

CHAPTER 21.—URBAN MASS TRANSPORTATION

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§ 1601. Declaration of findings and purposes.

(a) The Congress finds—

(1) that the predominant part of the Nation's population is located in its rapidly expanding metropolitan and other urban areas, which generally cross the boundary lines of local jurisdictions and often extend into two or more States;

(2) that the welfare and vitality of urban areas, the satisfactory movement of people and goods within such areas, and the effectiveness of housing, urban renewal, highway, and other federally aided programs are being jeopardized by the deterioration or inadequate provision of urban transportation facilities and services, the intensification of traffic congestion, and the lack of coordinated transportation and other development planning on a comprehensive and continuing basis; and

(3) that Federal financial assistance for the development of efficient and coordinated mass transportation systems is essential to the solution of these urban problems.

(b) The purposes of this chapter are—

(1) to assist in the development of improved mass transportation facilities, equipment, techniques, and methods, with the cooperation of mass transportation companies both public and private;

(2) to encourage the planning and establishment of areawide urban mass transportation systems needed for economical and desirable urban development, with the cooperation of mass transportation companies both public and private; and

(3) to provide assistance to State and local governments and their instrumentalities in financing such systems, to be operated by public or private mass transportation companies as determined by local needs.

(Pub. L. 88-365, § 2, July 9, 1964, 78 Stat. 302.)

SHORT TITLE

Section 1 of Pub. L. 88-365 provided: "That this Act [which enacted this chapter] may be cited as the 'Urban Mass Transportation Act of 1964'."

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under sections 1605(a), 1607a, and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under sections 1602, 1603 and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the Secretary of Transportation to make findings and determinations under sections 1602(c) (1), 1603 (a) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

§ 1601a. Same; additional findings.

The Congress finds that the rapid urbanization and the continued dispersal of population and activities within urban areas has made the ability of all citizens to move quickly and at a reasonable cost an urgent national problem; that it is imperative, if

efficient, safe, and convenient transportation compatible with soundly planned urban areas is to be achieved, to continue and expand the provisions of this chapter; and that success will require a Federal commitment for the expenditure of at least \$10,-000,000,000 over a twelve-year period to permit confident and continuing local planning, and greater flexibility in program administration. It is the purpose of this Act to create a partnership which permits the local community, through Federal financial assistance, to exercise the initiative necessary to satisfy its urban mass transportation requirements. (Pub. L. 91-453, § 1, Oct. 15, 1970, 84 Stat. 962.)

REFERENCES IN TEXT

This Act, referred to in text, refers to the Urban Mass Transportation Assistance Act of 1970. See Short Title note hereunder.

SHORT TITLE

Section 14 of Pub. L. 91-453 provided that: "This Act [enacting this section and section 1612 of this title, amending sections 1602 to 1605, 1608, 1610 and 1611 of this title and section 5316 of Title 5, and enacting provisions set out as notes under sections 1602 and 1605 of this title] may be cited as the 'Urban Mass Transportation Assistance Act of 1970'."

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1603 of this title.

§ 1602. Federal financial assistance.

(a) Grants or loans to States and local public agencies; uses of funds; eligible facilities and equipment; eligibility of applicant; payment of operating expenses; real property acquisition; condition.

The Secretary is authorized, in accordance with the provisions of this chapter and on such terms and conditions as he may prescribe, to make grants or loans (directly, through the purchase of securities or equipment trust certificates, or otherwise) to assist States and local public bodies and agencies thereof in financing the acquisition, construction, reconstruction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas and in coordinating such service with highway and other transportation in such areas. Eligible facilities and equipment may include land (but not public highways), buses and other rolling stock, and other real and personal property needed for an efficient and coordinated mass transportation system. No grant or loan shall be provided under this section unless the Secretary determines that the applicant has or will have—

(1) the legal, financial, and technical capacity to carry out the proposed project; and

(2) satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and equipment.

The Secretary may make loans for real property acquisition pursuant to subsection (b) of this section upon a determination, which shall be in lieu of the preceding determinations, that the real property is reasonably expected to be required in connection with a mass transportation system and that it will be used for that purpose within a reasonable period. No grant or loan funds shall be used for payment of ordinary governmental or nonprofit operating expenses. An applicant for assistance under this section for a project located wholly or partly in a State in which there is statewide comprehensive

transportation planning shall furnish a copy of its application to the Governor of each State affected concurrently with submission to the Secretary. If, within thirty days thereafter, the Governor submits comments to the Secretary, the Secretary must consider the comments before taking final action on the application.

(b) Acquisition of real property; uses; provisions of loan agreement; repayment and forgiveness of loans; submission of applications to the Secretary and the comprehensive planning agency of the community affected and consideration of comments of such agency by the Secretary.

The Secretary is authorized to make loans under this section to States or local public bodies and agencies thereof to finance the acquisition of real property and interests in real property for use as rights-of-way, station sites, and related purposes, on urban mass transportation systems, including the net cost of property management and relocation payments made pursuant to section 1606 of this title. Each loan agreement under this subsection shall provide for actual construction of urban mass transportation facilities on acquired real property within a period not exceeding ten years following the fiscal year in which the agreement is made. Each agreement shall provide that in the event acquired real property or interests in real property are not to be used for the purposes for which acquired, an appraisal of current value will be made at the time of that determination, which shall not be later than ten years following the fiscal year in which the agreement is made. Two-thirds of the increase in value, if any, over the original cost of the real property shall be paid to the Secretary for credit to miscellaneous receipts of the Treasury. Repayment of amounts loaned shall be credited to miscellaneous receipts of the Treasury. A loan made under this subsection shall be repayable within ten years from the date of the loan agreement or on the date a grant agreement for actual construction of facilities on the acquired real property is made, whichever date is earlier. A grant agreement for construction of facilities under this chapter may provide for forgiveness of the repayment of the principal and accrued interest on the loan then outstanding in lieu of a cash grant in the amount thus forgiven, which for all purposes shall be considered a part of the grant and of the Federal portion of the cost of the project. An applicant for assistance under this subsection shall furnish a copy of its application to the comprehensive planning agency of the community affected concurrently with submission to the Secretary. If within a period of thirty days thereafter (or, in a case where the comprehensive planning agency of the community (during such thirty-day period) requests more time, within such longer period as the Secretary may determine) the comprehensive planning agency of the community affected submits comments to the Secretary, the Secretary must consider the comments before taking final action on the application.

(c) Loan restrictions and limitations; interest.

No loans shall be made under this section for any project for which a grant is made under this section, except—

(1) loans may be made for projects as to which grants are made for relocation payments; and

(2) project grants may be made even though the real property involved in the project has been or will be acquired as a result of a loan under subsection (b) of this section.

Interest on loans made under this section shall be at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans adjusted to the nearest one-eighth of 1 per centum, plus (ii) an allowance adequate in the judgment of the Secretary of Transportation to cover administrative costs and probable losses under the program. No loans shall be made, including renewals or extensions thereof, and no securities or obligations shall be purchased, which have maturity dates in excess of forty years.

(d) Notice and public hearings.

Any application for a grant or loan under this chapter to finance the acquisition, construction, reconstruction, or improvement of facilities or equipment which will substantially affect a community or its mass transportation service shall include a certification that the applicant—

(1) has afforded an adequate opportunity for public hearings pursuant to adequate prior notice, and has held such hearings unless no one with a significant economic, social, or environmental interest in the matter requests a hearing;

(2) has considered the economic and social effects of the project and its impact on the environment; and

(3) has found that the project is consistent with official plans for the comprehensive development of the urban area.

