

Date: May 23, 2018  
W.I.: 1311  
Referred by: PAC  
Revised: 08/26/2020-C  
06/23/2021-C  
06/28/2023-C

ABSTRACT

MTC Resolution No. 4320, Revised

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

On August 26, 2020, Attachment A was revised to expand the Regional Means-Based Transit Fare Pilot to additional eligible transit operators.

On June 23, 2021, Attachment A was revised to extend the pilot period of Clipper START until June 30, 2023.

On June 28, 2023, Attachment A was revised to make general updates and extend the pilot period of Clipper START until June 30, 2025.

Further discussion of this action is contained in the MTC Programming and Allocations Summary Sheet dated May 9, 2018 and Executive Director Memorandum dated May 16, 2018, August 12, 2020, June 9, 2021, and June 14, 2023.

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RE: Regional Means-Based Program Framework

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4320

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;

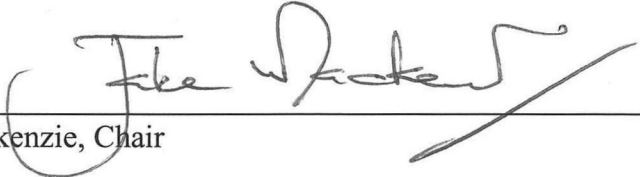
WHEREAS, MTC has conducted the Regional Means-Based Fare Pricing Study;

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

RESOLVED, that MTC approves 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 Regional Means Based Fare Program per the respective funding program guidelines.

METROPOLITAN TRANSPORTATION COMMISSION

  
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Jake Mackenzie, Chair

The above resolution was approved by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, on May 23, 2018.

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Attachment A  
Resolution No. 4320, Revised  
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## **Regional Means Based Transit Fare Pilot (Clipper START) Program Framework**

### ***Participating Agencies***

Transit Agency participation in the Clipper START is voluntary. The pilot program was initially rolled out in July 2020, with an initial group of four transit agencies:

1. Bay Area Rapid Transit (BART)
2. Caltrain
3. Golden Gate Bridge, Highway and Transportation District (GGBHTD)
4. San Francisco Municipal Transportation Agency (SFMTA)

By January 2021, seventeen additional operators joined the pilot program, bringing the total to agencies participating in the pilot to 21.

### ***Means-based Discount***

A minimum 20% or 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:

- MTC to make available an estimated \$11 million in funding per year (subject to annual allocation action by MTC and fluctuations in annual revenues), which would be used for fare subsidies, with administrative costs funded first. This is funded by State Transit Assistance population-based funds (approximately \$8 million per year) and Low Carbon Transit Operations Program (LCTOP) population-based funds (approximately \$3 million per year). Funding from these programs is approved through MTC Resolution Nos. 4321, 4130, and 4420.
- A one-time commitment of \$5 million through the Coronavirus Aid, Relief, and Economic Security (CARES) Act was approved on July 22, 2020 to support the addition of 17 operators to the program. Funding from this program is approved through MTC Resolution No. 4420.

#### Participant Discount Subsidy:

Funding is being made available to subsidize fares up to 25% during the pilot period. Participating operators are to cover the remainder of the discount or any additional revenue losses from other sources.

***Implementation***

- Program will be a five year (60-month) pilot. *(The initial pilot period was established at 18 months. On June 23, 2021, the pilot was extended by an additional 18 months to June 30, 2023. On June 28, 2023, the pilot was extended by an additional 24 months to June 30, 2025.)*
- Program to be implemented on Clipper through a discount coupon approach.
- 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.

Timing of transit operator launch is contingent on Clipper system capabilities and appropriate transit operator Board approvals.

***Conditions***

- Operators to conduct Title VI 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 new regional program. Other operators with existing low-income rider discount programs, who are not participating in the regional program, would not be eligible for regional Means-Based Fare Program funding.