



# FARE STRATEGIES

Photo Credit: Oran Viriyincy



**More Information:** [tti.tamu.edu/policy/how-to-fix-congestion](http://tti.tamu.edu/policy/how-to-fix-congestion)

## Description

A fare is money paid by a customer for transit service. Transit fare policies can accomplish a number of goals including increase or decrease ridership levels, diversify funding streams, and provide a rich data stream. Fares have one main goal—to share the cost of providing the service with the people benefitting from the service.

## Target Market

All transit providers have a fare strategy. Large urban providers usually develop a fare strategy that targets commuter and urban markets to reduce congestion.

## How Will This Help?

- **Attracts the most riders** possible and reduces congestion with the right fare.
- **Decreases congestion and wear and tear** on the roads. Fares that encourage regional transit maximize the return on investment in transit spending.

- **Speeds up boarding/transfering** and reduces the time the transit vehicle is stopped. This improves service, increases ridership, and minimizes the impact on other traffic.

## Implementation Issues

### Pushback from Riders

Transit riders often push back when fares increase. Also, updated fare technologies (such as those that use proprietary smart cards or cell phones) come with increased costs for users, which can cause pushback from transit riders and potential equity issues.

### Cost Barriers

Upgrading fare technologies is a big financial investment. Some new fare technologies include new vending systems, new or upgraded on-vehicle fare collection devices, and back-office systems to manage the fare technology. Depending on the agency and the available funding, such improved fare technology may be cost prohibitive.

## COST



## TIME



## IMPACT



## WHO



## HURDLES



## SUCCESS STORIES

### The Maryland Transit Administration

in Baltimore eliminated fare zones in favor of a flat fare, eliminated transfers, and introduced a day pass in 1999.



**Ridership increased** after the change took effect and has continued to grow.

**King County Metro Transit** in Seattle, Washington, developed an employer-sponsored FlexPass pass program in 1993.

In 2000, FlexPass generated:

