

Why do we need more state transportation revenue?

Massachusetts is facing a transportation crisis. Our transportation system does not have sufficient funds to address current and future needs. Residents are burdened by congested roads, crumbling bridges, rising greenhouse gas emissions, underfunded public transportation, and a lack of connected walking and biking options. We need bold policy solutions to raise revenue to address our failing, inequitable transportation system.

How much revenue is needed to close the funding gap?

Estimates vary, but advocates, legislators, and other stakeholders agree the gap must be filled. The Transportation Table (T3) outlines a need for \$3.25 billion annually for the next five years, at minimum. A Better City calls for raising \$50 billion over the next 20 years.

How much revenue will proposed policies bring in? What is the timeline for generating revenue?

In order to fill the funding gap, we will need a mix of policies that generate revenue in both the short-term and long-term.

Short-term (by 2021):

- Increase the state gas tax (potential annual yield: up to \$820M for a 25-cent increase)
- Enact fees on Uber/Lyft rides (potential annual yield: up to \$100M)

Longer term (three or more years):

- Implement congestion pricing to improve commutes and provide more transit options
- Advance the Transportation Climate Initiative to reduce greenhouse gas emissions
- Pass regional ballot initiatives to encourage local/regional transportation innovations
- Pass the Fair Share Amendment to ensure corporations pay their fair share for transportation investments

How should the additional revenue be invested?

In the short-term, we need to invest resources in reaching a State of Good Repair for the MBTA and our roads and bridges. A Better City estimates we are facing an \$8.4 billion funding gap over the next ten years for State of Good Repair needs.¹

In the longer term, additional revenue will help (1) expand system capacity to accommodate a growing population and (2) build a 21st century, statewide transportation system that will be accessible, reliable, decarbonized, and resilient. Some critical projects to reach these goals include:

- Electrified, Regional Rail
- Expanding Regional Transit Authority service across the state

¹ "An Update on Transportation Finance - A Better City." February 2019, <https://www.abettercity.org/assets/images/ABC%20-%20An%20Update%20on%20Transportation%20Finance%202019.pdf>.

- West Station/ I-90 Allston Interchange
- MBTA Red/Blue Connector
- East-West Rail
- MassDOT/MBTA resiliency

How can we ensure these investments benefit people with the greatest need?

It is important that revenue is invested in people and communities with the greatest need across Massachusetts, and that the potential negative impacts on low-income people are mitigated. This includes the following policies:

1. Improve MBTA and RTA service by increasing funding for operations:
 - For the MBTA, increased investment would allow the agency to hire more bus drivers, allowing for more frequent service, and improve safety standards per the recent [Safety Review Panel](#) report
 - For RTAs, increased investment would provide additional service, including evenings and weekends

2. Make transit more affordable across the state:
 - Make local bus fares free for the MBTA and RTAs
 - For RTAs, estimates place the cost of making fares free at \$22M
 - For the MBTA, estimates start at \$36M
 - Provide reduced fares for low-income riders of all public transit

3. Raise the Earned Income Tax Credit to protect low-income families from cost increases

Do you want to learn more about transportation funding needs? Please see the following resources:

1. *Five Recommendations to Make Our Move on Transportation*. The Transportation Table (T3), November 2019.
<https://medium.com/@thetransportationtable/five-recommendations-to-make-our-move-on-transportation-c0eb00b7f67b>
2. *Funding Transportation Solutions*. A Better City, November 2019.
https://www.abettercity.org/assets/images/ABC_Funding_Transportation_Solutions_November_2019II.pdf
3. *64 Hours: Closing the Bus Equity Gap*. LivableStreets Alliance, September 2019.
https://www.livablestreets.info/64_hours_report
4. *Choices for Stewardship: Recommendations to Meet the Transportation Future*. Commission on the Future of Transportation in the Commonwealth, December 2018.
<https://www.mass.gov/orgs/commission-on-the-future-of-transportation>
5. *Research: Corporate Fair Share for Transportation*. Green Justice Coalition, January 2020.
<http://greenjusticecoalition.org/2020/01/15/corporate-fair-share-for-transportation/>