Support for HB 673 - MTA Fare Price.pdf Uploaded by: Cheryl Cort

February 24, 2023

The Honorable Delegate Ben Barnes Chair, Appropriations Committee Maryland House of Delegates House Office Building, Room 121 Annapolis, Maryland 21401

Re: **Support** for House Bill 0673, Maryland Transit Administration – Fare Price Requirements – Alterations

Dear Chair Barnes and Committee Members:

On behalf of the signatories listed below, we are writing to express our support for House Bill 0673, which would provide the Maryland Transit Administration (MTA) freedom to set transit fare prices in line with equity and ridership goals, by removing the mandate to increase fares in line with inflation.

The Transportation Infrastructure Investment Act of 2013 requires that when the Consumer Price Index (CPI) increases over two years, MTA must increase transit fares by a minimum of 10 cents or higher for Local Bus, Light RailLink, Metro SubwayLink and MobilityLink service, in line with the CPI. According to the <u>Maryland Transit Administration (MTA) 2020-2023 Title VI</u> <u>Implementation Program</u>, between 2015-2018, 83% of MTA bus riders were Black and 92% earned less than \$50,000 per year. Riders of the Subway and Light Rail systems were also majority Black and majority low-income.

As nearby transit systems in Washington, DC, Montgomery County, Alexandria, and Richmond explore reduced fares or fare free transit systems, MTA is required to regularly increase transit fares, paid for by the most vulnerable residents, without raising significant new revenues for transit operations. The inflexibility of this regulation limits the state's ability to advance transportation equity and harms the region's economic competitiveness and inclusive growth.

This bill removes the mandated fare increase, giving the MTA more flexibility to set fare prices in line with the administration's goals and business needs. The undersigned signatories and organizations hope House Bill 0673 receives a favorable report.

Page Two Support for HB 673 - Maryland Transit Administration – Fare Price Requirements – Alterations

Thank you for your consideration.

Sincerely,

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Cheryl Cort, Coalition for Smarter Growth

Lindsey Mendelson, Maryland Sierra Club

William Clements, Gaithersburg HELP

Claudia Wilson Randall, Community Development Network of Maryland

Basav Sen, Institute for Policy Studies Climate Policy Program

HB 673 - Maryland Transit Administration – Fare Pr Uploaded by: Donna Edwards



MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO 7 School Street • Annapolis, Maryland 21401-2096 Balto. (410) 269-1940 • Fax (410) 280-2956

President Donna S. Edwards Secretary-Treasurer Gerald W. Jackson

HB 673 - Maryland Transit Administration – Fare Price Requirements – Alterations House Appropriations Committee February 28, 2023

SUPPORT

Donna S. Edwards President Maryland State and DC AFL-CIO

Chairman and members of the Committee, thank you for the opportunity to submit testimony in support of HB 673. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 300,000 union members, I offer the following comments.

Higher public transit fares decrease ridership.¹ Studies have found that a 10% increase on low fares can lead to a 4% overall decrease in bus ridership. Lower ridership often leads to an increased dependence on farebox recovery as governments decline to provide subsidies for services with low usage. This phenomenon is occasionally referred to as "Transit Death Spiral," where systems continue to raise fares and cut service, while ridership plummets.

In 2013, Maryland mandated that the MTA increase its fare by the consumer price index every two and five years. By repealing this requirement, HB 673 allows the MTA to adjust its fare prices in line with its realistic needs, preventing unnecessary fare increases that penalize workers that commute on public transit. HB 673 does not prohibit MTA from increasing fares, but allows the agency to do so through a normal public hearing process.

One of the best ways to address climate change is to invest in public transportation. According to a joint study by Cornell University and the New York AFL-CIO, Bus and light rail systems are much more energy-efficient than cars and trucks, producing 33 percent and 62 percent less greenhouse gas emissions per passenger mile than an average single-occupancy vehicle, respectively.² We need to start thinking about ways to move more people with less energy to decrease our carbon footprint. Unnecessarily high fares undermine that goal.

