

HIDDEN COSTS:

The Need for Transfers in the MBTA System

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For more information about MASSPIRG and the MASSPIRG Education Fund, please contact our office at 617.292.4800 or visit the MASSPIRG Web site at <http://www.masspirg.org>

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I. EXECUTIVE SUMMARY

The MBTA's recent proposal to raise fares by 18-33%, the second fare increase in three years, prompted public outcry with several hundred people turning out to public hearings and thousands more contacting the MBTA to protest the looming fare increase. The T admits that the fare increase would cause some riders to abandon the T for their cars, resulting in more traffic and worsened air pollution. Some believe that this will begin a downward spiral of decreasing ridership and increasing fares. Other riders protested that the series of fare increases so outpaced their increases in personal income that they would not be able to afford to take public transportation. Many more simply said that they did not want to pay more for the current level of service—service that was often late, overcrowded, and on vehicles in poor repair.

Throughout the debate over the MBTA's planned fare increase for January 2004, MBTA officials asserted that the MBTA had the lowest fares in the country, and that a fare increase of 20 to 30% would still make the MBTA among the cheapest of big-city transit systems.¹

The MBTA's assertion is oversimplified and simply ignores a major piece of the puzzle. Thousands of riders transfer between modes to get from point A to point B every day, and every time they switch modes they pay another full fare. With the fare increase, these riders will have to pay even more.

Transit systems provide two types of trips for their riders:

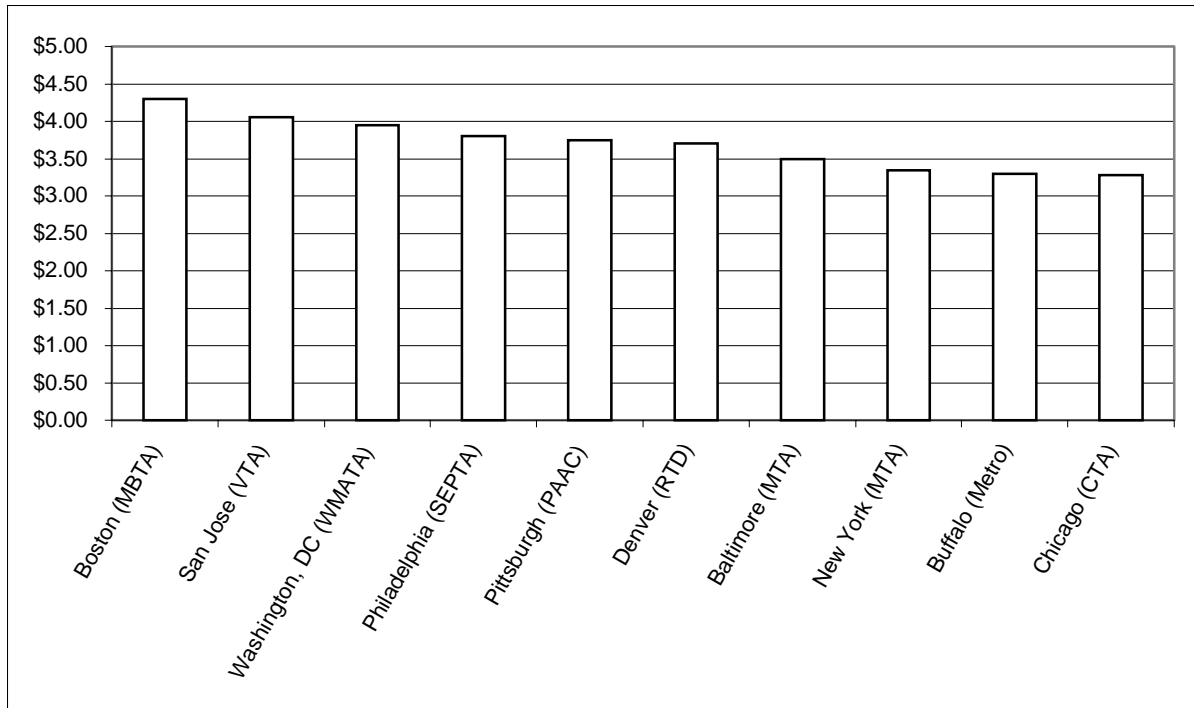
1. Base fare: a single seat, single ride trip. For example, a person boarding a train at Ruggles Station and exiting at Downtown Crossing pays a "base fare."
2. Linked Trips: Someone who takes the No. 66 Bus from Union Square to Harvard Station and then boards a Red Line train to Alewife Station takes what is considered a "linked trip."

