Farebox Recovery Ratios

TR §7-208(b)

December 2025

The Maryland Transit Administration

Introduction

This report was prepared to meet the requirements of §7-208 of the Transportation Article, Maryland Annotated Code; which directs:

> *"(b) The Administration shall submit, in accordance with § 2-1246 of the State Government Article, an annual report to the Senate Budget and Taxation Committee, House Ways and Means Committee, and House Appropriations Committee by December 1 of each year that includes:*
>
> *(1) Separate farebox recovery ratios for the prior fiscal year for:*
>
> *(i) Bus, light rail, and Metro subway services provided by the Administration in the Baltimore region;*
>
> *(ii) Commuter bus service provided under contract to the Administration in the Baltimore region; and*
>
> *(iii) Maryland Area Rail Commuter (MARC) service provided under contract to the Administration; and*
>
> *(2) Comparisons of farebox recovery ratios for the Administration's mass transit services and other similar transit systems nationwide.*

The statute requires a similar report for the transit systems operated by Montgomery County and Prince George's County. Montgomery and Prince George's counties will file their reports separately.

Background

Historically, the Maryland Transit Administration (MTA) has been subject to requirements that a certain percentage of operating expenses for its system be recovered from farebox revenue. During the 2017 legislative session, the Maryland General Assembly passed legislation (Ch. 16 and Ch. 24) that was allowed to become law without the Governor's signature repealing the MTA's then 35% mandated fare recovery ratio. This legislation left in place the requirement for MTA to report to the General Assembly fiscal standing committees on its farebox recovery ratios by transit mode, and to compare its ratios to those of comparable transit agencies across the country.

Farebox Recovery Results

Table 1 shows Farebox Recovery ratios for MTA and our Peer Properties by Transit Mode using FY 2024 National Transit Database (NTD) data.

Table 1- MTA (FY 2024) and Peer Transit Properties Farebox Recovery Ratios

FY 2025 NTD Data	Bus	Light Rail	Heavy Rail (Subway)	Commuter Rail	Total Operating Expense ($millions)
Pittsburgh (PAAC)	13.4%	3.4%	N/A	N/A	$504.4
Atlanta (MARTA)	10.1%	N/A	14.8%	N/A	$667.7
Seatle (King County)	8.2%	N/A	N/A	N/A	$1,220.6
Salt Lake (Utah Transit)	7.8%	11.8%	N/A	8.8%	$464.0
Peer Average	7.6%	5.2%	11.6%	9.6%	$992.2
San Jose (VTA)	7.3%	3.6%	N/A	N/A	$485.8
Baltimore (MTA)	**6.6%**	**4.6%**	**2.3%**	**12.3%**	**$1,055.3**
Dallas (DART)	5.2%	5.5%	N/A	7.9%	$766.6
Houston (Harris County)	5.1%	2.6%	N/A	N./A	$812.7
Washington D.C. (WMATA)	4.7%	N/A	17.6%	N/A	$2,952.6

For NTD reporting, MTA uses the NTD Reporting Policy Manual. Operating costs are divided per mode into four categories: (1) Vehicle Operations, (2) Vehicle Maintenance, (3) Facility Maintenance, and (4) General Administration. The General Administration category consisting of administrative costs are allocated across all modes per modal expense ratios. NTD provides definitions of what expenses are included in these categories.

For State reporting, MTA uses gross expenses by mode and adjusts the expenses by including insurance, changes in inventory levels, pro-rated share of administrative costs per the proportional size of that mode, and excludes paratransit expenses, past pension service liabilities, new services for the first 36 months of service, and capital costs. As a result, NTD basis farebox recovery for MTA may result in a different farebox recovery rate than reported in the MFR statement. However, Transportation Article §7-208 requires that MTA farebox recovery be compared to peer properties, for which only NTD spending, and revenue data is available.