Delivering on the Fare Policy Vision for Customers

Reflection on the Journey *and Looking Forward* – Item 3b

Regional Network Management Council

July 27, 2026

Agenda

Focus of Today's Discussion:

1. **Reflecting on the Journey**
   - Evaluation and Study Over Many Years
   - Delivering on the Fare Policy Vision Statement

2. **Looking Forward**
   - Shared Goals
   - Current Programs – Potential Opportunities
   - Evolving our Programs

Reflecting on the Journey

Our Journey...

2019 and Earlier

- Launch of Clipper/TransLink
- Clipper Executive Board
- Means-Based Fare Study
- Staff level coordination via various Clipper forums and study working groups
- Operator-to-operator and subregional coordination
- Standardization of senior & youth fare category definitions
- 2008 Integrated Fare Study

2020

- Fare Coordination/Integration Study & Business Case
- Co-project management model
- Fare Integration Task Force
- **Clipper START launches (20% and 50% discount offered, not all operators included)**

2021

- **Fare Policy Vision Statement adopted**
- Transit Transformation Action Plan adopted

2022 & 2023

- **Clipper BayPass Phase 1 Pilot (random control trial) launches**
- Development of business rules for Free/Discounted Transfers Pilot

2024

- **Clipper BayPass Phase 2 Pilot (employer/institution-paid program) launches**
- Free/Discounted Transfers Pilot MOU signed
- **Clipper START offers 50% discount on all Clipper operators**

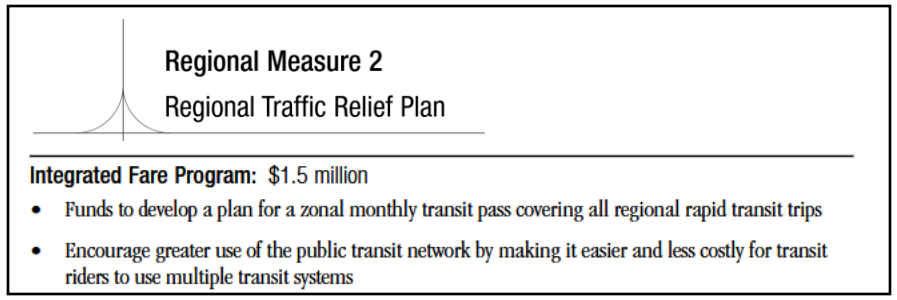
2025

- **Next Generation Clipper begins rollout**
- Tap & Pay launches
- **Free/Discounted Transfers Pilot launches**
- Clipper BayPass Phase 1 ends
- Fare Integration Task Force sunsets
- Clipper START transitions from pilot to ongoing program
- RTC becomes Clipper Access

2026

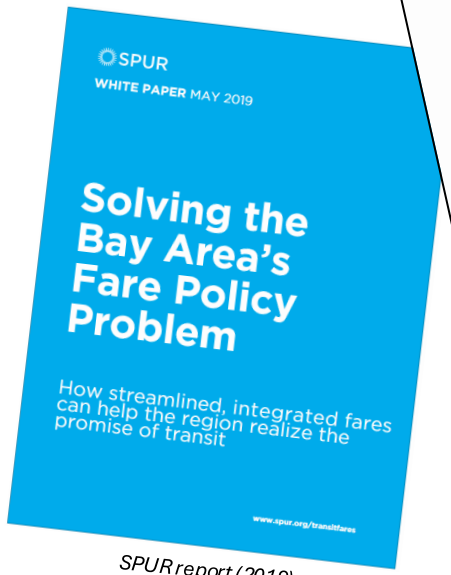
- **Clipper BayPass Phase 2 Pilot surpasses 100,000 participants**
- **3 million+ trips benefit from Free/Discounted transfers in first six months**
- Connect Bay Area Act (SB 63) includes $24+ million per year for fare programs

Selected Fare Policy Studies Over the Last 25 Years



Regional Measure 2 Expenditure Plan (2003)

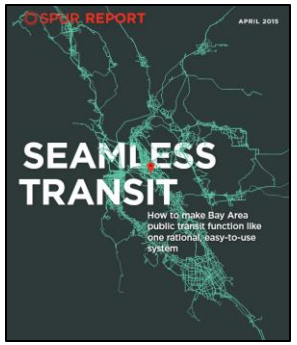
Fare Coordination/Integration Study & Business Case (2021)



SPUR report (2019)