While the MBTA has a low base fare, when riders take linked trips in the MBTA system, which many must do, MBTA fares are the highest in the nation. Compared to other transit systems that offer free or discounted transfers, multi-fare discounts, and/or day passes, the MBTA "round trip" linked fares are the most expensive in the country.

1. MBTA, Boston	\$4.30²
2. VTA, San Jose	\$4.05
3. WMATA, Washington, DC	\$3.95
4. SEPTA, Philadelphia	\$3.80
5. PAAC, Pittsburgh	\$3.75
6. RTD, Denver	\$3.70
7. MTA, Baltimore	\$3.50
8. MTA, New York	\$3.34
9. Metro, Buffalo	\$3.30
10. CTA, Chicago	\$3.28

¹ "Information On The Proposed Fare Increase", Fall 2003, brochure distributed by MBTA at Fare Hike public meetings.

² Fare calculation is based on a linked round-trip, i.e., bus to subway or subway to bus.



Many systems offer free or reduced price transfers, which ease the burden of transferring throughout the system.

Furthermore, at \$71.00 per month, the MBTA combo passes (for bus and subway combined) under the proposed fare increase will be the second most expensive in the nation.

1. CTA, Chicago	\$75.00
2. MBTA, Boston	\$71.00
3. MTA, New York	\$70.00
3. SEPTA, Philadelphia	\$70.00
5. MTA, Baltimore	\$64.00
6. MDTA, Miami	\$60.00
6. PAAC, Pittsburgh	\$60.00
6. SRTD, Sacramento	\$60.00
9. Metro, Buffalo	\$55.00
10. MARTA, Atlanta	\$52.50
11. VTA, San Jose	\$52.50

The T owes it to its riders to be the most efficient, affordable, and environmentally friendly transportation authority it can be. To improve the affordability and user-friendliness of the system, the MBTA must take steps to offer free or discounted transfers to offset the high cost of linked trips.

II. BASE FARES WITH AND WITHOUT MULTI-FARE DISCOUNTS

The MBTA has a low fare to the extent that it offers a “one-seat, one-ride” service. But other systems have slightly higher base fares and then deep discounts for riders who use more than one mode in a system.

Furthermore, many systems offer multi-fare discounts. For these discounts, riders can purchase single-use tickets in bulk and receive discounts 10-35%. This encourages multi-trip use and defrays costs for riders who travel frequently but not on consecutive days. In Philadelphia, for example, approximately 80% of SEPTA riders take advantage of some type of discount, whether through passes or multi-fare discounts.

Chart 1: Base Fares with and without Multi-fare Discounts in 20 Transportation Authorities

