

**BEFORE THE BOARD OF DIRECTORS OF THE SAN FRANCISCO BAY AREA  
RAPID TRANSIT DISTRICT**

**In the Matter of Adopting Modified Fare  
Rates and Charges: Two Productivity-Adjusted  
Inflation-Based Fare Increases of 5.5% Effective  
January 1, 2024, and January 1, 2025**

**Resolution No. \_\_\_\_\_**

WHEREAS, pursuant to Public Utilities Code Section 29038, it is the duty and responsibility of the Board of Directors of the San Francisco Bay Area Rapid Transit District ("District") to fix the rates and charges for rapid transit service to be furnished by the District; and

WHEREAS, the District's financial forecasts demonstrate the need to self-fund critical capital projects, support operating service, and help ensure the District's financial stability; and

WHEREAS, the ability to self-fund depends upon maintaining the purchasing value of BART's fare revenue, the buying power of which erodes over time due to the effects of inflation; and

WHEREAS, the District's adopted Financial Stability Policy has a combination of strategies that address operating expenses, capital investment, revenues, and reserves by supporting passenger revenue increases tied to service costs and system needs, with particular consideration to small regular fare increases tied to inflation-based cost increases or other major cost factors and productivity; and

WHEREAS, in 2003, by Resolution No. 4885, the Board gave the General Manager the authority to implement four biennial productivity-adjusted inflation-based fare increases, the first such increase implemented in 2006 and the last in 2012; and

WHEREAS, these four small, regular fare increases were key to the District's financial stability during difficult economic times. The inflation-based component of these fare increases contributed approximately \$290 million in additional fare revenue, enabling BART to weather the Great Recession; and

WHEREAS, in 2013, by Resolution No. 5208, the Board gave the General Manager the authority to implement a second series of four biennial productivity-adjusted inflation-based fare increases, the first such increase implemented in 2014 and the last in 2020, which help fund BART's high-priority capital projects: new rail cars, a new automatic train control system, and the Hayward Maintenance Complex; and

WHEREAS, in 2019, by Resolution No. 5405, the Board gave the General Manager the authority to implement a third series of three biennial productivity-adjusted inflation-based fare increases, the first such increase implemented in 2022 and the last in 2026, which help fund BART's operating service and capital project funding needs; and

WHEREAS, the District has conducted outreach to the public, consistent with the District's Public Participation Plan, to receive their input on the proposed fare increases, as documented in the report "Title VI Fare Equity Analysis for the Proposed 2024 and 2025 Productivity-Adjusted Inflation-Based Fare Increases and Clipper® Start<sup>SM</sup> Discount Increase"; and

WHEREAS, a public hearing was held on May 25, 2023 at a regularly scheduled meeting of the Board to consider this modification to fare rates and charges; and

WHEREAS, to ensure compliance with federal and state civil rights laws prohibiting disparate impact in its programs and activities, the District has performed the required Title VI Fare Equity Analysis entitled " Title VI Fare Equity Analysis for the Proposed 2024 and 2025 Productivity-Adjusted Inflation-Based Fare Increases and Clipper® Start<sup>SM</sup> Discount Increase", which the Board of Directors approved on May 25, 2023. The report found that the fare increases would not result in a disparate impact or disproportionate burden on protected riders; and

NOW, THEREFORE, the Board hereby makes the following findings:

- (1) After careful study of staff recommendations, public comment, and due deliberations, the Board determines, as required by Public Utilities Code Section 29038, that the rates and charges for service, as modified by this Resolution, are reasonable; and that insofar as practicable, these rates and charges are calculated to result in revenue which will:
  - a. Pay for the operating expenses of the District;
  - b. Provide repairs, maintenance and depreciation of works owned and operated by the District;
  - c. Provide for purchases, lease, or acquisition of rolling stock, including provisions for the interest, sinking funds, reserve funds, or other funds required for the payment of any obligations incurred by the District for the acquisition of rolling stock; and
  - d. After making any current allocation of funds for the foregoing purposes and by the terms of any indebtedness incurred under Public Utilities Code Articles 6 (commencing with Section 29240) and 7, (commencing with Section 29250) of Chapter 8, provide funds for any purpose the Board deems necessary and desirable to carry out the purposes of Part 2 of Division 10 of the Public Utilities Code.
- (2) After careful study of staff recommendations, public comment, and due deliberations, the Board also determines, as required by the California Environmental Quality Act, Section 21080 (b)(8), that the rates and charges for service, as modified by this Resolution are for the purposes of:
  - a. Meeting operating expenses such as employee wage rates and fringe benefits,
  - b. Purchasing or leasing supplies, equipment or materials;
  - c. Meeting financial reserve needs and requirements; and
  - d. Obtaining funds for capital projects, necessary to maintain service within existing service areas.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Francisco Bay Area Rapid Transit District that:

- (1) The General Manager is authorized and directed to implement two productivity-adjusted inflation-based increases to rates and charges for BART service of 5.5% effective January 1, 2024 and January 1, 2025 as outlined in Exhibit A.
- (2) The fare increase outlined in Exhibit A shall supplant the second in the current series of productivity-adjusted inflation-based fare increases under Board Resolution 5405 ("New Fare Rates and Charges: Series 3, 2022-2026, Productivity-Adjusted Inflation-Based Fare Increase Program") adopted June 13, 2019.
- (3) The General Manager is authorized and directed to use future incremental fare revenue from these productivity-adjusted inflation-based fare increases to help fund BART operating service and capital needs.

- (4) These productivity-adjusted inflation-based fare increases to rates and charges for BART service are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code § 21080(b)(8) and CEQA Guidelines, 14 Cal. Code Regs. § 15273.

**EXHIBIT A: MODIFIED FARE RATES AND CHARGES:**  
**Two Productivity-Adjusted Inflation-Based Fare Increases of 5.5% Effective January 1, 2024,**  
**and January 1, 2025**

The new fare rates and charges for BART service shall be as follows:

Effective January 1, 2024, the fares offered to BART riders will be calculated by increasing all components of fares then in effect by a Productivity-Adjusted Inflation-Based Fare Increase factor of 5.5% and then rounding these fares to the nearest nickel (\$0.05).

Effective January 1, 2025, the fares offered to BART riders will be calculated by increasing all components of fares then in effect by a Productivity-Adjusted Inflation-Based Fare Increase factor of 5.5% and then rounding these fares to the nearest nickel (\$0.05).