

TRANSIT PASS PROGRAM BEST PRACTICES

Transit benefit programs provide several benefits for both employers and employees, offering health and wellness benefits to employees, providing a recruitment and retention tool for employers, and provides intrinsic value to the community by reducing roadway congestion and greenhouse gas emissions. The following summarizes findings of a high-level literature review of best practices and case studies, provides peer contacts, and provides next step recommendations to help cities navigate program development and implementation.

Best Practice Literature Review

Several employers across the United States provide transit benefits to their employees, however, there is no silver bullet, and there are several ways to offer and implement transit benefits.

Transit Benefit Program Frameworks

Transit benefit program frameworks are dependent on existing partnerships with transit agencies, fare card media and technology, and bulk order arrangements. A combination of these factors results in different combination of program models, including the distribution of a universal annual pass or stored value card, provision of monthly transit subsidies, and/or offering employees to pay for transit expenses using pre-tax income via a payroll deduction.

Transit Benefit Program Distribution

There are different ways to distribute transit passes and subsidies. Pass and/or subsidy distribution may range from a centralized in-house pass pick-up or the application of a sticker on an ID, to the provision of subsidies through payroll deduction or reimbursement programs, which are either administered in-house or through a third-party benefits administrator.

Transit pass distribution and benefit election are commonly scheduled on a monthly basis, especially in the case that an employer provides a transit subsidy. For employers who choose to cover the entire cost of a transit pass, universal annual transit pass programs may be an attractive option, as it tends to be offered at a significantly discounted rate. Annual transit pass programs are common among university campuses, where stickers are applied to an official campus ID. A few transit agencies in the United States offer annual employer bulk programs, such as TriMet in Portland, which similarly provides official TriMet stickers for recognized IDs.

Transit Benefit Program Tracking

To best understand the impact of transit benefit programs, employers along with their partner transit agencies regularly track transit pass programs. Several employers use this information to quantify TDM program performance, but also use it to justify investments in the transit benefit program. It is also useful information for employers when assessing or adjusting the transit benefit offerings it provides its employees. This information may also prove to be useful to the transit agency for service adjustments and/or improvements.

Using transit pass usage information, employers also glean insights into the impacts of the program on congestion reduction, air quality impacts, and contribution to employee's personal

San Antonio Transit Pass Program Recommendations

NRDC – American Cities Climate Challenge

and financial health and wellness. This information can also provide employers with assistance for planning efforts, such as facilities planning efforts.

Case Studies

Stanford University (Stanford, CA)

Stanford University offers subsidized transit passes for Caltrain, VTA, and AC Transit. The Caltrain Go Pass provides unlimited travel on Caltrain between all zones, and the Express VTA SmartPass program allows unlimited travel on VTA buses and light rail. AC Transit also runs a weekday express shuttle bus service between the East Bay and the Stanford campus. Eligible users can register their existing Clipper card, or request a card through Transportation Services if they do not already have a Clipper Card. The Caltrain Go Pass is loaded on to the Clipper card, whereas VTA SmartPasses are only available on pre-loaded Clipper cards. If eligible users already have a pre-loaded SmartPass, they have the option to transfer funds so that passes for both Caltrain and VTA services are available on the same card. Registration for these passes is administered through the internal Transportation office on campus, who is also responsible for securing the transit subsidies. To use AC Transit services, eligible users are only required to use their authorized campus/school ID.

To request the Go Pass, eligible users complete a request form through a Transportation services webpage. Passes can be requested at any point during the year; though, the Go Pass is only valid for the calendar year. Replacement cards are available at no additional fee; however, Stanford does limit two replacements for the Go Pass, and only one replacement for Smart Pass.

Dallas County (Dallas, TX)

Dallas County provides its regular full-time employees the opportunity to save on their commuting costs, through the participation in the Dallas Area Rapid Transit (DART) Employer Transit Pass Program. Through the program, DART offers employers in their service area a 25% discount off retail prices.

The County hosts an annual registration period for program participation; however, employees can join the program later in the year but must pay the annual amount at a prorated rate. To register in the program, employees must complete a payroll deduction form and have a photo taken for the card pass. When registering, employees must make a few choices regarding the type of pass they'd like and payment schedules, including:

- Pass type (Local, Mesquite, or Regional)
- Fare media (traditional card pass with ID or a smartphone Go Pass)
- Payment schedule (bi-weekly or one-time annual payment)

Employees submit their registration information to Human Resources, who coordinates the pass program with DART. Once authorized, HR will notify employees that their pass cards are available for pick-up at their office, or will employees will receive a notification that their Go Pass has been authorized and is available for download. The County provides a recommendation of using the Go Pass, to avoid dealing with a lost or card, as employees are still required to pay for the card if they lose it. Employees can purchase a new card at a prorated cost in the case that they lose their original card pass.

San Antonio Transit Pass Program Recommendations
NRDC – American Cities Climate Challenge

The County of Santa Clara (Santa Clara County, CA)

In 2018, the County of Santa Clara (the County) decided to pursue the development of a comprehensive TDM plan to serve its 20,000+ employees. The County already offered a few TDM programs but wanted to expand its offerings to reduce their impact on greenhouse gas emissions and roadway congestion. Part of the plan included the assessment of the existing employee transit subsidy program, which provided a fully subsidized annual VTA SmartPass and pre-tax option for all County employees. SmartPasses are preloaded onto Clipper Cards and are typically offered to employees during their orientation session. Employees also had the option load funds out-of-pocket onto Clipper Cards to use on other Bay Area transit agencies.

Through observations made by County staff, and employee commuting survey results, the County determined that adjustments to the transit subsidy program may be relevant to increase the use of transit in commuting to work by offering an additional subsidy that could be applied to other transit services in the Bay Area. The County chose to recommend the use of a \$50 monthly transit subsidy and pre-tax option, in addition to the VTA SmartPass. The County is currently working their third-party pre-tax vendor to amend their contract to facilitate the administration of the monthly subsidy. Using the third-party vendor also allows the County to track program enrollment and usage, in addition to the annual employee surveys, allowing them to monitor program use and adjust as necessary.