

Motion No. M2026-29

Authorizing Continued Participation in an Income Based Pilot Program

Meeting:	Date:	Type of action:
Rider Experience and Operations Committee	08/06/2026	Recommend to Board
Board	08/27/2026	Final Action

Staff name:	Staff title:
Marshall Foster	Chief Planning and Development Officer
Chad Davis	Fares Director

Proposed action

Authorizes the chief executive officer to modify an agreement with King County to (1) extend Sound Transit's participation in a reduced fare program managed and administered by King County to support no to low-income riders in King, Snohomish and Pierce counties until the end of 2028, or until a permanent program is approved, and (2) add an additional \$800,000 to the amount authorized for support of Metro's work under this agreement for a total authorized expenditure not to exceed \$2,800,000, and (3) execute further modifications to the agreement with King County that do not change the authorized amount of the agreement.

Key features summary

- This action authorizes the CEO to modify an existing agreement with King County to extend Sound Transit's participation in the pilot program for the duration of the program.
- Participation in the pilot program is part of Sound Transit's fare compliance action plan.
- Sound Transit will participate in the program for an additional time period not to exceed the end of 2028.
- This action will add an additional \$800,000 to the pilot program authorization, bringing Sound Transit's total contribution towards Metro's work under this agreement to an amount not to exceed \$2,800,000.
- Continued participation in the program will allow Sound Transit to continue to serve riders with very low incomes as the regional ORCA agencies work to develop a more comprehensive, accessible and sustainable program.
- The pilot program is being managed by King County and covers qualified riders in King, Snohomish and Pierce County.
- Under the program, fully subsidized annual transit passes are provided to eligible participants on an ORCA LIFT card to allow pass holders to ride fare free on all Sound Transit, King County Metro, Everett Transit and Community Transit services.

- Eligibility is limited to people who are no to very low-income, defined as households with incomes at eighty percent of the Federal Poverty Level or less. Participation in the pilot is also limited to people enrolled in six specific benefit programs.

Background

In March 2020, the Board approved Motion No. M2020-22 to authorize Sound Transit's participation in the Income Based Pilot Program as an element of the Fare Enforcement Action Plan. The pilot program kicked off in September 2020. Participants received fully subsidized annual transit passes for use on transit services operated by Sound Transit and King County Metro and could use the ORCA card they are issued through the program to receive discounted fares on other regional transit services. The income-based fare program was developed in partnership with King County Metro and community leaders and members who are experiencing poverty. The program serves individuals who are "Very Low Income" defined as people with household incomes less than 80 percent of the Federal Poverty Level (FPL), limited to people participating in specific benefit programs with the same income qualification threshold.

In May of 2022, the Board approved Motion No. M2022-28 authorizing the extension of Sound Transit's participation in the free fare program while maintaining the original \$2 million limit on funding for the agreement. Subsequent amendments with King County extended the term of the agreement through 2026.

Many participants were initially enrolled in the free fare program by the Washington State Department of Social and Health Services (DSHS) as they enrolled their clients in one of the qualifying six benefit programs. DSHS stopped enrolling their clients in the free fare program in July 2025 due to state budget constraints.

Other ORCA transit agencies have joined the program as well. Everett Transit began providing free fares for riders enrolled in the program in 2023, and Community Transit joined the program in 2025. As of June 16, 2026, a total of 41,600 customers had been enrolled in the program, with an estimated 11,000 passes active. Since the program began in 2020, participants have taken over 13 million bus trips on Metro, Community Transit, Everett Transit and Sound Transit, 1.6 million Link light rail trips, and 267,000 Seattle Streetcar trips.

A program evaluation conducted in 2024 and 2025 showed that participants thought the program was very important in helping them meet their mobility needs, but that the program as implemented was administratively burdensome to administer even with the current limits to eligibility and would be too costly to expand without modifying program design.

The 2025 Regional Fare Forum brought together representatives from the region's transit agency Boards and Councils once again to provide guidance on the next phase of regional coordination and ORCA investment. The goals of the 2025 Regional Fare Forum were to set a vision for the next decade for regional fares and to consider recommendations and policy changes related to simplifying the regional fare structure, improving delivery of reduced fare products and programs, and developing priorities for the next phase of ORCA implementation. In particular, the Regional Fare Forum recommended the ORCA agencies work together to simplify and expand low-income fare programs and make these programs more accessible for those who qualify.

Staff from the ORCA transit agencies are working together to determine how to redesign a program for very low-income riders that can be more accessible, fully regional and less administratively burdensome. Achieving consensus amongst the ORCA region's six transit agencies will take time, as will fare policy changes that may require public outreach and adoption by transit agency boards. Because this is a long-term effort, the Income-Based Pilot Program will need to be extended under its current structure for now.

