

Regional Zero-Fare Study

Final Report

January 2023



Table of Contents

	Page
Executive Summary	1
1 Introduction	6
Report Organization	6
2 Existing Conditions.....	8
Study Context	8
Agency Overview	11
Ridership and Financial Trends.....	12
Rider Profile.....	19
Fare Policy and Usage.....	24
Fare Collection Costs.....	32
3 State of the Practice	34
Zero-Fare Transit In The U.S.....	34
Case Studies.....	51
4 Fare Scenario Evaluation.....	56
Introduction.....	56
Fare Scenarios.....	57
Scenario 1: Systemwide Zero-Fare.....	57
Scenario 2: Zero-Fare on Bus Service.....	66
Scenario 3: Zero-Fare for Low-Income Riders.....	69
Scenario 4: Lower Fares on All Services.....	72
Fare Free Tradeoffs Summary	74
5 Engagement Summary	76
Key Stakeholder Interviews.....	76
Community Advisory Committees.....	81
Policymaker Coordination.....	82
Appendix A Key Stakeholder Interview Questions	
Appendix B Key Stakeholder Interview Transcriptions	

Table of Figures

	Page
Figure 1	How Much Fares Support Operating Costs and Total Fare Revenue (2015-2023).....2
Figure 2	Fare Scenarios.....3
Figure 3	Systemwide Zero Fare Impacts Summary for 2023.....3
Figure 4	Zero Fare on Bus Impacts Summary for 2023.....4
Figure 5	Zero-Fare for Low-Income Riders Impacts Summary for 2023.....4
Figure 6	Lower Fares (\$1) for All Services Impacts Summary for 2023.....5
Figure 7	Fare Free February Open-Ended Comment Feedback.....10
Figure 8	UTA Bus and Rail System Map.....11
Figure 9	UTA Ridership by Mode of Transit, 2015-2021.....13
Figure 10	UTA Revenue by Funding Source, 2017-2021.....14
Figure 11	UTA Fare Revenue by Source, 2019.....14
Figure 12	Pros and Cons of UTA Transit Funding15
Figure 13	UTA Annual Operating Expense per Trip vs. Average Fare per Trip, 2015-202116
Figure 14	UTA Budgeted Operating Revenue by Source, 2023.....17
Figure 15	UTA Farebox Recovery, 2012-2023.....18
Figure 16	UTA Farebox Recovery by Passenger Revenue Source, 2019.....18
Figure 17	UTA Riders by Age.....19
Figure 18	UTA Riders by Race and Ethnicity20
Figure 19	UTA Riders by Household Income.....20
Figure 20	UTA Riders by Student Status21
Figure 21	UTA Rider and Service Area Demographics.....22
Figure 22	UTA Rider and Service Area Median Household Income.....22
Figure 23	Rider Mode Choice by Income23
Figure 24	UTA Fare Structure26
Figure 25	UTA Reduced Fare Eligibility Criteria.....27
Figure 26	Trips by Method of Fare Payment29
Figure 27	Trips by Discount Level Received in 201930
Figure 28	UTA Riders by Eligibility Status for Discounted Fare (Reduced Fare or HIVE Pass) in 2019.....31
Figure 29	UTA Trips Eligible for Discounted Fare by Fare Collected in 2019.....31
Figure 30	UTA Fare Collection Costs (2021).....32
Figure 31	Projected Annual Costs to Maintain versus Upgrade Fare Collection System.....33
Figure 32	Zero-Fare Transit Effect Themes.....39
Figure 33	Estimated Spending in Top Four Categories.....46

Figure 34 Funding Sources for Lost Fare Revenue (N=14).....48

Figure 35 Zero-Fare Service Evaluation Categories56

Figure 36 Fare Scenarios.....57

Figure 37 Scenario 1: Systemwide Zero-Fares Anticipated Ridership.....58

Figure 38 Projected Annual Costs to Maintain versus Upgrade Fare Collection System....60

Figure 39 Scenario 1 2023 Projected Zero-Fare Costs.....63

Figure 40 UTA rider and service area demographics.....63

Figure 41 Scenario 1 Systemwide Zero-Fare Anticipated VMT Reduction64

Figure 42 Scenario 1 Systemwide Zero-Fare Anticipated Emissions Reductions.....65

Figure 43 Scenario 2: Zero-Fare on Bus Service Anticipated Ridership67

Figure 44 Scenario 2 2023 Projected Zero-Fare on Bus Service Costs.....67

Figure 45 Rider Mode Choice by Income68

Figure 46 Scenario 3: Low-Income Zero-Fares Anticipated Ridership70

Figure 47 Scenario 3 2023 Projected Low-Income Zero-Fare Costs.....70

Figure 48 Scenario 4: Lower Fares on All Services Anticipated Ridership72

Figure 49 Scenario 4 2023 Projected Lower Fares for All Services Costs.....73

Figure 50 Fare Scenario Evaluation Summary75

EXECUTIVE SUMMARY

In the Wasatch Front Region, zero-fare transit has been the focus of recent conversations locally, regionally, and at the state level.

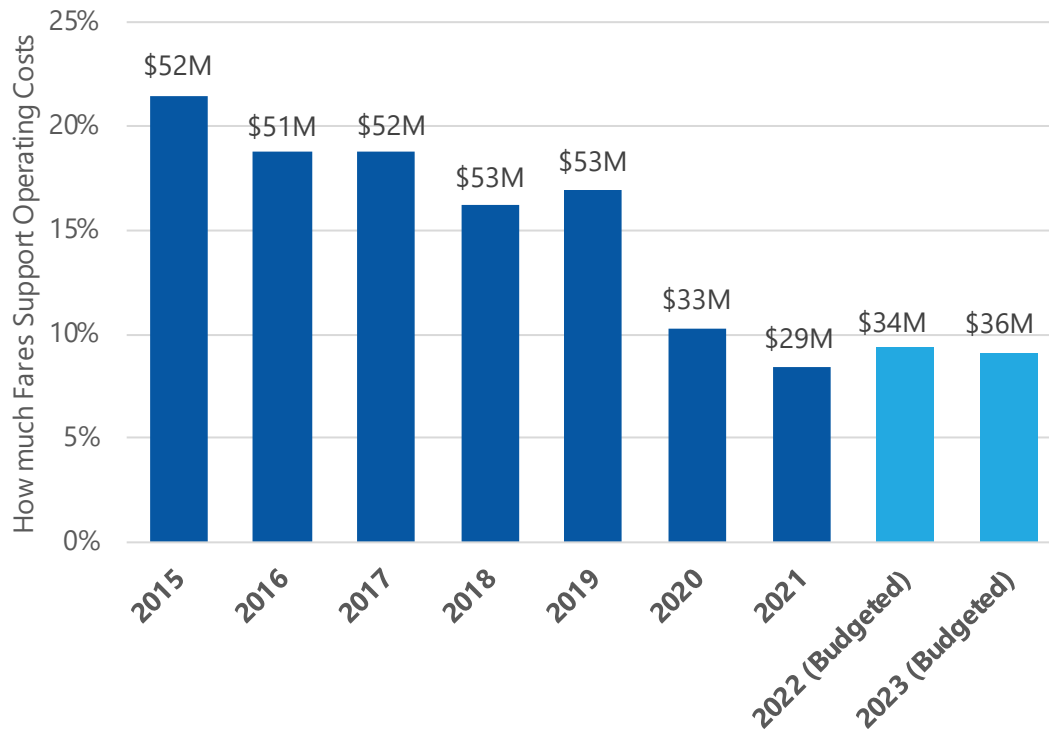
The purpose of this report was to evaluate the financial, operational, and community-related tradeoffs of the four alternatives, including zero-fare, partial zero-fare, and other fare structure alternatives. This report does not make specific recommendations but is intended to provide the necessary information for decision makers to make an informed policy decision regarding zero-fare transit.

Existing Fare Revenue

Before evaluating the impacts of different fare options, it is important to understand the existing performance of the system. From a financial perspective, total farebox revenue and farebox recovery (the percentage of operating costs covered by fares) have been decreasing for UTA in recent years. Since the height of COVID-related impacts in 2020 and 2021, revenues have been climbing again. In 2023, the agency currently projects \$36 million in fare revenue, covering 9% of operating costs, compared to \$52 million and 21% in 2015 (Figure 1).

In 2019, about half of fare revenue was generated from partnerships with local universities and employers. This evaluation takes a conservative approach and assumes that these revenues would no longer be collected in a zero-fare scenario. However, there is an opportunity to continue pursuing funding partnerships with these organizations to continue generating additional revenue.

Figure 1 How Much Fares Support Operating Costs and Total Fare Revenue (2015-2023)



Engagement Summary

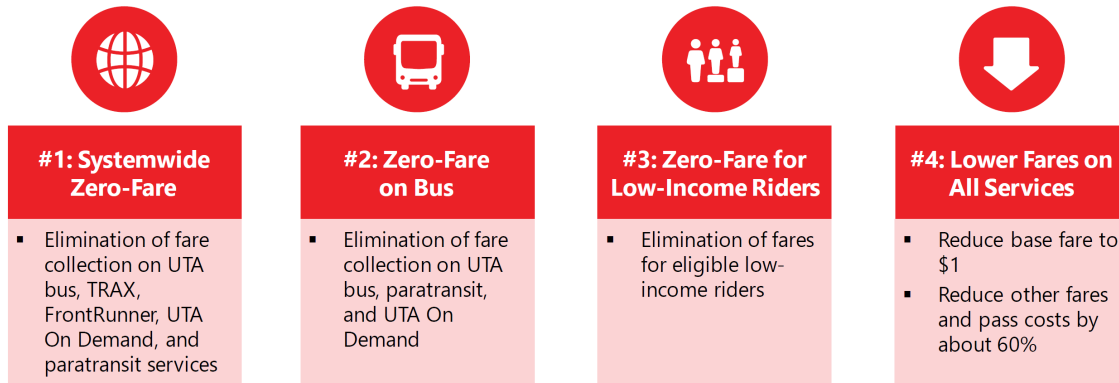
WFRC, UTA, MAG and UDOT engaged with stakeholders during the study process to solicit their feedback regarding transit-related priorities and policy considerations. Input gathered from these stakeholder engagement efforts helped to inform the study team’s work in providing a data-informed, community-supported spectrum of options for decision makers to consider.

The goal of the study team’s stakeholder engagement efforts was to solicit robust input through meaningful engagement of key stakeholders, encouraging active participation from marginalized and underrepresented groups. The team interviewed a dozen stakeholders, facilitated meetings with citizen advisory committees at UTA and WFRC, made presentations to state and local elected officials, coordinated messaging and public relations efforts with the respective agencies’ communications teams, developed digital and print materials for public dissemination, and advised on legislative strategy.

Evaluation Summary

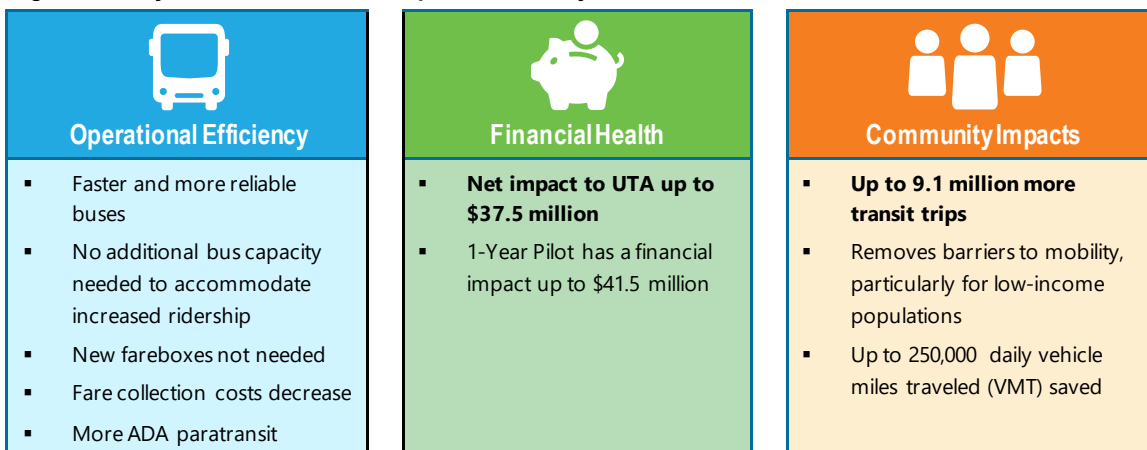
This evaluation examines four different fare scenarios that UTA could pilot or implement permanently (Figure 2). These scenarios are summarized below:

Figure 2 Fare Scenarios



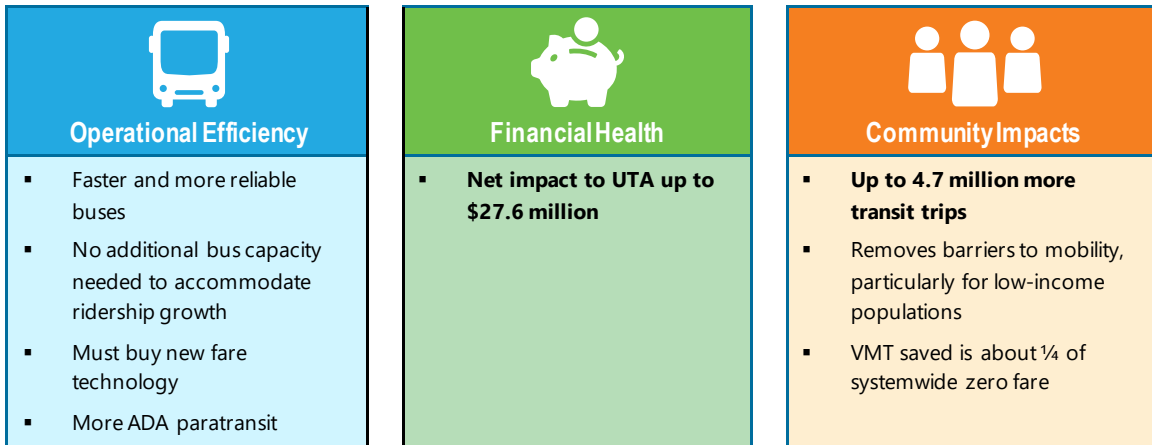
If fares are reduced on some or all services, ridership is anticipated to increase. Additionally, net operating costs are also anticipated to increase as a result of foregone farebox revenue and growth in paratransit service requirements associated with increased ridership. A summary of these evaluation results is shown below in Figure 3 through Figure 6.

Figure 3 Systemwide Zero Fare Impacts Summary for 2023



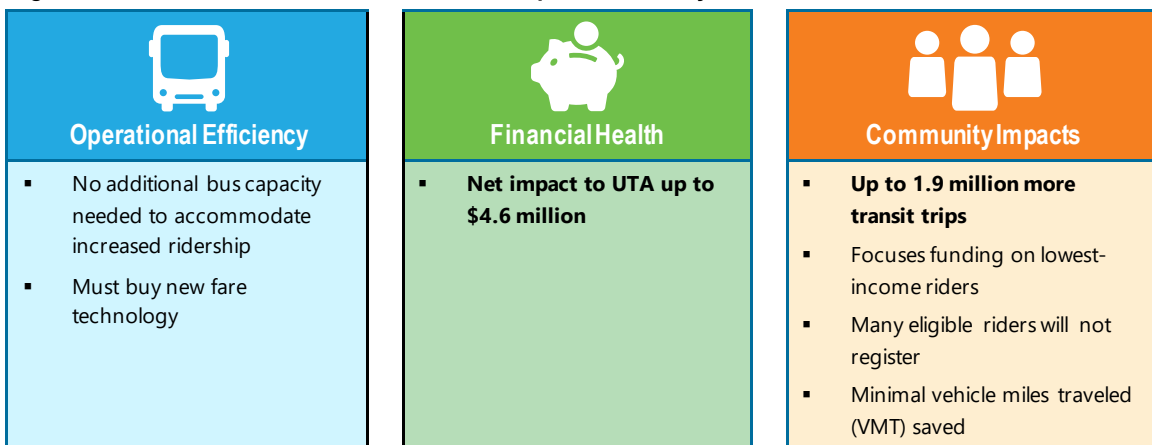
Although systemwide zero-fare service is the most expensive in terms of total dollars, the ridership increase is also projected to be the highest. Systemwide zero-fare addresses fare-based equity concerns. It also has the greatest potential impacts on reducing traffic levels and associated greenhouse gas emissions. **Systemwide zero-fare service has the potential to reduce the equivalent of 1/3 of a lane of traffic on I-15 during peak times at Point of the Mountain.**

Figure 4 Zero Fare on Bus Impacts Summary for 2023



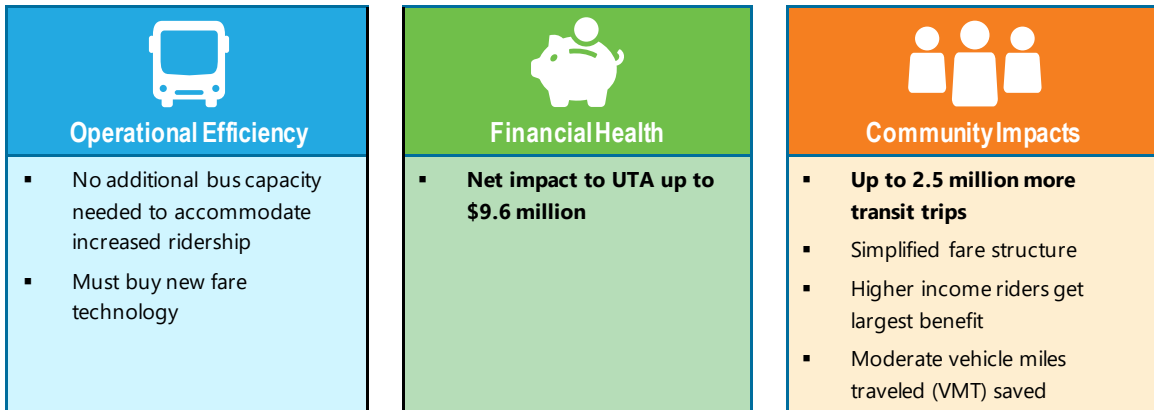
Zero-fare on buses also greatly increases ridership but is less impactful than systemwide zero-fare. This option could improve equity outcomes for lower-income riders because low-income riders have been shown to ride the bus at higher rates than other income groups. Higher regional based fares on FrontRunner would continue to be a barrier for low-income riders. Regional traffic levels are unlikely to significantly be affected by zero-fare on buses.

Figure 5 Zero-Fare for Low-Income Riders Impacts Summary for 2023



Providing free fares for all low-income riders would not increase ridership by as much as the other fare options but would provide a zero-fare option for the individuals that would receive the most benefit from saving money on transportation. However, the documentation requirements in order to receive that free fare may be a barrier to some qualifying riders. A simple opt-in system eligibility system would maximize utilization of this benefit.

Figure 6 Lower Fares (\$1) for All Services Impacts Summary for 2023



A \$1 flat fare would increase ridership by nearly 10%. It would most benefit riders who use FrontRunner, because the graduated, distance-based fares would be eliminated. Reducing fares to a flat amount modestly improves ridership with modest cost increases.

1 INTRODUCTION

The concept of zero-fare transit service has been gaining momentum across the country in recent years, including within the Wasatch Front region of Utah. The Utah Transit Authority (UTA) is the primary public transportation provider within the Region, responsible for providing fixed-route bus, light rail, commuter rail, paratransit, on-demand, and vanpool service. UTA currently offers zero-fare service within the downtown Salt Lake City area and on some specific services like the Utah Valley Express route. Following the positive reception of the Fare Free February pilot, in which fares on UTA service were suspended for the month of February 2022, there has been increasing interest in evaluating the potential impacts associated with various levels of zero-fare transit service for the region. This study represents a regional partnership led by the Wasatch Front Regional Council (WFRC), Mountainland Area Governments (MAG), UTA, and the Utah Department of Transportation (UDOT).

This Final Report represents the culmination of the Regional Zero-Fare Study and includes an evaluation of the existing fare structure and financial trends for UTA, a review of best practices and the state of zero-fare service nationwide, and an evaluation of several fare alternatives for UTA, including zero-fare and continued fare options. This evaluation does not provide specific recommendations for the future of UTA's fare structure. Instead, it provides an overview of the anticipated costs, benefits, and tradeoffs associated with a range of fare alternatives.

REPORT ORGANIZATION

In addition to this Introduction, the report is organized into four chapters:

- **Chapter 2 Existing Conditions.** This chapter highlights fare policies, pricing, fare structure, and revenue and ridership trends for UTA.
- **Chapter 3 State of the Practice.** This chapter provides an overview of findings, observed impacts, and identified best practices for zero-fare agencies with similar operating conditions as UTA.
- **Chapter 4 Fare Scenario Evaluation.** This chapter summarizes the costs, benefits, tradeoffs, and implications associated with each of the fare scenarios identified during this study.

- **Chapter 5 Engagement Summary.** This chapter summarizes engagement with key project stakeholders and community advisory committees in conjunction with this zero-fare study. More information on key stakeholder interviews can be found in Appendices A and B.
- **Appendix A Key Stakeholder Interview Questions.** This appendix includes the interview questions and themes used for key stakeholder interviews.
- **Appendix B Key Stakeholder Interview Transcripts.** This appendix includes the verbatim responses from each stakeholder interview in response to the questions included in Appendix A.

2 EXISTING CONDITIONS

This chapter presents the current conditions of the ridership and financial trends, rider profile, fare policy and usage, and fare collection costs of the UTA transit system. This section helps set a baseline for the evaluation and identifies opportunities and challenges for the future of fare collection on UTA services.

STUDY CONTEXT

UTA is considering the effects of transitioning its transit services to a zero-fare system and exploring partial zero-fare alternatives. UTA currently offers zero-fare services on bus and light rail service within the Free Fare Zone in downtown Salt Lake City, on the Utah Valley Express (UVX) Bus Rapid Transit route in Provo and Orem, and several trolley or shuttle routes. The current Wildcat Shuttle on Weber State University's campus and the upcoming Ogdon Express (OGX) BRT are also zero-fare. Following the COVID-19 pandemic, both local and state policymakers have advocated for fully zero-fare service on UTA services.

Fare-Free February

To celebrate the 20th anniversary of the Winter Olympics in Salt Lake City and to help alleviate congestion and air pollution, Salt Lake City Mayor Erin Mendenhall advocated to eliminate UTA fares for one month. In February 2022, appropriately named "Fare Free February", the transit agency suspended fare collection on all transit services. The program was funded through sponsored funding via cash contributions and support from pass partners. Sponsors who contributed financially included Mountainland Association of Governments, Wasatch Front Regional Council, Salt Lake City, Utah Division of Air Quality, and Salt Lake County. Additionally, educational institutions, corporations, and other contractors who subsidize fares through passes for employees or students agreed to continue to pay their monthly subsidy.

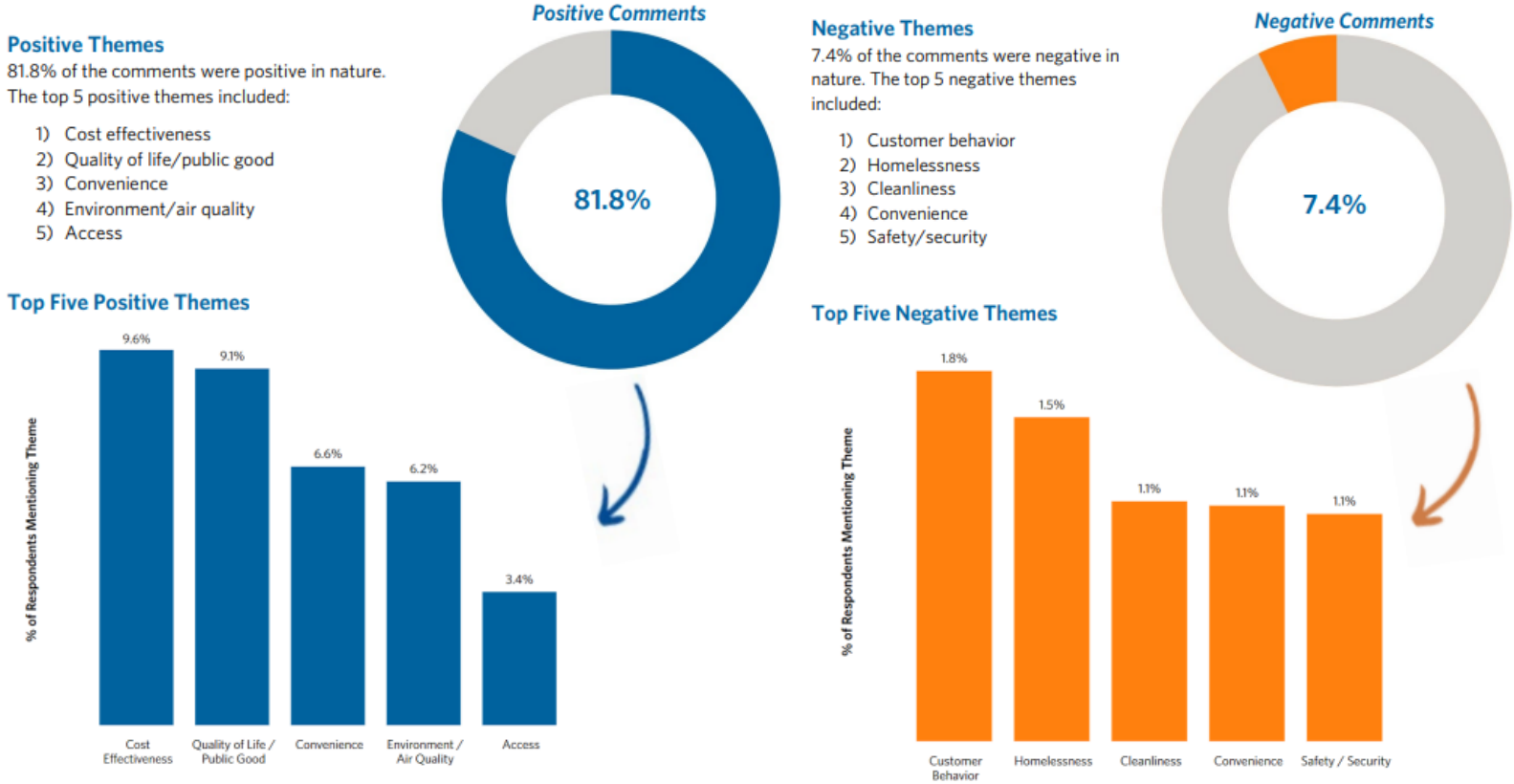
At the end of the month, UTA found that ridership increased since January on all modes during all days of the week, more than a fifth of riders were new riders, and most riders indicated that they would be more likely to ride transit in the future if it continued to be zero-fare. More people began taking transit for entertainment as well, with 39 percent citing work or school as their primary purpose and 21 percent citing entertainment. Among new

riders, 25 percent of trips were for entertainment purposes. Most public comments received were positive (Figure 7). Only 7.5 percent of comments were negative. The top negative themes concerned homelessness and customer behavior.

Utah Legislative Action

In 2022, bills were introduced in both the Utah State Senate and House to eliminate fares on transit services in the State. The legislation was estimated to cost UTA between \$30 and \$50 million in foregone revenue and increased costs. Both bills were put on hold while UTA and partner organizations studied the impacts of a range of zero-fare policies.

Figure 7 Fare Free February Open-Ended Comment Feedback



Source: Fare Free February Final Report, April 2022

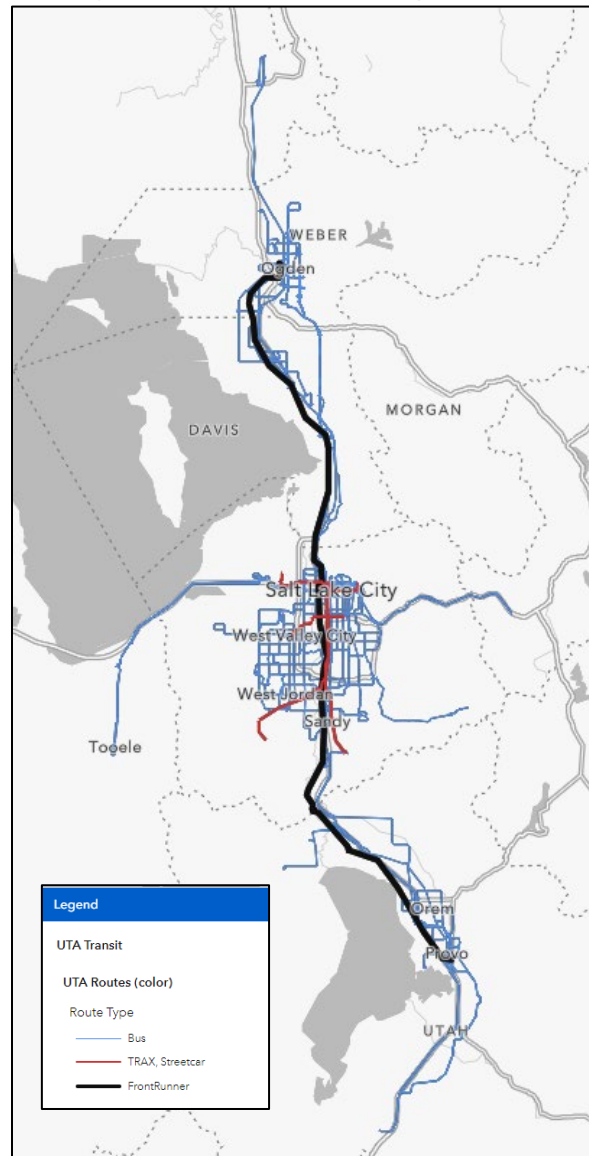
AGENCY OVERVIEW

UTA provides regional transit service in the Wasatch Front region. Services cover seven counties, 1,400 square miles, and provide transit for approximately 80% of Utah’s population (Figure 8).

UTA currently operates:

- 76 fixed bus routes
- One bus rapid transit route
- 17 flex bus routes
- Three light rail lines (TRAX)
- One streetcar line
- One commuter rail line (FrontRunner)
- Four microtransit (On-Demand) service areas
- Vanpool¹
- ADA Paratransit

Figure 8 UTA Bus and Rail System Map



¹ Vanpool service will not be analyzed in any reduced fare scenario.

