PROPOSED FARE RESTRUCTURING FOR THE CHICAGO TRANSIT AUTHORITY

January, 1990



During the spring of 1990, the Chicago Transit Authority will introduce a new fare system for its service area. Instead of raising fares across the board, the plan will offer riders several ways to pay their fares. Most of the alternatives offer significant savings from the new base fare and are cheaper than the fares currently charged.

Traditionally, pricing in the transit industry has not been very innovative. The pattern has been for agencies to impose flat fare increases, which cause rises in farebox revenue, but which also force many riders to stop using public transit.

While CTA has a pressing need to increase its revenues, we have no desire to do so by placing an unfair burden on those riders with low or fixed incomes, many of whom are transit dependent. We thus sought an alternative to a general fare increase.

In the past few years, several transit systems have experimented with "consumer based" fare plans. These programs recognize that the transit market is made up of different segments, each with a different travel pattern and ability to pay.

Based on our analysis of the fare plans of nine other agencies, we have designed a program that will have two positive benefits: the generation of additional revenues and no loss of ridership.

Because most of our new fares will offer significant savings from the new cash fare, and may even be lower than the current fares, we will attract new ridership from new and current users, as people find that public transportation is really affordable.

The six pricing options under study by the Chicago Transit Board are described on the following pages.

		Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Current Fare
TOKENS	Full fare, each Sold in packs of 10	90¢	95¢	90¢	95¢	95¢	90¢	95¢
	Reduced fare, each Sold in packs of 20	40¢	40¢	40¢	40¢	40¢	40¢	50¢
	NOTE:	A token	can be used	for one fare	at any time	on bus or r	ail.	
PASSES	Everyday full fare monthly pass	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$55.00	\$50.00
	Weekday full fare monthly pass	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	None	None
	Everyday reduced fare monthly pass	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$20.00	\$25.00
CASH FARES	NOTE:	"Peak" hours are on weekdays, from 6 AM to 9 AM and from 3 PM to 6 "Off peak" hours are all other times.						to 6 PM.
	Full fare, cash Rail and peak bus	\$1.20	\$1.20	\$1.25	\$1.25	\$1.30	\$1.15	\$1.00
	Full fare, cash Off-peak bus	\$1.00	\$.95	\$1.00	\$.95	\$.95	\$1.00	\$1.00
	Reduced fare, cash Rail and peak bus	45¢	50¢	45¢	45¢	40¢	50¢	50¢
	Reduced fare, cash Off-peak bus	40¢	40¢	40¢	40¢	40¢	40¢	50¢

	Transfers	No changes			
THER	Express Surcharges	Either remain at current 20¢ or increase to 25¢			
F	Supertransfers	Eliminated			
	14-Day Pass	Eliminated			

Highlights of the new structure

Each of the proposed fare options offers significant differences over our current fare plan.

- Significant discounts with the use of tokens
- New discounted monthly pass, good on weekdays only
- Decreased fares for students, seniors and disabled riders
- Peak / off-peak pricing on bus
- Peak pricing all day on rail

How the new fares will affect you

We've compared the fare proposals with the current CTA fares. The following chart summarizes the cost differences, for full fare and reduced fare riders, between the various options and our current fares.

	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Full fare riders						
Token cost decreases	Yes	No	Yes	No	No	Yes
Token cost unchanged	No	Yes	No	Yes	Yes	No
Off-peak cash bus fare unchanged	Yes	No	Yes	No	No	Yes
Peak cash fare	Yes	Yes	Yes	Yes	Yes	Yes
Off-peak cash bus fare decreased	No	Yes	No	Yes	Yes	No
New weekday monthly pass (lower cost than current) AND Everyday monthly pass (higher cost than current)	Yes	Yes	Yes	Yes	Yes	No
Only one monthly pass (at higher cost)	No	No	No	No	No	Yes
Reduced fare riders						
Token cost decreases	Yes	Yes	Yes	Yes	Yes	Yes
Off-peak cash bus fare decreases	Yes	Yes	Yes	Yes	Yes	Yes
Peak cash fare decreases	Yes	No	Yes	Yes	Yes	No
Peak cash fare unchanged	No	Yes	No	No	No	Yes
Everyday pass cost unchanged	Yes	Yes	Yes	Yes	Yes	No
Everyday pass cost decreases	No	No	No	No	No	Yes