

CEOs, civic group urge action on transit in Mass.

By Eric Moskowitz and Noah Bierman | Globe Staff January 13, 2013



Transportation is “one of the most important ingredients” to success, says CEO John Fish

Leaders of many of the state’s largest employers and a civic-minded nonprofit are urging Beacon Hill to act boldly on transportation, warning that failure to invest substantially in the Commonwealth’s aging highway and transit network would have a sweeping economic impact.

A study commissioned by a CEO round table and the Boston Foundation estimates that the cumulative economic drain of reduced productivity, lost time, vehicle damage, freight delays, and other costs associated with failing to repair the state’s cramped and crumbling highways could total \$26 billion by 2030.

The group endorses investment in transit as well as highways, and the cost of inaction would almost certainly be higher if the MBTA and other regional bus systems were allowed to continue to erode — forcing more transit riders onto the highways — but those costs are difficult to quantify with the same precision, the report’s lead author said.

But every dollar the state spends on transportation infrastructure yields \$2.04 in immediate activity for the state economy, according to the report, through materials purchases and spending by construction workers who are employed. That’s before the longer-term benefits of that highway or transit project even kick in.

The study makes the case for investment just as Governor -Deval Patrick is preparing a roadmap for spending as much as \$13 billion more over the next decade to repair and enhance the state’s aging transportation systems, lending Patrick some influential allies from beyond the cadre of planners, environmentalists, academics, and other advocates who consistently weigh in to support transportation investment.

“This is potentially going to be a bold initiative — I hope that it is,” said John Fish, founder and chief executive of Suffolk Construction and chairman of the Massachusetts Competitive Partnership, an organization of 15 prominent chief executives. “The business community really needs to take a hard look at this and understand that if we really want to be the best state in the union, this has to be a priority.”

Lawmakers, transportation advocates, and civic and business leaders view the new legislative session as a rare opportunity to address the state’s backlog of needed repairs to deteriorating roads, bridges, and transit systems and put annual highway and transit operations on sound financial footing. But a difficult debate looms over what taxes or fees to raise, and how much.

On Monday, Transportation Secretary Richard A. Davey is expected to deliver a report ordered by the Legislature tallying the cost of all of those long-deferred repairs and replacements, as well as strategic investments in perennially postponed projects, such as restoration of commuter rail routes to Fall River and New Bedford. The report will also contain a menu of possible taxes and fees.

But the administration declined to reveal how it plans to pay for everything until Patrick delivers his State of the Commonwealth address Wednesday, followed by his state budget proposal a week later.

The Massachusetts Competitive Partnership — which includes New England Patriots owner Robert Kraft as well as the chief executives of Fidelity, Raytheon, Staples, and Partners HealthCare — and the Boston Foundation are not weighing in yet on specific taxes or a target amount. They acknowledge that new revenues will be necessary but are letting the administration take the lead.

Instead, they are setting the stage with their “Cost of Doing Nothing” report to warn that inaction or insufficient action could hamper the state’s economic recovery and erode competitiveness. The coalition promotes transportation investment to bolster the whole state, and buoy the middle class from the Berkshires to the Cape.

“This really is the moment to do something significant,” said Paul Grogan, chief executive of the century-old Boston Foundation. “It would be a shame not to seize it and end up kicking the can down the road, as governments everywhere seem to be doing.”

Fish, of Suffolk Construction, called transportation “one of the most important ingredients” for the success of any business, and for the state.

“Time is a commodity we can’t buy any more of,” he said. “We’ve gone on too long without really repairing what we currently have now and putting in a solid strategic plan for the future of how we improve the quality of our transportation systems.”

The Boston Foundation has a history of engaging on -issues such as education, health care, and community development, while the newer CEO group has helped shape policy on issues such as green energy and workforce training. Neither has directly weighed in on transportation before, but each group has become acutely aware of how transportation weaves through those other issues and underpins the economy.

Among the many large and small impacts, consider Greenfield Community College’s new programs to prepare workers for careers in the expanding energy-efficiency/alternative energy fields, said Dan O’Connell, president of the CEO partnership and a former state housing and economic development secretary. To reach the campus, potential students from Springfield without cars must rely on a patchwork of indirect buses and travel two hours each way, he said.

Past debates have sometimes pitted Greater Boston against the rest of the state, and highways against transit. Success this legislative session hinges on making the case statewide and across transportation modes, O’Connell said, recognizing that it’s never easy to raise taxes.

“At a time when resources are tight and the appetite for new revenue at the state level is also tight, we thought that making the case for targeted investment in transportation infrastructure was a case that our group should be associated with,” he said.

The report, prepared by the global infrastructure firm AECOM, will be released in full later this week, but the group shared a 17-page summary with the transportation secretary and the Globe.

Davey said it lends new numbers to a case the administration is already making.

“What the governor’s been saying the last couple years about transportation is that we need to invest in transportation not for transportation’s sake but because it’s the backbone of the economy,” he said, citing as an example the catalyzing effect of \$3 million to improve Westfield-Barnes Regional Airport, which triggered a \$20 million Gulfstream investment in a maintenance hangar that will sustain more than 100 new jobs.

And along the Mystic River, the state’s roughly \$22 million investment in a new Orange Line station at Assembly Square is widely viewed as the linchpin in a \$1.5 billion private redevelopment of the windswept former manufacturing site.

With more revenue, the state could invest in more such projects, as well as necessary repairs, Davey said.

AECOM, which has worked on similar reports for other regions, calculated the cost to the economy of failing to repair and maintain the highway system at \$18 billion to \$26 billion over the next two decades, using a model developed by the Federal Highway Administration and vetted by the US Government Accountability Office. The estimate of the multiplier effect of investing in infrastructure was determined using a Bureau of Economic Analysis model.