Notice of any hearings under this subsection shall include a concise statement of the proposed project, and shall be published in a newspaper of general circulation in the geographic area to be served. If hearings have been held, a copy of the transcript of the hearings shall be submitted with the application.

(e) Private transit operators.

No financial assistance shall be provided under this chapter to any State or local public body or agency thereof for the purpose, directly or indirectly, of acquiring any interest in, or purchasing any facilities or other property of, a private mass transportation company, or for the purpose of constructing, improving, or reconstructing any facilities or other property acquired (after July 9, 1964) from any such company, or for the purpose of providing by contract or otherwise for the operation of mass transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing mass transportation company, unless (1) the Secretary finds that such assistance is essential to a program, proposed or under active preparation, for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, (2) the Secretary finds that such program, to the maximum extent feasible, provides for the participation of private mass transportation companies, (3) just and adequate compensation will be paid to such companies for acquisition of their franchises or

property to the extent required by applicable State or local laws, and (4) the Secretary of Labor certifies that such assistance complies with the requirements of section 1609(c) of this title. (Pub. L. 88-365, § 3, July 9, 1964, 78 Stat. 303; Pub. L. 89-562, § 2(b)(1), Sept. 8, 1966, 80 Stat. 716; Pub. L. 90-19, § 20(a), May 25, 1967, 81 Stat. 25; Pub. L. 91-453, § 2, Oct. 15, 1970, 84 Stat. 962.)

AMENDMENTS

1970—Subsec. (a). Pub. L. 91-453, § 2(2), added provisions authorizing the Secretary to make loans for real property acquisition upon a determination that such real property is reasonably expected to be required in connection with a mass transportation system and that it would be used for such purpose in a reasonable time and requiring applicants for such assistance for projects located in States having statewide comprehensive transportation planning to furnish copies of the application to the Governors of the respective States and to the Secretary and requiring the Secretary to consider the comments of the Governors before a determination, if submitted to him within thirty days.

Subsec. (b). Pub.L. 91-453, § 2(2), added subsec. (b). Former subsec. (b) amended redesignated as subsec. (c).

Subsec. (c). Pub.L. 91-453, § 2(2), redesignated former subsec. (b) as subsec. (c), and in subsec. (c) as so redesignated, substituted provisions prohibiting loans for the same project, except for relocation payments and for real property acquired with a loan, for provisions restricting loans by reference to section 1606 of this title and sections 1492 and 1493 of Title 42, added a new formula for the determination of interest on loans, and laid down the maximum date for maturity at forty years.

Subsec. (d). Pub.L. 91-453, § 2(2), added subsec. (d). Subsec. (e). Pub. L. 91-453, § 2(1), redesignated former subsec. (c) as subsec. (e).

1967—Pub. L. 90-19 substituted "Secretary" for "Administrator" wherever appearing in subsections. (a)—(c) of this section.

1966—Subsec. (c). Pub. L. 89-562 substituted reference to "section 13(c)" of Pub. L. 88-365 for reference to "section 10(c)" of Pub. L. 88-365 pursuant to the redesignation of section 10 as section 13 by Pub. L. 89-562. Since "section 10(c) of this Act" was translated to "section 1609(c) of this title" for purposes of codification, and since "section 13(c) of this Act" also translated as "section 1609(c) of this title", the amendment produced no change in the text as codified.

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under sections 1605(a), 1607a, and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under this section and sections 1603 and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the Secretary of Transportation to make findings and determinations under subsec. (c)(1) of this section and sections 1603(a) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

STUDY AND REPORT ON FEASIBILITY OF FEDERAL ASSISTANCE TO MASS TRANSPORTATION COMPANIES

Section 9 of Pub. L. 91-453 provided that: "The Secretary of Transportation shall conduct a study of the feasibility of providing Federal assistance to help defray the operating costs of mass transportation companies in urban areas and of any changes in the Urban Mass Transportation Act of 1964 [this chapter] which would be necessary in order to provide such assistance, and shall report

his findings and recommendations to the Congress within one year after the date of the enactment of this Act [Oct. 15, 1970]."

ENCOURAGEMENT OF ADVERSELY AFFECTED INDUSTRIES TO COMPETE FOR CONTRACTS

Section 10 of Pub. L. 91-453 provided that: "The Secretary of Transportation shall in all ways (including the provision of technical assistance) encourage industries adversely affected by reductions in Federal Government spending on space, military, and other Federal projects to compete for the contracts provided for under sections 3 and 6 of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1602 and 1605), as amended by this Act [see Short Title note under section 1601a]."

TAXATION STUDIES OF SYSTEMS BENEFITTING UNDER THIS CHAPTER

Pub. L. 88-554, § 3, Aug. 31, 1964, 78 Stat. 761, provided that:

"(a) The Secretary of Commerce is authorized and directed to investigate and study the feasibility of imposing taxes on those transit and commuter systems which are the beneficiaries of Federal financial assistance under the Urban Mass Transportation Act of 1964 [this chapter] for the purpose of raising revenues to defray Federal expenditures under such Act.

"(b) In making the investigation and study under subsection (a), the Secretary of Commerce is authorized to cooperate and consult with appropriate Federal, State, and local government agencies, and with representatives of the transit and commuter service industry and national organizations concerned with mass transportation service.

"(c) The costs of making the investigation and study under subsection (a) shall be paid from appropriations available for expenses of the Office of the Secretary of Commerce.

"(d) The Secretary of Commerce shall report the results of the investigation and study under subsection (a), together with his recommendations, to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives at the earliest practicable date, but not later than June 30, 1965."

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1603, 1604, 1606, 1608, 1609, 1610, 1611, 1612 of this title.

§ 1603. Long-range program.

(a) **Terms and conditions; planning requirements; "net project cost" defined; Federal grant for two-thirds and non-Federal funds for one-third of net project cost; refunds.**

Except as specified in section 1604 of this title, no Federal financial assistance shall be provided pursuant to subsection (a) of section 1602 of this title unless the Secretary determines that the facilities and equipment for which the assistance is sought are needed for carrying out a program, meeting criteria established by him, for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area, and are necessary for the sound economic, and desirable development of such area. Such program shall encourage to the maximum extent feasible the participation of private enterprise. Where facilities and equipment are to be acquired which are already being used in mass transportation service in the urban area, the program must provide that they shall be so improved (through modernization, extension, addition, or otherwise) that they will better serve the transportation needs of the area. The Secretary, on the basis of engineering studies, studies of economic feasibility, and data showing the nature and extent of expected utilization of the facilities and equipment, shall estimate what portion of the cost of a project to be assisted under section 1602

of this title cannot be reasonably financed from revenues—which portion shall hereinafter be called "net project cost". The Federal grant for such a project shall not exceed two-thirds of the net project cost. The remainder of the net project cost shall be provided, in cash from sources other than Federal funds. Such remainder may be provided in whole or in part from other than public sources and any public or private transit system funds so provided shall be solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital. No refund or reduction of the remainder of the net project cost shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant.

