HOUSE No. 3675

The Commonwealth of Massachusetts

PRESENTED BY:

Michelle L. Ciccolo

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to create a net-zero transportation financing commission.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | DATE ADDED: |
|---------------------|---------------------------|-------------|
| Michelle L. Ciccolo | 15th Middlesex | 1/19/2023 |
| Christine P. Barber | 34th Middlesex | 3/16/2023 |
| Bruce E. Tarr | First Essex and Middlesex | 4/10/2023 |

HOUSE No. 3675

By Representative Ciccolo of Lexington, a petition (accompanied by bill, House, No. 3675) of Michelle L. Ciccolo and Christine P. Barber for legislation to establish a special commission on transportation finance for achieving net-zero statewide greenhouse gas emissions by the year 2050. Telecommunications, Utilities and Energy.

The Commonwealth of Alassachusetts

In the One Hundred and Ninety-Third General Court (2023-2024)

An Act to create a net-zero transportation financing commission.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 SECTION 1. (a) The general court hereby finds and declares that:
- 2 (i) The commonwealth is committed to a statewide emissions limit that achieves net-
- 3 zero statewide greenhouse gas emissions by the year 2050.
- 4 (ii) The commonwealth's transportation sector is both the largest and the fastest
- 5 growing emitter of greenhouse gases.
- 6 (iii) To meet the goal of net-zero by 2050 a large proportion of the greenhouse gas
- 7 emission reductions must come from the transportation sector. This includes:
- 8 (1) accelerating conversion of cars and light duty trucks to electricity or other zero
- 9 emission technologies;

10 (2) financing, retrofitting, siting and designing transportation infrastructure to reduce 11 emissions and to make it resilient to a changing climate.

- (3) developing strategies and market incentives to expand the use of transit and reduce single occupancy vehicles
- (4) a recognition that Massachusetts is a demographically and geographically diverse state, and transportation challenges and solutions vary within and among populations and regions.
 - (iv) The commonwealth also has significant transportation assets that will need capital upgrades in order to be climate resilient and remain functional within the context of rising waters, and increasing severity of weather.
 - (v) The commonwealth is committed to providing safe and reliable transit facilities and recognizes the use of one-time Federal money in the operations of the MBTA and the RTAs is finite and a permanent operating solution will be needed on or before June 30, 2023.
 - The financing of capital and operating costs of the commonwealth's transportation sector must align with the commonwealth's 2050 guidelines for net-zero and consider the need to modernize our facilities to adapt to climate change. To that end, the general court shall establish a special commission to study and review transportation financing of net zero emissions by 2050 as provided in this section.
 - (b) There is hereby established a special commission on transportation finance for "net-zero by 2050" to investigate, study, and make recommendations on the development and deployment of comprehensive and regionally equitable public transportation pricing, roadway

pricing, and congestion pricing to further the climate goals of the Commonwealth. The commission shall be composed of the following members: 5 members who shall not be employees of the executive branch and who shall reside in different geographic regions of the commonwealth, 1 of whom shall be a representative of the Construction Industries of Massachusetts, to be appointed by the governor to serve terms of 2 years; 3 members, who shall not be members of the general court and who shall reside in different geographic regions of the commonwealth, to be appointed by the president of the senate to serve a term of 2 years; and 3 members, who shall not be members of the general court and who shall reside in different geographic regions of the commonwealth, to be appointed by the speaker of the house of representatives to serve a term of 2 years; a representative of the Massachusetts Taxpayers Foundation; a representative of the Massachusetts Business Roundtable; a representative of the Massachusetts Municipal Association; a representative of the Regional Transit Authorities as chosen by the secretary of transportation; a representative of the Regional Planning Agencies as chosen by MARPA; and a representative of the MBTA Advisory Board. Each of the members of the commission shall be an expert with experience in the fields of law or public policy, transportation planning, or design and construction of transportation projects. One of the members appointed by the governor, 1 of the members appointed by the president of the senate, and 1 of the members appointed by the speaker of the house of representatives shall be representatives of the Massachusetts business community. One of the members appointed by the governor, 1 of the members appointed by the president of the senate, and 1 of the members appointed by the speaker of the house of representatives shall be representatives of environmental organizations, planning organizations, transportation consumer organizations or other public interest organizations. One of the members appointed by the governor shall be an

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expert in the field of management consulting or organizational change. One of the members appointed by the governor shall be an expert in the field of public finance. One of the members shall be appointed by the governor to serve as chairperson of the commission. The members of the commission shall be appointed no later than two months from the passage of this act.

