Phase 2 Low-Income Registration Methodologies

Concurrent with seeking funding for Phase 2, staff is exploring the strategies below to streamline and simplify the eligibility process for participants, that can be implemented once funding is secured. Specific attention is being paid to include ways of reaching unhoused and undocumented communities. The costs listed below are the estimated implementation costs for each registration method being considered for Phase 2 of the FSI Program.

Self-Attestation

Self-attestation would allow applicants to self-certify that they meet the requirements of the FSI program based on their income level, or their participation in another low-income benefits program, and enroll in FSI without providing any documentation of income at the time of enrollment. An annual audit would be conducted of randomly selected participants who would then be asked to provide the required documentation. If the audited participant was not able to provide the needed justification, they would be removed from the program for a pre-determined period.

As an example, Southern California Edison (SCE) has 1.5M customers enrolled in their Family Electric Rate Assistance (FERA) program – a direct bill discount of 18%, which has similar income requirements to Metro's LIFE Program. SCE allows customers to enroll without providing any documentation— just self-declaring their status. Customers are eligible if they meet the 200% federal poverty level or if they are already enrolled in a federal assistance program. Edison verifies 7% of population annually by looking for people that don't fit the profile of a low-income household (i.e. household energy consumption is very high). During this audit, if an individual is not able to provide documentation, they are removed from the program for 2 years with an option to appeal.

Per Metro's Management Audit Unit, an annual audit of participants and verification of documents would cost approximately $100,000 per year. This method would include phone and mail options in addition to the online application process.

Scope: The SCE estimates that one-third of the over 10 million residents in LA County qualify for their discount, and they have 1.5 million active participants receiving the discount. The income requirement for the SCE program is similar to Metro's LIFE Program. Based on census data, it is estimated that 1.6 million residents in LA County would qualify for FSI Phase 2.

Timeline: Nine months from approval of implementation

Cost: $500,000 for TAP Programming + $100,000 per year for audit

Pros: Would eliminate the initial income documentation barrier from the application process

Cons: Would require annual audit

Cross Qualifying Participants with other Existing Low-Income Programs

Ongoing discussions with the City of Los Angeles Angeleno Card and County of Los Angeles Department of Social Services (DPSS) General Relief (EBT and other programs) have been investigating the process of using other low-income benefits programs in LA County to cross-qualify low-income participants for Metro benefits and provide them with a unique code for registering an existing or new TAP card for Phase 2 of the FSI Program. In addition, this option is scalable to add other low-income benefits programs administered by other agencies or Community Benefits Organizations (CBOs), including those already included in the LIFE non-profit network and those who focus on providing assistance to unhoused and undocumented populations.

Scope: The County of LA estimates they have up to 3 million participants that would qualify for Phase 2 of FSI, based on the existing income requirements for the current LIFE Program. The City of LA initially plans to distribute 1 million cards, but the percentage of those that is low-income has not yet been determined. Based on census data, it is estimated that 1.6 million residents in LA County would qualify for FSI Phase 2.

Timeline: Nine months from approval of implementation

Cost: $500,000 for TAP Programming

Pros: Quick implementation, scalable

Cons: Reliance on other agencies for distribution of TAP cards and/or registration codes

Fareless for Off-Peak Trips

The implementation of fareless boardings for off-peak trips would not require riders to register. To receive the discount, riders would only need to use their TAP Cards to board a Metro bus or train Off-Peak rates for Senior Reduced Fare riders currently apply weekdays 9am – 3pm & 7pm – 5am, weekends & Federal holidays.

A UCLA study found that during peak hours low-income riders account for 42% of trips compared to the off-peak where they account for 54% based on the California Household Travel Survey from 2013. A University of Illinois study across several transit agencies in the U.S. found similar results, finding that low-income riders tend

to take a higher proportion of local bus trips, non-work trips, and short trips, all of which are more likely to occur during off-peak hours. Additionally, Metro's Understanding How Women Travel study found that women in Los Angeles are also more likely than men to travel mid-day.

Similar to the impact of dynamic express lanes or congestion pricing, fareless off-peak trips would incentivize riders to shift trips to off-peak travel times and would reducing crowding during peak commute times. This could improve customer experience, including fewer pass-ups, while also easing COVID concerns.

