The committee of conference on the disagreeing votes of the two branches, with reference to the Senate amendment (striking out all after the enacting clause and inserting in place thereof the text contained in Senate document numbered 1770) of the House Bill relative to transportation finance (House, No. 3415), reports recommending passage of a bill with the same title (House, No. 3535) [Total Appropriation: $100,000.00]. June 25, 2013.
The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act relative to transportation finance.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to immediately make available monies for transportation financing in the fiscal year beginning July 1, 2013 and to make certain changes in law, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. To provide for certain unanticipated obligations of the commonwealth, to provide for an alteration of purpose for current appropriations, and to meet certain requirements of law, for fiscal year 2013 the sum set forth in section 2A is hereby appropriated from the Commonwealth Transportation Fund, for the several purposes and subject to the conditions specified in said section 2A, and subject to laws regulating the disbursement of public funds. For the purpose of making available in fiscal year 2013 balances of appropriations which otherwise would revert on June 30, 2013.

SECTION 2A.

TRANSPORTATION

Department of Transportation

1595-6367 For the transportation performance and asset management advisory council to assist with the development of a statewide integrated performance and asset management system pursuant to sections 12 and 12A of chapter 6C of the General Laws; provided further, that any unexpended funds in this item at the end of fiscal year 2013 shall not revert and shall be made available for the purposes of this item until June 30, 2014

$100,000 Commonwealth Transportation Fund 100%
SECTION 3. Section 3 of chapter 6C of the General Laws, as appearing in the 2010
Official Edition, is hereby amended by striking out, in lines 73 to 78, inclusive, the words “the
department shall convene at least 2 public hearings, each to be held in a community within the
turnpike corridor, at least 30 days prior to the effective date of any proposed change in toll
structure on the turnpike and shall allow for a 1-week comment period, after each such hearing,
during which written testimony and comments shall be accepted” and inserting in place thereof
the following words:- prior to revising the toll structure, the department shall publish a report on
its website that sets forth the fiscal alternatives that were examined in lieu of revising the toll
structure and detail the reasons why such alternatives were not viable fiscal options; provided
further, that the department shall then convene at least 2 public hearings, each to be held in a
community within the turnpike corridor or within the metropolitan highway system, as
appropriate, at least 30 days before the effective date of any proposed change in toll structure on
the turnpike or metropolitan highway system, as appropriate, and shall allow for a 1-week
comment period after each such hearing during which written testimony and comments shall be
accepted;

SECTION 4. Said chapter 6C is hereby amended by inserting after section 6 the
following section:

Section 6A. Notwithstanding any general or special law to the contrary, the goals
established by the office of performance management and innovation under subsection (b) of
section 6 shall include, but not be limited to: (1) for the division of highways, the reduction of
commuting times by at least 10 per cent in each region for each rolling 5-year period, after
adjusting for seasonal variations and for changes in the economic activity in the region; (2) for
the division of highways, the reduction of fatalities by at least 10 per cent for each rolling 5-year
period; (3) for the division of highways, the reduction of the accident rate by at least 10 per cent
for each rolling 5-year period; (4) for the division of highways, the reduction of the
administrative disbursement rate per mile by at least 10 per cent for each rolling 5-year period;
(5) for the division of highways, increasing the maintenance disbursements per mile by at least
the same total dollar amount as the total dollar amount saved by the reduction of the
administrative disbursement rate per mile under the clause (4), for each corresponding 5-year
period; (6) for the Mass Transit division, a decrease in the urban transit bus fleet age for each
transit authority of at least 10 per cent for each rolling 5-year period; (7) for the Mass Transit
division, a reduction of fatalities as a result of transit accidents in each transit authority by at
least 10 per cent for each rolling 5-year period; (8) for the Mass Transit division, an increase in
the farebox recovery ratio of at least 10 per cent for each transit authority for each rolling 5-year
period; (9) for the Mass Transit division, an increase in the on-time performance percentage for
each transit authority of at least 2 per cent for each rolling 5-year period, until that percentage
reaches 98 per cent; and (10) for the Mass Transit division, an increase of at least 5 per cent in
the revenue miles per active vehicle reported to the Federal Transit Administration for each
transit authority for each rolling 5-year period.
SECTION 5. Subsection (e) of section 9 of chapter 6C of the General Laws, as appearing in section 1 of chapter 132 of the acts of 2012, is hereby amended by adding the following sentence:- The secretary shall make the annual report and all such reports from previous years available on the department’s website.

SECTION 6. Section 10 of said chapter 6C, as appearing in the 2010 Official Edition, is hereby amended by adding the following paragraph:-

The office of transportation planning shall work in collaboration with the public-private partnership infrastructure oversight commission and provide the oversight commission information and updates on research, surveys, studies and future transportation projects.

SECTION 7. Section 11 of chapter 6C of the General Laws, as so appearing, is hereby amended by striking the second sentence and inserting in place thereof the following sentence:-

The plan shall be consistent with the project selection criteria as established by section 11A.

SECTION 8. The first paragraph of section 11 of said chapter 6C, as so appearing, is hereby amended by inserting after the third sentence the following sentence:- The plan shall include a toll feasibility analysis in the evaluation of all highway, road and bridge projects.

SECTION 9. Section 11 of said chapter 6C, as so appearing, is hereby amended by inserting after the word “finance”, in lines 18 and 19, the following words:-, the public-private partnership infrastructure oversight commission.

SECTION 10. Section 11 of said chapter 6C, as so appearing, is hereby amended by inserting at the end thereof the following paragraph:-

The long range transportation plan developed by the secretary of transportation under this section shall provide that no less than $100,000,000 shall annually be spent for the construction and reconstruction of municipal ways as described in clause (b) of the second paragraph of section 4.

SECTION 11. Said chapter 6C is hereby further amended by inserting after section 11 the following section:-

Section 11A. (a) In order to provide a fair and transparent effort to maintain and repair the transportation assets within the commonwealth, there shall be a project selection advisory council which shall be charged with developing a uniform project selection criteria to be used in the development of a comprehensive state transportation plan as required by section 11.

(b) The council shall consist of the following members: the secretary or the secretary’s designee, who shall serve as chair; 3 members to be appointed by the governor, 1 of whom shall have practical experience in transportation planning and policy, 1 of whom shall be a registered
civil engineer with at least 10 years’ experience and 1 of whom shall be a member of a regional planning agency; 1 member to be appointed by the president of the senate, who shall be an expert in the field of transportation finance; 1 member to be appointed by the minority leader of the senate, who shall be a member of the construction industry; 1 member to be appointed by the speaker of the house of representatives, who shall be a representative of a transportation consumer organization or other public interest organization; 1 member to be appointed by the minority leader of the house of representatives, who shall be a member of a business association; and a representative of the Massachusetts Municipal Association. The department shall provide the council with qualified administrative staff and the regional planning agencies may provide qualified technical assistance to the council.

(c) The project selection criteria developed under this section shall include a project priority formula or other data-driven process that shall include, but not be limited to, the following factors: engineering; condition of existing assets; safety; economic impact; regional priorities; and the anticipated cost of the project. The council may divide projects into several categories including, but not limited to: preservation and maintenance of existing assets; modernization of existing assets that improve safety; expansion projects that add to the existing system; and local construction. The factors chosen by the council may be weighted to prioritize specific factors and such weighting of factors may differ by project category as determined by the council.

