



RHODE ISLAND PUBLIC TRANSIT AUTHORITY

Fare Study Draft Recommendations
Proposed Fare Policy and Structure

RIPTA Board of Directors Meeting
October 2015

Fare Study Goals:

- Simplify fare products
- Improve reliability of fare media
- Introduce needed products
- Make boarding a bus fast, convenient and reliable
- Implement new fare technologies
- Maximize revenue and ridership

Fare Study Proposals Considered the Following:

- Transfer Policy
- One State One Rate
- New Fare Media
- Elimination of Fare Media
- Fares for Reduce Fare Bus Pass Program
- Adjustments to Pricing of Existing Fare Media

Short Term:

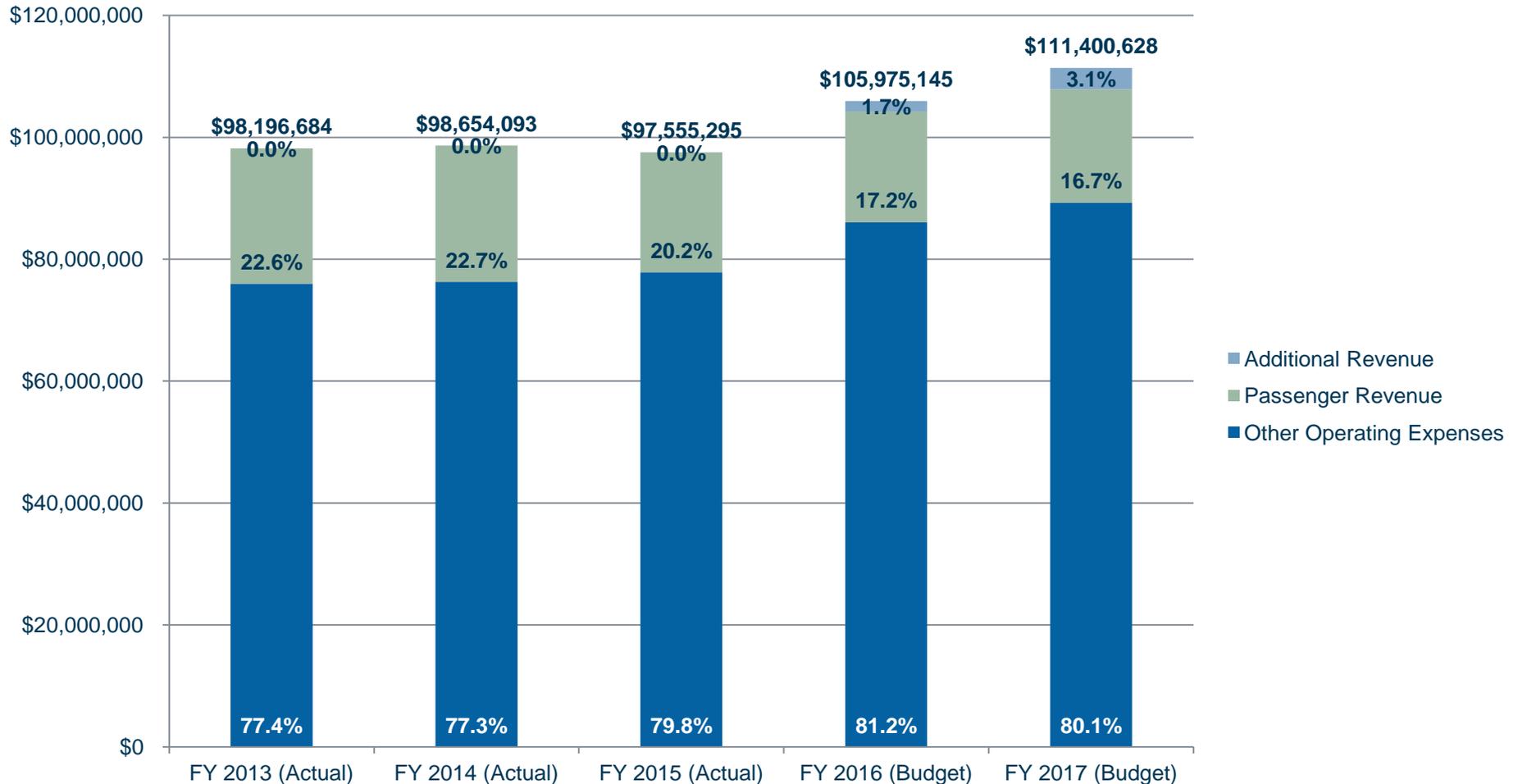
- Fare Simplification and Fare Revenue Recovery
- Reduced Fare Pass Program Changes
 - Recertify Program Participants
 - Strengthen the Qualification Process
 - Reduce timeframe from 5 years to 2 years

Long Term:

- Invest in Fare Technology
 - Reduce Cash Transactions
 - Improved Availability of Fare Media
 - Speed the Boarding Process

- **Ridership-** Promote use of all modes of service by setting fares that are accessible to the widest possible range of existing and potential rider groups.
- **Equity-** Establish equitable fares that recognize the socioeconomic composition of riders and their use of the different types of services.
- **Simplicity-** Enhance mobility and system access through a fare system that is easy to use and understand.
- **Revenue-** Support predictable and appropriate fare revenue stream to meet RIPTA's immediate and long-term financial requirements.
- **Recovery-** Recover a minimum of 20% of transit operating costs with passenger-paid and third-party fares.
- **Efficiency-** Implement technology that reduces fare collection costs and maintains information accuracy.

