

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

**In the Matter of Adopting Modified Fare
Rates and Charges: 50% Discount for Adult BART
Riders who Participate in the Metropolitan
Transportation Commission's Regional
Means-Based Transit Fare Discount Pilot Program**

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 Metropolitan Transportation Commission (MTC) is leading a Regional Means-Based Transit Fare Discount Pilot Program (Program), of which the District is a participating agency, allows adults riders with verified incomes up to 200% of the federal poverty level to qualify for a transit fare discount; and

WHEREAS, the Program is the outcome of MTC's Regional Means-Based Transit Fare Pricing Study, which has the following three goals:

- Goal 1. Make transit more affordable for the Bay Area's low-income residents.
- Goal 2. Move towards a more consistent regional standard for fare discount policies.
- Goal 3. Define a transit affordability solution that is financially viable and administratively feasible, and does not adversely affect the transit system's service levels and performance; and

WHEREAS, eligible low-income adult riders enrolled in the Program currently use a specially encoded free-of-charge Clipper card to receive a 20% per-trip discount to regular BART Clipper fares; and

WHEREAS, on April 25, 2019, the Board of Directors approved the "Title VI Fare Equity Analysis: BART Participation in the Metropolitan Transportation Commission's Regional Means-Based Transit Fare Discount Pilot Program," which found that the benefit of the new Program fare type for low-income riders would not result in a disproportionate impact on protected riders; and

WHEREAS, on June 13, 2019, the Board of Directors approved the District's participation in the Program at the 20% discount level, and extended this authorization on August 26, 2021; 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 Program discount increase to 50%, as documented in the report "Title VI Fare Equity Analysis for the Proposed 2024 and 2025 Productivity-Adjusted Inflation-Based Fare Increases and Clipper® StartSM Discount Increase"; 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® StartSM 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

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.

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 rates and charges for adult riders who participate in the Regional Means-Based Transit Fare Discount Pilot Program and are verified to have incomes at or below 200% of the federal poverty level as set forth in Exhibit B are hereby adopted.
- (2) The District's participation in the Program will continue until June 30, 2025.
- (3) The proposed continued participation in and implementation of the Regional Means-Based Transit Fare Discount Pilot Program is not subject to CEQA under California Public Resources Code Section 15061(b)(3).

EXHIBIT B: MODIFIED FARE RATES AND CHARGES:

Discount for Adult Riders who Participate in the Metropolitan Transportation Commission's Regional Means-Based Transit Fare Discount Pilot Program and are Verified to Have Incomes at or below 200% of the Federal Poverty Level

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

Effective January 1, 2024, the fares offered to adult BART riders who participate in the Regional Means-Based Transit Fare Discount Pilot Program and are verified to have incomes at or below 200% of the federal poverty level will be reduced by 50%. The discount will be applied by reducing full Clipper fares then in effect by 50%, with the resulting value rounded down to the nearest nickel to ensure these riders receive at least a 50% discount.