

**Testimony of the Long Island Rail Road Commuter Council
to the Board of the Metropolitan Transportation Authority
on Proposed Fare Increases
Melville Marriott, Melville, NY
November 27, 2012**

Good Evening. My name is Mark Epstein. I am the Chair of the Long Island Rail Road Commuter Council (LIRRCC), the legislatively mandated representatives of the Long Island Rail Road riders, appointed by the Governor. I represent Suffolk County on the Council.

This past month has been a difficult one for the MTA and New Yorkers throughout our region, especially here on Long Island. We appreciate all that the LIRR and MTA have done to restore service and recognize that work remains to be done to return the system to normal and reduce the overcrowding that riders are facing.

It seems that we are having the same conversation every two years. What we should be discussing is how to serve the customer better, grow ridership, and make the LIRR a more integral part of Long Island. Instead, we talk about the narrow subject of how much more riders will pay. As the representatives of over 100,000 daily LIRR riders, we oppose the proposed fare increases before the MTA Board. This increase is too large and shifts too much of the burden of funding MTA services onto the riders. We understand that riders need to share in funding increasing operating expenses, but MTA riders already bear a heavy burden, with their fares paying for 55.7 percent of the MTA's operating expenditures in 2011, the highest such percentage of any large transit system in the nation.

It's important to understand how we got to this point. In 2009, an understanding was reached for riders, drivers, and the State to all contribute to resolve the MTA's financial crisis in exchange for no major service cuts. Within a short time the state took \$243 million in existing funding from the MTA, and the service cuts of 2010 had begun. Only the riders kept up their end of the bargain, enduring fare increases that far exceeded the inflation rate.

The LIRRCC knows that this Board is in a difficult position, with rapidly increasing costs, some of which are beyond its control. Debt service is driven by inadequate public funding that forces the MTA to borrow heavily to provide the necessary replacement, rehabilitation, and expansion to the system. Storm

damage not covered by FEMA or insurance will only add to this burden. Other costs are also rising and the MTA's current governmental funding will not grow enough to cover these increased costs, even with no repeat of State funding cuts.

However, this Board needs to understand that LIRR riders are also in an extremely difficult position; they are being stretched beyond their limits by the cost of commuting. Not only have LIRR riders' costs shot up with MTA fare increases of 21.4 percent since 2008, far above the 8.9 percent inflation rate, many of these riders also use subways and buses that have had their own fare increases. Rising costs are making commuters question the value of commuting by public transportation, and the number of pretax dollars that they can use for commuting expenses has nearly been cut in half. Riders are being hammered from every direction, facing even increased rates for station parking in many communities.

Today it is not unusual for a working couple who ride the LIRR to have more than \$10,000 in annual commuting expenses. These riders find themselves being called upon to shoulder an ever heavier portion of the cost of operating the Rail Road. In 2008 the proportion of operating expenditures borne by LIRR riders was 44.3 percent. This year, it is projected to be 47 percent.

We need to bring new riders onto the LIRR while recognizing the importance of the regular commuter, the Rail Road's best customer. For example, there will soon be no professional sports teams on based Long Island, but what are we doing to encourage Long Islanders attending sporting events in Manhattan, Brooklyn, and Queens to use the Rail Road as an attractive alternative to driving to these venues. The MTA should work with the area's professional sports teams to develop a promotional "Fan Fare" that would bring new riders to the Rail Road while easing congestion around stadiums and arenas.

But the MTA and Rail Road also can't overlook the daily commuter, and our Council hears loud and clear that these riders believe that they are forgotten. As the MTA system restarted after Hurricane Sandy, the LIRR suspended fare collection for the remainder of the work week, honored monthly tickets through the next weekend, then offered off-peak fares at all times for the next week. These actions didn't help regular monthly ticket buyers; their costs for October and November travel did not change. This is yet another example of policies that these riders believe take them for granted, and it should be no surprise that they feel neglected.

It's clear that we need to do more than talk about how we will implement programmed fare increases and search for ways to lift some of this burden from riders. The LIRRCC believes that all legitimate fare revenue must be collected and we have frequently and forcefully pressed the MTA to do so. With other funding sources constrained, riders pay in higher fares or reduced service for

every dollar in fares that is not collected. In addition the MTA and LIRR must continue to seek increased efficiency and reduced costs. We demand that LIRR operations, as well as those of the MTA's other services, be streamlined. For example, as a Mail and Ride customer I am sent a monthly bill and send a monthly check to get my monthly pass, month in and month out. Let's find a better way such as a prepaid longer term pass, six months or a year to reduce processing costs, and use the savings to reduce those fares.

Let's also work together to find funding that doesn't depend on fares. By tapping the value of its properties through increased station area development, advertising, and the like, the need for fare increase can be reduced. We all know that the taxes, fees, and other support that State and local governments provide for the MTA is not stable, reliable, and able to grow to meet increasing costs, so let's work with elected officials to revisit this funding formula.

Let's look at fare structure and how it depresses ridership, even as the future of the system lies in expanding its capacities and utilization. The LIRR at one time carried large numbers of riders within the Boroughs of Brooklyn and Queens, but as the City Zone fare is seen as unaffordable, this ridership has declined. Many families find using the Rail Road for weekend outings is likewise unaffordable, and so the LIRR receives no revenue from them. College students pay full undiscounted fares to travel to classes, even as they struggle to afford their education, so they find other options. Other transit systems in the region find ways to accommodate these kinds of riders, why can't we do so here?

We can't build an improved system by cutting service and raising fares. While we are pleased that the MTA announced restoration of some previously cut service, the 2010 cuts should not have happened in the first place, and we again call for all remaining cuts to be restored. The LIRR's leaders often speak of the East Side Access project and its ridership growth transforming the system and what it can provide to riders, but in reality we see an unwillingness to provide service for which there is demand, such as fall weekend trains east of Ronkonkoma, and a fare structure that sends a powerful message not to use the LIRR unless there is no alternative. To approve this proposal is to continue down this road, and we urge this Board to follow a new path.