Martin Wachs, emeritus professor of planning at the University of California, Los Angeles, said the models are standard and the estimates appear credible and may even be considered conservative, given that they do not include transit.

“I thought the numbers were quite plausible, and not in any way alarmist,” said Wachs, who reviewed the report summary for the Globe. “They were accurate representations of the situation that many [states and regions] face.”

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Patrick pushes for tax hikes to overhaul transit system

Legislative leaders open to call for new funding

By Eric Moskowitz and Michael Levenson | Globe Staff January 14, 2013



Governor Deval Patrick launched a public campaign Monday to win support for raising taxes to repair and reinvigorate the state's beleaguered transportation system, seeking -Beacon Hill approval for \$1.02 billion a year in new or higher taxes and fees dedicated to transportation.

In a sign of a shifting political landscape, legislative leaders -acknowledged that more money is needed to shore up the state's transportation system and that they are open to discussing tax increases, a nonstarter in previous efforts to -address the long-simmering transportation funding crisis.

"We all agree something has to be done," House Speaker Robert A. -DeLeo said, after he and Senate President Therese Murray emerged from an hourlong, closed-door meeting with Patrick.

DeLeo said lawmakers would take a close look at how Patrick wants to spend that money, how much may be raised, and how to raise it.

With that debate looming, Patrick laid out a menu of tax and fee possibilities, but saved his own preferences for Wednesday's State of the Commonwealth address and the proposed budget he will submit to lawmakers next week. Among the menu options were a hike in the gas tax; -increased tolls; and stiffer fees on vehicles that emit more pollution or are driven farther.

Patrick sought to set up the debate by making a case for invest-ment in the name of economic vitality and quality of life, warning that inaction or -insufficient action could prove dire.

"What's as plain as day is we have choices to make," he said. "We can choose to invest in ourselves, to invest in a growth strategy that has proven time and again to work, or we can choose to do nothing. But let's be clear and honest with each other: Choosing to do nothing is a choice, too, and that choice has consequences."

In a presentation earlier in the day at the University of Massachusetts Boston, Patrick unveiled what analysts and -advocates considered perhaps the fullest accounting ever of the state's transportation red ink, coupling plans to balance annual budgets with targeted spending on infrastructure, mostly to fix and modernize highway and transit systems.

The Legislature, which in the past has looked skeptically at higher taxes for transportation while embracing a "reform before revenue" policy, called last June for Patrick to document the system's needs and -explore funding options. The directive came as lawmakers provided a one-time cash infusion to help avoid widespread cuts and larger fare increases than the ones that eventually took effect last summer.

The result Monday was a 63-page document dubbed "The Way Forward" and an accompanying PowerPoint presentation that was both wonky and frank for a state that has avoided raising the gas tax since 1991.

Patrick called the findings "stark, clear-eyed, nonpartisan, and, above all, fact-based."

Transportation-minded lawmakers and municipal leaders who packed the front rows at his UMass Boston presentation responded enthusiastically, promising to take the case to Beacon Hill.

“We’re out in full force,” said Mayor Kimberly Driscoll of Salem, president of the Massachusetts Mayors’ Association, citing the critical role smooth roads, sturdy bridges, and timely and reliable transit play in making any city or town attractive to residents and businesses. “There’s never an appetite for new revenues, but I hope and believe people can recognize this is not a problem we can walk away from or take small bites at.”

At the State House, legislative leaders said new revenue must be accompanied by cost-cutting and intend to hold the debate this year, knowing next year is an election year.

DeLeo said the governor’s tax or fee proposals will “take quite a bit of time and discussion,” but said lawmakers will be excited by the possibility of bringing new transportation projects to their districts.

Patrick’s “Way Forward” plan contained something for everyone, from the Berkshires to the Cape. It includes, for example, rebuilding the Interstate 91 viaduct in Springfield, replacing the I-93/I-95 interchange in Woburn, and assembling new Red and Orange Line cars at plants employing Massachusetts workers. Murray called the proposal ambitious.

“We have to figure out what’s in here first, and we’ll digest it,” she said. “I know we need to do something.”

Senator Thomas M. McGee, a Lynn Democrat and Senate chairman of the Joint Transportation Committee, said he hopes lawmakers will support increased transportation funding, years after nonpartisan analysts first agreed that the crisis was too big to be solved through cuts and would require substantial new revenue.

“The key piece is making the case for how important this is, and I think we’re getting to that place,” McGee said after attending Patrick’s presentation.

Patrick considers transportation a legacy issue and has been laying groundwork for years, an effort he intensified last week by announcing proposals intended to streamline government and cut costs.

Those proposals would slash regulations for businesses, called for consolidating local housing authorities into regional entities, and aimed to save \$20 billion in retiree health costs over three decades.

House Republican leader Bradley H. Jones Jr. called the governor’s presentation “very disheartening.”

He and Senate Republican leader Bruce E. Tarr said GOP lawmakers will be hesitant to support higher taxes and that the governor has yet to persuade them that \$1 billion in additional annual spending is needed.

But some advocates thought the governor’s plan did not include enough new projects, leaving proposals such as the Urban Ring transit loop and a North Station-South Station connection in mothballs.

More than half the proposed \$1 billion annually would help balance highway and transit budgets, relieve some MBTA debt, run buses at night and on weekends in cities such as Springfield, and end a practice of borrowing for basic highway operations such as mowing and striping.

The rest would cover initial payments on what the state considers good debt, borrowing to double infrastructure spending to \$25 billion over the next decade.

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Mass. Department of Transportation budget gap

January 15, 2013

The agency estimates it needs to increase income by \$1.02 billion each year to operate the current system and make needed improvements over the next 10 years.

FACTORS IN SHORTFALL

\$684 million/year needed to operate existing system

\$284 million needed to stop borrowing to pay for operations

\$300 million needed to pay MBTA debt and operate system

\$100 million needed to break borrowing cycle and fund future regional bus operations

\$9.3 billion over 10 years needed to bring existing infrastructure into “good repair.” Would be bond-financed and paid over 25 years.