Location (System)	With Multi-fare Discount			Without Multi-Fare Discount		
	Rank ³	Subway	Bus	Rank ⁴	Subway	Bus
New York, NY (MTA)	1	\$1.67	\$1.67	1	\$2.00	\$2.00
Baltimore, MD (MTA)	2	\$1.60	\$1.60	4	\$1.60	\$1.60
Atlanta, GA (MARTA)	3	\$1.50	\$1.50	3	\$1.75	\$1.75
Buffalo, NY (Metro)	3	\$1.50	\$1.50	5	\$1.50	\$1.50
San Jose, CA (VTA)	3	\$1.50	\$1.50	5	\$1.50	\$1.50
Pittsburgh, PA (PAAC)	6	\$1.50	\$1.25	9	\$1.50	\$1.25
Chicago, IL (CTA)	7	\$1.36	\$1.36	5	\$1.50	\$1.50
Sacramento, CA (SRTD)	7	\$1.36	\$1.36	5	\$1.50	\$1.50
Philadelphia, PA (SEPTA)	9	\$1.30	\$1.30	1	\$2.00	\$2.00
St. Louis, MO (Metro)	10*	\$1.25	\$1.25	12	\$1.25	\$1.25
Portland, OR (TriMet)	11	\$1.25	\$1.25	11	\$1.30	\$1.30
Dallas, TX (DART)	11	\$1.25	\$1.25	12	\$1.25	\$1.25
Salt Lake City, UT (UTA)	11	\$1.25	\$1.25	12	\$1.25	\$1.25
Washington, D.C. (WMATA)	14	\$1.20	\$1.20	18	\$1.20	\$1.20
Cleveland, OH (RTA)	15	\$1.19	\$1.19	12	\$1.25	\$1.25
Boston, MA (MBTA)	16	\$1.25	\$0.90	20	\$1.25	\$0.90
San Francisco (Muni)	16	\$1.05	\$1.05	12	\$1.25	\$1.25
Miami (MDTA)	18	\$1.00	\$1.00	12	\$1.25	\$1.25
Denver, CO (RTD)	19	\$0.93	\$0.93	19	\$1.15	\$1.15
Los Angeles, CA (MTA)	20	\$0.90	\$0.90	10	\$1.35	\$1.35
Average		\$1.28	\$1.25		\$1.43	\$1.40

* The St. Louis Metro offers free transfers with its multi-fare book

³ Rank is based upon the average cost of bus and subway fares.

⁴ See Footnote 3.

