



**Board Report**

**File #:** 2022-0664, **File Type:** Oral Report / Presentation

**Agenda Number:**

**REGULAR BOARD MEETING  
SEPTEMBER 22, 2022**

**SUBJECT: FARE CAPPING UPDATE**

**ACTION: RECEIVE ORAL REPORT**

**RECOMMENDATION**

RECEIVE oral report on Fare Capping Update.

**EQUITY PLATFORM**

Fare capping ensures and advances equity for low-income riders and all riders. It allows riders to pay as they go and not pay upfront for unlimited use passes. Metro will conduct focus groups and outreach to cash-paying customers to ensure they can benefit from fare capping.

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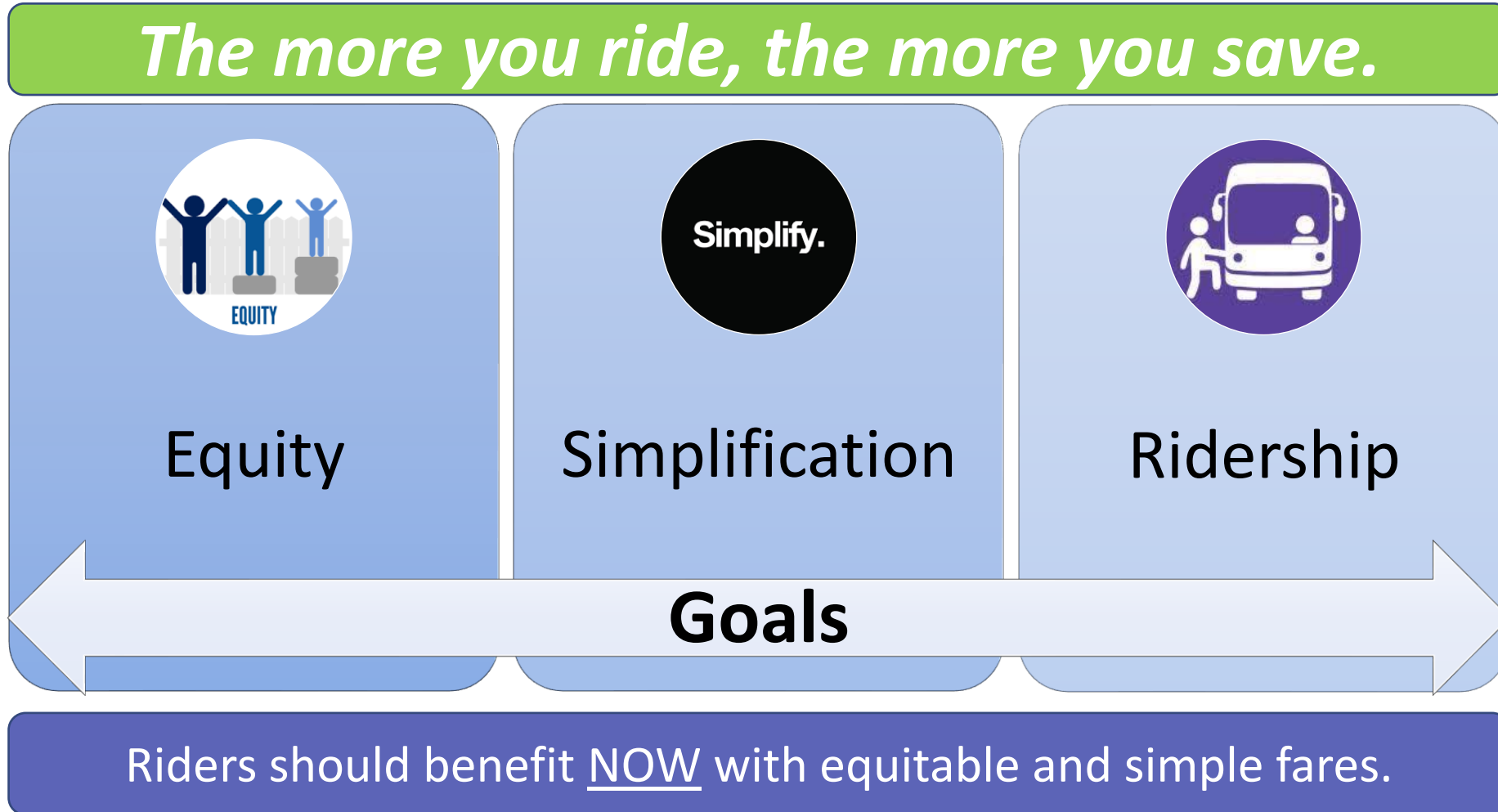
Stephanie N. Wiggins  
Chief Executive Officer

