

# **Regional Interagency Transfer (IAT) Policy**

**Finance, Budget and Audit Committee**

**June 17, 2015**



**Metro**

# Recommendations

1. Adopt the proposed change to the Policy on Use of Interagency Transfers, unanimously approved by the General Managers and Bus Operators Subcommittee (BOS).
2. Adopt the finding that the proposed policy change results in a Disparate Impact but there is substantial legitimate justification for the proposed change and there are no alternatives that would have a less disparate impact on minority riders.
3. Adopt the recommendation to distribute up to 1 million TAP cards free to bus riders purchasing transfers in advance of the effective date of the policy to address the underlying cause of the Disparate Impact fining (current TAP card possession).

# Proposed Interagency Transfer (IAT) Policy Changes

1. Eliminate paper transfers for customers transferring between agencies. Transfers allowed with a TAP card only
2. Transfer fare will be automatically paid with a TAP card, if transfer eligible, when boarding a second agency
3. Transfer period extended from 2 hours to 2.5 hours
4. A single transfer will be allowed within the 2.5 hours

# Customer and Agency Benefits

*Significant step in providing a more seamless, coordinated transit system, with 24 agencies now on TAP*

## CUSTOMERS

- Faster boardings
- Eliminate need to carry exact change
- Automatic transfer if eligible
- Consolidation of four different transfer methods in use today

## AGENCIES

- Faster boardings
- Consistent with local initiatives and efforts to reduce cash and paper media in favor of technology options
- Fraud reduction
- Directly collected IAT revenues

# Fare Equity Analysis Findings (Title VI)

- The Fare Equity Analysis completed for the Region resulted in a disparate impact finding for one sub-population, constituting about 8% of the County population within walking distance of fixed-route transit. Counting only those that use transit and transfer, affected number of individuals is about 40,000 (0.4%)
- The underlying cause of the disparate impact finding – possession of a TAP card – will be addressed through a comprehensive Marketing and Outreach campaign including dissemination of up to 1 million TAP cards to customers
- Policy approval requires a finding (included in staff recommendation) that the change results in a Disparate Impact but there is substantial legitimate justification for the change and there are no alternatives that would have a less disparate impact

# Next Steps

If the policy change is approved...

- TAP Operation will proceed with programming efforts, working closely with each Operator to define business rules and test final functionality
- A print and digital marketing campaign for customers will focus on customer education, including where TAP cards can be purchased and reloaded.
- An internal campaign for bus operators will include in-person training, division outreach, and print materials
- Implementation will be in approximately 6 to 9 months due to the significant programming and testing efforts, and to allow for thorough customer and operator education