

City of Philadelphia

City Council Chief Clerk's Office 402 City Hall Philadelphia, PA 19107

BILL NO. 250376
Introduced April 24, 2025
Councilmember O'Rourke
Not Assigned to Committee

AN ORDINANCE

Adding Chapter 21-3500 of The Philadelphia Code, entitled "Transit Access Fund," to establish the purposes for which appropriations to the Transit Access Fund may be used, and to establish public reporting requirements related to the Fund.

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THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Legislative Findings. Council finds that:

- (1) There is a critical lack of support for low-income Philadelphians who rely on public transit to commute to work, to access healthcare, to care for family members, to purchase essentials, and to generally move around the city.
- (2) The Zero Fare Pilot program was established in August 2023 to provide free public transportation for 25,000 low-income Philadelphians and determine the economic impact that transit access creates.
- (3) The Zero Fare Pilot program became a national model and is in the process of being expanded to serve 35,000 low-income Philadelphians. Preliminary results have shown significant impacts on economic mobility, improving quality of life, and helping all residents and their neighborhoods thrive and grow.
- (4) This national model program demonstrates that when low-income residents have unrestricted access to public transit, the entire city benefits.
- (5) SEPTA relies on both funding and consistent ridership to maintain frequent service and system safety. The Zero Fare Pilot program is a critical tool because it provides direct funding to SEPTA, while also significantly increasing ridership across the system.

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- (6) Research shows that low-income Americans spend an estimated 30% of their after-tax income on transportation, nearly double the average of 16% across all income brackets. Moreover, 87% of public transit trips connect riders to their jobs and local businesses, making systems such as SEPTA the backbone of not only the local economy, but opportunities for economic mobility.
- (7) Additionally, investments in public transit such as fare-free programming create a four dollar return for every dollar spent.
- (8) Studies of fare-free transit programs in other cities illustrate that launch of these programs has coincided with increased ridership and decreases in safety incidents.
- (9) Therefore, creating a Philadelphia Transit Access Fund is sound public policy that will provide necessary resources to support low-income Philadelphians, SEPTA, and Philadelphian working families' economic prosperity.
- SECTION 2.. Title 21 of The Philadelphia Code is amended by adding a new Chapter 21-3500 as follows:

TITLE 21. MISCELLANEOUS.

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CHAPTER 21-3500. TRANSIT ACCESS FUND.

§21-3501. Creation, Distribution and Use of the Transit Access Fund's Assets.

- (1) Funds appropriated for use from the Transit Access Fund established pursuant to Section 2-300(4) of the Home Rule Charter shall be used to fund programs and projects for the benefit of households with incomes at or below 150% of the Federal Poverty Level and shall be used to:
 - (a) Provide free or reduced-cost SEPTA transit passes to eligible riders;
 - (b) Otherwise increase public transit access for eligible riders;
- (2) As much as 15% of such appropriations may be used to pay for the City's administrative costs associated with funding and administering such programs and projects.

§21-3502. Reporting Requirements.

(1) The Managing Director's Office, or such other agency as designated by the Mayor, shall prepare a publicly available annual report that includes the following:

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- (a) a Transit Access Plan, which details the City's five (5) year plan for improving transit access for households with incomes at or below 150% of the Federal Poverty Level;
- (b) a listing and description of all programs funded by The Transit Access Fund; and
- (c) an assessment, including such data and supporting documentation as is meaningful and available, regarding the impact of all programs funded by The Transit Access Fund.

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