



Finance and Budget Committee

Information Item III-B

January 11, 2018

DC Kids Ride Free Update

Washington Metropolitan Area Transit Authority

Board Action/Information Summary

☐ Action ☒ Information

MEAD Number:
201947

Resolution:
☐ Yes ☒ No

TITLE:

Kids Ride Free Program

PRESENTATION SUMMARY:

This presentation provides an overview of the District of Columbia (DC) Kids Ride Free Program for the 2017-2018 school year.

PURPOSE:

To update the Board of Directors on the successes and challenges of DC's Kids Ride Free program for the 2017-2018 school year, as well as a proposal to improve the management.

DESCRIPTION:

Key Highlights:

DC provides a subsidy for students to ride bus and rail, with DC making equitable payments to WMATA for the reduced fares, consistent with Compact Section 79. Over the years, the program has periodically been modified to comport with WMATA fare policy and payment technology.

Some successes in the 2017-2018 school year include:

- Improved student participation - 32,000 students picked up the Kids Ride Free transit benefit compared to 25,000 last year, a 28 percent increase that resulted in weekday ridership growth on Metrorail.
- The student tap rate increased from 34% in 2016 to 60% in 2017, as a result of increased messaging, student outreach and Fair Fare initiative.

Despite improvements in the 2017-2018 school year, challenges of the Kids Ride Free program include complex program administration/fulfillment, student compliance, and geographic restrictions that result in negative balances with students "flashing" their cards or not using them at all. The lack of tapping also creates a situation in which the true number of students using the program is unknown, as is the ridership count.

Background and History:

Since the late 1970s, WMATA has offered reduced Metrobus and Metrorail fares to students in the District under an agreement whereby DC makes equitable payments to

WMATA for the reduced fares, consistent with Compact Section 79. WMATA has periodically modified the agreement as needed for changes in service, fare policy, and fare payment technology.

In June 2013, the District approved the Free Transportation for Students Amendment Act (also known as “Kids Ride Free” program); providing all public, public charter, private and parochial students in the District with free access to Metrobus and DC Circulator. In June 2015, DC approved the “Kids Ride Free Metrorail Benefit,” allowing public and public charter students to ride Metrorail for free. This program was modeled on the existing student monthly pass and was successfully launched for the 2015-2016 school year.

For the 2016-2017 school year, WMATA and DC modified the program to simplify program reporting and invoicing. Under the new approach, all eligible public and public charter students were entitled to receive a Bus/Rail Combo pass that was loaded on their DC One Card, which is a DC issued student identification card used for multiple purposes including library and recreational facility access.

Discussion:

Although the program has successfully expanded mobility for students, one key challenge is the use of DC One Card for transit services. The DC One Card is designed to give children, adults and seniors universal access to DC government facilities and programs. However, software challenges with the DC One Card requires students to “double tap” the card between time intervals in order to activate the transit feature on the card; impacting the ability of DC students to use the system.

These technology issues, coupled with card distribution glitches and other administrative difficulties, have led to confusion, frustration and a lack of compliance, making it easier for students to rely on flashing the card or not using it at all instead of tapping it at the faregates. Therefore, the number of the actual users of the program is not known, which means WMATA’s ridership is not recorded, an important number for federal funding allocation.

In order to better meet DC student travel need, WMATA proposes to provide pre-loaded SmarTrip cards valid for the academic school year for students participating in DC's Kids Ride Free Program. Similar to the U-Pass, students would benefit from SmarTrip cards that are activated for immediate use. This eliminates "double tapping," reduces the need to flash, and promotes a uniform ridership culture on Metrobus and Metrorail.

The new program will maintain the current \$1.00 a day pricing based on the number of participating students and better serve DC's student travelers by making SmarTrip passes available timely. The proposed changes could reduce DC's annual program cost, reduce fare evasion and improve ridership capture by promoting uniform system access principles for Metrobus and Metrorail; thereby supporting WMATA's Fair Fare initiative.

FUNDING IMPACT:

Last year, WMATA received approximately \$19.2 million under this program. The proposed

change is expected to reduce the number of active/eligible students who receive SmarTrip cards. With known actual use and ridership, it's anticipated that DC's subsidy to WMATA may be impacted. Any change would be included in future budgets.

Project Manager:	Tracey Foster
Project Department/Office:	CFO/TRES

TIMELINE:

Previous Actions	<p>August 2015 - WMATA Board approval of the rail student subsidy program.</p> <p>May 2016 - Extension of program to cover summer school 2016.</p> <p>July/August 2016 - Implementation of modified subsidy programs for the 2016-2017 school year.</p>
Anticipated actions after presentation	Revenue projections included in future Budgets, without separate Board approval.