RIDERSHIP AND FINANCIAL TRENDS

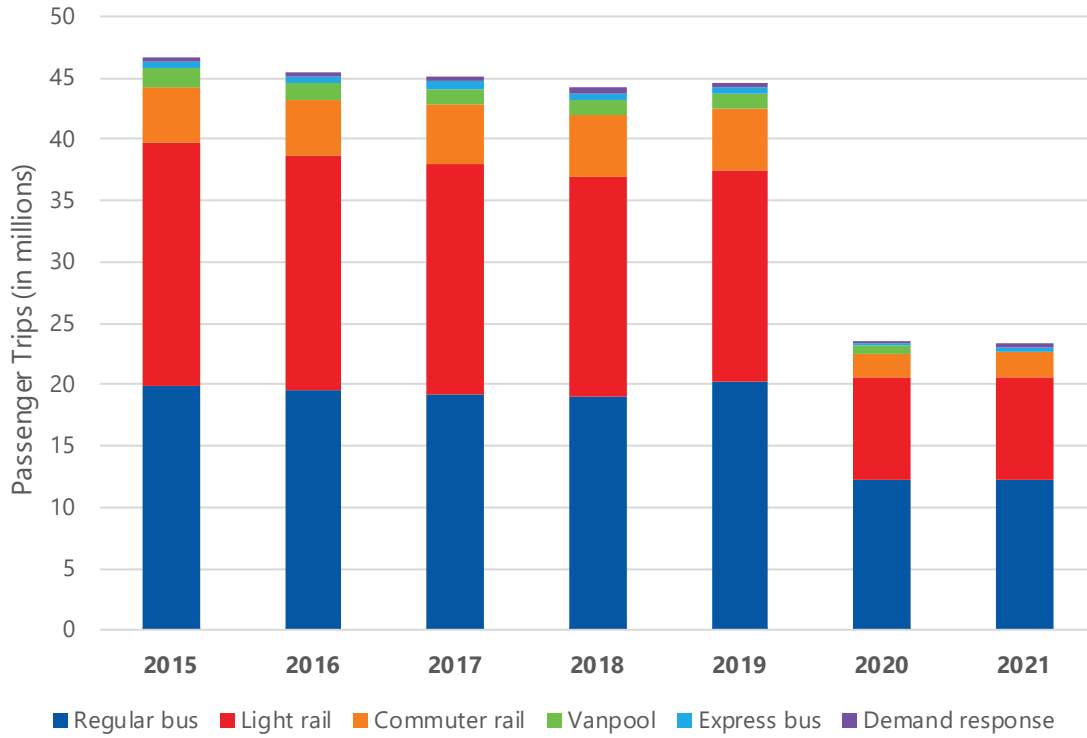
This section describes the recent trends in ridership, revenue, and operating expenses over the past five years. This assessment provides context for an evaluation of future fare policy and fare structure for the agency.

Ridership

Before the COVID-19 pandemic, annual UTA ridership across all services was about 45 million trips (Figure 9). These trips were roughly evenly split between bus and rail. Due to public health concerns during the pandemic, ridership dropped by half in 2020, with rail losing more ridership than bus. Since then, FrontRunner and Express Bus ridership have been the slowest to recover. During Fare Free February, ridership for the month recovered to 60% of pre-pandemic levels, the highest ridership numbers UTA has seen since the onset of pandemic restrictions. As of November 2022, systemwide ridership was 75% of pre-COVID-19 levels.² UTA's ridership in late 2022 had recovered more than most of its peers, which are holding at ~65% of pre-COVID levels.

² Presentation, "Free Fare February," June 15, 2022, <https://le.utah.gov/committee/committee.jsp?year=2022&com=INTTRA>

Figure 9 UTA Ridership by Mode of Transit, 2015-2021



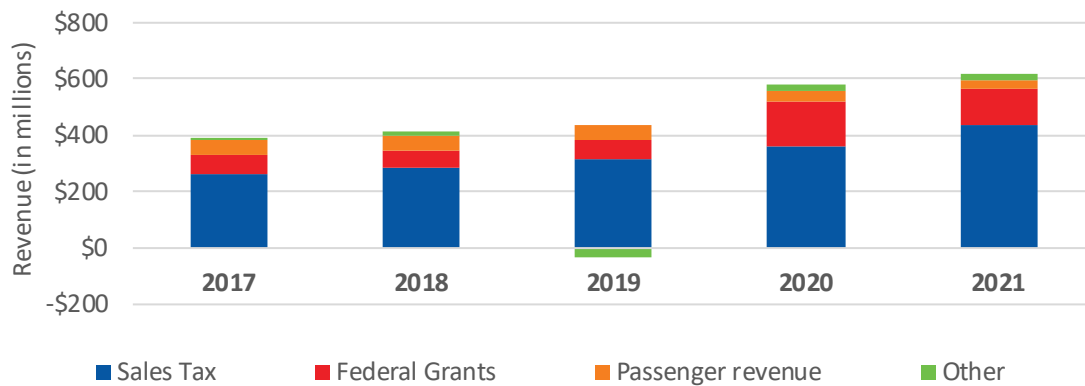
Source: National Transit Database

Revenue

UTA service is funded primarily with sales tax, followed by federal grants and passenger revenue (Figure 10). The six counties in the UTA service area—Davis, Salt Lake, Utah, Weber, and portions of Box Elder and Tooele—have local options sales tax dedicated to support transit, which range from about 0.5% to 0.8%.

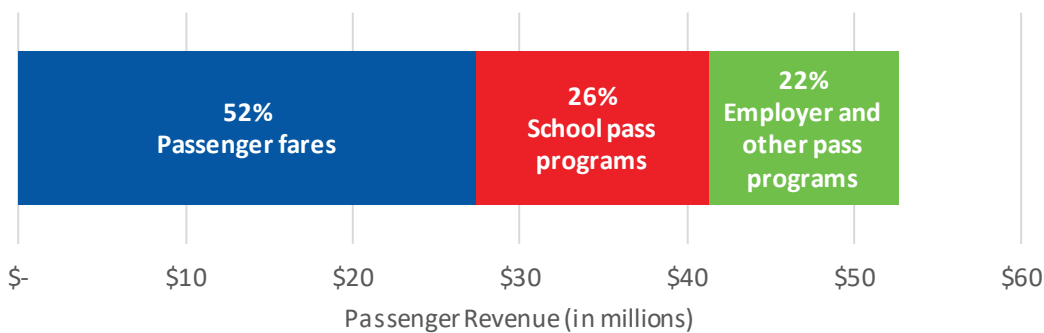
Passenger revenues include passenger fares (e.g., riders paying with cash or loading money onto a FAREPAY card) and contract revenue from school and employer pass programs. Pass program revenue made up about 50% of total fare revenue in 2019 (Figure 11). Within pass programs, school pass programs with local schools and universities represent over half of pass program revenue. More about UTA’s pass programs can be found in the *Fare Policy and Usage* section of this document.

Figure 10 UTA Revenue by Funding Source, 2017-2021



Source: 2017-2021 UTA Comprehensive Annual Financial Report

Figure 11 UTA Fare Revenue by Source, 2019



Source: 2020 UTA Comprehensive Annual Financial Report, UTA Fares Department

Funding Pros and Cons

Figure 12 shows the pros and cons of the major funding sources. Sales tax revenue, federal grants, and passenger fares are all funding mechanisms subject to fluctuation based on external services and could vary between years, as shown by the steep drop in passenger revenue experienced at the start of the pandemic. Although vulnerable to external forces, sales tax is the only funding source that has grown every year in the last decade.

Figure 12 Pros and Cons of UTA Transit Funding

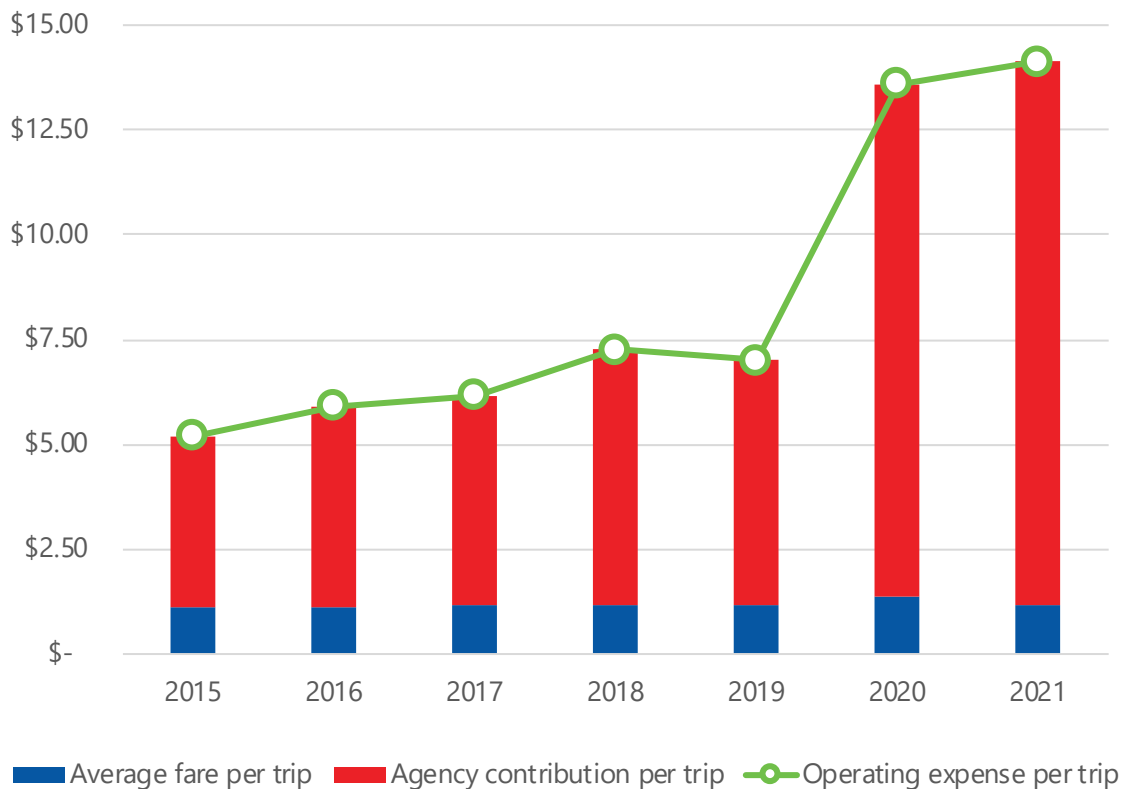
Revenue Type	Pros	Cons
Sales Tax	<ul style="list-style-type: none"> ▪ Large potential source of revenue ▪ Common funding source ▪ Funds transit as a public good 	<ul style="list-style-type: none"> ▪ Not guaranteed (i.e., varies based on consumer spending and the economy) ▪ Tax increases must be approved ▪ Some people do not recognize public transit as a common good and see it as a taxpayer funded service with no benefit to them ▪ Regressive form of taxation (i.e., lower-income people pay a greater percent of their income to transportation)
Federal Grants	<ul style="list-style-type: none"> ▪ Large potential revenue source ▪ Most grants not directly tied to transit performance 	<ul style="list-style-type: none"> ▪ Grants may restrict how funding can be spent (e.g., capital improvements only) ▪ Requires applications and reporting requirements ▪ Not guaranteed (i.e., dependent on available funding)
Passenger Fares	<ul style="list-style-type: none"> ▪ Transit riders contribute directly to the service they use ▪ Provides mechanism for employer and institutional support through pass programs 	<ul style="list-style-type: none"> ▪ Not guaranteed (i.e., dependent on ridership) ▪ Regressive ▪ Fare is a barrier to transit access ▪ Only covers a portion of the cost to provide the service

Operating Expense

Before the pandemic, operating expenses for the system experienced an upward trend, while passenger trips saw a slight decline. Figure 13 shows the trends in operating expense per passenger trip, average fare per trip, and agency contribution per trip (i.e., the cost not covered by passenger fares) over the past seven years. Operating expense per trip increased by \$1.80 (35%) while average fare only increased by \$0.07 (6%) between 2015 and 2019 (Figure 13). As a result, the agency contribution per trip increased by \$1.74 (43%). In 2020 and 2021, operating expense per trip and agency contribution per trip increased significantly as ridership dropped. These increases are in line with many transit agencies across the country.

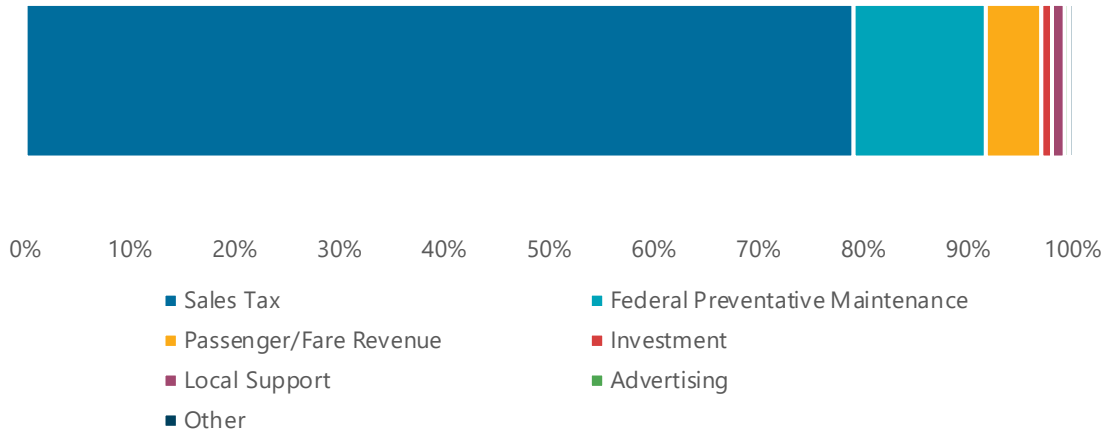
Operating revenue in 2023 is projected to primarily be funded by sales tax. 79% of funds are projected to come from sales tax, followed by 13% from federal funds, 5% from passenger fares, and the remaining 3% from other sources (see Figure 14).

Figure 13 UTA Annual Operating Expense per Trip vs. Average Fare per Trip, 2015-2021



Source: National Transit Database, 2021 UTA Comprehensive Annual Financial Report

Figure 14 UTA Budgeted Operating Revenue by Source, 2023

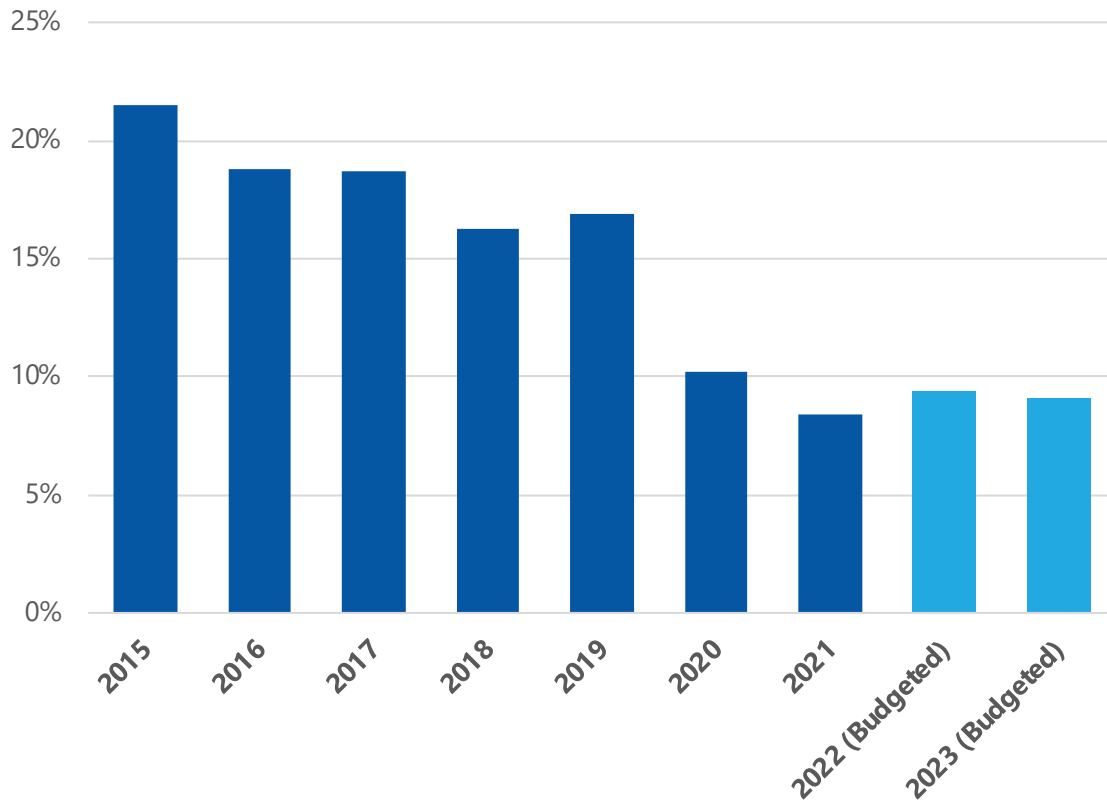


Source: Utah Transit Authority Tentative Budget 2023

Farebox Recovery

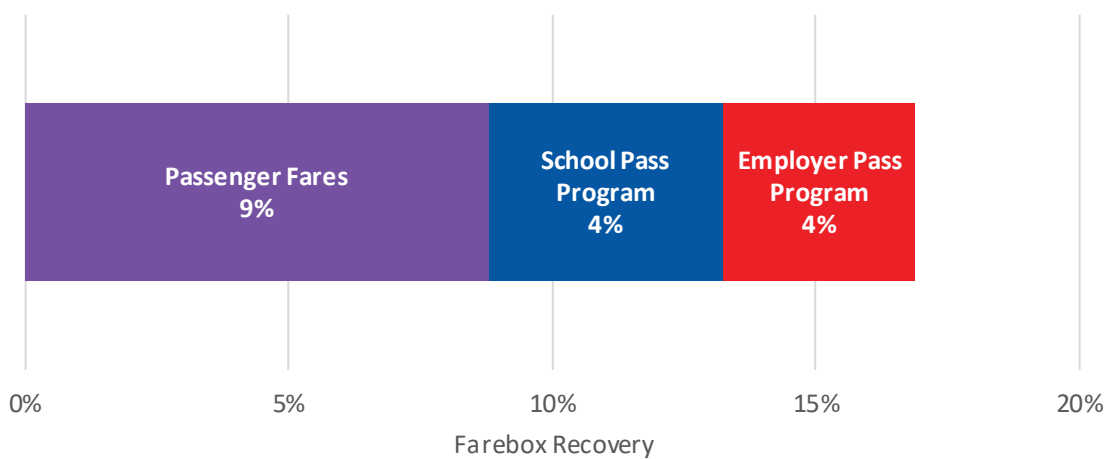
Farebox recovery is the ratio of operating expenses covered by passenger revenue. As operating cost per trip increased, farebox recovery decreased. In 2019, farebox recovery was 17% (Figure 15). In 2021, with ridership still down, total farebox recovery was around 8% and is projected to increase to 9% in both 2022 and 2023. When just accounting for passenger fares, farebox recovery was less than 10% in 2019 and is projected to be about 5% in 2023 (Figure 16 and Figure 14).

Figure 15 UTA Farebox Recovery, 2012-2023



Source: UTA Comprehensive Annual Financial Reports, 2012-2021, UTA Tentative Budget Book 2023

Figure 16 UTA Farebox Recovery by Passenger Revenue Source, 2019



Source: 2020 UTA Comprehensive Annual Financial Report, UTA Fares Department

RIDER PROFILE

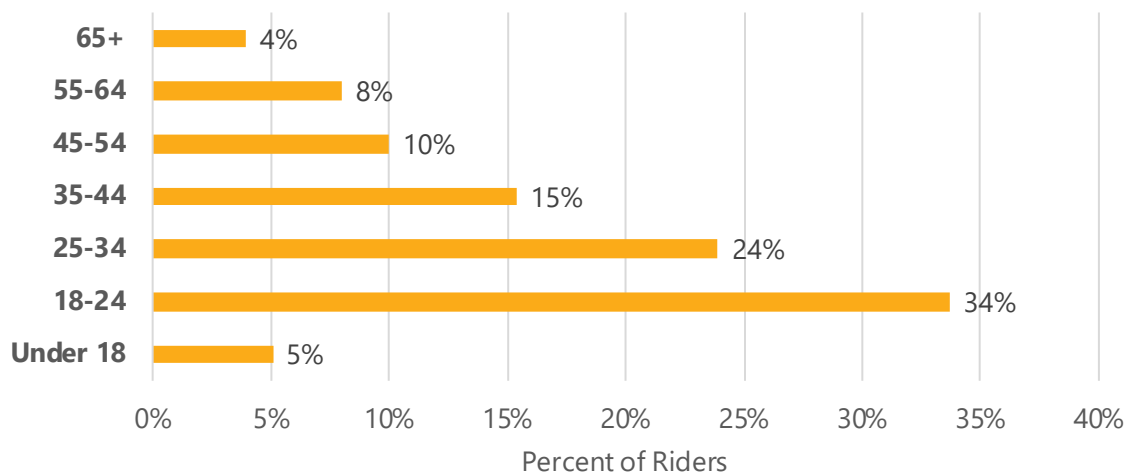
This section describes UTA rider demographics such as age, race, and income and compares these characteristics to the demographics of the UTA service area. Additionally, this section describes UTA rider travel patterns. This assessment provides insight into who benefits from UTA services as the agency considers zero-fare policy alternatives.

Rider Demographics

According to the 2019 UTA On-Board Survey, the average rider was most likely to be between the ages of 18 and 34, identify as White, and have a household income below \$40,000:

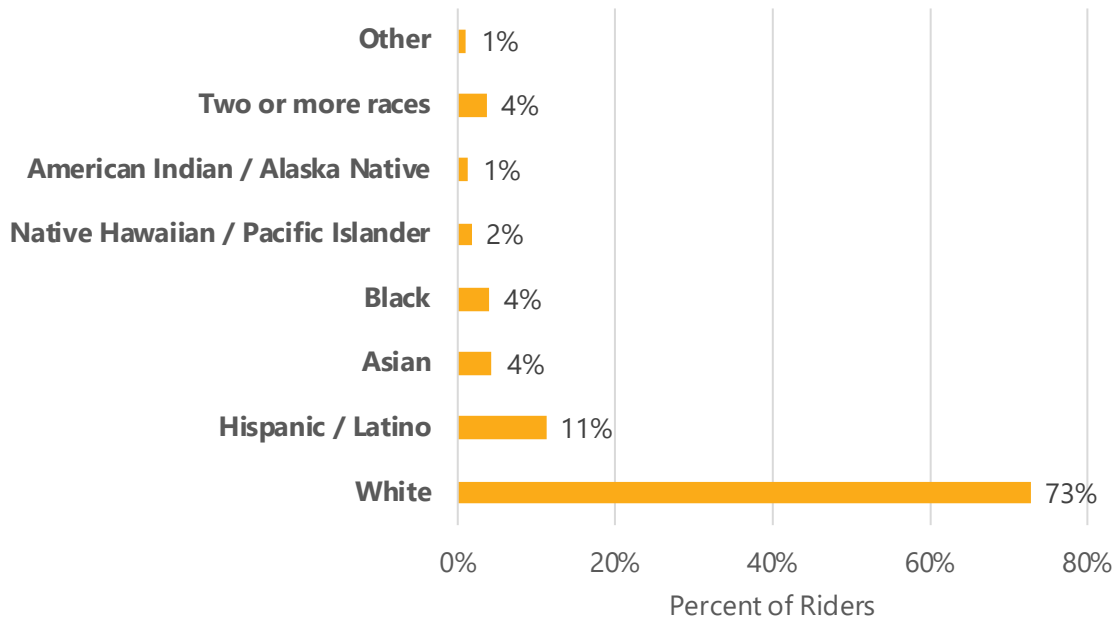
- Figure 17 illustrates the breakdown of UTA riders by age. One-third of riders are between the ages of 18-24.
- Figure 18 provides a breakdown of UTA riders by race and ethnicity. Three-quarters of riders identify as white. 11% of riders identify as Hispanic/Latino.
- Figure 19 shows a breakdown of UTA riders by household income. The median income of UTA riders is around \$36,000 and one-third of riders report household incomes under \$25,000.
- Figure 20 shows a breakdown of UTA riders by student status. One-third of riders identify as full or part-time college or university students.

Figure 17 UTA Riders by Age



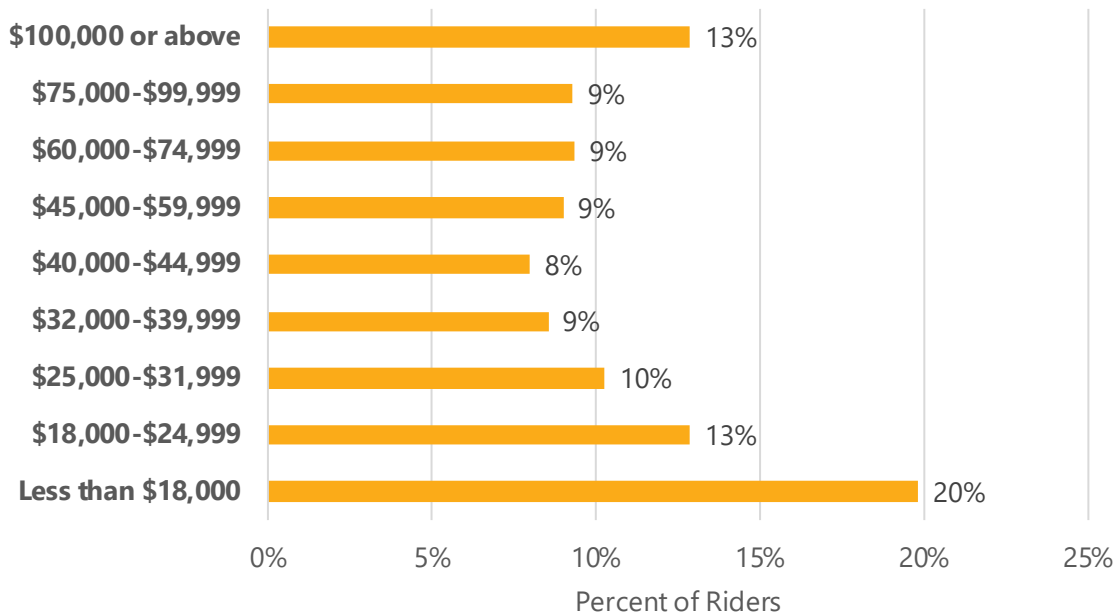
Source: 2019 UTA Onboard Survey

Figure 18 UTA Riders by Race and Ethnicity



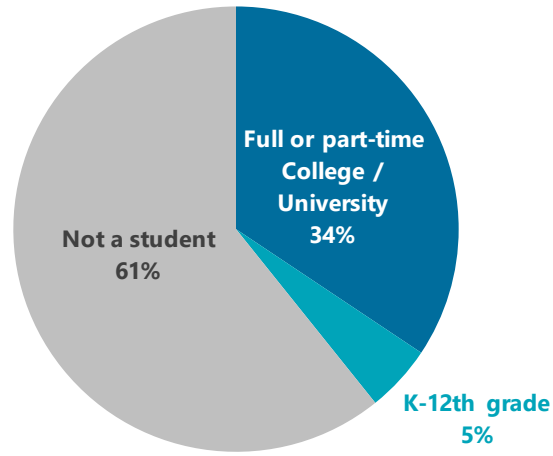
Source: 2019 UTA Onboard Survey

Figure 19 UTA Riders by Household Income



Source: 2019 UTA Onboard Survey

Figure 20 UTA Riders by Student Status



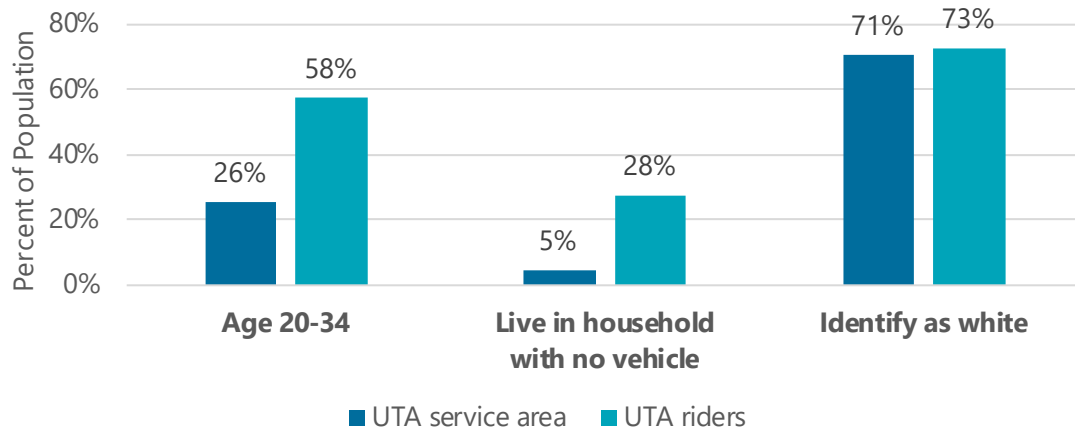
Source: 2019 UTA Onboard Survey

UTA Riders vs. Service Area Population

This section compares rider demographics to the UTA service area population:

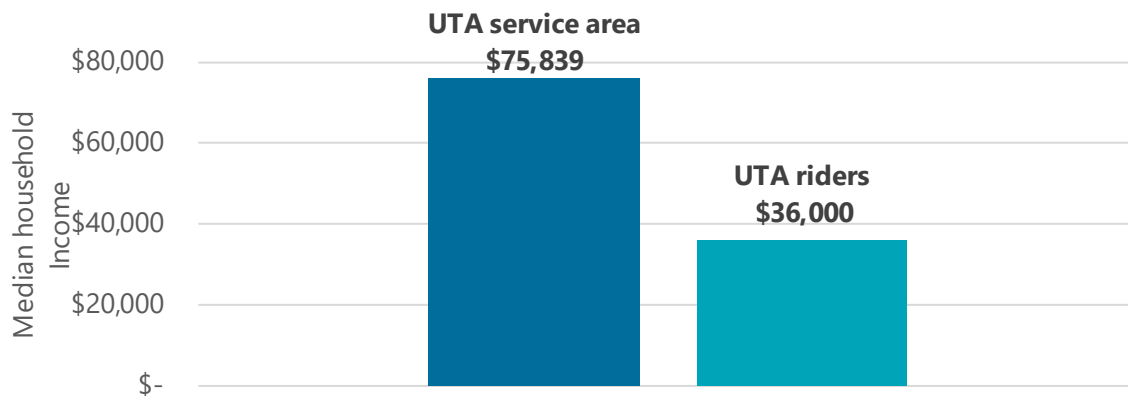
- UTA riders are more likely to be young adults and are less likely to have access to a vehicle than residents of the UTA service area, while a similar proportion of riders identify as White (Figure 21).
- The median household income for UTA riders is about half of the service area population (Figure 22).
- Average household income tends to be lower among bus riders and higher among commuter rail riders. (Figure 23).

