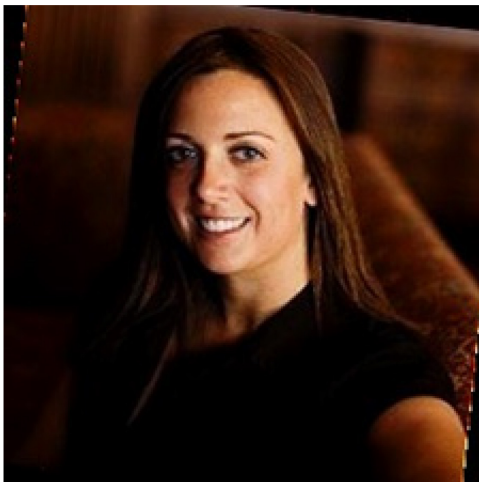


Market Sounding

Payment Issuance and Transit



Opening Remarks



Lori Pepper

Deputy Secretary, Innovative Mobility Solutions
California State Transportation Agency (CalSTA)



Jeanie Ward-Waller, PE

Deputy Director, Planning and Modal Programs
California Department of Transportation
(Caltrans)

Today's Agenda

- 1 Cal-ITP and Payments Systems Overview
- 2 Transit Issuance Market Sounding
- 3 Instructions and Logistics
- 4 Q&A

California Integrated Travel Project

Make traveling on transit easier by enabling integrated trip planning and fare payment for all.

