Expanding Transit Open Payments Use Cases Through Fare Programs Webinar

June 2024

SECURE TECHNOLOGY ALLIANCE

US PAYMENTS FORUM

IDENTITY & ACCESS FORUM
Powered by SECURE TECHNOLOGY ALLIANCE

- ATM
- Communication & Education
- Debit Routing
- EV Open Payments
- Mobile & Touchless Payments
- Payments Fraud
- Petroleum
- Testing & Certification
- Transit Open Payments

Core Technologies

- AI
- Authentication
- Biometrics
- Blockchain
- Fraud / Cryptography
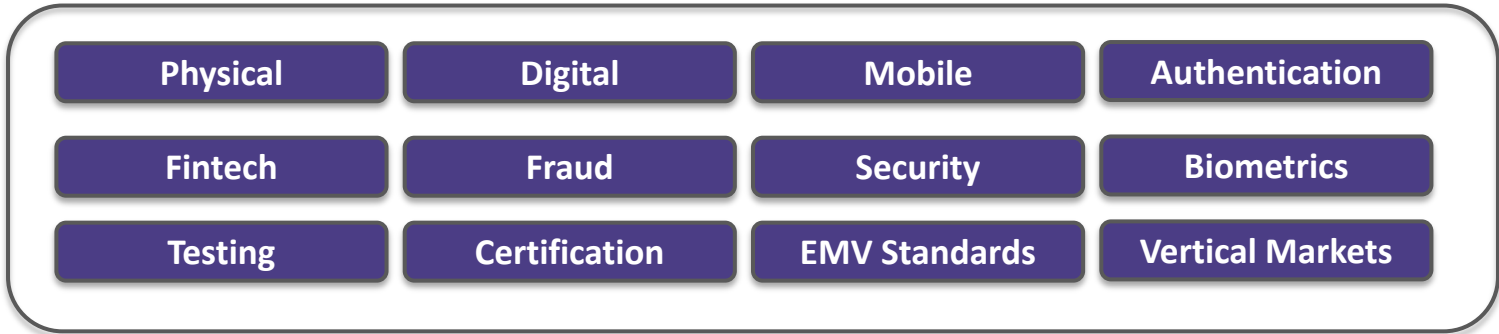
- Digital ID
- Communication & Education
- Identity Assurance
- Identity & Access Management
- Applied Technologies
- Trust Frameworks

U.S. PAYMENTS FORUM VISION

The U.S. Payments Forum enables cross-industry stakeholders to openly exchange expertise and information to solve problems and help realize innovations that make payments more efficient, simple, and secure.

Physical	Digital	Mobile	Authentication
Fintech	Fraud	Security	Biometrics
Testing	Certification	EMV Standards	Vertical Markets

| Collaboration | Education | Networking | Communications |

US PAYMENTS FORUM

Lawrence Sutton
Consult Hyperion

Gillian Gillett
Cal-ITP

Brian Piascik
Coast RTA
Waccamaw Regional Transportation Authority

David Kelts
Decipher.id

- Learn about the importance of discounts and concession fares, through the eyes of Cal-ITP

- Hear about Coast RTA's approach to fare capping and their journey

- Discover how mobile driver's licenses work and how they may play a future role within the transit space

Cal-ITP

Financial inclusion through mobility payments in California
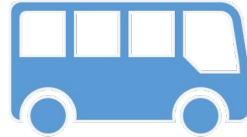
Gillian Gillett

Mobility can be a ride out of poverty

Low-income customers spend the bulk of their income on transportation, so mobility can change their lives, giving them

community access

daily **travel**

options to **build credit**

Unbanked and Underbanked

- 81% of US adults are **fully banked -** they have a checking and/or a savings account with an FDIC insured financial institution, and do not use alternative financial services.

- 13% of U.S. adults are **underbanked -** they have a checking or savings account with FDIC insured institution, but regularly use alternative financial services.

- 6% of U.S. adults are **unbanked -** they do not have a checking or savings account with an insured (FDIC) institution.

Citations:
- Economic Well Being of U.S. Households, The Federal Reserve: https://www.federalreserve.gov/publications/2022-economic-well-being-of-us-households-in-2021-banking-and-credit.htm
- Unbanked and Underbanked, Library of Congress: https://guides.loc.gov/fintech/21st-century/unbanked-underbanked

- First open-loop contactless fare collection demo in CA

- Tap bank cards or digital wallets to pay

- Riders can sign up for the Cash App Card and receive Boosts (money back)

