

Consent Item (A) 12-14-2023

Washington Metropolitan Area Transit Authority

Board Action/Information Summary

☒ Action ☐ Information

Document
Number:
205664

Resolution:
☒ Yes ☐ No

Presentation Name:

Title VI Equity Analysis: Eliminate Senior SmarTrip Card Fee

Project Manager:

Allison Davis

Project Department:

Planning and Performance

Purpose/Key Highlights:

To provide the results of the public outreach and Title VI equity analysis required to eliminate the \$2 fee for new Senior SmarTrip cards.

After completing public outreach, the Title VI analysis did not identify any disproportionate burden or disparate impact.

Interested Parties:

There are no interested parties for purposes of conflicts of interest in this matter.

Background:

Metro's Senior SmarTrip card provides a 50 percent fare discount on Metrorail, Metrobus, and regional bus providers. Customers aged 65 and older can enroll and receive a card at Metro's Transit Accessibility Center, commuter stores, and Prince George's County and Montgomery County Public Libraries. Customers currently must purchase the Senior SmarTrip card for \$2.

Eliminating the \$2 fee for new Senior SmarTrip cards aligns with Metro's goals of Service Excellence and Improving Regional Opportunities and Partnerships. Eliminating the fee would promote equitable and accessible service. It would also make for a more seamless customer enrollment experience. By eliminating this requirement, staff anticipates that more partners will want to work with Metro to expand SmarTrip card enrollment and distribution, resulting in more customers taking advantage of reduced fares.

In April 2023, as part of the approval of the FY24 operating budget, Metro's Board of Directors approved eliminating the \$2 fee for Senior SmarTrip cards. However, this authorization was subject to the completion of public outreach and an equity analysis as required by Title VI.

The Federal Transit Administration's (FTA's) Title VI Circular requires Metro to prepare and submit service and fare equity analyses for all permanent major service changes, fare changes and changes in access to fare media. The one-time \$2 fee required to purchase the Senior SmarTrip card is part of the overall fare that a customer pays to use transit service. Therefore, eliminating this fee is considered a fare change and subject to a Title VI equity analysis. The analyses determine whether the planned changes will have a disparate impact on the basis of race, color, or national origin, or a disproportionate burden on low-income riders.

Discussion:

Eliminating the fee associated with the Senior SmarTrip card makes this fare product more affordable for seniors, improves the customer enrollment experience, enables potential new partnerships to distribute the cards in the region, and leads to more customers taking transit using more affordable fares.

The FTA Circular requires that the agency conduct a Title VI equity analysis to determine if a fare change will result in a disparate impact for minority riders or a disproportionate burden for low-income riders. The Circular also requires that public outreach be conducted prior to finalizing the analysis.

Public Outreach:

Metro solicited public feedback earlier this fall on proposed changes. Using customer data and demographics, Metro identified limited English proficiency (LEP) and low-income populations to develop targeted communications and outreach efforts.

Specifically, Metro developed a website and survey in both English and Spanish and created multilingual flyers in Amharic, Arabic, Chinese (traditional and simplified), Korean, French, Somali, and Vietnamese. To reach LEP and low-income populations, Metro sent more than 3,000 stakeholder emails to community-based organizations, social service agencies, partners, and government officials. In addition to a press release, Metro also announced the effort on social media, resulting in over 18,000 impressions and engagements. Most importantly, Metro also leveraged its partnership with TransitApp to send notifications in both English and Spanish to about 200,000 users.

Survey results from over 500 respondents support the elimination of the \$2 fee for Senior SmarTrip as well as any other reduced fare product (including the Metro Lift low-income fare product). Approximately 77 percent of those surveyed support removing the fee for reduced fare programs while only 14 percent did not support removing the fee.

Equity Analysis:

Staff conducted the Title VI equity analysis and determined that the proposed fare change would not result in a potential disparate impact to minority customers or a potential disproportionate burden to low-income customers. The proposal results in a somewhat lower fare for minority and low-income customers relative to non-minority and non-low-income customers as is summarized in the Equity Analysis, which is proposed for Board adoption.

Funding Impact:

There is no anticipated funding impact from this action. The revenue reduction for this action was assumed in the approved FY2024 Operating Budget.

Previous Actions:

April 2023– Approval of Senior SmarTrip fee reduction pending outreach and Title VI analysis as part of FY24 Operating Budget

Next Steps:

Communicate the policy change to the public and stop collecting the \$2 Senior SmarTrip card fee effective January 16, 2024.

Recommendation:

Approval to: accept the Title VI analysis and establish January 16, 2024 as the effective date to stop collecting the \$2 fee for Senior SmarTrip cards.

