

EVALUATION OF ADDING TO TAP CARD STORED VALUE ON BUSES

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 either 5% or greater, or the relative difference is 35% or more.

Proposal to be Evaluated

At the present time, Metro riders may add Stored Value onto their TAP cards at TAP Vending Machines (TVM's) at Metro rail, Silver Line, El Monte Transit Center, Patsaouras Bus Plaza and Orange Line stations, at Metro Customer Centers, at more than 400 third party sales outlets, online at taptogo.net and by calling 866-TAPTOGO. The proposed action would permit patrons the same capability on buses.

Title VI Evaluation and Findings

The most current available ridership data was collected as part of the Spring 2016 Customer Satisfaction Survey. The relevant data provided by this survey includes method of payment, discount category, ethnicity, and poverty status. A comparison of minority representation among TAP Stored Value riders and all riders is provided in Table 1.

Table 1

	<u>Minority Share</u>	<u>Absolute Diff.</u>	<u>Relative Diff.</u>
TAP Stored Value			
Regular	77.52%	-10.72%	-12.15%
Elderly/Disabled	71.61%	-16.63%	-18.85%
Student (K-12)	89.95%	1.71%	1.94%
All Riders	88.24%		

Current TAP Stored Value users are less minority than all riders (except for Student riders, who represent only 4.63% of Stored Value users). This change confers a benefit on a group that is less minority than all riders and that creates a disparate impact. There is no financial barrier to prevent others users from joining the ranks of Stored Value bus riders, and it is expected this disparate impact will correct itself very quickly due to benefits that are available. There is no other fare structure or media change that could create this benefit and maintain current revenues.

In order to proceed with the proposed action the Board of Directors must pass a motion that there is a substantial legitimate justification for the proposed action, and that no other action having a lesser disparate impact would accomplish the objectives of the proposed action.

Environmental Justice Evaluation and Findings

An environmental justice evaluation of the proposed action considers the poverty status of impacted riders in comparison with all riders. The poverty representation of the impacted riders compared with all riders is provided in Table 2.

Table 2

	<u>Poverty Share</u>	<u>Absolute Diff.</u>	<u>Relative Diff.</u>
TAP Stored Value			
Regular	63.47%	19.72%	45.07%
Elderly/Disabled	50.50%	6.75%	15.43%
Student (K-12)	23.08%	-20.67%	-47.25%

All Riders

43.75%

The poverty representation of all subcategories of TAP Stored Value riders differs significantly from that of all riders. However, since the action is considered beneficial, there is no disproportionate burden.