Working Toward A Progressive Policy Package

Recently, we released “Policies and Progress for Massachusetts’s Transportation System,” a set of five policies that we urge lawmakers to adopt during the 2019-2020 legislative session. We asked that these policies be “implemented in ways that promote socioeconomic, racial, environmental, and geographic equity…[and] be paired with programs that mitigate cost increases for low-income households, using tools such as exemptions and credits.” We also reiterated our support of the Fair Share Amendment, a constitutional amendment which would raise revenue in a progressive way that is dedicated to transportation and education.

This document is intended to add detail to that aim and complement the five policies document.

Today’s transportation system is inequitable: congested roads and rising emissions, underfunded public transportation, and a lack of cohesive and connected walking and biking options have contributed to worsening air quality and deepening social inequities. Emissions, congestion, and other transportation problems are experienced along the lines of other social inequalities of where and how people live and work, and patterns of investments in particular projects and modes can either worsen or help to rectify inequalities among different groups or communities. Lack of affordable housing is another way that transportation has become inequitable, and the two issues are closely linked. Fees and taxes assessed on users can help fix these inequities. But they risk being a regressive revenue source that worsen inequality if not counterbalanced with other measures and unless spending is dedicated strategically to benefit low-income households and communities. Overall, transportation policy changes should:

- **mitigate price increases** on low-income households. At minimum, new policies shouldn’t disproportionately raise costs on low-income households, and the net effect of new policies should result in an improvement in their lives through better transportation, stronger economic outcomes, and cleaner air quality.
- **ensure new revenues are spent progressively** by investing in environmental justice communities and underserved and overburdened communities, such as expanding RTA service and implementing low-income transit fares.
- **target emissions reductions and air quality improvements**, especially in communities that need it the most, such as those with with high asthma rates and low income levels. Steps include making new and existing transportation options affordable, reliable, and convenient; shifting more single occupancy vehicle trips to other transportation modes; and accelerating investment in rural broadband.

Policy: **Increase the State Gas Tax by 25¢ / Gallon**

Making it More Progressive:
- Increase the state match of the Earned Income Tax Credit, which would increase the effective income of low-income households and make our tax code more progressive. Also, explore expanding other progressive programs such as the Senior Circuit Breaker Tax Credit.
● Invest new gas tax revenue progressively:
  ○ dedicate a portion of new revenue to: increase service and capacity on the MBTA with a focus on serving low-income communities, with regular assessments and tracking; increase service and capacity on RTAs, with at least three cents of the increase; make service better and healthier through bus lanes and electrified fleets; fund low-income fares and pilot free fares on public transportation, with at minimum one cent of the increase used to roll back the 2019 fare increase
  ○ pursue programs to make electric vehicles more affordable to low-income households
  ○ change MassDOT and MBTA project selection criteria to be more targeted toward historically underinvested communities and to mitigate transportation-based health disparities

Policy: **Advance and Adopt a Robust and Equitable Transportation & Climate Initiative**

Making it More Progressive: The program design and investment decisions currently being deliberated will be crucial to the success of a potentially transformative transportation and environmental policy. A TCI cap-and-invest program could mean prices increase at the pump (while still being near historical lows on an inflation adjusted basis). T4MA will support and prioritize the important and ongoing work to make the TCI policy more equitable at the regional level as well as at the state level, collaborating with state officials, and transportation and community leaders. One avenue for this work is through co-leadership of the “TCI Table,” which is bringing together a broad range of stakeholders and experts to discuss and explore important issues including equity. T4MA will wait on recommendations as the MA TCI Table continues to convene. But policymakers could consider:
  ● Committing and dedicating TCI funds to investments in underserved and overburdened communities
  ● Dedicating TCI funds to MBTA + RTA transit services statewide
  ● Developing a “MassSave for Vehicles”, with specific programs for low-income families who want to switch to more efficient vehicles
  ● Address the lack of opportunities for active transportation due to unsafe walking and biking conditions in many neighborhoods throughout the Commonwealth.

Policy: **Congestion Pricing on Highways Within Route 128**

Making it More Progressive:
Institute a low-income toll program of lower prices or rebates for affected low-income households to mitigate toll increases
  ● Explore multi-modal transportation credits
  ● Invest congestion pricing revenue progressively in the corridor or region in which the tolls are collected. Examples include:
    ○ funding low-income fares and piloting free fares on public transportation
    ○ improving service, quality, and capacity on public transportation specifically targeted to low-income communities, including new options for high-frequency and affordable options along highway corridors
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  - funding low-income fares and piloting free fares on public transportation
  - improving service, quality, and capacity on public transportation specifically targeted to low-income communities, including new options for high-frequency and affordable options along highway corridors
  - strategically targeting investments that benefit low-income households with more and better transportation options and less air pollution

Policy: **Pass Regional Ballot Initiatives & Value Capture**

Making it More Progressive: The progressivity of these initiatives both on the revenue-raising side and the investment side will largely be determined at the local and regional levels when individual ballot initiatives or value capture agreements are pursued. The state could provide a match to these tools that builds in racial and socioeconomic equity as criteria for the level of match.

Policy: **Enact 6.25% Fee on Uber/Lyft Trips, with Discount for Shared Rides**

Making it More Progressive: Due to a lack of public transit options in the early morning, late night, and weekends for many transit-dependent communities, this has led to a high usage of TNCs by low-income households. At the same time, there is evidence that TNCs are used more frequently by people with higher-incomes. TNCs are the source of additional congestion on our roads, which disproportionately impacts air quality in some of our lowest-income neighborhoods. With the proceeds of the fee, the state should prioritize filling critical gaps that TNCs are currently filling with public transportation.