The Transportation & Climate Initiative (TCI) Program in Massachusetts

Legislation to Advance Transportation and Climate Justice

Massachusetts has an opportunity to deliver the clean air and improved transportation options that the Commonwealth’s residents and businesses deserve. Chronic underinvestment – both in marginalized communities and in alternatives to personal vehicles – has resulted in congested roads, inadequate public transit, and neighborhoods lacking access to economic opportunities. At the same time, the imported fossil fuels used to power vehicles remain the Commonwealth’s greatest contributor to climate change and a major source of the air pollution that disproportionately harms black and brown residents. It is time to end that toxic combination by passing legislation to advance a modern, equitable, and sustainable transportation future.

No single policy will fix these challenges overnight, but there are many bills that, together, will deliver meaningful progress towards transportation and climate justice. While this document focuses on the equitable implementation of the Transportation and Climate Initiative (TCI) Program through SD.2317 filed by Senator Boncore and HD.3905 filed by Representative Blais (both titled An act relative to transportation and environmental justice), all of the following bills are critical to the equitable transformation and decarbonization of transportation in Massachusetts:

- **HD.3278** An act relative to transportation and environmental justice
- **HD.2144/SD.1320** An act relative to public transit electrification
- **HD.2696/SD.1742** An act to improve outdoor and indoor air quality for communities burdened by transportation pollution
- **HD.1159/SD.1066** An act promoting zero-emission vehicles
- **HD.3278** An act relative to low-income transit fares
- **HD.1305/SD.2322** An act to promote electric vehicle fleets by 2035

What is TCI?

The Transportation and Climate Initiative (TCI) is a collaboration between states stretching from New England to North Carolina with the goal of delivering regional solutions to transportation and climate challenges. Through that effort the states have developed the TCI Program (TCI-P), a cap-and-invest program designed to reduce pollution from gasoline and diesel fuels while generating a new source of funding for clean and equitable transportation investments.
Governor Baker, the governors of Connecticut and Rhode Island, and the mayor of Washington, D.C. committed to participating in the TCI Program by signing on to the Memorandum of Understanding (MOU) in December 2020. More states are expected to join before the TCI Program’s launch in 2023.

In Massachusetts, the TCI Program is projected to deliver over $700 million in annual health benefits by 2032

The TCI Program’s framework is consistent across the region, as detailed in the draft Model Rule, but the authority to implement the Program—and key decisions around how to implement it—are left to each participating state. Most notably, each state must determine how to invest its share of proceeds from the regional carbon allowance auctions; in Massachusetts, that annual figure is projected to be approximately $150 million in 2023, rising over $200 million by the end of the decade.

What does SD.2317/HD.3905 do?

The bill filed by Senator Boncore and Representative Blais, An act relative to transportation and environmental justice, is designed to ensure that the TCI Program will be implemented equitably in Massachusetts. This legislation builds on the regional framework, adding necessary details specific to the Commonwealth and strengthening regionally-agreed-upon equity provisions. If passed, SD.2317/HD.3905 will create an inclusive and transparent process to identify TCI-funded investments, it will center the voices of environmental justice communities and populations underserved by transit, and it will direct new resources towards the transition to a clean transportation future. Through the following measures, the bill addresses the needs of Massachusetts communities and sets an example for other TCI states:

• Creating the TCI Trust Fund, which will fund investments in clean transportation, improved public transit, walking and biking infrastructure, and other projects to support transportation justice and cleaner air;

• Requiring that at least 70% of TCI proceeds are invested in communities that suffer disproportionately from transportation pollution or lack access to mobility options, from East Boston to rural communities in western Massachusetts; and

• Defining the roles and membership of the TCI Equity Advisory Body, a group representing overburdened and underserved populations from across the Commonwealth that will shape the program’s implementation and inform investment decisions.

The TCI Program is projected to be a source of economic growth, new jobs, and cleaner air. In Massachusetts, the TCI Program is projected to deliver over $700 million in annual health benefits by 2032, including nearly 70 avoided deaths each year and over 4,000 avoided childhood asthma exacerbations. Through SD.2317/HD.3905 and the additional policies outlined above, Massachusetts can ensure that those benefits are felt in the communities that suffer most from transportation pollution and have the least access to reliable, clean mobility options.

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