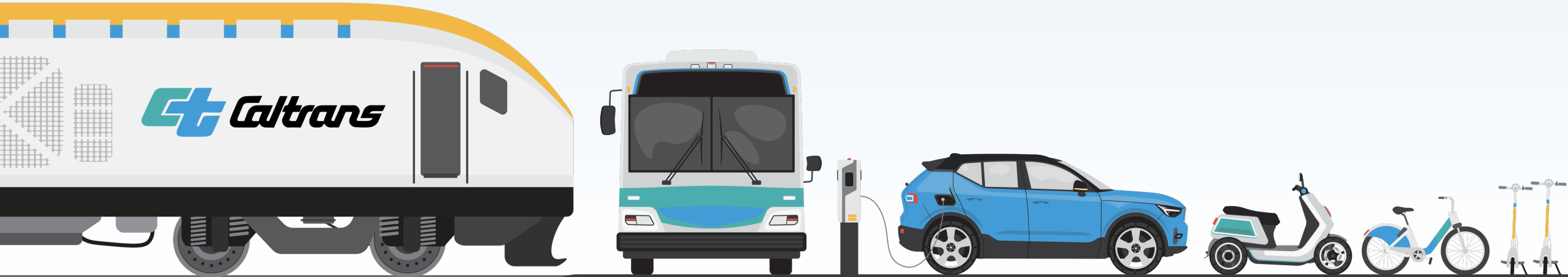




Caltrans Integrated Mobility

Connecting the dots on transportation innovation across California, the U.S., and the world.

January 21, 2025





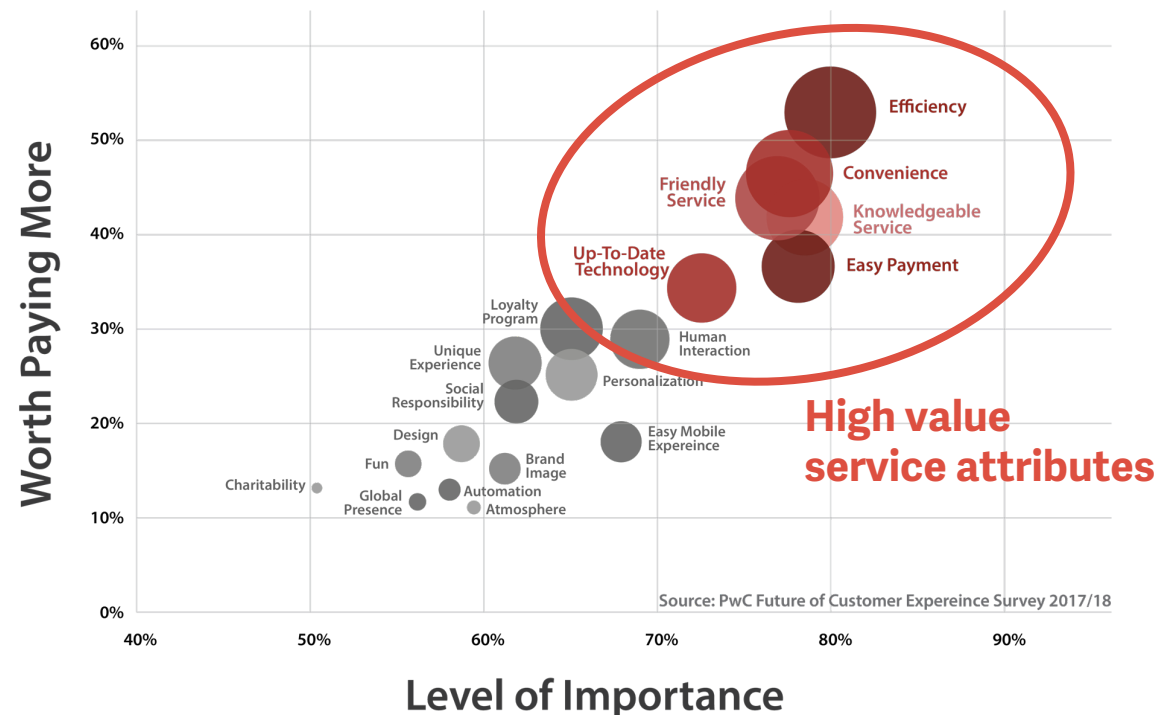
Open Loop In California: Cal ITP's 2024 in Review



