

April 11, 2019

Testimony to the Joint Committee on Revenue on the Need to Invest in Education and Transportation

Dear Chairperson Hinds, Chairperson Cusack, and Members of the Joint Committee on Revenue,

My name is Marie-Frances Rivera and I am the President of the Massachusetts Budget and Policy Center. MassBudget is a non-partisan, non-profit research organization that focuses on policies that improve the lives of low- and middle-income people, strengthen our state's economy, and enhance the quality of life in Massachusetts.

Our Commonwealth's current prosperity depends in no small part, on the investments that earlier generations made before us. Think of where we'd be if earlier generations hadn't invested in our subway system or the Massachusetts Turnpike - or if the Commonwealth hadn't committed to establishing the nation's first public school. Our state and our lives would look quite different today without those forward-thinking investments.

Some of the most important things we do *together* through state and local government is educate our children and increase the mobility of our people. And, as we know, improving the quality of the education our children receive and the transportation infrastructure our communities rely on requires up-front investments for long-term pay-offs.

Across the state's transportation system there are strong unmet needs for repair and modernization that could improve our communities and our economy, but will largely remain unmet without additional revenue sources. Here are a few examples:

- There are 462 sizeable, state-owned bridges that are structurally deficient, according to the state. The state has a target of getting that number down to 300, but that goal is not funded.
- Many rail and subway stations and bus stops are inaccessible to people with disabilities. The most recent estimates suggest a cost in the range of \$2 billion beyond what is currently funded.
- The South Coast Rail is scheduled to begin service by 2022, which is promise without a tangible funding plan.
- And our Regional Transit Authorities remain chronically underfunded.

Mobility is critical to our communities' ability to thrive. People in Massachusetts rely on public transit to get to work, school, health care, and recreation. However, much of our transit infrastructure is old and deteriorating; many communities lack access to reliable and affordable transportation options; and many of our transit systems were not designed to handle such heavy use. We should invest to fix, modernize, and expand systems so that more people have access to quality transportation options. Revenue sources for transit should favor progressive taxes, like the Fair Share Amendment, since low-income households are disproportionately hurt by increases in user fees and fares.

IT'S A PROMISING SIGN that fixing how Massachusetts funds our K-12 schools has moved to the top of the agenda here on Beacon Hill. The Governor and Legislature acknowledge that the time has come

to address the outdated Chapter 70 formula, which has shortchanged students across the Commonwealth, particularly those in middle- and low-income school districts that lack the resources to make up for funding gaps.

At stake in this debate is fundamental fairness. If we are committed to giving every kid in the Commonwealth an equal opportunity for a world-class public education, then bold action – a real commitment to investing more dollars in public education – is required.

Making the investments needed to give all students the quality education they deserve could mean upwards of \$1 billion in new school aid per year across the state. And, depending on how the Legislature moves forward - over half of this new funding, under realistic scenarios, could reach our Gateway Cities, which are among the communities hardest hit by current shortfalls.

Our report from last summer, *[Building an Education System that Works for Everyone](#)*, makes plain that the funding disparities among districts in Massachusetts are profound. The current formula dramatically underestimates health insurance and special education costs, by \$2.63 billion in FY 2017 alone. This means districts have much less funding than necessary to pay for regular classroom needs.

These funding problems affect all districts but are most acute in lower-income communities. Springfield, one of our lowest-income districts, was only able to spend \$12,800 per pupil in 2017, despite having significant student needs. Meanwhile, Brookline, among the wealthiest communities, spent 82 percent above its foundation budget, at nearly \$17,500 per student.

These inequalities have a detrimental effect on all of us. However, making reforms that better support students can benefit everyone through a more successful state economy. Achieving this collective prosperity requires that all children can access a high-quality education – regardless of where they live, how much income their families have, or the color of their skin.

Progressive revenue raising policies, such as the Fair Share Amendment would be a straightforward way to make investments **today** that would benefit generations to come.

For more information about efficacy and need to adequately fund education, transportation and other crucial public programs and more on how to fix our regressive state system and raise revenue in a way that is progressive, please see MassBudget's following reports:

- *[Building an Education System that Works for Everyone](#)*
- *[Building a Strong Economy: The Roles of Education, Transportation and Tax Policy](#)*
- *[Investment in After-School & Summer Learning in Massachusetts: Current Funding & Unmet Need](#)*

Thank you for your attention,

Marie-Frances Rivera, President
Massachusetts Budget and Policy Center
15 Court Square, Suite 700
Boston, MA 02108