

MBTA Fare Proposal

Overview

Why raise fares?

- Fare increases are a last resort -- before any changes takes effect, the MBTA is acting to control its own costs and raise more non-fare revenue
- But the T still faces an operating budget deficit that could reach \$427 million in four years
- Taxpayers across the state who don't even use the T already pay more than \$1 billion a year towards MBTA operating costs, so it is reasonable for customers who directly benefit to pay a modest amount more

Shouldn't the T control costs first? Yes!

- The Fiscal and Management Control Board is acting to control costs before and after any fare increase takes effect in July
- Operating deficit starting to come down
- T looking for more cost savings, including reducing overtime and absenteeism
- Also raising more non-fare revenue and cracking down on fare evasion

Shouldn't the T improve service first?

- The MBTA needs revenue to fix rails, signals, buses, and other equipment for the system to run properly and safely
- As much fare increase money as possible will go to better maintenance and critical investments
- Unlike past fare increases, no service cuts are being considered other than high cost, low ridership services already identified

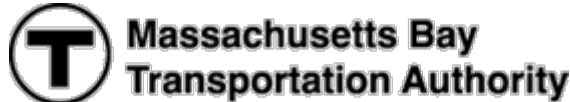
- Fares historically were increased unpredictably, sometimes by a lot, and often accompanied by service cuts
- The MBTA's policy is now to have modest and predictable fare changes once every two years, and by no more than 10 percent system-wide
- To get the MBTA's automated fare collection system ready, a decision on the fare increase is needed by March even though no increase would happen until July

FMCB voted to hold public meetings on two options:

- **Option 1:** Fares increase by system-wide average 6.71%
- **Option 2:** Fares increase by system-wide average of 9.77%

The final decision could involve a combination of these two options and other options raised during the public process

Key discounted types of fares



Key Single Ride Fares		Current Price	Option 1	Option 2
Senior	Bus	\$0.80	\$0.85	\$0.85
	Rapid Transit	\$1.05	\$1.10	\$1.10
	Bus & Rapid Transit	\$1.05	\$1.10	\$1.10
Student	Bus	\$0.80	\$0.85	\$0.85
	Rapid Transit	\$1.05	\$1.10	\$1.10
	Bus & Rapid Transit	\$1.05	\$1.10	\$1.10
RIDE	ADA Service Area	\$3.00	\$3.15	\$3.25
	Premium Service Area	\$5.00	\$5.25	\$5.50
Key Pass Prices (monthly)		Current Price	Option 1	Option 2
Senior/TAP		\$29.00	\$32.00	\$32.00
Student (5&7 day)		\$26.00	\$32.00	\$32.00

Comparison of impacts

Fare increase proposals	Option 1	Option 2
System-wide average increase	6.71%	9.77%
Projected increase above FY15 revenue*, including saved operating costs	\$33.2m	\$49.4m
Percent increase above FY15 revenue*	5.5%	8.2%
Impact on structural deficit (amount over increase assumed in pro forma)	\$9.8m	\$26.0m
Estimated Farebox Recovery Rate for FY17**	38.9%	39.9%
Projected Percent ridership loss from FY15 levels	-1.2%	-1.6%

Changes included in both options:

- Merge inner and outer express bus zones to a single zone
- Round cash and ticket fares to nearest \$0.25
- One price for all discounted passes (senior, T.A.P. and student)
- Eliminate 10-ride Commuter Rail paper ticket - still available on mTicket.

*FY 2015 adjusted to not include pass discount in May 2015

** Includes the increased operating expenses due to transferring employees from capital to operating budget

T Passes would still be a bargain

	MBTA			New York - MTA	Philadelphia - SEPTA	Chicago - CTA	Portland, OR - TriMet
	Current Price	Option 1	Option 2				
Single Fare - Rapid Transit (CharlieCard)	\$2.10	\$2.20	\$2.25	\$2.75	\$2.25	\$2.25	\$2.50
Monthly LinkPass (or equivalent)	\$75.00	\$82.50	\$84.50	\$116.50	\$91.00	\$100.00	\$100.00
LinkPass trips to break even	35.7 trips	37.5	37.5	42.4	40.4	44.4	40

- An Equity Analysis is required for all fare changes under Title VI and FTA regulations.
- The Central Transportation Planning Staff to the Boston Metropolitan Planning Organization analyzed the fare increase options
- Based on the MBTA's disparate-impact and disproportionate-burden policies, no disparate impact nor disproportionate burden was found

- Public meetings now underway
- Final decision rests with Fiscal and Management Control Board
- Decision will be made in March



We want your feedback

Public Feedback Period:

- Will run through February 12th
- Email us fareproposal@mbta.com
- Use the [Fare Options Comparison tool](#)
(also available [in Spanish](#)).

