

MCTA New Fare Payment System

Go-Live January 1, 2025

Current Application:

- MCTA has a closed-loop 'smartcard' system based off the MiFare smartcard standard.
- The system was provided by Avail, MCTA's fixed route data partner.
- About half our full fare riders use a smartcard.
- In Q1 of 2024, over 15,000 trips were paid for using a smart card for our full fare riders. Almost 13,000 trips were paid by cash.
- For Students and Adults, the purse value fare was the most popular, followed by the 30-day pass.

Current Market:

There are four basic types of fare payment systems:

- Cash Only
- Closed Loop Account Based
- Open Loop
- Hybrid of those above

Cash Only Based Systems

Cash Only Based System

- Every fare is paid by cash.
- No flexibility for rider.
- Antiquated.
- Administrative costs for cash counting and reconciliation, but not much else.
- Costs on the bus for fareboxes range from very low to very high, depending on the farebox features.

Closed Loop Account Based Systems

Account Based System

- Account based systems require passengers to create an account and load a bank card.
- The user has control of their account to buy passes.
- MCTA can enable passenger types such as ADA, Student, and Senior.
- The user can buy a purse or pass amount through the account. The account can be linked to a smartphone or a smartcard.

Account Based System

- Account based systems can have a contactless validator or a visual inspection.
- A contactless validator requires the user to tap their card or device to determine if they have a valid pass or fare.
- Visual inspection requires the bus operator to view the passenger's cellphone and inspect the screen to validate the fare or pass, then key the fare type into the MDT.

Account Based System

- Cash would still be accepted on bus.
- Administrative costs for cash counting and reconciliation.
- Administrative costs for customer accounts and smartcard services.
- Savings on bank card transactions because the purchase amounts are higher.
- Costs on the bus for fareboxes range from very low to very high, depending on the farebox features.

Fare Payment by Bank Card

Bank Card Payments

- Bank card-based systems, also known as open loop contactless payments, use the customer's existing bank card as trip payment.
- Each vehicle would have a validator (or PAD) to process the transaction.
- Passengers can use their RFID enabled bank card (bank card), a card stored on Apple or Google devices, or the Cash App.

Bank Card Payments

- Any rider can simply tap their bank card, and the adult full fare will be deducted.
- The system will track the card use, and permit fare capping based on the number of trips the passenger makes by day, 7-day, or 30-day period.
- Fare capping is when a passenger has reached a set number of trips for specific period. The system will not charge the card for future trips until the expiration of the period.

Bank Card Payments

Fare Capping Example:

An adult rider takes the bus to work in the morning.

They use their bank card and are charged \$2.

Later that afternoon, they leave work and go to the store. They use their bank card and are charged \$2.

Finally, they take the bus again to go home. They use their bank card, but no fare is deducted because they reached the full day fare cap of \$4.

Bank Card Payments

- To gain access to discounted fares for ADA Half Fare for the Disabled, Student, or Senior Free Transit, the passenger would either create a profile on MCTA's system or create a transaction on the PAD, and MCTA would link the bank card to a reduced / free fare account.
- Transfers between buses would be automatically applied through the fare system logic.

Bank Card Payments

- Cash would still be accepted on bus.
- Administrative costs for cash counting and reconciliation.
- Administrative costs for customer accounts only when they are a special population (ADA, Student).
- Costs on the bus for fareboxes range from very low to very high, depending on the farebox features.

What About Unbanked Riders?

- Cash would still be accepted on bus.
- Cash App is a smartphone application that permits folks to load cash at participating retail stores (like Dollar General) and use the device to make bus fare payments.



How an Open Loop System Works

Physical Structure

PAD (payment accessory device) uses the wireless RFID (radio frequency ID) chip to instantaneously accept fare from bank cards, smartphones or smart watches.



Bank Card Payments

- The system accepts the payment, and the passenger boards the bus.
- The bank card information is securely sent and batched for payment.
- Transfers between buses would be automatically applied through the fare system logic.

Bank Card Payments

- The farebox and PAD are independent.
- There is no need to replace fareboxes.
- The ridership data via open loop payments would need to be merged with farebox system data

New Fare Rules for New Fare System

Adult Full Fare Rules:

- Adult full fare trips can be paid with cash, bank card or Cash App.
- Only trips paid with bank card or Cash App will count towards fare capping.
- Transfers will be issued by paper or based on open loop system rules, meaning the customer simply needs to tap the same bank card on the next bus.

