

HOUSE No. 2286

The Commonwealth of Massachusetts

EXECUTIVE DEPARTMENT,
STATE HOUSE, BOSTON, January 19, 1954.

To the Honorable Senate and House of Representatives:

In my Annual Message, I referred to requirements of law that fixed charges for bond interest and retirement and certain rentals are to be considered elements of cost in the establishment of fares by the Metropolitan Transit Authority. I emphasized the fact that existing fares are inadequate to support the system, and I expressed to you also the opinion that fares which are too high simply reduce the volume of travel and place an added burden on those who can least afford it.

I, therefore, recommend that the law be amended so that these fixed charges will be eliminated as elements of the cost on which fares are based, and I transmit herewith a bill which reflects that recommendation in the hope that your action upon it may be favorable.

Respectfully submitted,

CHRISTIAN A. HERTER,
Governor of the Commonwealth.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Four.

AN ACT RELATIVE TO FIXING RATES OF FARES AND CHARGES FOR SERVICE OF THE METROPOLITAN TRANSIT AUTHORITY.

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

1 SECTION 1. Chapter 544 of the acts of 1947 is
2 hereby amended by striking out in section 11 thereof
3 the first paragraph and inserting in its place the
4 following: —

5 The trustees, subject to the approval of the de-
6 partment, shall from time to time fix such rates of
7 fare and charges for service furnished or operated as
8 in their judgment are best adapted to insure sufficient
9 income to meet the cost of the service, as hereinafter
10 defined; provided, however, that after February,
11 nineteen hundred and fifty-four, the trustees, subject
12 to approval of the department, shall from time to
13 time fix such rates of fare and charges for service
14 furnished or operated as in their judgment will pro-
15 vide sufficient income to meet that portion of the cost
16 of the service which is determined by excluding from
17 the entire cost of the service the following: (1) pay-
18 ments of interest and payments in reduction of prin-
19 cipal on the bond of the authority issued to the dis-
20 trict under section seven A; (2) payments of interest
21 on the bond of the authority executed and delivered
22 to the district under paragraph (c) of section eight A
23 and payments of all sums payable by the authority on
24 its note executed and delivered to the district under
25 said paragraph (c); (3) payments of interest (with
26 credit or charge, if any, for amortization of premium,

27 discount and expense) and payments of principal on
28 bonds and notes of the authority issued to the dis-
29 trict under section twenty-two; (4) payments of in-
30 terest (with credit or charge, if any, for amortization
31 of premium, discount and expense) on all bonds of
32 the authority issued to the district under paragraph
33 (*j*) of section eight A and under section six of chapter
34 six hundred and forty-nine of the acts of nineteen
35 hundred and forty-nine; (5) payments of rentals and
36 other charges under leases or contracts for use of
37 subway and rapid transit facilities owned by the com-
38 monwealth.

1 SECTION 2. This act shall take effect upon its
2 passage.