RECOMMENDATION:

There is no recommendation at this time. However, staff will continue to work with DC to revise the DC Kids Ride Free program administration and seek Board approval for any program updates.



DC Kids Ride Free Update

Finance Committee
January 11, 2018



Purpose

- Update the Board on the District of Columbia (DC) School Transit Subsidy Program for the 2017-2018 academic year





Background

- WMATA has operated a DC subsidized student transit program since the 1970s; with periodic changes including:
- 2013-2014:
 - ✓ Kids Ride Free on Metrobus for all DC students
- 2015-2016:
 - ✓ Kids Ride Free on Metrorail for DC public school and public charter school students
- 2016-2017:
 - ✓ Program extended to cover summer school and pricing based on UPass model (combo Bus-Rail Pass)

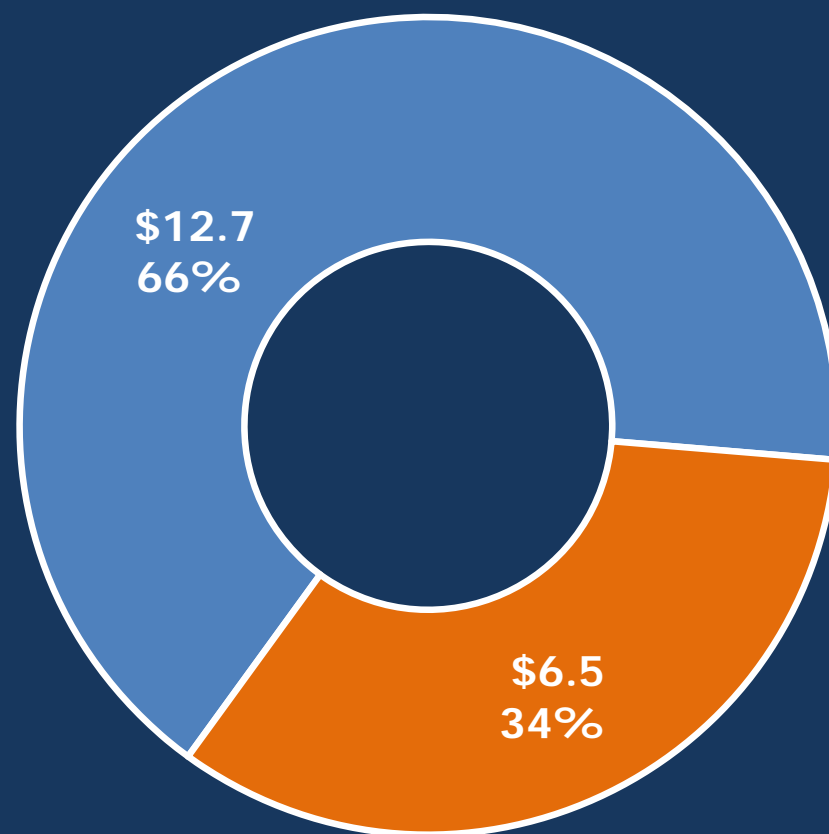


FY2018 Ridership and Revenue

Revenue Forecast = \$19.2M*

□ Projected Bus Trips (6.7M)

■ Projected Rail Trips (3.0M)



* includes revenue of \$124,000 directly from Students for Token and Monthly Pass sales

