



**Massachusetts Bay
Transportation Authority**

Fare Increase Proposal FY20

March 11, 2019



Overview

- Fare policy roadmap
- Additional background information
- Final comments
- Proposed changes to proposal
 - Results of model
 - Policy recommendations



Fare Policy Roadmap

	Short term	Medium term Phase 1	Medium term Phase 2	Long term
Change Opportunity	FY20 fare increase	Day 1 of AFC 2.0	Full implementation of AFC 2.0	New service models (<i>e.g. Rail Vision</i>), AFC 2.0 integration
Policy Tenets	Limited policy changes due to technology limitations	Integrate Commuter Rail, Commuter Rail zone changes, Improve existing products	To be discussed with FMCB and public (<i>e.g use fares to increase ridership where capacity exists</i>)	Fare policy match with service goals, leverage integrated fare platform with partners
Research/ Policy Analysis Inputs	Fare model and equity analysis	Commuter Rail zone study, new product research and pilots	New ridership & revenue model, Commuter Rail zone study, Rail Vision, Bus Network Redesign	Policies for integrating AFC 2.0 with other providers, Rail Vision, Bus Network Redesign



Commuter Rail Zone Study Outline

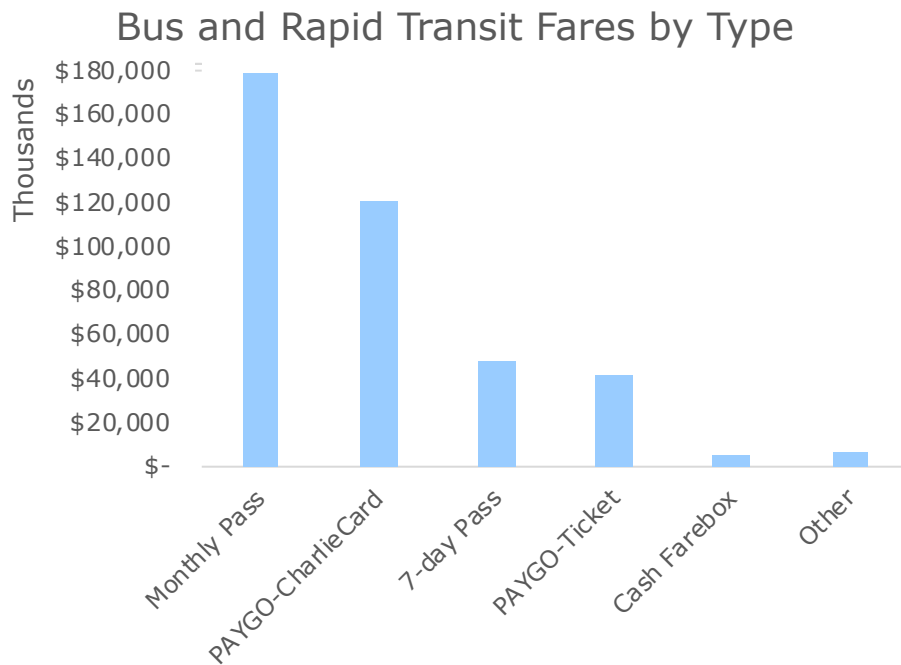
MBTA fare policy is to balance ridership, revenue, and equity goals; this study considers these in the context of Commuter Rail

- **Increase Ridership**
 - Focus on underused capacity
- **Competitiveness**
 - Compared to driving times and parking costs
 - Compared to other transit modes (fare/frequency/travel time)
 - To destinations outside of Central Business District
- **Value/Distance**
 - Track miles or straight line distance
- **Equity**
 - Access for disadvantaged populations
 - Geographic



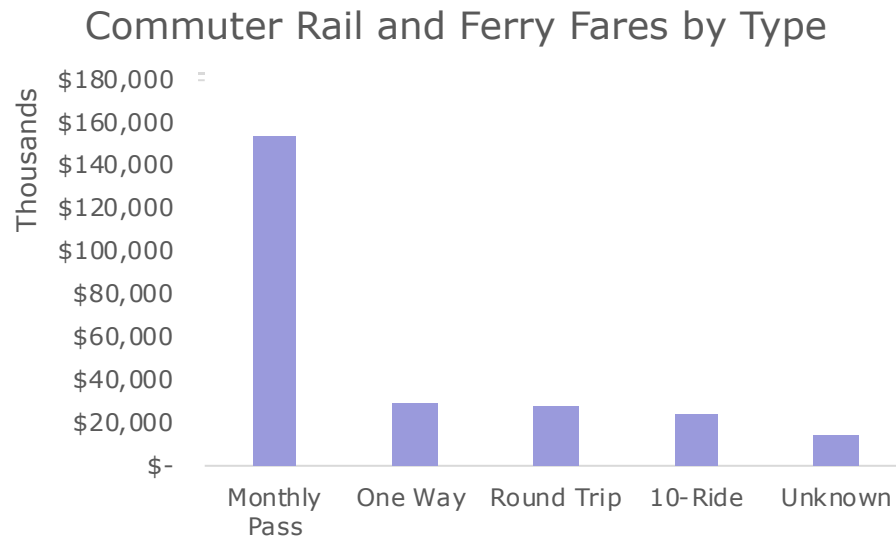
FY18 Fare Revenue Breakdown

Bus and Rapid Transit Revenue: \$400 million



Monthly pass is 45% of revenue

Commuter Rail and Ferry: \$250 million



Monthly pass is 62% of revenue



Peer Agency Comparisons

	Rapid Transit Fare	Bus Fare	Monthly Pass
MBTA	\$2.40 proposed	\$1.80 proposed	\$90 proposed
New York City	\$2.75	\$2.75	\$121
Philadelphia	\$2.00	\$2.00	\$96
Chicago	\$2.50	\$2.25	\$105
Portland, Oregon	\$2.50	\$2.50	\$100
San Francisco, Muni	\$2.50	\$2.50	\$94