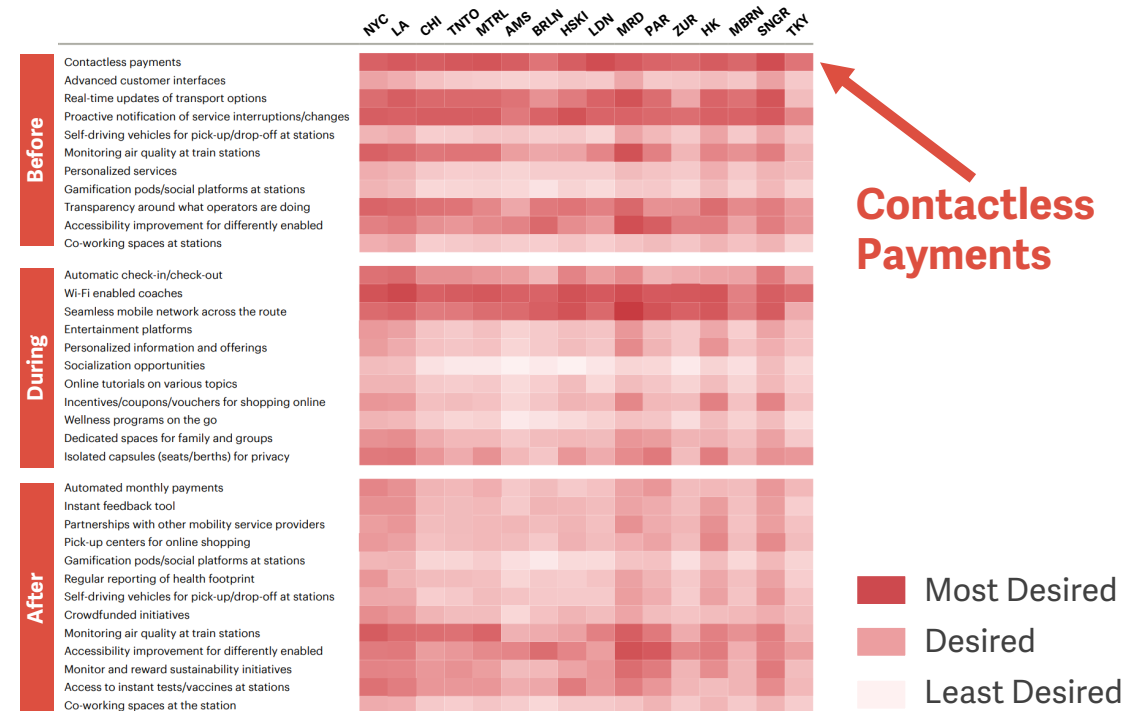
Riders want contactless payments: it's no wonder they are such a high priority in transit.

Research shows that convenience, efficiency, easy payments, and contactless acceptance are at the top of the list for what makes riders (and customers in general) happy.

Customers pay more and prioritize services that meet service attributes supported by contactless.¹



Contactless payments are the most desired feature for transit riders worldwide.²





is helping agencies meet these expectations.

Though the demand is clear, many transit agencies need support to implement new technology. In this edition, we'll explore how the **California Integrated Travel Project (Cal-ITP)** is making it easier for agencies to offer riders the global standards for trip planning and payments.

Cal-ITP provides free advisory support and organizes services like statewide procurements to help:

- **introduce contactless (bank card) payment** on transit, to make the payment experience as easy as buying a cup of coffee
- Increase the reach of contactless payments by introducing digital **verification of eligibility for discounts** (seniors, veterans, students, etc.)
- Make transit visible by **improving real-time vehicle information** and helping to publish them in a digitally digestible format

This edition covers:

● Overview of Cal-ITP

Free state support for transit agencies exploring and procuring the necessary components for contactless

● Onboarding Pipeline

Interest in California has led to a pipeline of 30+ agencies currently working on open loop acceptance.

Cal-ITP's Master Service Agreements (MSAs) are available for the key components of an open loop fare payment system.

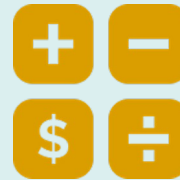
Agencies can purchase from the MSAs for Payment Acceptance Devices (Category A) and Transit Processor Services (Category B), as well as the EPAY MSAs, to begin accepting contactless EMV payments with the technology stack that best meets their needs. The MSAs are competitively procured and negotiated agreements, simplifying the purchase process for agencies.

