AN ACT CONCERNING STRATEGIC TRANSPORTATION PLANNING AND THE FINANCING THEREOF.

SUMMARY

This bill establishes the Strategic Transportation Planning Commission within the executive department and charges it with defining the overarching goals that will guide the state’s transportation investments, the financing of those investments, and related decision making.

The bill requires that the commission prepare a report and proposed legislation and submit them to the Transportation and Finance, Revenue and Bonding committees by January 17, 2020. It specifies actions the committee must take in preparing the report and requires the report to include, to the bill’s specifications, (1) certain information and assessments on the state’s transportation assets, organized by asset condition; (2) a list of prioritized, recommended expansions; and (3) a funding plan.

The bill requires the Transportation and Finance, Revenue and Bonding committees to hold a joint public hearing on the report by March 5, 2020.

Under the bill, the commission must (1) continue to meet after it submits its report and proposed legislation and (2) issue a report at least biennially that evaluates the state’s progress on implementing the initial report and makes additional recommendations for updates to the state’s transportation policy and plans.

EFFECTIVE DATE: Upon passage

COMMISSION MEMBERSHIP

Under the bill, the commission consists of the following members:
1. the Department of Transportation (DOT) and Department of Economic and Community Development commissioners;

2. three gubernatorial appointees, two with tax policy and economic development expertise and one with expertise in transportation systems and their relationship to economic growth and quality of life in the state; and

3. four legislative appointees, one each by the Senate president pro tempore, the House speaker, and the House and Senate minority leaders, each of whom must have expertise in transportation systems and their relationship to economic growth and quality of life in the state.

COMMISSION REPORT

The bill requires the commission to submit, by January 17, 2020, a report and fully drafted legislation to implement the commission’s recommendations included in the report. The commission must submit the report and legislation to the Transportation and Finance, Revenue and Bonding committees.

The bill requires the report and the proposed legislation to include prescriptive, actionable measures to be taken to implement the commission’s recommendations for FYs 2021 to 2025, and plans and projections for the fiscal year following.

Report Preparation

In writing the report, the bill requires the commission to do the following:

1. review the Massachusetts DOT and Massachusetts Bay Transportation Authority Capital Investment Plan, Fiscal Years 2017-2021, and seek input and advice from the department and authority in developing the report;

2. hold at least one public hearing in each county of the state to seek input from residents, business owners, and other stakeholders in the state's transportation system;
3. emphasize proactive decision making and planning and develop a transportation strategy focused on continuous preventive maintenance of the state's transportation infrastructure;

4. seek to minimize the state's long-term transportation costs and expenditures and recommend procedures to analyze the state's total projected transportation costs over a continuous period of at least thirty years; and

5. consider how well the state's current and proposed future transportation network suits the state’s overall geography and the economic potential of the state's proximity to the Boston and New York City metropolitan areas.

Assessments by Asset Condition

The bill requires the report to include different information depending on the asset condition, as described in Table 1. In addition to this information, the report must include, for each asset condition category, a plan to implement, maintain, and finance reliability and ongoing maintenance of the assets in a sustainable manner for at least a 30-year period, including all associated expenses and projected debt service costs. For assets at a high risk of potential failure, the 30-year period begins after emergency repairs have been completed.

Table 1: Information Required by Asset Condition

<table>
<thead>
<tr>
<th>Asset Condition</th>
<th>Information</th>
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<tbody>
<tr>
<td>Assets currently in a state of good repair</td>
<td>• An assessment of the assets that fall into the category</td>
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<tr>
<td></td>
<td>• The estimated total cost and cost-per-mile, categorized by asset type, of maintaining the assets in a state of good repair for at least a 30-year period</td>
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<tr>
<td></td>
<td>• An assessment, for each asset type, of the extent to which DOT is performing ongoing maintenance</td>
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<tr>
<td>Assets currently at high risk of potential failure</td>
<td>• An assessment of the assets that fall into the category</td>
</tr>
<tr>
<td></td>
<td>• The estimated total cost and cost-per-mile, categorized by asset type, of returning the assets to a state of good repair</td>
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<td></td>
<td>• A plan for each asset type that (1) prioritizes the assets most urgently in need of repair, (2) sets a schedule to implement emergency repairs on the assets over a period of at least 10 years, and (3) includes all associated expenses and projected debt service costs</td>
</tr>
<tr>
<td>Asset Condition</td>
<td>Information</td>
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<tr>
<td>All other transportation assets</td>
<td>• An assessment of the assets that fall into this category</td>
</tr>
<tr>
<td></td>
<td>• Estimated total cost and cost-per-mile, categorized by asset type, of maintaining or returning the assets to a state of good repair for a period of at least 30 years</td>
</tr>
</tbody>
</table>

**Recommended Expansions**

Under the bill, the commission must include in its report a targeted list of strategic expansions, additions, or other improvements to the state's transportation infrastructure. It must give priority to projects that will grow and improve the state’s economy and quality of life. For each recommended project, the report must include the estimated total cost and cost-per-mile, estimated costs of maintaining and financing reliability for the project, and all associated expenses and projected debt service costs.

The report must also include a plan that prioritizes the expansions, additions, or other improvements with a list of projects recommended to begin construction (1) during FYs 21 to 25, (2) during FYs 26 to 30, and (3) during the following years. The priority must be based on projected impact on economic growth.

**Funding Plan**

The report must also include a comprehensive plan for funding all the projects included in the report. The funding plan must take the following into consideration:

1. the state's current transportation revenues;

2. other current state revenues the commission recommends be rededicated to fund transportation;

3. new revenues generated through adjustments to existing tax rates or tax structures or new taxes, fees, or user fees; and

4. all planned debt issuances or other types of financing, including bond authorizations or private-public financing options, and including projected annual debt service costs or equivalents and such costs over the life of the financing period.
The bill specifies that the types of financing may include reprioritization, reduction, cancellation, or elimination of current or future bond authorizations that are unrelated to state transportation projects, as long as any such recommendation includes the specific items to be reprioritized, reduced, cancelled, or eliminated.

If the commission proposes a new tax, fee, or user fee, the bill requires the commission to specify, in detail, how the proposed tax or fee will be structured and implemented, how it will be collected, and what the rate and projected revenue will be over at least a 10-year period after the tax or fee is imposed.

The bill requires the commission, when considering ways to achieve sustainable funding, to (1) weigh the impact on state taxpayers of any funding mechanism proposed against the economic and quality of life benefits projected to result from funding transportation improvements and (2) include the findings of their considerations in the report.

BACKGROUND

Related Bill

SB 1121, favorably reported by the Finance, Revenue and Bonding Committee, establishes a 13-member Transportation Strategy and Advisory Board and charges it with, among other things, developing a transportation strategy for the state every four years.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea  43  Nay  7  (05/01/2019)