

Riider=Fiirst Fare genda

Five fare policies for more equitable access to affordable transit

With congestion pricing slated to begin in early 2025, the time is right to continue the conversation about affordability and ripe to introduce new discounts for transit riders, while incentivizing drivers to get out of their cars and onto trains and buses.

Our report, "*Rider-First Fare Payment*," includes the following fare policy recommendations that support more equitable access to affordable transit for more New Yorkers, particularly those in subway deserts.

We hope you'll consider these five fare incentives and discounts as we approach congestion pricing's resumption, the New York State Budget, and the scheduled biannual fare increases.

Lisa Daglian, PCAC Executive Director

# 1. Introduce A.M. peak discounts for senior, disabled, and Medicare-eligible riders

Seniors, disabled, and Medicare-eligible riders cannot use their discounts in the A.M. peak period on the LIRR and Metro-North, anywhere in the system. This makes no sense - particularly given that they can use the discount in the P.M. peak period. This creates unnecessary hurdles for transit-dependent groups and obstacles to employment and opportunity.

Suggested Funding Source: MTA | Cost: \$5-\$10 million

## 2. Close the 'mid-kid' gap by creating a Family Fare for the LIRR and Metro-North

While children between the ages of five and 11 can ride the LIRR and Metro-North for one dollar with a paying adult, no discount at all is offered for twelve- to seventeen-yearolds, making transit an expensive alternative to driving for families with older children. Offering reduced fares for 'mid-kids' traveling with an adult would make taking the train a more affordable option for families.

Suggested Funding Source: New York State | Cost: Dependent on exact discount

## 3. Create a weekly CityTicket with transfers to New York City Transit

The CityTicket is a single-ride railroad ticket offered on LIRR and Metro-North Railroad trips within New York City. According to the MTA, 1.5 million CityTickets were sold in 2023. PCAC recommends investing Outer Borough Transportation Account (OBTA) funds to introduce a weekly CityTicket that includes optional discounted transfers to New York City Transit subways and buses.

Suggested Funding Source: Outer Borough Transportation Account | Cost: \$20-\$25 million

Established by the Legislature in 1981, the Permanent Citizens Advisory Committee to the MTA, PCAC, serves as the official voice for subway, bus, Staten Island Rail, LIRR, and Metro-North riders

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#### 4. Expand Fair Fares to the commuter railroads within New York City

Fair Fares is an income-based half fare program for New York City residents at or below 145% of the Federal Poverty Level, but only on New York City Transit.

Many eligible riders live in subway deserts but close to either the LIRR or Metro-North stations.

<u>PCAC analysis</u> found that 70% of the city's 39 railroad stations are adjacent to census tracts where over 25% of residents are eligible for Fair Fares. New York City is one of two large cities not to offer income-based fares on its commuter rails, despite having the highest poverty rate of cities surveyed. Fair Fares on the railroads, when discounted from the price of a CityTicket, would increase access to opportunity for tens of thousands of New Yorkers.

Suggested Funding Source: New York City | Cost: \$5-\$10 million

#### 5. Expand Fair Fares to 200% of the Federal Poverty Level

New York City's Fair Fares program provides half-fares to New York City residents living at or below 145% of the Federal Poverty Level. Most minimum wage workers currently do not qualify.

<u>PCAC analysis</u> found that among the top ten U.S. most populous cities with similar programs, New York City has the highest poverty rate and lowest eligibility threshold.

Expansion to 200% of the Federal Poverty Level would bring eligibility to as many as 450,000 more New Yorkers. The vast majority of minimum wage workers are ineligible at the current eligibility threshold of 145% of FPL.

Suggested Funding Source: New York City | Cost: \$36-\$40 million (Community Service Society)

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