



# Plastic and Mobile Clipper<sup>®</sup> Card Acquisition Fees

Findings of a Title VI Analysis

Policy Advisory Council Equity  
and Access Subcommittee  
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# History and Background of Clipper Card Acquisition Fees: Plastic Card

The Clipper program charges customers a “card acquisition” fee for a new adult Clipper card.

- New youth, senior, RTC, and Clipper START cards are free.

Two reasons for charging a fee:

- It costs Clipper to obtain plastic cards so a fee helps offset those costs, and
- A fee discourages customers from throwing away a card after using it only once.

The card acquisition fee for plastic adult Clipper cards has been \$3 since 2012.



# Introduction of Mobile Clipper Card

- In April 2021 the Clipper program introduced the mobile Clipper card.
- Use of mobile cards is increasing in all fare categories.
- As of November 2022, 28% of all adult Clipper cards used were mobile Clipper cards.
- To encourage adoption of the new mobile card, there is no fee for new adult mobile Clipper cards.

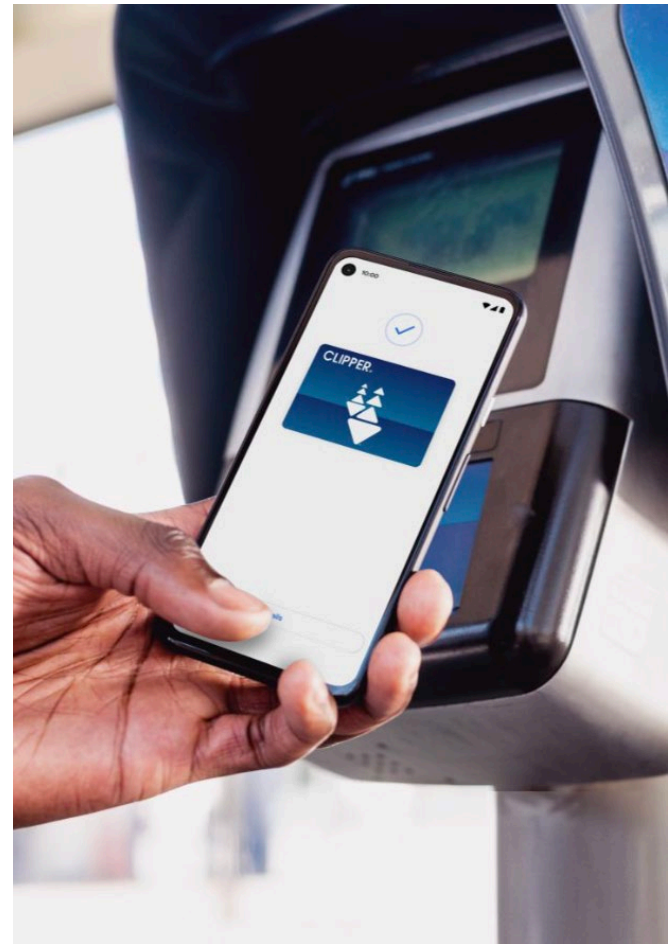


# Considerations for Charging a Fee for New Mobile Cards

- A mobile card fee would defray costs incurred by the Clipper program for issuing mobile cards and would be consistent with fee for plastic card.
- No mobile card fee encourages use of mobile cards.
  - Can be more convenient for customers
  - Relieves need for plastic cards, which have faced supply chain issues
  - Helpful during special events when demand for cards spikes

# Analysis: Disparate Impacts of Different Fees?

- Determine whether there are disparate impacts on historically disenfranchised / Black, Indigenous, or People of Color populations, or disproportionate burdens on low-income populations, if a lower (down to zero) fee is charged to get a mobile Clipper card, compared to the fee to get a plastic Clipper card.



# Summary of the Findings

- For historically disenfranchised / Black, Indigenous, or People of Color populations – no disparate impact.
  - These populations benefit from a lower card acquisition fee for mobile Clipper cards because they use the mobile card at a higher rate than white customers.
- For low-income populations – some disproportionate burden, but not excessive.



# Current Situation/Conclusion

- New plastic adult Clipper cards cost \$3.00
- New mobile adult Clipper cards remain free, for a limited time
- Based on this equity analysis the Clipper program could charge a fee of up to the same price as plastic Clipper cards, without violating Title VI.



# Questions? Contact:

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