



Transit Fare Change Proposal

What is proposed

- Increase fares by \$0.25 per trip in all current Metro fare categories—adults, youth, and seniors and people with disabilities—for all regularly scheduled transit services.
- Increase fares by \$0.50 per trip for Access paratransit service. The Access fare is a step toward Metro’s policy, adopted in 1999, of having the paratransit fare reach parity with Metro’s regular off-peak fare. The increase also reflects the much higher expense of operating Access service compared to regular fixed-route bus service.
- Add a new reduced-fare category for people with low incomes. Recommended by the Low Income Fare Options Advisory Committee in July 2013; report and recommendations at www.kingcounty.gov/lowincomeoptions
 - \$1.50 per trip for qualified riders. This is a flat rate that will not vary by time of day or distance.
 - Available to anyone whose income is at or below 200 percent of the federal poverty level—about \$23,000 in annual income for an individual.
 - King County will work with local service providers and the state Department of Social and Health Services to determine the most accessible and cost-effective way to determine program eligibility.
 - Must be paid with ORCA (pass or E-purse)—no cash payment.
- All new fares would take effect March 1, 2015.
- This would be the first fare change since 2011. Fares were also increased in 2008, 2009 and 2010.

Revenues and costs

- Altogether, the fare changes would result in an estimated \$6.6 million in additional revenue annually for Metro. Due to price sensitivity, some initial ridership loss is expected in the first year. However, ridership typically recovers in future years, and the initial ridership loss will be less with the low-income fare than it would be otherwise.
- Cost of the reduced fare for people with low incomes has not yet been determined. Metro will submit an implementation plan to the County Council by June 1, 2014 that will include costs related to program startup and ongoing administration.
- Following the fare increase, Metro is expected to recover more than 27 percent of its operating cost from fare revenue. This exceeds the 25 percent target in Metro’s Fund Management Policies. Fares make up Metro’s second-largest source of operating revenue, after sales tax.

2015 Fare Change Proposal

Category	Current Fare	Proposed Fare	Difference
Adult 1-zone Peak	\$2.50	\$2.75	+\$0.25
Adult 2-zone Peak	\$3.00	\$3.25	+\$0.25
Adult Off-Peak	\$2.25	\$2.50	+\$0.25
Adult Low Income	NA	\$1.50	
Youth	\$1.25	\$1.50	+\$0.25
Senior/Disabled	\$0.75	\$1.00	+\$0.25
Access Paratransit	\$1.25	\$1.75	+\$0.50

Frequently asked questions

How does someone qualify for the reduced fare for people with low incomes?

The reduced fare would be available to adult riders whose incomes are at or below 200 percent of the federal poverty level—about \$23,000 in annual income for an individual. This is the income guideline most widely used by government agencies for determining eligibility for assistance and services. King County would work with local and state service providers to determine the most accessible and cost-effective way to verify program eligibility. Eligible individuals would have to requalify for this fare program periodically.

How did you determine the low-income level?

The formula that the County is proposing to use—200 percent of the federal poverty rate—is the income guideline most widely used by government agencies for determining eligibility for assistance and services.

Do you have any idea how many people would qualify for the reduced fare for people with low incomes?

The program could help as many as 100,000 current Metro customers who earn lower incomes.

How would Metro make up the lost revenue?

More study is needed to determine the cost of this new fare category, but Metro's proposed fares for 2015 would result in an estimated \$6.6 million overall increase in revenues annually.

Do any other cities and counties have similar fares for people with low incomes?

Very few transit agencies offer reduced fares for people with low incomes. Kitsap Transit is the only other agency in Washington that offers one. San Francisco Muni is perhaps the only comparably sized transit agency that offers this kind of reduced fare.

Will Metro continue to offer other programs that assist riders who may not be able to afford public transportation?

Yes, Metro will continue its Human Services Ticket Program, Taxi Scrip Program, and Regional Reduced Fare Permit (RRFP) program for seniors and people with disabilities and the reduced fare for youth.



King County

Department of Transportation

Communications

KSC-TR-0824

201 South Jackson Street

Seattle, WA 98104

www.kingcounty.gov

January 17, 2014 12:16 PM