Figure 21 UTA Rider and Service Area Demographics



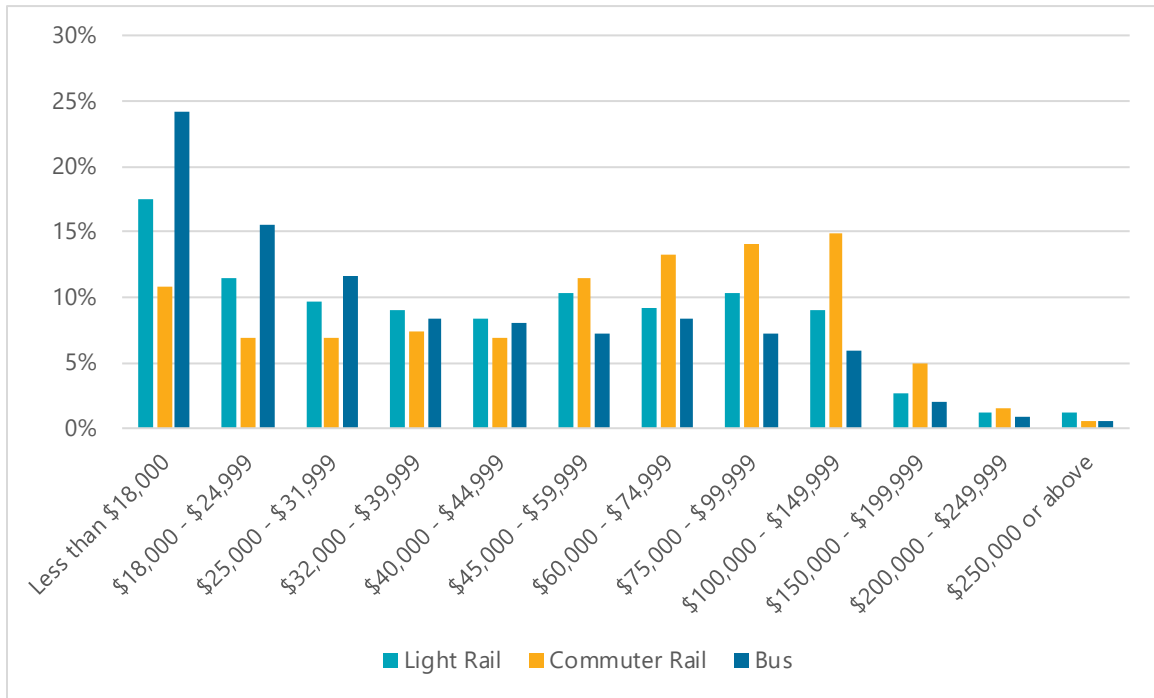
Source: 2019 UTA Onboard Survey, 2020 American Community Survey (ACS) 5-Year Estimates, 2020 U.S. Census

Figure 22 UTA Rider and Service Area Median Household Income



Source: 2019 UTA Onboard Survey, 2020 American Community Survey (ACS) 5-Year Estimates, 2020 U.S. Census

Figure 23 Rider Mode Choice by Income



Source: 2019 UTA Onboard Survey

FARE POLICY AND USAGE

This section describes UTA's fare policy, fare structure, discounted pass programs, fare technology, and fare type usage. This assessment sets a baseline for how the agency makes decisions about fares and examines how riders use the current fare system. This information will be used to evaluate the financial and social impacts of providing zero-fare services.

Fare Policy

Two separate fare policies dictate the responsibility of the UTA Board of Trustees to establish and maintain the fare collection system and of the UTA staff, led by the Executive Director, to administer and monitor the system. UTA also follows FTA guidance on Title VI and Environmental Justice (EJ) related fare considerations.

Board of Trustees Fare Policy

Under Board of Trustees Policy No. 4.1, the Board is responsible for establishing and maintaining an effective fare system for UTA.³ Under this Policy, the Board:

- Evaluates and establishes UTA's base fare rates in compliance with federal and state requirements
- Approves changes presented by the Executive Director on special fares, discounts, fare media, and other requests
- Requires updates from the Executive Director on pass programs, complimentary passes, and fare suspensions

UTA Fare Policy

UTA's Policy No. UTA.02.03, guides staff in the administration and operation of the fare system.⁴ The Policy includes guidance to establish and maintain a fare system, create fare rates, make fare adjustments, provide complimentary passes, offer special pricing, and oversee fare administration.

Per the Policy, the fare system should:

- Generate revenue to cover a reasonable portion of operating expenses (farebox recovery)
- Set a target cost of collection as a percentage of revenue

³ Utah Transit Authority Board Policies, Board of Trustees Policy No. 4.1: Fares, https://www.rideuta.com/-/media/Files/Board-of-Trustees/Policies/UTA_Board_Policies_2019_0731new.ashx

⁴ Utah Transit Authority Policy No. UTA.02.03: Fares, <https://www.utah.gov/pmn/files/649739.pdf>

- Use data and analytics to inform decisions
- Be guided by seven policy values:
 - **Simple and Easy** – The fare structure is simple and easy for riders to understand
 - **Convenient** – Fare payment maximizes the convenience of paying fares
 - **Seamless** – Fare payment facilitates seamless travel between all transportation modes
 - **Flexible** – Anticipates and implements innovative, cost-effective technology
 - **Equitable** – Eliminates barriers that limit access to transportation for disadvantaged rider groups
 - **Efficient** – Focuses on improved operational efficiency
 - **Sustainable** – Supports long-term financial planning and sustainable transit services

The agency's most recent significant fare change was effective December 2020. The change simplified pass pricing, created a single fare for all premium bus services, aligned discounted fares, and eliminated some fare products.⁵

Fare Structure

Figure 24 shows UTA's fare structure including full and reduced fares for one-way trips and passes. The base (full) fare starts at \$2.50 with upcharges for express, commuter rail, ski bus, and paratransit services. Select riders are eligible for reduced and zero-fares:⁶

- **Reduced Fares**⁷: Seniors, youth, people with disabilities, Medicare card holders, and low-income riders are eligible for a 50% discount (Figure 25). To access reduced fares, applicants must verify their identity, upload a photo, and provide proof of eligibility online. Eligible riders receive a reduced FAREPAY card giving them a 50% discount on one-way fares. In addition, Human Service agencies can purchase passes at 75% off and are required to distribute them free to their clients. These passes only provide access to bus and light rail services.

⁵ UTA New 2020 Public Fare Tables, https://rideuta.com/-/media/Files/About-UTA/Public-Hearing/2020/New_Public_Fare_Tables_2020_board-adopted.ashx

⁶ Resolution of the Board of Trustees of the Utah Transit Authority Adopting the Fare Rates and Types of Fare Media of the Agency, December 2021

⁷ CFR 49 Part 609.23 requires transit agencies receiving financial assistance to provide reduced fares for the elderly and handicapped.

[eCFR :: 49 CFR 609.23 -- Reduced fare.](#)


- **Zero-Fares:** Riders boarding or alighting in the Free Fare Zone in downtown Salt Lake City, riders on UVX BRT, several other UTA shuttle routes, the upcoming OGX BRT, children five years or younger, UTA past and current employees and eligible dependents, personal care attendants for people with disabilities, paratransit eligible riders, elementary students traveling with a school group, trainers/trainees learning to use the system, and sworn police officers may take trips free of charge.

Figure 24 UTA Fare Structure

Fare Type	Full	Reduced
One-Way		
Local bus, TRAX, streetcar, On Demand	\$2.50	\$1.25
Express service	\$5.00	\$2.50
FrontRunner	\$2.50 + \$0.60 per add'l stop	\$1.25 + \$0.30 per add'l stop
Paratransit	\$4.00	N/A
Ski Resort/Park City service	\$5.00	\$2.50*
Passes		
Day Pass (local bus, TRAX, streetcar)	\$5.00	N/A
Monthly Pass (local bus, TRAX, streetcar)	\$85	\$42.50
Premium Monthly Pass (includes Express and FrontRunner)	\$170	\$85

Source: UTA website

Figure 25 UTA Reduced Fare Eligibility Criteria



APPLICATION TYPE	FARE DISCOUNT	ELIGIBILITY	EXPIRATION PERIOD
Youth	50%	Ages 6 - 18	5 Years or 19th birthday
Senior	50%	Ages 65+	5 years from application date
Persons with Disabilities	50%	Medicare or Healthcare Professional verification	5 years from application date
Low-income	50%	Member of a participating program*; or Income level < 150% of federal poverty guidelines *for a list of member programs visit https://jobs.utah.gov/assistance/Index.html	1 year from application date

rideuta.com/reducedfare

Source: @RideUTA Twitter Account

Fare Pass Programs

In addition to UTA's reduced fare category, riders can access discounted fares through multiple pass programs and partnerships including:

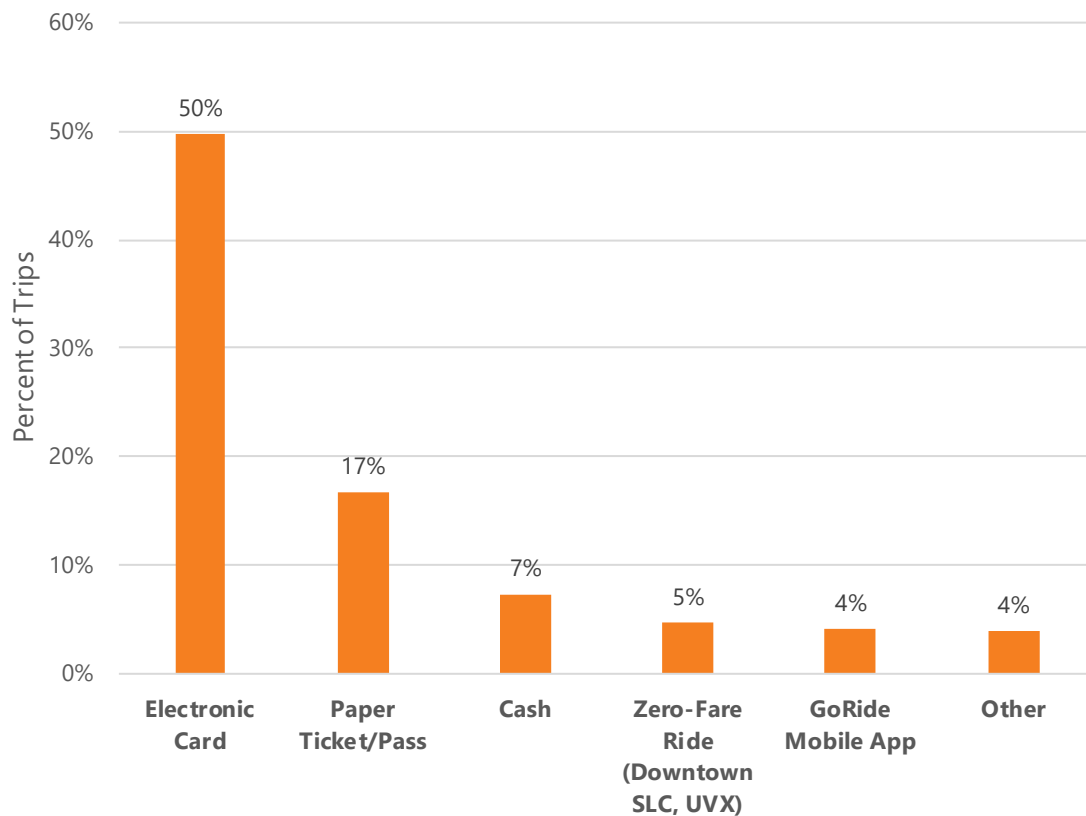
- **Student Pass Program:** Nine universities and two K-12 schools partner with UTA to provide discounted transit passes to students, staff, and faculty. For the University of Utah, all students must pay \$117 per year through annual student fees. Due to the bulk nature of the program, UTA does not technically provide a fare discount to riders.
- **Employer Pass Program:** Seventy employers in the Region offer free transit passes to their employees or allow employees to contribute pre-tax dollars toward transit fares. Employers participate in one of four programs, and the amount of discount is based on the usage of each pass. Similar to the student pass program, UTA does not technically provide a fare discount to employees, but employees save money over the cost of purchasing regular passes.
- **Human Services Pass Program:** Ninety-one human service agencies receive a 75% discount on day and regular monthly passes to provide free of charge to their low-income clients.
- **HIVE Pass Program:** Salt Lake City residents receive a 50% discount on regular monthly passes. One-quarter of the fare is paid for by the city and 25% of the fare is covered by UTA. Residents must sign up for this pass and purchase it through their utility.
- **Salt Lake City Public School Transit Pass Program:** Salt Lake City public school students, staff, and faculty are able to ride UTA buses, TRAX lines, and streetcars for free between July 2022 and July 2023 through a combination of funding from the school district, the Salt Lake Education Foundation, and Salt Lake City.⁸

⁸ UTA approved free transit passes for all Salt Lake City public school students. Here's what you need to know, The Salt Lake Tribune, <https://www.sltrib.com/news/2022/07/14/uta-approved-free-transit-passes/>

Fare Technology

Riders can pay for transit through fareboxes, electronic card readers, ticket vending machines, or the GoRide mobile app. Riders participating in a student or employer pass program are issued electronic cards—plastic cards that can be read with contactless readers. UTA offers their own electronic smartcard, the UTA FAREPAY card, on which riders can load electronic wallet funds. FAREPAY riders receive about a 20% discount for transit services. Just over half of riders pay with a school/employer-issued electronic fare card or FAREPAY card (Figure 26).

Figure 26 Trips by Method of Fare Payment



Note: Electronic card includes FAREPAY and school/employer-issued cards; paper ticket/pass includes TVM tickets, monthly paper passes, Medicaid punch passes, and tokens.

Source: 2019 UTA Onboard Survey

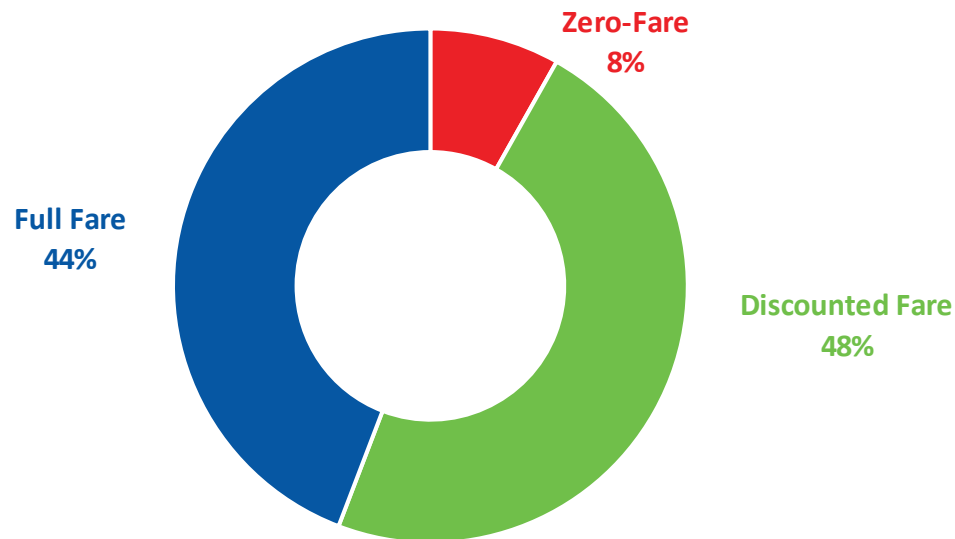
Fare Type Usage

In 2019, more than half (56%) of trips were taken by a rider paying a discounted or zero-fare (Figure 27). The student pass accounts for the largest share of discounted fare trips and the employer pass program accounts for the next largest share of discounted fare trips. Reduced fares, HIVE passes, and human services passes only represented 9% of trips in 2019.

Based on the 2019 UTA Onboard Survey, fifty-eight percent of all UTA riders qualified for one or both programs based on their age, income, disability status, or Salt Lake City residency status (Figure 28). Of the trips made by eligible riders who met one or more of these four criteria, 34% were taken using a school or employer-issued pass and only 12% were taken using a reduced fare, a HIVE pass, or a Human Services pass. Another 9% of trips by riders eligible for a reduced fare were on UTA’s zero-fare services or taken using a Medicaid punch pass (Figure 29). The 2019 UTA On-Board Survey and national experience suggest that not all riders eligible for fare discounts are using them.

Reduced fare eligibility for low-income riders and youth was introduced in the Fall of 2020, after the 2019 UTA On-Board Survey. UTA has indicated that significant progress has been made since to encourage and increase participation in UTA’s low income and reduced fare programs.

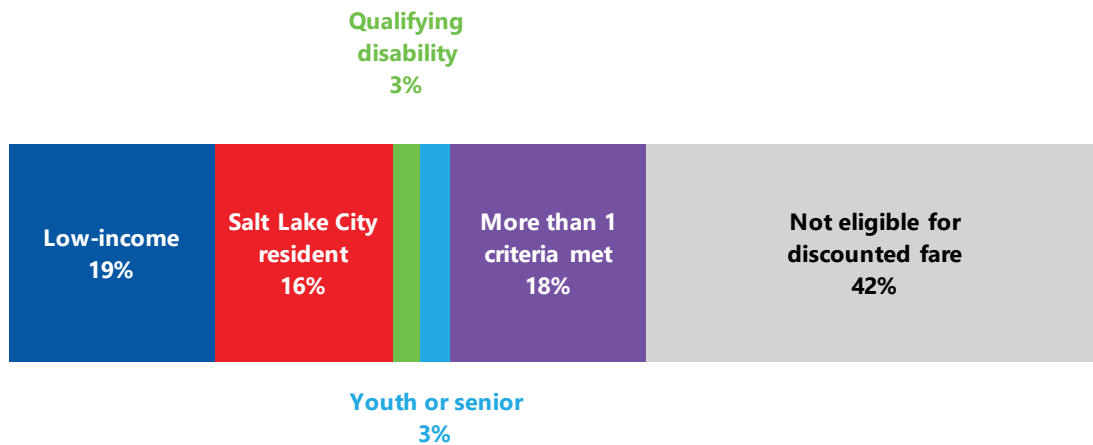
Figure 27 Trips by Discount Level Received in 2019



Note: Discounted fare includes riders who reported paying with an electronic card; reduced fare with cash, FAREPAY, GoRide, TVM ticket, and monthly paper pass; HIVE Pass; or a Human Services Pass. Zero fare includes riders who reported riding in the downtown SLC free fare zone, on the UVX, or using a Medicaid punch pass. Additional groups of riders who are eligible for zero-fare, such as UTA staff, are not captured in the zero-fare category in this breakdown due to data limitations.

Source: 2019 UTA Onboard Survey, 2019 UTA reduced fare data

Figure 28 UTA Riders by Eligibility Status for Discounted Fare (Reduced Fare or HIVE Pass) in 2019



Note: Low-income and youth discounts were introduced in the Fall of 2020. Many of the riders now eligible for discounted fares were not eligible at the time of this survey and may have subsequently begun receiving discounted fares.

Source: 2019 UTA Onboard Survey

Figure 29 UTA Trips Eligible for Discounted Fare by Fare Collected in 2019



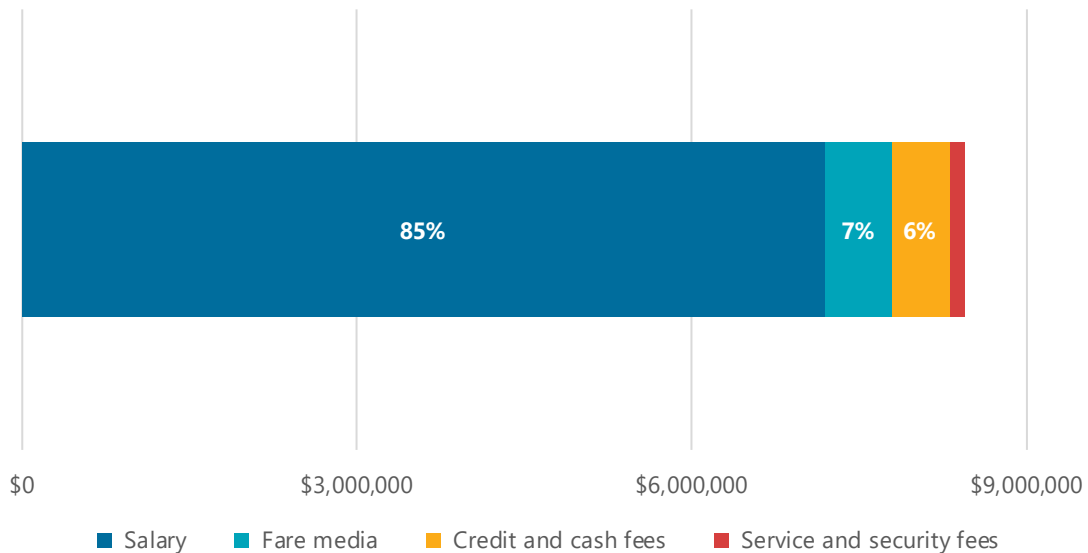
Note: The share of trips for which eligible riders paid a reduced fare with a FAREPAY card or via GoRide was estimated using reduced fare trip counts from 2019. Zero-fare ride includes trips by riders who reported riding in the downtown SLC free fare zone or on the UVX.

Source: 2019 UTA Onboard Survey, 2019 UTA reduced fare data

FARE COLLECTION COSTS

In 2021, UTA spent about \$8.5 million to collect fares, the equivalent of 16% of 2019 passenger revenue and 30% of 2021 passenger revenue. Eighty-five percent of costs included staff salaries (maintenance, accounting, financial services, public safety, operations, sales, marketing, customer service, and information technology), followed by fare media production and fees, credit card and cash fees, and service and security fees (Figure 30). According to UTA, \$3.1 million of these salary costs are allocated to public safety, and would be maintained even in the event that the agency eliminates fares. The remaining \$4.0 million in other salaries could be saved or reallocated if UTA chooses a longer term systemwide zero-fare option, but would also likely be maintained if UTA chooses a one-year zero-fare pilot.

Figure 30 UTA Fare Collection Costs (2021)



Source: UTA fare collection cost data

In 2021, UTA completed a Fare Systems Study that projected the maintenance and operation of the current fare collection system will cost the agency about \$10 million per year, which assumes some growth in collection costs over 2021. After factoring in projected capital costs to maintain the current system, UTA expects to spend \$121 million on fare collection over the next ten years. To better serve riders and operations, the Fare Systems Study recommended UTA move toward a next-generation Electronic Fare Collection (EFC) system. The key investments needed to move towards a new EFC system are:

- Transition away from in-house EFC system to a new EFC system from a third-party supplier
- Procure new EFC-integrated ticket vending machines (TVMs) that can support electronic transfers
- Procure a new mobile app that provides electronic validation via virtual barcodes that riders scan at UTA validators
- Procure new, modern cash validating fareboxes

The projections in Figure 31 compare the cost of maintaining the current system to making the upgrades to fare collection equipment and technology listed above. The upgrades would add another \$12 million in operating and \$44 million in capital costs over the next 10 years.

Figure 31 Projected Annual Costs to Maintain versus Upgrade Fare Collection System

		Fare Collection System Cost (in millions)				
10-Year Cost	System Type	EFC System	TVMs	Mobile App	Fareboxes	Total
Operating Costs	Current System	\$5.9	\$3.4	\$0.4	\$1.1	\$10.8
	Upgraded System	\$6.8	\$3.7	\$0.3	\$1.4	\$12.2
Capital Costs	Current System*	\$8.2	\$5	-	-	\$13.2
	Upgraded System	\$18.9	\$12	\$2.1	\$11	\$44.0

*Current TVMs are nearing end of life and require at a minimum to be refurbished and in-house EFC system at a minimum will require new validators.

Source: Fare Systems Study, 2021

3 STATE OF THE PRACTICE

This chapter presents a summary of the state of the practice for zero-fare transit among U.S. transit agencies. These findings will help inform future fare policy decisions by outlining the context for why agencies consider zero-fare transit, the potential effects of implementing a zero-fare system, and various funding strategies. It also presents context-specific expected and observed outcomes of transitioning to a zero-fare system informed by case studies of three transit agencies that considered going zero-fare in the last five years.

ZERO-FARE TRANSIT IN THE U.S.

This section summarizes the context for why some transit agencies have implemented, are evaluating, or are considering zero-fare transit service, as well as alternative models of funding. The benefits and challenges of zero-fare transit have been weighed by transit agencies for decades, with a surge of appeal within the past ten years. Most recently, zero-fare policy has gathered steam during the COVID-19 pandemic as many agencies suspended fares in response to health concerns and is now being considered as a permanent strategy for increasing ridership and eliminating financial barriers for essential workers.

Zero-Fare Momentum

In the US, transit agencies have implemented full and partial zero-fare policies and programs for decades.⁹ In this report, full and partial zero-fare transit are defined as:

- **Full zero-fare transit:** when a transit agency does not collect fares from any riders.
- **Partial zero-fare transit:** when a transit agency does not collect fares from specific groups of riders, on certain routes or transit services, during certain times, or in defined areas.

Full zero-fare policies and programs are seen as tools to increase ridership, improve operating efficiency, save costs, advance accessibility and social equity, improve air quality,

⁹ Saphores, Jean-Daniel, Deep Shah, and Farzana Khatun. "A Review of Reduced and Free Transit Fare Programs in California," January 22, 2020. <https://doi.org/10.7922/G2XP735Q>.

and reduce congestion and greenhouse gas emissions. Partial zero-fare transit can be a tool to advance similar transit agency goals with less of an impact to farebox revenue.

Political, Social, and Financial Trends

The concept of zero-fare transit has gained momentum in the US in recent years, especially as some larger transit agencies are evaluating and piloting full or partial zero-fare transit. Some of the recent momentum can be attributed, in part, to political and social justice movements that push for governments to focus on social equity. For the purposes of this report, social equity is defined as an intentionally disproportionate distribution of goods, services, rights, and opportunities to advance traditionally marginalized groups.¹⁰ Advocates for zero-fare transit, from community groups to transit agency staff to elected officials, have petitioned for policies and programs to improve transit access by eliminating financial barriers.¹¹ They argue that these barriers reduce the ability of the most vulnerable to access the fundamental right to mobility.¹² ¹³ Additionally, farebox recovery ratios for many transit agencies have been trending downwards in recent years while operating costs have increased. Given these trends, advocates have questioned whether spending money to collect a shrinking pot of revenue from transit riders, many of whom are low-income, is worth it.¹⁴

In 2019, Kansas City Area Transportation Authority (KCATA) became the first larger agency to consider zero-fare service. Agency and city staff acknowledged the agency only recovered 10% of its operating costs with fare collection and determined that additional funding could be recouped elsewhere to cover fully subsidizing the service.¹⁵ In early 2020, the Kansas City

¹⁰ Deka, Devajyoti. "Social and Environmental Justice Issues in Urban Transportation." In *The Geography of Urban Transportation*, edited by Genevieve Giuliano and Susan Hanson, 3rd ed., 332–255. Guilford Publications, 2004.

¹¹ Kębłowski, Wojciech. "Why (Not) Abolish Fares? Exploring the Global Geography of Fare-Free Public Transport." *Transportation* 47, no. 6 (December 1, 2020): 2807–35. <https://doi.org/10.1007/s11116-019-09986-6>.

¹² National Academies of Sciences, Engineering, and Medicine, 2012.

¹³ "Fare-Free Transit," People's Transit Alliance, <https://peoplestransit.org/c/fare-free-page/>; "Fare-Free Buses," LivableStreets Alliance, https://www.livablestreets.info/fare_free_buses.

¹⁴ Hess, Abigail Johnson. "Americans Spend over 15% of Their Budgets on Transportation Costs—These US Cities Are Trying to Make It Free." CNBC, March 2, 2020. <https://www.cnbc.com/2020/03/02/free-public-transportation-is-a-reality-in-100-citiesheres-why.html>.

¹⁵ Kansas City becomes first major U.S. city to make public transit free, <https://archive.curbed.com/2019/12/6/20998617/kansas-city-missouri-free-public-transportation>.

Council unanimously voted to fund zero-fare service.¹⁶ KCATA's example set a precedent within the transit industry, leading to policymaker conversations across the country.

Mandates to address climate change and the broader environmental movement have also played a role in growing interest in zero-fare transit. The transportation sector surpassed the power sector as the country's "largest direct source of U.S. greenhouse gas emissions" in 2015, with cars and trucks producing the bulk of emissions.¹⁷ Since then, states like Massachusetts have listed zero-fare transit as a potential strategy for reducing emissions in their Decarbonization Roadmap.¹⁸ More recently, House Democrats like Rep. Earl Blumenauer of Oregon and Rep. Ro Khanna of California called for exploring ways to reduce dependence on single-occupancy vehicles, including "giving relief in terms of transit fares," rather than a gas tax holiday to help people avoid high gas prices while making progress to reach Biden's goal of cutting emissions in half by 2030.¹⁹

COVID-19 Pandemic

The COVID-19 pandemic has fueled conversations around the benefits and feasibility of zero-fare transit. Many transit agencies suspended fares during the pandemic, initially to reduce contact between riders and operators. Some transit agencies extended zero-fare transit, even as public health concerns lessened, as a strategy to recover lost ridership and provide financial support to transit riders in the wake of economic downturn. For many transit agencies, temporary zero-fare transit was made possible through additional local and federal funding, such as the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriates Act (CRRSAA), and the American Rescue Plan (ARPA).²⁰ Larger systems with a greater reliance on passenger fares, or high farebox recovery, saw significant budget gaps as ridership plummeted at the start of the pandemic

¹⁶ KC Council unanimously approves proposal for free bus service starting next year, <https://fox4kc.com/news/kc-council-unanimously-approves-proposal-for-free-bus-service-starting-next-year/>.

¹⁷ Federal Vehicle Standards, Center for Climate and Energy Solutions, <https://www.c2es.org/content/regulating-transportation-sector-carbon-emissions/#:~:text=The%20transportation%20sector%20is%20the,58%20percent%20of%20transportation%20emissions.>

¹⁸ "Freeing the Climate: Environmental Benefits of Elimination Transit Fares," March 24, 2021, <https://massbudget.org/2021/03/24/freeing-the-climate-environmental-benefits-of-eliminating-transit-fares/>.

¹⁹ "Suspend transit fares instead of the gas tax, climate advocates tell Biden," June 23, 2022, <https://www.washingtonpost.com/politics/2022/06/23/suspend-transit-fares-instead-gas-tax-climate-advocates-tell-biden/>

²⁰ "Coronavirus Aid, Relief, and Economic Security (CARES) Act." Federal Transit Administration. <https://www.transit.dot.gov/cares-act>.

and remained below pre-pandemic levels into 2022. This instability has prompted some transit agencies to re-evaluate the potential of zero-fare transit and investigate opportunities for more resilient funding sources, such as community partnerships or tax revenue.²¹

Agencies now evaluating the impact of permanent zero-fare service, either for all riders or select rider groups include:

- The pandemic expedited **KCATA**'s move to zero-fare service, when the agency suspended fares until 2023.²²
- In 2021, the **Los Angeles Metro** Board of Directors approved the development of a zero-fare pilot program to evaluate the impact of providing free transit for K-12 and community college students. A potential future phase of the pilot would expand free transit for all low-income riders, but the agency needs to secure additional federal, state, and local funding to move forward.²³
- In 2022, the **MBTA** in **Boston** made service on three bus routes fare free for two years. The City of Boston funded the fare reductions.²⁴
- In July 2023, **Washington D.C.** is poised to officially eliminate its \$2 MetroBus fares, becoming the largest city to adopt a zero-fare policy. The D.C. Council has approved and is awaiting mayoral approval.²⁵
- The **Greater Richmond Transit Company (GRTC)** suspended fares in 2020 due to the COVID-19 pandemic and has continued to extend the policy. In 2021, GRTC applied for and was awarded funds to support zero-fare service through a state agency grant program, which will support the program through June 2025.
- European countries have also made significant investments in zero-fare and reduced fare transit. The German government provided €2.5 billion to city and regional transit agencies to promote public transit and ease the cost-of-living crisis. From June through August 2022, Germans and visitors could purchase an unlimited monthly

²¹ Sullivan, Riley. "The COVID-19 Pandemic's Impact on Public Transportation Ridership and Revenues across New England." Federal Reserve Bank of Boston, September 27, 2021.