(d) The council shall conduct at least 6 public hearings, 1 in each of the department’s highway districts, before final approval of the project selection criteria. The council shall provide interested persons with an opportunity to submit their views orally and in writing and the department may create and maintain a website to allow members of the public to submit comments electronically and to review comments submitted by others. The council shall provide notice of each public hearing by publication in a newspaper of general circulation in the highway district in which the hearing is to be located in each of 2 successive weeks, the first publication to be at least 14 days before the day of the hearing and, if feasible, by posting a notice in a conspicuous place in the cities or towns with the highway district for at least the 14 consecutive days immediately prior to the day of the hearing.

SECTION 12. Said chapter 6C is hereby further amended by inserting after section 12 the following section:-

Section 12A. (a) As used in this section, the following words shall, unless the context clearly requires otherwise, have the following meanings:-

“Performance and asset management system”, the permanent, comprehensive and integrated system, developed by the department pursuant to section 12, that requires the operation, maintenance, upgrade and expansion of all transportation assets, that are cost-effectively administered throughout their lifecycle, by continuously updating physical inventory,
condition assessments and performance information. The system shall establish goals, metrics
and outcomes to measure transportation performance pursuant to section 6.

“Council”, the transportation performance and asset management advisory council
created under this section.

“Local transportation agency”, the city, town, or other governmental entity’s department
of transportation or public works that has jurisdiction over the transportation assets in that city,
town or entity and that receives state or federal funding.

“Transportation assets”, capital assets, including but not limited to, any city, town, county
or state highway, road, street, pavement, parkway, facilities, structures, construction and
maintenance equipment, vehicles, real estate, materials, corporate data and information,
equipment, rolling stock, infrastructure and facilities for use in public transportation; ground and
water transportation facilities and equipment; and any rights-of-way, bridges, tunnels, railroad
highway crossings, drainage structures, signs and guardrails.

(b) In order to provide a coordinated, unified effort on the stewardship and performance
of transportation assets within the commonwealth, there shall be a transportation performance
and asset management advisory council charged with advising the board on the creation of a
performance and asset management system pursuant to section 12.

The council shall consist of the secretary, who shall serve as chair, and the following
members as appointed by the secretary: 2 members of the board, 2 members from the
Massachusetts Municipal Association, 2 members from different regional planning agencies, 1
member from the construction industry, and 1 member from a business association. Each
member shall be appointed for a term of 3 years. The council may appoint a technical assistance
panel, to serve in an advisory, non-binding capacity, comprised of transportation planning,
construction and engineering associations. The council shall determine the scope of research and
assign projects to the technical assistance panel as necessary in the development of statewide
policies. The department shall provide the council with qualified administrative staff and the
regional planning agencies may provide qualified technical assistance to the council.

(c) The council shall review the performance measurement criteria required for the
performance and asset management system pursuant to subsection (b) of section 6 and the long-
term statewide transportation plan required by section 30. The council shall make a report to the
board on the following: (i) improvements that can be made to ensure comprehensive multi-modal
transportation planning and analysis, (ii) additional performance metrics, such as enterprise-wide
measures across modes, contract management, procurement, project controls, financials,
organizational and prioritization outcomes, and (iii) economic development impacts, and
benchmarks against performance by other states and countries. The council shall make
recommendations on the processes and tools needed to implement a strategy for the performance
and asset management system.
(d) The council shall present minimum standards and guidelines delineating standardized data and information that shall be contained in the performance and asset management system, including the complete integration of transit, highway, aeronautics, water and port assets, and the possible inclusion of municipal roadways. The minimum standards shall include: (i) the keeping of accurate and uniform records of real transportation assets, (ii) the mileage and condition of each road and bridge system under various jurisdictions, (iii) the receipts and disbursements of road, street and transit funds, (iv) a multiyear compilation of projects anticipated to be contracted for or by the department or local transportation agencies that are funded in whole or in part with state or federal funds, and (v) any other categories established by the council. The council shall recognize the differences in local, regional or other agencies’ circumstances and nothing in this section shall prohibit a local transportation agency or other governmental agency from using a separate asset management process on any eligible system. All quality control standards and protocols shall, at a minimum, be consistent with any existing federal requirements and regulations and existing government accounting standards.

(e) On or before October 1, the council shall provide an annual progress report on the performance and asset management system to the house and senate committees on ways and means and the joint committee on transportation.

SECTION 13. Subsection (a) of section 13 of said chapter 6C, as so appearing, is hereby amended by adding the following sentence:-

The department shall devise and implement a fair and reasonable fee structure to charge and collect tolls for transit over the turnpike between interchange 1 in the town of West Stockbridge and interchange 6 in the city of Springfield at interstate highway route 291.

SECTION 14. Section 16 of said chapter 6C, as appearing in the 2010 Official Edition, is hereby amended by adding the following sentence:- The plan shall be made available on the department’s website.

SECTION 15. Section 28 of said chapter 6C, as so appearing, is hereby amended by inserting after the word “divisions”, in line 33, the following words:- including, but not limited to, revenues from parking fares, financial assistance from cities and towns, sponsorships, naming rights and advertising.

SECTION 16. Said section 30 of said chapter 6C, as so appearing, is hereby further amended by inserting after subsection (c) the following subsection:-

(d) The secretary shall:

(1) develop and administer a long-term statewide transportation plan that shall include planning for intermodal and integrated transportation;

(2) create a future project prioritization list, separated by mode of transportation;
(3) include detailed information regarding all construction projects for which the department has expended funds during the preceding 5 fiscal years, which shall include:

   (i) the location and street name, including a brief description of the work to be performed;

   (ii) all project identifying numbers used within the department or with respect to any federal or state grant or funding program including, without limitation, any contract numbers, transportation incentive program numbers or Transportation Infrastructure Finance and Innovation Act or other federal aid numbers;

   (iii) all contractors, engineers, architects and other service professionals who have performed work on the project;

   (iv) all amounts expended, including payee name and date of disbursement with respect to each disbursement;

   (v) total projected and actual cost;

   (vi) projected and actual start and completion dates;

   (vii) projected and actual milestone dates and details;

   (viii) identification and a brief description of any issues, factors or other causes that have affected or are anticipated to affect the projected cost and completion date of any project; and

   (ix) the names and contact information of the project manager within the department or other department personnel with oversight authority;

(4) compare each project to the metrics established by the department’s office of performance management and innovation; and

(5) make the long-term statewide transportation plan available on the department’s website.

SECTION 17. Section 39 of said chapter 6C, as appearing in the 2010 Official Edition, is hereby amended by adding the following subsection:-

(c) The administrator shall establish within the division an internal project controls unit to oversee all statewide program projects in line with the department’s performance and asset management system. The administrator shall establish and implement project controls to ensure that projects carried out pursuant to this chapter shall be completed in the most efficient possible manner. The internal project controls unit shall be subject to section 29A of chapter 29.
SECTION 18. Subsection (b) of said section 14C of said chapter 7, as so appearing, is hereby amended by inserting after paragraph (4) the following paragraph:

(4 1/2) capital expenditures grouped by project with links to related capital budget documents.

SECTION 19. Sections 4C to 4G, inclusive, of chapter 16 of the General Laws are hereby repealed.