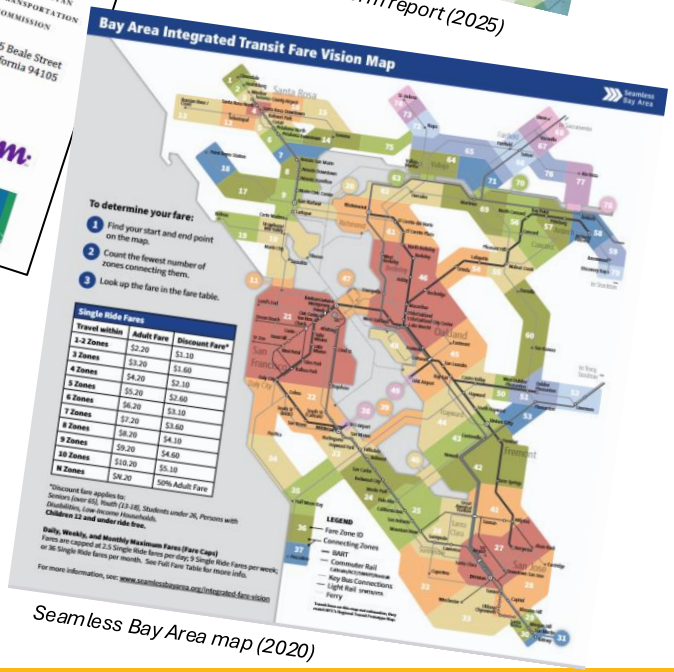
TransLink Integrated Fare Study (2008)

Regional Means-Based Transit Fare Pricing Study (2018)



SPUR report (2015)

TransForm report (2025)



Seamless Bay Area map (2020)

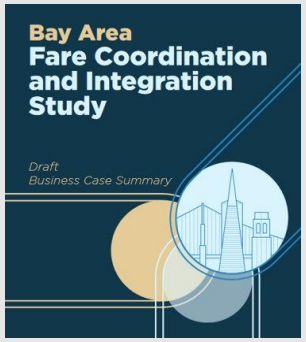
5

Two Studies Have Had A Major Impact in the Past Decade

Regional Means-Based Transit Fare Pricing Study (2018)

Key Study Goals and Questions

- **Is there a way to make transit more affordable for the Bay Area's low-income residents?**
- **How can the region best move towards a more consistent regional standard for fare discount policies?**
- **What transit affordability solution is financially viable, administratively feasible, and does not compromise system service levels and performance?**

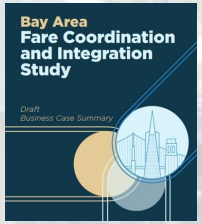


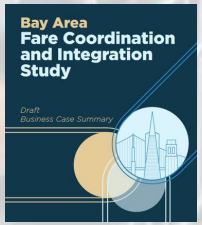
Fare Coordination/Integration Study (2021)

- **Do current fare policies suppress ridership and/or impede ridership growth for travelers that could make use of multiple operators?**
- **Are there potential regional fare coordination and integration policies that can increase ridership?**

6

Transforming Studies into Reality for Customers





CLIPPER START

- 12 million+ trips since 2020
- $9 million+ in customer savings per year
- 80,000+ enrolled customers
- Improved transit access and affordability

CLIPPER BayPass

- First pass accepted on all Clipper operators
- 18 million+ trips since 2024
- 100,000+ participants
- Generates 30% more transit trips by users

Free/Discounted Transfers

- 3 million+ trips received free/discounted transfers since 12/10/2025
- $7 million+ in customer savings
- $2.85 discount on interagency transfers

Customer Focus

Adult riders with lower incomes, greater barriers

Employers/ institutions, supports increased mobility

Riders with more complex journeys

7

Bay Area Transit Fare Policy Vision Statement

Based on the draft findings of the Fare Coordination and Integration Study (FCIS), the Fare Integration Task Force (Task Force) recognizes that the implementation of more coordinated and integrated transit fare policies may offer cost-effective options for improving the transit customer experience, promoting transit ridership recovery from the COVID-19 pandemic, and reducing regional vehicle miles traveled, greenhouse gas emissions, and transit travel times for customers, in ways that are compatible with the equity goals of transit operators, local stakeholders, MTC, and the State of California.

Transit Fare Policy Initiatives for Further Development

The Task Force endorses continued work by transit operators and MTC staff to advance the following policy initiatives:

1. Deployment of an all-transit agency institutional/employer pass demonstration pilot in 2022, with a focus on educational institutions, affordable housing properties, and employers of various sizes, pending available resources/technical considerations.

2. Implement no-cost and reduced cost transfers for transit users transferring between different transit agencies beginning in 2023, coinciding with the rollout of the Next Generation Clipper® system/Clipper® 2.