(b) **Appropriations; advance or progress payments.**

To finance grants under this chapter there is hereby authorized to be appropriated at any time after July 9, 1964 not to exceed \$75,000,000 for fiscal year 1965; \$150,000,000 for fiscal year 1966; \$150,000,000 for each of the fiscal years 1967, 1968 and 1969; \$190,000,000, for fiscal year 1970; and \$300,000,000 for fiscal year 1971. Any amount so appropriated shall remain available until expended; and any amount authorized but not appropriated for any fiscal year may be appropriated for any succeeding fiscal year. The Secretary is authorized, notwithstanding the provisions of section 529 of Title 31, to make advance or progress payments on account of any grant or contract made pursuant to this chapter.

(c) **Additional appropriations.**

To finance grants and loans under sections 1602, 1606(b), and 1607a of this title, the Secretary is authorized to incur obligations on behalf of the United States in the form of grant agreements or otherwise in amounts aggregating not to exceed \$3,100,000,000, less amounts appropriated pursuant to section 1608

(d) of this title and the amount appropriated to the Urban Mass Transportation Fund by Public Law 91-168. This amount (which shall be in addition to any amounts available to finance such activities under subsection (b) of this section) shall become available for obligation on October 15, 1970, and shall remain available until obligated. There are authorized to be appropriated for liquidation of the obligations incurred under this subsection not to exceed \$80,000,000 prior to July 1, 1971, which amount may be increased to not to exceed an aggregate of \$310,000,000 prior to July 1, 1972, not to exceed an aggregate of \$710,000,000 prior to July 1, 1973, not to exceed an aggregate of \$1,260,000,000 prior to July 1, 1974, not to exceed an aggregate of \$1,860,000,000 prior to July 1, 1975, and not to exceed an aggregate of \$3,100,000,000 thereafter. The total amounts appropriated under this subsection and section 1608 (d) of this title shall not exceed the limitations in the foregoing schedule. Sums so appropriated shall remain available until expended.

(d) **Annual reports and authorization requests to Congress.**

The Secretary shall report annually to the Congress with respect to outstanding grants or other contractual agreements executed pursuant to subsection (c) of this section. To assure program conti-

nunity and orderly planning and project development, the Secretary, after consultation with State and local public agencies, shall submit to the Congress (1) authorization requests for fiscal years 1976 and 1977 not later than February 1, 1972, (2) authorization requests for fiscal years 1978 and 1979 not later than February 1, 1974, (3) authorization requests for fiscal years 1980 and 1981 not later than February 1, 1976, and (4) an authorization request for fiscal year 1982 not later than February 1, 1978. Such authorization requests shall be designed to meet the Federal commitment specified in section 1601a of this title. Concurrently with these authorization requests, the Secretary shall also submit his recommendations for any necessary adjustments in the schedule for liquidation of obligations. (Pub. L. 88-365, § 4, July 9, 1964, 78 Stat. 304; Pub. L. 89-562, § 1(a), Sept. 8, 1966, 80 Stat. 715; Pub. L. 90-19, § 20(a), May 25, 1967, 81 Stat. 25; Pub. L. 90-448, title VII, §§ 701(a), 704(a), Aug. 1, 1968, 82 Stat. 534, 535; Pub. L. 91-152, title III, § 306(a), Dec. 24, 1969, 83 Stat. 392; Pub. L. 91-453, §§ 3, 13(a), Oct. 15, 1970, 84 Stat. 965, 969.)

REFERENCES IN TEXT

Pub. L. 91-168, referred to in subsec. (c), is the Department of Transportation and Related Agencies Appropriation Act, 1970, which appropriated \$214,000,000 to the Urban Mass Transportation Fund for the fiscal year 1971, of which not to exceed \$20,000,000 were to be available for research, development and demonstration grants. Such provisions were not classified to the Code.

AMENDMENTS

1970—Subsec. (a). Pub. L. 91-453, § 3(a), substituted reference to section 1602(a) for reference to section 1602 in the first sentence and provided that all or any part of the local share of "net project cost" may come from other than public sources and that any public or private transit system funds received must be solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital, and eliminated requirement that a determination be made of the "fiscal inability" of the applicant when more than 50 percent of the local share was provided from the specified sources.

Subsec. (b). Pub. L. 91-453, § 13(a), extended the authority of the Secretary to make advance or progress payments on account of contracts.

Subsecs. (c), (d). Pub. L. 91-453, § 3(b), added subsecs. (c) and (d).

1969—Subsec. (b). Pub. L. 91-152 authorized appropriations of \$300,000,000 for fiscal year 1971.

1968—Subsec. (a). Pub. L. 90-448, § 704(a), authorized not more than 50 per centum of the remainder of the net project cost to be provided from other than public sources, and any public or private transit system funds to be provided solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital, except that in the cases of demonstrated fiscal inability of an applicant actively engaged in preparing and effectuating a program for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, the remainder may be provided from other than public sources.

Subsec. (b). Pub. L. 90-448, § 701(a), authorized appropriations of \$190,000,000 for fiscal year 1970.

1967—Pub. L. 90-19 substituted "Secretary" for "Administrator" wherever appearing in subsecs. (a) and (b) of this section.

1960—Subsec. (b). Pub. L. 89-562 authorized appropriations of \$150,000,000 for each of the fiscal years 1968 and 1969.

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Department under this chapter, except the authority to make

grants for or undertake projects or activities under sections 1605(a), 1607a, and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under this section and sections 1602 and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the Secretary of Transportation to make findings and determinations under subsec. (a) of this section and sections 1602(c)(1) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of subsec. (a) of this section, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1604, 1605, 1607b, 1607c, 1611, 1612 of this title.

§ 1604. Emergency program; terms and conditions; grants for net project costs.

Prior to July 1, 1972, Federal financial assistance may be provided pursuant to section 1602 of this title where (1) the program for the development of a unified or officially coordinated urban transportation system, referred to in section 1603(a) of this title, is under active preparation although not yet completed, (2) the facilities and equipment for which the assistance is sought can reasonably be expected to be required for such a system, and (3) there is an urgent need for their preservation or provision. The Federal grant for such a project shall not exceed one-half of the net project cost: *Provided*, That where a Federal grant is made on such a one-half basis, and the planning requirements specified in section 1603(a) of this title are fully met within a three-year period after the execution of the grant agreement, an additional grant may then be made to the applicant equal to one-sixth of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds. Such remainder may be provided in whole or in part from other than public sources and any public or private transit system funds so provided shall be solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital. No refund or reduction of the remainder of the net project cost shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant. (Pub. L. 88-365, § 5, July 9, 1964, 78 Stat. 304; Pub. L. 90-34, June 28, 1967, 81 Stat. 81; Pub. L. 90-169, Dec. 1, 1967, 81 Stat. 526; Pub. L. 90-448, title VII, §§ 703, 704(b), Aug. 1, 1968, 82 Stat. 535; Pub. L. 91-152, title III, § 306(b), Dec. 24, 1969, 83 Stat. 392; Pub. L. 91-453, § 4, Oct. 15, 1970, 84 Stat. 966.)

AMENDMENTS

1970—Pub. L. 91-453 substituted "July 1, 1972" for "July 1, 1971" and substituted provision that the remainder of the net project cost may be provided in whole or in part from other than public sources and that any public or private transit system funds so provided be solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital, for provision permitting not more than 50 per centum of the remainder of the net project cost to be provided from other than public sources, and requiring public or private transit system funds to be provided solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital, except that in the cases of demonstrated fiscal inability of

an applicant actively engaged in preparing and effectuating a program for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, the remainder be provided from other than public sources.

