

GOVERNOR PATRICK RETURNS TRANSPORTATION FINANCE BILL TO LEGISLATURE WITH AMENDMENT

Amendment will make funding certain in the absence of Western Turnpike tolls

BOSTON – Tuesday, July 2, 2013 – Governor Deval Patrick today returned the Transportation Finance Bill in its entirety to the legislature with recommended amendments, including a provision to ensure long-term funding for the Commonwealth's transportation system.

While the bill passed last week sought to invest an additional \$805 million a year by 2017 in roads, bridges and rails across the Commonwealth, it did not deal with the anticipated loss of \$135 million in existing revenue that same year. The bill relies on that \$135 million in revenue from the Western Turnpike tolls, yet under current law the tolls can come down in 2017. Governor Patrick is proposing an amendment to ensure that the state will actually see \$805 million in new investment. Under this proposal, if the tolls come down in 2017, the state's Commissioner of Revenue will be directed to increase the gas tax by the amount necessary to replace the lost toll revenue. This will provide certainty for transportation planning and the public that the state is able to make the investments it is promising to make.

"The people we serve need and deserve a modern, efficient and safe transportation system in every corner of the Commonwealth," said Governor Patrick. "The \$805 million in new revenue proposed by the legislature would bring meaningful progress toward delivering that kind of system, but the legislation before me does not yet achieve that. This amendment makes certain that the people can count on the full \$805 million."

After a thorough study at the direction of the Legislature and input from more than 1,000 transportation experts, members of the business community and commuters, the Patrick Administration identified unmet transportation needs requiring an average of \$1.2 billion in new annual investment over the next decade. The Governor filed a comprehensive transportation financing plan earlier this year that would have solved the Commonwealth's long-term transportation challenges, while creating jobs and economic opportunity in every corner of Massachusetts.

The Governor also amended the legislation to guarantee that the one member of the Massport Authority Board represents a community directly impacted by Massport activities, either East Boston, South Boston or Winthrop. In addition, he recommends delaying the effective dates of the gas tax and computer system design services and software modification sales tax sections of the bill to avoid retroactive taxation and

allow the Department of Revenue and affected taxpayers adequate time for proper implementation of these changes.