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A transportation roadmap for the state

By Richard A. Dimino | February 10, 2009

A SAFE, well-maintained and efficiently operated transportation system is a critical underpinning of the Massachusetts economy. According to the Transportation Finance Commission, the state's transportation network is underfunded by at least \$15 billion to \$19 billion over the next 20 years. This cannot continue. The state must set priorities, institute reforms, and establish new sources of revenue. The organization A Better City, which represents more than 100 business and institutional leaders, has created a comprehensive Transportation Finance Plan that includes measures to fill this gap and strengthen the transportation system and the economy.

First, the Commonwealth must establish a set of priorities that will ensure the safety of citizens while promoting efficient operations and diligent, cost-effective maintenance of assets. A top priority for the state is to undertake the essential repairs to bridges and roads across the state to ensure safety and functionality. It must also address the needs of the Metropolitan Highway System today or pay for this maintenance at inflated prices tomorrow.

It is crucial to keep the state's transit system working by fulfilling the unfunded needs of the MBTA and the Regional Transit Authorities. And, even though public transit systems are facing major challenges, it is imperative to move ahead with transit expansion projects that will immediately stimulate the economy, improve the capacity for smart economic growth, and strengthen the state's competitive position.

The state must also institute reforms in the transportation system that will produce cost-saving efficiencies and engender greater public confidence in government's use of transportation-based revenues.

One reform that would ensure stability would be to stop using bond funds to pay Mass Highway salaries and operating expenses, which is equivalent to paying a family's daily expenses on a maxed-out credit card - it cannot be sustained. Bringing the MBTA pensioner healthcare benefits in line with those of other public employees would create huge savings.

There also needs to be a reorganization of the entities that oversee the state's roads and bridges. MassHighway, the Massachusetts Turnpike Authority, the Department of Conservation and Recreation, and the Tobin Bridge can all be combined under the aegis of one surface transportation agency, which would create a more efficient use of taxpayer dollars while enhancing policy coordination.

In order to achieve a sustainable transportation network, the state needs to change the way the system is financed to bring it up to date and be more equitable. Existing transportation revenue sources must be increased to make up for past under-investment and match the actual costs of operating and maintaining the entire transportation infrastructure. These revenues should also be spread across the entire system to support a range of services.

Given the importance of the transit/turnpike authorities to economic development, the funding for Regional Transit Authorities and significant portions of the crushing debt loads carried by the MBTA and the Turnpike Authority should be transferred to the state.

This transportation plan must include raising new revenues; we cannot survive the 21st century on a 1990 revenue stream. A significant source of revenue should come from increasing the gas tax by 25 cents and indexing it to inflation, which has not been done in almost 20 years. This action alone would provide between \$600 million and \$700 million for the system annually, while costing the average driver only \$12 a month. The revenue generated by the increased gas tax can then go to transportation needs that benefit all citizens, such as: limiting toll increases; relieving the MBTA debt and allowing for its future expansion; forward funding the Regional Transit Authorities; paying for the MassHighway system, and fixing our bridges.

The state must also explore new concepts for raising revenues, such as open road tolling or assessing a fee on drivers for the amount of miles they drive each year.

Transportation is an economic imperative, and these measures will better finance and maintain the state's transportation system and provide a stronger economic future for the Commonwealth.

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