



MARYLAND STATE & D.C. 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>