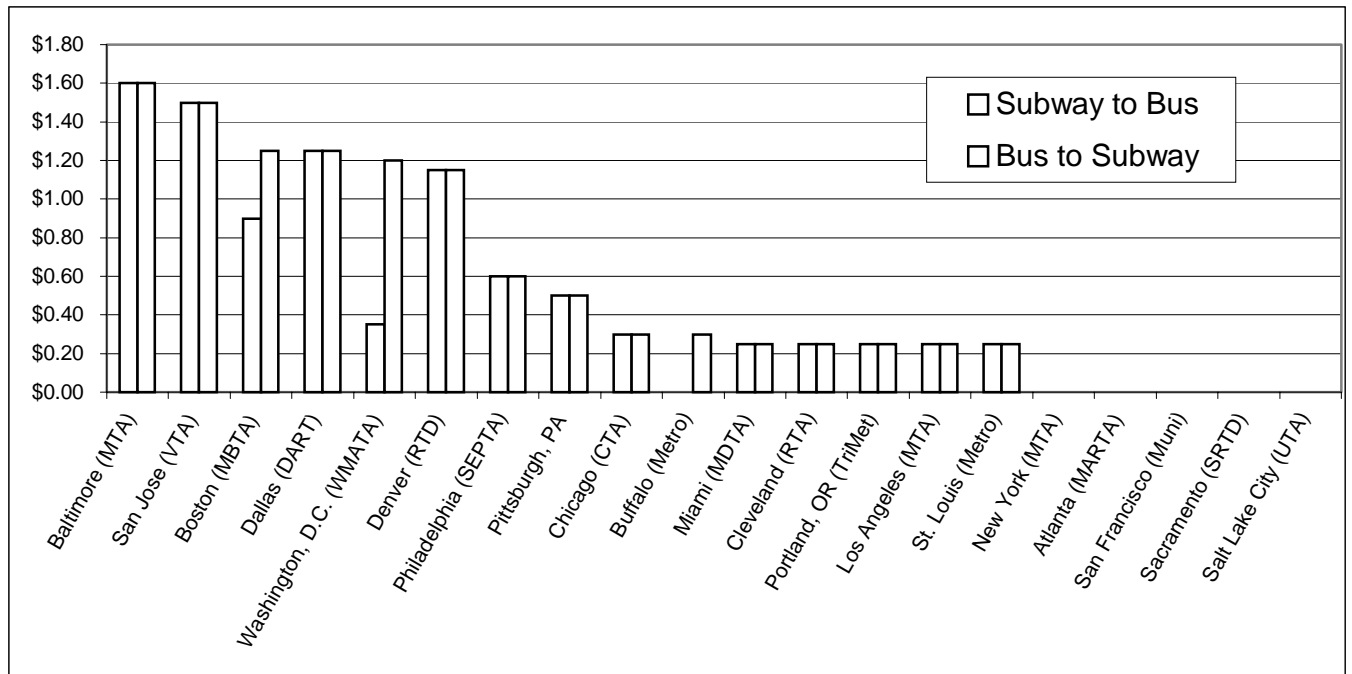
III. COMPARISON: COSTS OF TRANSFERS

Many transit systems, such as the MTA (New York), MARTA (Atlanta), and Muni (San Francisco), offer free transfers. Other systems, such as SEPTA (Philadelphia), CTA (Chicago) and MBTA (Miami) offer reduced price transfers from bus to subway and subway to bus. Of the twenty transit systems examined, fifteen offer some sort of free or reduced price transfers.

While many of the systems that offer transfers use Automated Fare Collection, others have paper systems that reduce abuse without requiring any investment in Automated Fare Collection technology. Among these systems are MARTA in Atlanta, the Muni in San Francisco and the SEPTA in Philadelphia. On the SEPTA, drivers punch tickets to note time of the transfer, and on the MUNI in San Francisco, drivers tear off the ticket in such a way as to note time of boarding. In Miami, the MDTA has machines that timestamp transfers.

Chart 2: Cost of Transfers

Location (System)	Subway to Bus	Bus to Subway
Baltimore (MTA)	\$1.60	\$1.60
San Jose (VTA)	\$1.50	\$1.50
Boston (MBTA)	\$0.90	\$1.25
Dallas (DART)	\$1.25	\$1.25
Washington, D.C. (WMATA)	\$0.35	\$1.20
Denver (RTD)	\$0.93	\$0.93
Philadelphia (SEPTA)	\$0.60	\$0.60
Pittsburgh (PAAC)	\$0.50	\$0.50
Chicago (CTA)	\$0.30	\$0.30
Buffalo (Metro)	\$0.00	\$0.30
Miami (MDTA)	\$0.25	\$0.25
Cleveland (RTA)	\$0.25	\$0.25
Portland (TriMet)	\$0.25	\$0.25
Los Angeles (MTA)	\$0.25	\$0.25
Saint Louis (Metro)	\$0.25	\$0.25
New York (MTA)	\$0.00	\$0.00
Atlanta (MARTA)	\$0.00	\$0.00
San Francisco (Muni)	\$0.00	\$0.00
Sacramento (SRTD)	\$0.00	\$0.00
Salt Lake City (UTA)	\$0.00	\$0.00



The MBTA has one of the most expensive transfers in the nation. The cost of transferring from subway to bus ranks 5th nationally, and the cost of transferring from bus to subway ranks 3rd. Viewed alongside some of the nation's largest systems (New York, San Francisco, Chicago, Philadelphia and others), the MBTA charges some of the highest rates in the nation. In fact, five large systems (seen on right side of the chart above) offer free transfers, allowing riders to pay once for their entire trip.

IV. COMPARISON: COST OF PASSES

Transit systems offer a different range of pass options. Some offer “Visitor Passes” while others offer “Day Passes.” Visitor passes provide access to services that many commuters do not use on a day-to-day basis, and are priced substantially higher.

Systems offer various permutations on weekly and monthly passes. The following chart compares pass options in the different systems. This report compares the price of passes that offer access to both subway and rail.