SECTION 20. Subsection (A) of section 2 of chapter 21J of the General Laws, as appearing in the 2010 Official Edition, is hereby amended by inserting after the first sentence the following sentence:

The fee imposed under this paragraph shall be adjusted at the beginning of each calendar year, by the percentage, if any, by which the consumer price index for the preceding year exceeds the consumer price index for the calendar year that ends before such preceding year.

SECTION 21. Subsection (C) of said section 2 of said chapter 21J, as so appearing, is hereby amended by striking out the second sentence and inserting in place thereof the following sentence:

The department shall deposit the receipts from the delivery fee imposed under the first paragraph of subsection (A) into the Commonwealth Transportation Fund established in section 2ZZZ of chapter 29 and shall deposit the receipts from the annual storage tank fee imposed under the second paragraph of subsection (A) into the General Fund.

SECTION 22. Said section 2 of said chapter 21J, as so appearing, is hereby further amended by striking out subsection (D).

SECTION 23. Section 14 of said chapter 21J, as so appearing, is hereby amended by striking out, in line 1, the word “fees,”.

SECTION 24. Said section 14 of said chapter 21J, as so appearing, is hereby further amended by striking out, in lines 2 to 4, inclusive, the words “treasury to the credit of the fund in accordance with the provisions of section two S of chapter twenty-nine” and inserting in place thereof the following words:– General Fund.

SECTION 25. Subsection (a) of section 2ZZZ of chapter 29 of the General Laws, as appearing in section 112 of chapter 165 of the acts of 2012, is hereby amended by striking out the second sentence and inserting in place thereof the following sentence:

There shall be credited to the fund all fees received by the registrar of motor vehicles under section 34 of chapter 90, all receipts paid into the treasury of the commonwealth and directed to be credited to the Commonwealth Transportation Fund under chapters 21J, 64A, 64E,
64F and any other applicable general or special law and all amounts appropriated into the fund by the general court.

SECTION 26. Said section 2ZZZ of said chapter 29, as so appearing, is hereby further amended by striking out subsection (c) and inserting in place thereof the following subsection:

(c) In addition to those revenues credited to the fund under subsection (a) there shall be credited to the fund all monies received by the commonwealth from the receipts from sales of motor vehicles under sections 3, 25 and 26 of chapter 64H and all monies received by the commonwealth on the sales price of purchases of motor vehicles under sections 4, 26 and 27 of chapter 64I, from the taxes imposed under said chapters 64H and 64I as excises upon the sale and use at retail of motor vehicles and upon the storage, use or other consumption of motor vehicles, including interest thereon or penalties; provided however, such amount shall not include any portion of the taxes that constitute special receipts within the meaning of subsection (b1/2) of section 10 of chapter 152 of the acts of 1997. The amount credited to the fund under this subsection shall be net of the dedicated sales tax revenue amount transferred to the Massachusetts Bay Transportation Authority State and Local Contribution Fund under section 35T of chapter 10 and to the School Modernization and Reconstruction Trust Fund under section 35BB of chapter 10.

SECTION 27. Said section 2ZZZ of said chapter 29, as so appearing, is hereby further amended by adding the following subsection:

(e) In addition to those revenues credited to the fund under subsections (a) and (c), for fiscal years 2015 to 2020, inclusive, the comptroller shall transfer the following amounts from the General Fund to the fund: (1) $75,000,000 for fiscal year 2015; (2) $96,000,000 for fiscal year 2016; (3) $40,000,000 for fiscal year 2017; (4) $40,000,000 for fiscal year 2018; (5) $120,000,000 for fiscal year 2019; and (6) $210,000,000 for fiscal year 2020.

SECTION 28. Subsection (e) of section 2ZZZ of chapter 29 of the General Laws is hereby repealed.

SECTION 29. Section 5 of chapter 59 of the General Laws, as appearing in the 2010 Official Edition, is hereby amended by striking out, in line 237, the words “or (d)” and inserting in place thereof the following words:-(d) a telephone corporation subject to chapter 166 or (e).

SECTION 30. Said section 5 of said chapter 59, as so appearing, is hereby further amended by striking out, in lines 238 and 239, the words “, fifty-two A”.

SECTION 31. Said section 5 of said chapter 59, as so appearing, is hereby further amended by inserting after the word “corporation”, in line 255, the following words:- “or a telephone corporation subject to chapter 166”.
SECTION 32. Section 12 of chapter 62C of the General Laws, as so appearing, is hereby amended by striking out subsection (g).

SECTION 33. Said section 12 of said chapter 62C, as so appearing, is hereby further amended by striking out, in lines 40 and 41, the words “and fifty-two A of chapter sixty-three”.

SECTION 34. Subsection (d) of section 2A of chapter 63 of the General Laws, as so appearing, is hereby amended by striking out paragraph (xi) and inserting in place thereof the following paragraph:-

(xi) The numerator of the receipts factor includes receipts from sales, other than sales of tangible personal property, not otherwise apportioned under this section to the extent that those receipts would be included in the numerator of a corporation's sales factor as determined pursuant to subsection (f) of section 38. For purposes of the receipts sourced pursuant to this paragraph, paragraph (xiii) of subsection (d) shall not apply.

SECTION 35. Section 31H of said chapter 63 is hereby amended by striking out, in line 53, as so appearing, the words “, section 39 and section 52A” and inserting in place thereof the following words: “and section 39”.

SECTION 36. Section 38 of said chapter 63, is hereby amended by striking out, in line 31, as so appearing, the words “or of section 52A”.

SECTION 37. Said section 38 of said chapter 63, as most recently amended by section 32 of chapter 194 of the acts of 2011, is hereby further amended by striking out subsection (f) and inserting in place thereof the following subsection:-

(f) The sales factor is a fraction, the numerator of which is the total sales of the corporation in this commonwealth during the taxable year, and the denominator of which is the total sales of the corporation everywhere during the taxable year.

As used in this subsection, unless specifically stated otherwise, “sales” means all gross receipts of the corporation, including deemed receipts from transactions treated as sales or exchanges under the Code, except interest, dividends and gross receipts from the maturity, redemption, sale, exchange or other disposition of securities; provided, however, that “sales” shall not include gross receipts from transactions or activities to the extent that a non-domiciliary state would be prohibited from taxing the income from such transactions or activities under the Constitution of the United States. Sales of tangible personal property are in this commonwealth if:-

(1) the property is delivered or shipped to a purchaser within this commonwealth regardless of the f. o. b. point or other conditions of the sale; or
(2) the corporation is not taxable in the state of the purchaser and the property was not sold by an agent or agencies chiefly situated at, connected with or sent out from premises for the transaction of business owned or rented by the corporation outside this commonwealth. "Purchaser", as used in clauses (1) and (2) of this paragraph, shall include the United States government.

Sales, other than sales of tangible personal property, are in this commonwealth if the corporation's market for the sale is in this commonwealth. The corporation's market for a sale is in this commonwealth and the sale is thus assigned to the commonwealth for the purpose of this section:

- (1) in the case of sale, rental, lease or license of real property, if and to the extent the property is located in this commonwealth;
- (2) in the case of rental, lease or license of tangible personal property, if and to the extent the property is located in this commonwealth;
- (3) in the case of sale of a service, if and to the extent the service is delivered to a location in this commonwealth;
- (4) in the case of lease or license of intangible property, including a sale or exchange of such property where the receipts from the sale or exchange derive from payments that are contingent on the productivity, use or disposition of the property, if and to the extent the intangible property is used in this commonwealth; and
- (5) in the case of the sale of intangible property, other than as referenced in clause (4), where the property sold is a contract right, government license or similar intangible property that authorizes the holder to conduct a business activity in a specific geographic area, if and to the extent that the intangible property is used in or otherwise associated with this commonwealth; provided, however, that any sale of intangible property, not otherwise described in this clause or clause (4), shall be excluded from the numerator and the denominator of the sales factor.

