

TITLE VI EVALUATION OF FARE CHANGE PROPOSAL – ELIMINATE PAPER BART-TO-BUS DISCOUNT TRANSFER TICKET

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I. EXECUTIVE SUMMARY

In August 2020, the Board of Directors set a public hearing to receive testimony about the proposed elimination of the paper version of the BART-to-Bus transfer discount. According to Federal Transit Administration (FTA) regulations and District policy, the Board must receive and approve a Title VI analysis to determine if the proposal would result in disproportionately high and adverse effects on riders in communities protected by the Civil Rights Act of 1964 or associated FTA regulations, prior to implementing any fare change.

The analysis, conducted by AC Transit staff in September 2020, found that the proposal under consideration would not result in disproportionately high and adverse effects on populations protected by Title VI when compared to the effects on non-protected populations.

It should be noted that the analysis only addresses impacts on people covered by Title VI regulations; it does not look at impacts on populations that might be protected by other laws, such as people with disabilities or seniors, for example. The analysis is based on how riders actually pay their fares as reported in a recent onboard survey; it does not address riders' ability to pay or what fare would be best for any individual rider.

Under Title VI regulations, AC Transit is also required to provide equitable opportunities to all persons to participate in planning and decision-making processes, such as fare change processes. A summary of public engagement activities that were carried out to meet this requirement, along with information about the input received, particularly those addressing issues covered by Title VI and associated laws and regulations, is included as a separate attachment to the Staff Report.

This report provides details about the fare equity analysis, including background information about Title VI, methodology and data sources, a profile of AC Transit riders, and information about how impacts on protected populations were determined.

II. TITLE VI

Title VI of the Civil Rights Act of 1964 states:

“No person in the United States shall, on the ground 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.”

Executive Order 12898 extends the protections of Title VI to low-income persons, and in 2012, the Federal Transit Administration (FTA) issued guidance to help recipients of federal funding such as AC Transit comply with these civil rights laws and orders. Since then, Board policies and the District's Title VI Program have been regularly updated to provide staff with concrete direction and instructions to remain in compliance with those regulations. In particular, to ensure that access to all services is equitably distributed and provided without regard to race, color, national origin, or low-income status, the District conducts an equity analysis for all fare change proposals.

III. METHODOLOGY AND DATA SOURCES

Methodology

A fare equity analysis, broadly, compares the impact of a proposal on people in categories protected by Title VI to the impact of the proposal on people who are not in protected categories.

In this case, the analysis looks at impacts on the population that would be affected by elimination of the paper BART-to-Bus transfer – people who ride both AC Transit and BART to complete their trip and who pay their fare with cash. They are referred to as “cash-paying BART users” in this report. The analysis compares the impacts on those riders to impacts on the population who would not be affected by elimination of the fare product – people who ride both AC Transit and BART to complete their trip and pay using Clipper, referred to as “Clipper-using BART riders” in this report.

The analysis first investigates what the percentages of protected and non-protected populations are in each group. Next, it looks at the actual impact of the proposed change and whether the impacts carry any adverse effects. In order to be considered discriminatory, protected populations must bear a greater burden of any such adverse effects than non-protected populations.

Note that when the analysis refers to “BART users” or “BART riders,” it is talking about people who were surveyed on an AC Transit bus and who reported that they also rode BART to complete that specific trip. Such individuals are counted as BART users even if they rarely ride BART along with AC Transit. By the same token, in this analysis, “non-BART riders” are AC Transit riders who didn’t need to use BART to complete the surveyed trip; they may still be BART riders, even regular BART riders, but they didn’t ride BART for that specific trip.

Data Sources

For this analysis, District staff used data derived from the 2017-18 Onboard Rider Survey, the most current data that the District has regarding AC Transit passengers. This rich data set includes records from approximately 14,600 in-depth surveys of riders and allows staff to obtain very detailed information through cross-tabulation. Each record in the survey contains information about the individual on the day they were surveyed: how they paid, how many buses they took in order to complete their one-way trip, their race and ethnicity, and their household income.

Unfortunately, the survey does not provide much demographic data about riders who specifically use the BART-to-Bus paper transfer. Survey respondents who said they paid with cash could report if they used a transfer from another agency, but only 19 individuals out of 3,822 cash payers, or fewer than one-half of one percent, reported this. The analysis instead utilizes data about people who would qualify to use (and receive the benefit of) the paper transfer and who would be potentially affected by the elimination of the fare product.

