

SB 617 - Maryland Transit Administration – Fare Pr

Uploaded by: Donna Edwards

Position: FAV



MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO

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SB 617 - Maryland Transit Administration – Fare Price Requirements – Alterations Senate Budget and Taxation Committee March 1, 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 SB 617. 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, SB 617 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. SB 617 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. <https://archive.ilr.cornell.edu/sites/default/files/InequalityClimateChangeReport.pdf>

SB0617 - Fair Fares - Support - Baltimores Transi

Uploaded by: John Hillegass

Position: FAV

BALTIMORE'S TRANSIT FUTURE

February 28, 2023

The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee

Re: Support for Senate Bill 0617 MTA – Fare Price Requirements – Alterations

Dear Chair Guzzone and Committee Members,

On behalf of the signatories listed below, we are writing to express our support for 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 [Maryland Transit Administration \(MTA\) 2020-2023 Title VI Implementation Program](#), 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 Senate Bill 0617 receives a favorable report.

BALTIMORE'S TRANSIT FUTURE

Sincerely,

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

About the Baltimore's Transit Future Campaign

The [Greater Baltimore Committee](#) and [Greater Washington Partnership](#) 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.

Baltimore Collegetown Network - Fair Fares Act tes

Uploaded by: K. Alexander Wallace

Position: FAV



ATTRACT
ENGAGE
RETAIN

February 28th, 2023

Ben Barnes, Chair
Mark S. Chang, Vice-Chair
Appropriations Committee
House Office Building, Room 121
6 Bladen St., Annapolis, MD 21401

Re: Letter of Support for House Bill 673 Stance: **Support**

Mr. Chairman, Mr. Vice Chairman and Members of the Appropriations Committee,

On behalf of the Baltimore Collegetown Network, thank you for the opportunity to support House Bill 673, which repeals the mandated fare price increase within the Maryland Transit Administration that would impact many of the services our stakeholders take advantage of — such as the MARC trains, light rail, and local bus lines.

Our organization is a coalition of the vast majority of higher educational institutions within the Baltimore Metropolitan Region, from community colleges and small private colleges to half our state's historically black universities and world-renowned research institutions and professional schools.

It is widely understood that Baltimore's transit system does not meet the needs of residents, visitors, and, most importantly for Baltimore Collegetown, university students, staff, and faculty. The Baltimore Collegetown Network includes nearly 120,000 students. Every three years we conduct a survey of those college students, which includes the question, "How likely are you to stay in Baltimore after you graduate?" In the 2018 results, only 36% of students responded they were "definitely likely" to stay after graduation. Students reported that "better public transportation" is the top item missing from Baltimore.

College Members

Community College of Baltimore County
Coppin State University
Goucher College
Johns Hopkins University
Loyola University Maryland
Maryland Institute College of Art
Morgan State University
Notre Dame of Maryland University
Stevenson University
Towson University
University of Baltimore
University of Maryland, Baltimore
UMBC

Affiliate Members

Baltimore City
Baltimore County
Baltimore Development Corporation
Maryland Transit Administration
Visit Baltimore

Baltimore
Collegetown Network
P.O. Box 11049
Baltimore, MD 21212
410 532 3035
baltimorecollegetown.org

COLLEGETOWN →

Transportation is a key factor in whether a college student finds a city or region to be livable, affordable, and accessible, and as mentioned before, students do not find Baltimore's transportation meeting their needs.

In 1999, several of our member institutions came together to create the Baltimore Collegetown shuttle as an option that connected universities to desirable destinations in a reliable and affordable way. The shuttle also connects students, faculty, and staff to local public transit. Collegetown Shuttle riders tend to be underrepresented students, predominantly Black/African American (46%) and female (61%). Most riders use our shuttle 2-3 times per week, and their chief complaint is that it does not come often enough. The Collegetown Shuttle, plus the other privately run university shuttles and free shuttles in the region, offer affordable, stop-gap solutions available to students, faculty, and staff. While these services are important, they do not provide a solution to the rising cost of public transportation in the region.

