

Pierce Transit

# Title VI Fare Equity Analysis

Pursuant to FTA Circular 4702.1B

Free Youth Transit Pass – Move Ahead Washington

July 11, 2022

**PIERCE TRANSIT TITLE VI FARE EQUITY ANALYSIS**  
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# PIERCE TRANSIT TITLE VI FARE EQUITY ANALYSIS

## 1 INTRODUCTION

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving Federal financial assistance. This analysis was conducted in compliance with Federal Transit Administration (FTA) Circular 4702.1B, which requires any FTA recipient serving a population of 200,000 or greater to evaluate any fare change and any major service change at the planning and programming stages to determine whether those changes have a discriminatory impact. This document is an analysis of Pierce Transit's proposed addition of a new Free Youth Transit Pass for 18 years of age and younger.

## 2 BACKGROUND

### 2.1 Proposed Fare Changes

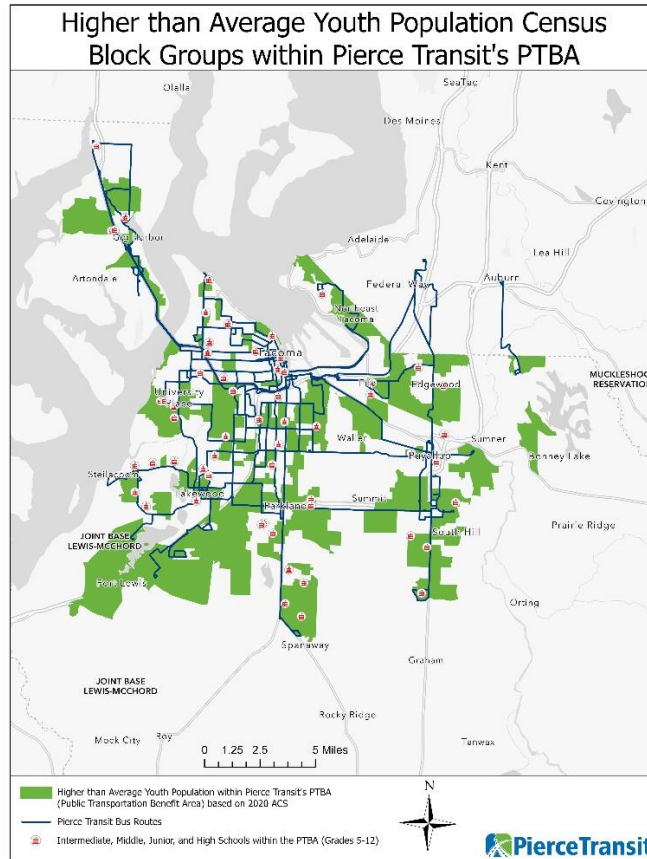
Pierce Transit conducted a comprehensive fare review in 2012. The primary recommendations from that review were to: eliminate paper transfers; introduce an all-day pass and introduce a discounted Pierce Transit-specific adult pass. The elimination of paper transfers and the introduction of an all-day pass occurred in 2014. The discounted Pierce Transit-specific adult pass was recommended due to rider demographics, specifically, household income. Data from the 2017 customer satisfaction survey shows that 60 percent of our riders live in households with annual household incomes of \$25,000 or less. Washington State adopted new law in 2022 that provides additional grant funding available for transit agencies that provide free trips to youth aged 18 years and under for all modes offered. This proposed fare change reduces fares for youth ages 6-19 from \$1 a trip to \$0.

A Free Youth Transit pass will make transit a viable transportation mode within the reach of more of our residents.

A public hearing was held at the July 11, 2022 Board of Commissioners meeting to allow the public to comment on the proposed new Free Youth Transit Pass. The Community Transportation Advisory Group (CTAG) voiced support for this new Fare Type at their June meeting.

This fare equity analysis analyzes whether the addition of a new PT-specific Zero Fare for Youth 18 and younger will have a disparate impact on Pierce Transit's minority riders and/or a disproportionate burden on the agency's low-income riders.

### FIGURE 2.1 Higher than Average Youth Populations within the PTBA



## 2.2 FEDERAL TRANSIT ADMINISTRATION REQUIREMENTS

FTA requires that its recipients evaluate the impacts of fixed-route fare changes on minority and low-income populations. If the transit provider finds potential disparate impacts or disproportionate burdens and then modifies the proposed changes in order to avoid, minimize or mitigate those impacts, the transit provider must reanalyze the proposed changes in order to determine whether the modifications actually removed the potential disparate impacts or disproportionate burdens of the changes.