Half Fare Rules:

- All trips paid by cash will require the passenger to show MCTA's provisioned card or a valid Medicare card or they must pay full fare.
- Eligible disabled passengers may create an account and register their bank card on MCTA's payment system.
- Trips paid by bank card will require the passenger to be registered in the system and associated with the program to qualify the bank card to be used for a half fare.
- Transfers will be issued by paper or based on open loop system rules, meaning the customer simply needs to tap the same bank card on the next bus.

Senior Fare Rules:

- Seniors will be required to show MCTA's provisioned ID card.

College Student Fare Rules:

- College / trade school students must create an account and register their bank card on MCTA's fare payment system to be eligible to receive a reduced fare.
- Students will have to annually recertify their account details.
- Transfers will be issued based on open loop system rules, meaning the customer simply needs to tap the same bank card on the next bus.

K-12 Student Fare Rules:

- Elementary, intermediate, middle, and high school students will ride for free.
- K – 12 students must show valid student ID if they are over 44” tall to be eligible for free fare. Without valid student ID, passengers will pay adult full fare.
- Paper transfers will be issued by the bus driver.

RECOMMENDED
New Fares Effective
January 1, 2025

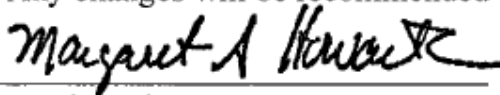
MCTA Fare Increase Policy

FR-2012-005 PL

Fare Increase and Service Reduction Policy

Any time there is a fare increase or major service reduction, the steps below will be followed. A “major” service reduction is defined as a decrease in the total number of service hours by 25%.

- a. The proposed change is presented to the Monroe County Transportation Authority Board of Directors.
- b. The proposed change is posted in the newspapers and on the Fixed Route buses for thirty days.
- c. A public meeting is held, where input is encouraged.
- d. Comments from the public meeting are reviewed by the MCTA Management Team who will then evaluate and recommend further changes to the MCTA Board of Directors for approval.
- e. Any changes will be recommended to the MCTA Board of Directors for final approval.



Executive Director

JAN 15 2021

Date

Fare Prices Starting January 1, 2025

- There has not been a fare increase in ten years.
- The costs for wages, parts, fuel, etc. have escalated in the past few years.
- New fares are 25 to 50 cents higher for all eligible groups.
- This represents a 33% increase. If spread over the past 10 years, it is 3% per year.

Adult Fares

- \$2 per one way trip, transfers included, if the passenger is taking the next bus on an eligible route.

Capped Fare Type	Cap Amount
Full-Day	\$4
Seven-Day	\$20
Thirty-Day	\$64

Half Fare for the Disabled

- \$1 per one way trip, transfers included, if the passenger is taking the next bus on an eligible route.

Capped Fare Type	Cap Amount
Full-Day	\$2
Seven-Day	\$10
Thirty-Day	\$32

College Student Fare

- \$1.30 per one way trip, transfers included, if the passenger is taking the next bus on an eligible route.

