



Agenda Planning Request Form



Instructions

Complete this form for any new or amended Agenda Planning (AP) Request. Each request requires the endorsement of **at least three (3) Directors** (including the requestor). Directors are limited to a **maximum of fifteen (15)** AP requests per calendar year, with no more than two requests made per meeting. AP requests are non-transferrable to any other Director and any “unused” AP requests shall not be carried over to the next calendar year. Requests for presentations by individuals or organizations outside of AC Transit are excluded from the AP request limit.

Prior to making a request, Directors shall make their best effort to discuss the item with the General Manager, a member of his/her Executive Staff or appropriate Board Officer in advance of the Board meeting at which the request will be made.

AP Request Forms are due to the District Secretary no later than 5:00 p.m. on the Wednesday one week prior to the scheduled Board meeting in order for the form to be included in the agenda packet. Email completed forms to districtsecretary@actransit.org

Information

Directors Name	Sarah Syed	Meeting Date the AP Request will be presented:	December 10, 2025
This Request is:	<input checked="" type="checkbox"/> New <input type="checkbox"/> Amended	Include in the GMs Report:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Type:	<input checked="" type="checkbox"/> Action <input checked="" type="checkbox"/> Briefing	Expected Staff Report Due Date (if known):	March 2026
Discussed w/ GM, Board Officer or Exec Team Member:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Sal Llamas		

Item Description: (Please be thorough. Attach additional information if needed.)

Beginning December 10, 2025 transit riders paying with a Clipper card will get new benefits including:

- Free transfers between agencies (up to \$2.85 per transit leg)
- Free transfers between AC Transit local buses in a 2 hour window
- Fare capping on AC transit for weekly and monthly passes
- Introduction of open payment methods (use of contactless debit/credit cards to pay fare)

As the Bay Area implements these major regional fare policy improvements it is essential for the District to align agency fare policy with these efforts in a way that provides a consistent rider experience and enhances both financial sustainability and equitable access. It is also critical for the District to continue to advocate to regional and state decision makers to adopt additional reforms and implementation strategies to provide a

consistent rider experience across agencies, to maximize the ridership and revenue benefits of the Clipper 2 improvements, and to increase Clipper adoption among underserved riders.

From a financial standpoint, fare structures that encourage frequent trips, smooth transfers, and predictable costs per rider are more sustainable over time. But these structures work only if they are accessible to the riders most likely to increase their trip-making. Expanding equitable access to Clipper 2 benefits will help ensure that fare incentives function as intended: to attract and retain riders while generating stable, long-term revenue.

Clipper is the platform through which the new benefits are being delivered, yet a substantial portion of our riders—particularly low-income, unbanked, Black, and Latino riders—continue to rely on cash fares. In FY 25, only 49% of AC Transit trips were paid with Clipper. When fare incentives and free transfers are available only through Clipper, we create a two-tiered system in which the riders with the fewest resources receive the fewest benefits. This limits the effectiveness of our fare policy and constrains our ability to grow ridership and revenue. Clipper 2 will save some riders money, exacerbate the fare difference between Clipper and cash users, and improve the convenience for some riders. Whether the Clipper 2 changes are equitable depends on the distribution of the benefits across demographics groups. Concern over the long-time, and now increasing, fare inequity between Clipper and cash riders on AC Transit led the Board to take action on November 19, 2025 to direct staff to begin the necessary analyses to develop options for Board consideration to reduce the disparity faced by cash riders.

The District estimated a fare loss of 2% from the free intra-agency transfers and slight reduction from the fare capping (Staff report 24-255, June 12, 2024). With the Clipper 2 changes, the District will have new and better data access so we have more information with which to make future fare policy decisions. It will take time to understand the impacts of the Clipper 2 policy changes on ridership and revenue. The projected fare losses underscore the importance of developing and considering options to aggressively increase ridership and revenue from the benefits of Clipper 2, while also improving equity.