- Older adults use Cal-ITP Benefits to receive their discount upon payment

- GTFS data accessed through Google Maps and Apple Maps

Transit Services

Paratransit

ADA Service

Entertainment Shuttles

Tourists

Fixed Route/Vanpool

Workers/Special Events

PAST

- Antiquated fare collection system
  - Magnetic Strip Technology
  - Coin and Bill Validators
  - Replacement Cost - $15,000/vehicle
  - Cash Handling – In-House
  - Not Contactless – suspended fares during COVID
  - Multitude of Passes – timed and multi-ride
  - Discounts to Seniors/Veterans and Students

- Explored Closed Loop & Open Loop

- Utilized CAL-ITP for Procurement – OPEN LOOP

FUTURE

- Open Loop
  - Contactless
  - Uses 'Off-the-shelf' tech
  - Eliminates Cost of Closed Loop Cards
  - Move Toward Cashless Operation
  - Simplified Fare Structure – Daily Cap Only

- Challenges
  - Under/Un-banked
  - Removing Cash Transactions
  - Discounts for Seniors/Veterans & Students

Coast RTA | FairCash

New Fare
Collection System

Contactless – Open Loop

[Click to play video](#)

REINTRODUCING FARES ON **SEPTEMBER 26TH**

TAP
–TO–
CAP!

It's $1.00 each time you board the bus, but if you tap your smartphone's mobile wallet or contactless debit/credit card each time you ride, we'll automatically limit or cap the amount you pay for the day to $3.50.

coast RTA

What is Mobile Driver's License (mDL)
David Kelts

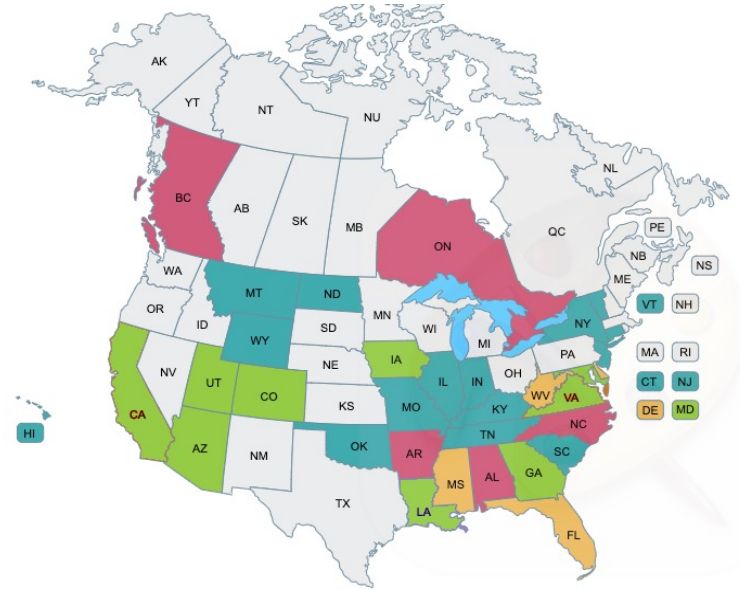Introduction: How you can trust an mDL

Mobile Drivers License (mDL) is <u>not</u> an image of a Driver's License

Enter **ISO/IEC 18013**, a collaboration of over 50 Companies, Issuers, Associations and Platform OEMs

- 18013-5 Published October 2022
- Dozens of Worldwide Rollouts

Trust Mechanisms - ISO 18013-5 mDL & mID

mDL Service
- Provision & Sign
- Manage Identity Accuracy
- {Optional} Identity Provider

IACA Public Key Certs

Trust Lists (VICAL)

PKI

ISO 18013-5

Wallet App
- mDL Holder / User
- Requests a Service with ID
  - in-person {or online}

