



# Transit Fare Elimination Pilot Program

June 14, 2023

# Today's Presentation Objectives

- Brief overview of legislation
- Overview of planned pilot details
- Review Title VI guidance and Council policy
- Next steps

# Legislation

- **TRANSIT FARE ELIMINATION PILOT PROGRAM.**
- **Pilot program established.**
  - the Metropolitan Council must establish a pilot program to provide transit service for free or at a reduced fare for all riders specified.
- **The Metropolitan Council must implement the pilot program:**
  - (1) from July 1, 2023, to December 31, 2024;
  - (2) for *two regular route bus lines*, which may include express bus and bus rapid transit;
  - (3) on the entirety of each selected route
  - (4) during both peak and nonpeak service hours.
- **Metro Mobility customers.**
- During the pilot program
  - provide regular route transit free of charge to any individuals
    - certified as disabled under the Americans with Disabilities Act requirements of the Federal Transit Administration
    - certified by the Metropolitan Council under Minnesota Statutes, section 473.386, subdivision 2a.

# Legislative Report

- By February 15, 2025, the report must include:
  - (1) an overview of pilot program implementation;
  - (2) evaluation of the effects on (i) ridership, (ii) travel time, (iii) service equity, and (iv) rider experience and other measures of quality of life;
  - (3) a review of fiscal impacts, including foregone revenue, costs related to service changes, and potential cost efficiencies;
  - (4) analysis of barriers, best practices, economic impacts, and other relevant considerations;
  - (5) any recommendations regarding any subsequent implementation of free or reduced-fare transit service.

# Free Fare or Reduced Fare

## Free fare

- Pro
  - Best incentive for customers to ride more
  - Meets initial intent of the legislation
  - Is easiest to implement on short timeline
  - May provide faster passenger boarding time
  - Eliminates complications and confusion with transfers
- Con
  - Reduces tools available to enforce code of conduct

## Reduced fare

- Pro
  - Continues to provide proof of fare as one tool to enforce of code of conduct
  - Would provide an incentive to ride more over current fares
- Con
  - Difficult to implement new fare type and distribute to customers by July 1
  - Would not be significant improvement to on time performance
  - Complicates transfers

## Free Fare Service Details

- No transfers will be issued; customers boarding another route will pay a regular fare
- Fareboxes will be covered
- Automated Passenger Counters (APCs) for ride counts
- Free Fare Zone for Metro Mobility  $\frac{3}{4}$  mile corridor
- Free fares for Metro Mobility

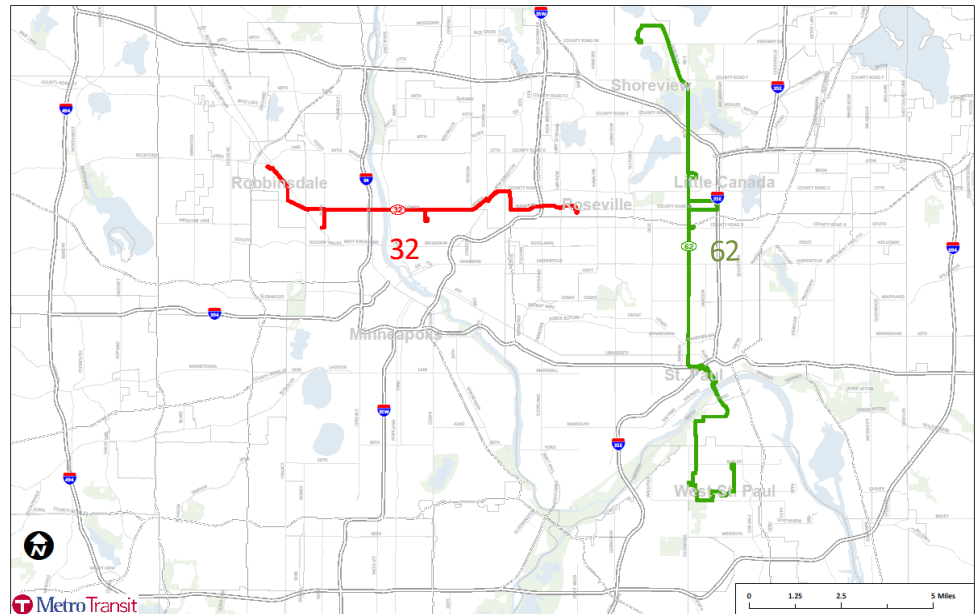
# Route Selection

- Principles = select routes that:

- Serve areas of high transit demand, communities of color, low-income communities
- Geographic mix: east metro and west metro
- Service mix: core local and supporting local
- Avoided current BRT or LRT routes
- Considered future BRT corridors
  - test ridership and operations impacts

- Proposed routes

- Route 62 – Core local serving Rice St, Smith Ave
  - 1,350 weekday rides April 2023
- Route 32 – Supporting local serving Lowry Ave
  - 825 weekday rides April 2023



# Metro Mobility Fares

- All Metro Mobility customers ride regular route for free during pilot program
- By federal law, Metro Mobility fare can not be more than two times regular route fare
  - Metro Mobility trips starting or ending within 3/4 mile of free fixed routes must also be free
- Expect to see some shifting between Metro Mobility and fixed route because of these fare changes
- Backend technology systems work will be required to ensure customers are charged correctly
- Data collection on free services is difficult (customers do not interact with fare collection system)



# Title VI Requirements

- FTA requires transit providers to evaluate the effects of fare changes on minority and low-income populations
- Fare equity analysis is currently being prepared
- Temporary changes longer than six months are considered permanent.
- Council will be required to conduct a fare equity analysis both to start the pilot and to end it

# Council Fare Policy

- Council Policy FM 12-2 and Procedure 12-2a govern changes to fares
  - A change lasting less than 12 months is temporary and only requires notice to the Council 30 days before implementation.
  - Fare changes lasting more than 12 months are considered permanent and require a public hearing and approval by the Council.
- Recommend that Council consider this pilot exempt from these existing fare policy change requirements
  - Change passed by legislature, signed by the Governor
  - Not a fare policy change system-wide; applies only to two routes

# Next Steps

- Council Approval:
  - Same week business item planned – Transportation Committee on June 26 and Council on June 28
  - For use of Route 32 and Route 62 for the Free Fare Pilot Program
- Complete Title VI Analysis
- Operator/ Customer information and training
- Program Metro Mobility fare structure for free fare zone
- Program Metro Mobility cards for free rides on fixed routes (pilot will initiate as a flash pass)
- Meet with other regional transit providers
- Implementation goal – July 1, 2023
- On-going evaluation and reporting
- Report to Legislature Feb 15, 2025

**Questions?**