



April 3, 2025

Chairman Aaron Michlewitz
House Committee on Ways & Means
State House Room 243

Chairman Michael Rodrigues
Senate Committee on Ways & Means
State House Room 212

Testimony in Support of House Bill 55 An Act Making Appropriations for Fiscal Year 2025 to Provide for Supplementing Certain Existing Appropriations and for Certain Other Activities and Projects

Chairman Michlewitz, Chairman Rodrigues, members of the House and Senate Committees on Ways and Means:

Thank you for the opportunity to testify in support of House Bill 55, *An Act Making Appropriations for Fiscal Year 2025 to Provide for Supplementing Certain Existing Appropriations and for Certain Other Activities and Projects*, which would provide \$857.5 million for our transportation system, including \$780 million in vital funding for the MBTA, in addition to supporting important education investments.

Since 1989, A Better City has represented the Greater Boston business and institutional community on a wide range of transportation matters because our transportation infrastructure is the foundation upon which our regional economy is built. A Better City's mission is to engage the Greater Boston business community and civic institutions in developing solutions and influencing policy through research and collaboration on transportation, climate, and land use issues. A Better City represents a multi-sector group of nearly 130 business leaders united around a common vision: to create a more vibrant, competitive, sustainable, and equitable city and region for all. ***A high-quality public transit system is a prerequisite to meeting any and all of these goals—and we must act swiftly to stabilize the MBTA's operating budget.***

A Better City appreciates the leadership and the partnership of both the Healey-Driscoll Administration and the Legislature in contemplating the most effective strategies for investing surtax dollars to uplift our communities and our economy alike during a time of unprecedented uncertainty. A Better City supports Governor Healey's proposed surplus surtax supplemental budget because it would:

1. Advance the initial recommendations of the Governor's Transportation Funding Task Force;
2. Deliver on the promise of a 50/50 split of Fair Share revenue; and
3. Stabilize the MBTA's operating budget.

Advancing the Initial Recommendations of the Governor's Transportation Funding Task Force

A Better City was honored to serve on the Governor's Transportation Funding Task Force, which released its findings and recommendations in January 2025. During the past year of expert presentations and thoughtful deliberations, we confronted the stark reality that the Commonwealth is facing a large and chronic funding deficit for transportation services that will impact every public



transportation agency in Massachusetts. The biggest, most immediate challenge is at the MBTA, where the financial gap begins in FY2026—less than three months from now.

The central recommendations put forward by the Task Force were strategic, fiscally responsible, and actionable—in part prioritizing the equitable use of Fair Share surtax revenue to expeditiously direct capital and operating funding to support the MBTA and RTAs, while also investing in critical roadway infrastructure in municipalities across the state. The proposed surplus surtax supplemental budget is a critical step in implementing this plan and it is essential to avoid major setbacks at the MBTA.

The Task Force report includes detailed recommendations for options to create a long-term, sustainable transportation finance plan—and Governor Healey’s House 1 budget would deliver an \$8 billion, 10-year statewide transportation plan in part by using a portion of Fair Share dollars to increase statewide borrowing capacity. A Better City has consistently advocated for this approach, which would effectively leverage Fair Share funds to improve transportation infrastructure in every part of Massachusetts. In the broader budget negotiations, A Better City urges you to consider this strategy, which would provide increased funding for not only the MBTA, but also for the Chapter 90 program; roads, bridges, and culverts; and the once-in-a-generation I-90 Allston Multimodal Project.

Delivering on the Promise of a 50/50 Split of Fair Share Revenue

The Task Force considered opportunities to improve the transparency and effectiveness of Fair Share surtax investment—and ultimately recommended an even split with education. Over the past two years, transportation has received approximately 40% of the Fair Share funding, despite the ballot question’s promise of an equitable distribution between education and transportation programs. Together, the Governor’s proposed surplus surtax supplemental budget and the plans for Fair Share in House 1 would deliver on this goal.

Stabilizing the MBTA Operating Budget

Our region—and indeed our Commonwealth—cannot survive let alone thrive without a safe, reliable, and accessible MBTA. According to a study from A Better City and AECOM, the MBTA service area of 164 municipalities represents approximately 70% of the state’s population, 74% of the jobs, and 84% of Massachusetts’s gross domestic product. Moreover, every dollar invested in public transportation generates at least five dollars in economic returns.

Under General Manager Eng’s leadership—and with the support of the Legislature—the MBTA has made tremendous progress toward addressing decades of underinvestment and getting the system back on track. From hiring sorely needed bus operators at a record pace, to removing slow zones across the subway system to realizing the vision of South Coast Rail, current MBTA leadership is delivering for our riders and for our economy.



Without the additional funding provided by the surplus surtax supplemental budget, the MBTA would undoubtedly be forced to contemplate service cuts, layoffs, and funding reallocation decisions that would threaten to reverse the momentum gained in recent months. Without this critical funding, the MBTA would risk returning to a state of crisis, destabilizing our regional economy and jeopardizing our broader economic, climate, and quality of life goals.

In closing, transportation is the key to unlocking a more affordable, equitable, and competitive Commonwealth. Our major employers—including higher education and healthcare institutions, life sciences companies, and law firms now under federal attack—rely on the MBTA to move the workers that move our economy. With unprecedented uncertainty at the federal level, one thing is certain: Massachusetts can and must take action and take control of our own transportation future.

Governor Healey's proposed surplus surtax supplemental budget is a critical step at a critical moment. A Better City respectfully urges the committee to support this proposal, as well as House 1 and the broader vision of the Governor's Transportation Funding Task Force.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kate Dineen', with a stylized, cursive script.

Kate Dineen
President & CEO
A Better City