2018 Proposed Service and Fare Changes
Purpose of Today’s Hearing

1. Special Transportation Fund and the Department of Transportation Budget
2. Potential bus and rail fare and service impacts
3. Review Service and Fare Equity Analysis
4. Public comments

www.ct.gov/dot/farecomments
Special Transportation Fund
Sources of Income

- Oil Companies Tax: 17%
- Motor Fuels Tax: 31%
- DMV Sales Tax (used cars): 5%
- Interest Income: 1%
- Federal Grants: 1%
- Licenses, Permits, & Fees: 9%
- DMV Motor Vehicle Receipts: 16%
- Sales & Use Tax: 20%
- Federal Grants: 1%

www.ct.gov/dot/farecomments
Special Transportation Fund Appropriations

- DOT Operations: 40%
- Bond Debt Service: 42%
- DMV Operations: 4%
- Pension & Fringes: 13%
- OTHER: 1%

www.ct.gov/dot/farecomments
The major contributor to STF total expenditure increases is *debt service* although DOT and Other Agency operating expenses are also growing.
Special Transportation Fund
DOT Operations

- Transit Services: 62%
- Personal Services: 27%
- Other Expenses: 8%
- Pay As You Go: 2%
- Other: 1%

www.ct.gov/dot/farecomments
Special Transportation Fund
Transit Services

- Rail Operations: 48%
- Bus Operations: 41%
- ADA & Non ADA Transit Programs: 10%
- Transportation to Work: 1%

www.ct.gov/dot/farecomments
STF Forecast – Adopted Budget

www.ct.gov/dot/financecomments
Problem Statement

• **SFY 2018: Inability to sell bonds**
  - STF bond proceeds were fully expended
  - Additional bond proceeds are required to meet existing capital project expenses – up to $1B capital payment obligations in FY18
  - Current year and cumulative STF deficits prevented bond sales

• **Beyond 2018: Existing Income Levels insufficient to support STF**
  - Rising debt service associated with past debt is eroding available STF income
  - Decreasing income estimates combined with increasing operating costs making the problem worse
  - Income to debt service coverage ratios headed lower, risking bond rating
  - Operating and capital reductions alone cannot solve the long term problem

www.ct.gov/dot/farecomments
Solution **without** Added Income

- Implement a series of operating budget cuts beginning in 2018
- Significantly reduced capital program in the 2018 construction season and in the future

www.ct.gov/dot/warecomments
Operating Budget Cuts

DOT Administrative Impacts
• 15% reduction in staffing

Highway and Bridge Impacts
• Reduction in road and bridge paving and maintenance work
• Completely close Rest Areas
• Reduced maintenance staff will impact snow plowing and routine maintenance

www.ct.gov/dot/farecomments
Operating Budget Actions - Bus

• 14.3% Bus Fare Increase - July 1, 2018

• Eliminate Non-ADA local bus service subsidies - July 2018

• Transit Districts
  - 15% Subsidy cut - July 2018
  - 50% Subsidy cut - July 2020

www.ct.gov/dot/farecomments
Operating Budget Actions - Rail

- 10% Rail fare increase - effective July 1, 2018
- 5% Rail fare increase - effective July 1, 2020
- 5% Rail fare increase - effective July 1, 2021

The above fare increases equal a total of 21.28% and will be phased in over 3 years

www.ct.gov/dot/farecomments
Operating Budget Actions - Rail

Beginning July 1, 2018:

• Elimination of Weekend and Weekday Off-Peak Service
  - New Canaan Branch
  - Danbury Branch
  - Waterbury Branch

• Significant reductions in Shore Line East

• Metro-North non-service expense reductions

www.ct.gov/dot/farecomments
Other Proposed Fare Changes

• University Pass (U-Pass) fee increase from $20/semester to $22/semester

• Hartford DASH and New Haven Green Bus shuttles from free to $1

• Standardize discounting on express and local bus 31-day passes

• End discounting on 10-ride bus fares

• Introduce new Bradley Airport Express bus fare - $10 one way

www.ct.gov/dot/farecomments
Capital Program Impacts

- $4.3B of Engineering, Construction and Public Transportation projects will be postponed over the next 5 years

- Funding for municipal projects will be eliminated
  - Local transportation
  - Local bridge
  - Town aid road

- Postponement of projects has already cancelled over $60M of construction projects for this construction season

www.ct.gov/dot/forecomments
## Proposed Bus Fare Increases

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult 2-hour</td>
<td>$1.75</td>
<td>$2.00</td>
</tr>
<tr>
<td>Senior/Disabled</td>
<td>$.85</td>
<td>$1.00</td>
</tr>
<tr>
<td>Youth</td>
<td>$1.40</td>
<td>$1.60</td>
</tr>
<tr>
<td>ADA Paratransit</td>
<td>$3.50</td>
<td>$4.00</td>
</tr>
</tbody>
</table>

The 25¢ increase in the base fare is a 14.3% increase. Other multi-ride prepaid fares go up proportionately.
# Bus Fare Comparisons

