

# Metro 2008 fare increase FAQs

#### What is the proposed fare increase?

King County Executive Ron Sims is proposing its first fare increase since 2001. Fares would be increased by 25 cents for almost all adult and youth fares, including cash and pass prices. The fares for senior/disabled passengers would be increased by 25 cents during peak commute periods, but would remain the same for non-peak travel. This proposed fare increased is expected to raise \$11.7 million in operating revenue for King County Metro Transit.

## When would new fares go into effect?

If approved by the Metropolitan King County Council as part of the 2008 budget, the new transit fares would take effect at two different times. All adult retail fares would change on March 1, 2008; and fare increases for youth, senior/disabled, Access and UPASS would begin July 1, 2008. FlexPass customers will see their fares increased by July 1, 2008 as well, although the exact timing will depend on when the contracts between Metro and individual employers are renewed.

#### Why is a fare increase needed?

Since the last fare increase in 2001, Metro revenues have not kept pace with inflation, especially in the areas of fuel and employee costs. Fuel costs alone have more than tripled since 2001 adding more than \$18 million in annual costs. This has come at a time when demand for transit service is at an all-time high. This situation has resulted in a decrease in the quality of the service, and Metro is experiencing more instances of buses being overcrowded or late. A fare increase is needed to preserve the quality and level of service in the existing Metro system.

#### Doesn't ridership cover Metro's costs?

Historically, farebox revenue covers 20-25 percent of Metro's operating costs. The remainder comes from sales tax revenue. In recent years, the farebox portion has been slipping closer to 20 percent. The proposed fare increase would also bring Metro's fares more in line with of other transit agencies in the region.

Voters just approved Transit Now last year, so why does Metro need a fare increase now?



The Transit Now Initiative approved by voters in 2006 created sales tax revenue for Metro to meet demand for new service. The fare increase will keep the existing core network of bus service running – maintaining the reliability, dependability and predictability of Metro's system. A fare increase in 2008 has been part of Metro's financial plan for a number of years.

#### What will Metro do if the proposed increase is not approved?

If a fare increase is not approved, Metro will need to identify ongoing annual expenditure reductions of \$11.7 million. Reductions will likely result in increased unmet demand for transit service, more overcrowding, and fewer buses. The revenue generated by the fare increase is equal to the cost of 100,000 hours of bus service.

### How can I express my opinion about the proposed fare increase?

The proposed fare increase is part of the Metropolitan King County Council's annual budget adoption. Testimony on all budget items can be submitted in person, by mail, or online. More information about the budget process can be found at www.metrokc.gov/council/budget, or by calling (206) 296-1000.