1969—Pub. L. 91-152 substituted "July 1, 1971" for "July 1, 1970".

1968—Pub. L. 90-448 substituted "July 1, 1970" for "November 1, 1968", and inserted provisions permitting not more than 50 per centum of the remainder of the net project cost to be provided from other than public sources, and any public or private transit system funds to be provided solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital, except that in the cases of demonstrated fiscal inability of an applicant actively engaged in preparing and effectuating a program for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, the remainder may be provided from other than public sources.

1967—Pub. L. 90-169 substituted "November 1, 1968" for "November 1, 1967".

Pub. L. 90-34 substituted "November 1, 1967," for "July 1, 1967".

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under sections 1605(a), 1607a, and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under this section and sections 1602 and 1603 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the Secretary of Transportation to make findings and determinations under this section and sections 1603(a) and 1602(c)(1) of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

§ 1605. Research, development, and demonstration projects.

(a) Phases of urban mass transportation; acquisition of data.

The Secretary is authorized to undertake research, development, and demonstration projects in all phases of urban mass transportation (including the development, testing, and demonstration of new facilities, equipment, techniques, and methods) which he determines will assist in the reduction of urban transportation needs, the improvement of mass transportation service, or the contribution of such service toward meeting total urban transportation needs at minimum cost. He may undertake such projects independently or by grant or contract (including working agreements with other Federal departments and agencies). In carrying out the provisions of this section, the Secretary is authorized to request and receive such information or data as he deems appropriate from public or private sources.

(h) Omitted.

(c) Availability and limitation of funds.

The Secretary may make available to finance projects under this section not to exceed \$10,000,000 of the mass transportation grant authorization provided in section 1603(b) of this title, which limit shall be increased to \$20,000,000 on July 1, 1965, and to \$30,000,000 on July 1, 1966, to \$40,000,000 on July

1, 1967, and to \$56,000,000 on July 1, 1968. On or after July 1, 1969, the Secretary may make available to finance projects under this section such additional sums out of the grant authorization provided in section 1603(b) of this title as he deems appropriate.

(d) Authority of Secretary.

Nothing contained in this section shall limit any authority of the Secretary under section 1701d-3 of Title 12 or any other provision of law. (Pub. L. 88-365, § 6, July 9, 1964, 78 Stat. 305; Pub. L. 89-117, title III, § 304(b), Aug. 10, 1965, 79 Stat. 475; Pub. L. 89-562, §§ 1(b), 3, Sept. 8, 1966, 80 Stat. 715, 717; Pub. L. 90-19, § 20(a), May 25, 1967, 81 Stat. 25; Pub. L. 90-448, title VII, § 701(b), Aug. 1, 1968, 82 Stat. 535; Pub. L. 91-453, § 13(b), Oct. 15, 1970, 84 Stat. 969.)

CODIFICATION

Subsec. (b) called for a study and for a program of research, development, and demonstration of new systems of urban transportation, with the report, findings, and recommendations resulting from such activities to be submitted not later than 18 months after Sept. 8, 1966, and has been omitted as executed.

AMENDMENTS

1970—Subsec. (a). Pub. L. 91-453 extended the authority of the Secretary to undertake projects by grant

1968—Subsec. (c). Pub. L. 90-448 substituted "\$56,000,000" for "\$50,000,000", and inserted provisions authorizing the Secretary, on or after July 1, 1969, to make available to finance projects under this section such additional sums out of the grant authorization as he deems appropriate.

1967—Pub. L. 90-19 substituted "Secretary" for "Administrator" wherever appearing in subssecs. (a), (c), and (d) of this section.

1966—Subsec. (b). Pub. L. 89-562, § 3, added subsec. (b). Former subsec. (b) redesignated (c).

Subsec. (c). Pub. L. 89-562, §§ 1(b), 3, redesignated former subsec. (b) as (c) and, in subsec. (c) as so redesignated, added provisions for an increase to \$40,000,000 on July 1, 1967, and to \$50,000,000 on July 1, 1968, in the limit on the amount made available by the Administrator to finance projects. Former subsec. (c) redesignated (d).

Subsec. (d). Pub. L. 89-562, § 3, redesignated former subsec. (c) as (d).

1965—Subsec. (b). Pub. L. 89-117 deleted provisions which limited the unobligated balance of the amount available for mass transportation demonstration grants to the proviso in section 1453(b) of title 42 to financing projects under this section.

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under subsec. (a) of this section and sections 1607a, and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under sections 1602, 1603 and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the Secretary of Transportation to make findings and determinations under sections 1602(c)(1), 1603(a) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

SECRETARY'S AUTHORITY TO MAKE GRANTS FOR RESEARCH PROJECTS AND TECHNICAL STUDIES UNAFFECTED

Section 11 of Pub. L. 91-453 provided that: "Nothing in this Act [see Short Title note under section 1601a of this

title] shall affect the authority of the Secretary of Housing and Urban Development to make grants, under the authority of sections 6(a), 9, and 11 of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1605 (a), 1607a, and 1607c), and Reorganization Plan Numbered 2 of 1968 [set out in the Appendix to Title 5, Government Organization and Employees], for projects or activities primarily concerned with the relationship of urban transportation systems to the comprehensively planned development of urban areas, or the role of transportation planning in overall urban planning, out of funds appropriated to him for that purpose."

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1612 of this title.

§ 1606. Relocation requirements and payments.

(a) No financial assistance shall be extended to any project under section 1602 of this title unless the Secretary determines that an adequate relocation program is being carried on for families displaced by the project and that there are being or will be provided (in the same area or in other areas generally not less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the displaced families) an equal number of decent, safe, and sanitary dwellings available to those displaced families and reasonably accessible to their places of employment.

(b) Notwithstanding any other provision of this chapter, financial assistance extended to any project under section 1602 of this title may include grants for relocation payments, as herein defined. Such grants may be in addition to other financial assistance for the project under section 1602 of this title, and no part of the amount of such relocation payments shall be required to be contributed as a local grant. The term "relocation payments" means payments by the applicant to individuals, families, business concerns, and nonprofit organizations for their reasonable and necessary moving expenses and any actual direct losses of property, except goodwill or profit, for which reimbursement or compensation is not otherwise made, resulting from their displacement by the project. Such payments shall be made subject to such rules and regulations as may be prescribed by the Secretary, and shall not exceed \$200 in the case of an individual or family, or \$3,000 (or if greater, the total certified actual moving expenses) in the case of a business concern or nonprofit organization. Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed \$200 in any case) in lieu of their respective reasonable and necessary moving expenses and actual direct losses of property. (Pub. L. 88-365, § 7, July 9, 1964, 78 Stat. 305; Pub. L. 90-19, § 20(a), May 25, 1967, 81 Stat. 25.)

REPEAL

Provisions of subsec. (b) of this section repealed by Pub. L. 91-646, title II, § 220(a) (4), applicable to any State so long as sections 4630 and 4655 of Title 42 are not applicable in such State; but such sections completely applicable to all States after July 1, 1972. Until such date applicable to a State to extent the State is able under its laws to comply with such sections, see section 221 of Pub. L. 91-646, set out as a note under section 4601 of Title 42, The Public Health and Welfare.

AMENDMENTS

1967—Pub. L. 90-19 substituted "Secretary" for "Administrator" wherever appearing in subsecs. (a) and (b) of this section.