<table>
<thead>
<tr>
<th>Service</th>
<th>Fare</th>
</tr>
</thead>
<tbody>
<tr>
<td>Westchester Bee-Line - New York</td>
<td>$2.75</td>
</tr>
<tr>
<td>MTA - New York</td>
<td>$2.75</td>
</tr>
<tr>
<td>RIPTA - Rhode Island</td>
<td>$2.00</td>
</tr>
<tr>
<td>MBTA - Boston</td>
<td>$2.00</td>
</tr>
<tr>
<td><strong>CTtransit Connecticut (Proposed)</strong></td>
<td>$2.00</td>
</tr>
<tr>
<td>CDTA – Albany, NY</td>
<td>$1.50</td>
</tr>
<tr>
<td><strong>CTtransit - Connecticut (Current)</strong></td>
<td>$1.75</td>
</tr>
<tr>
<td>PVTA - Springfield, MA (Proposed July 1)</td>
<td>$1.60</td>
</tr>
</tbody>
</table>

[www.ct.gov/dot/farecomments](http://www.ct.gov/dot/farecomments)
## Proposed Rail Fare Increases

### One-way Fares – New Haven Line

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
<th>Current</th>
<th>July 2018</th>
<th>July 2020</th>
<th>July 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Haven</td>
<td>Grand Central</td>
<td>$23.50</td>
<td>$26.00</td>
<td>$27.25</td>
<td>$28.50</td>
</tr>
<tr>
<td>Stamford</td>
<td>Grand Central</td>
<td>$15.25</td>
<td>$16.75</td>
<td>$17.50</td>
<td>$18.25</td>
</tr>
<tr>
<td>New Haven</td>
<td>Stamford</td>
<td>$8.25</td>
<td>$9.25</td>
<td>$9.75</td>
<td>$10.25</td>
</tr>
</tbody>
</table>

www.ct.gov/dot/farecomments
# Proposed Rail Fare Increases

## One-way Fares – Shore Line East

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
<th>Current</th>
<th>July 2018</th>
<th>July 2020</th>
<th>July 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>New London</td>
<td>New Haven</td>
<td>$10.25</td>
<td>$11.25</td>
<td>$12.00</td>
<td>$12.50</td>
</tr>
<tr>
<td>Old Saybrook</td>
<td>New Haven</td>
<td>$7.25</td>
<td>$8.00</td>
<td>$8.50</td>
<td>$8.75</td>
</tr>
</tbody>
</table>

[www.ct.gov/dot/farecomments](http://www.ct.gov/dot/farecomments)
## Proposed Rail Fare Increases

### One-way Fares – Hartford Line

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
<th>July 2018</th>
<th>July 2020</th>
<th>July 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Springfield, MA</td>
<td>New Haven</td>
<td>$14.00</td>
<td>$14.75</td>
<td>$15.50</td>
</tr>
<tr>
<td>Hartford</td>
<td>New Haven</td>
<td>$8.75</td>
<td>$9.25</td>
<td>$9.75</td>
</tr>
</tbody>
</table>

[www.ct.gov/dot/ffarecomments](http://www.ct.gov/dot/ffarecomments)
## Rail Fare Comparisons

### Local Fares - Monthly

<table>
<thead>
<tr>
<th>Service</th>
<th>From</th>
<th>To</th>
<th>Miles</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIRR</td>
<td>Bellport, NY</td>
<td>Jamaica, NY</td>
<td>48.5</td>
<td>$391.00</td>
</tr>
<tr>
<td>NJ Transit</td>
<td>Trenton, NJ</td>
<td>Newark, NJ</td>
<td>48.0</td>
<td>$353.00</td>
</tr>
<tr>
<td><strong>NHL - Proposed</strong></td>
<td>New Haven, CT</td>
<td>Rye, NY</td>
<td>48.2</td>
<td>$277.00</td>
</tr>
<tr>
<td><strong>NHL - Current</strong></td>
<td>New Haven, CT</td>
<td>Rye, NY</td>
<td>48.2</td>
<td>$250.00</td>
</tr>
<tr>
<td><strong>SLE - Proposed</strong></td>
<td>New London, CT</td>
<td>New Haven, CT</td>
<td>48.3</td>
<td>$236.25</td>
</tr>
<tr>
<td>MBTA</td>
<td>Wickford Jct., RI</td>
<td>Route 128, MA</td>
<td>51.3</td>
<td>$221.50</td>
</tr>
<tr>
<td><strong>SLE - Current</strong></td>
<td>New London, CT</td>
<td>New Haven, CT</td>
<td>48.3</td>
<td>$215.25</td>
</tr>
</tbody>
</table>

[www.ct.gov/dot/farecomments](http://www.ct.gov/dot/farecomments)
## Rail Fare Comparisons