For the purposes of this subsection: (1) in the case of sales, other than sales of tangible personal property, if the state or states to which sales should be assigned cannot be determined, it shall be reasonably approximated; (2) in the case of sales other than sales of tangible personal property if the taxpayer is not taxable in a state to which a sale is assigned, or if the state or states to which such sales should be assigned cannot be determined or reasonably approximated, such sale shall be excluded from the numerator and denominator of the sales factor; (3) the corporation shall be considered to be taxable in the state of the purchaser if tangible personal property is delivered or shipped to a purchaser in a foreign country; (4) sales of tangible personal property to the United States government or any agency or instrumentality thereof for purposes of resale to a foreign government or any agency or instrumentality thereof are not sales made in
this commonwealth; (5) in the case of sale, exchange or other disposition of a capital asset, as
defined in paragraph (m) of section 1 of chapter 62, used in a taxpayer's trade or business,
including a deemed sale or exchange of such asset, "sales" shall be measured by the gain from
the transaction; (6) "security" shall mean any interest or instrument commonly treated as a
security as well as other instruments which are customarily sold in the open market or on a
recognized exchange, including, but not limited to, transferable shares of a beneficial interest in
any corporation or other entity, bonds, debentures, notes and other evidences of indebtedness,
accounts receivable and notes receivable, cash and cash equivalents including foreign currencies
and repurchase and futures contracts; (7) in the case of a sale or deemed sale of a business, the
term "sales" shall not include receipts from the sale of the business "goodwill" or similar
intangible value, including, without limitation, "going concern value" and "workforce in place";
(8) to the extent authorized under the life sciences tax incentive program established by section 5
of chapter 23I, a certified life sciences company may be deemed a research and development
corporation for purposes of exemptions under chapters 64H and 64I; and (9) in the case of a
business deriving receipts from operating a gaming establishment or otherwise deriving receipts
from conducting a wagering business or activity, income-producing activity shall be considered
to be performed in this commonwealth to the extent that the location of wagering transactions or
activities that generated the receipts is in this commonwealth.

Notwithstanding the foregoing, mutual fund sales as defined in subsection (m), other than
the sale of tangible personal property, shall be assigned to this commonwealth to the extent that
shareholders of the regulated investment company are domiciled in this commonwealth as
follows:

(a) by multiplying the taxpayer's total dollar amount of sales of such services on behalf of
each regulated investment company by a fraction, the numerator of which shall be the average of
the number of shares owned by the regulated investment company's shareholders domiciled in
this commonwealth at the beginning of and at the end of the regulated investment company's
taxable year that ends with or within the taxpayer's taxable year and the denominator of which
shall be the average of the number of shares owned by the regulated investment company
shareholders everywhere at the beginning of and at the end of the regulated investment
company's taxable year that ends with or within the taxpayer's taxable year.

(b) A separate computation shall be made to determine the sale for each regulated
investment company, the sum of which shall equal the total sales assigned to the commonwealth.

The commissioner shall adopt regulations to implement this subsection. Nothing in this
subsection shall limit the commissioner's authority under subsection (j).

SECTION 38. The third paragraph of subsection (f) of said section 38 of said chapter 63
is hereby amended by striking out clauses (8) and (9), as appearing in section 22, and inserting in
place thereof the following words:- and (8) in the case of a business deriving receipts from
operating a gaming establishment or otherwise deriving receipts from conducting a wagering
business or activity, income-producing activity shall be considered to be performed in this
commonwealth to the extent that the location of wagering transactions or activities that generated
the receipts is in this commonwealth.

SECTION 39. Section 52A of said chapter 63 is hereby repealed.

SECTION 40. Section 59 of said chapter 63, as appearing in the 2010 Official Edition, is
hereby amended by striking out, in lines 10 and 11, the words “; but this section shall not apply
to corporations subject to section fifty-two A”.

SECTION 41. Section 67 of said chapter 63, as so appearing, is hereby amended by
striking out the last sentence.

SECTION 42. Section 68C of said chapter 63, as so appearing, is hereby amended by
striking out clause (3).

SECTION 43. Section 1 of chapter 64A of the General Laws, as so appearing, is hereby
amended by striking out, in line 98, the figure “21” and inserting in place thereof the following
figure:- 24.

SECTION 44. Said section 1 of said chapter 64A, is hereby further amended, by inserting
after the word “gallon”, the second time it appears, in line 98, as so appearing, the following
words:- , adjusted at the beginning of each calendar year, by the percentage, if any, by which the
Consumer Price Index for the preceding year exceeds the Consumer Price Index for the calendar
year that ends before such preceding year; provided, that the Consumer Price Index for any
calendar year shall be as defined in section 1 of the Internal Revenue Code; provided further, that
the tax shall not be less than 21 cents per gallon.

SECTION 45. Section 6 of chapter 64C of the General Laws, as so appearing, is hereby
amended by striking out, in lines 3 and 11, the figure “100½” and inserting in place thereof, in
each instance, the following figure:- 150½.

SECTION 46. Said section 6 of said chapter 64C, as so appearing, is hereby further
amended by striking out, in line 27, the figure “40” and inserting in place thereof the following
figure:- 160.

SECTION 47. Section 7B of said chapter 64C, as so appearing, is hereby amended by
striking out, in line 40, the figure "30" and inserting in place thereof the following figure:- 40.

SECTION 48. Section 1 of chapter 64H of the General Laws, as so appearing, is hereby
amended by inserting after the definition of “Commissioner” the following definition:-
“Computer system design services”, the planning, consulting or designing of computer systems that integrate computer hardware, software or communication technologies and are provided by a vendor or a third party.

SECTION 49. Said section 1 of said chapter 64H, as so appearing, is hereby further amended by striking out, in lines 239 to 241, inclusive, the words “; and provided, further, that the term services shall be limited to the following item: telecommunications services” and inserting in place thereof the following words: , or data access, data processing or information management services; and provided further, that the term services shall be limited to the following items: telecommunications services, computer system design services and the modification, integration, enhancement, installation or configuration of standardized software.

SECTION 50. Section 24 of chapter 161A of the General Laws, as appearing in the 2010 Official Edition, is hereby amended by adding after the last sentence the following sentences: -

Real property of the authority shall, if leased, used, or occupied in connection with a business conducted for profit shall, for the privilege of such lease, use or occupancy be valued, classified, assessed and taxed annually as of January first to the lessee, user, or occupant in the same manner and to the same extent as if such lessee, user, or occupant were the owner thereof in full. No tax assessed under this section shall be a lien upon the real estate with respect to which it is assessed; nor shall any tax be enforced by any sale or taking of such real estate; but the interest of any lessee therein may be sold or taken by the collector of the town in which the real estate lies for the nonpayment of such taxes in the manner provided by law for the sale or taking of real estate for nonpayment of annual taxes. Notwithstanding the above, such collector shall have for the collections of taxes assessed under this section all other remedies provided by chapter sixty for the collection of annual taxes upon real estate.