\$3.8 billion over 10 years needed to expand rail service

\$1.8 billion Boston-New Bedford/Fall River rail

\$850 million South Station expansion

\$674 million Green Line extension

\$362 million Boston-Springfield rail

\$113.8 million Pittsfield-New York City rail

\$20.8 million Boston-Hyannis

POSSIBLE REVENUE SOURCES

Any of these would raise \$1 billion per year or smaller increases in each could be combined

Gas tax raised from \$0.21 to \$0.51 per gallon

Sales tax raised from 6.25% to 7.75%

State income tax raised from 5.25% to 5.66%

Vehicle miles traveled tax levied at \$0.024/mile

\$175 million could come from assessing higher vehicle title and registration fees based on emissions.

\$140m-\$207m could be raised with a payroll tax on workers in regions with transit service.

SOURCE: MassDOT

DeLeo calls for scaled back transit plan

By Martine Powers | Globe Staff March 07, 2013

House Speaker Robert A. DeLeo will advocate for a significantly smaller transportation finance plan than the one proposed by Governor Deval Patrick, according to a speech he plans to give to business leaders Thursday morning.

In a copy of the planned remarks, DeLeo delivers the clearest indication yet of how Patrick's ambitious transportation proposal — which includes an average of \$1 billion a year or more in taxes and fees — has been received by influential state lawmakers.

The text of DeLeo's speech calls for a pared-down approach to financing the state's beleaguered transportation system, and could deliver a sobering blow to transportation advocates who had hoped to see the investments in roads, bridges, and transit that Patrick's plan would deliver.

"I'm worried that the administration's proposal places too heavy a burden on working families and businesses struggling to survive," DeLeo wrote in the text of the speech, to be delivered to the Greater Boston Chamber of Commerce. "If we are to pass a new revenue package, I believe it should be far more narrow in scope and of a significantly smaller size."

The tepid reaction to Patrick's proposal brings more uncertainty to the Massachusetts Bay Transportation Authority, which faces aggressive fare hikes and cuts in service without millions in additional state funding to cover a \$130 million deficit in a close to \$1.9 billion budget. On Tuesday, MBTA officials laid out budget-balancing measures that could include raising fares by as much as 33 percent, eliminating dozens of bus lines, and curbing nighttime and weekend service on T and commuter rail trains.

DeLeo's speech floats the idea of an initiative he hopes to introduce to the state's community colleges to provide more education in science and math. "I . . . agree with the governor that these areas cannot be sufficiently addressed without the injection of additional revenue," DeLeo's speech states. "I do differ on the amount of new revenue that Massachusetts' families and businesses should be asked to contribute."

He suggests cutting costs. "One obvious area where I'm certain savings can be achieved is in the way we fund our operating expenses," reads the text of DeLeo's speech. He praised the streamlined savings achieved by merging the state's transit, highway, turnpike, and other agencies to create a unified Massachusetts Department of Transportation in 2009.

Those are the kinds of cuts DeLeo wants to see more of. "Right now, we borrow to pay operating costs and ultimately, we'll pay \$1.75 in principle and interest for every \$1 we borrow," DeLeo's speech continues. "As anyone who has run a household can tell you, you'll never get ahead by paying routine bills with a credit card. We have to wean ourselves off of this system."

But DeLeo recognizes that putting transportation finances on solid footing requires more than just cost-cutting. "Even as we continue to look for efficiencies, we are committed to developing, and we will develop, a well thought-out and fair new source of revenue to help fund a transportation system."

Some of those cost-saving measures will be brought forward at a March 12 oversight hearing within the state Legislature's Joint Committee on Transportation, DeLeo said. He told the State House News Service on Wednesday that he hopes to legislate the transportation finance plan separate from state budget talks.

DeLeo's speech represents a middle-of-the-road approach, which echoes recent assertions from Republican leaders that more cost cuts could feasibly be squeezed out of the state's transportation system.

But other lawmakers disagree. At a Transportation for Massachusetts forum Tuesday, Representative Carl Sciortino of Somerville and Senator Katherine Clark of Melrose called for comprehensive support of the aggressive investments outlined in Patrick's plan.

Mass. gets scaled-back transportation plan

Top lawmakers offer \$500m finance program with narrower aims than Patrick's \$1.9b agenda

By Martine Powers | Globe Staff April 02, 2013



Beacon Hill leaders Tuesday announced a \$500 million transportation finance plan that would raise gas, tobacco, and business-related taxes to put the MBTA and regional bus systems on firmer financial footing, but does not fund any of the ambitious transit projects put forth by Governor Deval Patrick.

House and Senate leaders' scaled-down funding plan would likely prevent the need for immediate MBTA fare increases. Patrick had argued that his bigger \$1.9 billion capital investment plan — financed by an income tax hike, with money for schools as well as roads, bridges, and transit projects — is essential to the state's economic health.

Reaction to the lawmakers' plan was varied. State House Republicans said the bill raises taxes excessively without sufficient cuts in spending, while advocates for transportation expansion called the plan underfunded and shortsighted.

The legislators' bill represents potential political failure for Patrick, who staked much of his cachet in recent months on efforts to shore up widespread support for his expansive proposal.

At a State House press conference, Senate President Therese Murray said legislators saw a need to be "a little bit more cautious" than the governor.

"This proposal allows us to use revenues in the most responsible and efficient way possible," Murray said.

The House-Senate plan calls for raising the state gas tax by 3 cents, and indexing the rate to inflation beginning in 2015, to bring in \$110 million a year. That increase, legislators said, would cost the average driver \$12 to \$30 per year. Taxes would be increased on cigarettes, cigars, and smokeless tobacco to raise an additional \$165 million annually.