We urge a favorable report.

¹ American Public Transit Association, "Effects of Fare Changes on Bus Ridership."

² Lara Skinner, "Reversing Inequality, Combating Climate Change." The Worker Institute, Cornell University. Ihttps://archive.ilr.cornell.edu/sites/default/files/InequalityClimateChangeReport.pdf

Support Testimony Uploaded by: James Torrence, J.D. Position: FAV



James Torrence, J.D. Seventh District, Baltimore City Council

100 Holliday Street, Room 521, Baltimore Maryland 21202 |410-396-4810

February 28, 2023

Dear Honorable Members of The House Appropriations Committee:

House Bill 0673 – Maryland Transit Administration – Fare Price Requirements – Alterations

Good afternoon, Mr. Chairman and the honorable committee members. I am writing in support of House Bill 0673 – Maryland Transit Administration – Fare Price Requirements – Alterations. This legislation, sponsored by Delegate Mark Edelson of Baltimore City would prohibit the Maryland Transit Administration from increasing fares for low and fixed-income residents.

The North Ave station is the second most used transit route in Baltimore City. Residents throughout West Baltimore depend on the bus and light rail to access jobs, education, healthcare, and more. The Mondawmin MTA station is the most used transfer point in Baltimore's transit system and is set to undergo major upgrades to improve accessibility and revamp its infrastructure. Additionally, the Complete Streets design of Druid Park Lake Drive along with the large-scale investment in Druid Hill Park are more signs of increased connectivity throughout West Baltimore. Revitalizing our transportation systems equitably is crucial to achieving economic growth and improving the quality of life for our must vulnerable residents.

More than 90% of MTA riders earn less than \$50,000 and an increase in fares would discourage many of my constituents from using public transit. This bill as drafted would safeguard residents from further inflationary burdens. The last thing low and fixed-income residents need is a hike in transportation fares given the overall rise in fees for basic necessities such as groceries, gas, and cost of living. House Bill 0673 is an opportunity to uplift residents who already deal with a lack of resources in their immediate community.

Thank you for your time and consideration. I ask the committee to render a favorable report for House Bill 0673.

Sincerely,

James former, Dr.

James Torrence Baltimore City Council, District 7

Sign On Letter - HB0673 - Maryland Transit Admini Uploaded by: John Hillegass

BALTIMORE'S TRANSIT FUTURE

February 24, 2023

The Honorable Ben Barnes Chair, House Appropriations Committee

Re: Support for House Bill 0673 MTA – Fare Price Requirements – Alterations

Dear Chair Barnes and Committee Members,

On behalf of the signatories listed below, we are writing to express our support for [House Bill 0673 | Senate Bill 0617], which would provide the Maryland Transit Administration (MTA) freedom to set transit fare prices in line with equity and ridership goals, by removing the mandate to increase fares in line with inflation.

The Transportation Infrastructure Investment Act of 2013 requires that when the Consumer Price Index (CPI) increases over two years, MTA must increase transit fares by a minimum of 10 cents or higher for Local Bus, Light RailLink, Metro SubwayLink and MobilityLink service, in line with the CPI. On its face, the mandate appears to be fiscally prudent, but, in practice, transit fare increases are paid for disproportionately by low-income residents who are dependent on the transit system.

According to the <u>Maryland Transit Administration (MTA) 2020-2023 Title VI Implementation Program</u>, between 2015-2018, 83% of MTA bus riders were Black and 92% earned less than \$50,000 per year. Riders of the Subway and Light Rail systems were also majority Black and majority low-income. Those shares have likely increased with the economic disruption caused by the COVID pandemic.