SECTION 51. Section 5 of chapter 161B of the General Laws, as so appearing, is hereby amended by striking out the second paragraph and inserting in place thereof the following 2 paragraphs:-

One representative of the disabled commuter population shall serve on the advisory board as a voting member for a term of 1 year. Each city and town in the region, on a rotating basis as determined by the board, shall appoint a representative successively; provided, however, that the representative of the disabled commuter population and the representative of the rider community shall not be appointed by the same city or town in the region. The mayor or city manager and the chairman, town manager or town administrator shall appoint a resident of the city or town for this purpose. This representative shall be mobility impaired, have a family member who is mobility impaired, be a caretaker of a person who is mobility impaired or work for an organization that serves the needs of the physically disabled. The representative of a city or town may be reappointed after representatives from the other cities and towns within the region have served their 1-year terms.
One representative of the rider community population shall serve on the advisory board as a voting member for a term of 1 year. Each city and town in the region, on a rotating basis as determined by the board, shall appoint a representative successively; provided, however, that the representative of the disabled commuter population and the representative of the rider community shall not be appointed by the same city or town in the region. The mayor or city manager and the chairman, town manager or town administrator shall appoint a community rider for this purpose from a list of at least 5 persons nominated by the Massachusetts AFL-CIO and its regional councils. The representative of a city or town may be reappointed after representatives from the other cities and towns within the region have served their 1-year terms.

SECTION 52. Section 7 of chapter 164A of the General Laws, as so appearing, is hereby amended by striking out, in line 1, the word “(a)”.

SECTION 53. Said section 7 of said chapter 164A, as so appearing, is hereby further amended by striking out subsection (b).

SECTION 54. The second paragraph of section 2 of chapter 465 of the acts of 1956 is hereby amended by striking out the first sentence and inserting in place thereof the following:

The authority shall consist of 7 members; 6 of whom shall be appointed by the governor and 1 of whom shall be appointed by the Massachusetts Port Authority Community Advisory Committee in accordance with the provisions of this act and according to the by-laws of said Committee. Members shall serve for a term of 7 years.

SECTION 55. Said chapter 465 is hereby further amended by striking out section 36, added by section 128 of chapter 25 of the acts of 2009, and inserting in place thereof the following section:

Section 36. (a) There shall be an advisory board to the authority which shall be named the Massachusetts Port Authority Community Advisory Committee. The Massachusetts Port Authority Community Advisory Committee shall consist of a voting representative of each of the following cities and towns: Bedford, Beverly, Braintree, Brookline, Cambridge, Chelsea, Cohasset, Concord, Everett, Hingham, Hull, Lexington, Lincoln, Malden, Melrose, Medford, Milton, Nahant, Quincy, Revere, Scituate, Somerville, Weymouth, Worcester and Winthrop; provided further, that the city of Boston shall have 6 voting representatives, one of whom shall be from the East Boston section of the city of Boston and one of whom shall be from the South Boston section of the city of Boston. The members of the Massachusetts Port Authority Community Advisory Committee shall be appointed by the chief executive officer of the communities listed above; provided further, that said members appointed shall be versed in at least 1 of the following disciplines: airport operations; environmental affairs, labor relations, public health or port operations. For the purpose of this section, the term "chief executive officer" shall mean the person designated as the chief executive officer under the provisions of a local charter or laws having the force of a charter, and otherwise the mayor in every city and the
chairman of the board of selectmen or president of the town council, as the case may be, in every
town.

(b) Each voting representative shall cast 1 vote on the Massachusetts Port Authority
Community Advisory Committee.

(c) The Massachusetts Port Authority Community Advisory Committee may act at a
regular periodic meeting called in accordance with its by-laws; or at a special meeting called by
the authority; or if a majority of members choose to do so. Except as provided in paragraph (f), a
quorum of the Massachusetts Port Authority Community Advisory Committee shall consist of a
simple majority of voting members present, and the Massachusetts Port Authority Community
Advisory Committee may act, except as otherwise provided in paragraph (f), by affirmative
casting of a majority of the votes represented in the quorum. The Massachusetts Port Authority
Community Advisory Committee shall be deemed to be a governing body for the purposes of,
and shall be subject to, sections 18 to 25, inclusive, of chapter 30A of the General Laws.

(d) The Massachusetts Port Authority Community Advisory Committee shall adopt and
may revise and amend by-laws. The Massachusetts Port Authority Community Advisory
Committee shall annually elect a chairperson, a vice-chairperson, a secretary and such officers as
said Massachusetts Port Authority Community Advisory Committee might determine. Each
member of said Massachusetts Port Authority Community Advisory Committee shall serve
without compensation, except if a member provides specialized services, such as legal,
accounting, record keeping, administration, or any other specialized services provided to the
Massachusetts Port Authority Community Advisory Committee. Members may be reimbursed,
as an expense of said Massachusetts Port Authority Community Advisory Committee, for all
reasonable expenses incurred in the performance of their duties as approved by the
Massachusetts Port Authority Community Advisory Committee.

(e) The purposes of the Massachusetts Port Authority Community Advisory Committee
shall be as follows: (i) to appoint a member to the board of directors of the Massachusetts Port
Authority, as provided for in section 2 of this chapter and in the manner prescribed in paragraph
(f) of this section; (ii) to make recommendations to the authority on annual current expense
expenditure budgets submitted to the Massachusetts Port Authority Community Advisory
Committee under paragraph (g); (iii) to hold hearings, which may be held jointly with the
authority at the discretion of the Massachusetts Port Authority Community Advisory
Committee and said authority, on matters relating to said authority; (iv) to review the annual report of the
authority and to prepare comments thereon to the authority and the governor, and to make such
examinations of the reports on the authority's records and affairs as the Massachusetts Port
Authority Community Advisory Committee deems appropriate; and (v) to make
recommendations to the governor and the general court respecting the authority and its programs.
The Massachusetts Port Authority Community Advisory Committee shall have all powers
necessary or convenient to carry out and effectuate the foregoing purposes.
With respect to appointment of any member of the board of directors, the Massachusetts Port Authority Community Advisory Committee shall act only if a special quorum is present consisting of two-thirds of voting members. The Massachusetts Port Authority Community Advisory Committee’s appointment to the board of directors shall be a resident of one of the following communities: Beverly, Braintree, Boston, Brookline, Cambridge, Chelsea, Cohasset, Everett, Hingham, Hull, Malden, Melrose, Medford, Milton, Nahant, Quincy, Revere, Scituate, Somerville, Weymouth or Winthrop.

The Massachusetts Port Authority Community Advisory Committee may hold a public hearing on matters relating to said budget for the purpose of ascertaining, for subsequent report to the authority if necessary, the views of the public thereon.

The Massachusetts Port Authority Community Advisory Committee may provide for the appointment of staff to who shall serve at its pleasure.

The Massachusetts Port Authority Community Advisory Committee may incur annual expenses, not to exceed $250,000. Said annual expenses shall be paid by the authority.

The authority shall provide any information including, but not limited to, annual current expense expenditure budgets and capital expenditure reports, requested by the Massachusetts Port Authority Community Advisory Committee which are necessary for the discharge of its duties; provided, however, that the Massachusetts Port Authority Community Advisory Committee shall not be granted access to any information if it be determined by the executive director of the authority and the director of security for the authority that the release of such information would be detrimental to public safety, or if providing such information would be in violation of any federal statute or regulation of the Federal Aviation Administration or other federal agency; provided, further, that said determination shall be made in writing which shall be delivered to the Massachusetts Port Authority Community Advisory Committee within 10 business days.