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under sections 1605(a), 1607a, and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under sections 1602, 1603, and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the Secretary of Transportation to make findings and determinations under sections 1602(c)(1), 1603(a) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

SAVINGS PROVISION

Any rights or liabilities existing under provisions repealed by Section 220(a) of Pub. L. 91-646 as not affected by such repeal, see section 220(b) of Pub. L. 91-646, set out as a note under section 4621 of Title 42, The Public Health and Welfare.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1602, 1603, 1611 of this title.

§ 1607. Coordination of Federal assistance for highways and for mass transportation facilities.

CODIFICATION

Section, Pub. L. 88-365, § 8, July 9, 1964, 78 Stat. 306; Pub. L. 90-19, § 20(a), May 25, 1967, 81 Stat. 25, called for consultation between the Secretary of Housing and Urban Development and the Secretary of Commerce on general urban transportation policies and programs and called for the exchange of information on proposed projects in urban areas. It has been omitted in view of section 6(a) (2) (A) of Pub. L. 89-670, Oct. 15, 1966, 80 Stat. 931, set out as section 1655(a) (2) (A) of this title, which created the Department of Transportation and transferred to the Secretary of Transportation all functions, powers, and duties of the Secretary of Commerce under this chapter, and in view of Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title, which transferred to the Secretary of Transportation all functions of the Secretary of Housing and Urban Development under this section, thereby combining in one official all consultative functions hereunder.

§ 1607a. Grants for technical studies.

The Secretary is authorized to make grants to States and local public bodies and agencies thereof for the planning, engineering, and designing of urban mass transportation projects, and for other technical studies, to be included, or proposed to be included, in a program (completed or under active preparation) for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area. Activities assisted under this section may include (1) studies relating to management, operations, capital requirements, and economic feasibility; (2) preparation of engineering and architectural surveys, plans, and specifications; and (3) other similar or related activities preliminary and in preparation for the construction, acquisition, or improved operation of

mass transportation systems, facilities, and equipment. A grant under this section shall be made in accordance with criteria established by the Secretary and shall not exceed two-thirds of the cost of carrying out the activities for which the grant is made. (Pub. L. 88-365, § 9, as added Pub. L. 89-562, § 2(a)(2), Sept. 8, 1966, 80 Stat. 715.)

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under this section and sections 1605(a) and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under sections 1602, 1603 and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the Secretary of Transportation to make findings and determinations under sections 1602(c)(1), 1603(a) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1603 of this title.

§ 1607b. Grants for managerial training programs.

(a) Fellowships; basis for selection; fellowship funds.

The Secretary is authorized to make grants to States, local bodies, and agencies thereof to provide fellowships for training of personnel employed in managerial, technical, and professional positions in the urban mass transportation field. Fellowships shall be for not more than one year of advanced training in public or private nonprofit institutions of higher education offering programs of graduate study in business or public administration, or in other fields having application to the urban mass transportation industry. The State, local body, or agency receiving a grant under this section shall select persons for such fellowships on the basis of demonstrated ability and for the contribution which they can reasonably be expected to make to an efficient mass transportation operation. Not more than one hundred fellowships shall be awarded in any year. The grant assistance under this section toward each such fellowship shall not exceed \$12,000, nor 75 per centum of the sum of (1) tuition and other charges to the fellowship recipient, (2) any additional costs incurred by the educational institution in connection with the fellowship and billed to the grant recipient, and (3) the regular salary of the fellowship recipient for the period of the fellowship (to the extent that salary is actually paid or reimbursed by the grant recipient).

(b) Limitation on fellowships awarded in any one State.

Not more than 12½ per centum of the fellowships authorized pursuant to subsection (a) of this section shall be awarded for the training of employees of mass transportation companies in any one State.

(c) Limitation on funds available for fellowships.

The Secretary may make available to finance grants under this section not to exceed \$1,500,000 per annum of the grant funds appropriated pursuant

to section 1603(b) of this title. (Pub. L. 88-365, § 10, as added Pub. L. 89-562, § 2(a)(2), Sept. 8, 1966, 80 Stat. 716.)

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under sections 1605(a), 1607a, and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under sections 1602, 1603, and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the Secretary of Transportation to make findings and determinations under sections 1602(c)(1), 1603(a) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

§ 1607c. Grants for research and training in urban transportation problems.

(a) The Secretary is authorized to make grants to public and private nonprofit institutions of higher learning to assist in establishing or carrying on comprehensive research in the problems of transportation in urban areas. Such grants shall be used to conduct competent and qualified research and investigations into the theoretical or practical problems of urban transportation, or both, and to provide for the training of persons to carry on further research or to obtain employment in private or public organizations which plan, construct, operate, or manage urban transportation systems. Such research and investigations may include, without being limited to, the design and functioning of urban mass transit systems; the design and functioning of urban roads and highways; the interrelationship between various modes of urban and interurban transportation; the role of transportation planning in overall urban planning; public preferences in transportation; the economic allocation of transportation resources; and the legal, financial, engineering, and esthetic aspects of urban transportation. In making such grants the Secretary shall give preference to institutions of higher learning that undertake such research and training by bringing together knowledge and expertise in the various social science and technical disciplines that relate to urban transportation problems.

(b) The Secretary may make available to finance grants under this section not to exceed \$3,000,000 per annum of the grant funds appropriated pursuant to section 1603(b) of this title. (Pub. L. 88-365, § 11, as added Pub. L. 89-562, § 2(a)(2), Sept. 8, 1966, 80 Stat. 716.)

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under this section and sections 1605(a) and 1607a of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under sections 1602, 1603, and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and

assist the Secretary of Transportation to make findings and determinations under sections 1602(c)(1), 1603(a) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

§ 1608. General provisions.

(a) Functions, powers, and duties of Secretary.

In the performance of, and with respect to, the functions, powers, and duties vested in him by this chapter, the Secretary shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 1749a of Title 12, except subsections (c)(2) and (f) of such section. Funds obtained or held by the Secretary in connection with the performance of his functions under this chapter shall be available for the administrative expenses of the Secretary in connection with the performance of such functions.

(b) Records; audit and examination.

All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan or grant is made under this chapter, entered into by applicants under other than competitive bidding procedures as defined by the Secretary, shall provide that the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the contracting parties that are pertinent to the operations or activities under such contracts.

(c) Definitions.

As used in this chapter—

(1) the term "States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States;

(2) the term "local public bodies" includes municipalities and other political subdivisions of States; public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States; and public corporations, boards, and commissions established under the laws of any State;

(3) the term "Secretary" means the Secretary of Transportation;

(4) the term "urban area" means any area that includes a municipality or other built-up place which is appropriate, in the judgment of the Secretary for a public transportation system to serve commuters or others in the locality taking into consideration the local patterns and trends of urban growth;

(5) the term "mass transportation" means transportation by bus, rail, or other conveyance, either publicly or privately owned, which provides to the public general or special service (but not including school buses or charter or sightseeing service) on a regular and continuing basis.

(d) Authorization of appropriations.

There are hereby authorized to be appropriated, without fiscal year limitation out of any money in the Treasury not otherwise appropriated, the funds

necessary to carry out the functions under this chapter.

(e) Regulation of operation of system, rates, rentals, or other charges; compliance with undertakings.