If a transit provider chooses not to alter the proposed fare changes despite the disparate impact on minority ridership or disproportionate burden on low-income ridership, or if the transit provider finds, even after the revisions, that minority or low-income riders will continue to bear a disproportionate share of the proposed fare change, the transit provider may implement the fare change only if:

- the transit provider has a substantial legitimate justification for the proposed fare change, **and**
- the transit provider can show that there are no alternatives that would have a less disparate impact on minority riders but would still accomplish the transit provider's legitimate program goals.

If the transit provider determines that a proposed fare change will have a disparate impact or disproportionate burden, the transit provider shall analyze the alternatives to determine whether alternatives exist that would serve the same legitimate objectives but with less of a disparate or disproportionate effect on the basis of race, color, national origin, or income status. Where disparate impacts are identified, the transit provider shall provide a meaningful opportunity for public comment on any proposed mitigation measures, including any less discriminatory alternatives that may be available.

This fare equity analysis analyzes whether the addition of a PT-specific Zero Fare for Youth 18 and younger will have a disparate impact on Pierce Transit's minority riders and/or a disproportionate burden on the agency's low-income riders.

### 3 TITLE VI POLICIES & DEFINITIONS

Pierce Transit's Board of Commissioners adopted new policies in February 2013 related to Title VI which apply to fare changes: Disparate Impact Policy; and Disproportionate Burden Policy. The requirement for these policies comes from Federal Transit Administration (FTA) Circular 4702.1B, "Title VI Requirements and Guidelines for Federal Transit Administration Recipients" which became effective October 1, 2012. The Circular requires any FTA recipient that operates 50 or more fixed route vehicles in peak service and serving a population of 200,000 persons or greater to evaluate any fare change and any major service change at the planning and programming stages to determine whether those changes have a discriminatory impact.

#### 3.1 Pierce Transit Disparate Impact Policy

The purpose of this policy is to establish a threshold which identifies when adverse effects of a major service change or any fare change are borne disproportionately by minority populations.

A disparate impact occurs when the minority population<sup>1</sup> adversely affected by a fare or service change is ten percent more than the average minority population of Pierce Transit's service area.

*(paragraph not relevant to fare changes removed)*

If Pierce Transit finds a potential disparate impact, the agency will take steps to avoid, minimize or mitigate impacts and then reanalyze the modified service plan to determine whether the impacts were removed. If Pierce Transit chooses not to alter the proposed changes, the agency may implement the service or fare change if there is substantial legitimate justification for the change AND the agency can show that there are no alternatives that would have less of an impact on the minority population and would still accomplish the agency's legitimate program goals.

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<sup>1</sup> **Minority Population** – Persons identifying themselves as a race other than white or of Hispanic origin, self-reported in the U.S. Census.

### 3.2 Pierce Transit Disproportionate Burden Policy

The purpose of this policy is to establish a threshold which identifies when the adverse effects of a major service change or any fare change are borne disproportionately by low-income<sup>2</sup> populations.

A disproportionate burden occurs when the low-income population adversely affected by a fare or service change is five percent more than the average low-income population of Pierce Transit's service area.

*(paragraph not relevant to fare changes removed)*

If Pierce Transit finds a potential disproportionate burden, the agency will take steps to avoid, minimize or mitigate impacts and then reanalyze the modified service plan to determine whether the impacts were removed. If Pierce Transit chooses not to alter the proposed changes, the agency may implement the service or fare change if there is substantial legitimate justification for the change AND the agency can show that there are no alternatives that would have less of an impact on low-income population and would still accomplish the agency's legitimate program goals.

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<sup>2</sup> **Low-Income Population** – Persons reporting as being under the federal household poverty limit as defined by the U.S. Department of Health and Human Services. In 2016 the poverty limit was \$24,563 for a family of four.

## 4 METHODOLOGY

Staff used data from Pierce Transit's 2017 Customer Satisfaction Survey to assist with the fare equity analysis. (Add a note for why we haven't conducted a survey since 2017?) This survey of 615 Pierce Transit Riders provides local system-wide representation proportionate to weekday ridership by route and time of day on Pierce Transit's local fixed routes. A two-phase approach was used for data collection. A database of potential respondents was developed through several different outreach methods and were asked to provide contact information – email and/or phone number. Those who provided an email address were initially contacted by email and asked to complete the survey online. To encourage online completes, a \$5 incentive (in the form of a coffee card) was offered. If they did not respond to the email invitation and they also provided a phone number, they were contacted by phone. Customers who only provided a phone number were contacted by phone to complete the survey. Surveys were completed with 615 respondents – 339 online and 276 by telephone. Of those 615 respondents, 506 were riders who paid adult fares. The new monthly PT-specific pass is a youth fare so this group is the primary subject of the analysis in Tables 4-3 and 4-4 below.