SECTION 56. Section 25 of chapter 130 of the acts of 2008 is hereby repealed.

SECTION 57. Section 54 of said chapter 130, as amended by section 24 of chapter 9 of the acts of 2011, is hereby further amended by striking out the figure “, 25”.

SECTION 58. Notwithstanding any general or special law to the contrary and pursuant to clause 18 of section 3 of chapter 6C of the General Laws, any report setting forth the fiscal alternatives shall include an assessment of whether a revision to the toll structure is necessary before the implementation of a system of fair and equitable tolling across the commonwealth under a comprehensive tolling program developed by the department.

SECTION 59. The project selection advisory council established pursuant to section 11A of chapter 6C of the General Laws shall hold its first meeting by January 1, 2014 and all
meetings of the council shall comply with chapter 30A. Final approval of the project selection
criteria under said section shall be completed by December 31, 2014, and copies of the criteria
shall be submitted to the house and senate committees on ways and means and the joint
committee on transportation.

SECTION 60. (a) Notwithstanding any general or special law to the contrary, the
Massachusetts Department of Transportation shall ensure that the budget includes sufficient
revenue from sources of revenue listed in subsection (c) to meet the following benchmarks: (i) in
fiscal year 2014, the department shall contribute 47 per cent of the department’s operating
budget; (ii) in fiscal year 2015, the department shall contribute 48 per cent of the department’s
operating budget; (iii) in fiscal year 2016, the department shall contribute 50 per cent of the
department’s operating budget; (iv) in fiscal year 2017, the department shall contribute 51 per
cent of the department’s operating budget; and (v) in fiscal year 2018, the department shall
contribute 51 per cent of the department’s operating budget.

(b) The benchmarks in subsection (a) may be achieved through any combination of
revenue increases under subsection (c) and savings to the department’s operating budget;
provided, however, that the department shall submit a preliminary report of savings to the
operating budget by October 1 of each fiscal year and a final report of savings to the operating
budget by January 1 of each fiscal year. Those preliminary and final reports shall be submitted
to the house and senate committees on ways and means and the joint committee on
transportation.

(c) The revenue generated to meet the benchmarks in subsection (a) may be derived from:
(i) fees collected by the registrar of motor vehicles under section 34 of chapter 90 of the General
Laws; (ii) funds available to the registry of motor vehicles through the Motor Vehicle Inspection
Trust Fund under section 61 of chapter 10 of the General Laws; provided, however, that
expenses of the administration and implementation of the motor vehicle inspection program as
provided in said section 61 of chapter 10 shall first be met; (iii) funds contributed to the
Massachusetts Transportation Trust Fund established in section 4 of chapter 6C of the General
Laws; and (iv) any other funds directly collected by the department; provided, however, that no
funds collected through increases in tolls charged and collected as of January 1, 2013 under
section 13 of said chapter 6C shall be counted towards the benchmarks in subsection (a) unless
the department has collected revenue from tolls for transit on roads not tolled as of July 1, 2013.

SECTION 61. (a) Notwithstanding any general or special law to the contrary, the
Massachusetts Bay Transportation Authority shall, in the authority’s budget as approved by the
board of directors under section 20 of chapter 161A of the General Laws, ensure that the budget
includes sufficient revenue from sources of revenue listed in subsection (c) to meet the following
benchmarks: (i) in fiscal year 2014, the authority shall contribute 31.5 per cent of the authority’s
operating budget; (ii) in fiscal year 2015, the authority shall contribute 33 per cent of the
authority’s operating budget; (iii) in fiscal year 2016, the authority shall contribute 33.25 per cent
of the authority’s operating budget; (iv) in fiscal year 2017, the authority shall contribute 32.75
per cent of the authority’s operating budget; and (v) in fiscal year 2018, the authority shall
contribute 34 per cent of the authority’s operating budget.

(b) The benchmarks in subsection (a) may be achieved through increasing nonfare
revenues, increasing total fare revenues through ridership growth, increasing fare levels while
accounting for potential loss of ridership from fare increases or from savings to the authority’s
operating budget; provided, however, that the authority shall submit a preliminary report of
savings to the operating budget by October 1 of each fiscal year and a final report of savings to
the operating budget by January 1 of each fiscal year to the house and senate committees on
ways and means and the joint committee on transportation.

c) The revenue generated to meet the benchmarks in subsection (a) may be derived from
any funds collected by the authority through fees and fares and any other funds directly collected
by the authority; provided, however, that such revenue shall not include funds contributed to the
Massachusetts Bay Transportation Authority State and Local Contribution Fund under section
35T of chapter 10 of the General Laws.

d) The authority shall not increase fares at intervals of less than 24 months or at an
annual rate greater than 5 per cent.

SECTION 62.  (a) The department shall use the revenues generated in this act to comply
with the second sentence of section 15 of chapter 6C of the General Laws requiring the salaries
and benefits of employees of the department to be classified and funded as operating
expenditures. The department shall comply with said section 15 on or before June 30, 2016.

(b) The secretary of transportation, in consultation with the secretary of administration
and finance, shall file a report regarding the department’s compliance with the second sentence
of said section 15 of said chapter 6C on or before August 1, 2013. The report shall include, but
not be limited to: (1) the number of employees with salaries funded by capital expenditures in
fiscal year 2013; (2) the total cost of employee salaries charged to capital expenditures in fiscal
year 2013; (3) the number of employees and total cost of employee salaries that the department
estimates will be moved from capital expenditures to operating expenditures in fiscal years 2014,
2015 and 2016; and (4) a strategy to dedicate a portion of the funds made available through
compliance with this section to projects that are included in the authority’s 5-year rolling capital
investment plan as published in accordance with section 5 of chapter 161A of the General Laws.
The report shall be filed with the joint committee on transportation, the house and senate
committees on bonding, capital expenditures and state assets and the house and senate
committees on ways and means.

(c) The department shall use as necessary the extra bonding capacity or any portion
thereof created by the removal of personnel costs from the capital budget pursuant to this section.
to fund the capital costs associated with planning, design, permitting, engineering and
construction of transportation projects.

SECTION 63. Notwithstanding any general or special law to the contrary, each regional
transit authority established under chapter 161B of the General Laws shall develop a
comprehensive regional transit plan in consultation with the appropriate regional planning
agency, the Massachusetts Department of Transportation, local employers and the business
associations, labor organizations and transit authority riders. The plan shall include, but not be
limited to: (1) a comprehensive assessment of transit services; (2) a thorough examination of the
ridership trends for each line and service provided by the regional transit authority; (3) a
performance analysis of existing services; (4) the development and evaluation of alternative
service scenarios; (5) the development of a recommendation to better align service with local and
regional demand; (6) the commonwealth’s environmental policies; (7) fare rates and collection
methods; (8) the region’s job creation goals and employment needs; and (9) a determination of
whether the regional transit authority’s service is deployed in the most effective way possible to
accommodate the transit needs of the region’s workforce. The development of the plan shall
include public hearings in different regions of the commonwealth and the opportunity to
comment on a draft report.