The analysis assumes that passenger trip characteristics such as demographics, income, and travel behavior have remained essentially the same since the most recent onboard survey. One data issue to consider is that BART began requiring customers to use Clipper to pay their fares in 2019. The onboard survey was conducted before this change, so it does not capture details about how riders' fare payment behavior would have changed. As BART requires Clipper use at more stations, and eventually at all stations, staff expect the percentage of riders who use both AC Transit and BART to shift much more heavily toward Clipper use.

IV. DESCRIPTION OF PROPOSED FARE CHANGE

Customers who transfer between AC Transit and BART qualify for a fare discount on the bus portion of those trips. While this discount is applied automatically on Clipper, cash paying riders get the discount by taking a paper ticket from a dispensing machine inside the BART station fare gates and presenting one half of it to the bus operator on their first trip away from BART and the second half of it on their next bus ride headed back toward BART.

Use of the paper version of the BART-to-Bus transfer is very low and has declined in recent years – it is believed that this decrease is largely due to changes in fare payment at BART. BART has eliminated paper tickets at some stations and plans to eliminate them at all stations, which means that more AC Transit riders who are also BART users will need to use the Clipper card going forward. Accordingly, the Board of Directors is considering elimination of the paper version of the BART-to-Bus discount transfer ticket.

The fare proposals listed above and summarized in the Public Hearing notice provided the basis of this fare equity analysis.

V. AC TRANSIT RIDERSHIP PROFILE

Using data derived from the 2017-18 Onboard Survey, the District is able to discover much about who riders are in addition to how they make trips and pay fares. The survey data were sorted and cross-tabulated using the criteria of race and ethnicity, household income, fare category, and fare payment method. Data were further analyzed in these categories according to whether a rider was a cash-paying BART user (riders affected by the change) or a Clipper-using BART rider (riders not affected by the change).

It is important to understand how race and income categories are determined for the purpose of Title VI analyses, and how that influences language used in this report. The FTA requires recipients of federal funds to evaluate fare changes to determine whether those changes have a discriminatory impact on “minority” populations. However, people that traditionally have been called “minority” make up the majority of the population in the AC Transit service area and are also a large majority of AC Transit riders, so the term is not very meaningful. In this report, “people of color” is used to refer to people protected by the Title VI prohibition against discrimination on the basis of race or color. “Latino/a” is used to refer to people who identify as Latino, Latina, Hispanic, or of Spanish-speaking origin (as defined by the U.S.

Census Bureau); and because Latino/a populations are protected by Title VI, a person who identifies as white and also as Latino/a is considered part of the protected class in this analysis.

For income, staff relied on how a person reported their household income in the onboard survey to determine whether they are low-income or not. According to AC Transit policy, a person is considered low-income if they have household income of less than two times the federal poverty rate, as defined by U.S. Census Bureau data. The Census Bureau uses a complicated algorithm which factors in income, age, and number of persons in each household to calculate poverty levels, but an algorithm like that is not available for our onboard survey data. Additionally, it is difficult to get complete income samples in surveys, since many people view income as a private matter, so in cooperation with the consultants hired to conduct the survey staff used a data imputation method to ensure a robust sample. For the purpose of fare equity analyses, since the federal poverty rate for a family of four is \$25,100, a person is considered low-income if they have household income of under \$50,000.

Table 1 presents the race/ethnicity of the District’s riders, as reported by riders themselves. It shows that cash-paying BART users are more likely to be people of color than all AC Transit riders, and much more likely to be people of color than Clipper-using BART riders.

Table 1: Race & Ethnicity	All Riders	Cash-Paying BART User	Clipper-Using BART Rider
People of Color	75%	83%	67%
Non-Latino/a White	25%	17%	33%
Total	100%	100%	100%

Two-thirds of all AC Transit riders reported a household income (in 2016) of less than \$50,000, and one-third of all riders live in households with very low income (less than \$25,000). As seen in Table 2, cash-paying BART users are more likely to live in low-income households than riders as a whole and much more likely to live in low-income households than Clipper-using BART riders.

