

2007 MBTA Draft Fare Policy



Massachusetts Bay Transportation Authority

Driven by Customer Service

MBTA Fare Policy

I. Purpose

The purpose of this Fare Policy is to establish guidelines for setting or restructuring MBTA fares. MBTA staff and the Board of Directors will look to this policy when they make decisions about adjusting fares. All such decisions will also be made in accordance with the MBTA's enabling legislation (M.G.L. c. 161A), specifically § 5(r), which directs the MBTA to adopt a fare policy that addresses:

- a fare structure, including fare media and passes;¹
- fare levels, including discounts;
- a system for free or substantially price-reduced transfer privileges; and
- fare equity.

II. Fare Policy Goal

The goal of this Fare Policy is to support the MBTA's mission of providing high quality public transportation services for the benefit of the individuals and communities that it serves.

A. Fare Policy Objectives

The MBTA, in consultation with the Rider Oversight Committee, has developed six Fare Policy Objectives that are critical to achieving the Fare Policy Goal. The nature of these objectives reflects the complexity of developing a Fare Structure that will balance the desire to keep fares affordable for MBTA customers with the need to maximize fare revenue to help maintain and expand transit operations. These objectives were used to develop the Fare Structure described later in the policy.

In the future, when changes to the Fare Structure are considered, strategies for meeting the six objectives will be developed and evaluated. The new Fare Structure that emerges will encompass the mix of strategies that are determined to best meet the Fare Policy Objectives, as described below, in the context of the conditions and needs at that time.

1. Customer/Community Related Objectives

The following three objectives directly support the MBTA's mission of operating high quality public transportation services. When a fare increase or restructuring is proposed, all fare strategies considered for achieving these three objectives should be carefully weighed in relation to each other, as some possible strategies

¹ The MBTA's enabling legislation uses the undefined term "fare structure" ambiguously. For the purposes of this policy, "fare structure" encompasses all four of the fare requirements found in M.G.L., c. 161A § 5(r).

may achieve one objective at the expense of another. The MBTA must strive to meet all of these objectives.

a. Increase Ridership Utilization and Occupancy

Because the MBTA exists to provide transit services for the benefit of the public, the degree to which the Authority increases ridership is a direct indication of how successfully the MBTA is achieving its mission. Increasing ridership also supports the important societal goals of reducing traffic congestion and decreasing air pollution. However, when an increase in ridership creates the need to add service, the resulting additional fare revenue is offset by new operating costs. It is therefore important to adopt fare strategies that will increase ridership on services that have underutilized passenger capacity. It is also important to adopt fare strategies that will increase ridership by making MBTA services more attractive and convenient to use.

b. Establish Equitable Fares

To be equitable, fares must take into account the needs of various populations of users and types of services. The Fare Structure should, therefore, support the travel patterns and requirements of transit riders throughout the service area and should reflect the level and quality of the service provided. In addition, the MBTA recognizes the need to ensure that for any fare increase, the share of the burden placed on Environmental Justice communities is not greater than that of the system as a whole.

c. Enhance Mobility & Access

The Fare Structure should enhance the ability of riders to access the system and move through it with ease. To do so, the Fare Structure should be easy to understand and should promote a unified system by simplifying fares across modes.

2. Financial & Privacy Objectives

All fare strategies that are seriously considered in the context of the three Customer/Community Objectives discussed above must also meet the following three Financial & Privacy Objectives to ensure the continued operation of MBTA services and the right to privacy of the Authority's customers.

a. Maintain/Increase Fare Revenue Stream

Because fare revenue is a critical component of the MBTA's operating budget, any increase to, or restructuring of, fares should ensure that the total fare revenue stream is maintained at an appropriate level, consistent with requirements of the MBTA's enabling legislation, M.G.L. c. 161A.

b. Maximize Fare Revenue Collection

To maximize fare revenue collection, the MBTA should take advantage of substantial developments in fare collection technologies.

c. Respect Customer Privacy

As the MBTA strives to implement fare collection technologies that are easy and convenient to use, the Authority must remain cognizant of the need to respect customers' privacy and to ensure the security of personal information.

III. Fare Structure

Using the Fare Policy Objectives described above, the MBTA identified fare strategies to develop the following Fare Structure that meets the four fare policy requirements found in § 5(r) of the Authority's enabling legislation.

A. Fare Media and Passes

1. The following fare media will be available for use on the MBTA system:
 - a. The Charlie Card (a smart card with a computer chip) that can be programmed to hold stored value, an unlimited-ride pass, or both at the same time.
 - b. The Charlie Ticket (a ticket with magnetic strip) that can be programmed to hold stored value OR an unlimited-ride pass. The MBTA will develop plans to phase out use of the Charlie Ticket except for single-trip use on the rapid transit system.
 - c. Cash and Tokens will be accepted at bus fare boxes and at fare vending machines in stations and other locations. Credit and debit cards will also be accepted at many fare vending machines. However, tokens will no longer be sold after full installation of ticket vending machines in the rapid transit system.
2. The following unlimited-ride passes will be available:²
 - a. Monthly passes for local bus, local bus/rapid transit/inner-harbor ferry combination, inner express bus, outer express bus, commuter boat, and commuter rail (both zone and interzone passes).
 - b. A monthly pass for one mode or zone will be accepted on any other service with a less than or equal fare.
 - c. One-day, three-day, and seven-day unlimited-ride local bus/rapid transit/inner-harbor ferry combination passes