<https://www.bostonfed.org/publications/new-england-public-policy-center-regional-briefs/2021/the-covid-19-pandemics-impact-on-public-transportation-ridership-and-revenues-across-new-england.aspx>.

²² Coronavirus Relief Funds for Transit, https://www.kcata.org/about_kcata/entries/covid-allocations

²³ Free Transit is Coming for Many LA County K-12 And Community College Students. Here's What To Expect, LAist, September 2021, <https://laist.com/news/transportation/la-metro-approves-fareless-transit-pilot-k-12-community-college-students>.

²⁴ <https://www.mbta.com/projects/fare-free-program-routes-23-28-and-29>

²⁵ The zero-fare public transit movement is picking up momentum, January 2023, <https://www.cnbc.com/2023/01/14/zero-fare-public-transit-movement-gains-momentum.html>

travel pass for €9.²⁶ From September 1, 2022 through the end of 2023, Spain offers free season tickets for suburban and regional trains to similarly promote rail travel and mitigate the cost burden of soaring energy prices.²⁷

Supportive Legislation

Programs that support zero-fare transit are in varying stages of development at the federal, state, and local level, indicating interest in supporting zero-fare public transit systems across levels of government. In April 2021, Senator Edward J. Markey (D-MA) introduced the Freedom to Move Act in the Senate, which would direct the Department of Transportation to establish a \$5 billion competitive grant program. The program would award five-year grants to states, local governments, transit agencies, and non-profits to offset fare revenue for agencies providing zero-fare services as well as to improve transit, particularly in underserved communities.²⁸ The Freedom to Move Act has not moved forward, however, some states have established their own programs to support zero-fare initiatives. For example:

- **Virginia**—The Virginia Department of Rail and Public Transit’s Transit Ridership Incentive Program (TRIP) grant program provides funding for initiatives that encourage transit ridership, including zero-fare projects.
- **Washington**—Recently the Move Ahead Washington transportation package awarded nearly \$17 billion over 16 years for major projects throughout the state. Among other investments, this package will fund free fares for passengers 18 and younger on all public transportation.²⁹
- **Utah**—Members of the Utah State House and Senate introduced bills in 2022 that would eliminate fares on transit services in the state. The Senate bill was sponsored by Senator Derek Kitchen. Representative Joel Briscoe, the sponsor of the House bill,

²⁶ Germany eases cost of living crisis with 8 a month public transport ticket, May 2022, <https://www.theguardian.com/world/2022/may/20/germany-public-transport-boost-9-euro-month-ticket>.

²⁷ Madrid and Barcelona Win From Spain’s Free Train Travel Plan, July 2022, <https://www.bloomberg.com/news/articles/2022-07-15/spain-will-introduce-free-train-travel-to-help-ease-the-cost-of-living#:~:text=Spain%20will%20become%20the%20latest,consumption%20as%20energy%20prices%20soar>.

²⁸ Pressley & Markey Unveil Bold Legislation to Invest in Public Transit as a Public Good, June 2020, <https://pressley.house.gov/media/press-releases/pressley-markey-unveil-bold-legislation-invest-public-transit-public-good>.

²⁹ “Legislature approves historic Move Ahead Washington transportation package,” March 10, 2022, <https://senatedemocrats.wa.gov/liias/2022/03/10/legislature-approves-historic-move-ahead-washington-transportation-package/>

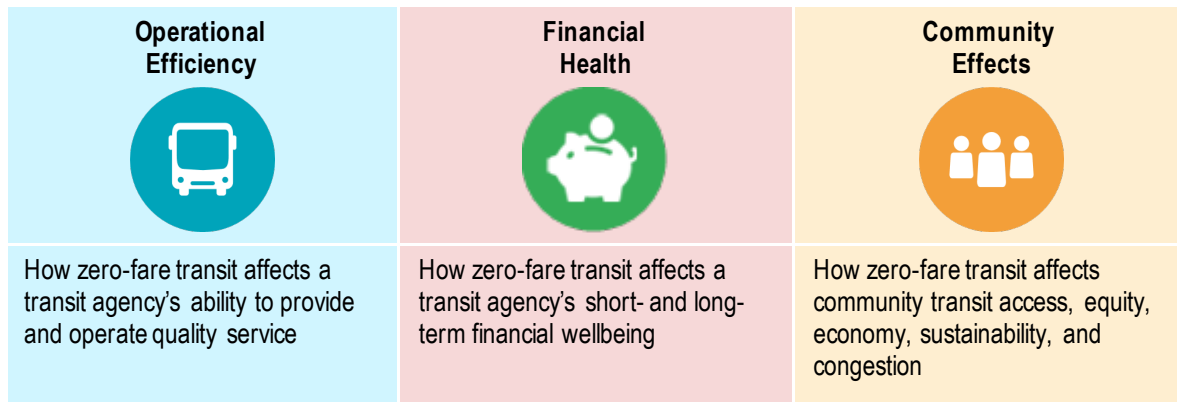
tried to garner support by only requiring zero fare on certain bus routes, but the committee ultimately did not move forward with the bill.³⁰

- **Colorado**—Environmental legislation and programs can also support zero-fare services. Colorado signed SB22-180 in May 2022, which aims to reduce ground-level ozone by increasing use of public transit. The Regional Transportation District (RTD) will be able to use grant money to cover up to 80% of the costs of providing free transit during the month of August, Colorado’s high ozone season.³¹

Zero-Fare Transit Effects

Zero-fare transit has many effects—both costs and benefits. These costs and benefits are borne by different stakeholders; riders, non-riders, transit agency staff, local government, non-profit organizations, and the broader community are all affected. This section summarizes the project team’s findings on the measured and assumed benefits and costs of zero-fare transit from a survey of 35 US transit agencies and one state transportation agency as well as a broader literature review of various academic and professional research documents, journalistic assessments of zero-fare transit evaluations and implementations, and transit agency or consultant reports and briefs. The transit agency survey is summarized in the Transit Cooperative Research Program (TCRP) Research Report 237. The effects are organized under three themes: operational efficiency, financial health, and community effects (Figure 32).

Figure 32 Zero-Fare Transit Effect Themes



³⁰ Bill fails to make UTA rides permanently free, February 2022, <https://www.kuer.org/politics-government/2022-02-25/bill-fails-to-make-uta-rides-permanently-free>.

³¹ RTD announces Zero Fare for Better Air during August, July 2022, <https://www.douglas.co.us/rtd-announces-zero-fare-for-better-air-during-august/>.

Operational Efficiency

Zero-fare transit may produce operational benefits, such as increased productivity and reduced dwell times. On the other hand, increased ridership from zero-fare transit can challenge transit operations.

BENEFITS

Increased productivity—Because zero-fare transit almost always increases ridership it also typically leads to increased productivity, in terms of boardings per revenue hour. This and other efficiency measures can make transit agencies eligible for additional funding tied to operating efficiency.

Improved service quality—Eliminating fare collection can improve service quality by reducing fare collection dwell times. Additionally, transit agencies can allow for all-door boarding, which further reduces dwell times without the need for additional technology such as rear-door card readers.^{32 33 34} Lower dwell time results in an improved customer experience and increases reliability, which can offset the increase in boarding time caused by increased ridership.

Simplified operator responsibilities—Because full zero-fare transit eliminates fare collection, it also eliminates the possibility of fare-related conflicts between operators and passengers. Full zero-fare transit also eliminates the need for farebox and other fare collection equipment, which reduces the number of things an operator must operate, maintain, and monitor. This also reduces maintenance employees' workload and eliminates the step of emptying the farebox when the bus pulls into the base.

COSTS

Overcapacity issues—The increase in ridership from zero-fare transit can cause overcapacity issues on some trips. Some transit agencies have had a hard time supporting increased demand after a zero-fare transit implementation. To support increased demand, some transit agencies need to purchase new vehicles, hire new staff, and operate additional service—all of which is costly.

³² Saphores et. al., 2020.

³³ National Academies of Sciences, Engineering, and Medicine, 2012.

³⁴ Northern Virginia Transportation Commission, 2021.

Increased demand for paratransit services—Because full zero-fare transit requires complementary ADA paratransit to also be zero-fare³⁵, transit agencies are concerned that the lack of fares will increase demand for paratransit trips to a level that cannot be supported by the transit agency, due to operational (i.e., driver and vehicle availability) and financial constraints. To counter this, some transit agencies tighten paratransit eligibility requirements, to reduce demand while remaining in compliance with the law. Additionally, transit agencies can reduce paratransit demand by increasing accessibility of existing fixed-route services, including transit stops.

Disruptive passengers—Many transit stakeholders are concerned about the potential for or actual increase in disruptive riders on zero-fare transit.³⁶ Most surveyed transit agencies that had implemented zero-fare transit did not find disruptive passengers to be a major challenge after implementation. Some transit agencies have had success mitigating disruptive behavior with strong code of conduct policies, destination requirements, and policies that require disembarking at the final stop. Transit agencies may respond to disruptive passengers on full zero-fare transit with increased policing. However, this may result in the disparate impacts of over policing of minority and low-income riders.



Financial Health

Zero-fare transit can have financial benefits for transit agencies, such as reductions in fare collection costs, lower operating cost per passenger, and access to more stable funding. Long-term financial health is almost always the first concern facing transit agencies when considering zero-fare programs. The impact of zero-fare transit on costs and revenues varied widely across transit agencies surveyed and interviewed, depending on existing ridership, transit agency size, alternate funding sources, and previous fare systems.

BENEFITS

Lower operating costs—Under full zero-fare transit, transit agencies save on existing and future costs of collecting fares including producing and selling fare media; operating and

³⁵ Federal Regulation 37.135(c) requires that the paratransit fare for an ADA eligible rider not exceed twice the fixed-route full fare of a similar trip. FTA Circular 4710.1 clarifies that the maximum that may be charged for paratransit when the equivalent fixed-route fare is zero would therefore be zero as well.

³⁶ The 2016 TCRP Synthesis 121, *Report on Transit Agency Practices in Interacting with People Who Are Homeless*, identified that transit agencies do not have enough resources to meaningfully help homeless people riding the system. Partnerships with social services, ongoing outreach, and recognizing the humanity of individuals were identified in this report as ways to create a safe atmosphere on transit.

maintaining fareboxes; counting, securing, and transporting cash; and upgrading fare technology. Zero-fare transit often results in lower operating costs and increased ridership, which further reduces a transit agency's costs per passenger trip.

New funding opportunities—Zero-fare transit expands funding opportunities that could become more reliable than fare revenue, including grants specific to zero-fare transit, grants for increasing operating efficiency, and community funding partnerships.^{37 38}

COSTS

Challenges finding replacement revenue—Full zero-fare transit has proven more viable for small- to mid-sized transit agencies than for large transit agencies, as revenue from lower farebox recovery rate-systems is more easily replaced. For larger transit agencies where fare revenue is a larger portion of operating revenues, considerable replacement revenue would be required for the transit agency to go full zero-fare without cutting service³⁹. Finding replacement revenue is often cited as the largest challenge to providing partial or full zero-fare transit on a high-farebox recovery ratio transit system.



Community Effects

The primary benefits that survey respondents and interviewees reported from zero-fare transit include greater mobility for community members, social equity improvements, more efficient transit service, reduced fare collection costs, and local economic growth. However, zero-fare transit has benefits for more than just transit agencies and their riders. These external benefits can range from short-term congestion reduction and improved air quality to long-term economic development and civic pride. Many of these benefits align with community goals and priorities at all levels (e.g., stakeholder, transit agency, municipal, state, federal) around equity, mobility, and sustainability.

BENEFITS

Improved mobility—Survey respondents and interviewees reported that zero-fare transit almost always causes an immediate increase in transit ridership. Transit agencies that went zero-fare prior to the COVID-19 pandemic saw an increase in fixed-route ridership anywhere between 20% and over 100% in the first two years, especially among young and low-income populations. Most transit agencies that went partially zero-fare for select populations did not

³⁷ National Academies of Sciences, Engineering, and Medicine, 2012.

³⁸ Northern Virginia Transportation Commission, 2021.

³⁹ Fares represent more than 35 percent of the operating budget for large agencies such as BART, MBTA, CTA, and WMATA (2019). This compares with ~16 percent for UTA (2019).

see significant increases in ridership. Transit agencies that piloted or implemented long-term zero-fare transit following the COVID-19 pandemic have also seen increased ridership up to 26%.⁴⁰

Greater access to opportunity—In many instances, improved mobility from reducing financial barriers to transit means greater access to school, shopping, recreation, and healthcare for community members. Though some transit agencies already provide discounts to some rider groups, these discounts often have barriers to access, such as personal identification or application requirements, and other administrative burdens. The impact of these barriers is clear from the observed uptake rates of many low-income programs. Full zero-fare transit eliminates these barriers and reduces administrative burdens for both riders and transit agencies.⁴¹

Advancing social equity outcomes—Zero-fare transit is assumed to improve social equity outcomes, as lower-income passengers save money they might otherwise have spent on transit. Existing transit subsidies, such as employer passes, often provide de facto zero-fare transit to certain riders, many of whom are higher-income. This is an inequitable outcome where riders who can afford transit receive discounts, and riders who may benefit more from zero-fare transit do not have access to these discounts.⁴² Zero-fare transit can reduce this inequity. Additionally, zero-fare transit can reduce transit agencies' focus on farebox recovery and increase their attention to service provision based on need, creating a more equitable service that does not consider ability to pay.⁴³

⁴⁰ Northern Virginia Transportation Commission, "Zero-Fare and Reduced-Fare Options for Northern Virginia Transit Providers," September 2, 2021.

⁴¹ Saphores et. al., 2020

⁴² Saphores et. al., 2020

⁴³ Cohen, Josh. "Who's Afraid of Fare-Free Public Transit?" Next City, May 25, 2018. <https://nextcity.org/urbanist-news/whos-afraid-of-fare-free-public-transit>.

Social Equity in Fares

Because lower income individuals pay a greater proportion of their income on fares than those with higher incomes, transit fares can be seen as a regressive barrier to transit. To reduce the inequitable impacts of fares, many transit agencies across the U.S. are exploring ways to promote social equity through fare policies and programs including:

- **Full zero-fare transit** eliminates the financial barrier to transit for all riders. This policy helps agencies directly reach individuals that need fare relief the most, but also eliminates all revenue from fares, including from riders who are able or willing to pay.
- **Partial zero-fare policies and programs**, such as zero-fares for low-income riders or on routes that serve low-income neighborhoods, eliminate the financial barrier for those most burdened by fares while still collecting fares from most riders. These policies and programs work well for agencies that want to maintain a revenue stream from riders who are able and willing to pay fares. However, programs that require proof of eligibility can impose an additional barrier to program enrollment and resulting benefits.
- **Reduced fare programs**, such as UTA's half-fares for seniors, people with disabilities, Medicare card holders, and low-income riders, focus on reducing the financial barriers for specific rider groups. These programs face similar enrollment barriers as partial zero-fare programs.
- **Fare capping** is another way to reduce the financial barrier to transit by setting a maximum fare for different periods of time (e.g., day, month). With fare capping, riders do not need to pre-purchase unlimited passes, so the financial barrier is reduced for riders that cannot afford the higher upfront costs. Lower income riders can now access the per-trip discounts that come along with unlimited passes.

Environmental and quality of life improvements—Community members who do not ride transit can also benefit from the ridership increases caused by zero-fare transit, as mode shift to transit may reduce carbon emissions, reduce traffic congestion, and improve air quality.⁴⁴

⁴⁵ Some zero-fare transit supporters describe mode shift to reduce carbon emissions as a key reason for supporting zero-fare transit. Zero-fare transit is also considered by some to

⁴⁴ Baxandall, 2021.

⁴⁵ Kębłowski, 2020.

increase the quality of life and public health of residents by reducing their exposure to local air pollution, also through mode shift and reduction of single-occupancy vehicle use.^{46 47 48} There are also ease of access benefits related to zero-fare transit as people who don't know how to pay or don't carry cash may occasionally ride transit once the barrier to entry has been removed.

Increased land values—Zero-fare transit almost always improves mobility and access to destinations, which can increase land value for certain uses. This improved access can attract real estate development, which could grow a community's property tax revenue, as well as provide public realm and infrastructure improvements. Increased land values do also bring a potential risk of exacerbating housing affordability issues.^{49 50}

Community pride—Many transit agencies with zero-fare transit report that their zero-fare transit is a point of community pride—even to those who do not use transit.

Economic Impacts of redirected spending—Although zero-fare transit reduces or eliminates fare revenue to a transit agency, the money passengers save is likely circulated elsewhere in the community, potentially increasing its impact.⁵¹

⁴⁶ Ibid.

⁴⁷ Northern Virginia Transportation Commission, 2021.

⁴⁸ Baxandall, 2021

⁴⁹ Kębłowski, 2020.

⁵⁰ Cohen, 2018.

⁵¹ "Transit Zero Fare Impact Analysis." Mid-America Regional Council, n.d.
<https://www.marc.org/Transportation/Plans-Studies/Transit-Mobility/Transit-Zero-Fare-Impact-Analysis>.

Local Economic Impact in Kansas City

In 2020, KCATA worked with the Center for Economic Information at the University of Missouri Kansas City to measure the economic impacts of a proposed fare-free transit policy, ZeroFare KC. The resulting research showed that fare-free transit would have a positive impact on the quality of life in the Kansas City Region. Based on the researchers' economic model, the Regional Gross Domestic product was projected to increase between \$13 million and \$17.9 million because of ZeroFare KC. This positive impact would be the result of the fare cost savings to riders, many of whom have annual incomes below \$40,000 who would be able to redirect those savings towards real estate, hospitals, wholesale trade, and insurance (Figure 33).

Figure 33 Estimated Spending in Top Four Categories



Source: RideKC ⁵²

52 RideKC. "UMKC Research Shows Economic Impact of Zero Fare Transit," February 27, 2020. <https://ridekc.org/news/umkc-research-shows-economic-impact-of-zero-fare-transit>.

COSTS

Service trade-offs—Some transit stakeholders think transit agencies should keep their primary focus on providing higher-quality service, especially to low-income people or people living in underserved communities. To these stakeholders, the focus on zero-fare transit is misplaced; some argue that making a service free is not as important as making a low-quality service better, even if it costs a fare.⁵³ Furthermore, eliminating fare revenue for some transit agencies could cause service cuts, which may significantly negatively impact transit riders' mobility. In areas where the majority of transit riders are low-income or minority, this may have negative equity impacts. However, zero-fare transit and quality service do not have to be mutually exclusive; multiple transit agencies that have implemented zero-fare transit policies and programs have done so while increasing service at the same time.

Regressive funding sources—Transit agencies should ensure that any fare revenue replacement funding sources are not regressive. The equity benefits of zero-fare transit could potentially be lost if replacement revenue comes from a regressive source like a sales tax. Some advocates suggest a graduated income tax that ensures those who earn more pay more.

Increase in public criticism of transit agency—One negative community impact that has occurred on some systems is an increase in public criticism of a transit agency, especially the narrative that the transit agency is providing 'handouts' to riders that don't pay their fair share for the service they are using. Although some transit agencies have seen an increase in public criticism, they also typically see an increase in public compliments of the transit agency after zero-fare implementation. The prevalence of different responses may vary based on the transit agency's messaging. This elevation of public discourse around a zero-fare policy is not unique to public transit; major transportation policy changes across all modes often result in an increase in positive and negative public discourse surrounding the policy change.

Service Trade-Offs at Iowa City Transit

Some transit agencies have recently evaluated a fare-free transit option and decided to maintain fares due to concerns about gaps in funding and the need to increase service to keep up with the additional demand. Iowa City Transit (Iowa City Area, IA) conducted a fare-free analysis at the beginning of 2020 as part of the Iowa City Area Transit Study. The transit agency opted not to go fare-free because staff felt the

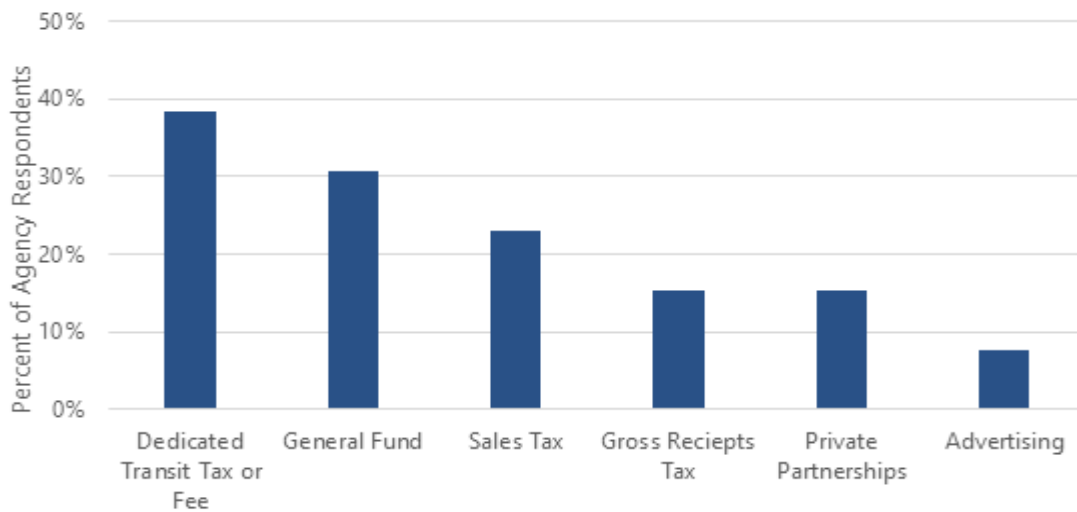
⁵³ Transit Center's "Who's on Board 2019" survey of 1,700 transit riders in seven different cities suggested that most low-income bus riders rate lowering fares as less important than improving the quality of service.

expansion of service to Saturdays for most routes and increased service frequency would not have been financially possible without farebox revenue.

Funding Strategies

Transit agencies employ a wide array of strategies to fill the foregone revenue gap left from the elimination or reduction of passenger fares. Some transit agencies absorb the costs into transit agency or municipal budgets. Others can reduce operating costs enough through the efficiencies of not collecting fares which balance lost revenues. For transit agencies that are not able to fill the revenue gap, funding sources include gross receipts tax, sales tax, municipal general funds, advertising, private partnerships, and a dedicated transit tax or fee, or some combination of methods (Figure 34). Many transit agencies do not have long-term funding secured at the onset of zero-fare transit, including Community Transit (St. Lucie County, FL) and Mountain Line (Missoula, MT), and operate through pilot grants from local and state sources. Some transit agencies find that zero-fare transit unlocks new funding sources, such as local, state, and federal grants, which allows them to grow.

Figure 34 Funding Sources for Lost Fare Revenue (N=14)



Source: Transit Agency Survey for TCRP Fare-Free Evaluation Framework report, pending

Examples of Federal and State Funding Sources

Specific transit agency examples relying on federal and state funding sources include:

- The **MBTA (Boston, MA)** extended its fare-free Route 28 pilot program to a two-year fare-free program on bus Routes 23, 28, and 29. The pilot is funded with \$8 million in federal funds from the **American Rescue Plan Act of 2021**. The Boston City Council voted to approve this proposed appropriation in December 2021.
- The Virginia Department of Rail and Public Transportation (DRTP) awarded \$8 million in state grant funding to the **Greater Richmond Transit Company (GRTC)** in December 2021 to fund its fare-free operation through June 2025. The **Virginia Department of Rail and Public Transportation (DRTP)** created the Transit Rider Incentive Program (TRIP), a statewide grant program in 2021, to help fund free- and reduced-fare programs among Virginia transit agencies. This grant is an example of a state agency providing transit agencies with the opportunity to access short-term funding to pilot zero-fare transit service while staff can explore alternative funding models for longer-term programs.

Examples of Local Funding Sources

Specific transit agency examples relying on local and private funding sources include:

- **Mountain Line (Missoula, MT)** is an example of utilizing external funds to get zero-fare transit off the ground. Increased ridership and improved efficiency gave the transit agency a competitive advantage in applying for grants and attracting external partners, and more opportunities opened-up as ridership increased. Once the zero-fare transit was an established part of the community, the city voted on a levy to provide permanent stable funding, which passed and had overwhelming support.
- **Corvallis Transit System (Corvallis, OR)** used an innovative funding source that involved charging a small fee on utility bills to fund transit, encouraging the public to view mass transit as a city utility. The Transit Operations Fee (TOF) is reviewed annually by City Council, so Council has the option to adjust the fee every year. Revenue at the “floor” level is approximately \$900,000 annually, with 76% of the fee replacing the general fund and 21% replacing fares. The remaining 3% is intended for increases in service. In addition to TOF contributions levied on a per-bed basis, Oregon State University (OSU) continues to support transit with a long-standing annual direct contribution of \$130,000.
- Since the **Kansas City Area Transportation Authority (KCATA)** began operating zero-fare in 2020, the agency has partnered with local organizations, such as Blue Cross Blue Shield Kansas City, to fund their zero-fare program. Due to an increase in

federal funding during the COVID-19 pandemic, the transit agency has not yet received any funding support from Blue Cross Blue Shield.

Funding Challenges

Finding a funding source for transit service to replace fare revenue was a common challenge for larger transit agencies that studied zero-fare policy but opted not to go full zero-fare. Many decision makers were deterred by the cost of the program and the inability to fill the funding gap left by the loss of farebox revenue. Examples of this challenge include:

- A concern over increased operating costs due to increased demand and an associated lack of funding led **Houston METRO** to decide against pursuing zero-fare transit.
- The question of funding has held **NJ Transit** back from exploring potential zero-fare transit.
- The loss of fare revenue led **TriMet (Portland, OR)** to discontinue its zero-fare zone in 2012.

CASE STUDIES

This section presents findings from case study research about the benefits and challenges of zero-fare transit from three example agencies that have evaluated the transition to zero-fare service within the past five years. As a comparison, UTA in 2019 had 44 million annual riders, annual operating expenses of \$398 million, and a farebox recovery of 17%.

Sun Tran (Tucson, AZ)



Sun Tran suspended fare collection in March 2020. After evaluating various long-term zero-fare alternatives, the city has yet to decide on whether to return to fares in June 2023.

- **Annual ridership:** 16 million
- **Annual operating expense:** \$80 million
- **Farebox recovery:** 17%

Houston METRO (Houston, TX)



Houston METRO evaluated various zero-fare alternatives but decided to maintain fares due to cost. The agency offers zero fare for seniors and people with disabilities.

- **Annual ridership:** 90 million
- **Annual operating expense:** \$574 million
- **Farebox recovery:** 11%

KCATA (Kansas City, MO)



KCATA is the largest zero-fare transit agency in the country. KCATA went zero-fare in March 2020. Streetcar and buses are zero-fare through at least 2023, while on-demand and microtransit services collect fares.

- **Annual ridership:** 12 million
- **Annual operating expense:** \$100 million
- **Farebox recovery:** 9%

Source: 2019 National Transit Database

Findings

The findings from the case studies are summarized under five topic areas:

- **Zero-Fare Context**
- **Policy Goals**
- **Evaluation Approach**
- **Outcomes of Zero-Fare Evaluation**
- **Funding Zero-Fare Transit Services**

Zero-Fare Context

All three case study agencies evaluated a zero-fare policy in the last three years and two of the agencies suspended fare collection at the onset of the COVID-19 pandemic. All three agencies offered zero-fare services to a subset of riders or on a subset of services prior to evaluating or transitioning to an entirely zero-fare system.

- **Sun Tran:** Sun Tran suspended fare collection in March 2020 due to COVID-19, including on its on-demand services, and is zero-fare until at least January 2023. Prior to suspending fares, full fare for a single ride cost \$1.75 and Sun Tran only offered fare-free transit to children and personal care attendants for disabled riders. The agency also offered a half-priced discounted fare to seniors, persons with disabilities, and low-income riders. With fares suspended, the city had the opportunity to reexamine their fare structure, policies, and technology. The study concluded in May 2022 and will be used to inform decision making around long-term zero-fare operations.
- **METRO:** METRO conducted a study in late 2019 to early 2020 on zero-fare transit alternatives, considering the impact of zero-fare for all riders, some riders, during some hours, and in some locations. Full fare for a single ride costs \$1.25, but a subset of riders can already ride free including seniors, paratransit-eligible riders, qualified disabled or decorated veterans, children under six, jurors, and METRO employees and their spouses.
- **KCATA:** In 2016, the downtown streetcar opened as zero-fare, which raised equity concerns over the demographic differences between streetcar and bus riders. In 2019, the Kansas City Council made the decision to go zero-fare on bus services, as well. The pandemic expedited the implementation date of zero-fare bus service from the summer of 2020 to March 2020. Non-ADA on-demand service and certain microtransit services are still collecting fares.

Policy Goals

Sun Tran and KCATA evaluated zero-fare policies in search of ways to make transit more accessible for low-income riders and improve operational efficiency. On the other hand, the primary goal driving Houston METRO's zero-fare study was to attract more riders.

- **Sun Tran:** The 2021 fare study aimed to improve safety and payment options broadly but included an objective to make transit access more equitable by reducing the financial burden of travel on low-income riders. Other objectives of the study included addressing ease of paying fare, speed of boarding process, and maintaining a sustainable revenue stream.
- **METRO:** Houston METRO's zero-fare study was motivated by a desire to grow ridership and to encourage paratransit riders to use fixed-route service, when possible, by removing the financial barrier for paratransit-eligible riders.
- **KCATA:** Providing community economic benefits was an important factor in the decision to go zero-fare, and it was championed by the mayor and city council, as well as the transit agency. For KCATA and the local government, the goals of a zero-fare policy are to provide economic benefits to customers, in particular low-income riders, improve mobility and access to transit, reverse ridership decline, increase operating efficiency, and reduce fare disputes.

Evaluation Approach

The three agencies each considered a different set of factors when evaluating the expected impact and feasibility of zero-fare services. Sun Tran had the broadest set of evaluation criteria.

- **Sun Tran:** The project team evaluated the costs and benefits of various fare structure alternatives, including zero-fare for all and just for low-income riders. Sun Tran estimated the operational effects, financial effects, and community effects of zero-fare service.
- **METRO:** METRO considered the operational and financial effects of partial and full zero-fare policies. The study did not evaluate any potential equity or social outcomes, but staff believe the inclusion of these factors would have been useful in their evaluation framework.
- **KCATA:** KCATA looked at the financial and community effects of expanding its zero-fare services to include its bus system as well as how zero-fare services might grow ridership.