Table 2: Household Income	All Riders	Cash-Paying BART User	Clipper-Using BART Rider
Low-Income	67%	73%	54%
Not Low-Income	33%	27%	46%
Total	100%	100%	100%

Table 3 displays the interconnection of race and income, as found in the survey data.

Table 3: Race & Income	All Riders Low-Income	Low-Income Cash-Paying	Low-Income Clipper-Using
Person of Color	74%	75%	59%
Not Person of Color	54%	59%	40%

The table shows that a rider who is a person of color is much more likely to live in a low-income household than a rider who is not a person of color. The difference is more noticeable for riders who use both AC Transit and BART and who pay with cash.

It is useful to understand whether a rider relies on one of the discounted fare categories – Youth, Senior, or Disabled – to pay their fare. Table 4 shows the breakdown of use of these fare categories for the populations considered in this analysis. It shows that slightly more Clipper-using BART riders pay the full Adult fare compared to cash-paying BART users.

Table 4: Fare Category	Adult	Discount
Cash-Paying BART User	85%	15%
Clipper-Using BART Rider	89%	11%

Table 5 shows the cross-tabulation of fare category and race. It shows that cash-paying BART users who are people of color are more likely to pay using a discount fare category (17%) compared to cash-paying BART users who are not people of color (only 4%). Clipper users who are people of color, however, pay using a discount fare category (10%) about the same amount as Clipper users who are not people of color (11%).

Table 5: Fare Category & Race		Adult	Discount
Cash-Paying BART User	People of Color	83%	17%
	not People of Color	96%	4%
Clipper-Using BART Rider	People of Color	90%	10%
	not People of Color	89%	11%

Table 6 shows the cross-tabulation of fare category and income. A cash-paying BART user who lives in a low-income household is more likely to pay using a discount fare category (16%) compared to a cash-paying BART user that does not live in a low-income household (11%). A Clipper-using BART rider who lives in a low-income household is also more likely to pay using a discount fare category (14%) than a rider who uses Clipper and does not live in a low-income household (6%).

Table 6: Fare Category & Income		Adult	Discount
Cash-Paying BART User	Low-Income	84%	16%
	not Low-Income	89%	11%
Clipper-Using BART Rider	Low-Income	86%	14%
	not Low-Income	94%	6%

This ridership profile of AC Transit riders helped staff understand the demographics of riders affected – and not affected – by the fare change, and assisted in developing appropriate methods and questions for the fare equity analysis.

VI. FARE EQUITY ANALYSIS

As described above, the fare equity analysis first investigates what the percentages are of protected and non-protected populations in the groups affected and not affected by the fare proposal, then looks at the actual impact of the proposed change and whether the impact carries any adverse effects. In order to be considered discriminatory, protected populations must bear a greater burden of any such adverse effects than non-protected populations.

Quantifying the percentages of protected and non-protected populations is best understood through the lens of how riders pay their fare. Because the proposal under consideration would eliminate a way for riders who pay with cash to access a discount, staff looked closely at how the riders in this study use cash and Clipper to pay their fares.

Table 4 shows that, across-the-board, all riders, both in the study population and in AC Transit as a whole, and in all population groups, are much more likely to use Clipper than cash to pay their fare. The table further shows that, across all demographic groups, AC Transit riders who also ride BART are more likely to use Clipper than AC Transit riders who do not ride BART. This is probably due to the fact that while it can sometimes be challenging for AC Transit riders who don't also ride BART to find a location to acquire and add value to a Clipper card in all neighborhoods, it is easy to do that at all BART stations.

Table 4: Fare Payment	All AC Transit Riders		BART Riders	
	Cash	Clipper	Cash	Clipper
All Riders	27%	73%	22%	78%
People of Color	30%	70%	26%	74%
Not People of Color	17%	83%	12%	88%
Low-Income	31%	69%	27%	73%
Not Low-Income	20%	80%	14%	86%

Race & Fare Payment

Applying the approach outlined in Board policy, staff compared the impact of the proposed fare change on people of color riders to the impact of the proposed fare change on riders who are not people of color, as shown in Table 6.

