

More Reform and More Revenue

A Transit Agency At A Crossroads

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The recent release of the action plan prepared by Gov. Baker's special panel to review the MBTA presents many opportunities to improve the beleaguered transit agency.



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MBTA governance and operations, as well as opportunities to re-envision the way the MBTA delivers its transit services. However, the filing of the legislation does not allow us to declare victory – there is much yet to do, and consensus is likely to be elusive.

As someone who served as a legislative fellow during drafting and debate of the last transportation reform legislation, I am certain there are many divergent views on how to fix the MBTA. With two political parties, two legislative bodies and one executive body, there is no shortage of ideas. But there are common themes that need to form the nucleus of an agreement to move forward

MassDOT Board and Financial Control

As a result of previous reform efforts, the legislature created a Massachusetts Department of Transportation (MassDOT) Board

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of Directors. The intent of this board was to provide oversight of an integrated, multimodal transportation agency. The board was to function as both MassDOT's board as well as the MBTA's board, in its capacity as an independent authority. However, most would agree that the board never lived up to its potential.

Following the recommendation of the special panel, the Governor has proposed replacing the existing five-member MassDOT Board with a new 11-member board. It also proposes a separate five-member fiscal and management control board. This proposal has been met with strong resistance from the Legislature. In the absence of compromise, this proposal is not likely to secure legislative approval.

Borrowing a page from private corporate boards, one potential compromise is to make the fiscal and management control board a subcommittee of the MassDOT Board for a defined period of time, with a sunset provision triggered by achievement of specific reforms. The subcommittee would be specifically appointed by the governor to perform this work. The fiscal and management control board would perform the duties and responsibilities envisioned by the governor,

but would do so with the approval and consent of the full MassDOT Board. With the majority of the MassDOT Board members appointed by the governor, there should be no doubt that the governor's management objectives would be realized.

Consolidate Services

Another key recommendation of the special panel is to consolidate and strengthen support departments among the transportation agencies. The existence of separate human resources, purchasing and procurement, and real estate divisions at MassDOT and the MBTA is inefficient and results in inconsistent policies in the same executive department. By consolidating these functions at the sectorial level in MassDOT, the MBTA will be able to focus exclusively on delivering world-class transit service. This evolution in the way we envision the MBTA has enduring and real value as an agency reform effort.

Additional Funding Is Needed

Perhaps the most important finding of the special panel is that it rejects the false dichotomy of reform versus revenue. It acknowledges that reform is definitely

needed, but that additional revenue is also needed. While it dispels the myth of the MBTA swimming in debt related to the Central Artery Tunnel project, it acknowledges that the MBTA's overall debt service is substantial and an impediment to the financial health of the agency.

The report also highlights how low the MBTA's fares are relative to peer systems, which is a real eye opener. While maintaining low fares is critical to maintaining ridership, reducing traffic congestion and maintaining a sustainable transportation system, understanding the fare structures of other cities sheds a lot of light on what the economy can bear in Boston without the deleterious consequences predicted by those who advocate against any fare increase.

Ultimately, the legislature and the governor have to decide how to fund the MBTA. The governor's legislation has omitted any funding increases, even though his panel recommended increased funding. This is one area where strong leadership is necessary from the executive and legislative branches to capitalize on strong public sentiment to address the chronic underfunding of the MBTA now.

The depth and breadth of the special panel's action plan is exceptional. There are plenty of opportunities to improve the MBTA in meaningful ways. Let's hope the governor and the legislature don't miss the bus on this critical issue. ■

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