Changes to the tax code affecting computer services would raise an additional \$161 million a year, while changes to the tax code for utilities would raise \$83 million.

The House-Senate bill was also smaller in scope than a proposal released last month by the Massachusetts Taxpayers Foundation, which called for a more moderated approach to Patrick's funding plan. The organization estimated that \$800 million per year would be enough to prompt long-term changes in the state's transportation system, and many transportation specialists had considered that estimate to be a likely compromise.

The bill makes no mention of income or sales taxes, while Patrick's proposal had called on legislators to raise the state income tax from 5.25 percent to 6.25 percent while cutting the sales tax from 6.25 percent to 4.5 percent.

The \$500 million in new revenue, legislators said, would also provide increased funding for snow and ice removal on the state's roads.

The plan would also make it possible, within the next three years, for MassDOT and the Massachusetts Bay Transportation Authority to stop the practice of borrowing money to pay staff salaries, and instead incorporate labor costs into annual operating budgets — a dramatically expedited timeline from the one Patrick proposed, which outlines a 10-year process to end the practice of paying staff with borrowed funds. Additionally, the bill would require that the transportation agencies meet targets set by legislators to increase revenue and identify savings.

In explaining the smaller tax increase, House Speaker Robert A. DeLeo said he was worried that raising taxes too much would have a detrimental effect on the state's credit rating.

“These were not easy decisions,” DeLeo said.

Legislators also steered away from relying too heavily on the gas tax, which they said might be less reliable in the future because of more fuel-efficient vehicles, and would disproportionately burden drivers, as opposed to those who use public transit.

“Placing too much of an emphasis on the gas tax would simply set the stage for another transportation crisis in the years to come,” said Senator Stephen M. Brewer, Democrat of Barre .

The legislative plan does not include funds earmarked specifically for capital investments such as the expansion of South Station or rail service to Fall River and New Bedford, as Patrick’s plan had, but legislators said they were not giving these projects short shrift.

By putting the current Massachusetts Department of Transportation operating budget on more stable financial footing, legislators said, the state will better be able to fund large-scale expansion projects in the coming years.

“The point is that to determine how much new investment we can afford, we first need to know the cost of continuing the current system,” Brewer said.

Ending MassDOT’s dependence on borrowing for labor costs in three years, Murray said, would eliminate interest payments. That money, she said, could be used in the future for large-scale capital projects.

“We’re going to free that money up seven years earlier,” than under Patrick’s proposal, Murray said.

Representative William M. Straus, a Democrat from Mattapoisett and House chairman of the Joint Transportation Committee, said ending MassDOT’s dependence on borrowing money for labor costs will allow infrastructure projects to get off the ground. “Capital expansion is here,” Strauss said.

DeLeo and Murray bristled at the suggestion that their bill’s stark departure from Patrick’s proposal was a vote of no-confidence in the governor’s vision.

“I like to think of this as just agreeing with the governor, working with the governor,” DeLeo said. “This is just a different method, if you will, but I think we both achieve the same goal.”

“He put out a 10-year vision, and we’re just saying maybe 10 years is too ambitious right away,” said Murray.

Patrick said he planned to scrutinize the bill before offering a critical response.

“I thank the House and Senate leadership for considering my plan and look forward to thoroughly reviewing theirs,” Patrick said in a statement.

House Republicans issued a statement condemning the proposed tax increases, and calling on DeLeo to hold a public hearing on the proposal.

“By seeking to raise five separate taxes, the Speaker and Senate President have sent a clear indication that they believe they have exhausted all options when it comes to reforming our state’s transportation system,” the statement reads. “House Republicans don’t believe this to be true – in fact we believe numerous other areas of savings still exist.”

Senate minority leader Bruce E. Tarr said Republicans will work in coming days to add measures to the bill that would require the state’s transportation agencies to find further cuts in their budgets.

“The framework announced today by the Senate President and the Speaker makes it clear that there is no legislative appetite for the massive increases in taxing and spending proposed by the Governor,” Tarr said.

Advocates who had lobbied for increased taxes to fund transportation projects in recent months, many of whom rallied outside the State House Tuesday morning before the bill announcement, said they were disappointed by the plan.

Kristina Egan, director of Transportation for Massachusetts, an advocacy group that had pushed for Patrick's funding plan, called the proposal "woefully inadequate."

"We have an unprecedented opportunity to make a transportation fix for the next generation, and I'm worried that we're squandering it here," Egan said. "It feels like this package is locking in chronic underfunding."

Richard A. Dimino, president of A Better City, a public policy organization focused on transportation, land development, and environmental policies in Boston, said the absence of capital projects in the Legislature's \$500 million bill would mean that the state would possibly lose federal money for projects such as the Green Line extension.

Dimino also said he worried the 3-cent gas tax increase was too modest, and that too much of the additional revenue for transportation funding will come from the business community.

"While it's a step forward, we're not sure the numbers go far enough," Dimino said.

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Patrick rips rival transit package

By Martine Powers | Globe Staff April 05, 2013

Governor Deval Patrick swiped back at legislators Thursday, threatening to veto the less ambitious transportation revenue proposal put forth by the two branches in what is amounting to an increasingly public and pointed fight among state leaders.

Patrick, in a 35-minute State House news conference, went so far as to intimate that House Speaker Robert A. DeLeo and Senate President Therese Murray were refusing to compromise with a governor of their own party.

"I don't think there's anyone who can say we have not bent over backwards," Patrick said, sounding astonished. "It takes two to engage. It takes two parties to reach a deal, not just me coming in and talking to them."

He added, "If it comes to me in the current form . . . I'm going to have to veto it," Patrick said. "It won't be a surprise to the members of the Legislature."

DeLeo was anything but contrite in the hours after Patrick's appearance. He disputed Patrick's assertions that the legislators' smaller transportation package would cost residents more money in the long run.

