

# State transit bill to get reorganization rolling

## Plan to save \$2.5b launches debate

By Noah Bierman, Globe Staff | February 5, 2009

The state Senate will file an ambitious 268-page transportation bill today that takes aim at many of the generous benefits given to MBTA employees and reorganizes thousands of state workers under a new management structure.

"There's going to be pushback on a lot of pieces here," Senate President Therese Murray said of her plan. "People generally don't like change."

The Senate plan, which eliminates both the Massachusetts Turnpike Authority and the MBTA as freestanding entities, is the opening salvo in what is expected to be a primary focus on Beacon Hill this year. The agencies that run roads and public transit are drowning in debt - much of it related to the Big Dig.

Several transportation specialists who have been following the proposals - and were given access to the Senate bill before it was filed - took issue with some elements of the plan, but praised Murray for putting the first working document in front of lawmakers so that the real debate can begin.

"The number one highlight, which is literally more important than anything that has taken place to date, is a real bill for people to pore over and make decisions," said Stephen J. Silveira, a lobbyist who chaired an influential state commission that outlined the transportation problem. "It's not [just] an idea."

Murray has avoided endorsing new taxes to fix the problem. But she concedes there will need to be a new revenue source for transportation before the end of next year.

"I'm not going to talk about any preferred source yet, because I want to see what the reaction is from the House and the governor," she said.

Reorganizing the system will help legislators figure out the true financial needs, she said. "Then we figure out the hard part."

Her office, using outside analysis prepared for Governor Deval Patrick, estimated the plan will save at least \$2.5 billion over the next 20 years. While substantial, it does not cover the projected \$15 billion to \$19 billion need.

"It's a great first step and the second step will necessitate a revenue piece to it," said John M. Pourbaix Jr., executive director of the Construction Industries of Massachusetts and a

member of the state's Transportation Finance Commission. An increase in the state "gas tax will have to be a major component of that," Pourbaix said.

Changing health and pension benefits could face resistance from labor groups, especially the MBTA unions, whose benefits would be hit hardest. Steve MacDougal, president of the Boston Carmen's Union Local 589, did not return calls seeking comment.

The T grants full pensions to all retirees after 23 years of service, regardless of age. The Senate bill would keep that benefit for current employees, but force new hires to wait until they are at least 55 to get a full pension, like other state employees.

Likewise, the T's current healthcare program allows employees to choose more expensive health plans instead of HMOs, without paying a higher individual premiums, even though it costs the T thousands of dollars more for each employee.

The Senate bill would force all current employees into the state's healthcare plan, which charges more for more expensive plans. Current retirees would continue to get a free healthcare plan of their choice, meaning it would take another generation for all the potential savings to kick in.

Murray and Senator Steven A. Baddour, the Democrat from Methuen who cochairs the Legislature's joint transportation committee, said they expect the bill to change as Patrick and House members debate the issue. Patrick is expected to release a detailed plan later this month.

"This is the starting point," Baddour said. ■