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**DEVAL L. PATRICK**  
GOVERNOR

November 14, 2014

The Honorable Anthony Foxx  
Secretary  
U.S. Department of Transportation  
1200 New Jersey Avenue, S.E.  
Washington, D.C. 20590

Dear Secretary Foxx:

As you know, last week the voters of Massachusetts repealed the provision of the law indexing the state gas tax to inflation. While my Administration is still analyzing the detailed impacts of the repeal, our best estimate today is that the repeal will reduce our ability to invest in transportation by approximately \$1 billion over the next ten years.

The actual impact of these cuts will be determined by the incoming Administration; however, I am confident that the commitment to MBTA State of Good Repair (SGR) projects will continue. Both the MassDOT and MBTA Capital Investment Plans envision significant funding for a series of SGR projects in the short term. As referenced in the GLX New Starts Finance Plan, these projects include Replacement of Orange and Red Line Vehicles, Facility Improvements for Orange and Red Line Vehicles, Power Upgrades to the Subway System, and Bus Replacements.

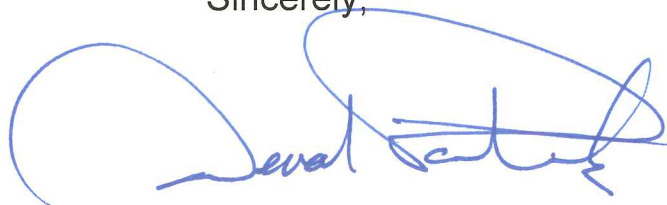
The contract for Orange and Red Line vehicle replacement was unanimously approved by the MassDOT Board in October. This project,

which is now underway, is so vitally important to our transportation system and overall economic well-being that our commitment to its implementation cannot be doubted. As part of these improvements, it is also imperative to fund vehicle facility improvements necessary to accept and test the new vehicles as they are delivered and to maintain them throughout their useful life, as well as to invest in power upgrades required to maximize our return on investment in terms of service headways and reliability. The funding for the design of these long-lead items was made available from MassDOT to the MBTA via Board action in July. As designs progress, the construction of these improvements, like their design, will be funded by Commonwealth revenues. Finally, bus fleet replacement is necessary to maintain our commitment to the urban core and to comply with MassDOT Board dictates regarding the average age of the vehicle fleet. These improvements are funded by a combination of Commonwealth and MBTA revenues. This \$350 million program is slated to begin in Fiscal Year 2016 and will be funded with \$200 million of MBTA funds in FY 16 and \$150 million of MassDOT funds spread over Fiscal Years 2017 and 2018.

The cash flows necessary to implement these projects were included in last year's Capital Improvement Plan and I fully expect they will be carried forward into next year's. It is important to note that even with the projected cuts due to the repeal of the inflationary index, we still project that Massachusetts will have approximately \$7 billion in capacity for new transportation investments over the next ten years.

Please feel free to contact my office should you have any questions or need additional information on this issue.

Sincerely,

A handwritten signature in blue ink, appearing to read "Deval Patrick", is written below the word "Sincerely,". The signature is fluid and cursive, with a large loop at the beginning and a long horizontal stroke at the end.