Public Feedback on Fare Increase Proposal

Themes	Percent of comments
Service quality	56%
Personal affordability	23%
Conditional support (would support if...)	12%
Fare evasion/ Fare non-collection	13%
Other	12%
Ridership, economic development & environmental impact	13%
Low-income riders/equity concerns	12%
MBTA employee issues/compensation concerns	9%
Suggestions of other/outside revenue sources	11%
Budget management concerns	8%

Over 3000 comments received



Service quality comments

The fare increase comments on service quality ranged from very broad comments on improving reliability and addressing overcrowding to very specific problems with announcements or station improvements

Main Themes:

On-time performance

Crowding

Cleanliness of stations and vehicles

Announcements and communication

Also, each day when we arrive in Stoughton. Automated voice says now arriving at South Station. It has been doing this for years and no one cares. Raising the rates never fixes the problems. I don't mind paying if you had great service...you don't. Fix your problems before giving us more problems!

-Commuter rail rider

Service needs to be better. More buses and on time. I know that's hard with traffic. Being a senior, any increase hurts. Thank you.

-Bus rider

If they are going to raise prices they should put a soap dispenser in the alewife bathroom its been out for quite a few months, and they should add some more parking at alewife so that you don't have to wait in a line wasting gas if you go on the t during late morning.

- Subway rider



Model results of potential changes

2

	Revenue		Ridership		Prices	Fare Equity Analysis	
	Estimated	Estimated	Estimated	Estimated	% Change	Minority vs. All	Low Income vs. All
	Change	% Change	Change	% Change			
Original Proposal	\$32,071,459	4.50%	-4,789,360	-1.30%	6.30%	98.30%	92.80%
						No DI/DB	No DI/DB
Bus CT/Cash to CharlieCard (\$1.80)	\$31,542,981	4.40%	-4,729,384	-1.30%	6.20%	97.80%	91.30%
Delta	(\$528,477)		59,976			No DI/DB	No DI/DB
Maintain Reduced Fare on Bus/RT	\$30,715,407	4.30%	-4,479,637	-1.20%	6.00%	92.50%	81.70%
Delta	(\$1,356,052)		309,723			No DI/DB	No DI/DB
Drop Z1 to Z1A Prices	\$25,062,517	3.50%	-4,584,517	-1.30%	5.20%	103.00%	99.80%
Delta	(\$7,008,942)		204,843			No DI/DB	No DI/DB



Recommended Additional Changes

- 1. Make Weekend Commuter Rail Pass permanent**
- 2. Improvements to Youth Pass administration**
- 3. Improvements to Semester Pass and opportunities for University Pass**



Weekend Commuter Rail Pass

Recommendation: Convert Commuter Rail Weekend Pass from pilot into permanent fare product at \$10

Consideration: MBTA staff will work with Keolis to consider a new pilot for an inner zone weekend pass at a lower price point.

Percent of weekend pass mTicket sales by zone of first trip

Zone 1A	0.6%
Zone 1	1.0%
Zone 2	4.5%
Zone 3	11.0%
Zone 4	6.8%
Zone 5	5.0%
Zone 6	15.3%
Zone 7	10.5%
Zone 8	43.2%
Zone 9	0.1%
Zone 10	0.2%
Interzone	1.7%



Proposed Youth Pass Changes

Today:

- Only 10 cities and towns participate (1 recently joined, 2 more in process)
- Low utilization (under 5% of the eligible population)

Growing it forward:

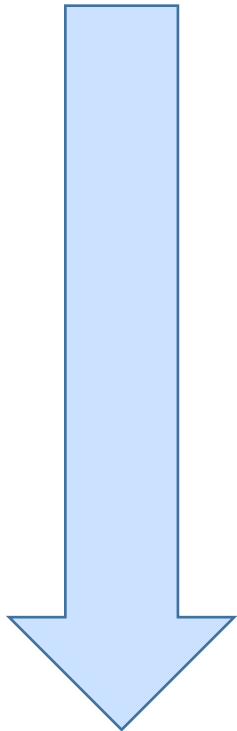
- **Expand Eligibility Criteria:** Increasing access via MassHealth and including MASSGrant to make joining easier
- **Administrative reform:** Simplify program by removing images from cards and updating lost cards processes
- **Grow Program with Marketing:** Campaign using static and digital assets in system, partner with local governments





Proposed Adjustments to Semester Pass

*Easier
commitment*



*Greater
Value*

More Student-Friendly Billing Policies

- Change from pre-pay at beginning of semester to rolling 30-day payment; only requires schools to collect via term bill
- Discount remains 11%

Opt-Out Semester LinkPass

- MBTA will offer a larger discount (20-25%) for schools that implement an *opt-out* program for LinkPass

University Pass

- MBTA will partner with schools that implement a *universal* LinkPass program
- Pricing can be based on specific usage



Next Steps

Board discussion on proposal and possible action

Follow-up

- Upcoming discussion on commuter rail fare collection
- Distribute relevant comments to departments for short term actions