Chart 3: Cost of Passes

Location (System)	1-Day Visitor Pass	Day	Weekly	Monthly	Monthly Pass Rank
Washington, D.C. (WMATA)	\$6.00	N/A	\$20.00	N/A	N/A
Chicago (CTA)	\$5.00	N/A	\$20.00	\$75.00	1
Boston (MBTA)	\$7.50	N/A	\$16.50	\$71.00	2
New York (MTA)	\$7.00	N/A	\$21.00	\$70.00	3
Philadelphia (SEPTA)	\$5.50	N/A	\$18.75	\$70.00	3
Baltimore (MTA)	N/A	\$3.50	\$16.50	\$64.00	5
Miami (MDTA)	N/A	N/A	N/A	\$60.00	6
Pittsburgh (PAAC)	N/A	N/A	\$16.50	\$60.00	6
Sacramento (SRTD)	N/A	\$3.50	N/A	\$60.00	6
Buffalo (Metro)	N/A	N/A	N/A	\$55.00	9
Atlanta (MARTA)	\$9.00	N/A	\$13.00	\$52.50	10
San Jose (VTA)	\$4.50	\$4.05	N/A	\$52.50	10
Portland (TriMet)	\$4.00	N/A	N/A	\$47.00	12
Cleveland (RTA)	N/A	\$3.00	\$11.25	\$45.00	13
San Francisco (Muni)	\$9.00	N/A	\$20.00	\$45.00	13
Saint Louis (Metro)	\$4.00	N/A	\$14.50	\$45.00	13
Salt Lake City (UTA)	N/A	\$2.50	N/A	\$45.00	13
Los Angeles (MTA)	N/A	N/A	\$11.00	\$42.00	17
Dallas (DART)	N/A	\$2.50	N/A	\$40.00	18
Denver (RTD)	N/A	N/A	N/A	\$35.00	19
Average	\$6.15	\$3.18	\$15.31	\$54.42	

In the MBTA the weekly pass is a fairly good deal for riders who plan their use of the system on a week by week basis. In terms of monthly passes, however, while the MBTA’s subway and bus passes are fairly inexpensive, the monthly combo pass is the second most expensive in the country.

V. THE COST OF LINKED TRIPS

Many authorities offer transfers, and still others offer day passes or multi-trip discounts. This means that systems like Boston that offer none of these common options go from being relatively inexpensive to the most expensive for riders.

Chart 4 shows the cost of linked trips when riders do and do not take advantage of multi-trip discounts. The data below assumes that riders will choose the “best deal.” That is, if a day-pass is cheaper than the cost of fares and transfers, the rider will choose the day pass.

Chart 4: Cost of Linked Trips with and without Multi-fare Discounts

Taking Advantage of Multi-Fare Discount				Not Taking Advantage of Multi-Fare Discount		
Location (System)	Rank ⁵	Bus-Subway Linked Trip	Round Trip Linked Trip	Rank ⁶	Bus-Subway Linked Trip	Round Trip Linked Trip
Boston (MBTA)	1	\$2.15	\$4.30	4	\$2.15	\$4.30
San Jose (VTA)	2	\$3.00	\$4.05	3	\$3.00	\$4.50
Washington, D.C. (WMATA)	3	\$2.40	\$3.95	6	\$2.40	\$3.95
Philadelphia (SEPTA)	4	\$1.90	\$3.80	1	\$2.60	\$5.20
Pittsburgh (PAAC)	5	\$1.75	\$3.75	7	\$1.75	\$3.75
Denver (RTD)	6	\$1.85	\$3.70	2	\$2.30	\$4.60
Baltimore (MTA)	7	\$3.20	\$3.50	9	\$3.20	\$3.50
New York (MTA)	8	\$1.67	\$3.34	5	\$2.00	\$4.00
Buffalo (Metro)	9	\$0.30	\$3.30	11	\$1.80	\$3.30
Chicago (CTA)	10	\$1.64	\$3.28	8	\$1.80	\$3.60
Cleveland (RTA)	11	\$2.50	\$3.00	13	\$2.50	\$3.00
Atlanta (MARTA)	12	\$1.50	\$3.00	10	\$1.75	\$3.50
Portland (TriMet)	12	\$1.50	\$3.00	12	\$1.55	\$3.10
Sacramento (SRTD)	14	\$1.36	\$2.73	14	\$1.50	\$3.00
Dallas (DART)	15	\$2.50	\$2.50	17	\$2.50	\$2.50
Miami (MDTA)	16	\$1.25	\$2.50	14	\$1.50	\$3.00
Los Angeles (MTA)	16	\$1.25	\$2.50	18	\$1.25	\$2.50
Saint Louis (Metro)	16	\$1.25	\$2.50	14	\$1.50	\$3.00
Salt Lake City (UTA)	16	\$1.25	\$2.50	18	\$1.25	\$2.50
San Francisco (Muni)	20	\$1.05	\$2.10	18	\$1.25	\$2.50
Average		\$1.76	\$3.17		\$1.98	\$3.47

At \$4.30 per round trip, the MBTA’s linked trips are the most expensive in the nation.

