

Date: May 28, 2025
W.I.: 1311
Referred by: RNM Committee
Revised:

ABSTRACT

MTC Resolution No. 4714

This resolution approves the Clipper® START Regional Means-Based Fare Program Framework, a regional low-income discount fare program for eligible transit riders.

Further discussion of this action is contained in the MTC Regional Network Management Committee Summary Sheet dated May 9, 2025.

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W.I.: 1311
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RE: Clipper START Regional Means-Based Program Framework

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4714

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, transit affordability has been highlighted as a regional issue in MTC's Coordinated Plan, Plan Bay Area and other plans; and

WHEREAS, since 2020, the Clipper START has pilot has made transit more affordable to individuals earning a qualifying low-income; and

WHEREAS, MTC has conducted the Regional Means-Based Fare Pricing Study; and

WHEREAS, MTC recommends adopting a regional framework for the program, with participating operators, funding guidelines, and program conditions, as shown in Attachment A; now, therefore, be it

RESOLVED, that MTC approves Clipper START Regional Means Based Fare Program Framework, subject to the conditions noted therein; and, be it further

RESOLVED, that MTC may annually allocate regional funds to support the Clipper START Regional Means Based Fare Program per the respective funding program guidelines.

METROPOLITAN TRANSPORTATION COMMISSION

Sue Noack, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California and at other remote locations on May 28, 2025.

Clipper START Program Framework

Participating Agencies

Transit Agency participation in Clipper START is voluntary and operators may cease to participate by notifying MTC as a part of a regular update to their agency's Clipper business rules. The Clipper START fare product is offered on all 22 Bay Area transit agencies that accept Clipper at the time of the adoption of this resolution.

Means-based Discount

A 50% per trip discount off the adult fare (in addition to any existing Clipper® discounts) will be offered to eligible persons

Eligibility

Adults earning less than 200% Federal Poverty Level (FPL)

Funding

Funding Sources and Program Administration Funding:

- This is funded by State Transit Assistance population-based funds (approximately \$8 million per year) and may be supplemented by Low Carbon Transit Operations Program (LCTOP) population-based funds per Caltrans discretion. Funding from these programs is approved through MTC Resolution Nos. 4321, 4130, and 4420, or subsequent resolutions.

Participant Discount Subsidy:

Funding is being made available to subsidize operators for half of the 50% Clipper START fare discount. Participating operators are to cover the remainder of the discount or any additional revenue losses from other sources.

Implementation

- Program operations, administration, and provision of operator subsidy by MTC will be ongoing.
- Program to be implemented on Clipper.
- Program will be centrally administered on behalf of all participating agencies.
- Program will be evaluated for continual improvements and is subject to revision based on financial sustainability, efficiency, and effectiveness.

Conditions

- Operators to conduct Title VI fare equity analysis per Federal Transit Administration (FTA) as required.
- The formula for distributing regional funds to transit operators will be based on actual trips taken and is subject to refinement based on the rider participation rates and amount of regional funding available.
- SFMTA can continue, expand, or eliminate its current Lifeline monthly program; however, the regional funding will only be used to compensate for participation in the Clipper START program. Clipper START funding is only available to reimburse operators for trips taken by users approved to participate in the Clipper START program.