

Policies and Progress for Massachusetts's Transportation System

The Commonwealth's long-simmering transportation crisis came to a boil last week, with two MBTA derailments and gridlocked streets drawing national attention. Our state's leaders have urgent and consequential problems to solve, including, but not limited to:

- Our roads and bridges statewide are not sufficiently maintained, and public transportation in all regions of the state is unreliable, unsafe, and inadequate
- Our transportation sector is the largest source of both greenhouse-gas emissions and air pollution that causes asthma, heart disease, cancer, and low birthweights
- Our roadway congestion is the worst in the country
- Our municipalities do not have the tools needed to make meaningful investments in important local and regional transportation projects
- Our transportation policies are not keeping up as technology and new business models change the way people get around

The Fair Share Amendment holds tremendous promise for raising revenue for transportation needs. T4MA supports the measure and its continued momentum through the legislative process and its eventual placement on the ballot in 2022.

But we cannot wait until 2022 to see meaningful improvements in the Commonwealth's transportation system. The Transportation for Massachusetts coalition believes that the package of policies detailed below has the potential to turn some of the Commonwealth's most pressing transportation problems into opportunities for progress statewide in the next 12 months.

Our transportation challenges will not be solved with a silver bullet. Because the problems and needs facing our transportation system are diverse, they require the adoption of a diverse set of policies that match each challenge. Fortunately, T4MA's proposed policies are mutually reinforcing of better transportation outcomes for people across the state. For example, smoother commutes for drivers through the utilization of congestion pricing will also reduce greenhouse gas emissions and local air pollution. Updating TNC (Uber/Lyft) regulations will also reduce roadway congestion, especially within 128, where most TNC rides originate.

Each of these policies must be implemented in ways that promote socioeconomic, racial, environmental, and geographic equity -- a standard that many of the state's current policies fail to meet. In particular, these policies should be paired with programs that mitigate cost increases for low-income households, using tools such as exemptions and credits; and new revenue should be focused on investments in rural, suburban, and urban communities that provide households with lower-cost transportation options.

Achieving the transportation system that we need and deserve requires more than just concrete, steel, asphalt, and signal systems. It depends also on the decisions of policymakers and the millions of choices that the people of Massachusetts make each day about whether, how, where, and when to move around the state. To create better public-health, environmental, economic, and quality-of-life outcomes for all who use -- or are impacted by -- our transportation system, we need to construct the right set of incentives that influence these choices. Implementing the policies described below will lead to real and immediate progress for transportation in Massachusetts.

Problem: Roads and bridges across Massachusetts are in poor condition. State transportation funding for cities and towns to maintain local roads (Chapter 90) has been flat, while construction costs climb. The MBTA and regional transit authorities (RTAs) that provide bus service across the Commonwealth need more financial support to provide consistent, reliable high-quality service -- currently, many areas of the state lack seven-day service and some lack any transit service at all. The gas tax should be a bedrock funding source for transportation, but Massachusetts has raised it a total of just three cents per gallon since 1991. Our gas tax ranks below 30 other states, and is 20 to 25 cents per gallon lower than that of other large, coastal, economically diverse states such as California, Pennsylvania, Washington, and New York.

Policy: Raise the gas tax by \$0.25 per gallon.

Progress: Increasing the gas tax by a quarter per gallon would raise approximately \$750 million per year to be invested in our roads, bridges, and transit systems statewide. This money, which is constitutionally protected for transportation, will go to fix potholes, repair bridges, and invest in a transportation system that works for our economy, our communities, and residents from Pittsfield to Provincetown. These resources should be used to increase funding for Chapter 90 aid and the Commonwealth's Complete Streets program. One penny of this quarter increase should be used to roll-back the July 1st fare hikes on the MBTA, and three pennies should be dedicated to fund Regional Transit Authorities across the state.

Problem: Transportation is the largest source of greenhouse-gas emissions (over 40%) in Massachusetts. Tailpipe exhaust also contributes to local air pollutants that cause asthma and respiratory diseases, which disproportionately impact low-income communities and communities of color, including neighborhoods in Boston and Gateway Cities such as Springfield, Holyoke, Worcester, Lowell, New Bedford, and Fall River.

Policy: Advance and adopt the Transportation & Climate Initiative. This market-based program would cap emissions from transportation and invest revenues into cleaner transportation options, increasing access for those who need it most.

Progress: Inspired by an existing regional model, the Regional Greenhouse Gas Initiative (RGGI), TCI will allow us to bend the curve on transportation emissions so that they begin to decline rather than continuing to increase. It will also allow the Commonwealth to invest in clean transportation options, including providing rebates and incentives for cleaner vehicles for residents through the creation of a robust "Mass Save for Vehicles" program, modeled on the successful "Mass Save" program that has helped Massachusetts become the most energy-efficient state in the country.

Problem: Greater Boston was recently named the most congested region in the United States. The average driver in Greater Boston wastes \$2,200 per year sitting in traffic, through lost wages, increased fuel costs, and the higher costs of consumer goods. Of the ten largest metropolitan areas in the country, Greater Boston is the only one that does not use some form of time-of-day or variable pricing on its tolled roads. Seattle, Los Angeles, Washington, D.C., and other competitor regions all

use sophisticated tolling policies to reduce congestion on key commuting corridors. Massachusetts' drivers deserve the same experience.

Policy: Implement congestion pricing on all limited-access highways within 128 (including I-93 and I-90 and parts of Route 1, Route 1A, and Route 2). Use resources generated from this policy to invest in significantly enhanced rail service and regional and local bus service, as has been done in other peer regions that have implemented road pricing.

Progress: The Federal Highway Administration has said that, "There is a consensus among economists that congestion pricing represents the single most viable and sustainable approach to reducing traffic congestion." With a congestion-pricing policy, Greater Boston's roads will work better for all drivers and bus riders, who are being failed by our worst-in-the-nation status. Revenues from congestion pricing should be invested in dramatically improved rail and bus service on existing routes, and the expansion of new routes that serve important regional nodes.

Problem: Across the country, one of the core ways that cities, towns, regions, and counties raise funds to invest in transportation is by ballot initiatives. Unfortunately, this is not allowed under state law in the Commonwealth. Another way that localities across the country commonly invest in transportation is through value capture, which uses expected increases in property values to fund capital projects, but this is done rarely in Massachusetts. Additionally, there is a movement both on the federal and state levels to require more local matching funds, and there are currently limited ways for this money to be raised.

Policy: Enable cities and towns to adopt Regional Ballot Initiatives and Value Capture.

Progress: With Regional Ballot Initiative and Value Capture, cities, towns, and regions would have more control over their transportation destinies, allowing for investment in transportation projects that may not otherwise be possible. Transportation investments would more closely align with the interests of voters, who would have more direct say over what does and does not get built.

Problem: Our transportation policies are not keeping up as technology changes the way that people get around. Massachusetts' TNC (Uber/Lyft) regulations have quickly become outdated, and need to be reconsidered to reflect the 80 million TNC trips now taken each year statewide. As the use of services such as Uber and Lyft has rapidly grown, the low \$0.20 flat fee per ride has not kept pace, and does nothing to incentivize shared rides. Since enactment of the 2016 Massachusetts TNC law, many cities and states in other parts of the country have passed laws with significantly higher fees.

Policy: Update TNC regulations, including increasing the fee to 6.25% of the total cost of the ride for solo rides and 4.25% for shared rides. Enable a local option for communities in the MBTA core service area to raise an additional fee.

Progress: Updating TNC regulations would bring in additional revenue to be spent on transportation investments and incentivize shared rides, while providing municipalities with an additional tool for raising transportation revenue.