Reader
- Reads and Validates mDL
- Lowers Risk and Fulfills Compliance Regulations
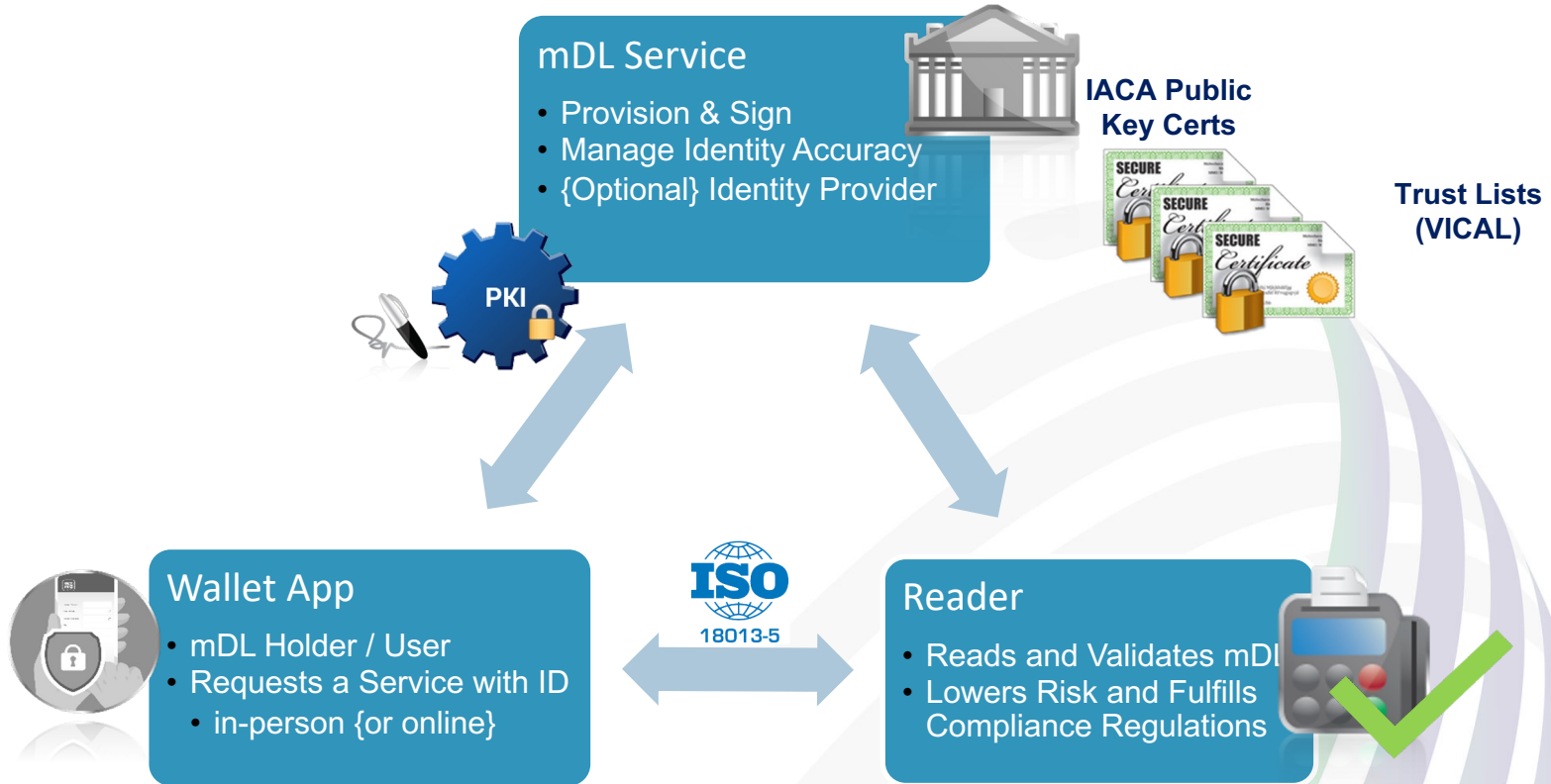
Trust Mechanisms - ISO 18013-7 mDL & mID

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ISO 18013-7

OpenID 4 VP

Wallet App
- mDL Holder / User
- Requests a Service with ID
  - in-person {or online}

Reader (Web)
- Reads and Validates mDL
- Lowers Risk and Fulfills Compliance Regulations