"I think arithmetic will show that our plan is more responsive to the needs of the middle class," DeLeo said. "It's not the House and the Senate plan that's talking about the increase in the income tax."

The back and forth was the rawest exchange in the often uneasy relationships between Patrick, DeLeo, and Murray, in a return to the biting, often personality-driven disputes in the past.

The \$500 million transportation finance bill proposed by House and Senate Democrats, which would raise gas, tobacco, and business-related taxes to increase funding for transportation needs, was significantly more limited than a proposal Patrick made in January that called for major investments in current transit systems and new transportation projects.

Patrick said the conversations he had with legislators in recent weeks about a compromise on his ambitious plan were one-sided. After the press conference, he added that he had not heard from either the House or Senate leaders since their announcement Tuesday.

The plan announced by House and Senate leaders would raise the state gas tax by 3 cents, then index the rate to inflation beginning in 2015. The bill also included an additional tax on tobacco products, which would raise \$165 million annually, as well as \$244 million in business-related taxes.

Patrick's plan called for \$1.9 billion annually in transportation and education funding, which he proposed could come from raising the income tax by 1 percent while cutting the sales tax by 1.75 percent.

The House-Senate plan garnered vehement criticism from all corners, with transportation advocates calling the proposal too small to elicit tangible improvements. Republicans blasted the bill for failing to require transportation agencies to cut costs, and criticizing Democrats for not holding a public hearing to discuss the bill.

"The decision to force a massive tax hike on working families without their input is pure one-party rule run amok and is an insult to taxpayers," said Kirsten Hughes, chairwoman of the state Republican Party.

Even as Patrick hopes for a compromise, he has set plans in motion to halt previously approved infrastructure projects in an effort to preserve transportation money, a measure that he said was made necessary by the Legislature's current plan.

In a memo sent Thursday from Patrick to Richard A. Davey, secretary of transportation, and the heads of several other state departments, the governor called on the administrators to prepare a plan, due in 30 days, listing capital projects that could be eliminated or postponed.

“While the process of reaching final legislation is ongoing, we should be prepared to curtail current transportation, business development, environmental, recreational and other infrastructure investments should the Legislature’s proposal carry the day,” Patrick’s memo read.

At Thursday’s press conference, Patrick provided a long list of his objections to the legislators’ bill, saying he believes their plan would prompt steep MBTA fare increases in coming years, and lead to decaying roads and bridges and a diminished quality of public transit throughout the region.

Patrick pointed to recent instances that he called evidence of the need for more transportation funding, including a Red Line train that ran with an open door this week, and a piece of concrete supporting an elevated section of Interstate 91 that came loose in Springfield on Wednesday.

“From what we can tell, everybody pays more and gets less,” Patrick said.

“This is a return to an old way of doing business,” he continued. “It’s the same short-term fiscal shell game that got us the Big Dig and the mess that followed.”

Patrick said he was not certain that there would be enough votes in the House and Senate to prevent legislators from overriding his veto.

He chuckled when asked whether he felt he had been blind-sided by the Legislature’s significant departure from his proposal. He said he was surprised when he received a summary of the bill one hour before it was announced, and suggested that he had communicated with legislators in recent weeks about his willingness to come to a compromise.

“We have talked about a couple different alternatives, and I will say that I’ve done most of the talking in those conversations,” Patrick said. “And when I say alternatives, I mean both in terms of the size of the package and the way to raise the revenue.”

DeLeo maintained that the Legislature’s plan was a more fiscally prudent option for the state, and would help maintain the state’s credit rating, which he said was a high priority.

DeLeo added that he disagrees with Patrick’s pronouncement that the legislators’ funding plan would prompt steeper MBTA fare hikes.

“There’s no need to raise fares,” DeLeo said. “I can’t say forever, no one could ever say forever . . . This plan provides for sufficient revenue to address the issue at the T. There’s some \$500 million in this plan, I believe the T’s shortfall is somewhere around \$125 million. I think that adds up.”

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\$800m transportation bill passed

By Martine Powers | Globe Staff July 24, 2013

The Legislature voted Wednesday to override Governor Deval Patrick's veto of an \$800 million transportation finance bill, concluding months of political wrangling and ensuring that drivers see an increase in the price they pay at the pump starting next week.

Already, groups are crying foul about the process of deciding which transportation projects will take priority now that the new funds have been approved.

Seven days from now, the gas tax will increase by three 3 cents, from 21 cents per gallon to 24 cents. The bill also adds a \$1 per pack charge on cigarettes and institutes a broad tax on computer software services. It was passed by both House and Senate last month, but became mired in controversy after Patrick voiced disapproval, arguing that it failed to address the uncertain future of tolls on the Massachusetts Turnpike.

Democratic legislators dismissed those concerns, saying that current law makes it unlikely that tolls would end anytime soon. With a 123-33 vote in the House and a 35-5 vote in the Senate, they acknowledged that the bill was not perfect, but maintained that it was a significant step toward putting the state's fiscally precarious transportation system on stable financial footing.

In a statement after the two votes, Patrick conveyed mixed feelings about the legislation that was once anticipated to be one of his crowning achievements and now becomes law without his signature.

"While it is no secret that today's transportation finance package shortchanges our transportation needs, it still represents a step forward," Patrick said Wednesday. "Now, it's time to put these resources to work."

The money the bill provides, which is estimated to ramp up to \$800 million per year by 2018, will prevent the need for immediate MBTA fare hikes. In addition to the transportation upgrades, the new tax will help pay for regional bus services, fund Department of Transportation personnel costs, and finance some modest transportation projects.

House minority leader Bradley H. Jones said he was particularly dismayed by the tax on computer software services, which he predicted will drive away the state's burgeoning tech sector.