Table 6: Fare Payment & Race	Cash Payment
People of Color	26%
Not People of Color	12%
Difference	14%

Board policy states that if people of color riders experience a 15% or more greater adverse effect than that borne by riders who are not people of color, the proposed change will be considered to carry a disparate impact. The table shows that there is a 14% difference between the percentage of people of color riders who would be impacted by the proposed fare change and the percentage of riders who are

not people of color who would be impacted by the fare change. It is important to remember that these findings are based on data collected before BART began requiring Clipper card use for fare payment; it is likely that the percentage of cash-paying riders, in both protected and non-protected groups, has decreased since then.

Income & Fare Payment

Like the analysis based on race, according to AC Transit Board Policy 518, the measure of disproportionate burden involves a comparison of impacts borne by low-income populations compared to impacts borne by not-low-income populations.

Table 7 shows the impact of the proposed fare change on low-income riders compared to the impact of the proposed fare change on riders who are not low-income.

Table 7: Fare Payment & Income	
	Cash Payment
Low-Income	27%
Not Low-Income	14%
Difference	13%

Board policy states that if low-income riders experience a 15% or more greater adverse effect than that borne by riders who are not low-income, the fare changes will be considered to carry a disproportionate burden. The table shows there is a difference of 13% between the percentage of low-income riders who would be impacted by the proposed fare change and the percentage of riders who are not low-income who would be impacted by the fare change.

Adverse Effects

The analysis next looked at whether the impact of the proposed fare change would carry any adverse effects. In this case, the proposed change would force riders who want to get the discount when they ride both AC Transit and BART to do so by paying their fare with Clipper. This part of the analysis seeks to answer whether or not that represents an adverse effect.

For some time, using the Clipper card on AC Transit has provided access to lower fares. Monthly and 31-day passes, which provide a significant savings over single trip or daily use fares, are available only via Clipper. Discount passes for youth and students also can only be acquired on Clipper. The cost for a single trip ride is 25 cents lower on Clipper than with cash, and the cost for a Day Pass is 50 cents lower. The fare equity analysis conducted when AC Transit decided to provide these discounted fares on Clipper found no discriminatory effects associated with the change.

Using Clipper instead of cash makes it easier to access discounts, too. Clipper counts the number of single trips rides a customer takes, and when they have paid enough to qualify for a Day Pass, Clipper provides it automatically; so a rider doesn't have to decide before their first trip whether or not to buy a Day Pass. The BART-to-Bus discount is also applied automatically on Clipper: on the first bus trip away from a BART

station, Clipper discounts that fare by 50 cents. When using the two-piece paper transfer ticket, a rider gets a 25 cent discount on the first bus trip away from a BART station and another 25 cent discount on the bus trip headed back to BART later in the day or the next day; a rider who wants to get the full 50 cent discount must make sure they hold on to the second half of the paper ticket.

Historically, there have been two equity concerns related to providing discount and fare products on Clipper only. The first is that there are areas in the AC Transit service area where it is difficult to buy or add value to a Clipper card – staff refer to these areas as Clipper deserts. They tend to be areas with higher proportions of people of color and low-income populations, and the existence of these Clipper deserts has been a major obstacle to AC Transit’s implementing a Clipper-only fare policy. In this case, however, every single user of the fare product being considered for elimination in this proposal also rides BART, so they have easy access to machines where they can buy and add fare to a Clipper card.

The second concern is the cost of the card itself. Riders who do not use Clipper are more likely to be low-income, perhaps because the \$3.00 one-time cost of purchasing a Clipper card presents a burden. However, in this circumstance, BART is the agency requiring Clipper for fare payment, not AC Transit. The proposal to eliminate the paper transfer follows the finding that fewer AC Transit riders have been using the paper transfer as BART has rolled out their Clipper-only campaign. In addition, staff regularly give out free Clipper cards at public meetings and community events with an understanding that no rider should be unable to access Clipper-based discounts because of the inability to buy a Clipper card.

Taking into account these facts, this analysis finds that the proposed fare change would not carry any adverse effects.

VII. SUMMARY

Taking into consideration both the data findings and the question of adverse effects, this analysis finds that the proposal under consideration would not result in disproportionately high and adverse effects on Title VI-protected populations on the basis of race or on the basis of income.

According to Board policy, this Title VI fare equity analysis will be provided to the Board for their consideration and adoption prior to making a decision about the elimination of the BART-to-Bus paper transfer.