



OFFICE OF THE GOVERNOR
COMMONWEALTH OF MASSACHUSETTS
STATE HOUSE • BOSTON, MA 02133
(617) 725-4000

CHARLES D. BAKER
GOVERNOR

KARYN E. POLITO
LIEUTENANT GOVERNOR

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To the Honorable Senate and House of Representatives,

Lieutenant Governor Polito and I are pleased to submit for your consideration "*An Act Authorizing and Accelerating Transportation Investment.*" This bill authorizes \$18 billion in capital spending to invest in building and modernizing a transportation system that meets the needs of residents, businesses and municipalities statewide.

The bill makes available an innovative, ongoing source of future support by authorizing up to half of the revenue generated by regional market-based compliance programs in the transportation sector, including the Transportation and Climate Initiative (which is currently under development with other Northeast and Mid-Atlantic states and the District of Columbia), to be used to support public transit capital investments that reduce greenhouse gas emissions in the transportation sector. The implementation of this initiative will lead to additional future revenues for investments in transportation infrastructure beyond those authorized in the bill.

In addition, the legislation establishes a new Next Generation Bridge Financing Program, supported by a reauthorization of Grant Anticipation Notes, and responds to the needs of our municipal partners; supports our employer community by providing a new tax incentive; provides a series of initiatives to address congestion; and provides MassDOT and the MBTA with new management and procurement tools. Tackling the twin challenges of congestion and carbon emissions is at the heart of this bill. The legislation provides funding for the MBTA and authorizes \$330 million for capital support to the 15 Regional Transit Authorities to invest in fleet and facilities, including bus electrification. These investments will complement a new emphasis on telework as a means to combat peak-hour vehicular congestion. In addition, the bill explicitly addresses our need to make our transportation infrastructure more resilient in the face of a changing climate.

Highlights of the bill include:

- A new Next Generation Bridge Financing program to ramp up annual bridge spending to \$600 million, for a total of approximately \$4 billion over the next eight years. This program will support a comprehensive portfolio of bridge projects, with a focus on preserving and strengthening our bridges for the future.

- Three new municipal funding programs: \$100 million to aid municipalities in caring for locally-owned ‘numbered routes;’ \$50 million to assist municipalities in their efforts to design and build infrastructure that will improve the operation of MBTA and RTA buses, such as dedicated bus lanes and transit signal priority equipment; and \$50 million to address local congestion ‘hot spots’ and bottlenecks.
- A new tax credit for companies that support employees who work from home or remote locations.
- Authorization for MassDOT and the MBTA to use a suite of new project delivery and procurement tools to expedite capital projects and allow MassDOT and the MBTA to leverage innovative financing and project delivery approaches.
- Clear approval for MassDOT and the MBTA to enter into public-private partnerships.

Taken together, the diverse elements of *An Act Authorizing and Accelerating Transportation Investment* will provide for faster and more cost-effective modernization of our roads, bridges, and public transit systems, while also supporting congestion management and carbon reduction goals. With new funding for public transit and bridges, new programs to support municipal transportation infrastructure, financial incentives for telecommuting, and new tools to allow MassDOT and the MBTA to work more efficiently and with greater management flexibility, this bill will make a meaningful difference in the acceleration in the improvement of MassDOT and the MBTA. Timely implementation of all of these provisions will help to accelerate the crucial process of rebuilding, modernizing and expanding the capacity of the Commonwealth’s transportation system.

Collaboration is key to addressing the challenges facing our transportation system, and I look forward to working with the members of the General Court to expeditiously and responsibly move *An Act Authorizing and Accelerating Transportation Investment* toward passage and implementation.

Respectfully submitted,



Charles D. Baker
Governor