Outcomes of Zero-Fare Evaluation

After completion of their studies, the three agencies made different decisions, which were informed by their differing evaluation criteria. KCATA opted to go zero-fare, METRO decided not to proceed with a zero-fare policy, and Sun Tran has temporarily extended its suspension of fare collection through January 2023 but has yet to decide on a long-term policy.

- **Sun Tran:** The fare study found that existing fixed-route service levels could accommodate additional ridership up to a 50% increase over pre-pandemic ridership, suggesting a zero-fare policy would not require new operators or buses. Since eliminating fares, a public survey found widespread community support for the continuing zero-fare services on Sun Tran. On the other hand, a bus operator survey from April 2021 indicated that many bus operators desire a return to fare collection due to the increase in ridership among people experiencing homelessness during COVID-19. Additional outcomes of zero-fare service are difficult to judge due to pandemic-related ridership changes. As of January 2023, the city has yet to make a decision on whether to return to fares.
- **METRO:** The zero-fare study found that eliminating fares would result in significant fixed-route and paratransit ridership increases, which in turn would require hundreds of new operators and buses, additional administrative capacity, and a new bus facility. The agency estimated accommodating ridership increases would cost over \$100 million in capital costs and that budget and administrative constraints would make it very difficult to add additional service of the magnitude required. As a result of the study, METRO decided not to implement full zero-fare transit. Additionally, there was not strong political will for zero-fare, and in public hearings on transit, most people expressed interest in better service, not zero-fares.
- **KCATA:** KCATA identified the shortfall of going zero-fare would be \$6 million after considering lost fares and savings from fare collection costs.⁵⁴ Additionally, the agency estimated the system had capacity to support a 30% increase in ridership. With these findings in mind, the Kansas City Council voted unanimously in December 2019 to offer free bus service by 2020.⁵⁵ Since the onset of COVID-19, ridership rebounded more quickly for KCATA than for peer agencies that resumed collecting fares. Rider surveys showed support for the program, with some concerns from community leaders on the opportunity cost of lost fare revenue. Security incidents per 100,000 riders declined by 17% between 2019 and 2020. Due to impacts of the

⁵⁴ "Kansas City is making its bus system fare-free. Will other cities do the same?" December 17, 2019, <https://www.vox.com/the-goods/2019/12/17/21026425/kansas-city-free-bus-system>

⁵⁵ "Kansas City is making its bus system fare-free. Will other cities do the same?" December 17, 2019, <https://www.vox.com/the-goods/2019/12/17/21026425/kansas-city-free-bus-system>

pandemic, the influence of zero-fare service on on-time performance is unclear. The KC Streetcar has always been free to ride and RideKC buses will remain zero-fare through 2023.

Funding Zero-Fare Transit Services

Federal COVID relief funding has been sustaining Sun Tran and KCATA's zero-fare transit services since the onset of the pandemic. KCATA is the only case study agency that plans to continue its zero-fare policy, which means it will need to reengage an early funding partner, Blue Cross and Blue Shield of Kansas City, and potentially explore other funding sources.

- **Sun Tran:** Current zero-fare transit is being sustained through federal relief funding. Continuing without fares would require finding a new funding source or receiving an increased budget from the city council. Potential funding alternatives include dedicated sales or gross receipts taxes, utility fees, an increase in the local funding contribution from the City of Tucson, or community partnerships with local employers like the University of Arizona. Without a long-term alternative to fare revenue, agency staff are concerned about being able to sustain or expand service in the future.
- **METRO:** No funding sources were considered once the costs of supporting increased ridership from a zero-fare policy were calculated.
- **KCATA:** Federal COVID relief funding will cover revenue loss through 2023. Blue Cross and Blue Shield of Kansas City signed on as an early funding partner with a cost-sharing agreement, but the partnership is on hold due to the existence of CARES Act funding. KCATA obtained federal funding from the NIH, EPA, and USDOT to study the post-implementation health outcomes and impacts of zero-fare service on areas of persistent poverty. The agency hopes to use these results to re-engage Blue Cross and Blue Shield of Kansas City and bring on other healthcare funding partners to ensure sustainability of local funds. KCATA faces unique funding challenges due to the shared financial model between multiple Missouri and Kansas municipalities.

4 FARE SCENARIO EVALUATION

INTRODUCTION

There are many costs and benefits associated with charging a fare or offering zero-fare service. These costs and benefits can be organized into three primary categories, operational efficiency, financial health, and community benefits, as shown in Figure 35.

Figure 35 Zero-Fare Service Evaluation Categories



Operational efficiency includes metrics related to service provision and performance. Ridership, for example, generally increases with reduced and zero-fare services. Similarly, maintaining fares but at lower levels would also increase ridership but to a lower effect. By the same logic, raising fares also decreases ridership.

Financial health deals with the relative costs and revenue associated with providing service. Some benefits of collecting a fare include generating revenue, reducing reliance on federal and state funding, and supporting the perception that the users of the system more directly contribute to funding the system. However, there are also costs associated with collecting fares, specifically, there are ongoing staff, capital, and maintenance requirements associated with distributing fare media, maintaining and purchasing new fareboxes, and physically counting and reconciling cash payments. While offering zero-fare services on all modes can simplify accounting systems and reduce the need to store cash securely, as well as eliminate other costs associated with collecting fares.

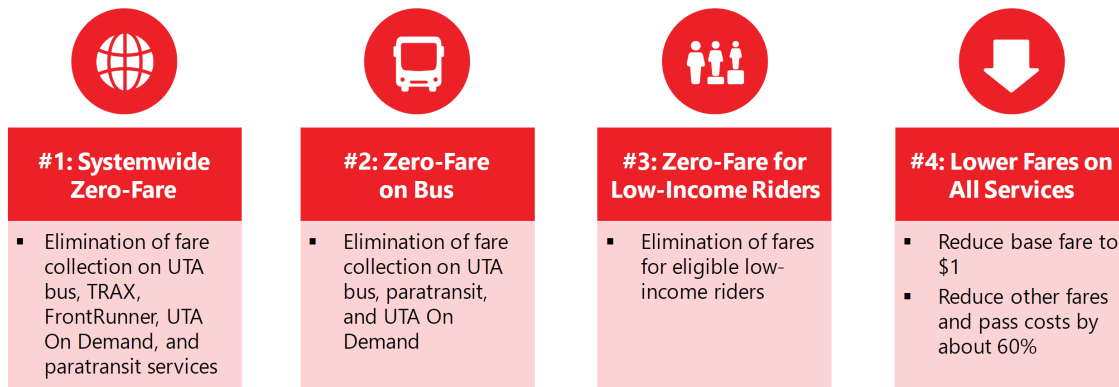
Lastly, **community benefits** include specific qualities of transit that may be beneficial for the community, including reduced barriers to service, equity implications, and economic impacts. For example, zero-fare service has been shown to reduce barriers to accessing service, as some riders that may qualify for reduced fares may find it difficult to apply for their reduced eligibility status. Eliminating fares removes the potential barrier that some riders may experience in trying to receive their reduced fare.

Although ridership can rapidly increase, it is important that the system effectively serve community needs. Due to rapid population growth in the Region, regardless of whether or not a zero-fare or lower-fare scenario is pursued, additional improvements to service frequency, reliability, and coverage should be considered.

FARE SCENARIOS

As a part of this evaluation, four distinct fare scenarios, including systemwide zero-fare, partial zero-fare, and maintaining fares, were considered (Figure 36). These scenarios include:

Figure 36 Fare Scenarios



SCENARIO 1: SYSTEMWIDE ZERO-FARE

This section describes the impacts on operational efficiency, financial health, and community benefits associated with a transition to systemwide zero-fare, in which no fares would be charged for UTA bus, TRAX, FrontRunner, On Demand, or paratransit service.

Operational Efficiency

Ridership Impacts

Increasing ridership is often a high priority for transit agencies, particularly in the wake of declining ridership following the COVID-19 Pandemic and providing zero-fare service has been shown to consistently and quickly accomplish this goal. Transit ridership is elastic relative to fares – the more fares are reduced, the higher ridership will increase. Based on industry experience reported from several agencies that have done so successfully, transitioning to fare free service can increase transit ridership between 40% and 60% for fixed-route services and between 20% and 40% on paratransit services.

However, between existing fare free services, university passes, and employer passes, approximately 45% of UTA bus trips and 34% of TRAX and FrontRunner trips are already zero-fare from the passenger’s perspective. This limits the potential growth associated with systemwide zero-fare service, as these riders would experience no change at the farebox. Thus the anticipated growth in ridership applies only to the remaining riders who do pay at the point of service.

Based on the projected increase in riders currently paying fares, ridership across bus, TRAX, FrontRunner, and paratransit service is anticipated to increase between 5.9 million and 9.0 million trips per year over the current anticipated levels for 2023. This represents a ridership increase between 23.7% and 35.6% between the low-growth and high-growth scenarios (Figure 37).

This anticipated increase in ridership is the result of both existing riders taking more trips and new riders switching to transit from another mode. During the Fare Free February pilot, about 20% of trips were made by new riders⁵⁶. It is anticipated that a longer term zero-fare demonstration, either permanently or through a one-year pilot, would have a similar uptake rate for new riders switching to transit from other modes.

Figure 37 Scenario 1: Systemwide Zero-Fares Anticipated Ridership

Service	2023 Projected Ridership	Low-Growth New Transit Trips	High-Growth New Transit Trips
Bus	13,579,000	2,947,000 (22%)	4,420,000 (33%)
TRAX	9,045,000	2,388,000 (26%)	3,582,000 (40%)
FrontRunner	2,220,000	586,000 (26%)	879,000 (40%)
Paratransit	325,000	65,000 (20%)	130,000 (40%)
On Demand	389,000	93,000 (24%)	139,000 (36%)
Systemwide	25,558,000	6,079,000 (24%)	9,150,000 (36%)

Note: 2023 Projected Ridership assumes existing fare structure is still in place. On Demand projected 2023 ridership is extrapolated from November 2022 data, the most recent month where both ridership and cost data are available.

Travel Time Savings

Zero-fare service may reduce dwell time spent at bus stops associated with waiting for passengers to board and pay their fare. Research has shown that it takes passengers on average 4.5 seconds to pay their fare with cash, 2.8 seconds to pay with a smart card, and 1.8 seconds to board without paying a fare. If travel time savings are significant enough, agencies could potentially reduce the number of buses or vehicles needed to run the same

⁵⁶ UTA Free Fare February Final Report (April, 2022) pp. 14

amount of service. This evaluation compared the amount of time taken now based on current ridership numbers and fare media to the amount of time taken to board based on expected ridership increases without the requirement of paying a fare. As ridership increases, travel time savings diminish over time.

Systemwide, initial travel time savings amount to over 14 hours per day, though this shrinks to between four and eight hours with ridership growth. On a per trip basis, this results in a maximum of about 30 seconds of travel time savings per trip. These savings are enough to provide some flexibility and slightly improve service reliability but are unlikely to reduce operating costs.

On-Board Vehicle Capacity

A common concern when evaluating zero-fare systems is that the ridership increase may overwhelm existing capacity, leading to large increases in fixed-route operating costs. During this evaluation, ridership data for every trip on every route of the system was reviewed from the month of October 2022. On-board capacity varies by mode, with capacity thresholds set at 60 passengers for bus service, and 360 passengers for TRAX and FrontRunner services. Rail service capacity was established based on existing capacity standards of 90 passengers per vehicle with a minimum of four vehicles per train. The evaluation determined that no trips would exceed existing capacity thresholds for TRAX or FrontRunner, meaning that no additional operating costs are anticipated on those services.

For bus service, based on the analysis of October 2022 data, ridership growth may cause individual trips on Routes 205, 209, 217, and 35 to exceed capacity. These trips exceeding capacity are not anticipated to be systemic and may require small shifts in schedule to accommodate. They may not require additional buses or resources to address.

On Demand is a new UTA service line, with less than a year's worth of data available for four microtransit zones. Ridership in all four zones are growing, with the Southern Salt Lake City and Westside Salt Lake City zones experiencing capacity challenges in November 2022. A zero-fare policy will increase demands for On Demand service. Based solely on fare impacts, ridership on On Demand is likely to increase between 24 and 36 percent. Additional vehicles and operating hours will be necessary.

Financial Health

Fare Collection Costs

In order to collect fares, agencies must maintain fare collection equipment, purchase and administer fare media, and securely collect and reconcile cash fares, all of which have direct costs to the agency. Identifying the amount of revenue received from fares and the costs of collecting those fares is the first step in determining the costs of going to zero-fare service.

In 2021, excluding the existing public safety labor costs which are assumed to continue in a zero-fare scenario, UTA spent about \$5.3 million to collect fares. This includes staff salaries, fare media production and fees, credit card and cash fees, and service and security fees. Of this \$5.3 million, approximately \$4.0 million is allocated to maintenance, accounting, financial service, and marketing labor and may not be realized as cost savings in a one-year zero-fare pilot. In a longer term scenario, these labor costs may be reallocated to other functions and recognized as cost savings.

Additionally, a 2021 study evaluated the projected costs of maintaining the current farebox system and of making a series of upgrades to fare collection equipment and technology (Figure 38). Maintaining the existing farebox system is anticipated to cost \$10.8 million in operating costs and \$13.2 million in capital costs over the next 10 years. The upgrades are anticipated to add \$12 million in operating and \$44 million in capital costs over the next 10 years. UTA is in the process of bidding new farebox systems, and actual costs may be different.

Figure 38 Projected Annual Costs to Maintain versus Upgrade Fare Collection System

		Fare Collection System Cost (in millions)				
10-Year Cost	System Type	EFC System	TVMs	Mobile App	Fareboxes	Total
Operating Costs	Current System	\$5.9	\$3.4	\$0.4	\$1.1	\$10.8
	Upgraded System	\$6.8	\$3.7	\$0.3	\$1.4	\$12.2
Capital Costs	Current System*	\$8.2	\$5	-	-	\$13.2
	Upgraded System	\$18.9	\$12	\$2.1	\$11	\$44.0

*Current TVMs are nearing end of life and require at a minimum to be refurbished and in-house EFC system at a minimum will require new validators.

Source: Fare Systems Study, 2021

Foregone Farebox Revenue

Transitioning to a fully zero-fare system will result in a decrease in revenue for the agency as fares are no longer collected. However, UTA's farebox recovery rate has decreased over the past several years, as discussed in Chapter 2 of this report. Fare revenue is anticipated to account for around 9% of total operating costs in 2023, indicating that fare revenue is increasingly a less significant overall source of revenue for the agency.

Of the fare revenue generated by UTA, about 52% is generated directly from passengers paying a fare to board the vehicle, while contract revenue from university passes and employer passes account for 26% and 22% of fare revenue, respectively. This evaluation takes a conservative approach and assumes that 100% of this fare revenue, including both directly paid fares and contract revenue, would be foregone in a zero-fare scenario. However, there may be an opportunity to continue exploring contract revenue with existing partners to help fund the zero-fare program, as has been done in many zero-fare systems across the country.

Paratransit Cost Implications

While additional costs associated with fixed-route service are based on available on-board capacity for individual trips, paratransit costs are a direct function of ridership increase. The ADA requires paratransit service be provided with comparable travel times as fixed-route service. As ridership increases additional vehicles must be dispatched to maintain comparable travel times, which typically increases operating costs.

A systemwide zero-fare paratransit service is expected to increase ridership between about 20% and 40%, or 65,000 to 130,000 additional trips. This increase in ridership will require additional operating costs, full-time employees, and paratransit vehicles. The additional paratransit operating costs in a zero-fare scenario are forecasted to be between \$3.9 million and \$7.8 million. As a result of the increased demand for service, there is also an associated capital cost for the additional service requirements. Systemwide zero-fare service is anticipated to require between 20 and 40 additional paratransit vehicles to maintain a consistent level of service as is currently being provided.

On Demand Cost Implications

Like paratransit, On Demand costs are a direct function of ridership increase. If UTA desires to maintain its seat availability and response time standards, zero-fare On Demand service costs will increase commensurate with the anticipated ridership increases of between 24 and 36 percent. We understand that On Demand service costs are increasing even without a lower fare. The anticipated increased costs of ~\$2 million (low ridership growth) to ~\$3 million (high ridership growth) are due to zero-fare, not growing underlying demand.

Overall Cost Impacts

The overall cost implications associated with systemwide zero-fare service are shown in Figure 39. Foregone farebox revenue, fare collection cost savings, and additional capacity costs are consistent between the low- and high-ridership growth scenarios. However, there are higher paratransit and On Demand costs associated with high-ridership growth due to increased demand for service. Systemwide zero-fare service is anticipated to increase net operating costs between \$32.5 million and \$37.5 million. The impacts of which would be an increase in systemwide ridership between 23.7% and 35.6% with an increase in net operating costs between 8.6% and 9.9%.

In addition to operating costs, the increased demand for paratransit service would require additional capital expenditures to increase the paratransit fleet size. To maintain the existing level of service with additional riders would require between 20 – 40 additional paratransit vehicles. These vehicles would be acquired over time as ridership gradually increases to maintain a high quality of service to meet growing demand. On Demand vehicle needs would also increase correspondingly.

A potential one-year zero-fare pilot project would include higher overall cost impacts, up to \$41.5 million, as the savings related to fare collection costs would not be realized in such a short time frame. Much of these cost savings are attributed to labor which would be reallocated to staffing needs in other areas of the agency. It is assumed that this type of labor reallocation would not occur during a one-year pilot. There would be additional costs to UTA if fares were restarted after a one-year pilot, including staffing, training, and farebox replacement.

Figure 39 Scenario 1 2023 Projected Zero-Fare Costs

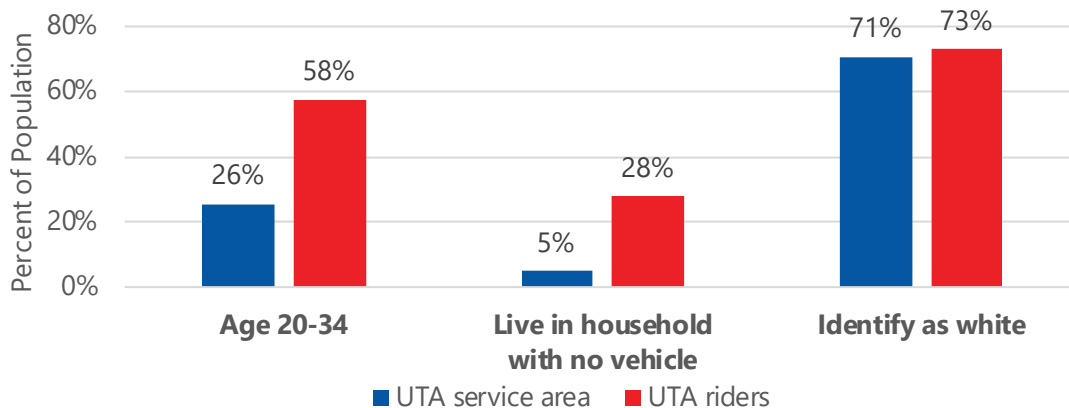
	Low Ridership Growth	High Ridership Growth
Foregone Farebox Revenue	\$31,935,000	\$31,935,000
Fare Collection Costs	\$(5,309,000)	\$(5,309,000)
Additional Bus Capacity Costs	\$0	\$0
Paratransit Growth Costs	\$3,914,000	\$7,829,000
On Demand Growth Costs	\$1,996,000	\$2,993,000
Net Impact to UTA	\$32,580,000	\$37,514,000

Community Benefits

Social Equity

Transitioning to systemwide zero-fare service removes a financial barrier for all transit riders, particularly low-income and student passengers, potentially improving equity in the service area. While many student passengers do not currently pay at the farebox, those who do would benefit from this program. According to a 2019 on-board survey, most UTA riders are young, with 63% of riders under the age of 35 and 39% of riders being students. Additionally, riders are also generally lower income, with just over half of riders having a household income of less than \$40,000 per year. Although only 5% of people living in the service area live in a household without a car, 28% of UTA riders live in a household without a vehicle (see Figure 40). A zero-fare system would likely improve outcomes for younger and lower-income people by removing these barriers and simplifying service.

Figure 40 UTA rider and service area demographics.



Source: 2019 UTA On-Board Survey

Providing zero-fare service could allow riders who rely on transit to take more trips to meet their needs rather than worrying about ability to pay. It would also allow these riders to save money previously budgeted for transportation to pay for food, housing, utilities, or other basic needs. Reducing the financial burden of mobility would also benefit those community members who must live further from the city center due to high housing costs and commute longer distances. These riders might be able to choose a more efficient but more expensive transit route, thereby saving themselves time and money. In this way, zero-fare service may reduce an individual’s combined housing and transportation costs by eliminating or reducing the number of vehicles needed for their household, which in turn, may allow some people to live in more expensive housing with better access to transit.

Congestion

Using the WFRC Travel Demand Model, it is possible to adjust specific inputs related to transit fare assumptions to align with the specific factors included in the systemwide zero-fare scenario. The Travel Demand Model can then be used to compute anticipated reductions in vehicle miles traveled (VMT), which is directly related to traffic congestion within the region. Evaluating the VMT impacts for Scenario 1 found an anticipated reduction of 250,000 VMT per day within the Region. To place these numbers into context, the current daily regional VMT is approximately 42 million, meaning the 250,000 daily VMT reduction accounts for 0.6% of regional VMT.

Figure 41 Scenario 1 Systemwide Zero-Fare Anticipated VMT Reduction

	Daily	Weekly	Annual	Trips per Year
Regional VMT Reduction	250,000	1,500,000	74,000,000	6,000,000
Freeway VMT Reduction	150,000	900,000	45,000,000	3,000,000
Other VMT Reduction	100,000	600,000	29,000,000	3,000,000

Note: Trips per year assumes average freeway trip is 15 miles, other trips are 10 miles

Systemwide zero-fare has the potential to reduce regional VMT by 0.6% daily. However, the impact on key corridors during the peak commute period can be much more significant.

The most significant benefit is on I-15 between I-215 and Point of the Mountain in the afternoon peak period. In the southbound direction, the impact is approximately 600 vehicles per hour, or equivalent of about a third of a lane of I-15 traffic. Compared to the capacity of 11,000 vehicles per hour, this reduction in traffic accounts for about 6% of the overall load for the corridor. These impacts are anticipated to grow into the future as regional growth continues to about a half lane or more by 2050 in each direction.

Air Quality

Air quality is a recurring issue within the Wasatch Front. Reducing the number of personal vehicle trips could potentially improve air quality. In fact, on red-alert air quality days, UTA already partners with agencies in charge of air quality to offer free transit in an attempt to lower unhealthy air pollution levels. Zero-fare transit would also create benefits for community members who do not ride transit, because it could potentially reduce carbon emissions and other air pollutants. Reducing drive alone rates would benefit all Utahns, by improving air quality and reducing traffic congestion.

Pollution reduction from offering zero-fare services is dependent on its ability to reduce VMT. Using the above VMT reduction results from the Travel Demand Model, an emissions calculator provided from the Minnesota Pollution Control Agency estimated that as much as 36,000 tons of CO₂ emissions may be reduced in Scenario 1 (Figure 42)⁵⁷.

Figure 42 Scenario 1 Systemwide Zero-Fare Anticipated Emissions Reductions

Emissions Reduced	Daily	Weekly	Annually
Tons of NO _x	1.3	7.7	390
Tons of VOC	2.4	14.2	723
Tons of CO ₂	120	700	36,000

NO_x – Nitrogen Oxides, VOC – Volatile Organic Compounds, CO₂ – Carbon Dioxide

Economic Opportunity

Zero-fare transit has been shown to improve access to transportation and remove barriers to mobility. This enables the community to travel more easily and to take more trips, including to local businesses. Zero-fare transit would also allow riders spend money that would otherwise be budgeted for transportation on other goods and services that drive economic growth, particularly low-income households that must dedicate a larger proportion of their budget to housing and transportation. The annual cost savings for households is up to \$43 million for those no longer driving (assuming \$0.585 per mile for fuel + wear and tear).

Another outcome of zero-fare service is an increased likelihood of shorter, circulation-based trips within activity centers. As you are not required to continue paying a fare for shorter trips, riders would be incentivized to make these types of trips more frequently. This may minimize the demand for excess parking within these activity centers, allowing more space for retail and commercial development to succeed. Similarly, this may incentivize more trips

⁵⁷ 36,000 annual tons represents about 0.6% of the total annual vehicular CO₂ emissions in the region.

to dense downtown areas as people will be able to make these trips for free on transit without having to pay for parking or drive through traffic congestion.

Safety Effects

There is no clear evidence as to whether zero-fare systems result in increased or decreased instances of disruptive passenger behavior, though it is a commonly voiced concern of agencies considering zero-fare service. Some systems, including KCATA, have found that safety incidents decrease, because most conflicts between operators and passengers result from disagreements about paying fares. However, some riders may also feel that eliminating fares could lead to an increase in disruptive behavior and may feel that a zero-fare system might be less safe.

In the current UTA system, safety officers assigned to transit spend most of their time checking fares among passengers. There are no plans to decrease the public safety budget, so in a zero-fare system, those officers would be able to devote their time to providing security services, rather than merely checking fares. In the 2023 operating budget, \$3.1 million is set aside for fare enforcement labor. This analysis assumes that this budgeted amount remains the same. While the long-term safety implications of zero-fare service are unknown, reports of safety incidents decreased within the UTA system during the Fare Free February pilot.

SCENARIO 2: ZERO-FARE ON BUS SERVICE

Scenario 2 represents a partial zero-fare alternative that would eliminate all fares on the bus, On Demand, and paratransit service only. Fares would remain on TRAX and FrontRunner.

Operational Efficiency

In this scenario, ridership and revenue impacts for bus, On Demand, and paratransit remain the same as under Scenario 1 but with no changes to TRAX and FrontRunner ridership. If zero-fare were implemented on bus, On Demand, and paratransit, 3.1 million to 4.7 million additional passenger trips could be expected (Figure 43). This represents between a 12.1% and 18.2% increase in ridership over projected 2023 levels. Impacts associated with travel time savings and capacity are unchanged from those discussed under Scenario 1, minimal travel time savings and only limited individual trips anticipated to exceed available on-board capacity.

Figure 43 Scenario 2: Zero-Fare on Bus Service Anticipated Ridership

Service	2023 Projected Ridership	Low-Growth New Transit Trips	High-Growth New Transit Trips
Bus	13,579,000	2,947,000 (22%)	4,420,000 (33%)
TRAX	9,045,000	--	--
FrontRunner	2,220,000	--	--
Paratransit	325,000	65,000 (20%)	130,000 (40%)
On Demand	389,000	93,000 (24%)	139,000 (36%)
Systemwide	25,558,000	3,104,000 (12%)	4,689,000 (18%)

Financial Health

Net operating costs are anticipated to increase between \$22.6 million and \$27.6 million in Scenario 2 (Figure 44). There are no assumed fare collection cost savings in Scenario 2 because the accounting and administrative systems would remain in place to collect fares for rail services and would not be realized as a cost savings. Foregone farebox revenue, On Demand growth, and paratransit growth are the drivers of net operating cost increases in this scenario. On Demand and paratransit demand increases and the associated costs are anticipated to be identical to Scenario 1. This scenario is anticipated to increase ridership between 12.1% and 18.2% with an increase in net operating costs between 6.0% and 7.3%.

Figure 44 Scenario 2 2023 Projected Zero-Fare on Bus Service Costs

	Low-Ridership Growth	High-Ridership Growth
Foregone Farebox Revenue	\$16,670,000	\$16,670,000
Fare Collection Costs	\$0	\$0
Additional Capacity Costs	\$0	\$0
Paratransit Growth Costs	\$3,914,000	\$7,829,000
On Demand Growth Costs	\$1,996,000	\$2,993,000
Net Impact to UTA	\$22,624,000	\$27,559,000

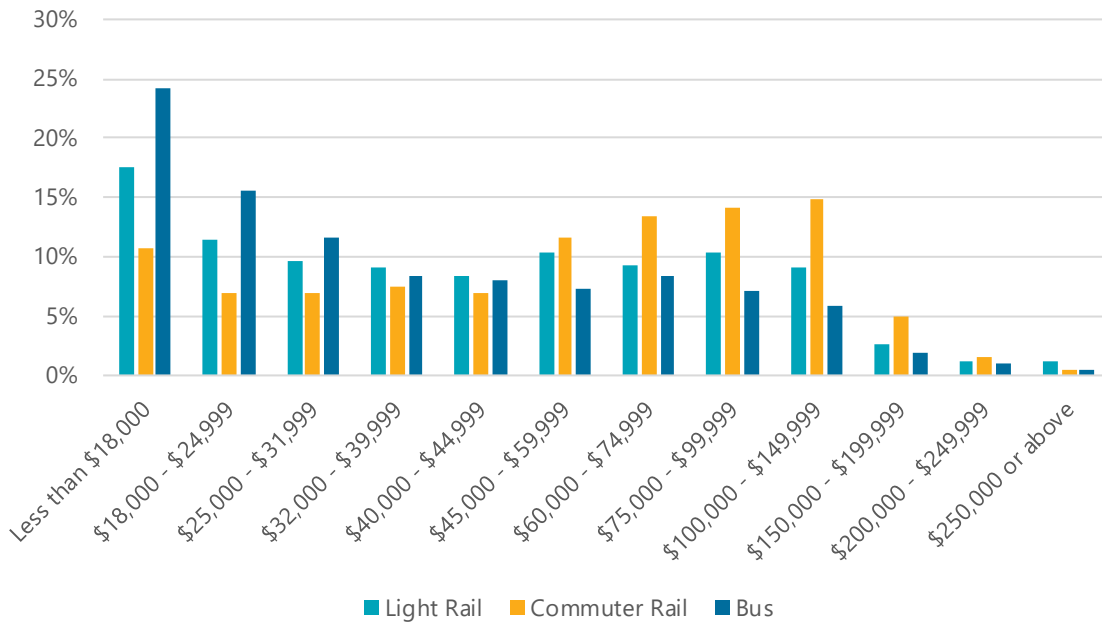
Community Benefits

Social Equity

This scenario would also likely improve equitable outcomes, as low-income people ride the bus at greater rates than those of higher incomes. UTA's 2019 on-board survey found that 52% of bus riders have household incomes below \$32,000, compared to 40% of TRAX riders

and 25% of FrontRunner riders. The results of this on-board survey suggest that prioritizing zero-fares on bus service would reduce the financial burden for lower income riders.

Figure 45 Rider Mode Choice by Income



Source: 2019 UTA Onboard Survey

Congestion and Air Quality

The impacts on VMT reduction and congestion implications were not modeled for Scenario 2. However, by comparing the results of the model for Scenario 1, it is anticipated that the VMT reductions under Scenario 2 will be relatively modest. Zero-fare service on buses only is likely to have a larger impact on “other VMT” as opposed to “freeway VMT” which may be more highly correlated with the TRAX and FrontRunner service.

The “other VMT” reduction in Scenario 1 represents about 40% of the total VMT reduction. Assuming some of the “network effect” related to zero-fares across all modes of service would limit the potential VMT reductions for bus only service beyond what is identified in Scenario 1, it is estimated that VMT reduction would be roughly one quarter to one third of that identified in Scenario 1.