None of the provisions of this chapter shall be construed to authorize the Secretary to regulate in any manner the mode of operation of any mass transportation system with respect to which a grant is made under section 1602 of this title or, after such grant is made, to regulate the rates, fares, tolls, rentals, or other charges fixed or prescribed for such system by any local public or private transit agency; but nothing in this subsection shall prevent the Secretary from taking such actions as may be necessary to require compliance by the agency or agencies involved with any undertakings furnished by such agency or agencies in connection with the application for the grant. (Pub. L. 88-365, § 12, formerly § 9, July 9, 1964, 78 Stat. 306; Pub. L. 89-117, title XI, § 1109, Aug. 10, 1965, 79 Stat. 507; renumbered Pub. L. 89-562, § 2(a)(1), Sept. 8, 1966, 80 Stat. 715, and amended Pub. L. 90-19, § 20, May 25, 1967, 81 Stat. 25; 1968 Reorg. Plan No. 2, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369; Pub. L. 90-448, title VII, § 702, Aug. 1, 1968, 82 Stat. 535; Pub. L. 91-453, § 5, Oct. 15, 1970, 84 Stat. 966.)

AMENDMENTS

1970—Subsec. (d). Pub. L. 91-453 struck out reference to loans under section 1602 of this title and administrative expenses.

1968—Subsec. (c)(5). Pub. L. 90-448 included special service to the public, and substituted "on a regular and continuing basis" for "and moving over prescribed routes."

1967—Pub. L. 90-19, § 20(a), substituted "Secretary" for "Administrator" wherever appearing in subsections. (a), (b), (c)(4), and (e) of this section.

Subsec. (c)(3). Pub. L. 90-19, § 20(b), substituted definition of "Secretary" meaning the Secretary of Housing and Urban Development for "Administrator" meaning the Housing and Home Finance Administrator.

1965—Subsec. (c). Pub. L. 89-117, § 1109, redesignated former subsec. (d) as subsec. (c) and repealed former subsec. (c) which required that all contracts for construction, reconstruction, or improvement in furtherance of this chapter include a provision that only articles manufactured in the United States be used by the contractor.

Subsec. (d). Pub. L. 89-117, § 1109, redesignated former subsec. (e) as subsec. (d). Former subsec. (d) redesignated as subsec. (c).

Subsec. (e). Pub. L. 89-117, § 1109, redesignated former subsec. (f) as subsec. (e). Former subsec. (e) redesignated as subsec. (d).

Subsec. (f). Pub. L. 89-117, § 1109, redesignated former subsec. (f) as subsec. (e). Former subsec. (e) redesignated as subsec. (d).

TRANSFER OF FUNCTIONS

"Secretary of Transportation" has been substituted for "Secretary of Housing and Urban Development" in subsec. (c)(3) pursuant to Reorg. Plan No. 2 of 1968, set out below, which transferred to the Secretary of Transportation the functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under sections 1605(a), 1607a, and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under sections 1602, 1603, and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the Secretary of Transportation to make findings and determinations under sections 1602(c)(1), 1603

(a) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title.

REORGANIZATION PLAN NO. 2 OF 1968

Eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled February 26, 1968, pursuant to the provisions of chapter 9 of Title 5 of the United States Code.

URBAN MASS TRANSPORTATION

SECTION 1. TRANSFER OF FUNCTIONS

(a) There are hereby transferred to the Secretary of Transportation:

(1) The functions of the Secretary of Housing and Urban Development and the Department of Housing and Urban Development under the Urban Mass Transportation Act of 1964 (78 Stat. 302; 49 U.S.C. 1601-1611), except that there is reserved to the Secretary of Housing and Urban Development (i) the authority to make grants for or undertake such projects or activities under sections 6(a), 9, and 11 of that Act (49 U.S.C. 1605(a); 1607a; 1607c) as primarily concern the relationship of urban transportation systems to the comprehensively planned development of urban areas, or the role of transportation planning in overall urban planning, and (ii) so much of the functions under sections 3, 4, and 5 of the Act (49 U.S.C. 1602-1604) as will enable the Secretary of Housing and Urban Development (A) to advise and assist the Secretary of Transportation in making findings and determinations under clause (1) of section 3(c), the first sentence of section 4(a), and clause (1) of section 5 of the Act, and (B) to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 4(a) of the Act.

(2) Other functions of the Secretary of Housing and Urban Development, and functions of the Department of Housing and Urban Development or of any agency or officer thereof, all to the extent that they are incidental to or necessary for the performance of the functions transferred by section 1(a)(1) of this reorganization plan, including, to such extent, the functions of the Secretary of Housing and Urban Development and the Department of Housing and Urban Development under (i) title II of the Housing Amendments of 1955 (69 Stat. 642; 42 U.S.C. 1491-1497), insofar as functions thereunder involve assistance specifically authorized for mass transportation facilities or equipment, and (ii) title IV of the Housing and Urban Development Act of 1965 (79 Stat. 485; 42 U.S.C. 3071-3074).

(3) The functions of the Department of Housing and Urban Development under section 3(b) of the Act of November 6, 1966 (P.L. 89-774; 80 Stat. 1352; 40 U.S.C. 672(b)).

(b) Any reference in this reorganization plan to any provision of law shall be deemed to include, as may be appropriate, reference there to as amended.

SEC. 2. DELEGATION

The Secretary of Transportation may delegate any of the functions transferred to him by this reorganization plan to such officers and employees of the Department of Transportation as he designates, and may authorize successive redelegations of such functions.

SEC. 3. URBAN MASS TRANSPORTATION ADMINISTRATION

(a) There is hereby established within the Department of Transportation an Urban Mass Transportation Administration.

(b) The Urban Mass Transportation Administration shall be headed by an Urban Mass Transportation Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for Level III of the Executive Schedule Pay Rates (5 U.S.C. 5314). The Administrator shall perform such duties as the Secretary of Transportation shall prescribe and shall report directly to the Secretary.

SEC. 4. INTERIM ADMINISTRATOR

The President may authorize any person who immediately prior to the effective date of this reorganization

plan holds a position in the executive branch of the government to act as Urban Mass Transportation Administrator until the office of Administrator is for the first time filled pursuant to the provisions of section 3(b) of this reorganization plan or by recess appointment, as the case may be. The person so designated shall be entitled to the compensation attached to the position he regularly holds.

SEC. 5. INCIDENTAL TRANSFERS

(a) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the functions transferred to the Secretary of Transportation by this reorganization plan as the Director of the Bureau of the Budget [now the Office of Management and Budget] shall determine shall be transferred from the Department of Housing and Urban Development to the Department of Transportation at such time or times as the Director shall direct.

(b) Such further measures and dispositions as the Director of the Bureau of the Budget [now the office of Management and Budget] shall deem to be necessary in order to effectuate the transfers provided for in subsection (a) of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 6. EFFECTIVE DATE

The provisions of this reorganization plan shall take effect at the close of June 30, 1968, or at the time determined under the provisions of section 906(a) of title 5 of the United States Code, whichever is later.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

As long as he has lived in cities, man has struggled with the problem of urban transportation. But:

—Never before have these problems affected so many of our citizens.

—Never before has transportation been so important to the development of our urban centers.

—Never before have residents of urban areas faced a clearer choice concerning urban transportation—shall it dominate and restrict enjoyment of all the values of urban living, or shall it be shaped to bring convenience and efficiency to our citizens in urban areas.

How America and its cities solve the transportation problem depends largely on our two newest Federal Departments—the Department of Transportation and the Department of Housing and Urban Development:

—The Department of Housing and Urban Development is responsible for the character of all urban development.

—The Department of Transportation is concerned specifically with all the modes of transportation and their efficient interrelationship.