RIPTA Annual Operating Budget*



*Passenger Revenue only includes fares extracted from fareboxes. It does not include additional subsidies that are considered passenger revenue.

Farebox Recovery – The percent of operating expenses which are met by the fares paid by passengers. It is computed by dividing the system's total fare revenue by its total operating expenses.

	Actual	No Fare Changes	Proposed Fare Changes
FY 2013	21.8%		
FY 2014	21.9%		
FY 2015	19.4%		
FY 2016		16.4%	18.1%
FY 2017		16.0%	19.2%

- Phase in changes over the next 3 years
 - Phase 1: Winter 2016
 - Phase 2: Fare Technology Complete (1-2 years)
- Phased approach allows for the following:
 - Comprehensive public outreach
 - Technology upgrade (purchase, install, driver training, etc.)
 - Expansion of sales outlets
- Total financial impact after all phases are implemented
 - Estimated \$3.5M annual increase in fare revenue
- Current FY16 and FY17 budgets capture impact

- Establish RIPTA Fare Policy to simplify fares and establish fare recovery goals
- Create clear, consistent definitions of all service types and fare media.
- Modify Reduced Fare Pass Program
 - Update Program Policy
 - Establish Reduced Fares
 - Requalify Program Participants
- Eliminate RIPTIKs and 15-Ride Passes
- Introduce new 10-Ride Pass (includes a transfer)
- Adjust 7-Day and Monthly Pass Prices
- Expand retail sales outlets for RIPTA fare media.
- Expand UPASS and EcoPass Program participants.

- Introduce Account Based Smart Cards and Mobile Payment Technology
- A **smart card** is a plastic card with a computer chip that can be programmed in two basic ways- stored cash value and/or pass products.
 - Cash Value
 - Currency stored on account
 - No expiration
 - Can be drawn down over time
 - Free transfers
 - Pass Products
 - Monthly pass- activated on first use, valid for 30 consecutive days
 - 7-day pass- activated on first use, valid for 7 consecutive days
 - Day pass- activated on first use, valid for one service day
- A **mobile payment** is payment through an app on your smart phone.

Proposed Fare Structure

Full Fares	Current	Phase 1	Phase 2
Cash			
Base Fare	\$2.00	\$2.00	\$2.00
Transfer	\$0.50	\$1.00	discontinue
Smart Card	n/a	n/a	\$2.00
Transfer	n/a	n/a	included
Trip-Based			
RIptiks	\$20.00	discontinue	n/a
15-Ride Pass	\$26.00	discontinue	n/a
10-Ride Ticket (includes transfer)	n/a	\$20.00	discontinue
Time-Based			
Day Pass	\$6.00	\$6.00	\$6.00
7-Day Pass	\$23.00	\$25.00	\$25.00
Monthly Pass	\$62.00	\$70.00	\$70.00 rolling

Proposed Fare Structure

Reduced Fares

Reduced Fares	Current	Phase 1	Phase 2
Cash			
Base Fare	\$-	\$1.00	\$1.00
Transfer	\$-	\$0.50	discontinue
Smart Card	n/a	n/a	\$1.00
Transfer	n/a	n/a	included
Trip-Based			
RIPtiks	n/a	n/a	n/a
15-Ride Pass	n/a	n/a	n/a
10-Ride Ticket (includes transfer)	n/a	\$10.00	discontinue
Time-Based			
Day Pass	n/a	\$3.00	\$3.00
7-Day Pass	n/a	\$12.50	\$12.50
Monthly Pass	n/a	\$35.00	\$35.00 rolling

- Request Board approval to enter public hearings process on Phase I and 2 fare changes and on implementation of new Reduced Fare Bus Pass Program.
- Submit new Reduced Fare Bus Pass Program to Office of Regulatory Reform. Once approved, publish public hearings notice for comment on Phase 1 and Phase 2 and new Reduced Fare Bus Pass Program
- Conduct Title VI Fare Equity Analysis. Share findings with stakeholders and through hearings presentations.
- Continue to work with EOHHS on improving access to Medicaid funded trips for eligible individuals.
- Provide Board public hearing comments. Board vote on fare changes.
- Re-submit Reduced Fare Bus Pass Program (with any comments received) to ORR. Once approved, 20 day wait period to implement new Program.