Similar to congestion, air quality and emissions reductions were not modeled for this scenario. Emissions reductions are anticipated to be somewhat modest in comparison to Scenario 1 as the freeway VMT reduction is anticipated to be less impacted by bus only zero-fare compared to systemwide zero-fare. Commensurate with the VMT reduction estimated

above, emissions reductions are also estimated at about one quarter to one third of that identified in Scenario 1.

Economic Opportunity

The economic impacts of Scenario 2 are closely aligned with those discussed for Scenario 1. In particular, the local circulation improvement would continue in this scenario as bus service is the primary mode to achieve this level of mobility. The continued presence of fares on TRAX and FrontRunner would limit ridership gains on regional services. Zero-fare on buses would continue to foster improved access to opportunities, including allowing households to spend more on other goods and services that was previously spent on transit fares.

Safety Effects

It is again, unclear what impact zero-fare service would truly have on safety and perceptions on the transit system. Maintaining fares on TRAX and FrontRunner could reduce the need for increased security on trains and at stations. This would enable enhanced security focused around the bus system in the event that public safety and disruptive behavior worsen following zero-fare implementation.

SCENARIO 3: ZERO-FARE FOR LOW-INCOME RIDERS

Operational Efficiency

Scenario 3 would expand upon the existing low-income reduced fare program by eliminating fares for all low-income riders, below 150% of the federal poverty level, on all modes. The current program offers 50% discounted fares for riders below this income threshold. However, 2019 on-board survey data suggests that not all passengers eligible for the low-income reduced fare program actually receive a reduced fare. This is likely due to the administrative burden associated with proving income levels that may deter some riders from participating.

This evaluation assumes that a zero-fare for low-income riders program would reflect 2019 participation rates because income verification would still be required to prove eligibility. Some alternative approaches to reduce this burden used by other agencies include allowing self-certification of income eligibility or partnering with local social service providers so that when an eligible participant qualifies for a social program they are automatically given a low-income pass, rather than requiring additional applications and verifications. This scenario would result in an increase in ridership between 1.3 million and 1.9 million (5.0% to 7.6%)

additional passenger trips across bus, On Demand, TRAX, and FrontRunner service, as shown in Figure 46. In this scenario, paratransit service would not be required to be zero-fare under the ADA and it is assumed fares would be unchanged. Thus, no additional ridership or costs are anticipated for paratransit service.

Figure 46 Scenario 3: Low-Income Zero-Fares Anticipated Ridership

Service	2023 Projected Ridership	Low-Growth New Transit Trips	High-Growth New Transit Trips
Bus	13,579,000	851,000 (6%)	1,277,000 (9%)
TRAX	9,045,000	398,000 (4%)	596,000 (7%)
FrontRunner	2,220,000	26,000 (1%)	39,000 (2%)
Paratransit	325,000	--	--
On Demand	389,000	19,000 (5%)	29,000 (7%)
Systemwide	25,558,000	1,294,000 (5%)	1,941,000 (8%)

Financial Health

Providing zero-fares for low-income riders would not have any cost savings associated with fare collection since all fare collection practices would remain in place. Low-income fare programs typically have additional administrative costs to the agency associated with verifying income eligibility and providing pass products. However, because UTA has an existing low-income fare program, it is assumed that the associated administrative burden would be unchanged from the current program. Foregone farebox revenue and projected increases in On Demand ridership from low-income riders would account for a net increase in operating costs of \$4.6 million, representing a 1.2% increase over the 2023 budget (Figure 47).

Figure 47 Scenario 3 2023 Projected Low-Income Zero-Fare Costs

	Anticipated Cost Impact
Foregone Farebox Revenue	\$3,984,000
On Demand Cost Increases	\$646,000
Net Impact to UTA	\$4,630,000

Community Benefit

Social Equity

Scenario 3 has the most direct effect on equity as it specifically targets low-income populations. This approach ensures that the benefits of zero-fare service are provided to those most in need from a financial perspective. However, the income verification process represents a barrier to entry that many passengers may be unable or unwilling to navigate. As only about half of eligible passengers participate in the existing low-income reduced fare program, this barrier is anticipated to reduce participation rates.

Congestion and Air Quality

The VMT and emissions reductions associated with Scenario 3 were not modeled for this evaluation. Due to the minimal anticipated ridership increase, particularly on more regional commuter services like FrontRunner, the impacts to traffic congestion and emissions reductions are anticipated to be minimal for this scenario. In particular, because zero-fare would only be offered to eligible low-income riders who are already more likely to be riding transit, VMT and emissions reductions are anticipated to be minimal in this scenario, less than one quarter of that anticipated in Scenario 1.

Economic Opportunity

The key economic benefits associated with Scenario 3 are removing financial barriers to mobility for low-income populations, allowing them to more easily reach employment and shopping opportunities. As well as allowing riders to spend money that would otherwise be budgeted for transportation on other goods and services that drive economic growth. As a more targeted policy, this would not have the same circulation service impacts as Scenarios 1 and 2.

Safety Effects

There would likely be no discernible change to safety perceptions as a result of this policy. Because Scenario 3 represents a targeted policy only impacting low-income households, the impacts to ridership are relatively low. Additionally, because low-income households are already more likely to be frequent transit riders, there is unlikely to be significant changes in rider behavior as a result of this policy change.

SCENARIO 4: LOWER FARES ON ALL SERVICES

Operational Efficiency

Scenario 4 examines the implications of reducing fares on all modes of transit. All base fares would be lowered to \$1.00. Reduced fares would be \$0.50, paratransit fares would be \$2.00, and all pass multipliers would remain unchanged. This would lower the cost of transportation for all riders, while ensuring that those riding transit are directly contributing to the system. Because there is a larger body of research to pull from in terms of fare elasticities related to increases and decreases, compared to zero-fare, Scenario 4 does not include low and high growth scenarios. Instead, this scenario yields one anticipated ridership growth number. Additionally, UTA's farebox data does not separate Bus and TRAX fare payments, thus the two numbers are consolidated for the Scenario 4 evaluation.

Reducing fares rather than eliminating them would have a less profound impact on ridership and would not reduce fare collection costs. In this scenario, ridership is anticipated to increase by 9.8%, or 2.5 million additional riders (Figure 48), as the lower fares represent a reduced barrier to entry and passengers are encouraged to ride more frequently.

Figure 48 Scenario 4: Lower Fares on All Services Anticipated Ridership

Service	2023 Projected Ridership	Anticipated New Transit Trips
Bus & TRAX	22,624,000	2,220,000 (10%)
FrontRunner	2,220,000	220,000 (10%)
Paratransit	325,000	31,000 (10%)
On Demand	389,000	38,000 (10%)
Systemwide	25,558,000	2,509,000 (10%)

Financial Health

As fares are reduced, fare revenue is also anticipated to be lower in Scenario 4. Despite the increase in anticipated ridership, farebox revenue is anticipated to decrease by approximately \$8.7 million. Anticipated increases in On Demand costs due to increased demand would add another \$833,000 in costs. Together, this represents 2.5% of the 2023 budget. This assumes that all existing fare collection costs remain in place as they are currently.

Figure 49 Scenario 4 2023 Projected Lower Fares for All Services Costs

	Anticipated Cost Impact
Foregone Farebox Revenue	\$8,744,000
On Demand Cost Increases	\$833,000
Net Impact to UTA	\$9,577,000

Community Benefit

Social Equity

From an equity standpoint, Scenario 4 does not specifically target low-income populations or services. Instead, it standardizes fare categories across service modes. This would have a similar impact as Scenario 1 in that it reduces fares across the board but does not fully go to zero-fare service. This would represent an improvement for low-income riders but to a less significant extent than Scenarios 1-3.

Congestion and Air Quality

Congestion and air quality benefits are also anticipated to be somewhat moderate in this scenario. The ongoing presence of a fare, in comparison to Scenarios 1 and 2 in particular, limits the anticipated growth in ridership and subsequent reductions in VMT and emissions. The anticipated ridership growth on FrontRunner service may result in a modest reduction in freeway VMT on I-15 but is not anticipated to have a significant impact on traffic congestion or air quality. VMT and emissions reductions are estimated to be less than one quarter of those anticipated for Scenario 1.

Economic Opportunity

Similar to Scenario 3, by reducing fares, this scenario frees up additional financial resources for transit riders to spend on goods and services rather than transportation. However, these impacts are likely to be minimal, as transportation costs will still exist under the lower cost fare structure.

Safety Effects

While the safety implications of zero-fare service continue to be unclear, some riders may feel more comfortable with charging a lower fare rather than zero-fare service. Because the presence of a fare may be seen as a control on entry to the service, there is a perception that this may reduce disruptive behavior or destination-less riding. Any potential concerns around

safety as a result of zero-fare service would not apply in this scenario as fares would continue to be in place.

FARE FREE TRADEOFFS SUMMARY

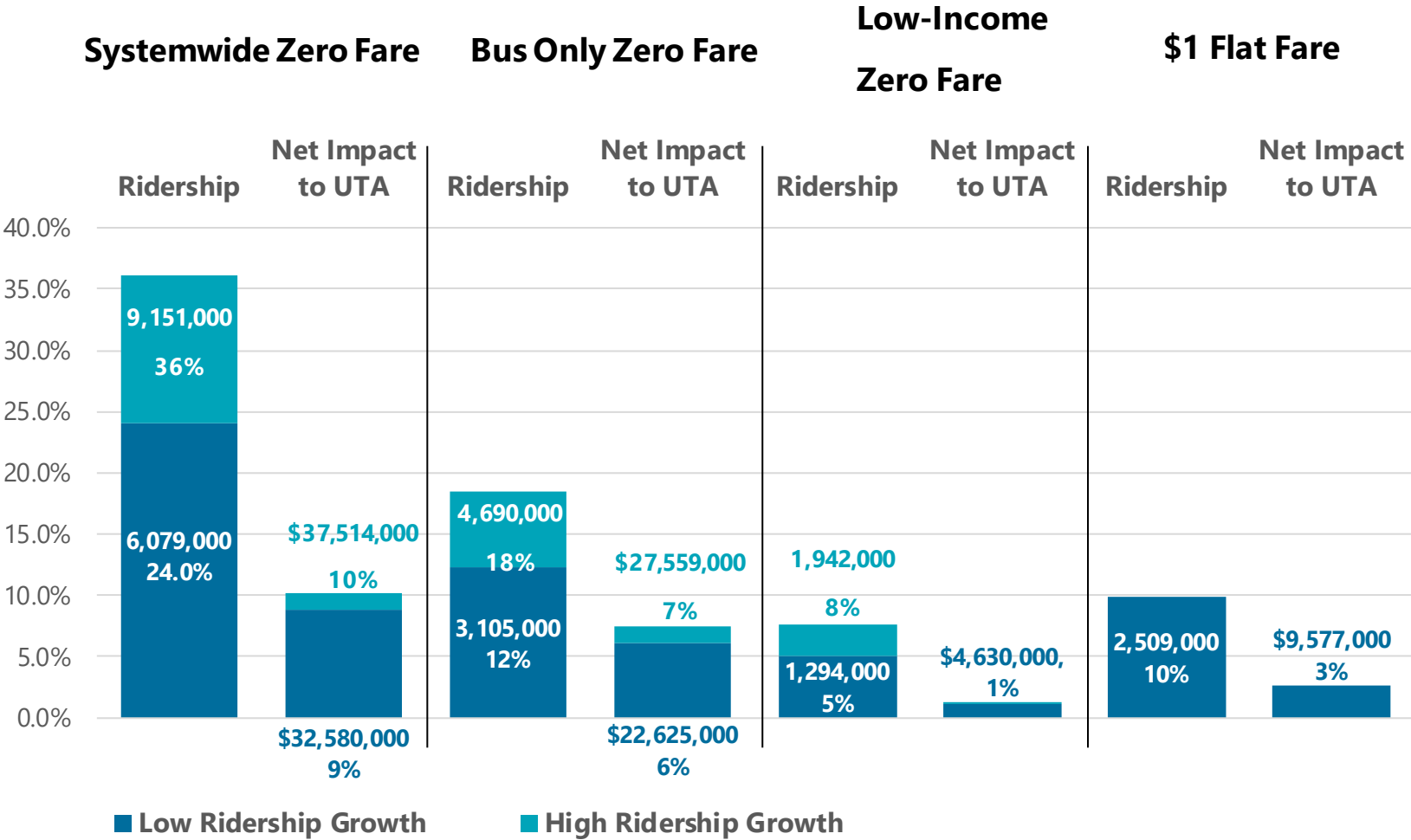
All scenarios evaluated showed high ridership gain for relatively low cost (see Figure 50). Systemwide zero-fare has the opportunity to raise ridership by up to 35.6% for a 9.3% additional investment. It also addresses regional equity goals and has a measurable impact on I-15 congestion and emissions. Financial impacts for systemwide zero-fare are partially reduced as UTA could save on existing fare collection costs. In all of the remaining scenarios in which fares are still collected, those savings would not exist.

Zero-fare on bus service has the opportunity to raise ridership by up to 18.2% for a 7.3% additional investment. It also addresses regional equity goals but does not have as much of an impact on traffic congestion or emissions as most bus trips are shorter and non-freeway based.

Zero-fare for low-income riders has the potential to raise ridership by up to 7.6% for an additional 1.2% investment. It would also align with regional equity goals but, similar to zero-fare on bus service, has a minimal impact on traffic congestion and emissions due to limited ridership growth potential.

\$1 fares on all services has the potential to increase ridership by up to 9.8% for an additional investment of 2.5%. This alternative less directly aligns with regional equity goals because the financial barrier of paying a fare at the point of service remains in place, although there would be positive outcomes associated with lower fares overall. This scenario would also have a minimal impact on traffic congestion and emissions, though the lower fares, removal of distance based fares, and anticipated increase in FrontRunner service may have an impact on congestion and emissions reductions on I-15.

Figure 50 Fare Scenario Evaluation Summary



5 ENGAGEMENT SUMMARY

WFRC, UTA, MAG and UDOT engaged with stakeholders during the study process to solicit their feedback regarding transit-related priorities and policy considerations. Input gathered from these stakeholder engagement efforts helped to inform the study team's work in providing a data-informed, community-supported spectrum of options for decision makers to consider.

The goal of the study team's stakeholder engagement efforts was to solicit robust input through meaningful engagement of key stakeholders, encouraging active participation from historically marginalized and underrepresented groups. The team interviewed a dozen stakeholders, facilitated meetings with citizen advisory committees at UTA and WFRC, made presentations to state and local elected officials, coordinated messaging and public relations efforts with the respective agencies' communications teams, developed digital and print materials for public dissemination, and advised on legislative strategy.

KEY STAKEHOLDER INTERVIEWS

The team identified 12 stakeholders to interview for a situational assessment who provided valuable input into the study process due to their extensive experience, perspectives, subject-matter expertise, and leadership roles in the community. Stakeholders included state and local elected officials, state administration officials, business leaders, and community advocates. The interview questions are outlined in Appendix A of this report. The team recorded and transcribed all interviews, which are included in Appendix B of this report. The following provides a high-level analysis of their collective feedback.

Defining Zero-Fare Transit

The fact that the concept of partially reducing or eliminating transit fares was being studied at all was perceived by all stakeholders as an indication that Utah's transportation agencies were seriously considering the topic. Some stakeholders saw the study efforts as encouraging, while others viewed it with skepticism. Interviewees felt that the study was a productive exercise to advance considerations regarding zero-fare transit.

Initial baseline questions were asked to better understand interviewees' perspectives regarding zero-fare transit and assess their level of awareness about related efforts in the past. Most interviewees possessed some level of awareness or involvement in past zero-fare efforts, including Free-Fare February, the free-fare zone in downtown Salt Lake City, free fare transit opportunities on bad air quality days, and existing transit pass programs.

Many interviewees were also aware that specific Bus Rapid Transit projects such as the Utah Valley Express (UVX), Ogden-Weber State (OGX), and the planned Midvalley Connector enhanced bus service are currently or intended to be zero-fare. Some interviewees also mentioned that they were aware of zero-fare opportunities for people who attended certain community events, as well as zero-fare options for individuals who needed access to tests and doctor appointments during the COVID-19 global pandemic.

Interviewees responded to this question, "What does zero-fare transit mean to you?" with both literal and figurative answers. Some interpreted "zero-fare" as meaning "no cost." Most recognized that while there would be no direct cost to the user in a zero-fare transit system, there would be costs associated with operating and maintaining the system that would largely be borne by taxpayers.

Most interviewees felt that the term "zero-fare" was confusing. They understood that the intent of the term was to reflect the nuance that "someone is paying for it." They felt the term was appropriate for an audience of policy makers. However, they recommended using the term "free-fare" for a public audience because it was more intuitive and easier to understand.

Transit Considerations

Some interviewees felt that the elimination of transit fares would be worth the investment if it resulted in an increase in transit ridership that reduced single-occupancy vehicle (SOV) travel. They cited the positive externalities associated with potential improvements to air quality and the environment, better access to education, employment and recreational opportunities, and reductions in road maintenance costs.

Two interviewees felt that further subsidizing transit when the existing system is not currently operating at full ridership would not be the best use of transportation investments. They felt that the government should not be in the business of "picking winners and losers" by creating more of a reliance on government through increased taxation for a government-funded service that most Utahns are not currently using.

However, 10 interviewees held a different perspective, making the point that the state already heavily subsidizes roads and that making the transit system more accessible only increases Utahns choices by improving access and mobility. They felt that the cost of a zero-fare transit system was minimal compared to the billions of dollars the state spends each year on roads.

The local mayors that were interviewed were among the strongest advocates for zero-fare transit, citing major successes in their own communities. From Utah Valley Express in Provo/Orem and Ogden Express in Ogden, to the Free Fare Zone in downtown Salt Lake City, the mayors voiced strong support for eliminating fares altogether. They explained that their constituents have benefited greatly from the service and that many initial concerns regarding safety and security from the public have not materialized. In fact, they explained that residents living near the transit service who had previously fought against bus stops are now asking for them in their neighborhoods.

Representatives from the Governor Cox Administration similarly expressed strong support for some version of zero-fare transit, making the point that transit is fundamental for upward socioeconomic mobility, the creation of thriving communities, and the advancement of transportation equity.

Transit Priorities

While holding different perspectives related to transit priorities, all interviewees recognized the importance of transit investment, particularly in the context of the state's unprecedented growth. Many interviewees felt that a zero-fare transit system was a generational opportunity to think big and be forward looking.

However, some felt that while a zero-fare transit system should be an aspirational goal, there were many transit priorities that were expressed as more important such as improving service frequency, access to service, and convenience of the bus system. They cited needed improvements to bus stop amenities, extending nights and weekend service, expanding stop locations and access, and reducing transit trip duration. With finite funding available for transit, these interviewees expressed a desire to prioritize bus service improvements before eliminating fares.

Some interviewees, however, held a different view. They recognized the myriad transit needs across the Region and the state but were supportive of incremental reductions or eliminations in transit fares for targeted populations such as students, marginalized and Black, Indigenous, and People of Color (BIPOC) communities, and low-income households.

Transit Funding

All interviewees said that the majority of the funding to support the partial or complete elimination of transit fares would likely need to come from the state legislature. This unanimous feedback came from interviewees, regardless of their support or lack of support for zero fare. There was a broad-based recognition that UTA would likely not have the resources to offset the costs associated with zero-fare transit and that state investment would be needed.

Interviewees cited other potential funding sources such as federal grants, additional local sales tax revenues, and augmented public-private partnerships to supplement a potential state investment. They reiterated that the amount of money needed to offset farebox recovery was minimal compared to state investment in roads.

A majority of interviewees expressed support for riders to have some form of “skin in the game” in paying for their use of the transit system. They suggested that people “do not value what they do not pay for.” They said lowering the cost to an amount such as \$1 per ride made sense. They recognized, however, that UTA would still need to incur farebox recovery costs under this scenario.

Two interviewees felt that eliminating fares altogether may not be equitable because they believed that many current riders could afford to pay the fare. These interviewees felt that there should be a way to differentiate riders and charge them based on their ability to pay. They felt that augmenting existing transit pass programs would help to target those who need the reduction or elimination of fares the most.

Some interviewees felt that the focus on zero-fare transit should be about the additional revenues it would generate, not the costs. They suggested that giving more people access to jobs would increase income tax revenues and that giving more people access to shopping and recreational amenities would increase sales tax revenues. They also said that zero-fare transit increases property values and tax revenues over time as a result of more transit-supportive land use development along transit corridors. These interviewees recognized that these revenues would take years to materialize, may be difficult to quantify, and may not be directly linked to zero-fare transit only.

Key Deliverables

Interviewees requested specific information to help support their considerations of zero-fare transit. They asked for analogous examples of other zero-fare transit studies conducted across the country. They wanted to know what has worked well and what has not worked well. They also wanted to understand the policies, funding, ridership, and safety considerations of the individuals and entities overseeing existing zero-fare transit systems.

Some interviewees asked for a cost-benefit analysis of what zero-fare would mean for UTA if it were implemented. All interviewees emphasized the importance of quantifying the outcomes of a zero-fare transit system, specifically showing whether the elimination of fares resulted in not only increased transit ridership but also reduced SOV trips. They agreed that if the modeling could show both an increase in transit ridership and a reduction in vehicle miles traveled, these data would be the strongest justification for state investment in a zero-fare transit system.

They asked for modeling showing the reductions in mobile-source emissions, calculations showing the cost-savings associated with lowered road maintenance costs, and the aggregated number of additional jobs and educational opportunities Utahns could access if fares were eliminated.

One interviewee specifically asked for heat maps that identify the transit gaps in communities, particularly underserved communities, cautioning that the study should incorporate the “human element” and not rely too heavily on just the data. They suggested that there are missing datasets related to social determinants of health, equity, and access that need to be created and considered in policy considerations related to zero-fare transit. The interviewee recognized that while the identification, creation, and analysis of these datasets is likely outside the scope of this study, it is important for the study team to recognize that “just because we don’t have all the answers now” does not mean that the study team should not move forward.

In addition to the quantitative metrics, most interviewees requested rider profiles that would help demonstrate what zero-fare transit would mean to individual riders. They said that narratives of a person’s lived experience would impact decision makers more than just numbers. They explained that the quantitative benefits of zero-fare, coupled with the qualitative stories of personal lived experiences would serve as a powerful factor in considering zero-fare transit.

For specific deliverables, all interviewees agreed that a set of objective, data-informed, people-focused findings would help to meaningfully inform considerations of zero-fare transit. They cautioned that the findings should not be construed as recommendations and agreed that a set of fact-based funding and policy scenarios would be beneficial. They asked for simple, easy-to-understand materials that incorporated visuals and tradeoffs associated with the various scenarios created by the study team.

Additional Considerations

While not part of the original interview questions, interviewees brought up their concerns regarding the safety and security of a zero-fare transit system. They were particularly concerned about a zero-fare transit system inadvertently creating “rolling homeless shelters” across the Wasatch Front. They explained the growing housing affordability crisis was an exacerbating factor that has increased the number of unsheltered people riding transit. They cited large cities around the country such as New York, New York; San Francisco, California; and Portland, Oregon as examples of areas where they felt this has occurred. While acknowledging that eliminating fares may not directly create an unsafe environment, they wanted the study team to be mindful of this concern.

Some interviewees felt that individuals experiencing homelessness should not be criminalized for merely riding the system. They said that eliminating fares may actually reduce the number of people “falling into homelessness” in the first place since zero-fare transit reduces the cost burden for low-income families. Interviewees also explained that UTA has a dedicated police force to help ensure safety and security. They also said that many safety issues arise over fare-box disputes so eliminating fares could actually increase safety over time.

COMMUNITY ADVISORY COMMITTEES

In addition to interviewing key stakeholders, the study team facilitated a series of meetings with existing community advisory committees managed by UTA, WFRC, and MAG. The objective of the engagement efforts was to solicit input from transit riders representing diverse perspectives from the local community. The study team convened a special combined meeting with both the UTA Community Advisory Committee (CAC) and the UTA Committee on Accessible Transportation (CAT), and a special meeting with the Wasatch Choice Community Advisory Committee (WCCAC).

The CAC is an advisory committee composed of riders who provide advice that informs UTA priorities, plans, and decisions. The committee fosters direct connection and collaboration between UTA and the public. The CAT is composed of members who represent a wide range of disabilities from various ethnic, economic, and geographic backgrounds. CAT members advise UTA on accessibility issues related to facilities, service, equipment, plans, and programs to assure non-discrimination for qualified people with disabilities. The purpose of the WCCAC is to enhance the engagement of communities and apply an equity lens to the Wasatch Choice Vision. The committee provides a forum for enhancing awareness and understanding of the needs and priorities of diverse communities and promoting equity in the Region.

The study team conducted the meetings virtually to ensure they were easily accessible to committee members. The team secured Spanish and American Sign Language interpreters for committee members requiring language translation services. In addition, the meeting proceedings were transcribed in real time for hearing-impaired individuals, with both audio and video recordings provided to all members afterwards.

Common themes emerged from the committee member feedback, including:

- Zero-fare transit would help to advance transportation equity, particularly for underserved communities.
- Zero-fare transit would improve access to employment and educational opportunities.
- Existing zero-fare transit systems in Utah such as the Cache Valley Transit District, Park City Transit, and High Valley Transit could help to inform UTA’s considerations.

- Concerns regarding the safety of a zero-fare transit system will need to be proactively addressed.
- Potential investments in a zero-fare transit system should be weighed with other transit-related priorities such as frequency, coverage, and access.
- Projected increase in ridership is significant; decision makers must continue to ensure transit facilities are still accessible to individuals with disabilities.
- The benefits of a zero-fare transit system such as air quality and mobility improvements outweigh the costs. Benefits should be quantified and articulated, not just the costs.
- Utah is in the middle of a housing crisis. A zero-fare transit system could reduce transportation costs for low-income individuals and families, helping people stay in their homes.

Nearly all committee members were supportive of partially or completely eliminating transit fares, with some members expressing a strong desire to advocate for it. The study team took the feedback from the committees into consideration when identifying elements to analyze in the four scenarios and interpreting the modeling results.

POLICYMAKER COORDINATION

Team members regularly presented to key state and local elected officials throughout the study process to solicit their feedback and direction. Presentations were given to the governing bodies of UTA, WFRC, and MAG, including the Wasatch Front Regional Council, the WFRC Regional Growth Committee, the MAG Regional Planning Committee, the UTA Board of Trustees, and the UTA Local Advisory Council. Presentations were also given to the technical advisory committees (TACs) of the respective transportation agencies. These TACs are composed of subject-matter experts such as city engineers, public works directors, and community and economic development directors.

In addition, the study team presented to the Transportation Interim Committee of the Utah State Legislature on November 16, 2022. Legislators had several questions regarding the study and its implications:

- What is ridership and farebox revenue expected to be in the coming years without a zero-fare transit system?
- What do we know about original fare projections? Why were fares set where they are currently? What is the overall budget and breakdown of fares for UTA historically?
- What percentage of trips are from the same consistent users?
- What comparable cities nationwide have zero-fare?

- Why are we supportive of Road Usage Charge (roadway fee for service) but looking at removing transit fares?
- How are safety costs considered in this evaluation?
- Will zero fare costs actually be \$50 million to return to pre-pandemic use?
- How reliable is FrontRunner service?
- How would zero-fare impact UTA's ability to make other improvements like frequency and reliability?
- How would vehicle miles traveled and traffic congestion be impacted?

The study team and representatives from UDOT, UTA, MAG, and WFRC worked collaboratively to answer these questions from legislators through follow-up meetings, materials, and presentations.

On December 9, 2022, Utah Governor Spencer Cox released his budget recommendations⁵⁸ for state fiscal year 2024. The recommendations included \$25 million for a one-year statewide zero-fare transit pilot and \$500,000 for a zero-fare transit study. The study objectives would include analyzing the impacts of the pilot and providing Utah families price relief to help offset the burden of higher gasoline prices and inflation. The pilot is also intended to analyze factors related to permanent decisions for zero-fare transit.

⁵⁸ https://gopb.utah.gov/wp-content/uploads/2022/12/2022_12_09-Gov.-Cox-FY-24-Budget-Book.pdf

A KEY STAKEHOLDER INTERVIEW QUESTIONS

INTRODUCTIONS

- What does zero-fare transit mean to you?
- To your knowledge, what work has been done to consider zero-fare transit in the past?
- What should be considered going forward related to zero-fare transit?
- What specific information could help support considerations regarding zero-fare transit?

PRIORITIES

- What priorities do you have for transit service in your community?
- What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially eliminated?

CONCLUSION

- How could this study help to inform policy considerations regarding zero-fare transit?
- How do you think the results of the study should be used?
- What else would you like to tell us about zero-fare transit

B KEY STAKEHOLDER INTERVIEW TRANSCRIPTIONS

KEY STAKEHOLDER INTERVIEW

Joel Briscoe | Utah State Representative

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

- “It means the State is serious about providing alternatives to single people in one car driving around. It means we’re serious about air pollution in the valley. It means we’re serious about looking at alternatives and giving people choices. It means we’re serious about helping people who lack access to transportation, and therefore lack opportunities for work, medical care, family fun, or just survival.”
- “Those of us who drive cars take it for granted. There is a significant part of the population that don’t have cars. And free fares would mean access to basic services for them. It’s within our grasp to have a good transit system. It would also mean Utah would be a leader. We love it when we’re a leader.”
- “Zero fare transit would greatly impact those who are not able to afford transportation. It would improve their access to medical care and mental health care. It would help individuals experiencing chronic homelessness.”
- “In terms of equity, it’s huge. If you can afford a car, you can get places. If you can’t afford a car, you can’t get places. Zero-fare transit reduces some inequities and increases mobility and socio-economic opportunity for disadvantaged people.”
- “I had a family write to me who lived in Utah County. They told me how much it meant for their family of six to be able to use the UTA system for free. They met with friends in Salt Lake City during Free-Fare February and went to the planetarium. They would not have been able to afford to do that if the UTA system was not free.”
- “I know this teacher at a charter school. He had three field trips planned with students. He did those trips during Free-Fare February because it did not cost him anything to get the students on the bus.”
- “Transportation is one of many barriers for individuals not receiving recommended cancer screenings. A person who advocates for cancer patients told me that it is difficult to maintain their treatment regimen. Making transportation more accessible and

removing the cost barrier for Utahns has the potential to be a good thing for cancer patients. These are stories I did not expect.”

To your knowledge, what work has been done to consider zero-fare transit in the past?

- “I sponsored House Bill 164, Public Transit Fares, during the 2022 Utah State Legislative Session to make UTA’s system zero-fare. It would have prohibited a large public transit district from charging a fare to a passenger of a public transit service.”
- “I have led efforts at the legislature to pass funding for zero-fare transit days when the air quality is poor. Together, we decided we do not want to do weekends because we wanted to see what ridership looks like during an average day. It was a challenge to get the message out and coordinate with the Utah Division of Air Quality.”
- “I did not plan Free-Fare February but was a great supporter of it. In fact, I was just in Denver last week for the National Conference of State Legislators. They are going to do a free fare for better air in the month of August.”