By pairing regional reforms with analysis of AC Transit fare policy changes and equity focused implementation actions by and with MTC and other agencies—such as distributing free Clipper cards when Clipper 2 launches, expanding cash-loading sites in areas with high cash usage and at culturally relevant locations, actively marketing the benefits of Clipper 2 and the fare changes to low-income riders showing the savings in multiple languages, helping unbanked riders get banked so they can use open payment, enabling users with reduced fare cards (senior, youth, people with disabilities, Clipper START) to access reduced fares with open payment as soon as possible, continue to make improvements to the eligibility process for Clipper START to allow people in large benefit programs – MediCal, CalFresh – to easily access the Clipper START program, actively marketing the benefits of open payment to infrequent riders, actively marketing the new free inter-agency transfers and bus routes to BART to people who currently drive to a BART station and park, and increasing revenue by getting short cash fare riders on Clipper and, where eligible, Clipper START—we can increase the likelihood that every rider has a viable path to participate in the new fare structure.

Implementing these complementary measures will position us to:

- **Maximize the ridership and revenue benefits** of regional fare capping and transfer improvements;
- **Support MTC's equity objectives** by increasing Clipper adoption among underserved riders; and
- **Provide a consistent rider experience** across agencies while enhancing the financial sustainability of our own system.

As we consider future fare policy changes, it is essential that the Board base our decisions on analysis of the full range of policy options available to us. Fare policy is one of the most effective tools we have to influence ridership, strengthen financial stability, and advance our equity commitments. To ensure the Board has the information necessary to consider a range of policy options, I am requesting that staff prepare a structured evaluation of fare policy options for the Board's review.



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Specifically, staff should identify and analyze fare policy options that:

- Increase ridership by reducing barriers to use, improving affordability, and supporting seamless travel across the region;
- Increase revenue by encouraging additional trip-making, improving cost recovery, and stabilizing long-term financial performance; and
- Improve equity by ensuring that the benefits of any new fare structure are accessible to low-income riders, unbanked riders, and riders of color who are disproportionately affected by current payment systems.

The analysis should include the projected financial impacts, operational considerations, equity implications, and potential regional coordination benefits associated with each option. An estimate of the revenue impacts of riders currently paying “short fare” and strategies for recouping that lost fare revenue. An estimate of the revenue outcomes of lowering the cash single ride and day pass fare to the Clipper card fare levels on July 1, 2026 as part of the implementation of the previously scheduled fare increase, in addition to estimates of the revenue outcomes of other fare policy options staff suggest the Board consider, will assist the Board in making future fare policy decisions. A comparison of trade-offs and implementation requirements will assist the Board in evaluating which approaches align best with our strategic goals. The analysis should include a brief discussion of what other transit agencies have done in terms of adopting fare policy focused on increasing ridership and revenue, including best practices focused on improving equity. The analysis should consider the District’s timeline for adoption of new fare policy and identify potential challenges the Board could face in considering different options.

By establishing a clear set of options and evidence-based assessments, the District will be better positioned to adopt a fare policy that strengthens the agency’s fiscal outlook, supports ridership growth, and ensures an equitable experience for all riders. I request that staff return with this analysis in a format suitable for Board discussion at a future meeting and request direction from the Board at that time about what kind of fare policy options to advance, if any. This analysis should be conducted on the same timeframe as the analyses approved by the Board of Directors at the November 19, 2025 meeting.

Purpose:

Inform the Board on the topic of fare policy including analysis of the full range of policy options available to us. Inform the Board on the topic of regional policy reforms and implementation actions to ensure the Board has the information necessary to consider and advocate to local, state, and regional officials. Ensure the Board has the information necessary to consider a range of fare policy options. Ensure staff has clear, timely direction from the Board on what kind of fare policy options and regional policy reforms and implementation actions to advance, if any.

What will be accomplished/desired outcome:

The Board of Directors will be informed of options for establishing fare policy. The Board will have the opportunity to consider options and provide direction to staff about what kind of fare policy options to advance, if any. The Board of Directors will be informed of options for regional policy reforms and implementation actions to consider.
