



**Board Report**

**File #:** 2021-0679, **File Type:** Policy

**Agenda Number:** 35.

**EXECUTIVE MANAGEMENT COMMITTEE  
OCTOBER 21, 2021**

**SUBJECT: FARE POLICY CHANGE**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATION**

APPROVE:

- A. The results of the Fare Equity analysis for changing free fares to 5 years and under.
- B. Changing the fare policy to raise the maximum age of free fare from under age 5 to under age 6.

**ISSUE**

On September 23, 2021, the Board approved implementation of Phase 1 of the Fareless Systems Initiative (FSI) for participating K-12 districts and community colleges. In ongoing outreach for FSI, it became clear that not all 5-year-olds qualify for kindergarten to participate in FSI. Therefore, this action is recommended to eliminate the gap between 4-year-olds who ride for free and 5-year-olds who have not started school yet.

**BACKGROUND**

According to Metro’s current Fare Policy, “Two children under age 5 may travel free with each fare-paying adult on bus or rail.” Under the newly implemented FSI Phase 1, children at participating school districts may obtain a TAP card from their school to travel without paying fares on Metro and participating local and regional transit operators. However, the State of California limits Kindergarten enrollment to children who turn 5 on or before August 31<sup>st</sup>. Consequently, some 5-year-olds do not qualify to enter kindergarten and cannot travel for free under either program.

**DISCUSSION**

Based on public feedback from the outreach process, staff recommends raising the maximum age for free rides on Metro from “under age 5” to “under age 6”.

### Service and Fare Equity (SAFE) Analysis Requirement

According to Federal Transit Administration (FTA) Title VI guidance, “a fare equity analysis requirement applies to all fare changes regardless of the amount of increase or decrease. As with the service equity analysis, FTA requires transit providers to evaluate the effects of fare changes on low-income populations in addition to Title VI-protected populations.”

### **FTA Circular 4702.1B Chapter IV**

Title VI of the Civil Rights Act of 1964 provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Chapter IV of the FTA’s Circular 4702.1B further describes the requirements that FTA recipients must follow to ensure that the programs, policies, and activities comply with the Title VI requirements.

Title 49 CFR Section 21.5 (b)(2) specifies that a recipient shall not utilize criteria or methods of administration which have the effect of subjecting persons to discrimination because of their race, color, or national origin, or have the effect of defeating or substantially impairing accomplishment of the objectives of the program with respect to individuals of a particular race, color, or national origin.

Section 21.5 (b)(2) requires recipients to take affirmative action to assure that no person is excluded from participation in or denied the benefits of the program or activity on the grounds of race, color, or national origin.

A detailed Fare Equity Analysis has been completed (see Attachment A). The analysis compares the percentages of minority and low-income K-12 student riders against to the total minority and low-income percentages for all Metro riders. The Minority Ridership Total below is based on data from the Fall 2019 Metro Customer Survey and includes: Latino/a, African American, Asian/Pacific Islander, Native American, and Other.

The analysis determined that, although the absolute difference on the number of minority and low-income K-12 students impacted is more than 5% of the total minority and low-income riders, since the proposal is to remove fares from this group, the net impact on these groups is positive.

The results of the SAFE Analysis must be reviewed and approved by the Metro Board prior to any permanent fare change being implemented.

### Fare Change Recommendation

Because the results of the SAFE analysis demonstrate a positive impact, staff recommends a permanent fare change to the Metro’s Fare Policy.

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In addition, research from Metro's How Women Travel Study and Metro's Gender Action plan currently under development shows that women, in particular, often travel with multiple children, who could be under the age of 6. So, staff recommends removing the restriction on the number of children that can travel free with each adult.

Therefore the revised rule would read:

"Children under age 6 may travel free with a fare-paying adult on bus or rail."

### **FINANCIAL IMPACT**

There is no financial impact in FY21 or FY22 since all K-12 fare revenue losses were assumed for FSI Phase 1. Due to low ridership among five year olds, there is no material impact to fare revenues beyond the pilot period.

### **DETERMINATION OF SAFETY IMPACT**

This program does not affect the incidence of injuries or healthful conditions for patrons or employees. Therefore, approval of this request will have no impact on safety.

### **EQUITY PLATFORM**

At its core, the goal of the FSI Pilot Program is to achieve greater equity through reducing barriers and improving access to transit for all communities. As part of the FSI implementation, changing the maximum age of free fares on Metro from 4-years-old to 5-years-old will benefit families with children under six who do not qualify for kindergarten, by reducing their transportation costs.

### **NEXT STEPS**

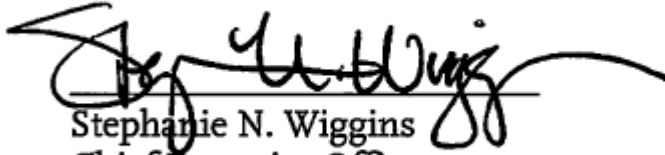
Once the fare analysis and fare change have been approved by the Board of Directors, all fare policy documents, and public-facing information will be updated to reflect this change.

### **ATTACHMENTS**

Attachment A - Fare Equity Analysis

Prepared by: Devon Deming, Interim Deputy Executive Officer, FSI (213) 922-7957  
Aida Berduo Berry, Sr. Manager, Civil Rights Programs (213) 922-2748

Reviewed by:  
Nicole Englund, Chief of Staff, OCEO, (213) 922- 7950



Stephanie N. Wiggins  
Chief Executive Officer