As nearby transit systems in Washington, DC, Montgomery County, Alexandria, and Richmond explore reduced fares or fare free transit systems, MTA is required to regularly increase transit fares, paid for by the most vulnerable residents, without raising significant new revenues for transit operations. If the inflationary mandate was removed, the Baltimore's Transit Future campaign estimates that MTA would forgo between \$2 to \$5 million in new fare revenue per year, representing 0.2% – 0.6% of MTA's FY23 operating budget. The inflexibility of this regulation limits the state's ability to advance transportation equity and harms the region's economic competitiveness and inclusive growth.

This bill removes the mandated fare increase, giving the MTA more flexibility to set fare prices in line with the administration's goals and business needs. The undersigned signatories and organizations hope House Bill 0673 receives a favorable report.

BALTIMORE'S TRANSIT FUTURE

Sincerely,

Ballard Spahr LLP Baltimore City Chamber of Commerce Baltimore Collegetown Network Baltimore MARC Riders Central Maryland Transportation Alliance Greater Baltimore Committee Greater Washington Partnership Howard County Chamber of Commerce Johns Hopkins University and Medicine PNC Bank Southway Builders Towson University Transit Choices

About the Baltimore's Transit Future Campaign

The <u>Greater Baltimore Committee</u> and <u>Greater Washington Partnership</u> launched the Baltimore's Transit Future campaign to call attention to the urgent business imperative and need for the Greater Baltimore region to create a world-class public transit system that helps create shared economic prosperity and catalyzes inclusive growth. Since June 2022, more than 65 business, civic, and non-profit organizations, including many of the largest employers in the State, have joined the campaign encouraging regional focus on six priorities:

- 1. Address the transit system's repair backlog and operator shortage.
- 2. Establish frequent, reliable transit service to regional job centers.
- 3. Support regional coordination, decision making, and funding.
- 4. Implement a 10-year rapid transit expansion program.
- 5. Prioritize regional rail investment.
- 6. Catalyze equitable development at transit and rail stations.

The time for action is now. The residents and businesses of Maryland's largest city and surrounding suburbs deserve a world-class transit system. These six strategic priorities will set the course for a more equitable transportation system, making the Baltimore region a more attractive place to live, work, play, and build a business.

Transit Cacus Endorsement Letter

Uploaded by: Karen Lewis Position: FAV



MARYLAND TRANSIT CAUCUS

marylandtransitcaucus.org • @CaucusTransit transitcaucus@gmail.com

Officers

Co-Chair: Senator Karen Lewis Young Co-Chair: Delegate Jared Solomon Vice Chair: Senator Arthur Ellis Vice Chair: Delegate Sheila Ruth Secretary: Delegate Julie Palakovich Carr At-Large Member: Delegate Marc Korman

Dear Chair Barnes, Vice Chair Chang, and Members of the Appropriations Committee,

The more than 90 members of the Transit Caucus have voted to endorse HB 673 – Maryland Transit Administration – Fare Price Requirements – Alterations.

The Transit Caucus is a bipartisan group of Senators and Delegates committed to supporting legislation that supports a robust, equitable, modern, and effective transit network that serves all Marylanders. To that end, the Caucus is dedicated to advancing reliable and sustainable transportation options for Marylanders. This includes, but is not limited to, interconnected public transit, a transition to clean vehicles, alternatives (walking and biking), and the infrastructure to support these options as safe modes of transit. We believe that ensuring every Marylander has access to a variety of safe and reliable mobility options is a critical element of achieving an equitable, prosperous, and healthy state.

The Caucus respectfully requests a favorable report for this legislation.

Thank you for your consideration.