SECTION 64. There shall be a value capture commission consisting of the following 7
members: the secretary of transportation or a designee, who shall serve as chair; the secretary of
administration and finance or a designee; and 5 members who shall be appointed by the
governor, 2 of whom shall be representatives of business associations; 1 of whom shall represent
organized labor; 1 of whom shall be a representative of the Massachusetts Municipal
Association; and 1 of whom shall be a representative of a regional planning agency. The
commission shall review and evaluate the policies and best practices of other jurisdictions used
to obtain benefits from the increased value of adjacent properties as a result of public
infrastructure projects or “value capture” and the current policies and mechanisms available
within the commonwealth relative to value capture. The commission shall report to the general
court on the effectiveness of the commonwealth’s current value capture policies and recommend
whether certain policies from other jurisdictions should be implemented as part of the
comprehensive state transportation plan, required under section 11 of chapter 6C of the General
Laws. A report of the commission’s findings shall be filed with the clerks of the house of
representatives and senate not later than March 1, 2014.

SECTION 65. Notwithstanding any general or special law to the contrary, the
Massachusetts Department of Transportation shall review the current status of the use of rights-
of-way in the state highway system, the turnpike and the metropolitan highway system, all as
defined in section 1 of chapter 6C of the General Laws. The review shall also present the current
status of efforts by the department to collect rents or other compensation for the use of
department-owned rights-of-way. The review shall also include, but not be limited to, an
inventory of the owners of utilities or utility facilities that occupy department-owned rights-of-
way, according to town and either state route number or road name, as will most clearly identify
the road or other transportation facility being referred to, and including underground facilities.

For each owner of a utility or utility facility that occupies department-owned rights-of-way, the
review shall state whether an easement or other agreement exists for the occupant's use of the
right-of-way, whether that agreement is in writing, whether such agreement requires
compensation to the department for the occupant's use of the right-of-way and if so, how much
compensation, the due date of the compensation, whether the compensation has been paid and
whether the compensation is monetary or non-monetary. For each owner of a utility or utility
facility that occupies department-owned rights-of-way, the review shall also state whether the
department knows if other occupants are also using that utility or utility facility, and if known to
the department, shall identify all other occupants of that utility or utility facility. If the
department knows that facilities exist on department-owned rights-of-way but does not know the
identity of the owner, the review shall describe such facilities and shall characterize the owners
as "unidentified owners".

Provided further, that the department, in consultation with the department of public
utilities and the owners of utilities and utility facilities, shall at the conclusion of the review,
study and make recommendations on policies and reimbursement mechanisms for when it is
necessary that a utility or utility facility, as defined under federal law, be relocated by the
division of highways or the Massachusetts Bay Transportation Authority because of construction
of a project. The department shall review the current provisions of section 44 of chapter 6C of
the General Laws and section 5 of chapter 161A of the General Laws, specifically current
thresholds for eligible projects, the annual cap on the total reimbursement by the department and
the reimbursement formula for the total costs of functional replacements of utility lines or real
properties. The department shall recommend a utility reimbursement formula that takes into
account, but is not limited to, the following factors: whether the project is to be reimbursed
federally, in whole or in part, or to be paid by the commonwealth, in whole or in part; if the
utility facility is to be reimbursed, in whole or in part or does not qualify for federal
reimbursement; if the relocation shall by performed by the employees of the owner; and the
nature of the project.

The department shall file a report containing the department's findings from the review of
the current status of the use of rights-of-way in the state highway system, the turnpike and the
metropolitan highway system and the study on utility reimbursement mechanisms, together with
any recommended legislation, with the clerks of the house and senate, the joint committee on
transportation, the joint committee on telecommunications, utilities and energy, the house and
senate committees on ways and means and the house and senate committees on bonding, capital
expenditures and state assets on or before March 1, 2014.

**SECTION 66.** Notwithstanding the provisions of any general or special law to the
 contrary, the Massachusetts Bay Transportation Authority shall expend funds on capital
investment projects, including the green line extension project and the south coast rail project.
that are listed in the authority’s 5-year rolling capital investment plan as published in accordance
with section 5 of chapter 161A of the General Laws.

SECTION 67. On or before December 31, 2013, The Massachusetts Department of
Transportation shall develop a comprehensive tolling plan for additional interstate and limited
access state highways within the commonwealth on or before July 1, 2018, which shall consider
equity issues, revenue benchmarks established by state law, policy objectives, diversion issues,
cost and consistency with the current highway program and necessary waivers or approvals from
the Federal Highway Administration to toll additional interstate highways and which also shall
examine a regional value pricing program, road pricing program and other available tolling
options.

SECTION 68. (a) The transportation performance and asset management advisory
council shall, pursuant to section 12A of chapter 6C of the General Laws, and in consultation
with federal, state and local transportation agencies, regional planning agencies and other
governmental agencies, develop and present to the board of directors of the Massachusetts
Department of Transportation for approval such procedures and requirements as are necessary
for the administration of the performance and asset management system on or before November
1, 2013. This shall include, at a minimum:(1) a comprehensive plan for the development and
integration of an asset management and performance information system with long-term
statewide planning processes; (2) an analytical process or decision support tool that allows for
the estimation of capital investment needs of such systems over time; and (3) an asset investment
prioritization method by such systems, including the possible use of a quantifiable project
prioritization mechanism such as a numeric scoring system.

(b) The recommendations shall also include areas of necessary training, data storage and
collection, reporting practices, development of program for implementation, budgeting and
funding, and other issues related to asset management that may arise from time to time in the
management of such system.

SECTION 69. The integrated asset management system, as required by section 12 of
chapter 6C of the General Laws, shall be complete and operational on or before July 1, 2014.

SECTION 70. Corporations that filed as a utility corporation under section 52A of
chapter 63 of the General Laws before or in the taxable year ending on or before December 31,
2013, shall not be eligible to deduct from net income, the net operating losses described in
paragraph 5 of section 30 of said chapter 63 for losses sustained prior to the taxable year
beginning on or after January 1, 2014.

SECTION 71. Nothing in section 37 shall restrict the authority of the commissioner of
revenue under subsection (j) of section 38 of chapter 63 of the General Laws, nor shall it affect
the continuing validity or application of regulations adopted under subsection (f) of said section
38 of said chapter 63 in effect as of the effective date of this act.
SECTION 72. A manufacturer, wholesaler, vending machine operator, unclassified acquirer or retailer, as defined in section 1 of chapter 64C of the General Laws, and a stamper appointed by the commissioner under section 30 of said chapter 64C who, as of the commencement of business 7 days after the effective date of this act, has on hand any cigarettes for sale or any unused adhesive or encrypted stamps, shall make and file with the commissioner within 20 days a return, subscribed and sworn to under the penalties of perjury, showing a complete inventory of such cigarettes and stamps and shall, at the time such manufacturer, wholesaler, vending machine operator, unclassified acquirer, retailer or stamper is required to file such return, pay an additional excise of 50 mills per cigarette on all cigarettes and all unused adhesive and encrypted stamps upon which an excise of only 100½ mills has previously been paid. Chapters 62C of the General Laws and 64C of the General Laws relative to the assessment, collection, payment, abatement, verification and administration of taxes, including penalties, shall apply to the excise imposed by this section.