And though Senator Stephen M. Brewer insisted last week that legislators will be in regular communication with the Department of Revenue to ensure that the computer tax's broad mandate does not overburden growing businesses, Jones said legislators should not give the state agency all the decision-making power.

"That's pretty loosey-goosey . . . it's unpredictable," Jones said. "It's a poor policy to say we're going to rely on the Department of Revenue."

House Speaker Robert A. DeLeo said he was satisfied that legislators struck a balance between limiting tax increases and increasing funding to transportation. He vowed to keep a watchful eye on the state's Department of Transportation to ensure that the extra cash is used efficiently. "I want to see what's going on with the people's money," DeLeo said.

Already, the process of prioritizing transportation projects is mired in controversy as community activists around the state realize that some, but not all, of Patrick's wish list of big-budget improvements will come to fruition.

"There's this big overarching question: What are we, as a state, going to spend our limited resources to build?" said Seth Kaplan, vice president for policy and climate advocacy at the Conservation Law Foundation, an environmental advocacy group. "And when you decide to do one thing, you're implicitly deciding to not do another thing. Unfortunately, it's a zero-sum game."

The Boston Region Metropolitan Planning Organization, a committee that approves large capital projects, is expected to vote Thursday to approve an overhaul of the Interstate 95 interchange in Canton, where congestion has plagued commuters for years.

But some are crying foul, saying that the state is pushing that project to the front of the line without putting it through the vetting process that is now required as part of the new law. The law establishes a MassDOT committee responsible for managing a long-term master plan of which investments should be pursued immediately and which will be put on the back-burner. Those include projects like the South Station expansion, the creation of a South Coast railroad, and the purchase of new Red and Orange line trains.

Activists are concerned that the interchange project will soak up a significant amount of money from the new law without a proper assessment.

“It feels a lot like they’re undermining this new system at the moment that it’s being launched,” Kaplan said.

Transportation Secretary Richard A. Davey said MassDOT cannot put all projects on hold while terms of the new law are set into motion. He suggested that advocates’ concerns about the lack of a vetting process for the interchange had more to do with their distaste for highway projects. After all, he said, he has heard no one complain that the Green Line extension recently broke ground.

But advocates maintained that their concerns were about ensuring that MassDOT uses its new influx of cash wisely.

“One project shouldn’t cut in line before the queue is even formed,” said Kristina Egan, executive director of Transportation for Massachusetts, a statewide advocacy organization. “My hope is that MassDOT takes seriously legislative guidance to develop a thoughtful plan, and doesn’t jump the gun by spending all this money the day after the bill becomes law.”

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Patrick to unveil funds for Pike, T

Red, Orange lines to get new cars; Governor to detail a \$1.3b project

By Martine Powers | Globe Staff October 22, 2013

Governor Deval Patrick will make good on his promise to use new state transportation funding to buy cars for the MBTA's Red and Orange lines.

Patrick is expected to announce the launch of a \$1.3 billion procurement for the new cars at a Tuesday morning meeting of the Greater Boston Chamber of Commerce, in addition to disclosing that toll money will be used to straighten the Allston section of the Massachusetts Turnpike.

The Allston renovation will eliminate turns before and after the toll booths to alleviate traffic congestion.

The governor's speech comes as state officials finalize details on a plan to spend the \$800 million per year committed to the Massachusetts Department of Transportation by legislation in July. Patrick's comments, to be delivered at the Westin Copley Place Boston Hotel, will be one of the first real indications of how long-term capital transportation in the state will look.

Patrick's speech is expected to touch on many of the themes he espoused while stumping for his transportation finance proposal early this year: using technology and innovation to reform the state's transit system, increasing the capacity for job and population growth, and providing equal access to good transportation for residents in different regions of the state.

Part of that process will include purchasing a new fleet of cars for the Massachusetts Bay Transportation Authority's Red and Orange lines to replace aging equipment that has caused delays and required constant upkeep for years.

The decision to use the influx of state cash to buy the new cars is not exactly a surprise: In recent months, state Transportation Secretary Richard A. Davey has said the new Red and Orange Line trains were at the top of the list of projects that deserved money from the transportation finance legislation.

The procurement process will identify replacements for the 74 Red Line cars built in 1969, which make up about one-third of the T's Red Line stock, as well as all 120 of the cars on the Orange Line, which were built in 1981.

"They should have been sent to the transportation graveyard a decade or more ago," Davey said Monday.

Because the money for the cars is coming from state, not federal coffers, Davey said, the Department of Transportation will require that the cars be assembled in Massachusetts, — a stipulation that will bring more jobs to the region.

Though the cars will not appear on the line for several years, state officials will soon begin the process of soliciting input on the design of the cars' interiors.

"We want to make sure we do it right," Davey said.

Marc Draisen — executive director of the Metropolitan Area Planning Council, a local organization focused on municipal development — said he was pleased that the new subway cars would be a priority.

"The Red Line trains are way beyond their useful lives, and the Orange Line is only a little bit better," Draisen said.

State lawmakers did not provide all the funds Patrick had sought for large-scale transportation projects.

But Draisen said the cars were a good bet because of their ability to promote job growth and new housing in up-and-coming neighborhoods served by the Red and Orange lines.

“We can’t do everything, but I certainly believe that Red Line and Orange Line cars are long overdue,” Draisen said.

Patrick’s planned speech will also provide a more precise timeline for introduction of all-electronic tolling.

The switch to an automated tolling system that eliminates the need for individual toll collectors will begin operating on the Tobin Memorial Bridge by the spring, a later timeline than floated some months ago.

Construction will begin this summer to convert the tolls on the Massachusetts Turnpike to all-electronic.

In addition, Patrick will also announce that the Allston section of the Pike will undergo an overhaul that will straighten the roadway to allow commuters to more easily pass through the area.