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# Fare Capping Update

**ORAL UPDATE**  
**Board Meeting**  
September 22, 2022

# Fare Structure Goals



# Metro's Current Fare Structure

Metro Fares as of September 15, 2014	Regular	Senior 62+/ Disabled/ Medicare	College/ Vocational	Student K-12
<b>Cash (Bus Only)</b>				
<b>1-Ride Base Fare</b> No transfers included.	\$1.75	75¢ Peak 35¢ Off-Peak	\$1.75	\$1
<b>Metro-to-Muni Transfer</b> Transfer to a non-Metro bus within two hours.	50¢	25¢	50¢	50¢
<b>On TAP</b>				
<b>1-Way Trip</b> Includes transfers to other Metro lines for up to two hours to complete a one-way trip.	\$1.75	75¢ Peak 35¢ Off-Peak	\$1.75	\$1
<b>1-Day Pass</b>	\$7	\$2.50	—	—
<b>7-Day Pass</b>	\$25	—	—	—
<b>30-Day Pass</b>	\$100	\$20	\$43	\$24
<b>30-Day Pass + Zone 1</b>	\$122	—	—	—
<b>EZ transit pass</b>	\$110	\$42	—	—
<b>EZ transit pass + Zone 1</b>	\$132	\$51.50	—	—
<b>Express Freeway Premium Charge</b>				
<b>Express + Zone 1 Premium Charge</b> Additional fare required only on freeway segments.	75¢	60¢	75¢	75¢
<b>Silver Line</b>				
<b>1-Ride Base Fare</b>	\$2.50	\$1.35 Peak 95¢ Off-Peak	\$2.50	\$2.50
<b>Premium Charge for 7-Day, 30-Day, and EZ transit pass</b> All other Metro passes accepted without premium charge.	75¢	—	—	—

Different categories

Off-peak for S/D only

2-hr transfer  
(ONE-DIRECTION)

Requires upfront payment.  
Unaffordable for low-income

Upcharges

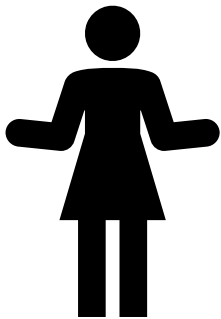
Additional Fare Products Only Available through Employers and Institutions: GoPass, U-Pass, E-Pass, Small Employer Pass, and ATAP

FARE  
STRUCTURE IS  
TOO COMPLEX

# Choosing Best Fare is Confusing

Which fare option best meets my travel needs?

*I don't want to pay for rides I don't take.*

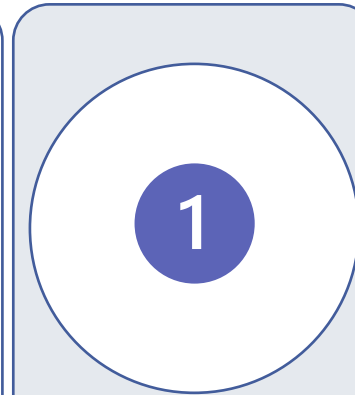


Should I use cash and pay base fare for each boarding?

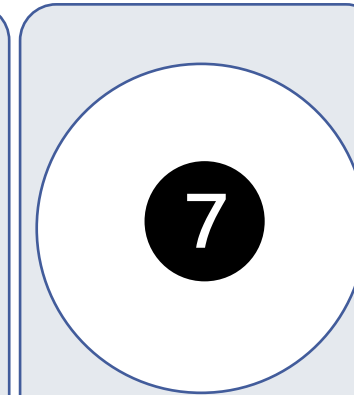


Should I use Stored Value on TAP for one-way trips? (w/2-hour transfers)

