



April 8, 2013

The Honorable Robert A. DeLeo, Speaker of the House
The Honorable Brian S. Dempsey, Chairman of the House Committee on Ways and Means
The Honorable William M. Straus, Co-Chair of the Joint Committee on Transportation
State House
Boston, MA 02133

Gentlemen:

Thank you for bringing forward H3382, which, if enacted, will move us substantially in the direction of a more sustainable transportation system in Massachusetts. Hard work has gone into this proposal, and we appreciate both the substantive and political challenges facing any bill that seeks to raise revenue in the current climate.

Resolving the MBTA's deficit for FY2014, forward funding the RTAs, and ending the practice of borrowing money to cover MassDOT's operating costs are strong reforms that go in the right direction. In our opinion, H3382 has two major weaknesses which we hope you will use the amendment process to address:

- 1) The bill would probably result in significant fare, toll, and fee increases in FY2016 and beyond – hikes well beyond what might be considered reasonable. While it might be tempting to delay confronting that problem for a few years, it would be better to resolve it now. This could be resolved by directing a modest amount of additional revenue into the Commonwealth Transportation Fund from a number of possible sources, such as:
 - a) the Underground Storage Tank (UST) Fund (Amendment #82);
 - b) the tolls on the Western portion of the MassPike (Amendment #98);
 - c) funds generated by some of the revenue raising steps included in H3382, but not yet assigned to transportation (Amendment #83); and/or
 - d) a second, modest hike in the gas tax in FY2016 (say, another 3 cents), eliminating the need for a second vote at that time.

- 2) The bill provides limited revenue to pay debt service for major capital projects, some of which would improve the current system and help with the system's state of good repair, and some of which would provide for modest expansions. This could be addressed in part by some of the same steps listed above, any one of which would increase long-term funding available to pay debt service, but the following steps would also help:
 - a) adopting a process for municipal or regional ballot initiatives to raise local funds for transportation improvements or expansions (Amendment #74);
 - b) hard-wiring the funding for the Green Line Extension (GLX). GLX is not only an excellent project that would reduce congestion, improve air quality, and generate economic

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development, but it is also a commitment mandated by the State Implementation Plan under the Clean Air Act, which is enforceable under federal law. We must maximize the state's potential to qualify for approximately \$500 million in federal New Starts money, or the Commonwealth will be forced to pay for the entire project, inevitably delaying other worthy projects throughout the state. One way to do this would be to dedicate the surplus funds from the Underground Storage Tank Fund, by amending and adopting amendment #82. Specific language follows:

Section 4 of Chapter 21J of the general laws, as appearing in the official edition, is hereby amended by inserting the following after paragraph (d):-

*(e) Notwithstanding any other subsections this chapter or any other applicable general or special law, the treasurer shall at the conclusion of each fiscal year beginning at the conclusion of fiscal year 2013, determine whether monies collected are deemed to be excess to the purposes outlined in chapter 21J and shall, no later than September 1, transfer all such excess amounts into the Commonwealth Transportation Fund established in section 2ZZZ of chapter 29. **Monies in the Commonwealth Transportation Fund shall first be dedicated for debt service on capital projects, either in design, construction, or completed, that are legal commitments of the commonwealth, included in the state implementation plan, and eligible for additional federal funds.***

Another way to do this would be to adopt Amendment #89, which mandates the construction of GLX, although it does not attach that commitment to specific funds.

We also support Amendment #32 which would ensure, in statute, a floor of \$80 million, plus inflation, for operating assistance for RTAs, consistent with the plan released by the Joint Ways and Means Committee last week.

Finally, the amendments include several items which are worthy of further study, if the Legislature does not enact them at this time. These include congestion tolling (Amendment #100), establishment of a "green fee" (Amendment #93), and high occupancy toll lanes (Amendment #94). We respectfully submit some language to further evaluate all of these issues:

The bill is hereby amended by adding at the end thereof the following section:-

Section XX. The Massachusetts Department of Transportation shall study, in consultation with the executive office for administration and finance, regional planning agencies, and any other relevant agencies, the feasibility of and amount of potential new revenue that would be raised by the methods, including, but not limited to: congestion fees on the Commonwealth's major roadways that correspond to the level of traffic, whereby higher fees shall be charged and collected at times when there is a higher volume of traffic and lower fees shall be charged and collected at times when there is a lower volume of traffic; a so-called green fee program administered by the registrar of motor vehicles, whereby fees would be assessed based on the relative fuel efficiency of the vehicle or vehicle type; high occupancy toll lanes, whereby motorists not meeting the occupancy criteria of high occupancy toll lanes would be able to access said lanes for a fee; and a vehicle miles traveled fee, whereby motorists would be assessed a fee based on vehicle miles traveled, which would be calculated from an on-board transponder or by yearly odometer readings. Said study shall be filed with clerks of the house of representatives and the senate, the president of the senate, the speaker of the house of representatives, and the chairs of the joint committee on transportation no later than January 1, 2014.

We recognize the Legislature's desire to design a bill that is somewhat less expansive than the Governor's, but we hope you will remember that various organizations (including MAPC) have studied this problem and found needs in excess of \$800 million per year. We strongly encourage all parties in both the Legislative and Executive branches to continue to keep an open mind and to discuss all options for compromise. The worst thing would be to end up with no bill at all.

MAPC remains available to you throughout your deliberations on H3382. Feel free to contact me at mdraisen@mapc.org or 617-721-7249. Again, thank you for your efforts.

Sincerely,

A handwritten signature in black ink, appearing to read "Marc D. Draisen". The signature is fluid and cursive, with a long horizontal stroke at the end.

Marc D. Draisen
Executive Director