“We expect that we will be able to significantly improve traffic in the neighborhood,” Davey said.

That construction project will open up 60 acres of new development in the Beacon Park Rail Yard area.

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Casino, gas tax increase repeals may make ballot

By Michael Levenson | Globe Staff November 29, 2013



Major casino and gas tax initiatives designed to raise hundreds of millions of dollars for transportation, local aid, and other needs could be undone by Massachusetts voters at the ballot box next year.

Secretary of State William F. Galvin said two proposals — one that would repeal the state’s casino law and another that would eliminate automatic increases in the state gas tax — are among seven ballot questions that appear to have garnered enough signatures to qualify for the November 2014 ballot.

The proposals would allow voters to eradicate two key items that state lawmakers and Governor Deval Patrick spent years devising. The ballot questions would also have serious implications for the state budget, which relies on gambling and gas revenue to pay for road and bridge projects and basic services such as trash pickup in cities and towns.

“It would force difficult choices to be made,” said Stephen M. Brewer, a Barre Democrat who is the state Senate’s budget chief. “We would be governed by what the vox populi says.”

Supporters of the ballot questions say they were able to gather enough signatures by tapping into a deep vein of anger over the legalization of casinos and at the prospect of automatic increases in the gas tax — two items that were championed by Patrick.

“It’s a taxpayer revolt,” said Steven W. Aylward, a Republican activist from Watertown and leader of the Tank the Gas Tax coalition.

David Guarino, a spokesman for the group Repeal the Casino Deal, said the coalition also harnessed voter discontent.

“We know from experience that David doesn’t often topple Goliath, but we have the deep-pocketed casino industry on the ropes, and we think voters deserve the chance to deliver the final blow,” Guarino said.

Tank the Gas Tax, a group made up of Republican lawmakers and activists, is pushing to repeal a law approved earlier this year that triggers automatic increases in the tax when inflation rises.

The measure was part of a larger tax increase that raised the gas tax from 21 cents to 24 cents per gallon.

The ballot question would leave that 3 cent per gallon increase intact, but would prevent future increases tied to inflation.

The governor and Legislature pushed the gas tax increase to help fund repairs to deteriorating roads and bridges, and to expand rail and bus lines. State officials say that linking the gas tax to inflation will generate \$5.7 million for the state next year and then grow annually to about \$183 million in 2024.

But Aylward’s group says the law flies in the face of basic democratic principles, by eliminating the need for legislators to vote every time they increase taxes.

“They’re changing the paradigm, and they want the taxes to be automatic,” Aylward said. “That removes the accountability for elected officials, and that’s what’s so infuriating to people.”

Aylward said volunteers gathered more than 100,000 signatures — well beyond the 68,911 needed — to place the gas-tax repeal on the 2014 ballot. Galvin said the signatures are still being certified, but he agreed the referendum is “running up a pretty good surplus” and should qualify for the ballot.

Brewer asserted that it would be a mistake to repeal the gas tax law. He said that linking the tax to inflation guarantees that it does not lose its purchasing power as the cost of goods rises.

“The cost of steel never goes down, road materials — because they’re fossil-fueled based — never go down, and labor costs don’t go down,” he said. “And, we hadn’t adjusted our share of the gas tax in 23 years.”

The ballot question that would repeal the 2011 casino law is facing a tougher road.

Galvin said the question appears to have enough signatures to qualify for the ballot. But Attorney General Martha Coakley has ruled that the question would violate the Constitution by taking away the contract rights of companies that applied for casino licenses, without compensating them for their losses.

Repeal the Casino Deal is challenging her ruling in the Supreme Judicial Court, and says it is hopeful that, if it prevails, it can build on the recent string of defeats that casino proposals were dealt in elections in East Boston, Palmer, and Milford.

“We remain hopeful and optimistic, though we know we have a long road to go to reverse this ill-advised casino deal,” Guarino said.

Brewer said outlawing casinos would pose a serious challenge for the state, which is counting on \$300 million to \$500 million in future gambling revenue to help pay for police officers and firefighters, among other essential services.

The Patrick administration declined to comment on the ballot questions and referred instead to comments the governor made on Nov. 20, when he was asked about the cities and towns that have rejected casino proposals.

“No, I don’t think the law should be repealed,” Patrick said then. “It’s working exactly as it’s supposed to, which is to authorize up to three destination resort licenses and one ‘Racino,’ I guess it’s called, and to let local communities make decisions about whether they wanted the facilities on their own.”

Five other questions appear to have qualified for the ballot, Galvin said.

A question sponsored by environmental groups would extend the nickel deposit on soft drinks to noncarbonated beverages such as water, iced tea, and juice.

Four union-backed proposals would raise the minimum wage from \$8 an hour to \$10.50; allow workers to earn up to 40 hours a year in paid sick time; establish limits on the number of hospital patients assigned to each nurse; and seek to curb hospital operating margins and pay for hospital executives.

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New Green Line trains planned for 2021

By Martine Powers | Globe Staff January 10, 2014

For straphangers tired of broken-down trains on the Green Line, there's an eventual end in sight: The MBTA plans to purchase new Green Line trains, to be delivered by 2021.

The new trains and other imminent transportation investments were revealed Thursday in the Massachusetts Department of Transportation's five-year capital plan, a 65-page document that outlines how state officials plan to spend billions on big-budget projects.

The most significant projects listed have long been known to be priorities for transportation officials: new trains for the Red and Orange lines; a project to straighten the Massachusetts Turnpike in Allston to alleviate traffic; reconstruction of the I-93/I-95 interchange in Canton and the I-91 viaduct in Springfield; extending the Green Line into Somerville and Medford; and overhauling the Registry of Motor Vehicle's technology system.

But the plan also offered some new details, including the project to buy new Green Line trains. In the next five years, MassDOT officials plan to spend \$2.6 million for the planning and design of the trains. More money will have to be spent to meet MassDOT's goal of delivering the trains to Greater Boston by 2021.