Capped Fare Type	Cap Amount
Full-Day	\$2.60
Seven-Day	\$13.00
Thirty-Day	\$41.60

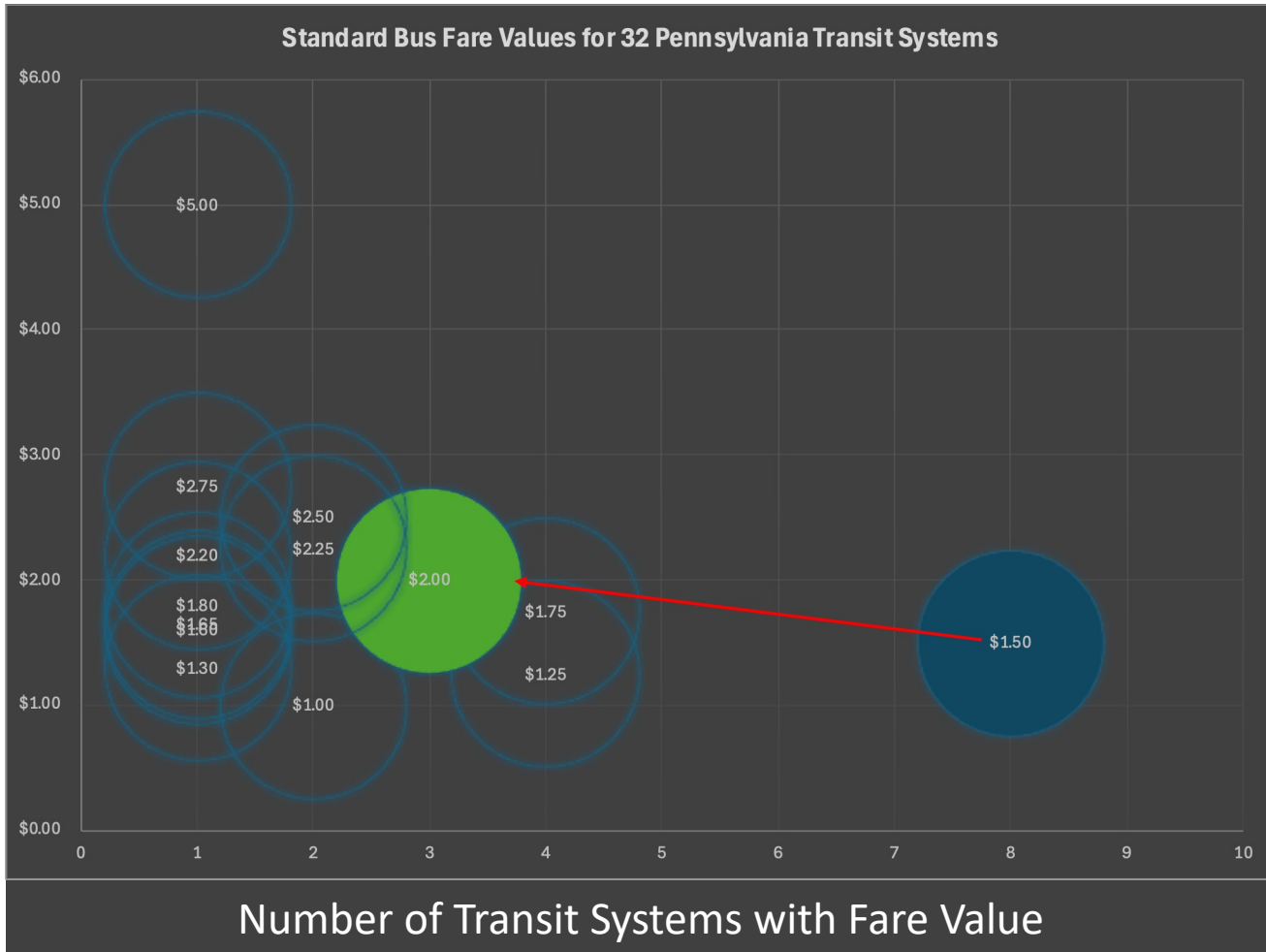
Free Fares

- Enrolled seniors over 65 with valid ID card
- Children under 44” without any ID.
- Children over 44”, including elementary, intermediate, middle, and high school students, may ride free *with **current valid school ID***.

Fare Increase Percentages by Type

Fare / Pass Type	Current	Proposed	% Change
Adult Fare	\$1.50	\$2.00	33%
Adult Day Pass	\$3.00	\$4.00	33%
Adult 7 Day	\$15.00	\$20.00	33%
Adult 30 Day	\$50.00	\$64.00	28%
Student Fare	\$1.00	\$1.30	30%
Student Day Pass	\$2.00	\$2.60	30%
Student 7 Day	\$10.00	\$13.00	30%
Student 30 Day	\$35.00	\$41.60	19%
ADA	\$0.75	\$1.00	33%
ADA Day Pass	\$1.50	\$2.00	33%
ADA 7 Day	\$7.50	\$10.00	33%
ADA 30 Day	\$25.00	\$32.00	28%

Fares Across Pennsylvania



Financial Impact of Fare Increase

- Estimated revenue from fares for FY 2024 (current year) is \$183,900.
- Projected revenue from fares for FY 2025 (next year) is \$226,200.
- The anticipated change in income reflects a 23% increase in revenue from fares.
- While the total percentage of the fare increase is 33%, we can not predict future ridership.

Fare Increase Timeline

- Start of Budgeting Process March 2024
- Notice to Board – August 29 Board Meeting
- Notice to Public – September Board Meeting
- 30 Day Comment Period October 1 through October 30, 2024
- Public Hearing Early November 2024
- Board Approved Fares - November Board Meeting
- New Fare Rates Effective January 1, 2025