

Our Transportation Future FACT SHEET

TRANSIT TROUBLE

Despite growing demand for public transportation due to rising gas prices, Massachusetts public transit system is facing a serious and debilitating funding crisis. The MBTA is struggling to meet current maintenance demands under a staggering \$8 billion debt and regional transit authorities face increasing funding strains.

>> A SOLUTION FOR THE FUTURE

Public transit reduces global warming pollution by giving people the opportunity to drive less. According to a recent MASSPIRG report, Boston's metro-area public transit system:

- Saved 154 million gallons of oil in 2006, which translated into \$403 million in savings for the economy.
- Saved 21 million hours of traffic delay for commuters in 2006.
- Reduced carbon emissions by 1.2 million metric tons in 2006, the equivalent of taking 225,000 cars off the road.

Massachusetts must invest enough money to maintain the current public transit system and find new funding sources to expand the system to meet demand, reduce greenhouse gas emissions and promote smart growth.

>> A TRANSIT SYSTEM UNDER STRESS

- MBTA has approximately \$100 million of backlogged maintenance needs that is not addressed every year.
- The MBTA estimates that nearly **one in five miles of rail track need immediate repair.**
- **38% of MBTA buses, 82% of rapid transit rail cars, 69% of commuter rail locomotives and 84% of commuter rail coaches** are rated in **poor or marginal condition.**

>> THE MBTA'S UNSUSTAINABLE FUNDING STRUCTURE WILL HURT TRANSIT RIDERS, INHIBIT GROWTH

- MBTA has an \$8 billion debt with interest, the largest of any transit agency in the country. Debt service each year (\$447 million for FY09, almost 30% of budget) has been primary cause of high fare increases.
- The sales tax (55% of MBTA budget) has not grown according to projections since forward funding went into effect in 2000, resulting in \$200 million less for the T than anticipated.
- In response to the debt crisis, the MBTA has implemented three fare increases since 2000, when subway fare went from 85 cents to \$1.00. In 2004, fares increased to \$1.25 and in 2007 to \$1.70/\$2.00.
- MBTA has projected budget deficits every year, and will need future high fare increases or dramatic service cuts to balance the budget. This situation is very likely for FY10, which begins on July 1, 2009, and could lead to a loss in ridership at a time when high gas prices have been attracting riders.
- Under current funding structure the MBTA could not take on the operating costs of long-awaited and much needed new transit expansions, such as the Green Line extension to Somerville and Medford, without additional funding. This fact negatively impacts the Commonwealth's competitiveness for federal New Starts transportation funding.