New interim agreements will be signed to maintain operations while the new regional model is developed and finalized.

For these reasons, this proposal extends the existing authority and provides additional funding through 2028.

Fiscal information

This action will increase the authorization for this pilot program by up to \$400,000 in 2027 and in 2028, for a total of up to \$800,000

This action is funded by the current approved project authorized allocation, and there is sufficient budget projected to fund the remaining work. The current project authorized allocations are included in the existing Long Range Financial Plan.

The authorized project allocation for the Fare Administration project is \$16,658,931.35. The Agency Administration phase of this project has an authorized allocation of \$16,658,931.35, of which \$4,286,693 has been designated for the low income fare pilot. This action would commit \$800,000 to the life to date commitment of \$1,721,006 and leave a balance of \$1,765,687.

Fare Administration

(in thousands)

Project Phase	Authorized Project Allocation	Total Commitment to Date	This Action	Total Commitment Plus Action	Uncommitted / (Shortfall)
Agency Administration	16,659	13,144	800	13,944	2,715
Total Current Budget	\$16,659	\$13,144	\$800	\$13,944	\$2,715
Phase Detail - Agency Administration					
Low inc fares pilot KCM	4,287	1,721,006	800	2,521	1,766
Other administration	11,687	10,753		10,753	934
Research and technology	686	670		670	16
Total Phase	\$16,659	\$13,144	\$800	\$13,944	\$2,715
Agreement Detail					
King County Metro	Board Approvals to Date		Proposed Total for Board Approval		Current Agreement Spend Status
188670 - King County Metro	1,721	800	2,521		1,387
Contingency	0	0	0		0
Total <Contract/Agreement>	\$1,721	\$800	\$2,521		\$1,387
Estimated Taxes	0	0	0		0
Total with Estimated Taxes	\$1,721	\$800	\$2,521		\$1,387
Percent Contingency	0%	0%	0%		0%

Notes:

Amounts are expressed in Year of Expenditure \$000s.

Board Approvals = Committed To-Date + Contingency as of Jun 2026, and includes pending Board actions.

For detailed project information, see page 162 of 261 of the 2026 Adopted Budget & Financial Plan.

Disadvantaged and small business participation

Not applicable to this action.

Title VI compliance

The purpose of this pilot program is to increase transit access to very low-income residents of King, Pierce and Snohomish Counties. American Community Survey, King County Metro and Sound Transit survey data indicate that minorities are more likely than non-minorities to be very low-income. Therefore, this pilot program will not have a disproportionate impact on low-income riders, nor will it have a disparate impact on minority riders.

Public involvement

This action is one element of the Sound Transit action plan on fare compliance. The action plan was informed by an extensive public engagement process that included seven listening sessions with people of color and with those experiencing poverty, an on-board survey with 1,100 respondents, and an online survey of over 8,000 respondents. The specific design of the income-based fare program is the result of an extensive engagement process led by King County Metro that included multiple meetings with people experiencing poverty or people that work with people experiencing poverty.

Time constraints

A one-month delay would not impact Sound Transit's participation in the Income Based Pilot Program as the current funding is sufficient for 2026.

Prior Board/Committee actions

Motion No. M2024-47: Authorized the chief executive officer to (1) modify an agreement with King County to extend Sound Transit's participation in a reduced fare program managed and administered by King County to support no to low-income riders in King, Snohomish and Pierce counties until the end of 2025, or until a permanent program is approved, and (2) execute further modifications to the agreement with King County that do not change the original amount of the agreement.

Motion M2022-28: Authorized the chief executive officer to (1) modify an agreement with King County to extend Sound Transit's participation in a reduced fare program managed and administered by King County to support no to low-income riders in King, Snohomish and Pierce counties until the end of 2024, or until a permanent program is approved, and (2) execute further modifications to the agreement with King County that do not change the term or the original amount of the agreement.

Motion No. M2020-22: (1) Authorized participation in a two-year income based pilot program managed and administered by King County to support low-income riders in King, Snohomish and Pierce counties and (2) directed the chief executive officer to negotiate and enter into an agreement or modify and existing agreement with King County for Sound Transit's participation in the pilot program in an amount not to exceed \$2 million for the duration of the two-year pilot program, including any modifications to the agreement that do not change the term or amount of the agreement.

Environmental review – KH 7/17/26

Legal review – AJP 7/28/2026

Motion No. M2026-29

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to modify an agreement with King County to (1) extend Sound Transit's participation in a reduced fare program managed and administered by King County to support no to low-income riders in King, Snohomish and Pierce counties until the end of 2028, or until a permanent program is approved, and (2) add an additional \$800,000 to the amount authorized for support of Metro's work under this agreement for a total authorized expenditure not to exceed \$2,800,000, and (3) execute further modifications to the agreement with King County that do not change the authorized amount of the agreement.

