



**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS**

**COUNTY OF TRAVIS**

**RESOLUTION CMTA-2015-113  
Administrative Policy for Fare Evasion**

**WHEREAS**, the Capital Metropolitan Transportation Authority Board of Directors recognizes that payment of a fare for a customer to use the Capital Metro system is required in order to adequately sustain the system and continue to support the value of the service; and

**WHEREAS**, Texas Transportation Code, Section 451.0611, requires that the Board of Directors adopt a resolution establishing an administrative penalty for failure to pay a fare for use of the system before the Authority may implement such a penalty and fare enforcement system.

**NOW, THEREFORE, BE IT RESOLVED** by the Capital Metropolitan Transportation Authority Board of Directors that the President/CEO, or her designee, is authorized to implement a policy prohibiting the use of the Capital Metropolitan Transportation System without evidence of payment of an appropriate fare and to approve an administrative penalty of \$75.00 for a person who fails to provide evidence of payment of a fare for use of the Capital Metropolitan Transportation System.


**RESULT: ADOPTED [UNANIMOUS]**

**MOVER:** Ann Stafford, Secretary

**SECONDER:** Beverly Silas, Vice Chair

**AYES:** Silas, Stafford, Mitchell, Word, Cooper, Garza, Kitchen

**ABSENT:** Rita Jonse

  
Secretary of the Board  
Ann Stafford

Date: November 18, 2015

*Capital Metropolitan Transportation Authority  
Board of Directors*

*MEETING DATE: 11/18/2015*

*CMTA-2015-113*

*Administrative Policy for Fare Evasion*

**SUBJECT:** Approval of a resolution implementing a policy prohibiting the use of the Capital Metropolitan Transportation System without evidence of payment of an appropriate fare and approving an administrative penalty of \$75.00 for a person who fails to provide evidence of payment of a fare for use of the Capital Metropolitan Transportation System.

**FISCAL IMPACT:** Funding is available in the FY 2016 budget for administration, and revenue will be generated.

**STRATEGIC GOAL ALIGNMENT:** 4. Continue to improve organizational practices and develop staff

**STRATEGIC OBJECTIVE(S):** 4.1 Improve the financial health of the organization

**EXPLANATION OF STRATEGIC ALIGNMENT:** Implementation of an administrative penalty for fare evasion will ensure that Capital Metro customers pay the required fare and will promote a culture of good stewardship of public funds.

**BUSINESS CASE:** Implementation of a system and mechanism for a penalty for fare evasion will provide the Authority all the required resources to ensure that customers pay for service received, in concert with industry best practices.

**COMMITTEE RECOMMENDATION:** This agenda item was presented and is recommended for approval by the Finance, Audit and Administration Committee on November 9, 2015.

**EXECUTIVE SUMMARY:** Industry best practices indicate a need to demonstrate to the public that the agency has a method to verify that each passenger pays his or her fair share to utilize the system through passive or active means.

Prior to March 2010 Capital Metro practiced good stewardship of the public's funds by verifying the appropriate fare for use of the system through a computerized fare box coupled with a single point of entry into its bus fleet adjacent to the bus operator. Starting in March 2010 with MetroRail service and in January 2014 with Metro Rapid, the agency increased ridership capacity and accessibility with points of entry not monitored by an operator.

Industry best practices include verification of fare payment by one of two methods, "closed system" verification ("passive"), commonly configured and observed as turnstiles prior to boarding the service, or an "open system" with no turnstiles but random checks of passengers by agency employees, "active" enforcement.

Starting in 2011, Capital Metro, introduced an "open" system and hired one fare inspector for MetroRail and has increased the number of inspectors (temporary

employees) to today's current total of five, four inspectors and one supervisor for "active" enforcement on the agencies MetroRail and Metro Rapid services.

The Texas State Legislature, starting in 2003 and amended through 2011 enrolled a law allowing public agencies to set administrative fines for fare evasion that forms the basis for this board resolution.

**Texas Transportation Code**

Sec. 451.0611. ENFORCEMENT OF FARES AND OTHER CHARGES; PENALTIES. (a) A board by resolution may prohibit the use of the public transportation system by a person who fails to possess evidence showing that the appropriate fare for the use of the system has been paid and may establish reasonable and appropriate methods to ensure that persons using the public transportation system pay the appropriate fare for that use.

(b) A board by resolution may provide that a fare for or charge for the use of the public transportation system that is not paid incurs a penalty, not to exceed \$100.

Prior to the current request for board action, "active" enforcement, although initiated by Capital Metro temporary employees, was completed by the agency's part time Austin Police Department officers who issued City of Austin Municipal court citations totally handled in Municipal court. Moving forward with the increase in ridership, efficient use of available resources in house is deemed the best practice. The City of Austin legal department also supports the agency bringing the active enforcement and management of fare evasions in house as in line with the intent of Section 451.0611 of the Texas Transportation Code as outlined above.

**DBE/SBE PARTICIPATION:** Does not apply.

**RESPONSIBLE DEPARTMENT:** Security