



July 30, 2013

Mr. Donald A. Henderson, Chairman Town of Millis 900 Main Street Millis, MA 02054

Dear Mr. Henderson:

Earlier this year, the Legislature passed a one-year \$300 million authorization for Chapter 90 pending the outcome of the transportation finance debate. In May, I announced, the Administration's release of \$150 million in Chapter 90 local transportation funding for fiscal year 2014 to ensure cities and towns could get a jump on the construction season, pending the outcome of the transportation finance bill. Today, I am announcing that we are releasing a total of \$200 million in Chapter 90 funding for fiscal year 2014, equaling last year's historic amount.

On July 24, 2013 the Legislature enacted transportation finance legislation to reinvest in the Commonwealth's transportation system. The legislation provides additional revenues to address deficits at the MBTA, end the decades old practice of paying for highway operations with debt and also stops the costly practice of arrears funding the 15-regional transit authorities. Additionally, over the next several years limited additional resources to address billions in deferred maintenance and construction needs will be available. As drafted, the bill is a step forward, but it does not provide sufficient resources to address all of the needs outlined in the Administration's *Way Forward* plan. Without sufficient resources, we are not able to fund every project or programs at the levels called for in our plan.

As many of you are aware, the Administration's *The Way Forward* proposal added additional revenues raised through tax reform proposal to provide a 10-year \$300 million annual (indexed for inflation) Chapter 90 program for municipalities. However, the transportation finance bill does not provide sufficient revenues to fund the \$300 million dollar allotment as proposed in the *Way Forward Plan* without cutting or deferring capital spending in other high priority areas such as bridge and highway reconstruction, road paving and improvements to statewide bus and rail services.

Your adjusted allotment for FY2014 is \$275,963. Please contact Matt Bamonte at (857) 368-9151 with any questions you may have regarding the Chapter 90 program.

Sincerely,

Richard A. Davey Secretary & CEO