At present, responsibility for program assistance for urban highways and urban airports, and urban mass transportation is divided between the Department of Transportation and the Department of Housing and Urban Development. As a result:

—Federal coordination of transportation systems assistance is more difficult than it need be.

—Communities which have measured their own needs and developed comprehensive transportation proposals must deal with at least two federal agencies to carry out their programs.

To combine efficiently the facilities and services necessary for our urban centers and to improve transportation within our cities, State and local government agencies should be able to look to a single federal agency for program assistance and support. The large future cost of transportation facilities and services to the Federal Government, to State and local governments, and to the transportation industry makes side investments and efficient transportation systems essential.

An urban transportation system must:

—combine a basic system of efficient, responsive mass transit with all other forms and systems of urban, regional, and inter-city transportation;

—conform to and support balanced urban development.

In this, my second reorganization plan of 1968, I ask the Congress to transfer urban mass transportation programs to the Secretary of Transportation and to establish

an Urban Mass Transportation Administration within the Department of Transportation to strengthen the organizational capacity of the Federal Government to achieve these objectives.

The plan transfers to and unifies in a new Urban Mass Transportation Administration in the Department of Transportation those functions which involve urban mass transportation project assistance and related research and development activities. Because urban research and planning and transportation research and planning are closely related, however, the plan provides that the Department of Housing and Urban Development perform an important role in connection with transportation research and planning insofar as they have significant impact on urban development.

We expect the Department of Transportation to provide leadership in transportation policy and assistance. The Department of Housing and Urban Development will provide leadership in comprehensive planning at the local level that includes transportation planning and relates it to broader urban development objectives.

The transfer of urban mass transportation programs will not diminish the overall responsibilities of the Department of Housing and Urban Development with respect to our cities. Rather, adequate authority is reserved to that Department to enable it to join with the Department of Transportation to assure that urban transportation develops as an integral component of the broader development of growing urban areas.

The new Urban Mass Transportation Administration in the Department of Transportation, working with other elements of the Department, will consolidate and focus our efforts to develop and employ the most modern transportation technology in the solution of the transportation problems of our cities.

The reorganization plan provides for an Administrator at the head of the Administration who would be appointed by the President, by and with the advice and consent of the Senate. The Administrator would report directly to the Secretary of Transportation and take his place in the Department with the heads of the Federal Aviation Administration, Federal Highway Administration, Federal Railroad Administration and the Coast Guard.

I have found, after investigation, that each reorganization included in the reorganization plan transmitted herewith is necessary to accomplish one or more of the purposes set forth in sections 901(a) of title 5 of the United States Code.

I have also found that it is necessary to include in the accompanying plan, by reason of these reorganizations, provisions for the appointment and compensation of the new officer specified in section 3(b) of the plan. The rate of compensation fixed for this officer is comparable to those fixed for officers in the Executive Branch of the Government having similar responsibilities.

The reorganizations included in this plan will provide more effective management of transportation programs. It is not feasible to itemize the reduction in expenditures which the plan will achieve, but I have no doubt that this reorganization will preserve and strengthen overall comprehensive planning for developing urban areas while simultaneously insuring more efficient transportation systems for our cities than would otherwise have occurred.

I strongly urge that the Congress allow the reorganization plan to become effective.

LYNDON B. JOHNSON.

THE WHITE HOUSE, February 26, 1968.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1603 of this title.

§ 1609. Labor standards.

(a) Action of Secretary.

The Secretary shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of loans or grants under this chapter shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined

by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The Secretary shall not approve any such loan or grant without first obtaining adequate assurance that required labor standards will be maintained upon the construction work.

(b) Authority of Secretary of Labor.

The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a) of this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267, and section 276c of Title 40.

(c) Interests of employees; protective arrangements; terms and conditions.

It shall be a condition of any assistance under section 1602 of this title that fair and equitable arrangements are made, as determined by the Secretary of Labor, to protect the interests of employees affected by such assistance. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining rights; (3) the protection of individual employees against a worsening of their positions with respect to their employment; (4) assurances of employment to employees of acquired mass transportation systems and priority of reemployment of employees terminated or laid off; and (5) paid training or retraining programs. Such arrangements shall include provisions protecting individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to section 5(2)(f) of this title. The contract for the granting of any such assistance shall specify the terms and conditions of the protective arrangements. (Pub. L. 88-365, § 13, formerly § 10, July 9, 1964, 78 Stat. 307, renumbered and amended Pub. L. 89-562, § 2(a)(1), (b)(2), Sept. 8, 1966, 80 Stat. 715, 716; Pub. L. 90-19, § 20(a), May 25, 1967, 81 Stat. 25.)

REFERENCES IN TEXT

The Davis-Bacon Act, as amended, referred to in subsec. (a), is classified to sections 276a to 276a-5 of Title 40, Public Buildings, Property, and Works.

Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267), referred to in subsec. (b), is set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS

1967—Subsec. (a). Pub. L. 90-19 substituted "Secretary" for "Administrator" wherever appearing.

1966—Subsec. (c). Pub. L. 89-562, § 2(b)(2), substituted "under section 1602 of this title" for "under this chapter".

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under sections 1605 (a), 1607a, and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under sections 1602, 1603, and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the

Secretary of Transportation to make findings and determinations under sections 1602(c) (1), and 1603(a) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1602 of this title and in title 40 section 682.

§ 1610. Environmental protection.

(a) It is hereby declared to be the national policy that special effort shall be made to preserve the natural beauty of the countryside, public park and recreation lands, wildlife and waterfowl refuges, and important historical and cultural assets, in the planning, designing, and construction of urban mass transportation projects for which Federal assistance is provided pursuant to section 1602 of this title. In implementing this policy the Secretary shall cooperate and consult with the Secretaries of Agriculture, Health, Education, and Welfare, Housing and Urban Development, and Interior, and with the Council on Environmental Quality with regard to each project that may have a substantial impact on the environment.

(b) The Secretary shall review each transcript of hearing submitted pursuant to section 1602(d) of this title to assure that an adequate opportunity was afforded for the presentation of views by all parties with a significant economic, social, or environmental interest, and that the project application includes a detailed statement on—

- (1) the environmental impact of the proposed project,
- (2) any adverse environmental effects which cannot be avoided should the proposal be implemented,
- (3) alternatives to the proposed project, and
- (4) any irreversible and irretrievable impact on the environment which may be involved in the proposed project should it be implemented.

(c) The Secretary shall not approve any application for assistance under section 1602 of this title unless he finds in writing, after a full and complete review of the application and of any hearings held before the State or local public agency pursuant to section 1602(d) of this title, that (1) adequate opportunity was afforded for the presentation of views by all parties with a significant economic, social, or environmental interest, and fair consideration has been given to the preservation and enhancement of the environment and to the interest of the community in which the project is located, and (2) either no adverse environmental effect is likely to result from such project, or there exists no feasible and prudent alternative to such effect and all reasonable steps have been taken to minimize such effect. In any case in which a hearing has not been held before the State or local agency pursuant to section 1602(d) of this title, or in which the Secretary determines that the record of hearings before the State or local public agency is inadequate to permit him to make the findings required under the preceding sentence, he shall conduct hearings, after giving adequate notice to interested persons, on any environmental issues raised by such application.