Due to the existing capacity available during off-peak times, Metro would likely not need to add much additional transit service, as compared to a low-income pilot across all times.

Based on TAP Data from October 2019 (Pre-COVID), off-peak boardings account for 53% of total trips.

Regional TAP Boardings Weekday By Time of Day - October 2019

Rider Class	EarlyAM Offpeak	AM Peak	Midday Offpeak	PM Peak	Evening/Night Offpeak	Weekday Total	Weekend Total
Regular	1,359,272	2,601,380	2,384,259	3,747,102	1,100,822	11,192,835	1,791,863
Senior/Disabled	346,751	897,615	1,754,601	1,247,037	286,743	4,532,747	933,676
College	15,928	58,191	69,904	64,554	22,474	231,051	30,086
Student	80,620	261,315	136,542	350,938	29,167	858,582	69,599
GrandTotal	1,802,571	3,818,501	4,345,306	5,409,631	1,439,206	16,815,215	2,825,224

				Total by Period	Percent of Weekday	Percent of Total	
Total Weekday Offpeak Trips				7,587,083	45%		
Total Weekday Peak Trips				9,228,132	55%	47%	
Total Weekday Trips				**16,815,215**	**100%**		
Total Weekend Trips (Offpeak)				2,825,224			
Total Offpeak Trips (Weekday + Weekend)				10,412,307		53%	
Total Trips (Weekday + Weekend)				**19,640,439**		**100%**	

Scope: Would cover 53% of total boardings

Timeline: For a Metro-only implementation for all riders, the timeline would be 90 days from approval of implementation for TAP programming, plus additional time for testing. If off-peak fareless were implemented for low-income only, it would require an additional 3 months to create a new low-income rider class. A regional implementation would require more time for programing and testing.

Cost: The cost to implement off-peak ranges from $400,000 to $1M based on the scope of off-peak program. A regional implementation would require additional costs.

Pros: Easy to implement on TAP, lower fare revenue loss than full fareless for low-income riders, could be implemented for all riders or only those who qualify for low-income fares

Cons: Does not equitably help all low-income workers traveling during peak times; Operator/customer confrontation; Causes confusion for customers

Qualifying EBT Customers for Reduced Fares on TAP System

Staff has been exploring the option of enabling the Ticket Vending Machines (TVMs) to recognize EBT cards and apply an FSI discount. Legislation would need to be passed at the state level to allow for this additional use of EBT Cards. It would also require programming on the back end of the TVMs. Staff is currently working with LA County on distribution of TAP LIFE cards upon qualifying for EBT.

Scope: According to DPSS, over 1 Million LA County residents are enrolled in the EBT program

Timeline: Estimated 2-5 years for legislation changes

Cost: Programming cost estimated at $300,000 - $400,000

Pros: Would provide an alternative to pre-registering for the program

Cons: Would not include anyone who is not participating in the EBT program

Additional Methodologies Considered But Not Recommended:

The methods listed below were examined but are not being recommended because they do not cover all qualified riders or have been deemed too costly to implement.

Equity Focused Community (EFC's) Zip Codes

The Metro Board approved a zip code map and criteria for EFCs in 2018 https://investinginplace.org/wp-content/uploads/2019/08/June-2019-Equity-Focus-Communities-Motion-Map.pdf

Bar codes from photo ID cards could be scanned in as part of an online or in-app application process, or ID cards could be visually checked at Metro Customer Centers or other in-person location for a qualifying zip code. Once an individual has verified qualifying zip code, they would be eligible for low-income status for LIFE or FSI. This method would pose a challenge for people who qualify, but live outside of identified zip codes, and therefore, wouldn't be able to register using this process.

California Integrated Travel Project (Cal-ITP)

DMV validation of age, disability, and income integration being developed by Cal-ITP (https://dot.ca.gov/cal-itp). However, this is a future development without a known timeline. In addition, the technology being utilized is a credit card chip, which cannot currently be read by Metro's TAP readers, and would require significant hardware and software investment for the TAP system to become compatible.