Complete
Information

Seamless
Payments

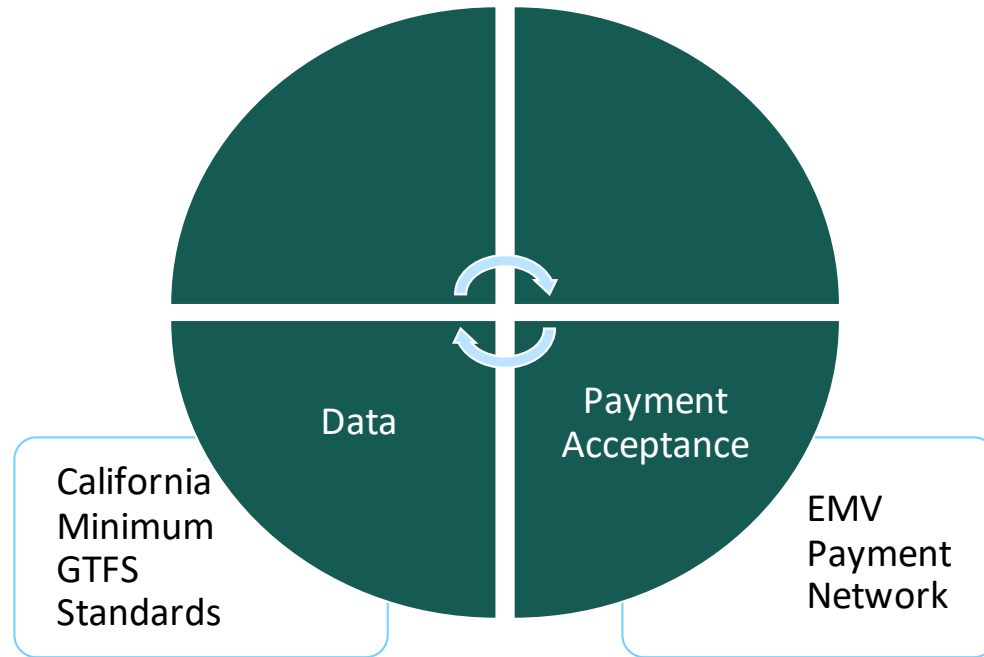
Inclusivity

The Problem with Issuance

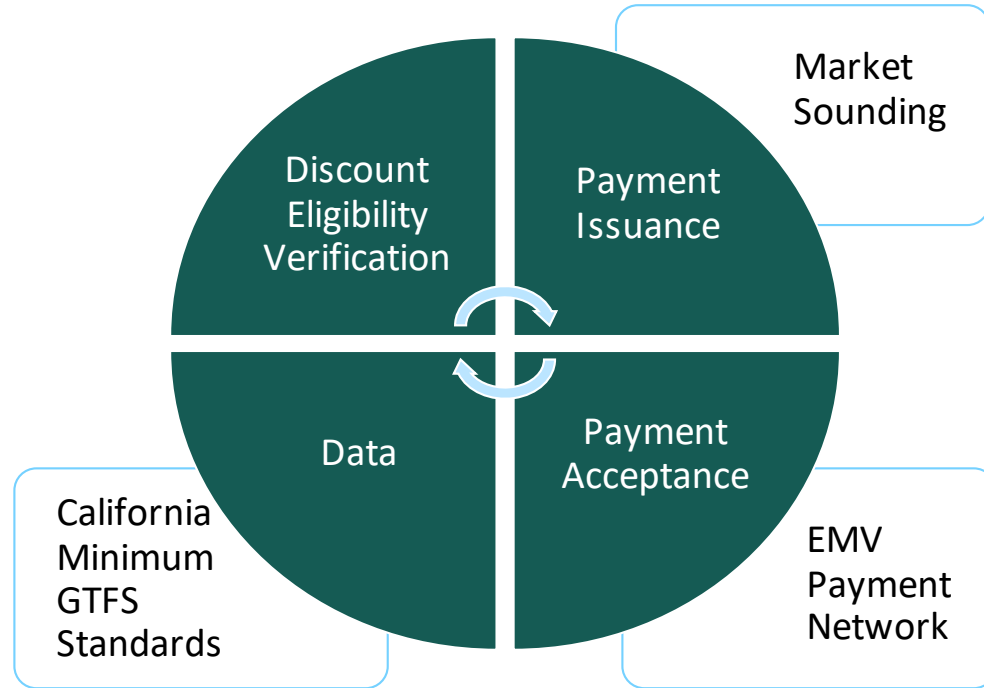
“The premise is simple: If everyone has [an] account, with none of the fees or minimum balance restrictions that discourage millions of Americans from opening accounts at commercial banks, then it would be easier to distribute stimulus payments — particularly to those who are both most in need and hardest to reach.”

