



WRITTEN TESTIMONY OF THE SOCIAL WELFARE LAW COMMITTEE

New York City Human Resources Administration Public Hearing on Proposed Amendments to Chapter 12 of Title 68 of the Rules of the City of New York Regarding the Fair Fares NYC Program

Testimony on the Need to Raise the Income Eligibility Standard for Public Transit Subsidies to 200% of the Federal Poverty Level (#ExpandFairFares)

October 6, 2023

The New York City Bar Association, through its Social Welfare Law Committee (“the Committee”), submits this testimony on the dire need for an increased eligibility standard for public transit subsidies in New York City. This testimony is in response to the New York City Human Resource Administration’s proposed amendments to Ch. 12 of tit. 68 of the Rules of the City of New York regarding the Fair Fares NYC Program (“Fair Fares”). Fair Fares provides half-price MetroCard fares for City residents between the ages of 18 and 64 at or below the federal poverty level (FPL).

The Human Resource Administration (HRA) has proposed an increase in the income eligibility standard from households at or below 100% of the federal poverty level (FPL) to households at or below 120% of the FPL. However, the proposed expansion is not adequate to address the needs of the hundreds of thousands of New Yorkers with an annual income between 120% and 200% of the FPL. The Committee supports increasing the income eligibility threshold for Fair Fares to up to 200% of the FPL.

Expanding Fair Fares eligibility to residents with household income at or below 200% of the FPL is consistent with both economic reality and programs in peer cities. While the FPL is the same nationwide, a more realistic measure of economic need in New York City is at least twice the FPL.¹ Despite this, a 2021 study identified the City’s current cap on eligibility for participation

¹ David R. Jones, *To Unlock Fair Fares’ Potential, Expand Eligibility to 200 Percent of Poverty*, Community Service Society, Mar. 19, 2023, <https://www.cssny.org/news/entry/to-unlock-fair-fares-potential-expand-eligibility-to-200-percent-of-poverty>.

About the Association

The mission of the New York City Bar Association, which was founded in 1870 and has over 23,000 members, is to equip and mobilize a diverse legal profession to practice with excellence, promote reform of the law, and uphold the rule of law and access to justice in support of a fair society and the public interest in our community, our nation, and throughout the world.

in Fair Fares (100% of FPL) as the *lowest* among other major metropolitan transit agencies with comparable income-based reduced-fare programs.² Should the Human Resources Administration expand Fair Fares eligibility to those earning 120% of the FPL, New York City’s income eligibility threshold would *still* be the lowest among other major metropolitan transit agencies with similar programs. In the 2021 study, the next-lowest income-based eligibility threshold was 125% of the FPL, set by major metropolitan transit agencies in Utah, Dallas, and Minneapolis-St. Paul.³

In contrast to New York City’s decrease in funding allocation for the Fair Fares program in recent years,⁴ transit agencies across the country have been taking steps to expand access to reduced-fare programs. Since 2021, agencies in both Utah and Minneapolis-St. Paul have implemented higher income eligibility thresholds for reduced fares—increasing the threshold from 125% of FPL to 150%⁵ and 185%⁶ of the FPL, respectively. And earlier this year, the Massachusetts Bay Transit Authority received state funds to expand the availability of discounted fares from a smaller subset of the population (such as students and seniors) to low-income adults earning up to 200% of the FPL.⁷ As one of the most expensive cities in the country, New York City should be offering discounted fares at an income eligibility threshold that matches or exceeds those set by other major metropolitan transit agencies—not trailing the pack.

From a social welfare perspective, transit affordability makes the very limited budget of a family receiving public assistance or subsisting on low-wage work go further to take care of essential needs such as housing, nutrition and health care. Since its inception in January 2019, the Fair Fares program has helped struggling New Yorkers prioritize income for their essential needs.⁸ Increasing the availability of the Fair Fares program furthers this goal.

² Wesley Darling, et al., *Comparison of Reduced-Fare Programs for Low-Income Transit Riders.*, 2675 TRANS. RES. REC. 335, 345 (2021), <https://doi.org/10.1177/03611981211017900> (income-based eligibility standards for reduced-fare programs in other cities range from 125% to 286% of the FPL). These programs also frequently offer recipients discounted fares on other bases including age or enrollment in social welfare programs.

³ *Id.*

⁴ Debipriya Chatterjee et al., Community Service Society, *Mass Transit as an Economic Equalizer: The Case for Expanding and Investing in Fair Fares*, Feb. 2022, https://smhttp-ssl-58547.nexcesscdn.net/nycss/images/uploads/pubs/Mass_Transit_As_An_Economic_Equalizer.pdf.

⁵ UTA, *Reduced Fare*, <https://www.rideuta.com/Fares-And-Passes/Reduced-Fare>.

⁶ MetroTransit, *TAP Partners*, <https://www.metrotransit.org/tap-partners>.

⁷ Andrea Perdomo-Hernandez, WBUR, *Low-income T fare program gets \$5 million in state funds for design and launch*, Aug. 18, 2023, <https://www.wbur.org/news/2023/08/18/reduced-fares-mbta>.

⁸ Chatterjee et al., *Mass Transit as an Economic Equalizer*.

The Committee urges the Human Resources Administration to adopt a sensible income eligibility threshold for the Fair Fares program to 200% of the federal poverty level to help the City become a place where everyone can thrive, regardless of income.

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