With the passing of this legislation, we can make progress towards the affordability of public transportation for our students, faculty, and staff.

Kindest regards,



Toni St. John, Executive Director
Toni@BaltimoreCollegetown.org

Testimony SB-617 Farebox Recovery - B&T.pdf

Uploaded by: Larry Kasecamp

Position: FAV

LARRY KASECAMP
Legislative Director

TOM CAHILL
Assistant Director

JOHNNY WALKER
Secretary



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March 1, 2023

The Honorable Senator Guy Guzzone, Chair
Members of the Senate Budget & Tax Committee

REPRESENTATIVES

CUMBERLAND
Local 600
LAWRENCE KASECAMP

BRUNSWICK
Local 631
TOM CAHILL

EDMONSTON
Local 1470
KENZELL CRAWFORD

BALTIMORE
Local 610
JOHNNY WALKER

Local 1949
ERIC BILSON

RE: SUPPORT SB617

As Maryland State Legislative Director for the Transportation Division of the International Association of Sheet Metal, Air, Rail and Transportation Worker's (SMART), we urge your support for SB617 - *Maryland Transit Administration – Fare Price Requirements – Alterations*.

We are the largest rail labor union in North America. Our members in Maryland are employees of CSX, Norfolk Southern Railway, Amtrak, Bombardier (MARC Service) and the Canton Railroad and work as conductors, engineers, switchmen, trainmen, utility persons and yardmasters. Our members operate freight and passenger trains that travel throughout the State. SMART represents over 216,000 members throughout the country.

Keeping mass transit affordable and accessible to all Marylanders should be goal of the legislature. The benefits are numerous, such as making it easier for Marylanders to travel to work, school, and other destinations without having to worry about the high costs of owning and maintaining a personal vehicle. This also can improve access to job opportunities, education, and healthcare services.

The reduction in traffic congestion is another benefit to be noted. Reducing the number of cars on the road can lead to less traffic congestion and faster travel times for commuters who aren't able to use public transit. This reduction in traffic can also help reduce greenhouse gas emissions and air pollution which can have a positive impact on public health and the environment.

To maintain these benefits, we believe that repealing certain requirements that the Maryland Transit Administration increase fares for certain transit services according to the Consumer Price Index is a good start to keeping mass transit affordable and accessible.

We therefore urge the committee to give a favorable report to SB617!

Sincerely,


Lawrence E. Kasecamp, Director
Maryland State Legislative Board
SMART Transportation Division

SB617 - 3.1.23-- Maryland Transit Administration –

Uploaded by: Mark Thomas

Position: FAV



TESTIMONY PRESENTED TO THE SENATE BUDGET AND TAXATION COMMITTEE

**SENATE BILL 617 – MARYLAND TRANSIT ADMINISTRATION – FARE PRICE
REQUIREMENTS - ALTERATIONS**

Sponsors: Senators Hettleman, et al.

March 1, 2023

**Mark Anthony Thomas
PRESIDENT & CEO
GREATER BALTIMORE COMMITTEE**

Position: Support

The Greater Baltimore Committee (GBC) supports Senate Bill 617, which repeals the statutory requirement that the Maryland Transit Administration (MTA) increase its base fare prices every two years and every five years based on the Consumer Price Index (CPI) and other factors.

The current law's use of fare escalators creates a heavy fiscal burden that disproportionately impacts transit dependent riders, many of whom are economically and financially disadvantaged. Since the fare rates are tied to increases in the CPI, these individuals are already facing increased costs for necessary goods and services. Additionally, the increase in fares is a disincentive for transit-by-choice riders to continue to use public transit as an alternative to automobiles, increasing traffic and negatively impacting the environment.

Senate Bill 617 creates a more equitable environment for transit riders without infringing on the MTA's authority. The bill still allows the MTA to adjust its rates, but it must first hold a public hearing where those most impacted by fare increases can voice their concerns and request the agency's justification for the proposed increase. This empowers the MTA to continue to do its job, but allows for transparency and equity in the process, as opposed to the current law which takes away the voice of the very people the MTA is supposed to serve with the automatic increases tied to the CPI.