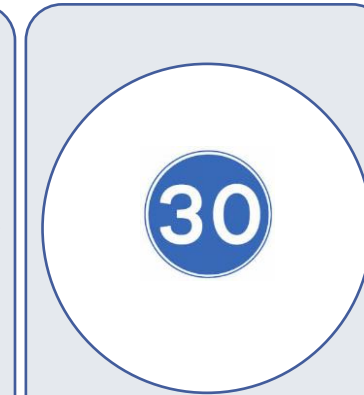
**Passes**  
(Rider needs to assess their travel plans to determine what pass to buy)



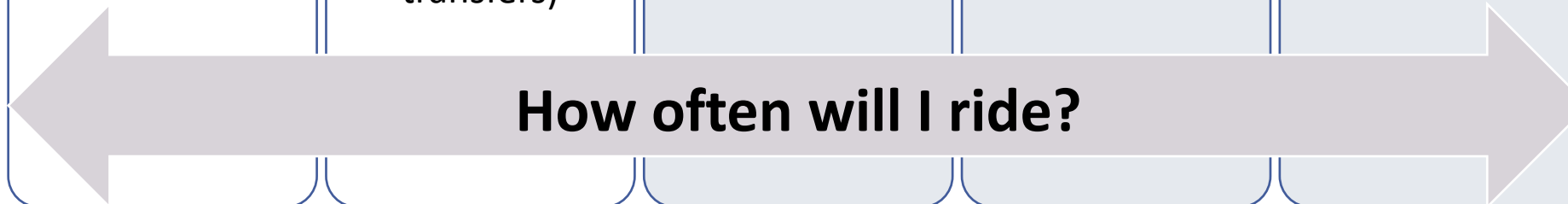
Should I buy a 1-Day Pass? Will I ride 4 times today?



Should I buy a 7-Day Pass? Will I ride 14 times this week?



Should I buy a 30-Day Pass? Will I ride 57 times this month?



# Fare Capping Simplifies Fare Payment Options

Choose between:

CASH



Use cash and pay base fare for each boarding

OR

TAP



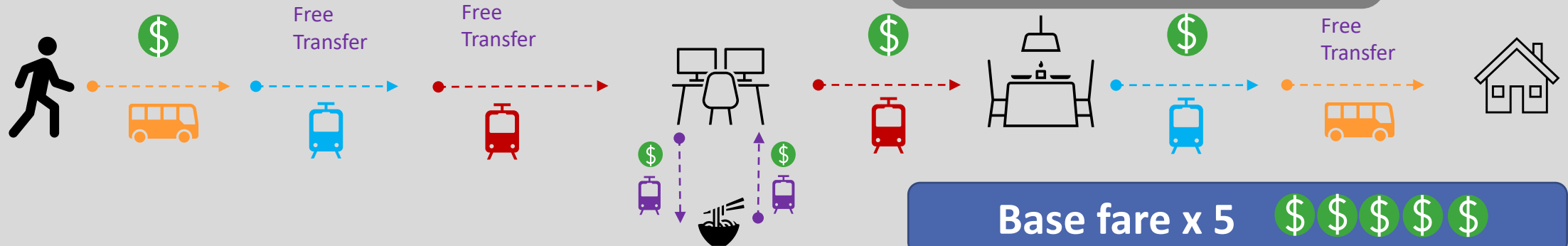
Use Stored Value  
Rider never overpays  
and always gets the  
“best fare”

## Benefits:

- The more you ride, the more you save
- No upfront payment for passes
- Pay as you go
- Riders never pay more than the daily or weekly cap (on TAP)
- Get the benefit of an unlimited pass, without upfront payment