04/15/20, New York Times editorial

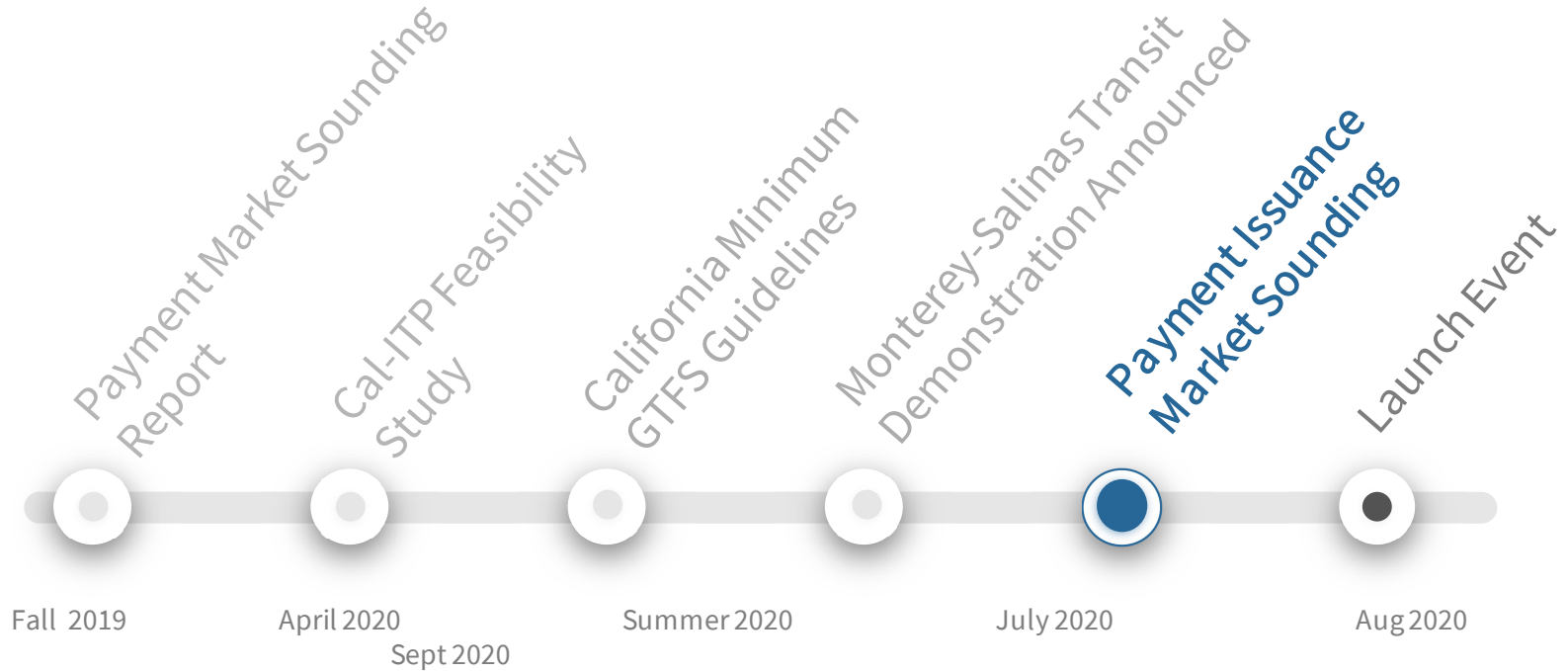
The Cal-ITP Foundation



Allows Seamless Mobility



Cal-ITP Milestones



California payment system vision

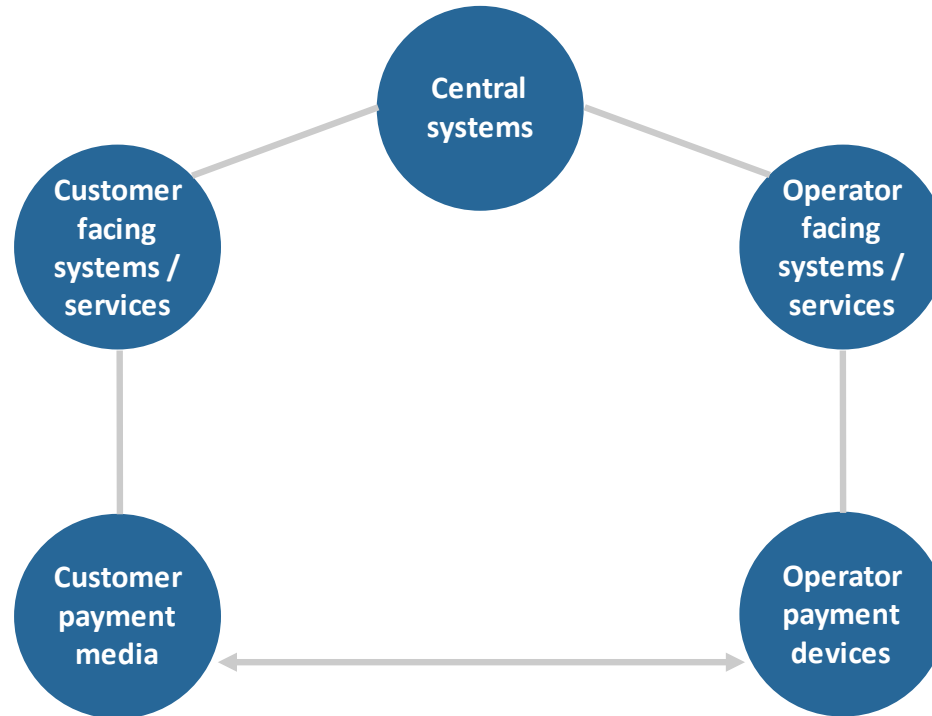


- Provide payment solution that serves **all customer groups**
 - Adults, seniors, youth, children
 - Full price and discount-eligible customers
 - Commuters and infrequent users
 - Long-haul and short-trip travelers
- Enable integrated payment **and pricing** across mobility services
 - Public Transit and Rail
 - Bike Share / Scooter Share / Car Share
 - Transportation network companies (TNCs)
- Introduce new payment options to both new and established services with **minimal barriers to entry**