Data collection occurred from October 16 through December 3, 2017. The data from the 2017 survey represents the most current data on our riders available to Pierce Transit.

The 2017 survey provides data on the following:

- Trip purpose (commute, school, work, medical, shopping, recreation)
- Payment method (Paper Ticket, Paper Day Pass, Mobile Ticket, Mobile Pass, ORCA Pass, ORCA e-purse, Cash, UPass, Clover Park ID, Other)
- Fare type (Adult, Youth, Senior, Disabled)
- Time of day (peak, mid-day, evening, weekends)
- Routes ridden
- Ridership
  - Very Infrequent (0-2 Trips)
  - Infrequent (3-10 Trips)
  - Moderate (11-20 Trips)
  - Frequent (21-50 Trips)
  - Very Frequent (>50 Trips) Length of time riding Pierce Transit (years)
  - Number of transfers
- Overall satisfaction with Pierce Transit (Dissatisfied, Neutral, Satisfied)
  - Comfort/Cleanliness (stops, buses)
  - Drivers



- Personal safety/security
- Transit Centers/Park and Ride lots
- Information
- Customer Service
- Demographics
  - Number of vehicles in household (None, 1, 2+)
  - Driver's license (yes/no)
  - Employment status
  - Length of residency in Pierce County
  - Household size and ages
  - Income (less than \$7.5K, \$7.5-\$15K, \$15K-\$25K, \$25K-\$35K...)
  - Gender
  - Ethnicity
  - Phone type (cell/landline)

The majority of customers surveyed are dependent on Pierce Transit for transportation—that is, they do not have a driver's license and/or access to a vehicle for their personal use. Only two out five customers surveyed in 2017 have a driver's license. Approximately three out of five (59%) customers surveyed have one or more vehicles in their household. However, fewer than half (48%) of those report that the vehicle is available for their personal use. The survey provides valuable information about the demographics of the agency's customers and their fare payment methods. In terms of ethnicity, 40% of Pierce Transit's riders identified themselves as non-white. Sixty percent of riders have annual incomes of less than \$25,000. The US Department of Health and Human Services' poverty threshold is dependent on household size. Table 4-1 below shows these thresholds for the 48 contiguous states and District of Columbia:

**TABLE 4-1 2022 200% FEDERAL POVERTY GUIDELINES – for the 48 Contiguous States**

Household/Family Size	200% - Monthly Income	200% - Annual Income
1	\$2,265	\$27,180
2	\$3,052	\$36,620
3	\$3,839	\$46,060
4	\$4,625	\$55,500
5	\$5,412	\$64,940
6	\$6,199	\$74,380
7	\$6,985	\$83,820
8	\$7,772	\$93,260
9	\$8,558	\$102,700
10	\$9,345	\$112,140

Source: U.S. Census Bureau

Census Year	Total PTBA Population	100% Federal Poverty Level	%	200% Federal Poverty Level	%
ACS 2020	584,318	65,092	11%	153,145	26%

Source: U.S. Census Bureau

Table 4-2 below shows the proposed changes to youth fares, by fare type. No changes are proposed for Adult or Senior/Disabled fares for this current policy amendment.

**TABLE 4-2 PROPOSED FARE CHANGES**

Fare Type	Cost		Change	
	Existing	Proposed	Absolute	Percentage
Adult ORCA Monthly Pass	\$72.00	\$72.00	\$ -	0%
Adult PT-Specific Pass (30 day rolling)	\$62.00	\$62.00	\$ -	0%
Adult Cash	\$2.00	\$2.00	\$ -	0%
Adult ORCA e-purse	\$2.00	\$2.00	\$ -	0%
Adult ORCA Regional All-day Pass	\$8.00	\$8.00	\$ -	0%
Adult Mobile Ticket	\$2.00	\$2.00	\$ -	0%
Adult Paper One-ride Ticket	\$2.00	\$2.00	\$ -	0%
Adult Mobile All-day Pass	\$5.00	\$5.00	\$ -	0%
Youth ORCA Pass	\$36.00	\$0.00	-\$36.00	-100%
Youth Cash	\$1.00	\$0.00	-\$1.00	-100%
Youth e-purse	\$1.00	\$0.00	-\$1.00	-100%
Youth Ticket	\$1.00	\$0.00	-\$1.00	-100%
Senior/Disabled ORCA Pass	\$36.00	\$36.00	\$ -	0%
Senior/Disabled Cash	\$1.00	\$1.00		
Senior/Disabled e-purse	\$1.00	\$1.00	\$ -	0%
Senior/Disabled Ticket	\$1.00	\$1.00	\$ -	0%

Table 4-3 below provides the data on how Pierce Transit’s youth riders paid their fares. We examine characteristics of youth riders because the fare amendment would impact passengers aged 18 and younger.

