

# Patrick seeks hike of 19 cents in gas tax

## Proposal could avert turnpike toll increase; Would also reorganize state transit agencies

By Noah Bierman, Globe Staff | February 20, 2009

After months of private rumination and public mixed signals, Governor Deval Patrick will propose a 19 cent increase in the state's gasoline tax today, in an attempt to solve the increasingly complex maze of problems confronting the state's aging and debt-ridden transportation system.

Patrick's plan would give Massachusetts one of the highest gas taxes in the nation, but it may avert an unpopular increase that would have raised the cash toll at the airport tunnels to \$7, according to two administration officials who spoke on condition of anonymity.

The increase would nearly double the state's gas tax, which is now below the national average, from 23.5 cents to 42.5 cents per gallon. Adding in the 18.4 cent federal levy, drivers would have to pay just under 61 cents in taxes on every gallon of fuel they purchase.

The proposal, which would raise about \$500 million a year, would help the MBTA stave off a threatened combination of drastic fare increases and service cuts, strengthen regional bus and rail systems, and wean the state from a constant stream of borrowing to pay for basic road and bridge operations, the officials said.

The proposal would also reorganize the state's transportation system, putting all the bureaucracies that run roads, buses, trains, and airports under the governor's control in an attempt to reduce overlap and inefficiency.

Patrick would also adopt numerous structural changes proposed by an influential state panel, including cuts in future MBTA fringe benefits that have been especially costly. The Turnpike Authority, a continual target of public anger, would disappear.

The secretary of transportation, who reports to the governor, would oversee four divisions: highway, rail and transit, aviation and port, and the Registry of Motor Vehicles.

The current Massachusetts Port Authority would retain some independence within the rail and port division, including the Massport board of directors, in order to meet obligations under federal aviation rules, according to administration officials.

The plan, which Patrick is scheduled to formally unveil in a speech this afternoon, will be filed with the Legislature in a more detailed bill in the next few days, the officials said.

If approved, the gas tax increase would be the second since 1991.

But even as Patrick supports freezing tolls on the turnpike, the authority's board may be forced to vote on an increase Tuesday. The board has been putting off a vote, but members have said they need to approve some type of increase this month to avoid what could be a costly downgrade by credit rating agencies.

A two-step toll-increase plan, discussed at last month's board meeting, is on the agenda that was delivered to board members yesterday.

The plan would impose a 25 cent increase at the Allston-Brighton and Weston booths, bringing the cash toll to \$1.50, and a \$2 increase at the Ted Williams and Sumner tunnels, bringing it to \$5.50.

Those rates, effective at the end of March, would be repealed if the Legislature passes a gas tax increase before that deadline. But if the gas tax does not go up by then, the board would raise cash rates even further, to \$2 at the booths and to \$7 at the tunnels in July.

"The Turnpike Authority has run out of time," said Mary Z. Connaughton, a board member who supports eliminating tolls entirely and replacing them with a higher gas tax.

Representative Joseph F. Wagner, a Chicopee Democrat who cochairs the Joint Committee on Transportation, said late yesterday that he had yet to read a specific plan and was skeptical of anything pulled together so soon before an unpopular toll vote.

"This has been talked about since the fall of 2007," Wagner said. "I think it should have been put together well ahead of now."

Patrick has struggled with the state's transportation crisis since he took office in 2007, with billions of dollars in inherited debt, much of it from the \$15 billion Big Dig, hanging over the transportation agencies.

The Turnpike Authority and MBTA are burdened by high operating costs that continue to grow with generous pension benefits and salaries won by unions over the years.

A state report said the state would need an extra \$15 billion to \$19 billion over the next 20 years for its transportation system.

Neither a gas tax nor toll hikes are popular among commuters, according to a Boston Globe poll conducted in December.

But the gas tax was the most palatable among the unpopular options.

When asked to choose between raising tolls or the gas tax, respondents chose the gas tax by 48 percent to 42 percent.

Support has been building in the Legislature for a gas tax increase, but many lawmakers worry that higher taxes would be hard for residents to absorb during a recession.

"Most likely, we will [need a gas tax increase] at the end of the day, but we're not willing to go there yet," Senate President Therese Murray said in January as she announced a similar reorganization plan.

Tax opponent Barbara Anderson called the whole debate a "silly game" meant to scare people with the threat of high tolls to build support for a gas tax increase.

But many transportation advocates and government specialists say the tax increase is inevitable, given the scope of the problem.

"Our transportation system's in desperate shape," said Michael J. Widmer, president of the Massachusetts Taxpayers Foundation and a member of the state Transportation Finance Commission.

"Two authorities are teetering on the edge of bankruptcy. The roads and bridges across the state are in desperate need of repair."

Patrick first promised in 2007 to deliver a transportation overhaul that would consolidate the various transportation bureaucracies in an attempt to save money and run them more efficiently.

That plan never materialized.

Last fall, with the threat looming of \$7 tunnel tolls, he promised to eliminate the Turnpike Authority and shift many of its functions to the agency that runs the seaport and Logan International Airport.

That plan has been abandoned because fixing the system "requires a more aggressive step," an administration official said. "We're not fooling around on the edges."

As the transportation debate has continued, the problems have grown worse. The MBTA is now projecting a deficit next year of more than \$150 million.

The agency has canceled contracts to buy new commuter train equipment and was told recently that the federal government would not fund a key expansion project until finances improve.