SECTION 73. The Massachusetts Department of Transportation shall undertake an analysis of the air quality impacts of the Central Artery Project and associated transit commitments completed to date. The analysis shall be conducted in cooperation with the Boston Region Metropolitan Planning Organization and shall report on the levels of Volatile Organic Compounds, Oxides of Nitrogen, and Carbon Monoxide in the MPO region and Eastern Massachusetts. The results of the analysis shall be provided to the Joint Committee on Transportation within six months of the effective date of this act.

SECTION 74. The Massachusetts Department of Transportation shall study and report on the feasibility of establishing additional interstate tolls along the borders of the Commonwealth. The report shall examine the several options available to the Commonwealth to pursue border tolls, including, but not limited to, seeking a federal waiver, reaching interstate or regional agreements or the Commonwealth’s ability to establish border tolls in the event of proposed changes to federal law on interstate highway tolling. The department shall file its report along with any legislative recommendations with the house and senate committees on ways and means and the joint committee on transportation on or before December 31, 2013.

SECTION 75. (a) Notwithstanding any general or special law to the contrary, the Massachusetts Bay Transportation Authority shall, not later than January 1, 2014, issue a request for proposals to sell, license or rent naming or sponsorship rights for all subway, bus or commuter rail stations or other assets operated and owned by the authority. A request for proposals shall be for a specified term, renewable at the sole discretion of the authority.

(b) The secretary of transportation shall direct all revenues generated by the Massachusetts Bay Transportation Authority under this section to be used on mass transit capital expansion projects.
SECTION 76. Within 90 days after the effective date of this act, the Massachusetts Department of Transportation shall provide to the joint committee on transportation and the house and senate committees on ways and means a plan to implement a proposed fee structure for collecting tolls for transit over the turnpike between interchange 1 in the town of West Stockbridge and interchange 6 in the city of Springfield at interstate highway route 291, inclusive, which shall include, but not be limited to, the proposed fees, assumptions used to set the fees and a timeline to implement collection of the fees.

SECTION 77. There shall be a tax fairness commission to study the federal, state and local tax laws applicable to residents of the commonwealth. The commission shall review and evaluate the equity of historical tax rates and methods in relation to the changing income and wealth of residents of the commonwealth since 1990. The commission shall examine the experiences and policy efforts of other states relating to tax fairness.

The commission shall file a report with the clerks of the senate and house of representatives not later than March 1, 2014. The report shall include, but not be limited to: (i) the total amount of taxes currently paid by individuals at various income levels; (ii) the effects that changes to tax laws would have on individuals of all income levels; (iii) the changes in revenue collected by the commonwealth as a result of tax law revisions; (iv) the adequacy of revenue generated by individuals, businesses and any other tax types; (v) tax rates necessary to fund investment in public infrastructure; (vi) tax rates necessary to promote prosperity for all residents; (vii) restrictions on tax changes under Article XLIV of the Amendments to the Constitution; (viii) recommendations for changes in laws to achieve an equitable and adequate system of taxation; (ix) the best practices of other states; (x) tax rates necessary to ensure economic competitiveness with peer and competitor states; (xi) tax rates necessary to avoid destabilization of household budgets or undue hardships for citizens; and (xii) tax rates necessary to foster and encourage robust private sector investment in capital equipment and the state’s work force.

The commission shall consist of the secretary of administration and finance or the secretary’s designee; the minority leader of the house of representatives or a designee; the minority leader of the senate or a designee; the chairs of the house and senate committees on ways and means or the chairs’ designees; the house and senate chairs of the joint committee on revenue or the chairs’ designees, who shall serve as co-chairs of the commission; a representative of the Massachusetts Budget and Policy Center; a representative of the Massachusetts Taxpayers Foundation; a representative of the Kitty and Michael Dukakis Center for Urban and Regional Policy; a representative of the Pioneer Institute; and 4 members to be appointed by the governor, 1 of whom shall represent labor and 2 of whom shall have expertise in economics or tax policy.

SECTION 78. Notwithstanding any general or special law to the contrary, the secretary of transportation and the general manager of the Massachusetts Bay Transportation Authority
shall meet with the secretary of administration and finance and the house and senate committees on ways and means on the fiscal status of the Massachusetts Department of Transportation and the Massachusetts Bay Transportation Authority in January and July of each year. The first meeting under this section shall occur not later than December 31, 2013.

Not less than 15 days prior to each meeting, the secretary of transportation shall submit a report to the secretary of administration and finance and the house and senate committees on ways and means detailing: (i) year-to-date revenues collected, projected revenues and expenditures for the current fiscal year; (ii) projected revenues and expenditures for the next 5 fiscal years; (iii) changes in revenue and expenditure projections from the previous semiannual report; (iv) reasons for any changes from previous projections; (v) progress made toward achieving revenue and savings targets set for fiscal years 2017 and 2018; and (vi) a plan detailing how the fiscal year 2017 and fiscal year 2018 targets will be achieved.

In order to comply with clause (vi), the report submitted prior to the July 2015 meeting shall identify any potential changes to the fare and fee structure necessary to achieve the benchmarks set forth in sections 60 and 61 for fiscal year 2017 and fiscal year 2018. If the report proposes to increase the fare and fee structure by 5 per cent, the report shall include an estimate of additional support from the Commonwealth Transportation Fund or other revenue and saving initiatives necessary to limit increases to not more than 5 per cent every 24 months.

SECTION 79. Notwithstanding any general or special law to the contrary, the Massachusetts Bay Transportation Authority shall, as mandated by section 14 of chapter 132 of the acts of 2012, issue a report on revenues collected through the use of sponsorship agreements. The report shall include, but not be limited to, an analysis of revenues collected, offers to sponsor which have been declined and attempts to increase and promote sponsorship opportunities. The report and recommendations shall be filed with the clerks of the house of representatives and the senate and to the house and senate committees on ways and means and the joint committee on transportation not later than August 30, 2013.

SECTION 80. Notwithstanding any general or special law to the contrary, the Massachusetts Bay Transportation Authority shall create a pilot program at 3 high-volume parking station facilities dedicating not more than 10 per cent of the available parking to customers willing to pay an increased premium for a reserved parking spot that is guaranteed to be available to them if they arrive at the spot before a certain hour, as determined by the authority; provided, however, that all net proceeds received as a result of the pilot program shall be dedicated to the authority.

SECTION 81. Notwithstanding any general or special law to the contrary, the Massachusetts Bay Transportation Authority shall issue a request for proposals from business, civic and nonprofit entities to enter into sponsorship agreements for providing transportation services beyond the current hours of operation.
SECTION 82. The first vacancy on the Massachusetts Port Authority Board to occur after
passage of this act shall be filled by appointment of the Massachusetts Port Authority
Community Advisory Committee established pursuant to section 55.

SECTION 83. Sections 26, 43, 48 and 49 shall take effect on July 1, 2013.

SECTION 84. Sections 29 to 37, inclusive, 39 to 42, inclusive, 52, 53, 70 and 71 shall
take effect on January 1, 2014, and shall be effective for tax years beginning on or after January
1, 2014.

SECTION 85. Sections 18 and 21 to 25, inclusive, shall take effect on July 1, 2014.

SECTION 86. Sections 20 and 44 shall take effect on January 1, 2015.

SECTION 87. Sections 38, 56 and 57 shall take effect on December 31, 2018.

SECTION 88. Section 28 shall take effect on July 1, 2020.

SECTION 89. Sections 45 to 47, inclusive and 72 shall take effect 7 days after the
effective date of this act.