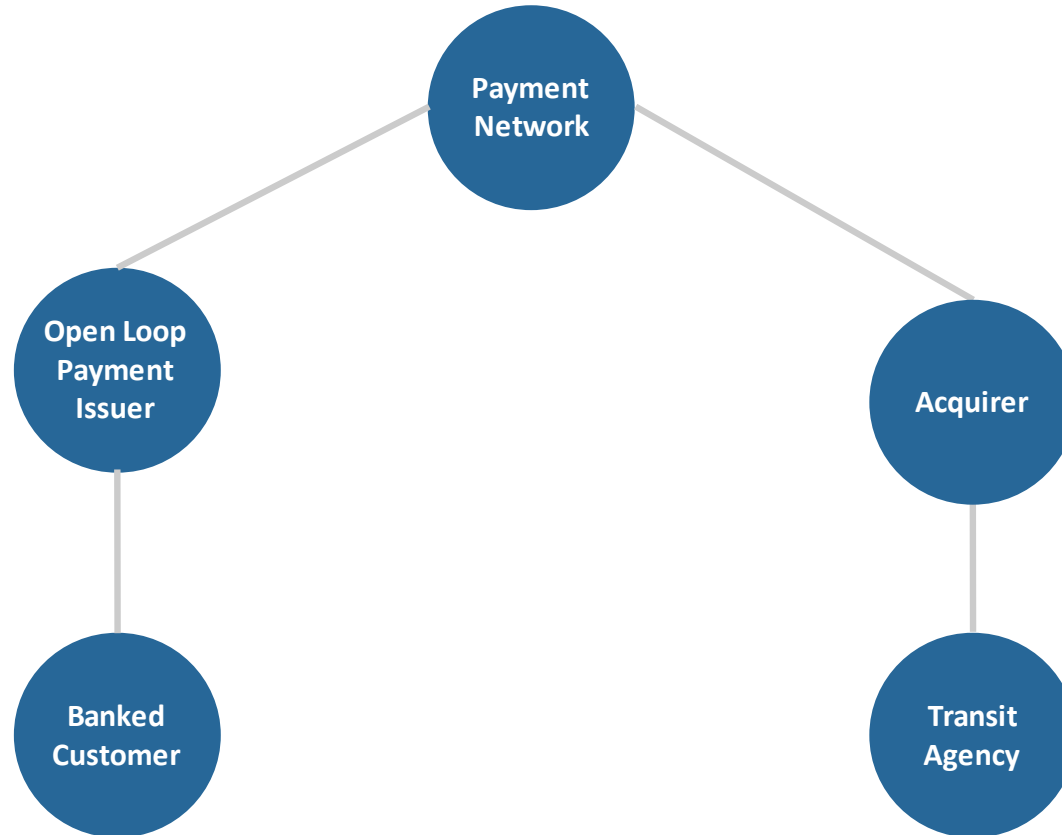
Prerequisites of a new system

- Provide unbanked and underbanked customers **equal access to all mobility services**
- Prioritize customer experience, and encourage use of services by **reducing friction** in the payment process, such as seamless discount eligibility verification
- Provide **integrated trip planning and payment** across services and agencies, to reduce system complexity
- Leverage economies of scale to provide a **cost-effective solution** statewide for customers