In total, the plan listed \$12.4 billion in expenditures from state and federal coffers that transportation officials plan to make in coming years; 53 percent of that money would be spent on highways and 25 percent on the Massachusetts Bay Transportation Authority.

The plan does not allocate all of the funding necessary to make the plans a reality. For example, the plan earmarks \$254 million for the controversial South Coast Rail project, which would connect Boston with Fall River and New Bedford, but that money would go only toward initial design, permitting, and planning costs, and improvements to accommodate later passenger service. Those moves might bring the rail closer to fruition, but don't guarantee that passenger service would be funded under a new governor.

The expansion of South Station to accommodate more train tracks, a project that has long been promoted as integral to the region's development, will cost \$200 million over the next five years — but that's only a little more than one-fifth of the total price tag.

According to the capital plan, officials are hoping to bolster the budget for that project with \$700 million from public-private partnerships — a tall order that would require MassDOT to step up its game in luring high-profile companies into pacts to help pay for transit projects.

The capital plan also calls for \$252 million to be spent on an extension of the Silver Line to Chelsea and the purchase of diesel-multiple units, smaller and more efficient train cars that can make more frequent stops on commuter rail lines, intended for the Fairmount Line, which runs through Dorchester, Hyde Park, and Roxbury.

Though the state's transportation secretary Richard A. Davey earlier said that the state had set aside tens of millions to bring those trains to the Seaport District on a line that would connect to the Back Bay, that item is not included in the capital budget. However, a map of the proposed MBTA system in 2024 showed that those two neighborhoods would be connected by the so-called "Indigo Line."

Officials intend to spend \$130 million on bicycle facilities and improvements to existing bike paths.

At a MassDOT board of directors meeting Wednesday, Davey said the capital plan "will be a significant step forward for improving our transportation network." But, he continued, the projects outlined in the plan are dependent on current projections of state funding. If efforts are successful to repeal the automatic gasoline tax hikes in a November ballot question, the resulting lower tax revenue could derail some of the transportation projects.

"Make no mistake," Davey said, "if the ballot question passes in November, the capital plan will be scaled back."

MassDOT OK's \$75m for buses by '18

By Martine Powers | Globe Staff February 13, 2014

In a win for public transit advocates, the Massachusetts Department of Transportation's board of directors voted Wednesday to approve a capital investment plan that dedicates \$75 million to buy new buses by 2018.

Bus riders and transit activists were upset last month that the agency's five-year investment plan — which allocates money for new Red and Orange line trains, the extensions of the Green Line and the Silver Line, train service to Cape Cod and the South Coast, and a slew of highway projects — failed to contribute a single dollar for new buses, though the region's fleet of buses carry more than 375,000 people daily.

"What really shocked me was not a reduction, but a complete absence of funding for the MBTA bus system," said Stuart Spina of the T Riders Union at a public hearing last month.

In a Jan. 29 letter to MassDOT, Rafael Mares, staff attorney at the transit advocacy organization Conservation Law Foundation, pointed out that 85 percent of the system's roughly 1,100 buses will be more than 12 years old by 2019. The T's goal is to maintain the average age of buses at 7.5 years old, and Mares argued that MassDOT's decision to punt the purchase of replacement buses would disproportionately affect people who are not served by the subway and commuter rail systems, especially people of color.

"Failing to replace any of these buses for the next five-plus years would not be sustainable, run counter to the state's climate change goals, and would be a clear setback to transit justice," Mares wrote.

Apparently, MassDOT officials listened.

The new version of the capital investment plan promises to provide \$75 million in fiscal year 2018, to be followed by another \$75 million the next year.

"This change is in direct response to public comments made over the past month," wrote Thom Dugan, the agency's deputy chief financial officer, in his notes to the MassDOT board.

Additionally, T officials say they have budgeted \$205 million, primarily from federal grants and bonds, to purchase more buses by the end of 2019. It's not certain how many buses that combined \$355 million will buy — it depends on the size of the buses purchased and fuel type — but that sum could pay for up to 700 new vehicles.

"We're pretty confident that will bring us back in line to the 7.5-year average lifespan," said Jonathan R. Davis, the T's chief financial officer.

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The Toll of ‘No New Taxes’

By THE EDITORIAL BOARD | MAY 4, 2014

With the nation’s highway system frayed and running short of funds, the Obama administration has asked Congress to end the current ban on states’ charging tolls to pay for the upkeep of federal interstate highways. The proposal would reverse a proud policy dating to the system’s creation in 1956, when the postwar automobile boom left government flush with fuel taxes and ever bigger highway plans.

The underpinning of that largely toll-free system — the Highway Trust Fund’s fuel taxes — can no longer carry the full federal share of the costs as fuel efficiency improves and infrastructure costs rise. The fund faces deepening shortfalls and hard political resistance to raising the 18.4-cents-per-gallon gas tax that was last increased in 1993.

State highway planners have already begun postponing needed projects, with the federal fund predicted to run out of its half of this year’s road costs this summer. “We believe that this is an area where the states have to make their own decisions,” Secretary of Transportation Anthony Foxx declared.

The proposal to end the ban on tolls — included in the administration’s four-year, \$302 billion highway and public-transit program — underlines the urgency for Congress to act with something more than another shortsighted dip into general revenues to meet an estimated \$63 billion in shortfalls across the next four years. Lawmakers have been resorting to budgetary duct tape instead of bolstering the nation’s plans for needed roads and public transit by raising the gas and truck diesel taxes.

The 47,000 miles of the federal system have been one of the strengths of modern America. A sensible extension is needed before the current transportation law expires in September. The tired mantra of political incumbents — “No new taxes!” — is a particular disservice to the nation’s motorists as highways deteriorate.