### Fares to NYC - Monthly

<table>
<thead>
<tr>
<th>Service</th>
<th>Origin</th>
<th>Destination</th>
<th>Distance</th>
<th>Fare</th>
</tr>
</thead>
<tbody>
<tr>
<td>NHL - Proposed</td>
<td>New Haven CT</td>
<td>Grand Central, NY</td>
<td>75.1</td>
<td>$550.00</td>
</tr>
<tr>
<td>NHL - Current</td>
<td>New Haven CT</td>
<td>Grand Central, NY</td>
<td>75.1</td>
<td>$500.00</td>
</tr>
<tr>
<td>LIRR</td>
<td>Westhampton</td>
<td>Penn Station, NY</td>
<td>74.3</td>
<td>$500.00</td>
</tr>
<tr>
<td>NJ Transit</td>
<td>Bay Head, NJ</td>
<td>Penn Station, NY</td>
<td>66.7</td>
<td>$480.00</td>
</tr>
</tbody>
</table>

[www.ct.gov/dot/farecomments](http://www.ct.gov/dot/farecomments)
Service and Fare Equity (SAFE) Analysis

- Federal Transit Administration (FTA) requirement
- Analysis of fare and major service change on low-income and minority populations
- Impacts relative to overall rider population
Service and Fare Equity (SAFE) Analysis

Fare analysis included:
- Fare changes relative to household income
- Fare changes relative to minority status

Service analysis included:
- Comparison of branch line rider characteristics to rail system as a whole

www.ct.gov/dot/farecomments
SAFE Findings

- The analysis and findings are reviewed by the Commissioner when determining whether to raise fares and reduce services.
- The final SAFE analysis is included in our next Title VI program submittal to FTA

www.ct.gov/dot/farecomments
Impact of DOT Budget Actions

*Without* additional STF income:

- STF balanced with cumulative surplus
- Enabled sale of bonds for current obligations
- Problem will return in 2020

www.ct.gov/dot/farecomments
STF Forecast

Without Additional STF Income

www.ct.gov/dot/farecomments
Alternatives to DOT Budget Reductions

Governor’s Proposed Budget

• Increase Gas Tax by 7¢ over 4 years
• Accelerate New Car Sales Tax by 2 years
• Impose a Tire Fee of $3 per tire
• Institute Statewide Tolling in FY2023

Would result in:

• No service and fare impacts
• No capital program reductions
• Sufficient, sustainable STF income

www.ct.gov/dot/farecomments
STF Forecast – Governor’s Proposed Budget

www.ct.gov/dot/farecomments
Alternatives to DOT Budget Reductions

Commission on Fiscal Stability and Economic Growth

- Report on overall state financial stability due on March 1, 2018
- Likely to address potential strategies to sustain STF

www.ct.gov/dot/farecomments
Alternatives to DOT Budget Reductions

Legislative Budget Process

• Connecticut General Assembly (CGA) in session February 7 - May 9, 2018

• Potential actions on STF income subject to approval by CGA and Governor

www.ct.gov/dot/farecomments
Next Steps

• Public hearings on fare increase and service reductions

• Review comments on fare and service changes as well as the SAFE analyses

• A final recommendation goes to DOT Commissioner for review and approval

• New Haven Line fare proposal must be approved by the MTA Board

• Fare increases and service adjustments, if approved, would take effect on July 2018 through July 2020

www.ct.gov/dot/farecomments
## Public Hearing Schedule

<table>
<thead>
<tr>
<th>Location</th>
<th>Date</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Haven</td>
<td>Tuesday, February 20</td>
<td>5 to 8PM</td>
</tr>
<tr>
<td>Waterbury</td>
<td>Wednesday, February 21</td>
<td>5 to 8PM</td>
</tr>
<tr>
<td>Hartford</td>
<td>Thursday, February 22</td>
<td>4 to 7PM</td>
</tr>
<tr>
<td>Stamford</td>
<td>Tuesday, February 27</td>
<td>5 to 8PM</td>
</tr>
<tr>
<td>New London</td>
<td>Wednesday, February 28</td>
<td>5 to 8PM</td>
</tr>
<tr>
<td>Springfield, MA</td>
<td>Thursday, March 1</td>
<td>4 to 7PM</td>
</tr>
<tr>
<td>New Britain</td>
<td>Monday, March 5</td>
<td>4 to 7PM</td>
</tr>
</tbody>
</table>

[www.ct.gov/dot/farecomments](http://www.ct.gov/dot/farecomments)
Comments on the proposed fare increases must be received by **March 9, 2018** and addressed to:

**COMMENTS ON PROPOSED SERVICE AND FARE CHANGES**

Connecticut Department of Transportation
2800 Berlin Turnpike
P.O. Box 317546
Newington, CT 06131-7546

Comments via email to [dot.farecomments@ct.gov](mailto:dot.farecomments@ct.gov)

[www.ct.gov/dot/farecomments](http://www.ct.gov/dot/farecomments)
Hearing Guidelines

• If you wish to make comments, please sign-in.
• Speakers will be called in order.
• Each speaker is allowed 3 minutes to comment.
• Limit comments to the fare and service changes, other comments should be made to representatives at the back of the room.
• Use the microphone so that your comments become part of the hearing record.

www.ct.gov/dot/farecomments