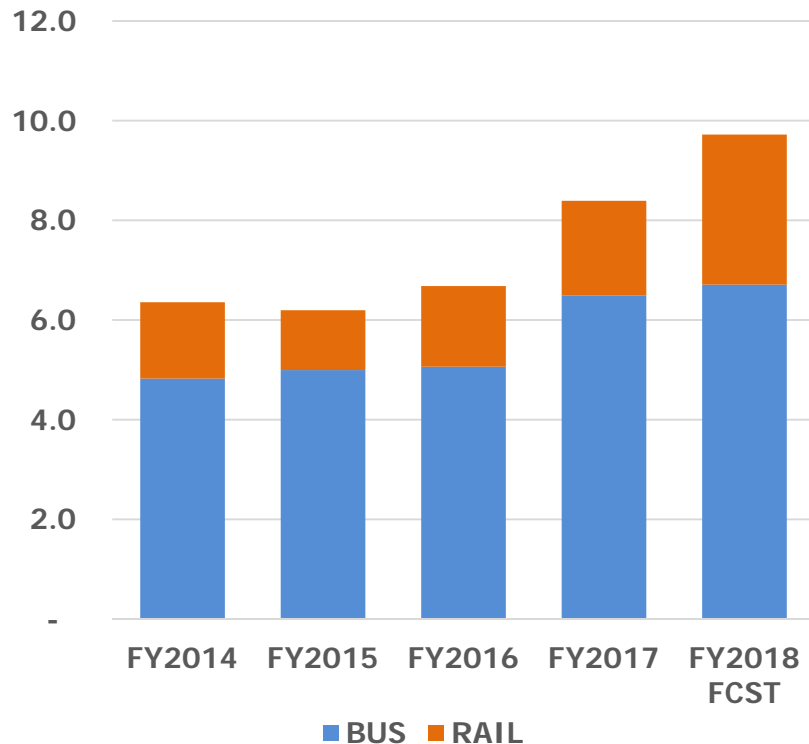


Changes in ridership and revenue

Ridership, FY14-17

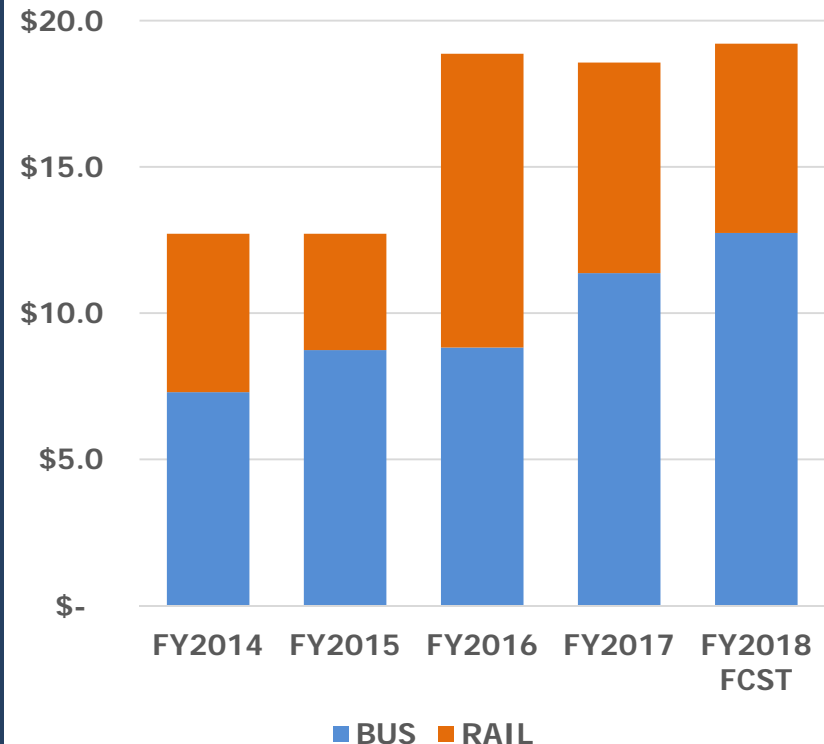
(millions)

incl. legacy pass products and Student contributions



Revenue, FY14-17, (millions)

incl. legacy pass products and Student contributions





Successes

- Ridership and revenue have grown in recent years
- Strong partnership with DC on outreach, student communications and pass distribution
- 32,000 students picked up passes this year (vs. 25,000 last year), a 28% increase
- 17,000 passes pre-loaded in May
- Student “Tap Rate” increased from 34% to 60%



Challenges

- WMATA software requires students to “double tap” to receive pass on existing DC One Card
- Cumbersome program management – card issuance, distribution, data management
- Non-capture of ridership/actual program use impacts Metro’s federal grant funding
- Geographic restrictions on Metrorail continue to cause negative balances and invalid passes
- Many students still expect to ride without tapping their cards



Proposal to Improve Program

- Migrate DC students to registered SmarTrip Cards similar to U-Pass program, eliminating “double tap”
- Eliminate geographic restrictions, and therefore, negative balances
- Continue collaboration to improve program management, including 3rd Party fulfillment administration
- Enhance outreach and enforcement to improve card tapping, and gain actual use
- Monitor use, as actual ridership numbers may impact DC subsidy to WMATA



Next Steps

- Continue to work with DC to gain support and initiate phased-in implementation afterwards
- Continue education on tapping; and subsequent, enforcement of Tap to Ride program