What should be considered going forward related to zero-fare transit?

- “Just because air quality is better than it was in the past doesn’t make it good enough. In Salt Lake County, we have a head start over some of the other counties. However, I ask folks if we build out those communities west of Interstate 15 the same way we have built out the eastside of our valley, with the transportation system, the hospitals, the schools, the shopping, the jobs, are we going to be able to get a handle on our air pollution issues? I've not found a person who says yes.”
- “I have a used car that is almost paid off. I would love to buy an electric vehicle. I'm getting 33 miles a gallon on my used car. I would like to help people who are struggling to buy newer, cleaner cars. Right now, it takes a certain amount of time for the fleet to turn over. In addition, not every refinery in Utah is making Tier III fuel. So, our air quality is not as rosy as they want you to believe.”
- “Why build a road and then deny a person the ability to access it because they don't have a car? Why build schools and then say women can't go to them? Why build schools and say kids who are a different color have to go to a lesser version of them? From an economics perspective, discrimination or prejudice is just stupid. It hurts everybody. It's anti-economic. Why would you make it so this whole segment of the population can't participate fully in our economy and our society?”
- “Expanding people's access to transit in our beautiful state and the Wasatch Front is good for all of us. It is good for individuals and families. It is good for our communities, it is going for our economy. If we look after people first, the rest of the aspects of

community building fall into place.”

- “I have friends who have spent years living in New York City. I really doubt we will see anything in Utah that I haven’t already seen in New York. However, I’ve spoken to several women who I have tremendous respect for, professional people and others, who have told me that they don’t want to ride transit downtown because of homeless people, or other people that make them uncomfortable on the train. During the Free-Fare February, I had a woman taking pictures of a homeless person on Red Line TRAX who was lying on the aisle. It was not difficult to get past him. However, not only was he in the aisle but he had all the stuff with him that he normally would have on the sidewalk or even camping. So, it was like he was camping on the train. I don’t know what the solution to that is. But it’s something that I’m thinking about. If anyone has any ideas about how to deal with that issue, I would appreciate it if they would contact me.”
- It might be a downtown Salt Lake problem because somebody’s congregating here And they somewhat use the free fare zone for just getting warm under really cold, obviously a rational decision to open it up to a broader area because we said the whole system was brilliant, but they weren’t great. I don’t have to get off. Oh, yeah. I talked to the chief of police. And I said, How would you say, if it’s, if it’s a public safety issue, it’s a police issue. Anyway, it’s something we need to message. If we go forward, I think I’d be--

What specific information could help support considerations regarding zero-fare transit?

- “UTA does have some data that shows the number of cars taken off the road because of reducing or eliminating fares. Let’s use that. I’m also looking to see what lessons have we learned from other American cities? I’d be interested in costs, but I’m interested in more than cost. I’m interested in the return on investment. I’d like to see how it impacts ridership, particularly for students.”
- “Then there’s scientific evidence when we’re talking about air pollution. For example, a recent study by the University of Utah showed a link between low-birth-weight babies and moms breathing the air pollution. Let’s study air quality improvements as a result of more people riding transit. For example, take the data from air quality monitors near schools.”
- “The Kem C. Gardner Institute recently released a study about the health effects of air emission and pollutants leading to an increased risk of stroke, suicide, mental health, neurodegenerative disease, myocardial infection, congestive heart failure, preterm birth, decrease birth weight, etc.”

PRIORITIES QUESTIONS

What priorities do you have for transit service in your community?

- “Every two years when I run for reelection, I have people ask me to get UTA to run later in the evening and weekends. They say their son, wife, husband, or daughter couldn't get a job because they did not have a way to get to work. Our economy is booming, in some ways, but equitably there are some people for whom it's not as easy.”
- “When I brought forward the free-fare transit legislation several years ago, it was limited to using it on poor air quality days. I had several communications people who wanted it all the time. I think there are people, especially in more concentrated urban areas like Salt Lake City, that are used to riding transit. Having a robust transit system in which they can get around is valuable to them. I think a lot comes from wanting to use transit to get to and from football games, Jazz games, Real Salt Lake soccer, etc.”
- “We could provide more transit since Salt Lake County is getting denser. Constituents in my own district, which includes a part of Salt Lake, want regular, frequent transit service. People will drive a car because they won't wait. We need transit in some of these places to come every 15 to 20 minutes.”
- “We could see the biggest jump in transit ridership if we finished FrontRunner up to Brigham City. If they finish it off at Brigham City, they'll have to have so many people coming in and out of the Sardine Canyon- it is going to be huge.”

What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially limited?

- “I don't accept the premise. I'm willing to look at dramatically reduced fares and preferences for certain groups of the population. But we know that people like transit, we know they will use it, and they'll use it more if it costs less.”
- “We already spend \$10 to \$12 million dollars on garbage every year. We appropriate billions and billions and billions of dollars. Maybe we start out with a three-month zero-fare transit experiment.”
- “We can try it out for two or three years with some of the federal money that we parked into a fund a couple of years ago. Let's try a three-month zero fares period over the winter. Let's try one or two or three years in some areas. We tried our amount and see how it works.”

CONCLUSION QUESTIONS

How could this study help to inform considerations regarding zero-fare transit?

- “I love markets, they do tremendous work. I don’t worship them. And that’s my attitude. They’re tools. They’re an incredible tool, but they don’t fix everything. So how do we get markets to fix? You know, people who can’t make enough money to have cars?”
- “What about all the money that we shell out every year for roads in the state? That’s a government dependency for those who drive cars. But if you can’t afford a car, then those people are just out of luck?”
- “The rich will always make sure their children get the best education they can afford. We have said as a country, everyone gets a free, decent education. And then sometimes we struggle to make a decent living, but we work at it.”
- “Why not give everyone access to our transit system? It’s a tool to help people do the things we want them to do, which is if they can work, if they can provide more of their own then they can be more self-sufficient. It’s that old ‘hand up instead of a handout.’ I would argue that zero fares or significantly reduced fares are a help; not a handout.”

How do you think the results of the study should be used?

- “I’ve heard from Utah Department of Transportation Executive Director Carlos Braceras and I’ve heard from other legislators that we can’t build enough roads to keep pace with our growth. If we really do believe that is a factual statement, and it probably is, then let’s give it a go and not wait, let’s not wait till it’s a crisis to get there.”
- “I have a lot of people who email me and say, ‘Make it \$1.’ There are combinations you can do. I have one Republican friend on the committee who said he’d support giving free transit passes to every kid under the age of 18. He was an Air Force brat and grew up in Germany. He loved public transportation because he could go anywhere on it.”
- “There are a lot of variations on this thing. It doesn’t have to be zero fare for everyone all the time. I think that is the easiest implementation.”
- “The Governor has said, we should study, we should do this. So one of the things I’m going to be asking his staff was like, Is he serious about this? If he is, which is great. An easy way to get moving on this is to put it into his budget.”

What else would you like to tell us about zero-fare transit?

- “My takeaway is that people will ride. Give people the opportunity and they will ride. Should we have more routes into the southwest part of the valley? Sure. Should we fix some problems and some deficiencies in the system? Sure. But give people the chance to ride the system we already have for free.”
- “I keep thinking of Martin Luther King, Jr. and the long arc of history moving toward justice. Why would we invent all these tremendous systems and tools and mechanisms and then limit their use? Why don't we make it available to as many people as we can so more people can benefit from it? We put kids in school, we educate doctors, we subsidize education because we know it's going to be good for all. Zero-fare transit will be good for all of us and will help us in so many ways. This is the future. This is where we should be going. Let's get there. Let's get there faster. I always want to get there faster. I'm getting older. I want to see some of these things happen.”
- “Let's try a three-month winter's zero fares. Let's try one or two or three years in some areas. We tried our amount and saw how it works. Why are we so afraid to try stuff? Backed by some research, it shows that certain things work and are beneficial. Not just like this, but there's a lot of people working on this around the world.”

KEY STAKEHOLDER INTERVIEW

Mike Caldwell | Ogden City Mayor

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

- “Zero-fare transit is a chance to change the paradigm of how we travel on the Wasatch Front.”
- “Transit makes living more affordable. When you have access to public transportation, you are not spending as much money on car insurance, gas, and car payments. You can live in a place that has one parking stall per two- or three-bedroom unit, you can share a car, etc. Access to transit gives people chances to invest in other things such as education, their 401K, etc.”

To your knowledge, what work has been done to consider zero-fare transit in the past?

- “The Ogden Express (OGX) has been decades in the making and I have been a long-time champion of this important transit investment in the Ogden community. It has partially opened and provides zero-fare transit service.”

What should be considered going forward related to zero-fare transit?

- “We should consider the environmental benefits, among other things. If people get into the paradigm of accessing public transportation, it helps on so many levels.”
- “We are planting trees now so that our children and grandchildren will enjoy the shade of those trees. We need to proactively preserve needed transit corridors so that we do not have to condemn a whole bunch of poorly thought-out developments. That is what we need to be focused on. Let's plant more trees so that kids will enjoy.”
- “I think there is an economic argument to be made that we are saving X number of vehicle miles traveled per year, which reduces road maintenance and all these other costs that we are trying to figure out how to pay for.”

What specific information could help support considerations regarding zero-fare transit?

- “Transit corridors really do bring additional investment. The land use along those corridors needs to be conducive to transit. I have had long debates during my tenure as President of the Utah League of Cities and Towns that density and affordable housing should occur along transit lines.”
- “Public transportation is one of the big “rocks in the jar” in terms of how we address growth, move people around, and give them access to opportunities.”

PRIORITIES

What priorities do you have for transit service in your community?

- “OGX was a big one because it connects our downtown to the education center and health care. We can get off FrontRunner and get right on OGX. It will run every 15 minutes, take you to Weber State University, the event center for a basketball game or anything else up there. It will also drop you right at the front of McKinney Hospital, which is one of the big health care providers here.”
- “We need to give people an opportunity to realize how easy it is to use FrontRunner, Bus Rapid Transit, and transit generally. We need to show people how easy it is to move around and how cheap it is.”
- “I would much rather be forward thinking about how we accommodate all the movement of goods, services, students, everything else on the Wasatch Front, than Los Angeles, California. L.A. just built more roads, five-lane highways each direction, and now they are completely log jammed. You cannot get anywhere.”

What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially limited?

- “If you look at the increase in property values along these transit lines, that pays for itself. It is cool. If our elected officials are willing to undergo “Truth in Taxation” to increase property taxes to capture the increased revenues, or just use the revenue from the new growth that occurs along transit lines, that more than pays for itself.”

- “Developers are willing to invest more money in a community along those transit lines, knowing those areas are going to be way more appealing. Those are places where people want to live because they want a good quality of life. Our studies have shown that people do not want half-acre lots with a quarter-acre of lawn to mow. People want to live in a robust environment where they can come and go as they want. They want to walk downtown, go to restaurants and the movies, and not have to drive 20 or 30 minutes to get there.”

CONCLUSION

How could this study help to inform considerations regarding zero-fare transit?

- “We need to talk about the benefits of public transportation. For example, how much carbon are we taking out of the environment? People get angry about our poor air quality. They cannot go outside if they have asthma. They say we are not doing enough. We do not bring economic development people in the month of February because of the winter inversion. What is the state doing to address that? Talking about the benefits of zero-fare transit for our air quality would be helpful.”
- “Transit can provide a sense of community that you do not get driving in a car alone. I think that is what people want more than anything right now.”

How do you think the results of the study should be used?

- “Use sound data and clearly explain your findings. That is important.”

What else would you like to tell us about zero-fare transit?

- “A day like today when it is 100 degrees out, you will get homeless individuals that will ride FrontRunner from Ogden to Provo and back because they want some air conditioning. I have not felt like that is a big issue though.”
- “If you travel at the right times, you have access to some amazing landscapes, but I could never live in that kind of congestion. We live, work, and play along the Wasatch Front and are bookended by the mountains and the lake. We must figure out what we do on the Wasatch Front to mitigate the traffic congestion, or we are going to suffocate the things that we love about this place.”

KEY STAKEHOLDER INTERVIEW

Kay Christofferson | Utah State Representative

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

- “It means they don't charge the user for the ride. It's not free because it costs somebody something, which is taxpayers.”
- “Zero fare creates people who are dependent on the government. It takes away some of their initiative because there is no skin in the game. It puts some people on the train and fills up seats with people who really don't have any business being on there. They're just riding. It takes money out of the transportation system, which is already underfunded.”
- “What's the role of the government? Why is the government involved? What are you trying to do with people's tax money? That we say, ‘Oh, we're just going to use your taxes for this.’ Is that fair to people who pay taxes?”
- “When the government starts providing everything to help people in poverty with certain things like food or transportation, it seems like we are making more and more people dependent on the government forever, like health care, food. Even sometimes a job.”
- “What are fairness issues? The more the government gets involved, it keeps other options from popping up because government is subsidizing things that maybe Uber would come up with.”

To your knowledge, what work has been done to consider zero-fare transit in the past?

- “The work they have done downtown. I don't know about other studies in other areas.”

What should be considered going forward related to zero-fare transit?

- “Let's take a step back and say, ‘Why are we even considering it in the first place?’”
“What is the problem? What are we trying to solve?”
- “Let's look at where things are at now and do a trial for a month or two. Let's study what's been done in other countries.”

- “I've seen studies done in other cities, where they have invited those people who are already using it to use it more. These people may just be socializing. They get on a train, or bus and pretty soon, they're filling up. People who are on the train or bus for work say, 'I'm not going to take the train because there's a bunch of high school kids or homeless people.' It takes away from the experience of riding. If they have to be riding with people who don't care and they're just taking up space, people can't really do their business. And so for those reasons, zero fare is probably a bad idea.”
- “When zero fare was originally brought up, I started doing some research. I read a study where it did not increase transit ridership or reduce traffic on the freeway. So it really increases costs without any more revenue. I'd say keep the money to buy more buses and increase frequency.”

What specific information could help support considerations regarding zero-fare transit?

- “I think we need to look at what they've done in the past. And the thing is some people say, it costs money to collect the fees. But if fares cover the expense, you should be okay.”
- “I would like to see if it would increase ridership. But that's not the only measurement. I would also like to see if it reduces vehicle miles traveled. Before we make an attempt at something, we should conduct a study to see what the traffic is like now.”
- “We should look at what's been done in other places and answer the question ‘Why spend the money?’ I think we could spend the money a lot better by saying let's buy cleaner trains. Let's figure out how to make light rail ‘light.’ Commuter rail is not that good because of the old diesel engines. You know, that's not helping.”
- “So there have been some discussions to get cleaner diesel engines to upgrade the engines. I think we could go to hydrogen, cleaner diesel, something like that. Electrification is so expensive and it's still not zero emissions because somehow that electricity is generated, coal-powered plants somewhere.”
- “We should conduct a survey of drivers. Find them in a parking structure and ask them ‘What is it that keeps you from riding the trains? Okay, that's the problem.’”

PRIORITIES QUESTIONS

What priorities do you have for transit service in your community?

- “I’m complaining about the time it takes to get places. Why would we want to take money away from transit right now when we need to improve frequency? Improved frequency might answer the question of ridership because then people say, I don’t have to wait more than 10 or 15 minutes. But if it’s a half an hour, 45 minutes, they will not do it. I’ve been on it and it’s taken me like two hours to get somewhere.”

What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially limited?

- “Let this be market driven. I think business will subsidize people’s transit. They do that with colleges. Some schools and universities already do this with their students. Businesses can do it as well.”
- “Even operating UTA could be done privately. We could have UTA operate and maintain the current system but get bids from private-sector companies to construct future rail projects. We get the market forces to say, ‘this is what it will cost to build.’”
- “We need to open up all government operations, whether it’s UTA or anything else, to the private sector. Government just makes sure it happens the cheapest way possible. Market forces will drive down the cost, whether the cost is per person, per mile, light rail, commuter rail, bus, bus rapid transit, etc. We have a train manufacturer right here in Utah and we should use them to talk about more innovative ways to build our transit system.”

CONCLUSION QUESTIONS

How could this study help to inform considerations regarding zero-fare transit?

- “I think I’ve said everything above just to emphasize what’s the role of government? What is it? Why is the government involved? What, what are you trying? And what are you seeing about people’s tax money? That will say, Oh, we’re just going to use them for this or that, is that fair to people who don’t.”

How do you think the results of the study should be used?

- “Look at other projects; what has been done in other parts of the country first and foremost, and then test it out similar to Free Fare February where we have at least a month of data about ridership increases and that kind of thing. So almost like beta testing it so to speak in a Utah context, before any considerations of potentially scaling it system wide. And maybe do it in different months. There's so many other factors that might be at play (high gas and oil prices, drought, etc.), so try to find other times of the year with other conditions when you test it out.”

What else would you like to tell us about zero-fare transit?

- “People need ‘skin in the game.’ We could make fare collection easier like through transit passes or easier ways to ‘tap on, tap off.’ I do not want to reduce pricing. I just do not think the facts show that it really helps people to get on because all they are doing is saying, ‘Hey, now there is more competition for the seats. And it still takes me just as long to get there.’

KEY STAKEHOLDER INTERVIEW

Maria Garciaz & Jasmine Walton | NeighborWorks Salt Lake

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

- Maria: “So if you tell me it’s free fare for me, that means I have money for lunch. That means I have money to buy my books, or a new pair of socks, or heaven forbid Starbucks. A meal?”
- Jasmine: “It means there is no cost to the user.”

To your knowledge, what work has been done to consider zero-fare transit in the past?

- Jasmine: “I think outside of the Free Fare February, there was legislation during the 2022 legislative session to consider free fare, with Representative Briscoe moving it forward. I think that legislation has been brought up a couple of times over the years.”
- Jasmine: “The schools have tried to address it by partnering like UTA to have bus passes for students. But they’re not free, or well, I’m sure they are free to the students. But the other thing is the HIVE pass too. But that’s not free of charge. It’s low cost, which can still be a barrier.”
- Maria: “A lot of people ride for free anyway. They just hop on.”
- Maria: “And then there’s the free fare zones downtown but nobody really knows or understands how to use them. If you work and live in the city you understand, but people outside of the city do not. There’s a lot of questions such as ‘Can I ride up if I’m a student, and I have my student pass?’ ‘Can I ride them to university for free?’ Five dollars is a lot of money for a student. Reducing fares to zero sends an important message.”

What specific information could help support considerations regarding zero-fare transit?

- Maria: “Consider reducing or eliminating the fares for specific populations, demographics, and zip codes. Where do we need to enhance and improve those areas in terms of transportation, because those tend to be the populations, those zip codes may have one car versus three cars. So one may be driving or maybe taking public transportation. So I think decision makers should reconsider where they invest their transportation dollars.”

- Jasmine: “I agree with Maria. I also think other quality-of-life benefits such as sustainability and accessibility should be considered. In addition, it’s very important for us that the public is meaningfully engaged in these conversations.”

PRIORITIES QUESTIONS

What priorities do you have for transit service in your community?

- Maria: “The timeliness, the access and the frequency of transit are all priorities. The frequency I think is a big thing. Plus the bus stops need to be improved.”
- Maria: “The transit system also needs to be safe. For example, there are individuals experiencing homelessness who hang out at TRAX stops. We will need to figure out how to police them. Salt Lake City has ambassadors right now, but they have no authority to sort of defuse a situation. Those that are hanging out at these TRAX stops have mental health issues or other health issues.”
- Maria: “I’m not afraid; I want to find out why they’re hanging out there. Sometimes when I do that, I see a couple of drug transactions occur. We’re so limited with law enforcement that there’s not a lot they can do. You have to make sure that the transit system is safe. The SugarHouse community is safe.”
- Jasmine: “Something to consider for the long term is the convenience of digital access integrated on your mobile device like your smart phone or watch. That makes it more accessible, especially for younger generations.
- Maria: “That’s true because everything is digital right now. With convenient, digital access, transit tickets come to them.”

What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially limited?

- Maria: “Tax increment financing options along maybe an existing transit line, but the revenues would be used specifically for operating a system with no fares.”

CONCLUSION QUESTIONS

How do you think the results of the study should be used?

- Maria: “I think you have to educate the legislators first and foremost, and once you educate them you have to make sure they don't make a decision and put it out to the community. You need to do some type of a survey, like Envision Utah how they do their major surveys to see how people shouldn't be zero if there should be reduced fare. You do that so that people feel they're listened to, and then you already have the data if we decide to do it.”
- Jasmine: “Yeah, I agree with Maria. I think if you gather the information, make it available to the community so they can also see how people responded. I think, a lot of times we think people don't read those studies, but people do read those studies. I don't even read all of them because I know the community is going to do it. And I'm going to get a lengthy email from them about it.”

What else would you like to tell us about zero-fare transit?

- Maria: “That's the extent of our feedback. Thank you for interviewing us and listening to our perspective.”

KEY STAKEHOLDER INTERVIEW

**Wayne Harper | Utah State Senator, Taylorsville City Economic
Development Director**

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

- “Zero fare is a nice way to characterize the fact that the rider doesn't have to pay for it, somebody else does. It's an inducement for people to ride without having to pay the full cost of the impacts of the trip.”
- “If you want to get people out of cars and into a bus or train, that is great, but somebody must pay for it. And that's the big question and who or what must be done to pay for it. You know, people who drive cars pay the motor fuel tax and registration fees. They pay their sales tax and property taxes, how much more of a subsidy for transit are we going to be asking of them?”

To your knowledge, what work has been done to consider zero-fare transit in the past?

- “If you look at Free-Fare February, there was an increase in ridership. That corresponded with an increase in the cost of motor fuel. People made some choices. That seemed to be a success. But if you run it now, where the gas going down a little bit? Would it have the same impact?”

What specific information could help support considerations regarding zero-fare transit?

- “You'll have to go through and show how zero fare has been used around the country, other places where it worked, changes in ridership, and what the societal impacts and benefits are. Environmental, congestion, etc., they need to be laid out.”
- “Who's pushing it? Why? What are the benefits? Where has it been used? Does it make a difference? If so, how much of a difference? How are you going to pay for it? What's the shift? Okay, actual amount of dollars. If you have 85 percent of the transit already being subsidized, is it worth or not worth the other 15 percent? What are the benefits and the societal costs of zero fare? Is this the direction we want to go? Is this a carve out? There's just a whole bunch of questions.

- “Does zero fare increase ridership? The bus rapid transit lines like UVX, OGX and the planned mid-valley transit project may be different from regular bus service because they are point to point. These BRT lines serve a different population, a different community, and different riders. They’re just they just have a different focus. Does it improve ridership and reduce congestion? Maybe it makes sense for student populations.”
- “What about regular bus service? Would ridership go up? Will it make a difference? Will drivers just say ‘Now that bus is just in my way, it slows me down as I get to work or whatever?’”

PRIORITIES QUESTIONS

What priorities do you have for transit service in your community?

- “There are a lot of government actions, whether it is federal or state, where you’re looking at legislative intent. What is the purpose? What is the outcome? As we deal with transit and transportation, we have to say, what is the best outcome for most people?”
- “With transit, in the ‘70s ‘80s ‘90s, to early ‘00s, we had a lot of buses operating. A lot of people had a convenient system. However, we switched out priority over to rail for the Olympics. We built all these wonderful TRAX systems with one-time federal funds but without the funding we needed for ongoing operations and maintenance. So, the bus service was cut, sometimes as much as 14 percent when each TRAX line opened.”
- “There was a period of time where I used to ride the bus and had one convenient route that would take me downtown, and I could get off and walk into the office. For that same route, you now have to take the bus to Redwood Road and to get to North Temple, you have to get out and have to take another transfer. Sometimes you are doing two or three transfers, or you take the bus down to one of the TRAX stations. People like to get on and off without transfers. Some people love buses.”
- “I was talking with a group two weeks ago, who made it patently clear, saying that bus rapid transit is a waste of money, which I thought was interesting. They said, there is a group of people who will take a train, they will take TRAX or FrontRunner but they won't get on a bus, for whatever reason that may be. So, you've got to take a look at all these types of things and positions and say, ‘What's in the best interest of the people we serve, what improves mobility, and what gets people where they need to be while still giving them choices?’”

- “The only reason to do zero fare is to create an option and incentive for people to have transit options. Is it convenient? Is it cost effective? Convenient, that depends on the service to schedule the routes. Is it cost effective? Does it reduce congestion? People ask, ‘Does it limit my choices after work? Do I need to bring dinner home tonight, or maybe go to the grocery store?’ People do not do those side trips on the bus but will do it in a car. It’s just a kind of lifestyle and mentality. I think over the next couple of decades, with housing and other things like that changing, and with services more convenient, that will change. But in the short period of time, no, people say this is not the same.”
- “If somebody says, okay, I live in the center of the valley, and I have to go on the west side of the airport to work. It’s not a really convenient transit system for me. Yeah. If somebody lives in Rose Park, and works downtown, that might be a different situation. You know, the people will make choices based on time value, convenience, familial impacts, priorities, things like that.”
- “Get the mid-valley BRT up and running and then look at the frequency. People are not currently well served by transit on the west side. They don’t feel like they should give anything to UTA because they are not receiving a benefit. They have to get in their car to go everywhere. The environmental study for that BRT project was concluded in 2012 and the route is still not open. There is a disconnect between partners and funding. It has not been a priority for UTA for many years. I’m hoping that changed last summer but I am still waiting to see.”

What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially limited?

- “I’m glad that you’re looking at all options here. But the bottom line is, somebody has to pay for it. We have a lot of cities and school districts that are doing between five and 30 percent increases in property taxes in 2022. People are suffering who are on a fixed income, or your average person who is working in a grocery store and not getting that much of an increase, yet the government has the ability to reach into people’s pockets and extract money, whether they like it or not.”
- “And so as we’re dealing with this, we need to be hyper careful regarding the decisions that we make. Everybody is subsidizing transit or government regardless, that just happens with taxes. But are going to overly burdened people, especially retirees, low-income families, and small businesses that are struggling to stay open?”
- “You have to take from something else, you either raise a fee on somebody or you cut service or funding for somebody else. You have to move it from one pocket to the other. If you look at the airports and transit, you have a passenger facility fee. You have all

these other types of fees. So the real question is, 'Is this equitable, to go through and carve out one sector?' And if so, what are the reasons for that?"

CONCLUSION QUESTIONS

How could this study help to inform considerations regarding zero-fare transit?

- "Conduct the study openly and honestly, without an agenda. There are so many studies that have been conducted and you can tell when they start the survey and the questions, that they are leading you. I know some on the Wasatch Front Regional Council and other agencies that want to move everybody slowly and purposefully towards buses and out of cars, thus creating a dependency on the government. Our country has been built on the independence of the individual."
- "We need to make sure that the study is just straightforward. You need to list all the pros and the cons listed, the costs and the benefits. You present the facts and let policymakers and the public make the decisions."

How do you think the results of the study should be used?

- "Let's step back and ask the right question there. What has been the policy of the State of Utah and UTA for several decades? It's focused on the term called the 'farebox recovery rate.' There was a major discussion over the last 15 years about how much riders should pay and how much should be subsidized. How much should transit ridership be subsidized?"
- "I think we are around 11 to 12 percent farebox recovery rate, meaning that you pay one tenth of the actual cost. The goal was to bring that up to a little bit around the national average of 22 to 24 percent. From what I understand, I don't think it ever surpassed 17 or 20 percent in UTA. So should we just throw up our hands and say, it's going to be free? Everybody has a benefit, including those that ride it and those that do not ride it. Does it reduce the cars on the road or help those that need to take transit?"
- "Or should we say, 'No, we believe we do most everything in Utah through user fees, paying for what you use.' That's the concept of the motor fuel tax. That's why we raised it a couple years ago and indexed it for inflation. That's why we're dealing with the electric vehicle and alternative fuel vehicle registration fees. Because we are all saying that when it comes to the car, you should pay for your impacts and your usage. Reducing or eliminating transit fares would be different. It would be us saying, 'Well, you don't have to pay for that. With transit, it's more special or unique or whatever, it has a different benefit.' It has some type of end game to get people out of cars and depend on transit, whatever it may be, whatever your viewpoint is, those are things that you must deal with."

What else would you like to tell us about zero-fare transit?

- “Look at other states. You've got Oklahoma, Kentucky and four or five other states who have gone through an analysis to identify the impact of electric vehicles. Right now, we can't capture interstate commerce with a road user charge, but level-three charging stations are being put on high-capacity roads and the interstate system. Those states are imposing a per kilowatt charge. If you're an in-state person, you can get a credit back. If you're out of state, well, thank you for giving us money for your impacts on the roads.”
- “Colorado is the very first state that has imposed a per package delivery charge because people are not driving as much to stores but there has been an increase in package deliveries. If you're having something delivered by Amazon, Uber, UPS, etc., there's a delivery charge fee. I think it's 27 cents per delivery. Sounds interesting.”
- “There's a societal cost of not having as much income to take home to your family. Our air quality has improved every year since 1974. Point-source emissions used to be bad but most of the businesses have cleaned up. What's left is cars, our mobile-source emissions. But you look at cars from the mid '70s, up to today. The differences in emission are stark.”
- “People put a bumper sticker on their cars saying, 'zero emissions,' but that is not correct. The power is being generated somewhere, usually a coal power plant. A minor amount right now is coming out of solar and wind. There are real environmental issues with the wind turbines, especially with the bird population. You've got people saying, well, coal and oil are bad, get rid of them, but then gas and power prices go through the roof.
- “California now has times when you cannot recharge your electric vehicles because there is insufficient power generation. So, now you have these electric vehicles and you do not have the power generation, especially the 24/7.”
- “Now you have people going after something that is extremely clean, which is your natural gas. The only thing left is nuclear power. And some people have said, 'Nuclear is going to kill us.' Well, some of these small-scale nuclear plants are not that bad. We must look at all this type of stuff.”

KEY STAKEHOLDER INTERVIEW

Lorene Kamalu | Davis County Commissioner

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

- “Who are we trying to help? If there is limited revenue, how do we benefit society? Do we want everyone to ride for free or just the ones that need it most like our low-income population and students?”

To your knowledge, what work has been done to consider zero-fare transit in the past?

- “It is something that has been discussed extensively, although I am not aware of specific initiatives. I would like to see more information about what data has been collected and what studies have been conducted on the topic.”
- “We were notified about Free-Fare February too late and were not able to contribute financially or help disseminate information about it to our constituents.”

What should be considered going forward related to zero-fare transit?

- “Air quality is a big deal. Our air quality is improving but if more people got out of their cars, particularly the older cars that are more polluting than the newer cars, that would help.”
- “Through zero-fare transit, could we help our human service organizations and the population they serve become independent so they can take care of their families and get to jobs? Can we empower our young people and young families who are just starting out?”

What specific information could help support considerations regarding zero-fare transit?

- “There is a population that may be more sensitive to the cost of transit. With zero-fare, we are empowering them to get off the roads, reducing traffic congestion, and helping them save money. We should think about these populations when study zero-fare transit”

- “There is a need to ensure service on nights and weekends. I would like to see data on how a zero-fare transit system would impact transit access, frequency, and coverage.”