# Daily Commute Without a Day Pass

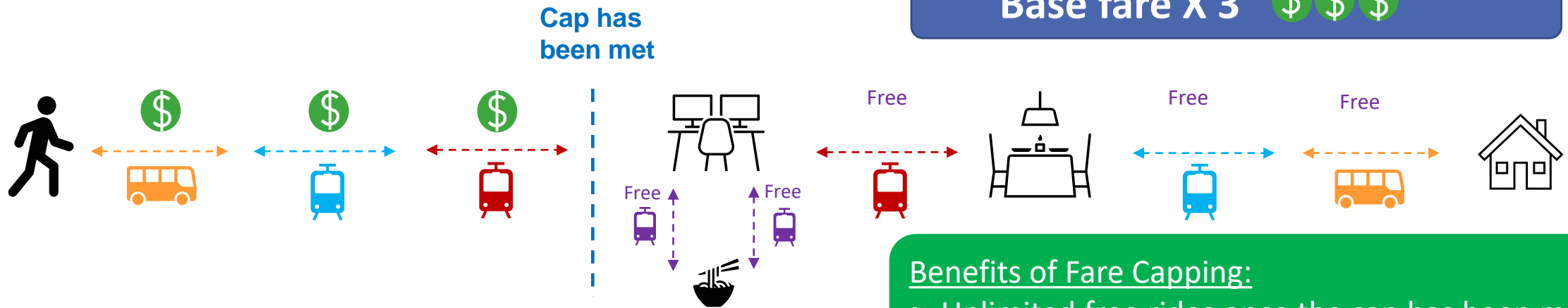
## Current



### Limitations of Transfers:

- Transfers only valid in 1 direction
- Limited to 2 hours

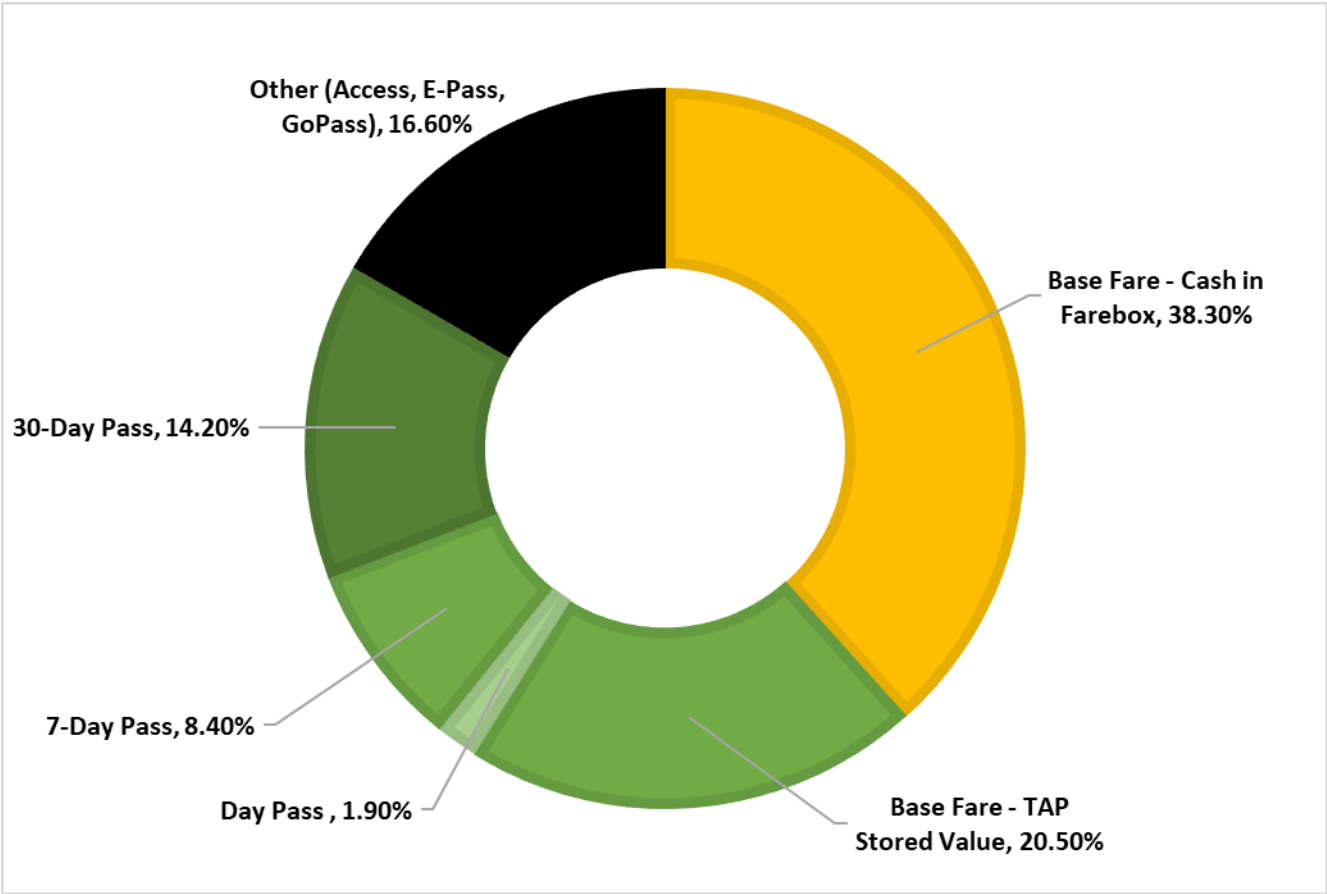
## Fare Capping



### Benefits of Fare Capping:

- Unlimited free rides once the cap has been met