Findings of the Secretary under this subsection shall be made a matter of public record. (Pub. L. 88-365, § 14, formerly § 11, July 9, 1964, 78 Stat. 308, renumbered Pub. L. 89-562, § 2(a) (1), Sept. 8, 1966, 80 Stat. 715, and amended Pub. L. 90-19, § 20(a), May 25, 1967, 81 Stat. 25; Pub. L. 91-453, § 6, Oct. 15, 1970, 84 Stat. 966.)

AMENDMENTS

1970—Pub. L. 91-453 broadened the existing air pollution control requirement that in planning, designing, and constructing mass transportation projects financed under this chapter, special effort be made to preserve the natural beauty of the physical environment and important historical and cultural assets, and required the Secretary, in carrying out this policy, to cooperate and consult with the Secretaries of Agriculture, Health, Education, and Welfare, Housing and Urban Development, and Interior and with the Council on Environmental Quality, with regard to each project that may have a substantial impact on the environment, and to provide a fair opportunity for the presentation of views on the impact of the proposed project on the environment, and to make a finding that no adverse environmental effect is likely to result from the project, or that there is no feasible and prudent alternative to it.

1967—Pub. L. 90-19 substituted "Secretary" for "Administrator."

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under sections 1605(a), 1607a, and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under sections 1602, 1603, and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the Secretary of Transportation to make findings and determinations under sections 1602(c) (1), 1603(a) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

§ 1611. Limitation on grants within one State.

Grants made under section 1602 of this title (other than for relocation payments in accordance with section 1606(b) of this title) before July 1, 1970, for projects in any one State shall not exceed in the aggregate 12½ per centum of the aggregate amount of grant funds authorized to be appropriated pursuant to section 1603(b) of this title; except that the Secretary may, without regard to such limitation, enter into contracts for grants under section 1602 of this title aggregating not to exceed \$12,500,000 (subject to the total authorization provided in section 1603(b) of this title) with local public bodies and agencies in States where more than two-thirds of the maximum grants permitted in the respective State under this section has been obligated. Grants made under section 1602 of this title on or after July 1, 1970, for projects in any one State may not exceed in the aggregate 12½ per centum of the aggregate amount of funds authorized to be obligated under section 1603(c) of this title, except that 15 per centum of the aggregate amount of grant funds authorized to be obligated under section 1603(c) of this title may be used by the Secretary, without regard to this limitation, for grants in States where more

than two-thirds of the maximum amounts permitted under this section has been obligated. In computing State limitations under this section, grants for relocation payments shall be excluded. Any grant made under section 1602 of this title to a local public body or agency in a major metropolitan area which is used in whole or in part to provide or improve urban mass transportation service, pursuant to an interstate compact approved by the Congress, in a neighboring State having within its boundaries population centers within normal commuting distance from such major metropolitan area, shall, for purposes of computing State limitations under this section, be allocated on an equitable basis, in accordance with regulations prescribed by the Secretary, between the State in which such public body or agency is situated and such neighboring State. (Pub. L. 88-365, § 15, formerly § 12, July 9, 1964, 78 Stat. 308, renumbered and amended Pub. L. 89-562, §§ 2(a)(1), 4, Sept. 8, 1966, 80 Stat. 715, 717; Pub. L. 91-453, § 7, Oct. 15, 1970, 84 Stat. 967.)

AMENDMENTS

1970—Pub. L. 91-453 added provision that capital grants made on or after July 1, 1970, under section 1602 of this title, for projects in any one State, may not exceed in the aggregate 12½ percent of the aggregate amount of funds authorized to be obligated under section 1603(c) of this title, except that 15 percent of the aggregate amount of the funds authorized to be obligated under section 1603(c) of this title may be used by the Secretary, without regard to the 12½ percent limitation, for grants in States where more than two-thirds of the funds available under the 12½ percent limitation had been obligated and that in the computation of State limitations, grants for relocation payments were to be excluded, and further provided for an equitable distribution of grants made under section 1602 of this title when the project is in pursuance of a specified interstate compact.

1966—Pub. L. 89-562, § 4, added a proviso authorizing the Secretary, without regard to the 12½ per centum limitation, to enter into contracts for grants under section 1602 of this title aggregating not to exceed \$12,500,000 with local public bodies and agencies in states where more than two-thirds of the maximum grants permitted in the respective states had been obligated.

TRANSFER OF FUNCTIONS

Transfer to the Secretary of Transportation of functions of the Department of Housing and Urban Development and of the Secretary of Housing and Urban Development under this chapter, except the authority to make grants for or undertake projects or activities under sections 1605(a), 1607a, and 1607c of this title as primarily concern the relationship of urban transportation systems to the comprehensive planned development of urban areas or the role of transportation planning in overall urban planning and the functions under sections 1602, 1603, and 1604 of this title required to enable the Secretary of Housing and Urban Development to advise and assist the Secretary of Transportation to make findings and determinations under sections 1602(c)(1), 1603(a) and 1604 of this title and to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 1603(a) of this title, see Reorg. Plan No. 2 of 1968, eff. June 30, 1968, 33 F.R. 6965, 82 Stat. 1369, set out as a note under section 1608 of this title.

§ 1612. Planning and design of mass transportation facilities to meet special needs of the elderly and the handicapped.

(a) Congressional declaration of policy.

It is hereby declared to be the national policy that elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services; that special efforts shall be made in the planning and design of mass transportation

facilities and services so that the availability to elderly and handicapped persons of mass transportation which they can effectively utilize will be assured; and that all Federal programs offering assistance in the field of mass transportation (including the programs under this chapter) should contain provisions implementing this policy.

(b) Grants and loans for special projects to meet the needs of elderly and handicapped persons.

In addition to the grants and loans otherwise provided for under this chapter, the Secretary is authorized to make grants or loans for the specific purpose of assisting States and local public bodies and agencies thereof in providing mass transportation services which are planned, designed, and carried out so as to meet the special needs of elderly and handicapped persons. Grants and loans made under the preceding sentence shall be subject to all of the terms, conditions, requirements, and provisions applicable to grants and loans made under section 1602(a) of this title, and shall be considered for the purposes of all other laws to have been made under such section. Of the total amount of the obligations which the Secretary is authorized to incur on behalf of the United States under the first sentence of section 1603(a) of this title, 1½ per centum may be set aside and used exclusively to finance the programs and activities authorized by this subsection (including administrative costs).

(c) Financing of research, development and demonstration projects.

Of any amounts made available to finance research, development, and demonstration projects under section 1605 of this title after October 15, 1970, 1½ per centum may be set aside and used exclusively to increase the information and technology which is available to provide improved transportation facilities and services planned and designed to meet the special needs of elderly and handicapped persons.

(d) Definition.

For purposes of this chapter, the term "handicapped person" means any individual who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, is unable without special facilities or special planning or design to utilize mass transportation facilities and services as effectively as persons who are not so affected. (Pub. L. 88-365, § 16, as added Pub. L. 91-453, § 8, Oct. 15, 1970, 84 Stat. 967.)

Chapter 22.—HIGH-SPEED GROUND TRANSPORTATION

Sec.

- 1631. Research and development.
- 1632. Demonstrations.
- 1633. Limitation of research and development or demonstrations to particular mode of transportation.
- 1634. Collection and collation of transportation data.
- 1635. Advisory committee; establishment; composition; appointment; duties.
- 1636. Protective arrangements for common carrier employees; labor standards.
- 1637. Authority of Secretary.
- 1638. Contracts with public or private agencies; appointment of personnel; procurement of services.