

HOW TO USE

Funds Disbursed to Cities and Towns by the Transportation Network Company Division of the Department of Public Utilities

This fact sheet summarizes important information regarding the use of funds disbursed to cities and towns by the Transportation Network Company Division (the “TNC Division”) of the Department of Public Utilities.

BACKGROUND

Cities and towns have received funds from the Commonwealth through a state assessment on transportation network companies, such as Uber and Lyft, operating in the Commonwealth in 2018. As required per state statute¹, each transportation network company has submitted to the TNC Division the number of rides that originated within each city or town and a per-ride assessment of \$0.20, which has been credited to a Transportation Infrastructure Enhancement Fund. One-half of the amount received from the Transportation Infrastructure Enhancement Fund has been distributed proportionately to each city and town based on the number of rides that originated in that city or town. Cities and towns will receive these funds on an annual basis.

WHAT CAN THE FUNDS BE USED FOR?

The funds must be used “to address the impact of transportation network services on municipal roads, bridges and other transportation infrastructure or any other public purpose substantially related to the operation of transportation network services in the city or town including, but not limited to, the complete streets program established in [G.L. c. 90I, § 1] and other programs that support alternative modes of transportation.” St. 2016, c. 187, § 8(c)(i).

The distributed funds are special revenue, which require appropriation prior to use. Accordingly, each municipality must establish a separate receipts reserved for appropriation account for this distribution and credit the money received to that account. To use the money for any allowable purpose, the legislative body must appropriate from available funds in that account.

The TNC Division and Division of Local Services of the Department of Revenue are working jointly to assist municipalities with questions regarding fund distribution. As such, the Division of Local Services has issued a Local Finance Opinion ([LFO-2018-1](#)) for municipal guidance in order to facilitate this effort.

Questions regarding municipal finance and use or proposed use of fund disbursement should be directed to the Division of Local Services by contacting your Bureau of Accounts’ field representative.

REPORTING REQUIREMENTS

Communities receiving funds are required to submit a spending report to the Department of Public Utilities’ Transportation Network Company Division by December 31, 2019, detailing the projects and the amount used or planned to be used for projects in accordance with St. 2016, c. 187, § 8(c)(i). The spending report must be submitted regardless of the amount received by each city or town.

The spending report must be completed and signed by a designated and duly authorized municipal official. Fill out the 2018 Municipal Assessment Reporting Form here: <https://www.mass.gov/forms/2018-municipal-assessment-reporting-form>.

Questions regarding the Spending Report should be directed to the TNC Division at: 617-305-3569.

The TNC Division is required to compile the reports and post the projects and amounts on its website, located at <https://www.mass.gov/orgs/department-of-public-utilities-transportation-network-company-division>.

¹ Chapter 187 of the Acts of 2016 – An Act Regulating Transportation Network Companies.