- Travel in any direction

# 80% of Current Riders Could Benefit From Fare Capping



All Metro TAP riders would benefit from fare capping

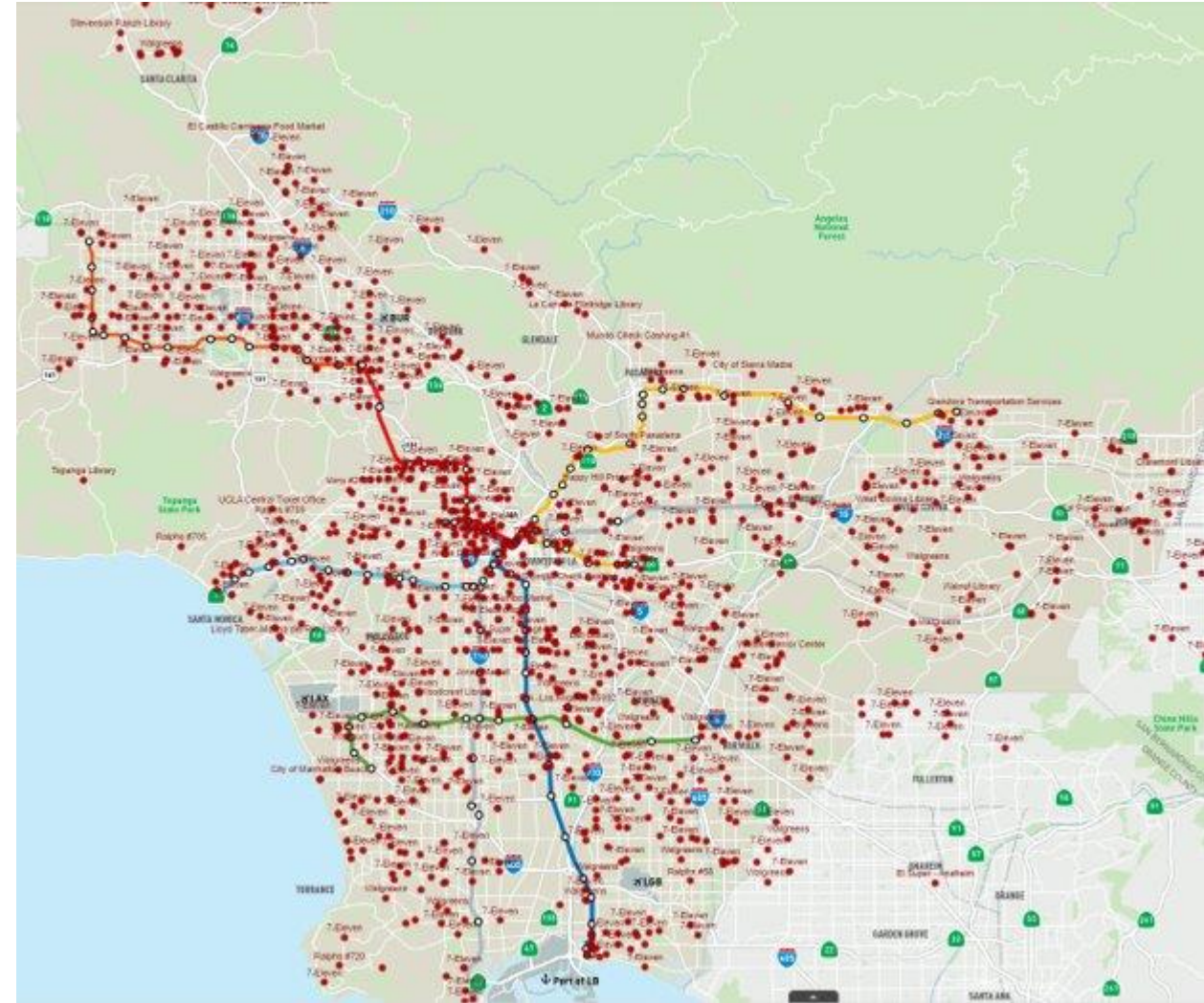
Fare capping benefits incentivize Metro cash riders to switch to TAP





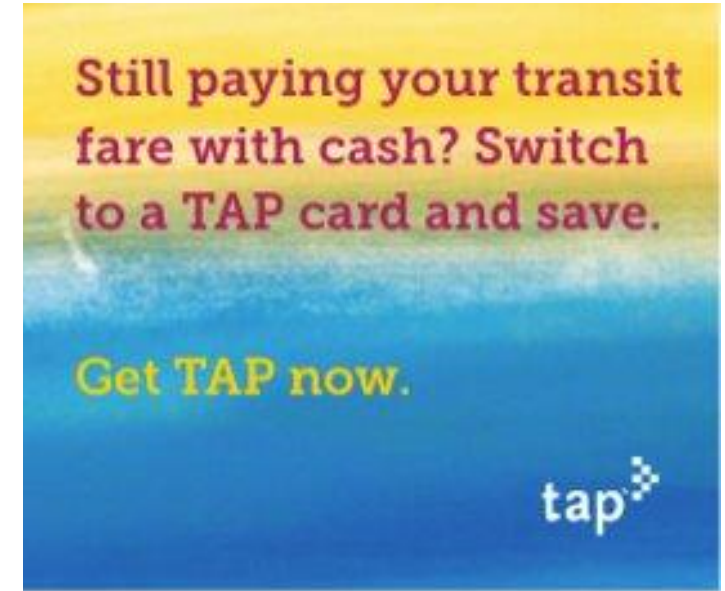
# TAP Card Accessibility

- Cash customers can buy fare and add it to their TAP card at:
  - PayNearMe locations
    - Add cash on Mobile
  - TAP Vending Machines (TVMs)
  - TAP Vendors
  - TAP Barcode Vendors
  - Metro Customer Centers
  - Bus fareboxes



# Phase 1-TAP Awareness

- 1) Outreach to cash customers
  - a) Conduct in person surveys/interviews and focus groups to understand the cash customer
    - I. Conduct focus groups with cash customers in high cash use areas (bus stops, EFC's)
    - II. Understand barriers to transitioning to TAP
  - b) Meet with bus operators for insight on cash paying customers and barriers to using/loading TAP on-board buses
  - c) Test loading TAP with cash on-board buses
  
- 2) Outreach findings and results
  - a) Create a robust marketing and information plan to mitigate/reduce barriers to transition cash customers to TAP
    - I. Outreach to highlight reduced fare and discount fare programs
    - II. Access to TAP cards through distribution of free TAP cards on high cash paying bus stops/lines
    - III. Continue the training of operators through “train the trainer” and Operator Rap sessions at Divisions



# Phase 2-Fare Capping Public Hearing & Outreach

- Public Hearing Notice- Released 30 days prior to hearing date
- Public awareness outreach- to be released in conjunction with Public Notice
- Outreach— Info sessions with Community Organizations, Community Service Councils, Advisory Councils and Senior Centers to explain recommendations and receive input/feedback
  - Print and digital materials outlining recommendations and FAQs
  - Fact sheets, infographics and user scenarios to ease adoption of new changes
- Telephone Town Hall
- Training and Readiness—TAP Call Center, Metro Customer Center, OCI, Bus and Rail Ops, Transit Officers, LIFE program admins, etc.
- Monitor Phase 1 Effectiveness
  - Optimize phase 1 messaging based on survey and focus group findings
  - Review cash and TAP data to measure effectiveness

# Next Steps

SEPT

- Propose Fare Policy changes
- Simplify fares to optimize fare capping

OCT - NOV

- Conduct Public Outreach
- Conduct Public Hearing

DEC

- Request Board approval of Fare Policy changes

# Regional Next Steps

- Coordinate with 25 TAP Partners to:
  - Reduce 750 fare products
  - Streamline/develop consensus on regional approach to fares
  - Standardize Senior and Child age criteria
  - Evaluate regional payment method to municipal operators
  - Develop regional timeline

bigbluebus



burbankbus



access



METROLINK

