

Clipper® Executive Board

December 16, 2019

Agenda Item 4a

Clipper® START Means-Based Pilot Program Update

Subject: Update on the Clipper START regional means-based transit fare discount pilot program.

Background: **Regional Means-Based Transit Fare Discount Pilot Program**

For most Bay Area households, transportation is the third-largest monthly expense, trailing only the cost of housing and food. As a result of a 2015 study and in consultation with transit operators, MTC approved the launch of the Regional Means-Based Transit Fare Pilot Program in May 2018. The program has been branded Clipper START.

The pilot Clipper START program is scheduled to launch in spring 2020 and will run for 18 months. It is designed to:

- Make transit more affordable for the Bay Area's low-income residents;
- Establish a more consistent regional standard for fare discount policies; and
- Define a transit affordability solution that is financially viable and administratively feasible and that does not adversely affect the transit system's service levels and performance.

BART, Caltrain, Golden Gate Transit and Ferry, and SFMTA are participating in the program. MTC and the transit operators will share the cost of the discount, up to a total of 20%. Two transit operators are opting to provide a higher discount. They will pay the difference for the higher discount amount.


Key Program Elements

The key program elements are:

1. *Eligibility:* Adults who earn up to 200 percent of the Federal Poverty Level (approximately \$50,000 per year for a family of four) will be eligible to participate.
2. *Available on Clipper:* Clipper START participants will use Clipper cards to receive the transit fare discount, which will be granted automatically when a participant uses the card to pay a single cash value fare.
3. *Single-Ride Discount:* Clipper START participants will receive a 20 percent discount on each single-ride trip taken on BART and Caltrain and a 50 percent discount on each single-ride trip taken on Golden Gate Transit and Ferry and SFMTA.
4. *Promotion:* The program will be promoted through social service agencies, community-based organizations and the media.

Eligible individuals will apply through a website, although a paper application will also be available.

Attachments: Attachment A: Clipper START Means-Based Pilot Program Update



Carol Kuester



Clipper START Means-Based Pilot Program Update

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Attachment A

December 16, 2019

A mean-based transit fare discount pilot

- ▶ Commitment to serve low-income individuals
- ▶ 2015 study to determine desirability and viability of a means-based pilot
- ▶ The Programming and Allocations Committee voted to implement a means-based pilot program in May 2018

CLIPPER.**START** ▶▶▶
SM



The pilot has some well-defined goals

IMPLEMENTATION

AWARENESS



Customers aware
of program

POSITIVE
EXPERIENCE



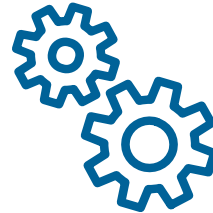
Easily accessible

FINANCIAL
VIABILITY



Feasible for operators
and region

ADMINISTRATIVE
FEASIBILITY



Management feasible

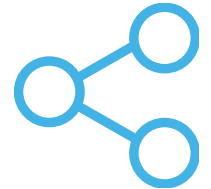
IMPACT

AFFORDABILITY



Participants less
burdened

INCREASED
ACCESS



Access to opportunities

Starting with four transit agencies

PARTICIPATING AGENCIES

- ▶ BART (20%)
- ▶ Caltrain (20%)
- ▶ Golden Gate Transit (50%)
- ▶ SFMTA (50%)

ELIGIBILITY

- ▶ Adults earning < 200% Federal Poverty Level (~\$50k Annual income for household of 4)

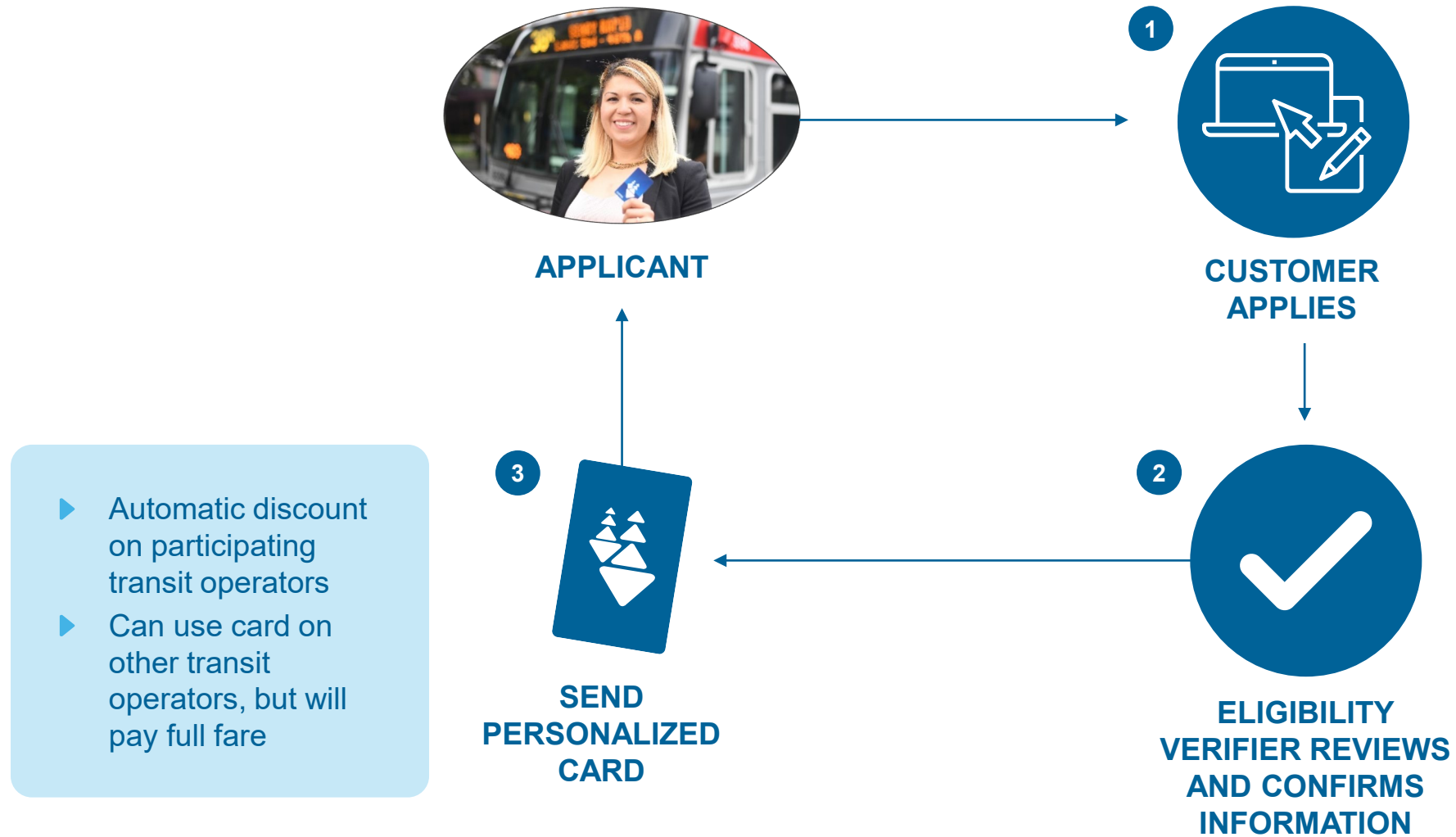
IMPLEMENTATION

- ▶ Offered through Clipper®
- ▶ Pilot: 18 Months
- ▶ Centrally administered for the region

Comprehensive outreach to promote the program



Simple application process



- ▶ Automatic discount on participating transit operators
- ▶ Can use card on other transit operators, but will pay full fare