

BETTER GOVERNMENT

Working towards a better government in Massachusetts requires a focus on a culture of innovation and customer service. We believe the recipe for a government that can provide high-quality public services and respond to needs is a focus on core public services, where appropriate competition in the delivery of services, elimination of unnecessary regulations, and transparent information and clear communication to the public. The following are suggestions for administrative, regulatory and legislative actions that will modernize our transportation system and make government more transparent, accountable and efficient.

TRANSPORTATION & INFRASTRUCTURE: SERVING PEOPLE, MOVING GOODS

A reliable, safe and efficient multi-modal transportation system is essential if Massachusetts is to reach its potential for economic growth and overall public satisfaction. However, for decades the system has been inadequately resourced and too focused on costly (and unsustainable) infrastructure expansions. In recent years the state has made strides to address the deficiency, but the system as a whole will require a long period of restraint on new expansions; deep and, for the bureaucratic culture, uncomfortable reforms

to improve efficiencies and quality of service; and additional resources. Finally, it will require recognition that while public transit is important, we must also embrace more diversity, including private transit operators, to ensure that residents have options that meet our mobility and environmental goals.

Massachusetts has made many attempts to address our transportation and transit systems' longstanding infrastructure investments and performance challenges. These include reform packages and blue ribbon commissions in the 1990s and early 2000s, a Transportation Finance Commission, legislation and a sales tax increase in 2009, and additional revenues and reforms in 2013. What is sadly apparent after the many public announcements is that too often, once revenues are in hand, a number of critical reforms are not implemented (or are only implanted "on paper"). Given this track record, and Pioneer's 2013 support for new revenue, we believe these reforms must precede calls for new revenue.

While both reforms and new revenue will ultimately be required, the hardest part of upgrading our transportation system may be restraining the urge to expand and allowing for diversification of supply. Without this guiding and strategic principle for all MassDOT's operations, even needed reforms and additional revenues will not produce the level of service users demand and deserve.

Restraint & Diversification

Numerous studies have underscored the relationship between improved transportation infrastructure and economic productivity and competitiveness.¹ Upgrading the current system and alleviating traffic congestion will also benefit far more residents than expansions of the current system. Pioneer Institute's 2007 study, *Our Legacy of Neglect*, depicted Massachusetts' history of deferring maintenance of transportation assets. The same year, the Transportation Finance Commission, established through a 2004 legis-

lative act, issued a report estimating the 20-year budget gap at the time of the report's issuance, to be between \$15 and \$20 billion just to maintain existing assets.

*If you can't operate the system you have,
why does it make sense for us to partner in
your expansion?"*

*– Federal Transit Administrator Peter Rogoff,
in Boston (2010)*

We understand the enormous pressure from interested parties to advance particular infrastructure expansion projects, but given the state's relatively stagnant population, rapid MBTA expansion in recent years and the resulting urgent need to focus on the existing infrastructure, such expansions are unconscionable. For example, given that close to a quarter of the MBTA's operating budget currently is spent on debt service, with past expansions playing a major role in the MBTA's capital deficiencies, the Authority has insufficient capacity to maintain, repair or upgrade its current system. Given that reality, it made no sense to dedicate \$600 million to the construction of the Greenbush line in the mid-2000s (with no federal participation), nor \$2.2 billion to build the South Coast Rail Link. Greenbush has attracted few riders that are new to transit and South Coast Rail ridership projections are also not encouraging. Politics being what it is, these projects will be debated, but they are only digging the state deeper into a very troubling hole.

Statewide, these expansions, which leave the entire system in distress, have led to a loss of public trust. After adding hundreds of millions of dollars to the transportation budget, with the increase in the sales tax and also a 3-cent gas tax increase (which Pioneer supported), voters have spoken clearly by overturning indexing of the gas tax to inflation. They do not trust transportation agencies to spend new money wisely. They are right, and policymakers need to internalize the lesson. It's time for a season of restraint and reform to regain the public's trust.