PRESENTED AND ADOPTED: December 14, 2023

**SUBJECT: ELIMINATION OF THE SENIOR SMARTRIP CARD FEE AND APPROVAL OF
TITLE VI EQUITY ANALYSIS AND PUBLIC PARTICIPATION**

2023-41

**RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

WHEREAS, The Federal Transit Administration ("FTA") requires all recipients of FTA financial assistances to conduct an equity analysis to determine if changes to fares and fees, including the reduction of a fare or fee, will result in a disparate impact ("DI") on minority riders or a disproportionate burden ("DB") on low-income riders; and

WHEREAS, In Resolution 2023-09, the Board of Directors resolved to waive the fee for new Senior SmarTrip Cards subject to the completion of public outreach and the approval of an acceptable Title VI equity analysis; and

WHEREAS, Staff has completed the required public outreach and the Title VI equity analysis (Attachment A), which shows that the proposed changes do not result in a DI on minority populations or a DB on low-income populations;

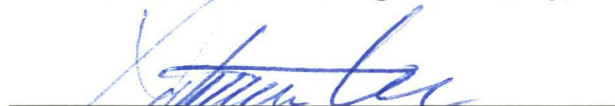
NOW THEREFORE, be it

RESOLVED, That the Board of Directors approves the Title VI equity analysis set forth in Attachment A; and be it further

RESOLVED, That the Board eliminates the fee for Senior SmarTrip Cards for qualified individuals effective January 16, 2024; and be it finally

RESOLVED, That in order to timely implement this change in fare policy, this resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Patricia Y. Lee
Executive Vice President and General Counsel

File Structure No.
9.12.9 Tariff/Wmata Fare Structure

**Motioned by Mr. Smedberg, seconded by Ms. Martin-Proctor
Ayes: 8- Mr. Smedberg, Mr. McAndrew, Dr. Hadden Loh, Ms. Kline, Mr. Letourneau, Mr. Drummer,
Ms. Santos and Ms. Martin-Proctor**

Attachment A
Title VI Equity Analysis – Fare Change
Elimination of the Senior SmarTrip Fee

I. Background

The Federal Transit Administration (FTA) requires that transit agencies conduct an equity analysis to determine whether proposed permanent major service changes or fare changes will result in a disparate impact (DI) to minority customers or a disproportionate burden (DB) to low-income customers (FTA Circular 4702.1B). This requirement stems from the Civil Rights Act of 1964 which states that no one should be denied the benefits of any program receiving federal financial assistance “on the grounds of race, color, or national origin.”

The purpose of the analysis is to determine if fare changes, or major service changes would result in minority or low-income customers receiving substantially less of a benefit of transit service than other customers. Such a finding is known as a disparate impact (DI) to minority customers or a disproportionate burden (DB) to low-income customers. The Circular also requires that public outreach be conducted prior to finalizing the analysis.

II. Overview

Metro’s Senior SmarTrip card provides a 50 percent fare discount on Metrorail, Metrobus, and regional bus providers. Customers aged 65 and older can enroll and receive a card at Metro’s Transit Accessibility Center, commuter stores, and Prince George’s County and Montgomery County Public Libraries. Customers currently must purchase the Senior SmarTrip card for \$2.

As part of the approval of the FY24 operating budget, Metro’s Board of Directors approved the elimination of this \$2 fee for Senior SmarTrip cards. However, this authorization was pending the completion of public outreach and an equity analysis as required by Title VI.

The \$2 fee required to purchase the Senior SmarTrip card is part of the overall fare that a customer pays to use transit service. Therefore, the elimination of this fee is considered a fare change and subject to a Title VI equity analysis. Following the completion of the required public outreach, staff conducted the equity analysis and determined that the proposed fare change would not result in a potential disparate impact to minority customers or a potential disproportionate burden to low-income customers. The proposal results in a somewhat lower fare for minority and low-income customers relative to non-minority and non-low-income customers.

III. Title VI Analysis

A. Data Sources and Methods

To assess the impacts of fare changes, an average fare paid by bus and rail customers by demographic group is calculated. The data are then merged with passenger survey data¹ for the same customers and/or fare categories to create an average fare paid by demographic group (minority vs. non-minority, low-income vs. non-low-income).

Future fares are calculated with the same approach, except that the proposed fare policy changes are used in place of the current fares. The current average fare is then compared to the new average fare to determine the percentage change in fare by demographic group.

In Resolution 2013-27, the Board of Directors approved DI/DB thresholds for fares of five percent, meaning that there is a potential DI/DB if the average fare decrease for non-minority/non-low-income customers exceeds the average fare decrease for minority/low-income customers by more than five percent.

B. Results

The equity analysis evaluates whether minority and low-income customers receive a similar benefit of the proposed fee waiver relative to non-minority and non-low-income customers. As of fall of 2023, approximately 2,500 new senior SmarTrip cards are activated per month. This amounts to a relatively small change in average annual revenue collected (of less than \$100,000 relative to \$100's of millions of dollars in total annual fare revenue), and therefore a relatively small impact on the average fare paid by each demographic group.

Table One: DI/DB Test, Fare Proposal

	Minority	Non-Minority	Low-Income	Non-Low-Income
Current Av. Fare	\$2.47	\$2.89	\$1.92	\$2.85
Proposed Av. Fare	\$2.47	\$2.89	\$1.92	\$2.85
Average Change	-0.02%	-0.01%	-0.05%	-0.01%
Difference	-0.01%		-0.04%	
Threshold	+5.0%		+5.0%	
DI/ DB	No		No	

As shown on Table One, the fare proposal results in a somewhat lower fare for minority and low-income customers relative to non-minority and non-low-income customers. Therefore, there is not a potential disparate impact or a potential disproportionate burden.

¹ Data sources: 2022 Metrorail Passenger Survey, 2018 Metrobus Passenger Survey