

# 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

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

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## 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.