

## Clipper® Executive Board Fare Integration Task Force

December 16, 2024

Agenda Item 4a

### Clipper® BayPass Pilot Update and Request to Increase Number of Pilot Participants

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**Subject:**

Update on recent developments in the Clipper BayPass Pilot Program and a request for the Fare Integration Task Force to approve increasing the number of participant organizations/individuals allowed to enroll in the Pilot.

**Background:**

In November 2021, the Fare Integration Task Force adopted the Fare Policy Vision Statement directing staff to pilot a regional institutional pass product. In August 2022, the first phase of the Clipper BayPass Program pilot was launched as a funded pilot to assess the impacts of an unlimited-use product at four higher education institutions, pursuant to the Clipper BayPass Pilot Participation Agreement between MTC and Bay Area transit operators. This agreement, which provides the terms of the operators' participation in the Clipper BayPass Pilot Program, was effective on November 1, 2023. The Clipper BayPass Pilot Participation Agreement includes a cap on the number of participants (limited to 20,000) and institutions/organizations (limited to 10) permitted to participate in the Phase 2 Pilot. In January 2024, Phase 2 of the Clipper BayPass Pilot Program was launched. Phase 2 involves selling the Clipper BayPass product to institutions (employers, educational institutions, housing properties, transportation management associations, etc.) around the Bay Area, with the intent that the revenues generated from the sale of the Clipper BayPass are sufficient to reimburse transit operators for all trips taken using Clipper BayPass.

In March 2024, the Fare Integration Task Force endorsed an amendment to the Clipper BayPass Pilot Participation Agreement, which extended the first phase of the pilot program through June 30, 2025, and created additional flexibility for the Phase 2 Pilot. Under the terms of the amended Clipper BayPass Participation Agreement the Fare Integration Task Force may authorize an increase in the cap on the number of participants and organizations permitted to participate in the Phase 2 Pilot.

The BayPass team is currently working to transition Phase 1 Pilot institutions (educational institutions and affordable housing) into self-funded Clipper BayPass organizational customers (i.e. no longer receiving Clipper BayPass for free under the Phase 1 funded Pilot) and the Phase 2 Pilot is selling the Clipper BayPass to interested organizations. MTC currently has eight organizations in contract with two pending contracts, as well as a large pipeline of interested organizations.

With this expected increase in participants, the project team is recommending that the Fare Integration Task Force, under the terms of the amended Clipper BayPass Pilot Participation Agreement, authorize an increase to the Phase 2 capacity limits from 10 institutions/organizations and a total of 20,000 individuals to 20 institutions/organizations and a total of 40,000 individuals.

**Issues:**

None identified.

**Recommendations:**

That the Fare Integration Task Force approve an increase in the Clipper BayPass Phase 2 capacity limits from 10 institutions/organizations and a total of 20,000 individuals to 20 institutions/organizations and a total of 40,000 individuals.

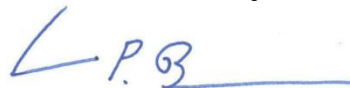
**Attachments:**

- Attachment A: Presentation slides



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