth shall be assessed in accordance with said existing sections but shall be credited against the assessments made under said chapter one hundred and sixty-one A in subsequent years until fully recovered. Assessments under the foregoing sentence in the current year shall not be reduced to reflect contract assistance.

SECTION 21. All officers and employees of the Metropolitan Transit Authority, except the board of trustees, shall become officers and employees of the Massachusetts Bay Transportation Authority, established by section two of chapter one hundred and sixty-one A of the General Laws, and shall be subject to the supervision, control and removal by or under the authority of the directors of said Massachusetts Bay Transportation Authority.

No employee of the Metropolitan Transit Authority becoming an employee of the Massachusetts Bay Transportation Authority in accordance with this section shall, by reason of transfer to employment by the Massachusetts Bay Transportation Authority, without his consent be removed, lowered in rank or compensation or suspended, except for just cause and for reasons specifically given to him in writing twenty-four hours after such removal, suspension, transfer or lowering in rank or compensation; nor shall any such employee, by reason of such transfer, without his consent be in any worse position in respect to workmen's compensation, pension, superannuation, sickness or any other benefits or allowances granted by his previous employer to himself, his widow, family or personal representatives than he enjoyed under any person, firm or corporation under whom he held his employment immediately prior to his transfer to the employment of the Massachusetts Bay Transportation Authority; provided that the directors may abolish any office or post of any existing executive officer if in the opinion of the directors the same is an unreasonable addition to the staff of the authority.

Any person who loses his employment with any company providing mass transportation service on account of the operation of any mass transportation service, facilities or equipment by the Massachusetts Bay Transportation Authority or under contract with the Massachusetts Bay Transportation Authority which service is not substantially similar to one previously operated by the Massachusetts Bay Transportation Authority or the Metropolitan Transit Authority, shall have the right if exercised within ninety days of the date of such loss of employment, to similar employment with the Massachusetts Bay Transportation Authority, subject to negotiation between any labor organizations involved and the Massachusetts Bay Transportation Authority.

SECTION 22. All actions and proceedings duly pending before, all actions and proceedings duly pending against, and all actions and proceedings duly begun by the Metropolitan Transit Authority shall continue unabated and remain in full force and effect notwithstanding the passage of this act and may be completed before, against or by the Massachusetts Bay Transportation Authority created by section two of chapter one hundred and sixty-one A of the General Laws, inserted by section eighteen of this act. All orders, rules and regulations duly promulgated by the Metropolitan Transit Authority shall remain in full force and effect to the extent consistent with this act until superseded, revised or rescinded by the Massachusetts Bay Transportation Authority. All

contracts, including collective bargaining agreements, leases, obligations and rights of the Metropolitan Transit Authority shall continue in full force and effect in accordance with law and are hereby transferred to, assumed by and imposed upon the Massachusetts Bay Transportation Authority. All unexpended balances of moneys in accounts of, for or on behalf of the Metropolitan Transit Authority are hereby transferred to the Massachusetts Bay Transportation Authority.

The rights of the Metropolitan Transit Authority to payments from the commonwealth or others on account of operations or debt service or other expenses under existing laws shall pass to the Massachusetts Bay Transportation Authority hereunder and, notwithstanding any other provision of this act, existing laws shall continue in effect with regard to assessment of the same and other applicable means of raising the same.

SECTION 23. Sections one, two, three, four, four A, four B, paragraphs (f), (i) and (*i* $\frac{1}{2}$) of section eight A, sections nine, ten, ten A, ten B, ten C, eleven, twelve, thirteen, thirteen A, fourteen, fifteen, sixteen, seventeen, eighteen, nineteen, nineteen A, twenty, twenty-two, twenty-three, twenty-four and twenty-five of chapter five hundred and forty-four of the acts of nineteen hundred and forty-seven; chapters four hundred and fifty-two and five hundred and forty of the acts of nineteen hundred and sixty-one; and chapter six hundred and thirty-three of the acts of nineteen hundred and sixty-three are hereby repealed.

SECTION 24. Wherever, in any general or special law, there are used the words or terms which appear within quotation marks at the beginning of any paragraph set forth below in this section, or words or terms having the same connotation, said words or terms shall, unless the context otherwise requires, have the following meanings:

"Metropolitan Transit Authority" or "authority" shall mean the Massachusetts Bay Transportation Authority created by section two of chapter one hundred and sixty-one A of the General Laws, as appearing in section eighteen of this act.

"Trustees" or "board of trustees" of the Metropolitan Transit Authority shall mean directors or board of directors of the said Massachusetts Bay Transportation Authority.

"Advisory board" of the Metropolitan Transit Authority shall mean the advisory board of the said Massachusetts Bay Transportation Authority.

SECTION 25. No contract entered into by the commonwealth, acting by and through the executive office for administration and finance, under the provision of section one hundred and fifty-two A of chapter one hundred and sixty-one of the General Laws, inserted by section fifteen of this act or of section twenty-eight of chapter one hundred and sixty-one A of the General Laws, as inserted by section eighteen of this act, shall provide for any payment by the commonwealth prior to May first, nineteen hundred and sixty-five. No amount shall be determined by the state tax commission to be payable under the provisions of paragraph (c) of section twenty-five B of chapter fifty-eight of the General Laws, as inserted by section two of this act, for excises and taxes paid in any year prior to the calendar year nineteen hundred and sixty-five. No transportation allowance shall be certified by the commissioner of education to the state tax commission under the provisions of section seven B of chapter seventy-one of the General Laws, as inserted by section eight of this act, and no amount shall be determined by the state

tax commission to be payable under the provisions of paragraph (d) of said section twenty-five B of said chapter fifty-eight of the General Laws for any period prior to the school year ending in nineteen hundred and sixty-five.

