



NYPIRG's

Straphangers Campaign

TALKING POINTS: TRANSIT FARES

the facts

The MTA projects a \$1.2 billion deficit for its \$10 billion budget for 2009. The agency is planning to fill this hole with a fare increase that will raise \$670 million. It would make \$177 million in annual service, maintenance, station personnel and cleaning cuts, along with administrative savings. Below is a list of "talking points" you can make in your testimony and other communications with the MTA and elected officials.

Possible fare hikes: If the MTA fare hike goes through, there will be "at least" a \$2.50 base subway and bus fare and a staggering \$104 for a 30-day unlimited-ride MetroCard, according to an analysis by the City's Independent Budget Office. That's \$104 up from the current \$81.

Cost to riders: A \$2.50 base fare could come to \$135 more a year, even for riders who usually buy discounted pay-per-ride MetroCards. A \$104 30-day unlimited-ride MetroCard would cost another \$276. These riders would spend a total of \$1,248 a year to use the subways and buses.

Riders' Burden: About half the cost of running the MTA is covered by fares. That currently is about \$4.2 billion dollars, or some 52% of operating costs. If the MTA proposal goes through, the percentage of costs that riders bear for operating the transit system would go from 69% in 2008 to an astonishing 83% in 2009. For buses, it would rise from 39% in 2008 to 48% in 2009.

Other cities: The average percentage of expenses covered by fares is only 37% for the 50 largest transit agencies in the U.S., according to the Federal Transit Administration as of 2006. As examples, in Boston it's 29%, Chicago 43%, Philadelphia 37%, San Francisco 51% and Washington, D.C. 40%. The rest of the funding for these systems comes from dedicated transit taxes and government subsidies, in recognition of the many economic and environment benefits of transit.

Borrowing: The MTA is now the fifth largest debtor in the United States, behind only California, Massachusetts and New York State and City. By 2012, the MTA's interest payments will eat up \$2 billion annually and is the agency's single largest growing expense.

Spreading the Cost: Reducing the fare increase and blocking terrible service cuts is possible. But ways have to be found where those who benefit from transit, all share fairly in funding the MTA. This includes businesses, riders, drivers, and property sellers – all of whom gain from a transit system that moves 9 million employees, customers, tourists and students each workday.

Solutions: A commission appointed by Governor David Paterson and headed by former MTA Chairman Richard Ravitch has proposed ideas to fund the MTA's financial needs over the next decade. These include a downstate payroll tax and tolling East and Harlem River Bridges. City Comptroller Bill Thompson, Jr. has recommended a weight-based registration fees for motor vehicles.

For more information contact NYPIRG's Straphangers Campaign at:
(212) 349-6460 • straphangers@nypirg.org
www.straphangers.org