




February 11, 2003

Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

TO: BOARD OF DIRECTORS
FROM: 
ROGER SNOBLE
CHIEF EXECUTIVE OFFICER
SUBJECT: MEDIA INQUIRIES REGARDING FARE
RESTRUCTURING

The media has been inquiring about whether or not MTA is planning on raising fares. Some stories have already run and more are expected.

Staff has acknowledged that it will recommend that fares be restructured to make them more equitable and to partially offset the more than \$100 million a year that MTA is spending on Consent Decree compliance. There has not been a fare adjustment in eight years even though it is permitted under the Consent Decree. As a result, MTA today is recovering less than 30 percent of its operating costs from the farebox, which compares unfavorably to other major transit properties and is contributing to a serious projected operating deficit over the next 10 years.

Staff is scheduling a fare workshop for the Board in March. We will continue to keep Board staff apprized of any developments.

If you have further questions, please give my office a call at (213) 922-6888.