Category A Vendor



Onboard, on-platform, and mobile fare inspection devices that are equipped to read riders' contactless bank cards and smart devices.

Category B Vendor



Software that instantly determines the correct fare for a trip based on distance, applicable discounts, and frequency of travel.

EPAY Vendor



Software embedded in fare validators that transmits money from a rider's bank card to the Transit Provider's bank account.

The current vendors on the MSAs are...



Category A Vendors

init



scsoft



Category B Vendors

BYTEMARK



init

littlepay



EPAY Vendors

Elavon



fiserv.



30 California agencies are on their way to contactless, with 8 already live.

Many agencies have leveraged Cal ITP's support throughout the entire purchase process. All agencies depicted to the left are expected to be live by the end of 2025, bringing contactless payments to diverse reaches of California.

Key

- Drafting Scope of Work
- Reviewing Vendor Proposals
- Contracting
- Implementation
- Live

Looking back: 2024 highlights

Over the past year, Cal-ITP and transit agencies have identified some key trends shaping transit payments:

Regional Focus

Transit agencies do not work in a vacuum. As such, Cal-ITP saw an uptick in groups of agencies working together to create joint scopes. This allows these cohorts to enjoy **price breaks** and **enables regional capping or transfers**. Four such purchases are underway, representing 20 separate agencies.

New Integrations

Transit agencies selected new technology stacks, resulting in at least **two new integrations between vendors**. When live, these may stand as a testament to the interoperability and flexibility of the Cal-ITP model.

Expanded Discounts

In 2024, Cal ITP developed an eligibility verification pathway for **veterans**. Monterey Salinas Transit and Sac-RT are slated to offer simplified enrollment and easy open-loop discounts for these individuals this year.

Beyond California

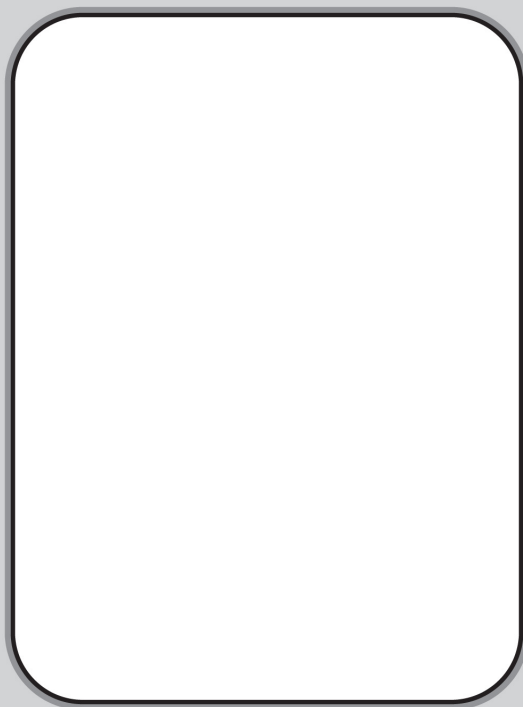
At least five transit agencies outside of California have leveraged the MSAs to rollout contactless payments. **Monroe County Transit Authority** in Pennsylvania started 2025 with the launch of their contactless system.

Looking Ahead: Cal-ITP is working on expanding services that meet the evolving needs of agencies statewide.

Agencies across the state have continued to vocalize their need for additional support from Cal-ITP. Even as the one-on-one support Cal-ITP provides has been essential to achieve the full potential of contactless payments with each agency, there is still room for even more statewide tools:

- **Support for discount categories that allow riders to link their existing bank cards to automatic discounts on open loop:** with our partners at the California Department of Technology, Cal-ITP is developing more eligibility verification, including for riders with disabilities.
- **Student pass verification:** Cal ITP is working with individual agencies and partnering with schools, colleges, and universities to determine viable technologies that will allow students to tap a pass on contactless validators onboard buses and trains to verify payment.
- **Paratransit/Dial-a-Ride:** Services that operate on flexible or un-fixed routes require alternative solutions to those included in the MSAs. Cal ITP is compiling guidelines for agencies to allow a seamless rider experience between services.

EXIT



Questions, feedback, or have a topic you would like to know more about? Please reach out to Angelly.Tovar@rebelgroup.com

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