PRIORITIES

What priorities do you have for transit service in your community?

- “My priorities for transit service in my community are for helping vulnerable populations. Sometimes those individuals live in the outskirts of the county, including Clinton and West Point and transit service to those areas may be limited or nonexistent.”
- “Students in post-secondary education and technical training are a wonderful population to experience public transit. I believe some of the universities partner for "free" passes for their students. This is a priority for Davis County!”
- “We need a combination of good policy and good transit service. We need to ensure access to employment opportunities for those who need it most. Perhaps more micro transit in underserved communities could be an option.”
- “Traffic is getting worse. There is horrible congestion between Davis and Salt Lake Counties with the significant amount of working professionals who commute between our two counties each day. For example, I have a neighbor in my cul de sac who works as an architect downtown. When she was hired, her employer encouraged her to take transit or carpool. They are incentivizing her to do that. It certainly helps to reduce traffic when people have transportation options that make sense for them.”

What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially limited?

- “I don't know the answer to that. There are always choices. The Legislature cannot fund everything that everyone wants.”
- “There are always significant demands on state, county and city revenues. Choices always have to be made. You have to decide how you are going to prioritize needs. If our air quality is already improving, perhaps that is not as much of the reason we would consider zero-fare transit. Zero fare seems to be more about empowering the underserved and vulnerable populations that I just talked about.”

CONCLUSION

How could this study help to inform considerations regarding zero-fare transit?

- “It would be helpful to know the opportunities, challenges, benefits and costs associated with a zero-fare transit system, as well as the trade-offs of investing in partially or fully reducing fares versus other transit priorities.”

How do you think the results of the study should be used?

- “From a policy perspective we should always consider the cost burden for taxpayers and how it impacts households.”

What else would you like to tell us about zero-fare transit?

- “I think it's great that it's being looked at. If it was looked at before, then you can compare the findings before with the findings now.”
- “Folks released from incarceration should have zero-fare transit to get where they need to go. I was recently told that it used to exist but it does not anymore. How horrible is it that folks could be released any time of day or night and then be told ‘now you're on your own.’ I ran into someone like this at Farmington Station who was trying to figure things out. He was looking at the fare box. I asked him if he needed help and he hesitated — then he said he was just released from jail, had no money to pay the fare, was going to jump on and take his chances but knew he should not. I paid for his fare. How sad. Unbelievable. Horrible. Let's get these people where they need to go.”
- “The Davis County Transportation Planner has been researching data for us. I look forward to that data, but I don't have it yet.”

KEY STAKEHOLDER INTERVIEW

Michelle Kaufusi | Provo Mayor

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

- “I am passionate about zero-fare transit because we worked hard and collaborated with our partners to make Utah Valley Express (UVX) zero-fare. Everybody came to the table, and we were able to make it free. Honestly, it's a game changer for us.”

To your knowledge, what work has been done to consider zero-fare transit in the past?

- “When we were brainstorming years ago, we just said to BYU administrators, ‘What if I do a little video, or send a little message at the end of the freshman orientation letter you send to parents? Once the kids are accepted into the university, they love it. So now we always introduce the concept of free-fare transit.’”
- “Mayor Erin Mendenhall and I were meeting. We are in different political parties. We should probably be nose to nose on a lot of issues, yet we are dear friends and we both respect each other and admire each other and love working together. But you have to cross those lines to get stuff done, so we came up with this free fare in February. Just to try it out, we had to get a lot of people to see our vision. And then we said, “Now we're gonna make a big deal about Free-Fare February.”
- “We did a press conference at the Capitol with everyone. For us, it was a test. We thought, “Why not try it for one month? Let's just see what we get out of it.” When we received the ridership data, it was amazing. The uptick in ridership, the opportunities for families to get on FrontRunner in Provo and jump off in Salt Lake and go somewhere for their first time. For us, it felt like it was the right thing to do.”

What should be considered going forward related to zero-fare transit?

- “Data is crucial to our decision making. It is really easy to have conversations, especially with business owners and those that have strong views on traffic congestion. If you have a data-driven survey that you can point to, that is a game changer. But to get the citizens and the overall community to buy in, you have got to really get down in the trenches and educate them.”

What specific information could help support considerations regarding zero-fare transit?

- “Not having to pay a fare makes transit much more accessible. Nobody is worrying about not bringing their credit card with them or having to use cash.”
- “I ride UVX. It makes mobility considerations easier. People know they do not need to drive their car because they can hop on transit, get to their destination quickly, and not have to worry about parking or getting stuck in traffic. Zero-fare transit eliminates all those stresses and barriers.”

PRIORITIES

What priorities do you have for transit service in your community?

- “I am working to get transit out to our newly expanded airport. When the new airport was built, we planned for future UVX stops. It has the capability for the rail system to come out there and work, but it also will have the capability to just do buses, if we can even get buses out there for now.”
- “Looking at statistics and data with the population boom, how can I get us ready for that but still maintain the quality of life? I am trying to figure out that balance. I serve on a lot of committees with fellow elected officials where we discuss the transit needs in our respective communities.”
- “I would like to see light rail extended throughout the region. It’ll go up to Park City, all over Provo City. If you are looking for big visions, I’ll give them to you. Just the idea of transportation is such a key component in elected officials’ leadership and in the citizens, even though a lot of them have a hard time realizing that.”A
- “The 18 year olds are here to go to college. Now, so many come from out of state or out of the country, and they will only get their apartments by public transportation hubs because that’s all they use in their hometowns or their countries. So I think it is okay for us to be brave and to jump up into a larger vision. You need to be 30 years out, and you need to take a global view.”

What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially limited?

- “It is all about collaboration. You are going to have to bring everyone to the table, including mayors. We have a budget, right? And if we're that passionate about it, bring us in and say, “Can you give 1% of your budget toward this?” We have to get all the heavy hitters around the table, identify the buckets of money, and authorize the quarter cent sales tax for transit.”
- “I have consistently asked for money to help fund public transportation. We have our magazines, our taglines, and our high-level meetings, and we have just got to all be on the same page and get the buy in.”
- “I've been pushing really hard on my fellow Utah County mayors. I started just a coalition of south county mayors to get to know them better. Once a year, I bring them and their families together. I feed them and let them go to the Provo Recreation Center. I just love those guys. They are salt-of-the-earth people who are experiencing a lot of growth in their own communities. Now they trust me and we can have those conversations about transit priorities such as building FrontRunner out to Payson. That would be a game changer.”
- “Are you willing to let a developer build dense housing at the transportation hubs? That is all we are asking for. It will not cross Interstate 15. It will not impact your quality of life, your ranches, your farmlands, but how great it is to get someone that lives in Payson and works in the mountains to get them there? I will continue these forward-looking conversations with my fellow mayors.”
- “If we were to balance the impacts versus the cost, I think whatever comes out of that exercise will be a justification for implementing zero-fare transit.”

CONCLUSION

How could this study help to inform considerations regarding zero-fare transit?

- “It's good to have testimonials because of the storytelling component. No matter what you are trying to sell in the city, if you can tie it to a success story, then people will perk up and listen.”
- “Data helps me, but it's not necessarily for everyone. Storytelling really helps, so if you could get us some perfect story, cut and testimonials, that would be good. Provo has already been doing this so we are in a unique situation.”

What else would you like to tell us about zero-fare transit?

- “It has been such a success for us in Provo. We feel like we won the lottery. I see the significance of zero-fare transit. The two presidents of the universities (Brigham Young University and Utah Valley University) see the significance of it. We all have 100% buy-in, which you need the leaders to be around the table and all believe in, and then you get the success of it.”

ZERO-FARE TRANSIT STUDY | KEY STAKEHOLDER INTERVIEW

**Nate McDonald | Deputy Director
Utah Department of Workforce Services**

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

- “Zero-fare transit is an opportunity to assist people who need transit the most by giving them the opportunity to use it more regularly and frequently without a financial burden. It really benefits the people we serve at the Utah Department of Workforce Services (DWS). There are environmental benefits as well.”
- “At DWS, we primarily serve people needing temporary assistance. The assistance comes in a variety of different programs. Usually, our customers are struggling with financial stability. In a lot of instances, the person seeking assistance is also in looking to improve their employment situation. A lack of transportation could hinder them from getting a better job.”
- “Understanding how to use the public transportation system or getting to where they need to be is sometimes a challenge for them. We serve refugees, and transportation for refugees is a huge challenge. It's becoming an even greater challenge right now because of our housing market. It used to be that you had to have more of the ability to build and say, ‘Okay, my job is here. I want to live here.’ But in our current housing market, it's not the case at all. It could be because they can no longer walk or bike to their job, or it costs too much to buy gas to try and drive the long distance that they now live away from their work.”

To your knowledge, what work has been done to consider zero-fare transit in the past?

- “Some of the public assistance programs administered by DWS will cover a limited use bus pass for unique situations. As a department, we offer transit passes to employees who demonstrate the need and adequate usage to justify the pass.”
- “There are a lot of challenges right now for those in a lower income bracket. The impacts of inflation, high gas prices, as well as the pandemic. There are additional assistance programs that have been put in place over the last two years that have helped people at

a higher level than previously. For example, some of our qualifying customers have seen an increase in their food assistance program benefits during the public health emergency of the pandemic. Those increased benefits will be going away one the federal funding runs out.”

PRIORITIES QUESTIONS

What priorities do you have for transit service in your community?

- “Zero-fare transit will be a benefit to DWS customers because it helps to eliminate a cost burden they deal with and assist with transportation to employment.”
- “If the whole goal is to get more cars off the road and more people using public transit, then free fare is a potential tool. I have heard free fare being thrown out as a possibility to help reduce the burden of inflation. It reduces a person’s cost burden, improves air quality, etc.”

What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially limited?

- “It either then becomes a full government subsidized system or not. The bigger challenge is revenue. It's employers who are now asking, “Who wants to provide that service for their staff and their employees?” They are paying for the fare, and they are providing a benefit. Where do you draw that line? Essentially, you end up with free fare for everyone. Now, there is none of that revenue coming in, and it’s truly now a government-funded service.”
- “Limit who is able to have zero-fare. For example, if you are eligible for SNAP, you're eligible for free-fare transit. This way, it is targeting those who may be financially burden by fares and doesn’t open it up to overcrowding and system impacts.”

CONCLUSION QUESTIONS

How could this study help to inform considerations regarding zero-fare transit?

- “I think whether it is a permanent or temporary thing, it's a permanent benefit looking at the environmental benefits. Temporarily, it helps to alleviate the burdens of inflation and improves our air during winter inversions. It just comes down to what is the main objective here. Is it reducing a cost burden, creating an environmental benefit or both? That changes the approach.”

What else would you like to tell us about zero-fare transit?

- “My personal concern with free fare is that it makes the transit system overused to the point that it is no longer an option for the people who need it most or enjoy using it as an alternative to driving. If train delays happen more frequently, you can't work on the train because it is too crowded, or it is not a good experience because of overuse, it may prohibitive some people who currently use it from using it in the future. You could be overcrowding the system and not necessarily benefiting those who need it most.”
- “Some are concerned about how those experiencing homelessness will use transit if it is free. I believe with any policy you can overcome concerns with how rules and the policy are being enforced.”

KEY STAKEHOLDER INTERVIEW

Erin Mendenhall | Salt Lake City Mayor

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

- “It means affordability for residents who live in this highly competitive housing market, competitive job market, and increasing density along the Wasatch Front. It means stabilization of households and entire communities, as well as better access to opportunities for residents in our state’s strong economy.”
- “It also means clean air. To me, it means that we eliminate the two major barriers to transit ridership, which are convenience and cost. When we cut down that barrier, we make it more likely that people can leave their single occupant vehicles at home and ride public transit.”
- “The other part that it means to me is an acknowledgement that as the fastest-growing state in the nation, we need to transition the way more of us move throughout this region in a way that is better for the transportation system. It benefits taxpayers, the environment, and our quality of life. It touches almost every facet of state and local government such as education access, health care access, infrastructure costs, and community development.”
- “It’s about youth opportunities in our future job market. It’s an environmental conversation. It’s also about growth, because the more that we can reduce vehicle emissions, the more opportunity the state has to look at other sectors to improve air quality.”

To your knowledge, what work has been done to consider zero-fare transit in the past?

- “Limited and brief would be my experience. As a city council person for six years, we participated financially twice to make a few days of transit fare free, and that was during inversion season. But although we were doing it to try to give people more transportation options to avoid their vehicles, we knew that it was a short notice. Our experiences have shown this isn’t enough to change people’s habits.”

- “We know from plenty of psychological research how long it takes one to establish a habit. For example, we have had our own experience locally with the idle free campaign over the last decade. We have tried to convince existing drivers to change their habits versus teaching children who have yet to start driving. I started doing those elementary education programs probably 12 years ago. Those kids are drivers now. They're voters. They're in college. And even though it felt like a slow game to start at the elementary level then, it's easier to teach people before they have habits formed. It takes time for all of us, most of our population who has a driver's license, to really change something that we've been doing for decades.”

What specific information could help support considerations regarding zero-fare transit?

- “The specific information that I would like to see is how zero-fare would increase transit ridership. How many single occupancy vehicle trips were deferred or transferred to public transit?”
- “I'd like to see how much cost savings there would be for the road system. There's probably some local data as well. I wonder at the local level for municipalities, especially those that are on the Wasatch Front in particular, in Utah County as well, what the benefit might be to their own infrastructure.”
- “It's hard for me to compare because our city has a lot of employees, and we have so many plans and small area plans. I don't know if that would be useful to other cities, but it would be nice to see, for example, if a city could defer 10% of their roadway costs due to increased transit use.”

PRIORITIES QUESTIONS

What priorities do you have for transit service in your community?

- “I want every Salt Lake City resident here to feel like the transit system works for them. More buses are running because we're buying additional bus service from UTA.”
- “We've been doing this pilot program with the UTA On Demand, and we've seen 100% increase in use of that in July. It's very popular. We're reimagining ways that residents on both the east bench and the west side of the city can connect with the UTA system. I also envision taking the on-demand service to the other parts of our city that are not within reasonable reach and reliable bus stops. Our success on the westside pilot project is paving the way for that broader expansion.”
- “We just helped fund all the bus passes for kindergarten through 12th grade. We've never done that in the city. We just announced that this month. They're handing them out

now. The average household spends 20% of their household income on transportation costs. That was before gas prices increased, so this really is about livability. It's a tremendous impact on households. I have three kids at three schools. That's 30 pickup and drop offs in the week. They don't have great transit access, so expanding is really about livability.

- “Free fare transit stabilizes communities and stable communities mean kids have a better shot at staying in school, not having to transfer schools. We know there is a cascading effect if families are not able to afford living anywhere, which right now there is no affordability along the Wasatch front of any measure. Cal Berkeley recently released a study on affordability, access, and gentrification in nine cities in the United States. The lead researcher on the study said that this was the first time he's ever seen a place where there isn't any affordability in the region. For example, West Valley, North Salt Lake, and Wood Cross aren't affordable anymore. There just isn't anywhere right now, so I hope that the State, the Governor, will realize this opportunity. An affordable transit system is for livability given the cost-of-living crisis we're facing.”

What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially limited?

- “We should not take away from UDOT's existing budget, but there's a real increase in our budget needs because of our growing population and economy. It's about the future. We should transform the way we are moving more Utahns. This is about literally looking at the barriers; transportation is both a cost-prohibitive barrier to thriving in the city right now, but it's also a literal barrier to accessing the jobs that our people need to get to.”

CONCLUSION QUESTIONS

How could this study help to inform considerations regarding zero-fare transit?

- “We are reaching a dramatic decision point. The legislature will have to decide whether to double deck I-15. This isn't about incremental growth; we're facing a need to dramatically expand the freeway system. I'd like this study to help us see whether the elimination of transit fares could delay or eliminate that need.”

How do you think the results of the study should be used?

- “I've been engaged in the air quality side of the conversation for a long time. I know we benefit most when we have a business conversation about why this is the best alternative. We are facing a cost-of-living crisis. The reality is that our economic prosperity is not reaching many Utahns. We all have a desire to stabilize families and turn around the cycles of poverty. We need to transform intergenerational cycles of poverty into intergenerational cycles of thriving, because we have every ability to do that

in this state, with the strength of our economy and our growing population. Zero-fare transit is a major, pivotal opportunity our state can take that shows the world that we value our people, and we're willing to make transformational investments that honestly costs us a lot less than another lane on the freeway.”

- “I would hope that the results of this substantiate the breadth of impact. We want to help divert some of the potential pollution. But that is just the beginning. The benefits to this, from access to our ski areas where we're having tremendous financial conversations about what kind of transportation needs to happen to keep providing access there, to the potential double decking of I-15. That's a cost that I don't think anybody wants to bear as taxpayers.”
- “There are opportunities that are affecting our families today who are spending 20% of their household income on the cars their family needs to get around. And we've got big families! So the opportunities lost not only financially, but by kids around the Wasatch Front, having to decide whether or not they can stay after for that tutoring, or play a part in the school play, or actually get a job that's on the way home, that they don't have a car to reach, that they could have a transit access opportunity to connect with these opportunities, all the way to the incredible economic growth that we're experiencing and having more Utahns be able to connect and get out of cycles of poverty and into cycles of thriving. That's my hope with this. It started with air quality, but it is a million times more than that.”

What else would you like to tell us about zero-fare transit?

- “It's about convenience and cost. We saw from the results from Free-Fare February where there was absolutely an increase in ridership. Zero-fare transit would accelerate local investment by expanding convenience.”
- “Salt Lake City has chosen to invest a portion of our sales tax dollars, about \$8 million a year, to buy additional transit service. UTA runs routes like 600 N., 1000 N., 200 S., 900 S., 2100 S. every 15 minutes or faster. They run them seven days a week because we're paying them to do that. They wouldn't run all those routes the way they do if we didn't pay them. I think additional investment like zero-fare increases ridership by reducing barriers to the transit system.”
- “I feel the land use is developing more transit-conducive along those core routes. Much of that is thanks to WFRC. They've been bringing together the stakeholder conversations really from a grassroots level to state leadership with academic experts, riders themselves, and potential future users to help compel policymakers, whether they're city council people, state legislators, or county commissioners, to recognize that more centric design, urban design, and urban planning is a better use. Not only is it a better use of our

taxpayer resources, but it also creates a more vibrant and livable community. And we've been seeing the fruits of WFRC's work in the station area plans."

KEY STAKEHOLDER INTERVIEW

Derek Miller | Salt Lake Chamber President & CEO

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

- “It means that you do not have to pay to ride transit. I assume that's still the case downtown with TRAX. I know there's a limited geographic area that you can get on and off and not have to pay for tracks, so I would imagine that we're talking about expanding that.”
- “Everything has a cost. There's no such thing as free travel with zero fare transit. There's only the rider who does not have to pay transit, which begs the question, who's paying?”

To your knowledge, what work has been done to consider zero-fare transit in the past?

- “I am aware of Free-Fare February.”
- “The State of Utah did a pilot program with UTA to give state employees a choice of whether or not they would take a parking spot, which had a certain value, they got free parking at their office, or they could get a free transit card.”

What should be considered going forward related to zero-fare transit?

- “We should consider how to have more fairness and equity in the system. There are many people who would take advantage of zero fare that could pay while there are some who would really benefit from it. It is sort of like inflation with gas and food costs; we all need food and gas. However, for someone who makes a lot of money, that 8 percent inflation is an inconvenience. For other people, that 8 percent inflation means they are making hard choices about whether they are going to buy food or pay their energy bill.”
- “Those are the kinds of things I think need to be considered— zero fare transit has a marginal benefit for some but a huge benefit for others, and I think that needs to be taken into consideration in the way that's more than just analyzing the tradeoffs. I think it would need to be part of whatever structure is put in place.”

- “I’m not a decision maker there but certainly there are smart people that could figure this out. An example of this was when I worked in the Governor’s office and there was a debate in the legislature about a tax on food. It’s analogous. I personally can afford to pay the tax on food. There are a lot of people for whom removing the tax on food is a game changer. Those are obvious problems, but the solution is not very obvious.”

What specific information could help support considerations regarding zero-fare transit?

- “You could look at demographic and zip code data to identify low-income areas where we could provide zero fare transit. Maybe it would not benefit 100 percent of the people, but it would certainly be a lot closer than saying, ‘We are going to provide zero transit to everyone, including those living in high-end income areas on the east side of Salt Lake City.’”
- “The right question is, are we creating the right winners in the right categories?”
- “I was certainly wondering about what we’ve seen in other communities that have done this, that would be really helpful for me.”
- “I want to drill down deeper. This study could help me discover something that I did not already know. For example, what about the profile of a rider who is right out of college, starting their career, trying to buy a home, working in Salt Lake, but the nearest place they can find a home is in Draper. I would like to learn about these groups. I used to be one of these young professionals. I’m not one of them anymore, but I do not want to be ignorant of what their needs are.

PRIORITIES QUESTIONS

What priorities do you have for transit service in your community?

- “We are lucky in Salt Lake City. We are the capital city. We are the economic center of the state. So, we have lots of transit options. If there weren’t resource constraints, it would be like that everywhere.”
- “Things are always changing, and people find themselves living further and further away from their jobs because of housing affordability issues. So even if you have a very good, high-paying job, it doesn’t mean you can live in downtown Salt Lake City, or in Salt Lake City at all.

There just may not be any available housing. I have spoken with a lot of people who have moved here in the past year and have enough money to live close to downtown, but they cannot find any available housing. So, then transit does become an issue, but I would suspect that even with that group the cost of transit is probably not their motivating force.”

- “I know from seeing studies that people are having to live further and further away from where their work is. One solution is, we could all switch jobs. We could just say, ‘Well if you live here, you need to work here.’ Obviously, that’s not feasible. Then we need to provide transit opportunities for people, so they can pursue economic opportunity.”
- “I really like what UTA is doing with the third-party service providers– the vans. They have an app and everything. It is smart, creative, flexible, and I think that’s a solution that flows to the greatest need naturally. I don’t think you’re going to have a lot of executives living on the East Bench who are going to be calling for a van. It’s really going to be the people who need it, who are going to be utilizing it. That is good for all those reasons.”
- “I think this will continue as a priority and concept. All of us are trying to have fewer cars on the road, and that’s why we built TRAX, why we have UTA, why we have buses, why UTA has a plan to convert to electric buses. However, we should continue the trend of investing in more flexible, on-demand choices, with an overarching goal of taking more cars off the road.”

CONCLUSION QUESTIONS

How could this study help to inform considerations regarding zero-fare transit?

- “Assuming a more equitable framework could be built, then I certainly think that the positive externalities outweigh the negative externalities. One of the things that I hear about zero fare downtown is, I’ll just say it in very stark terms, that it becomes a homeless shelter on tracks. And then that makes fewer people who work as professionals want to use it. So how do we account for that if we’re expanding to zero fare? I think that’s an issue that needs to be addressed.”

How do you think the results of the study should be used?

- “I think it would be interesting to differentiate between those who need it and those who do not need it, based on their socioeconomic status. For example, if someone already qualifies for government benefits, they get a free transit pass.”

- “I think there is also something to this notion of, ‘If I can get on the bus anytime for free, I do not value it and maybe I would use it less.’”

What else would you like to tell us about zero-fare transit?

- “I think this idea of growing ridership is important. At the Chamber, we just finished the ‘Clear the Air Challenge’ in the month of July. The idea behind the challenge was that for the month of July, people paid more attention and were more sensitive to what they could do to reduce the emissions coming out of their vehicle. I believe that if we can get people to think more about changing their behavior a little bit, then we find that we’re breaking old habits and creating new, better habits.”
- “I think that the zero-fare transit has that kind of potential to encourage people to think differently and facilitate behavioral change. They say, ‘Oh, you know what, I thought it was going to take a long time to get from daybreak to downtown, but it actually didn’t take that long.’”
- “From the Chamber’s perspective, this is of interest to us because it improves people’s economic opportunity and provides workers for businesses to continue to be successful. We are a policy advocacy organization. What policies would we advocate for in this area? We need to figure that out.”

KEY STAKEHOLDER INTERVIEW

**Nubia Pena | Senior Advisor on Equity and Opportunity & Utah
Division of Multicultural Affairs Director**

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

Zero-fare transit is an approach that is more socioeconomically inclusive by considering those most impacted by the rising costs of living and those who rely on public transit to be mobile for their daily needs and responsibilities. It means that state partners are expanding opportunities for people to be able to access the resources and services they need through increased transportation pathways.

To your knowledge, what work has been done to consider zero-fare transit in the past?

“One of the best examples of zero-fare programming was during the pandemic when transit fees were waived for people who needed to access COVID-19 tests and vaccines or needed to go to a doctor's appointment. That was critical for families and people most impacted economically due to COVID and had higher rates and risk of getting sick. In addition, recently UTA provided zero-fare transit to passengers who attended the Utah Asian Festival. That was an incredible partnership that opened the opportunity for people across counties and cities to visit the festival, which supported small businesses and allowed participants to celebrate and honor the vast diversity that exists within our Asian communities. Being able to grow the zero-fare program would be meaningful and offers multiple benefits, which include building a connected community.”

What should be considered going forward related to zero-fare transit?

Community engagement is critical through this process because it allows us to learn new information about existing gaps and potential areas of opportunities. We need to make sure we're engaging with, seeking input and feedback from the people who are most affected by these policy decisions and those in need of a program such as this to understand the human impact of a zero-fare initiative.

What specific information could help support considerations regarding zero-fare transit?

“We have an opportunity to explore and research the return on investment of this program so we understand the impact to social capital and equitable outcomes. This program works toward transportation equity, which means giving people access to safe and reliable modes of transit

that help them get to jobs, schools, housing, to their doctor's appointments, to local businesses, and community events. In addition, Utah struggles with air quality, offering zero-fare transit would increase ridership and help reduce the amount of pollution caused by daily commuters. There are so many ways transportation equity can help address social determinants of health by increasing mobility pathways and that should be considered as the state makes the decision to implement this program.

PRIORITIES QUESTIONS

What priorities do you have for transit service in your community?

I am most concerned about growing the footprint of UTA routes and options so that we can connect with communities on and off the Wasatch Front in an affordable way. We also need to invest in infrastructure opportunities that help the most transit dependent in the state, which are usually in low-income urban and rural communities. I am grateful to work under this administration because Governor Cox has been intentional about saying that rural Utah should be connected to urban Utah and every person matters as we consider strategies that grow pathways of opportunities in our state.

What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially limited?

We have an opportunity to reframe zero-fare programming as an investment in people, which provides a return on investment through social capital and equitable outcomes. By increasing transit pathways that connect people to more options for jobs, education and housing, we strengthen the economy by helping create stability for families who now have access to safe and affordable places to live and jobs that pay a living wage. In addition, we have one of the lowest unemployment rates in the nation but we still face a labor shortage. Zero-fare programs can increase the ridership of people who need to commute for work, which then means they are spending money in those communities when shopping, eating, and recreating, all of which helps Utah's economy.

CONCLUSION QUESTIONS

How do you think the results of the study should be used?

"The Governor's Office of Economic Opportunity has a survey out about the economic vision for 2030 that asks, 'Where can we go in the next 10 years?' We're thinking about what Utah looks like for the next generation. I believe that this study around zero-fare is going to help inform part of how we do things differently to set up Utah families to thrive regardless of their zip code. This zero-fare program takes into consideration our most in need and helps reduce disparities that exist around the social determinants of health by leading first with transportation accessibility so that we are linking people and families to more opportunities."

KEY STAKEHOLDER INTERVIEW

Helen Peters | Regional Planning & Transportation Director

INTRODUCTORY QUESTIONS

What does zero-fare transit mean to you?

- “It means that I don't pay for the service that UTA is providing on the bus or train, but I'm riding the system. I know that it's not free on the backside.”
- “It's free to the consumer. But it's not free on the backside because there are still people who have to drive the buses and there are still people who have to repair them.”

To your knowledge, what work has been done to consider zero-fare transit in the past?

- “The Utah State Legislature and local governments like Salt Lake City and Salt Lake County have helped to fund free-fare transit on inversion days. In addition, I am familiar with free-fare February.”

What specific information could help support considerations regarding zero-fare transit?

- “I would like to see what a zero-fare transit system would do to potentially reduce vehicle miles traveled (VMT). Could we study that and provide some findings? If you are trying to increase ridership, then there should be somewhat of a corresponding downturn of the VMT. You would want your VMT to go down and your ridership to go up. But UTA's ridership keeps going down prior to and during the pandemic.”
- “Every morning, I listen to the news as I get ready and hear there is a bus bridge because of a crash involving a car, pedestrian or train, or there are not enough drivers to take people where they're going. You must have a reliable system. Ten times out of 10 trips- not five times out of 10.”
- “I think what's important for people is not whether they pay for transit, but whether it's reliable, frequent, and has good coverage. UTA struggles with those operations. I do not think that free fare should be the top priority. There are too many other punishments for taking transit, including having a long wait time between buses and the bus not going to your desired destination.”

- “People cannot go where they want in a reasonable amount of time. Because the valley is very compact, you can easily get most places within a 45-minute drive in your car. That same trip can sometimes take two to three hours on transit.”

PRIORITIES QUESTIONS

What priorities do you have for transit service in your community?

- “I live in an area where there is no ridership. There are no buses. I would have to take two buses to get to work via transit. I figure I would have to walk from my house to the bus stop. And then I would have to stand at a bus stop on a pretty busy street. That is not very pleasant experience. And then I would get to 21st South and take a bus from 1300 East. The entire trip would take approximately an hour and a half. The same trip would take less than 10 minutes in my car.”
- “What our transit system needs is ridership, frequency, and coverage. I want to go up to a bus stop and hop on a bus in a couple of minutes.”

What solutions could be leveraged to make up for the revenue shortfall if fare collection is suspended or partially limited?

- “If zero-fare is important for the Legislature, they could find the money and make an annual appropriation to UTA to recoup the lost farebox revenues.”
- “The Legislature could provide another local option sales tax for transit.”
- “Accessibility is important because you have a whole population that cannot drive a car, for whatever reason- they are too young, too old, or not mobile enough. But you know, if you do not have a good robust network that runs frequently, you probably do not have anything. It does not matter if it is free- if people cannot access it, they cannot use it.”
- “It may be that the cost of the operations to collect the fare may be greater than the total sum that comes from fare collection.”

CONCLUSION QUESTIONS

How could this study help to inform considerations regarding zero-fare transit?

- “They are going to come out with a feasibility study, right” That is great. I am really interested in something else altogether. I am curious to see what the impact of zero-fare would be on UTA’s operations. I am curious to see if they think Salt Lake County has a role. Salt Lake County’s role might be to help shape policy around this topic.”

How do you think the results of the study should be used?

- “Salt Lake County provides approximately \$230 million in funding to UTA annually. I want to make sure that this study is solid, and I want to see how it informs decision making regarding zero-fare transit going forward.”

What else would you like to tell us about zero-fare transit?

- “I do not mind paying the fare. \$2.50 is a good value for what you get. I do not think reducing or eliminating transit fares is what moves the needle for UTA ridership.”