

# *News Release*

For Immediate Release

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## **MTF Applauds Central Artery Finance Plan**

The Massachusetts Taxpayers Foundation strongly endorses the Central Artery and capital finance plan released by legislative leaders today. The compromise plan, which includes the best elements of proposals by the House, Senate and administration, is based on the fundamental principles suggested by the Foundation:

- C Finance the Artery cost overruns in a fiscally responsible way by creating new revenue streams rather than diverting existing funding sources from other capital projects,
- C Build a prudent contingency for further cost overruns, and
- C Provide supplemental funding for other important capital projects that have been delayed by the state's capital shortfall.

The plan will cover the \$1.4 billion in Artery cost overruns announced earlier this year while still leaving sufficient funds for potential additional costs, which federal auditors have estimated could reach \$500 million. The contingency should help to ensure that the Artery is completed as designed, without having to sacrifice environmental and aesthetic commitments that are important benefits of the project. The supplemental funding provided for other transportation projects will allow the Commonwealth to make important investments across the state and meet the federal requirement for a balanced statewide transportation program.

The plan relies on a judicious and fair mix of funding sources. The Foundation is particularly pleased that the plan restores vehicle registration fees in addition to drivers' license fees. The two Registry fees, which amount to six cents per driver per day, are reasonable user charges that support transportation systems in every other state. The plan also makes good use of the expected fiscal 2000 budget surplus, continuing the sound practice of using one-time surplus funds for one-time capital costs, and incorporates additional contributions from the Turnpike Authority and Massport without jeopardizing the fiscal stability of the authorities.

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