

The Commonwealth of Massachusetts

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CHARLES D. BAKER GOVERNOR KARYN POLITO LIEUTENANT GOVERNOR

August 3, 2021

To the Honorable Senate and House of Representatives,

I am returning unsigned House Bill No. 4014, "An Act Providing Operating Assistance to Regional Transit Authorities."

This bill was originally included as an outside section in the Fiscal Year 2022 budget and sets forth the Fiscal Year 2022 (FY22) funding distribution for the Commonwealth's regional transit authorities (RTAs). This bill, like the section that preceded it, increases my House 1 recommendation to \$94 million and eliminates the existing amount and structure that distributes performance grants based on Memoranda of Understanding executed between the RTAs and the Massachusetts Department of Transportation. The bill also adds an additional \$3.5 million to be allocated by a new funding formula that is not consistent with my recommendations.

The RTAs received approximately \$214 million as part of the CARES Act, \$39 million from CRRSA, and more than \$165 million from ARPA. This is in addition to the \$90.5 million in State Contract Assistance that the RTAs received in FY21, as well as the \$72 million in existing Federal Fiscal Year 2021 federal distributions from the Urbanized/Rural Area formulas. As a result, all 15 RTAs ended FY21 with significant cash reserves.

Because of the significant amount of federal and state funding dispensed to RTAs and the continuing need to incentivize improved RTA performance, I returned the outside section with proposed amendments that would have the distribution revert to my House 1 recommendation of \$90.5 million, with \$3.5 million distributed as performance grants.

Unfortunately, my proposed amendment was rejected and the original text of the section was enacted again as part of this bill. My objections to this language remain, and for this reason, I am returning House Bill No. 4014 unsigned.

Respectfully submitted,

Charles D. Baker, *Governor*