

EVALUATION OF EQUALIZING TAP CARD COSTS

Federal Transit Administration (FTA) Circular 4702.1B provides guidance for the conduct of equity evaluations of proposed service and fare changes. A transit operator must have a locally adopted process for determining when public hearings, and the equity evaluations associated with such proposals, are required. Impacts to both minority and poverty level persons must be assessed, and there must be locally adopted standards for when differences between impacted persons and everyone else are significant.

Metro's Administrative Code contains these rules and definitions in Section 2-50. A public hearing and equity evaluation is required for any fare change. The difference between the minority/poverty shares of impacted riders and all others is deemed significant if the absolute difference is 5% or greater, or the relative difference is 35% or more, whichever is less.

Proposal to be Evaluated

Metro prepaid fare media is stored on reusable TAP cards. TAP cards may also be used as Stored Value media, when value is added to the card, for convenient payment of individual fares. Once purchased the TAP card should be retained by the rider as it may be reused continuously for up to 10 years.

At the present time TAP cards may be obtained by phone, online, at Metro Customer Service Centers, at retail vendors, at Metro Ticket Vending Machines (TVM's), and onboard buses (if purchasing a Day Pass). The cards cost \$2 except when purchased at a TVM or onboard a bus. In the latter two instances, they cost \$1.

The proposed action would equalize the cost of a TAP card at \$2 wherever purchased.

Evaluation and Findings

TAP cards are reusable with an expected life of 10 years. At \$2, amortized over 10 years, the cards cost less than 1.7 cents per month. This is considered inconsequential as would be the increase in price from \$1 to \$2. Therefore, the proposed action would not result in either a disparate impact on minority riders, nor a disproportionate burden on poverty level income riders.