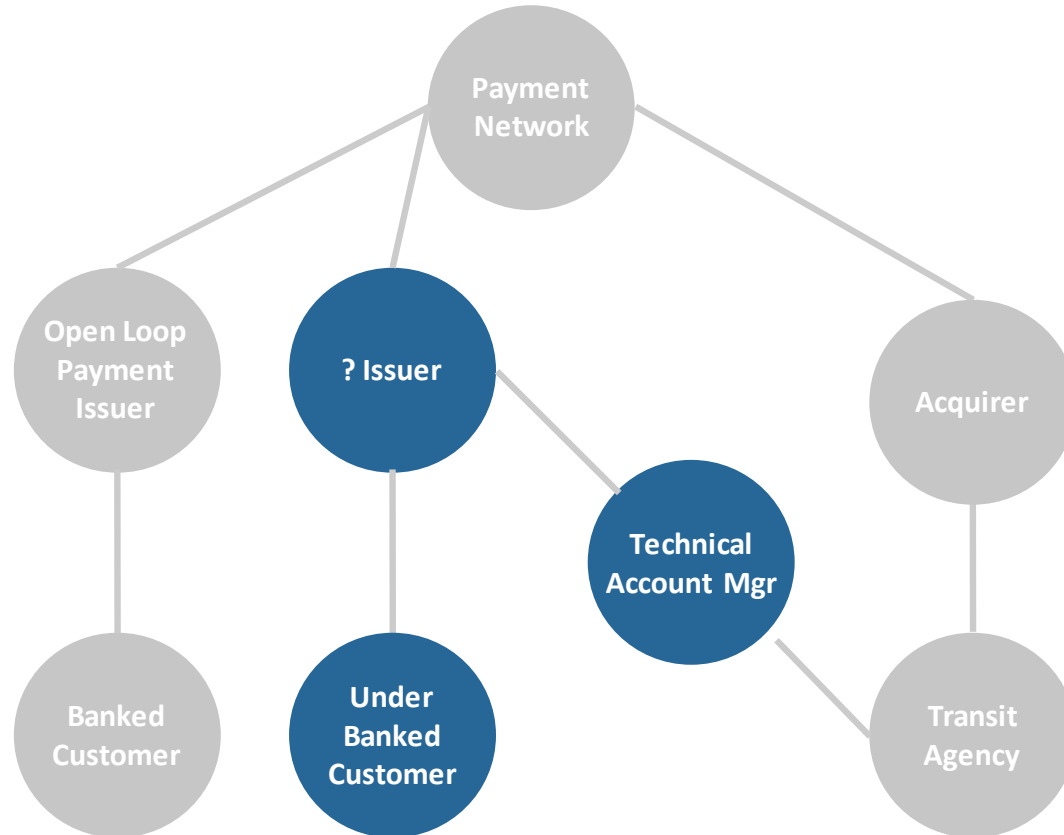
Anatomy of a payment system



Roles in an open loop system



Our Focus Today



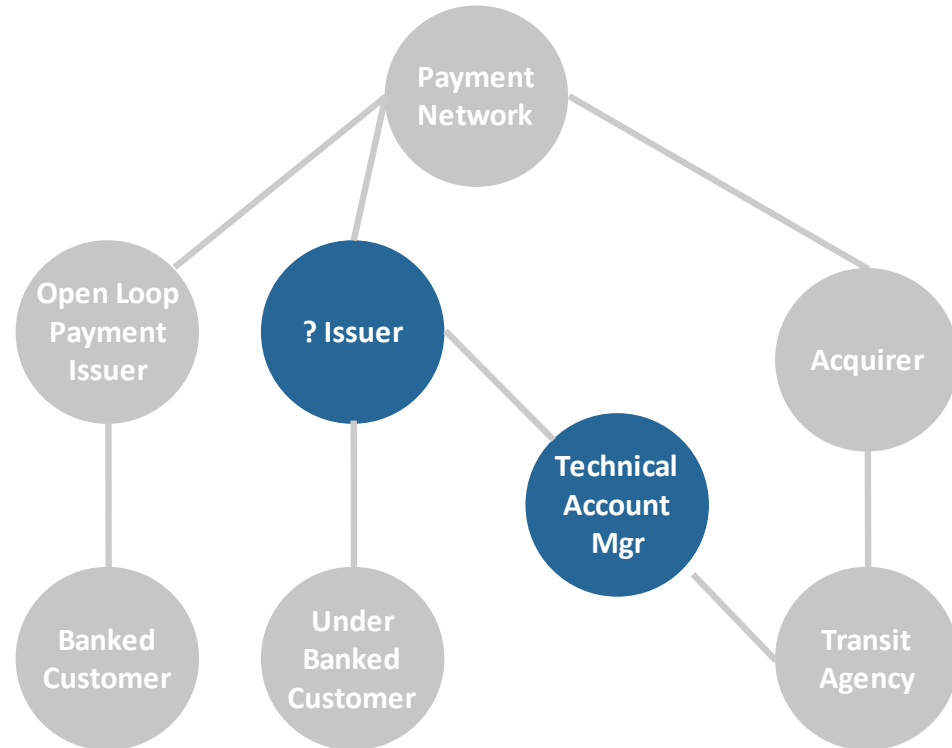
The Role of Transit Issuer

Open Loop Payment Issuers

TBD Payment Issuers for Transit

Considerations:

- Un and underbanked services
- Cash load/top-ups
- Fees and charges
- Registration and identification methods
- Customer Service



Market Sounding Goals

We hope to understand:

- Products, services, and capabilities to reach the un & underbanked market;
- The benefit to private parties issuing payment credentials, including transit;
- Feedback on the payment system and roles; and
- How Cal-ITP partners can facilitate this system and remove barriers.



Response Instructions



Review the Market Sounding Document: <https://dot.ca.gov/cal-itp>

Email response to questions in Appendix A to calitp@dot.ca.gov by August 17

Follow-up in depth interviews will be scheduled on a rolling basis

Activity	Date
Market Sounding Issued	July 31, 2020
Written Responses Due	August 17, 2020 before 5:00 p.m. PST
Rolling Interviews	August and early September
Present & Publish Results	September

Thank You!