Sincerely,

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Senator Karen Lewis Young

and Soloan

Delegate Jared Solomon

Members

Delegate Gabriel Acevero Delegate Nick Allen Delegate Carl Anderton Delegate Dalya Attar Senator Malcolm Augustine Delegate Heather Bagnall Delegate Sandy Bartlett Senator Pamela Beidle Delegate Harry Bhandari Delegate Adrian Boafo Delegate Regina Boyce Delegate Tony Bridges Senator Jill P. Carter Delegate Lorig Charkoudian Senator Paul Corderman Delegate Brian Crosby Delegate Charlotte Crutchfield Delegate Debra Davis Delegate Eric Ebersole Delegate Mark Edelson Delegate Elizabeth Embry Delegate Kris Fair Senator Brian Feldman Delegate Jessica Feldmark Delegate Linda Foley Delegate Catherine Forbes Delegate David Fraser-Hidalgo Delegate Jeff Ghrist Senator Dawn Gile Delegate Brooke Grossman Delegate Michele Guyton Senator Guy Guzzone Delegate Kevin Harris Delegate Anne Healev Senator Shelly Hettleman Delegate Terri Hill Delegate Kevin Hornberger Delegate Carl Jackson Senator Michael Jackson Delegate Andre Johnson Delegate Dana Jones Senator Cheryl Kagan Delegate Anne Kaiser Delegate Aaron Kaufman Delegate Ariana Kelly Delegate Ken Kerr Senator Nancy King Delegate Mary Lehman Delegate Jazz Lewis Delegate Robbyn Lewis Delegate Jeffrie E. Long Jr. Delegate Leslev Lopez Delegate Sara Love Delegate Aletheia McCaskill Senator Cory McCray Senator Mike McKav Delegate Bernice Mireku-North Delegate David Moon Delegate Joseline Pena-Melnyk Delegate N. Scott Phillips Delegate Andrew Pruski Delegate Lily Qi Delegate Kirill Reznik Senator Jim Rosapepe Delegate Samuel Rosenberg Senator Johnny Ray Salling Delegate Emily Shetty Delegate Karen Simpson Delegate Stephanie Smith Delegate Dana Stein Delegate Vaughn Stewart Senator Charles Sydnor III Delegate Deni Taveras Delegate Kym Taylor Delegate Jen Terrasa Delegate Chris Tomlinson Delegate Kris Valderrama Delegate Joe Vogel Senator Jeff Waldstreicher Senator Alonzo Washington Senator Mary Washington Delegate Courtney Watson Delegate Melissa Wells Delegate Jheanelle Wilkins Delegate Nicole Williams Delegate Chao Wu Delegate Natalie Ziegler Senator Craig Zucker

HB0673 - MTA - Fair Fares - SUPP_FINAL.pdf Uploaded by: Patricia Westervelt



Wes Moore Governor

Aruna Miller Lieutenant Governor

Paul J. Wiedefeld Acting Secretary

February 28, 2023

The Honorable Ben Barnes Chair, House Appropriations Committee Room 121, House Office Building Annapolis MD 21401

RE: Letter of Support – House Bill 673 – Maryland Transit Administration – Fare Price Requirements – Alterations

Dear Chair Barnes and Committee Members:

The Maryland Department of Transportation (MDOT) supports House Bill 673 as it allows the Maryland Transit Administration (MTA) to adapt to changing conditions and serve its customers more equitably and effectively.

Under current law, MTA has been required to increase base fare prices beginning in Fiscal Year 2015. Specifically, law requires that fares be adjusted every two years for core services (Bus, Metro, Light Rail, and Mobility) and every five years for commuter services (MARC, Commuter Bus) based on the annual Consumer Price Index (CPI) increase and other factors. House Bill 673 repeals this statutory requirement.

The MTA's most recent rider survey found that over 50 percent of core bus riders earn less than \$25,000 per year and under 20 percent have access to a private vehicle. House Bill 673 would enable the Administration to make equitable fare decisions and ensure access for as many riders as possible. Additionally, House Bill 673 protects the public interest and keeps the current requirements that public input be considered before any fare increase (or decrease) occurs. Delegating fare price decisions back to MTA will allow for a more efficient, adaptable, and equitable fare pricing system for transit riders in Maryland.

For these reasons, the Maryland Department of Transportation respectfully requests the Committee grant House Bill 673 a favorable report.

Respectfully submitted,

Holly Arnold Administrator Maryland Transit Administration 410-767-3943 Pilar Helm Director of Government Affairs Maryland Department of Transportation 410-865-1090