For the purpose of chapter one hundred and sixty-one A of the General Laws, the net cost of all service of the Massachusetts Bay Transportation Authority during the calendar year nineteen hundred and sixty-four shall be deemed to have been incurred during the calendar year nineteen hundred and sixty-five.

SECTION 26. The current expenses of the Massachusetts Bay Transportation Authority during the period from the effective date of this section to the end of the year nineteen hundred and sixty-four shall be as determined by said Authority.

SECTION 27. In appointing the members of the board of directors of the Massachusetts Bay Transportation Authority as provided by section six of chapter one hundred and sixty-one A of the General Laws, as appearing in section eighteen of this act, the five members initially appointed by the governor to said board shall, notwithstanding any contrary provision of said section six, serve for terms ending on the thirtieth day of March in the years nineteen hundred and sixty-six, nineteen hundred and sixty-seven, nineteen hundred and sixty-eight, nineteen hundred and sixty-nine and nineteen hundred and seventy, respectively, as the governor may determine. A director appointed hereunder shall hold office until the qualification of his successor. Upon the expiration of the term of any such director his successor shall be appointed in like manner and for the term set forth in said section six of said chapter one hundred and sixty-one A.

SECTION 28. The provisions of this act are severable, and if any of its provisions shall be held unconstitutional or invalid by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.

SECTION 29. Sections four, five, six, seven and eight of this act shall take effect on January first, nineteen hundred and sixty-five; provided, however, that the provisions of chapter sixty-four C of the General Laws in effect immediately prior to said date shall apply to the returns due for the month of December, nineteen hundred and sixty-four; sections nineteen to twenty-four, inclusive, shall take effect upon the appointment and qualification of the directors of the Massachusetts Bay Transportation Authority, created by section two of chapter one hundred and sixty-one A of the General Laws as appearing in section eighteen of this act; and all other sections of this act shall take effect as soon as they shall have the force of law conformably to the constitution.

Approved June 18, 1964.

THE COMMONWEALTH OF MASSACHUSETTS,
EXECUTIVE DEPARTMENT, STATE HOUSE,
BOSTON, July 3, 1964.

The Honorable KEVIN H. WHITE, *Secretary of the Commonwealth, State House, Boston, Massachusetts.*

DEAR MR. SECRETARY: — I, Endicott Peabody, pursuant to the provisions of Article XLVIII of the Amendments to the Constitution, the Referendum II, Emergency Measures, hereby declare in my opinion

the immediate preservation of the public convenience requires that the law being Chapter 563 of the Acts of 1964 entitled "An Act Abolishing the Metropolitan Transit Authority, Establishing the Massachusetts Bay Transportation Authority, and Providing for the Acquisition and Maintenance of Mass Transportation Facilities and Services Which shall be Co-ordinated with Highway Systems and Urban Development Plans Throughout the Commonwealth," and the enactment of which received my approval on June 18, 1964, should take effect forthwith.

I further declare that in my opinion said law is an emergency law and the facts constituting the emergency are as follows:

The previously announced intention of the Middlesex and Boston Street Railway Company to cease operations, and its present operation on an interim basis; the announced intention of the Boston and Maine Railroad to discontinue commuter service into Boston on August 8, 1964; the pending petition of the trustees of the New York, New Haven and Hartford Railroad to the Department of Public Utilities to discontinue commuter service into Boston; and the necessity of prompt formulation of a transportation plan to take maximum advantage of federal aid under recently enacted federal urban mass transportation legislation.

Sincerely,

ENDICOTT PEABODY,
Governor of the Commonwealth.

OFFICE OF THE SECRETARY, BOSTON, July 3, 1964.

I, Kevin H. White, Secretary of the Commonwealth, hereby certify that the accompanying statement was filed in this office by His Excellency the Governor of the Commonwealth of Massachusetts at five o'clock and five minutes, P.M., on the above date, and in accordance with Article Forty-eight of the Amendments to the Constitution said chapter takes effect forthwith, being chapter five hundred and sixty-three of the acts of nineteen hundred and sixty-four.

KEVIN H. WHITE,
Secretary of the Commonwealth.

Chap. 564. AN ACT ESTABLISHING A MUNICIPAL POLICE TRAINING COUNCIL AND REQUIRING POLICE OFFICERS IN CITIES AND IN CERTAIN TOWNS TO ATTEND A POLICE TRAINING SCHOOL.

Be it enacted, etc., as follows:

SECTION 1. Section 17 of chapter 6 of the General Laws is hereby amended by inserting after the words "consumers' council", as appearing in section 1 of chapter 430 of the acts of 1964, the words:—, the municipal police training council.

SECTION 2. Said chapter 6 is hereby amended by inserting after section 115 under the caption MUNICIPAL POLICE TRAINING COUNCIL the four following sections:—

Section 116. There shall be a board, to be known as the municipal police training council; hereinafter called the council, to consist of the director of civil service, the commissioner of public safety, the commissioner of police of the city of Boston, or their respective designees, and five members to be appointed by the governor, with the advice and