To:

TCI Leadership Team: Kathleen Theoharides, Secretary, Massachusetts Executive Office of Energy and Environmental Affairs; R. Earl Lewis, Jr., Deputy Secretary, Maryland Department of Transportation

TCI Executive Policy Committee: Marty Suuberg, Commissioner, Massachusetts Department of Environmental Protection; Roger Cohen, Senior Advisor to the Secretary, Pennsylvania Department of Transportation

TCI Technical Analysis Workgroup: Christine Kirby, Assistant Commissioner, Massachusetts Department of Environmental Protection; Chris Hoagland, Economist, Climate Change Division, Maryland Department of the Environment

TCI Investment and Equity Workgroup: Kate Fichter, Assistant Secretary, Massachusetts Department of Transportation

TCI Outreach and Communications Workgroup: Chris Bast, Chief Deputy, Virginia Department of Environmental Quality Elle O'Casey, Director of Communications and Outreach, Vermont Agency of Natural Resources

Governors and other state officials: Connecticut, Delaware, New Hampshire, New Jersey, New York, Maine, Maryland, Massachusetts, Pennsylvania, Rhode Island, Vermont, Virginia **Mayor and other city officials:** District of Columbia

The Massachusetts TCI Table (MA TCI Table) is a collaborative forum for organizations working to shape the Transportation & Climate Initiative (TCI) design and guide implementation in the Commonwealth. While not all members of the MA TCI Table have endorsed a cap-and-invest program, we all want to ensure if TCI is established, that it be both environmentally ambitious and equitable.

Environmental Ambition

We commend Governor Baker and members of the Baker-Polito administration for their regional leadership on TCI. As the participating jurisdictions work to develop a final Memorandum of Understanding (MOU), we encourage Massachusetts to provide continued leadership by encouraging other states to commit to TCI, to invest proceeds in clean transportation efforts, and to minimize negative impacts to low-income drivers while maximizing benefits to communities that lack affordable, reliable, and safe transportation.

The MA TCI Table asks the Baker-Polito administration to ensure that the TCI jurisdictions establish an emissions cap that aligns with Governor Baker's recently announced commitment to net-zero emissions by 2050 and the Massachusetts Senate's proposed requirement of a 50 percent emissions reduction by 2030. Of the three cap levels analyzed by the TCI jurisdictions, the cap that most closely approaches that level of ambition is the cap that declines by 25 percent from 2022 to 2032; that cap level also delivers the greatest health, economic, and job-creation benefits. For those reasons, the MA TCI Table recommends that the TCI jurisdictions implement an emissions cap that declines by at least 25 percent from 2022 to 2032, and

conduct modeling of deeper reductions. The cap and other program design elements should be reviewed after the program's first three years and every three years thereafter to ensure that the program is working as intended to reduce CO_2 emissions and other harmful co-pollutants.

Investment of TCI Proceeds

We appreciate the need for each TCI jurisdiction to independently determine how to invest TCI proceeds to best meet the unique needs of their residents, workers, and businesses. However, we also believe that the draft MOU should include principles to ensure that investments deliver pollution reduction, improved air quality, increased sustainable transportation options in an equitable manner, and good jobs standards.

The investment of TCI proceeds in Massachusetts should provide greater access to affordable, low-carbon transportation options throughout all geographic regions of the Commonwealth. Investments that benefit environmental justice communities, low-income populations, rural families, low-wage workers, and other populations that have been historically burdened by transportation pollution are necessary. The Commonwealth should prioritize these communities as they have faced disproportionate burdens from transportation pollution and unequal access to mobility options. TCI proceeds must minimize and mitigate cost impacts to low-income households and maximize expanded clean transportation benefits for low-income communities and other transit-dependent populations.

The Commonwealth's share of proceeds from TCI allowance auctions should be managed transparently, with input from a stakeholder advisory council. Massachusetts should work directly with communities across the Commonwealth to identify investments that will deliver CO₂ reductions, improved air quality, resilient infrastructure, and improved sustainable transportation options. TCI-funded investments should be highly visible through clear reporting of investments and investment impacts.

Complementary Policies

In addition to a cap-and-invest framework, complementary policies are needed to achieve the Commonwealth's climate mandates, economic development, and public health goals. These should include policies such as reduced public transit fares, road pricing, zoning reform, public-private partnerships, improved governance and coordination of the MBTA, RTAs, human service transit, and other state and local agencies. Further, the MA TCI Table agrees with the Commission on the Future of Transportation that we need to phase out the sale of internal combustion engine vehicles by 2040, and that by 2030, all MBTA and RTA bus purchases must be electric by 2030.

We look forward to working with you to ensure that Massachusetts participates in an environmentally ambitious and equitable TCI.

Sincerely,

Massachusetts TCI Table participants:

Acadia Center Alliance for Business Leadership **Climate XChange Conservation Law Foundation Environmental League of Massachusetts** Gateway Cities Innovation Institute at MassINC Green Energy Consumers Alliance Green for All Health Care Without Harm John W. McCormack Graduate School of Policy and Global Studies, UMass Boston League of Women Voters Massachusetts Massachusetts Climate Action Network Massachusetts Public Health Association Massachusetts Sierra Club MassBike Metropolitan Area Planning Council Mothers Out Front Transportation for Massachusetts Transportation Working Group of 350MA Union of Concerned Scientists WalkBoston