**TABLE 4-3 PIERCE TRANSIT RIDERS BY FARE PAYMENT TYPE**

Fare Type	Usage by Group (%)					Impacted by Change
	All Riders	Minority Riders	Difference (> +10%?)	Low-income Riders	Difference (> +5%?)	
Adult ORCA Pass	19.48%	18.62%	-0.86%	16.00%	-3.48%	No
Adult Cash	35.33%	39.36%	4.03%	32.00%	-3.33%	No
Adult e-purse	12.89%	16.49%	3.60%	11.50%	-1.39%	No
Adult Ticket	0.72%	0.53%	-0.19%	0.00%	-0.72%	No
Youth ORCA Pass	5.58%	3.72%	-1.86%	5.50%	-0.08%	Yes
Youth Cash	3.05%	4.79%	1.73%	1.50%	-1.55%	Yes
Youth e-purse	0.84%	1.06%	0.22%	0.50%	-0.34%	Yes
Youth Ticket	0.17%	0.53%	0.36%	0.00%	-0.17%	Yes
Senior/Disabled ORCA Pass	13.14%	10.11%	-3.03%	19.00%	5.86%	No
Senior/Disabled Cash	1.92%	1.06%	-0.86%	3.50%	1.58%	No
Senior/Disabled e-purse	6.87%	3.72%	-3.15%	10.50%	3.63%	No
Senior/Disabled Ticket	0.00%	0.00%	0.00%	0.00%	0.00%	No
<b>Total</b>	100%	100%		100%		

Source: Pierce Transit 2017 Customer Survey

**TABLE 4-4 PT RIDERS IMPACTED BY FARE CHANGE**

Fare Type	Usage by Group (%)				
	All Riders	Minority Riders	Difference (> +10%?)	Low-income Riders	Difference (> +5%?)
Youth ORCA Pass	5.58%	3.72%	-1.86%	5.50%	-0.08%
Youth Cash	3.05%	4.79%	1.73%	1.50%	-1.55%
Youth e-purse	0.84%	1.06%	0.22%	0.50%	-0.34%
Youth Ticket	0.17%	0.53%	0.36%	0.00%	-0.17%
<b>Total</b>	10%	10%	0.46%	8%	-2%

Source: Pierce Transit 2017 Customer Survey

The data provided in Table 4-3 and 4-4 is based on the Pierce Transit 2017 Customer Survey. While more recent data estimates would be preferable, this is the most up to date information that can be used to parse demographic information for the equity analysis below in Section 5.

## 5 EFFECTS OF PROPOSED FARE CHANGES ON MINORITY AND LOW-INCOME RIDERS

Pierce Transit's Disparate Impact (DI) and Disproportionate Burden (DB) policies are stated such that only fare types and media that are used by more than 10% of minority riders and 5% of the low-income riders could be subject to a finding of DI or DB.

### 5.1 Disparate Impact Analysis

Pierce Transit's policy (see Section 3.2) states that a disparate impact occurs when the minority population adversely affected by a fare or service change is 10% more than the average minority population of Pierce Transit's service area. In the case of a fare change, the intent of the policy is to compare the difference between the percentage of all riders using that fare type and the percentage of minority riders using that fare type, and to look at whether more minority riders are more impacted by the change than all riders. Table 4-3 provides this data for fare payment categories from the Pierce Transit 2017 Customer Survey in the darker green column entitled "Difference > +10%?".

Table 4-4 shows which fare types apply specifically to Youth passengers. . In Table 4-4 where these are grouped, we again look at the darker green column entitled "Difference > +10%. We see that individually and in aggregate, there are no fare types with a difference of greater than 10%, and in aggregate the difference between all riders and minority riders who use these fare types is less than 1%, so there would be no disparate impact to minority riders of the proposed changes.

### 5.2 Disproportionate Burden Analysis

Pierce Transit's policy states that a disproportionate burden occurs when the low-income population adversely affected by a fare or service change is 5% more than the average low-income population of Pierce Transit's service area. In the case of a fare change, this means that we must examine the difference between the percentage of all riders using that fare type and the percentage of low-income riders using that fare type and look at whether more low-income riders are more impacted by the change than all riders. Table 4-3 provides this data based on the Pierce Transit 2017 Customer Survey in the final darker blue shaded column entitled "Difference > +5%?".

Table 4-4 shows which fare types apply specifically to Youth passengers. In Table 4-4 where these are grouped, we again look at the darker blue column entitled "Difference > +5%. We see that individually and in aggregate, there are no fare types with a difference of greater than 5%, and in aggregate the difference between low-income riders who use Youth fare types is 2% less than all riders who use Youth fare types, so there is no disproportionate burden to low-income riders of the proposed changes.