Committee Report

Transportation Committee

Committee meeting date: November 9, 2026 **For the Metropolitan Council:** November 18, 2026

Business Item: 2026-213

Approval of Proposed Fare Policy Changes - 2026

Proposed action

That the Metropolitan Council approve the proposed fare policy changes as outlined in the 2026 Proposal column of Attachment 1 to this item, to be effective February 1, 2027.

Summary of Transportation Committee discussion/questions

Metro Transit Fare Modernization Senior Project Manager Tom Randall and Revenue Operations Project Manager Dustin Crescini presented this item. Council members did not have any questions.

Motion by Carter, Toni, seconded by Barber. Motion carried.

Business Item

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District(s), member(s): All

Policy/legal reference: FM12-2 Transit Fare Policy Changes and FM12-2a Transportation Service Fare Policy Changes Procedure, FTA Circular 4702.1B, MN State 473.408

Staff prepared/presented: Lesley Kandaras, General Manager 612-349-7513
Alyssa Haugen, Deputy General Manager - Administration 612-349-7502
Charles Carlson, Executive Director, Contracted Transit, 651-602-1761
Thomas Randall, Sr Project Manager, Fare Modernization, 612-349-7624
Dustin Crescini, Project Manager, Revenue Operations 612-349-7718

Division/department: Transportation, Metro Transit and Contracted Transit

Proposed action

That the Metropolitan Council approve the proposed fare policy changes as outlined in the 2026 Proposal column of Attachment 1 to this item, to be effective February 1, 2027.

Background

Minnesota Statutes section 473.408 establishes the Metropolitan Council's authority to establish and enforce fare policies.

On February 28, 2024, the Metropolitan Council approved the fare collection system upgrade, which provided an opportunity for significant fare simplification of the regional fare system. Subsequently, Metropolitan Council staff, along with regional stakeholders and a fare collection consultant, determined a two-phased fare simplification plan would benefit the regional transit agencies and the transit customers.

Phase 1 of the fare simplification changes, which became effective January 1, 2025, implemented customer-focused changes, including eliminating rush-hour surcharges on local routes and for reduced-fare riders (youth ages 6–12 and seniors 65+), along with other fare product adjustments.

Phase 2 included a comprehensive fare policy review resulting in proposed fare policy changes, some of which are dependent on the completion of hardware and software upgrades. The Phase 2 proposed changes are included as Attachment 1 to this item.

On March 25, 2026, the Metropolitan Council approved the opening of a public comment period from March 26, 2026 – May 15, 2026, to engage the public on the proposed Phase 2 changes to the fare policy. Feedback and data was compiled from the comment period and is being included in the final fare policy recommendations as outlined in Attachment 1 to this business item.

A Title VI Analysis was conducted that resulted in no disparate impact, but some disproportionate burden was still evident. Mitigation steps include express route replacement by the Gold Line extension, fare capping, expansion of the TAP program, and other components of the multi-year fare simplification program.

Rationale

Phase 2 of fare simplification builds on the Phase 1 fare changes adopted in 2025 and reflects the extensive internal review of best practices along with a robust public input process that significantly shaped the proposal. Together with a modernized regional fare collection system, these changes make fares simpler, easier to understand, and easier to use. Fare products and structures will continue to be monitored and evaluated for meeting customer and operational needs, with future improvements or changes considered on an ongoing basis.

Thrive lens analysis

On Feb. 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Transit fare simplification advances Imagine 2050 regional outcomes by providing riders with transit rides on local routes for the same fares throughout the day without morning and afternoon surcharges. It removes cost barriers for seniors and youth transit customers by eliminating fare increases during the morning and evening peak times. Continued simplification of fares helps reduce barriers and encourages people to ride transit which helps contribute to regional stewardship, prosperity, livability, equity, and sustainability using a data driven approach to measure the effectiveness of the Council's efforts.

Funding

The Metropolitan Council approved Business Item 2024-305 on November 13, 2024, and implemented the adjusted fares on January 1, 2025. This fare adjustment recommendation proposes fare adjustments for fixed route services operated by all regional transit providers participating in the regional fare structure and Metro Transit microtransit services.

Small business inclusion

There are no direct impacts to small business contracting with the proposed action.

Attachments

Attachment 1: 2026-213 Proposed Fare Policy Changes

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Fare Policy	Current Fare or Policy	2026 Proposal
1.Reduce base fares	Peak Express Fare: $3.25 Off-peak Express: $2.50 Reduced Peak Express $1.00* *Only during non-rush	**Consolidate Express Fares** $3.00 Per Ride **Consolidate Reduced Express Fare** $1.00 Per Ride
2. Expand age range for $1 youth fare	6 – 12 yrs - $1 youth fare	Increase age range to 6 – 18 yrs for $1 youth fare
3. Establish separate Metro Micro fare – Metro Transit Only	Peak Express Fare: $3.25 Off-peak Express: $2.50	**Single Fare Pricing** $3.00 Fare $1.00 TAP/Mobility/Senior/Youth 7 & 31-Day Passes accepted Transfer ***To*** and ***From**** fixed route *surcharge where applicable