3. Continue to develop a proposal for implementing an all-transit agency pass product for the general public after the launch of the Next Generation Clipper® system/Clipper® 2 in 2023 or later (pending outcomes and data from the pilot noted in no. 1 above).

4. Continue to refine the vision of eventually creating a common fare structure (distance or zone-based) for regional rail, ferry, and express bus service after Next Generation Clipper® system/Clipper® 2 implementation. Direct transit operator staff and MTC staff to continue to evaluate the benefits and costs of a common fare structure for regional transit services in the context of a broader evaluation of post-COVID-19 pandemic ridership patterns, the role of regional transit service in the region, and the funding strategy for these regional transit services.

Complementary and Necessary Objectives to Facilitate Delivery of Transit Fare Policy Initiatives

In collaboratively advancing these improvements for the benefit of the Bay Area's transit customers, we also recognize the continued economic challenges facing the region, and the transit industry in particular. The Task Force recommends that transit operator and MTC staff work to advance the above policies while also acknowledging that successful delivery will require pursuit of the following complementary and necessary objectives:

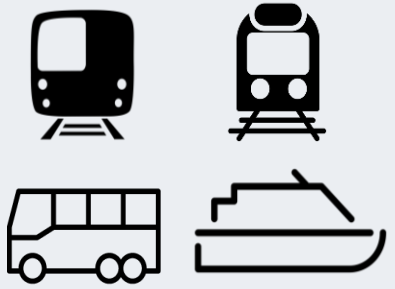
Fare Policy Vision Statement

- **Adopted in November 2021 based on Fare Coordination/Integration Study recommendations**
- **Sets forth fare policy initiatives to advance**
- **#2, #3, #4 utilizes Next Gen Clipper technology**
- **#1 and #2 being implemented, #3 and #4 policy discussions not started**

3.

All Agency Pass or Fare Cap

4.



Harmonizing Fares for Regional Services

Looking Toward the Future

Photo Credit

Current Pilots and Programs, Potential Opportunities

CLIPPER START

- Ongoing fare program as of 2025
- Improve enrollment & cust. service exp. (Cal-Fresh instant verification)
- Partner with county, other sectors, CBOs

CLIPPER BayPass

- Pilot approved to 2030 - new MOU needed?
- Transition to an ongoing fare product?
- Relationship with existing pass products
- Investment in capacity needed to scale up

Free/Discounted Transfers

- $22 million in Pilot funding, likely to last through FY 2026-27
- Evaluation needed to demonstrate value

Sample Areas of Focus:
- Eligibility verification
- Customer Service Center
- Social service and health partnership expansion

Sample Areas of Focus:
- Special events
- Business development strategy
- Client management support

Sample Areas of Focus:
- Secure long-term funding
- Maintain peg to highest local bus fare
- Streamlining fare structures

Delivering the Fare Policy Vision Statement

Bay Area Transit Fare Policy Vision Statement

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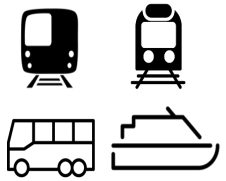
3. "Continue to develop a proposal for implementing an all-transit agency pass product for the general public after the launch of Next Gen Clipper (pending outcomes and data from Clipper BayPass Pilot)"

Example concepts/opportunities
- **Fare caps**
- **Individual rider fare passes**



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Example concepts/opportunities
- **Caltrain Fare Strategy Study**

Continual Evolution

1. **Program Operations - Transition successful pilots and integrate as core Clipper offerings**
   - Improving and refining customer experience

2. **Pilot Programs - Opportunity to work through challenges but explore possibilities**
   - How to operationalize
   - Scaling considerations
   - Evaluate and decide on transitioning to ongoing program

3. **Future Priorities – Consider next steps in Fare Policy Vision statement**
   - Reflect on pilots to inform regional priorities
   - Feasibility and Trade-off discussions
   - Opportunity to discuss with Action Plan update in 2027

What Are Our Shared Goals for Fare Policy Change?

Not all goals can be maximized at the same time. Which outcomes should be our highest priorities as we consider any future fare policy initiatives or changes?

🚆 Ridership & Network Use

- Grow ridership
- Increase utility of the transit network
- Foster support for transit

💰 Financial Sustainability

- Generate revenue
- Reduce costs

😊 Customer Experience

- Reduce complexity
- Leverage new technology and operational capacity
- Increase affordability

🤝 Regional Values

- Advance equitable outcomes
- Demonstrate collaboration

Thank You