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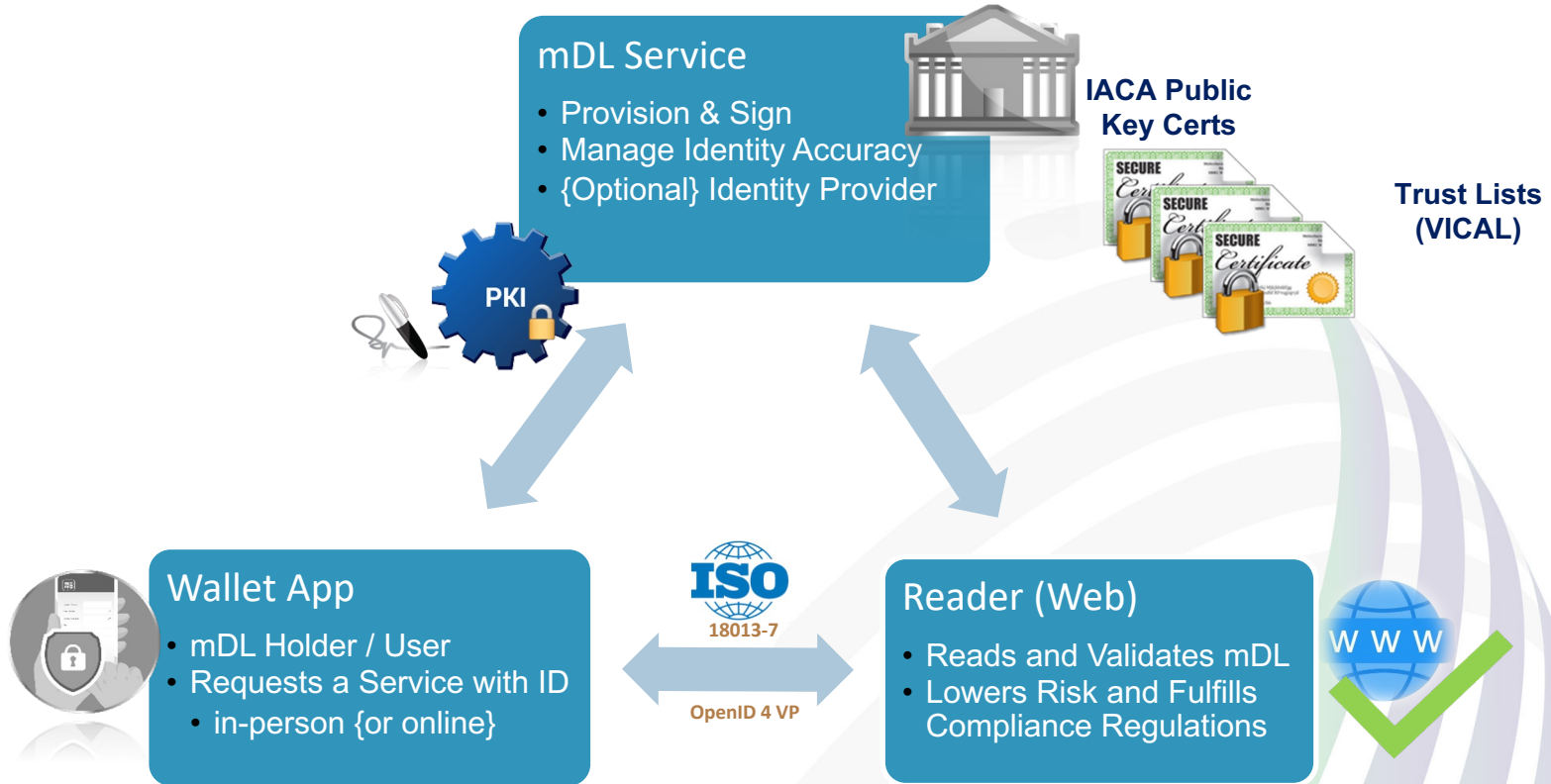
Use Case Categories for an 18013-5 mDL

Age Verification
- Anonymous
- AgeOverN
- DOB is protected

Attribute Collection
- Accurate form-fill
- "Intent To Store" flag should = true
- Required Data

Authorization (or Access Control)
- Physical Access (when ID req'd)
- Logical Access
- Eligibility
- Account Lookup

Identity Verification
- Enrollments & Registration
- Create an Account
- In-Person KYC
- Kiosk Onboarding

Identity Proofing
- "Superior" ID doc
- Easier, accurate form fill of ID Data
- Cryptographic proof of Issuer

Witnessed Signing
- Attributes used for Authentication
- Compare ink sign

In all cases, Relying Parties should limit their collection and storage of data to that which is strictly required.

Transit-specific mDL Use Cases

Discounts

Age-based or Status Discounts on Transit

Automatically grant or remove discounts based on mDL Data fields without having to visually verify or scan in-person cards

- Students or Under 18
- Senior, Over 62,
- Veterans Indicator Flag

Recertification

Is it the same recipient of a continued discount or service

Yearly recertification without travel to a central office is more convenient for the people you least want to inconvenience

- Prevent takeover of service by others
- Certify continuation of eligibility
- Save a trip to the central office

Residency

Prove that you live within a service area

Up-to-date residency information on a continual basis since mDLs are typically synchronized to the System of Record

- Discounted Service Area
- Zone calculations

Moderated Conversation

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Have questions? Use the 'Q&A' box to ask a question to the panelist
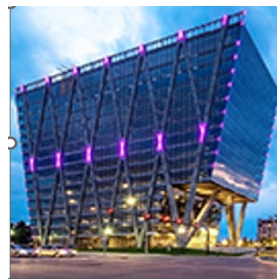
2024 EVENTS SCHEDULE

U.S. Payments Forum

Summer Member Meeting

July 23-24, 2024

Virtual
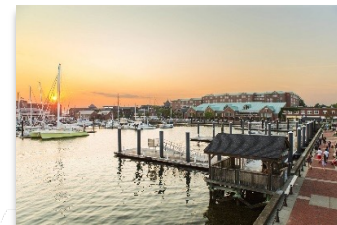
Registration Now Open!

Identity & Access Forum

Summer Members Meeting

August 14, 2024

Virtual

Registration Now Open!

Identity & Access Forum

Fall Members Meeting

October 29-30, 2024

Reston, VA

U.S. Payments Forum

Fall Members Meeting

November 12- 13, 2024

Newport, RI

Thank You!

www.uspaymentsforum.org