TESTIMONY PRESENTED TO THE SENATE BIDGET AND TAXATION COMMITTEE

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

Sponsors: Senators Hettleman, et al.

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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.