B. Fare Levels

1. Fares will be differentiated by mode to reflect differences in operational characteristics and average trip length. By mode, fares will be either flat or zoned.
 - a. One flat fare will be charged for any trip on any local bus route.³

² Initially, Charlie Card passes will not be accepted on all modes. Therefore, until full implementation of AFC, some customers may need to purchase an equivalent Charlie Ticket pass to take full advantage of the unlimited-ride pass benefits.

³ Initially includes Silver Line Washington Street Bus Rapid Transit.

- b. One flat fare will be charged for any trip on the rapid transit system and inner harbor ferries, regardless of the distance or direction traveled.⁴
 - c. One flat fare will be charged for any Commuter Boat trip.⁵
 - d. Express Bus service will have two fare zones
 - e. Commuter Rail will have multiple fare zones, as well as interzone fares, based on distance traveled.
2. “Base fares” for bus and rapid transit will be defined as the levels paid by Charlie Card stored-value users. Customers using Charlie Tickets or making on-board transactions will pay a significant premium over the Charlie Card fare. This is intended to encourage use of the Charlie Card, which facilitates easy access to rapid transit stations, faster boarding on buses, and shorter dwell times at bus stops.
 3. With the creation of a flat fare for rapid transit, the parking fees will be increased at certain stations to compensate for lost revenue from transit fares, since customers boarding at these stations previously paid a premium.⁶
 4. Fares for students, children (ages 5 to 11 years, inclusive), seniors (age 65 or older), and persons with disabilities will not exceed of one-half the adult “base fares” paid by stored-value Charlie Card users.⁷
 5. Children under 5 (five) years of age ride for free, with a limit of two for each adult.

C. Transfer Privileges

1. Discounted transfers will be structured such that customers who use stored value on Charlie Cards and who transfer between two modes will be charged only for the cost of the higher-priced of the two modes. Because this discounted intermodal transfer privilege will be limited to Charlie Card users, it will not be available between two modes until the Automated Fare Collection technology has been installed on both.
2. The combination monthly pass will provide unlimited use of local bus, rapid transit, and inner-harbor ferry services. This pass will replace the separate Subway, Combo, and Combo + passes, but will be priced at a level that is proportionally lower than the Combo pass. This will provide a less costly option for those who frequently use both local bus and rapid transit.

⁴ Includes all stops on the Red Line, Green Line, Orange Line, Blue Line, Mattapan High Speed Line, and Silver Line Waterfront.

⁵ Institution of any additional commuter boat lines may result in multiple fare zones being created.

⁶ Parking fees will be coordinated with fares at Green Line D Branch stations including Chestnut Hill, Eliot, Waban, and Riverside, and Red Line stations including Quincy Center, Quincy Adams, and Braintree.

⁷ The student discount is available only to students age 12 – high school and can be used only for transportation between school and the student’s home on days when school is in session. A student is defined as any pupil of a public day or evening school, or any pupil of a private day or private evening school, or industrial day or evening school that provides substantially the same character and grade of instruction as the schools conducted at public expense.

D. Fare Equity

1. To enhance fare equity, the MBTA has moved to a simplified “flat-fare-by-mode” system, which reflects a “value-pricing” instead of “distance-pricing” approach. “Value-pricing” recognizes that customers value the core bus and rapid transit system in terms of whether it gets them to their destination safely and efficiently—not in terms of the distance they travel or connections they make.
2. Allowing customers to transfer between modes while only paying for the higher-priced of the two modes also reflects “value pricing.” This approach responds to customers in urban communities who do not have direct rapid transit service, and who previously had to pay two separate fares for their trip downtown—one for the bus and one for the subway.

IV. Glossary

Within the context of this policy, the following definitions apply:

- **Child:** Any person between the ages of 5 (five) and 11 (eleven) years, inclusive.
- **Express Bus Route:** A bus route providing a limited number of peak-direction trips during peak-periods for work commuting purposes. A large part of any express route is characterized by high-speed, non-stop operation, and a limited number of stops are provided only near route termini. Some restrictions on drop-offs/pick-ups may apply.
- **Local Bus Route:** Any bus or trackless trolley route or portion of a bus or trackless trolley route not designated as an express bus route is considered a local bus route
- **Mode:** Includes local bus, express bus, rapid transit, commuter rail, inner-harbor ferry, and commuter boat.
- **Rapid Transit:** Includes Green Line, Red Line, Orange Line, Blue Line, and Silver Line Waterfront Bus Rapid Transit.
- **Senior:** Any person age 65 or older.
- **Student:** Any pupil of a public day or evening school, or any pupil of a private day or private evening school, or industrial day or evening school that provides substantially the same character and grade of instruction as the schools conducted at public expense.