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OF THE SENATE



ROBERT A. DELEO  
SPEAKER OF THE  
HOUSE OF REPRESENTATIVES

THE GENERAL COURT OF MASSACHUSETTS  
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**Legislative Leaders Unveil Plan to Remake Transportation Finance**  
*Package Emphasizes Reforms and Limits Burden on Citizens, Business*

BOSTON – Senate President Therese M. Murray (D-Plymouth) and House Speaker Robert A. DeLeo (D-Winthrop), along with the chairs of the House and Senate Committees on Ways & Means and Joint Committee on Transportation, announced a plan to fix long-standing financial problems within the state’s transportation system.

While setting in motion significant changes to make the transportation system more efficient and accountable, the legislative package, recognizing the need for adequate funding, relies upon a carefully-targeted \$500 million financing plan. By realigning transportation revenue to support the Commonwealth Transportation Fund, the plan closely ties transportation funding to needs.

“The plan we are moving forward with today is the product of a lot of hard work by both branches of the Legislature,” Senate President Murray said. “Our number one priority in creating this transportation financing framework was to determine what the actual gap is in our transportation system, or what the real need is, and how we can address it while also allowing for future investments in our transportation infrastructure.”

“We need a healthy transportation system to keep and grow jobs in Massachusetts,” Speaker DeLeo said. “With this plan, we seek to provide adequate funding for the 21<sup>st</sup> Century transportation system our economy needs while not over-burdening the families and businesses of Massachusetts. It also helps maintain our strong financial standing, which lowers our borrowing costs when they arise.”

“The House and the Senate have been strong partners as Massachusetts continues to recover from the Great Recession. This joint plan addresses our transportation system’s immediate needs to close existing operating gaps, while still allowing for substantial long term improvements in our infrastructure,” Senator Brewer (D-Barre), Chair of the Senate Committee on Ways & Means, said. “An investment in our transportation system is an investment in the future for our businesses and for residents across the state. In this plan the cost of those investments will be shared, and a commitment to continuing reform will allow us to sustain these investments for future expansions.”

“The House and Senate have joined together to address this issue thoughtfully and efficiently,” said Representative Brian S. Dempsey, Chair of the Senate Committee on Ways & Means (D-Haverhill). “We recognize the integral role that the Commonwealth’s transportation system plays in the expansion of our economy and in our residents’ quality of life. As a result, our proposal makes targeted, statewide investments while addressing the inefficiencies of our current system.”

“This plan presents a balanced and realistic approach for sustaining our state’s transportation system while also providing the resources for expanded future capital improvements,” said Representative William Straus (D-Mattapoissett), House Chair of the Joint Committee on Transportation. This joint legislative proposal provides added reforms and revenues to help meet our need for a modern and safe transportation network in Massachusetts.

The plan includes the following reforms to our transportation system:

- Moves Employees off of the Capital Budget over 3 years;
- Provides forward funding for Regional Transit Authorities;
- Fully Funds Snow and Ice Budget;
- Generates Revenue to Allow for a Capital Plan;
- Gives MassDOT and the RTAs a long term plan to rely on.

The plan relies upon the following revenue items to finance the million funding gap:

- A 3 cent increase to the gas tax (indexed with delay) to help pay for road and bridges  
-- \$110 million;
- \$1-per-pack increase on the tobacco excise tax -- \$165 million;
- Modernizes the tax code on canned software to include modifications to software and computer system planning and design -- \$161 million;
- Changes to the tax status of utility companies -- \$83 million.

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