⁵ Rank is based on cost of Round Trip Linked Trip.

⁶ Rank is based on cost of Round Trip Linked Trip.

VI. RECOMMENDATIONS

Since the MBTA fare increase is now a done deal, it is critical for the MBTA to examine the high cost of linked trips. The true cost for riders who use the entire system by transferring from bus to subway or subway to bus makes the MBTA system the most expensive in the nation.

To ease this, the MBTA should:

- 1) Prioritize the implementation of Automated Fare Collection since it will improve system efficiency, cost recovery, and administration of transfers.**
- 2) Offer bus to subway and subway to bus transfers before the implementation of Automated Fare Collection.**

For years, the MBTA has been planning to transition the system to Automated Fare Collection (AFC). AFC uses “smart cards” to electronically collect fares and can monitor transfers, and it will make transfers comparatively easy to administer. AFC will improve the MBTA by making a transfer policy more workable, as well as by making the system as a whole more user-friendly. During the MBTA Board Meeting on November 6, 2003, the MBTA Board voted to establish a Rider Oversight Committee, and charged the Committee with setting up a system of transfers within the MBTA by the time Automated Fare Collection (AFC) is operational.

But the MBTA should not wait until AFC to begin its transfer program. Thousands of riders are paying the high cost of transferring in the MBTA every day, and these riders deserve transfers now. AFC has already been delayed from its original timeline, and the projected 2006 implementation date is still uncertain. Many other systems offer transfers without automated collection technology, and it can be done in Boston today.

VII. METHODOLOGY

The list of public transit authorities was taken from the American Public Transportation Association Website. This report analyzed public transportation systems that have both bus and rail (light and/or heavy) services. The MBTA is a public transit system that serves both the urban core and surrounding communities with bus and rail (light and heavy). This study only examines the core services and does not include commuter rail or similar systems in other cities. Furthermore, it assumes movement within a single zone whenever applicable.

The report analyzed all of the authorities that meet these criteria with two exceptions: the San Diego Trolley (SDT) system and the Newark, New Jersey Transit Corporation (NJT). Although both of these systems meet the criteria of having heavy and/or light rail and buses, the fare structures are so varied that obtaining an “apples to apples” comparison would be excessively difficult.

VII. SOURCES

General Webpages

American Public Transportation Association Website.

http://www.apta.com/links/transit_by_mode/heavyrail.cfm,

http://www.apta.com/links/transit_by_mode/lightrail.cfm

Transit Authority Webpages

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Baltimore, MD. MTA. “Basic Fare Information.”

<http://www.mtmaryland.com/fares/index.cfm>

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http://www.mbta.com/contact_us/proposed_fare.asp

Buffalo, New York. NFTA “How to Ride MetroBus.”

<http://www.nfta.com/metro/fares.bus.html>

Chicago, IL. “CTA Fares.” <http://www.transitchicago.com/maps/fares.html>

Cleveland, OH. “RTA Pass and Farecard Information.”

<http://www.riderta.com/passinfo.asp>

Dallas, TX. “Local Fares.” <http://www.dart.org/riding.asp?zeon=DARTFares>

Denver, CO. “RTD Fares and Passes.” <http://www.rtd-denver.com/>

Los Angeles, CA. “Metro Bus and Metro Rail Rider’s Guide.”

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New York, NY. NYCT. “Fares and Metrocard.”

<http://www.nycet.org/metrocard/mcgtreng.htm>

Philadelphia, PA. SEPTA “Fare Details and Purchase Options.”

<http://www.septa.org/sales/transitfares.html>

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<http://www.metrostlouis.org/Passes/fareinformation.asp>

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San Francisco, CA. Muni. "Fares and Sales: More Fare Info."

<http://www.sfmuni.com/fares/fareinfo.htm#basic>

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<http://www.vta.org/schedules/fares.html>

Washington, DC. WMATA Fares.

http://www.wmata.com/riding/hours_fares.cfm

Personal Interviews

Nixon, Glen. Customer Service Supervisor, SEPTA. Phone Interview November 7, 2003

Prescott, Lawrence Customer Service Representative, MARTA, Phone Interview November 7, 2003.