(c) The commission shall:

- (1) endeavor to understand the current transportation financial landscape, by identifying and providing for current transportation funding forecasts, including but not limited to: (i) providing estimates of annual operation and maintenance costs for roadways; (ii) providing estimates of annual revenue with consideration of declining motor vehicle fuel excise revenue due to vehicle electrification; (iii) providing traffic forecasts, including forecasts of traffic diversion impacts; (iv) providing year to year estimates of annual operation and maintenance costs of the MBTA and Regional Transit Authorities; and (v) providing estimates of annual revenue, and the methodology employed for such estimates, including an analysis of revenue from the "fair share" amendment for the repair and maintenance of roads, bridges and public transportation.
- (2) provide specific operating and capital funding options for the transportation sector to align with the commonwealth's year 2050 requirements for net-zero greenhouse gas emissions and provide for transportation climate resiliency. Such requirements shall also include identifying and providing for sources of funding for such costs for meeting the 2025, 2030, 2035, 2040, 2045 and 2050 statewide greenhouse gas emissions limits, including but not limited to: (i) identifying and analyzing physical, technological, legal and other issues or requirements related to roadway pricing in the commonwealth; (ii) propose detailed specifications and regionally-

equitable locations for toll gantries and other equipment necessary to assess and collect tolls; (iii) review roadway pricing scenarios under the federal Value Pricing Pilot Program; (iv) propose equitable increase in transportation network company fees; including increased ride share fees and excise taxes on out-of-state operators; (v) propose any other revenue sources and strategies that may be needed to meet the commonwealth's 2050 emissions mandates; (vi) provide a regional and social equity analysis with specific recommendations related to mitigating adverse impacts for low income residents; (vii) identify all local, state and federal approvals necessary to deploy new tolls and other roadway pricing mechanisms on relevant roadways; and (viii) take into consideration roadway and congestion pricing programs in other jurisdictions throughout the United States and the world.

(3) identify costs to ensure a reliable, safe, and resilient public transportation system that aligns with the commonwealth's year 2050 requirements for net-zero greenhouse gas emissions. Such requirements shall also include identifying and providing for sources of funding for such costs for meeting the 2025, 2030, 2035, 2040, 2045 and 2050 statewide greenhouse gas emissions limits, including but not limited to; (i) study commute and demand patterns for public transit entities; (ii) study economic development and housing patterns and projections and the impact each has on public transit demand; (iii) review the commonwealth's laws regarding emissions reductions within the transportation sector; (iv) determine fare structures for all modes of transit of the Massachusetts Bay Transportation Authority and regional transit authorities that account for commute patterns and demand, economic development and housing patterns and emissions reduction requirements; (v) examine the feasibility of means tested fares (vi) provide estimates of costs to implement the adaptation needs identified in the vulnerability assessment; (vii) provide estimates of costs of annual revenue; (viii) provide ridership forecasts; (ix) provide

a regional and social equity analysis with specific recommendations related to mitigating adverse impacts; (x) identify all local, state and federal approvals necessary to deploy new fare structures at Regional Transit Authorities and the Massachusetts Bay Transportation Authority; and (xi) provide potential impacts on vehicular emissions reduction;

- (4) analyze the efficacy and financial sufficiency of the commonwealth's current "chapter 90 program" in meeting the goal of net zero by 2050 and climate resiliency; provided, that the commission shall include in its review the sufficiency of chapter 90 program's current funding formula based on local road mileage, population and employment and alternatives thereto, including the additional or alternative factor of a municipalities' equalized value in the formula;
- (5) consult and collaborate with all of the commonwealth's regional transportation agencies, regional planning agencies, regional economic development organizations, the Massachusetts Municipal Association, the commonwealth's gateway cities, and the city of Boston to address geographical transportation financing challenges and solutions that vary within and among the commonwealth's regions; and
- (6) consult and collaborate with community-based organizations and communities of color and diversity regarding social equity issues impacting transportation sector financing including, but not limited to, social equity issues for communities underserved by the current transportation financing system and most directly impacted by congestion and greenhouse gas emissions. The commission shall, on an ongoing basis, evaluate its efforts to provide for such consultation and collaboration.
- (e) The commission may also: (i) propose any other revenue sources and strategies that may be needed to meet the commonwealth's 2050 emissions mandates; and (ii) provide year-to-

year direct measurements and estimates of annual operation and maintenance costs; and (iii)
propose methods of distributing methods of raised revenue that are in line with the program's
goals.

- (f) The commission may investigate, study, and make recommendations on additional mobility methods as necessary.
- (d) The commission shall develop an interim initial report with recommendations on MBTA and RTA financing within nine months of the passage of this act.
- (e) The commission shall develop a final report detailing its findings, including a draft of any legislation required to implement its recommendations to the governor, the secretary of transportation, the clerks of the house of representatives and the senate, the house and senate committees on ways and means and the joint committee on transportation within 14 months from the passage of this act.
- (f) For the administration of the commission, and without further appropriation, the secretary of the Massachusetts Department of Transportation shall expend from the Massachusetts Transportation Trust Fund, established in section 4 of chapter 6C of the General Laws, the amount of \$200,000; provided that, the commission shall have a budget of \$100,000 for the calendar years 2023 and 2024, shall have access to the resources and staff of the employees of the Massachusetts Department of Transportation and the MBTA and may employ such additional staff or consultants as it may deem necessary.
 - (g) This section shall take effect immediately upon its passage.