Background

In March 2020, the Board approved Motion No. M2020-22 to authorize Sound Transit's participation in the Income Based Pilot Program as an element of the Fare Enforcement Action Plan. The pilot program kicked off in September 2020. Participants received fully subsidized annual transit passes for use on transit services operated by Sound Transit and King County Metro and could use the ORCA card they are issued through the program to receive discounted fares on other regional transit services. The income-based fare program was developed in partnership with King County Metro and community leaders and members who are experiencing poverty. The program serves individuals who are "Very Low Income" defined as people with household incomes less than 80 percent of the Federal Poverty Level (FPL), limited to people participating in specific benefit programs with the same income qualification threshold.

In May of 2022, the Board approved Motion No. M2022-28 authorizing the extension of Sound Transit's participation in the free fare program while maintaining the original \$2 million limit on funding for the agreement. Subsequent amendments with King County extended the term of the agreement through 2026.

Many participants were initially enrolled in the free fare program by the Washington State Department of Social and Health Services (DSHS) as they enrolled their clients in one of the qualifying six benefit programs. DSHS stopped enrolling their clients in the free fare program in July 2025 due to state budget constraints.

Other ORCA transit agencies have joined the program as well. Everett Transit began providing free fares for riders enrolled in the program in 2023, and Community Transit joined the program in 2025. As of June 16, 2026, a total of 41,600 customers had been enrolled in the program, with an estimated 11,000 passes active. Since the program began in 2020, participants have taken over 13 million bus trips on Metro, Community Transit, Everett Transit and Sound Transit, 1.6 million Link light rail trips, and 267,000 Seattle Streetcar trips.

A program evaluation conducted in 2024 and 2025 showed that participants thought the program was very important in helping them meet their mobility needs, but that the program as implemented was administratively burdensome to administer even with the current limits to eligibility and would be too costly to expand without modifying program design.

The 2025 Regional Fare Forum brought together representatives from the region's transit agency Boards and Councils once again to provide guidance on the next phase of regional coordination and ORCA investment. The goals of the 2025 Regional Fare Forum were to set a vision for the next decade for regional fares and to consider recommendations and policy changes related to simplifying the regional fare structure, improving delivery of reduced fare products and programs, and developing

priorities for the next phase of ORCA implementation. In particular, the Regional Fare Forum recommended the ORCA agencies work together to simplify and expand low-income fare programs and make these programs more accessible for those who qualify.

Staff from the ORCA transit agencies are working together to determine how to redesign a program for very low-income riders that can be more accessible, fully regional and less administratively burdensome. Achieving consensus amongst the ORCA region's six transit agencies will take time, as will fare policy changes that may require public outreach and adoption by transit agency boards. Because this is a long-term effort, the Income-Based Pilot Program will need to be extended under its current structure for now. New interim agreements will be signed to maintain operations while the new regional model is developed and finalized.

For these reasons, this proposal extends the existing authority and provides additional funding through 2028.

This action authorizes the CEO to modify an existing agreement with King County to extend Sound Transit's participation in the pilot program for the duration of the program.

Participation in the pilot program is part of Sound Transit's fare compliance action plan.

Sound Transit will participate in the program for an additional time period not to exceed the end of 2028.

This action will add an additional \$800,000 to the pilot program authorization, bringing Sound Transit's total contribution towards Metro's work under this agreement to an amount not to exceed \$2,800,000.

Continued participation in the program will allow Sound Transit to continue to serve riders with very low incomes as the regional ORCA agencies work to develop a more comprehensive, accessible and sustainable program.

The pilot program is being managed by King County and covers qualified riders in King, Snohomish and Pierce County.

Under the program, fully subsidized annual transit passes are provided to eligible participants on an ORCA LIFT card to allow pass holders to ride fare free on all Sound Transit, King County Metro, Everett Transit and Community Transit services.

Eligibility is limited to people who are no to very low-income, defined as households with incomes at eighty percent of the Federal Poverty Level or less. Participation in the pilot is also limited to people enrolled in six specific benefit programs.

Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to modify an agreement with King County to (1) extend Sound Transit's participation in a reduced fare program managed and administered by King County to support no to low-income riders in King, Snohomish and Pierce counties until the end of 2028, or until a permanent program is approved, and (2) add an additional \$800,000 to the amount authorized for support of Metro's work under this agreement for a total authorized expenditure not to exceed \$2,800,000, and (3) execute further modifications to the agreement with King County that do not change the authorized amount of the agreement.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on _____.

Dave Somers
Board Chair

Attest:

Kathryn Flores
Board Administrator