Senate Bill 617 is consistent with the six priorities of the Baltimore's Transit Future campaign and GBC's 2023 Legislative Priorities, which specifically call for the following:

- **Encourage policymakers to make capital and operating budget decisions in a data driven manner and through an equity lens.**
- **Supporting policies, funding, and incentives to enhance and promote inclusive transit-oriented development.**

For these reasons, the Greater Baltimore Committee urges a favorable report on Senate Bill 617.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Cecil, Harford, and Howard counties as well as Baltimore City. The GBC is a 68-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.

GREATER BALTIMORE COMMITTEE

111 South Calvert Street • Suite 1700 • Baltimore, Maryland • 21202-6180

(410) 727-2820 • www.gbc.org

SB0617 - MTA - Fair Fares - SUPP_FINAL.pdf

Uploaded by: Patricia Westervelt

Position: FAV



Wes Moore
Governor
Aruna Miller
Lieutenant Governor
Paul J. Wiedefeld
Acting Secretary

March 1, 2023

The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
3 West, Miller Senate Office Building
Annapolis MD 21401

RE: Letter of Support – Senate Bill 617 – Maryland Transit Administration – Fare Price Requirements – Alterations

Dear Chair Guzzone and Committee Members:

The Maryland Department of Transportation (MDOT) supports Senate Bill 617 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. Senate Bill 617 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. Senate Bill 617 would enable the Administration to make equitable fare decisions and ensure access for as many riders as possible. Additionally, Senate Bill 617 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 Senate Bill 617 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

SB617_FAV_Hettleman.pdf

Uploaded by: Shelly Hettleman

Position: FAV

SHELLY HETTLEMAN
Legislative District 11
Baltimore County

Budget and Taxation Committee

Health and Human Services Subcommittee

Pensions Subcommittee

Vice Chair
Rules Committee



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The Senate of Maryland
ANNAPOLIS, MARYLAND 21401

TESTIMONY OF SENATOR SHELLY HETTLEMAN
SB617

Maryland Transit Administration- Fare Price Requirements-Alterations

Affordable public transportation is critical to the health and wellbeing of Marylanders. Unfortunately, our state's transportation fares continue to increase, with low-income and Black riders disproportionately bearing the burden of these costs.

Equitable access to reliable transportation options provides for access to opportunities and contributes to inclusive economic growth. Our transit system has been historically underfunded and lacks the infrastructure it needs to support those who rely on it most in their everyday lives. Our current transit system includes more than 50 local bus lines, light rail, the Baltimore Metro subway, commuter buses, MARC trains, and mobility/paratransit vehicles. The ability to travel to school, work, the grocery store, or a doctor's appointment, should be afforded to all Marylanders.

More than half of MTA bus riders earn less than \$25,000 per year and bus riders account for 80% of MTA users. A large proportion of Core Bus riders are people of color. 83% of Core Bus riders are Black, as well as 70% of SubwayLink riders, and 52% of Light RailLink riders. The current mandated transit fare increases disproportionately impact low-income Black MTA riders who are expected to pay these rising costs.

The MTA has been required to increase base fares beginning in 2015. Core service fares are required to be adjusted every two years and commuter services adjusted every five based on the Consumer Price Index and other factors. Since the bill repeals the mandated inflationary metric fare increases, the revenues resulting from those fare increases would be foregone. Under SB617 however, MTA would still have the authority to modify transit fares as needed after a public hearing is held, giving the administration flexibility to modify transit fares to raise revenue when appropriate.

While Maryland currently mandates fare increases, other cities and states are exploring fare reductions or eliminating fares altogether for transit. It is critical that we continue to work to find long-term solutions and implement regional strategies to enhance funding and revenue streams for transit operations.

This bill would promote a more reliable, equitable transit system by lowering the cost burden to promote mobility especially for transit-dependent riders.

I urge a favorable report on SB 785, and I thank you for your consideration.