



# Fare Equity Analysis Report – Resolution No. R2023-05

## Fare Equity Analysis of Lowering the ORCA LIFT Fare to \$1.00

### Authority

In accordance with Title VI of the Civil Rights Act of 1964, Federal Transit Administration (FTA) Circular 4702.1B (“Circular”) and Sound Transit’s 2022 Title VI Program, an equity analysis is conducted any time fare changes are proposed to ensure that changes do not unfairly impact people of color and low-income populations. 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.”

The FTA has provided specific implementing guidelines and regulations for complying with the Circular. Due to the interrelated nature of race/ethnicity and income, the Circular instructs transit agencies to also consider impacts on low-income populations as well as minority populations; the assessment of potential Title VI issues related to fare changes is completed through a fare equity analysis.

The proposal to decrease several categories of Sound Transit fares calls for such an analysis prior to the Sound Transit Board of Directors taking action.

### 1. Description of Fare Changes

Fares for ORCA LIFT riders (low-income adult) are \$1.50 on all Sound Transit modes.

This proposed fare change would lower the ORCA LIFT fare on all Sound Transit modes from \$1.50 to \$1.00.

Current and proposed fares are shown in the table below.

**Table 1: Existing and Proposed Sound Transit Fares**

| Rider Group | Current Fares | Proposed Fare |
|-------------|---------------|---------------|
| ORCA LIFT   | \$1.50        | \$1.00        |

### 2 Fare Equity Analysis Policy

Sound Transit Board of Directors Resolution No. R2022-19 established policies for conducting equity analyses of service and fare changes impacting minority and low-income populations.

The policy directs Sound Transit to conduct a fare equity analysis prior to making any fare change to analyze potential adverse effects on minority and low-income populations. This policy establishes the following thresholds for determining whether the proposed fare change would have a disparate impact on minority populations and/or a disproportionate burden on low-income populations:

- Fare increases. When considering a fare increase, if the agency's analysis indicates that the average percentage fare increase experienced by minority or low-income riders is 20 percent or greater than the average percentage fare increase experienced by non-minority or non-low-income riders, the change creates a disparate impact or disproportionate burden.
- Fare decreases. When considering a fare decrease, if the agency's analysis indicates the average percentage fare decrease experienced by non-minority or non-low-income riders is 20 percent or greater than the average percentage fare decrease experienced by minority or low-income riders, the change creates a disparate impact or disproportionate burden.
- Change in payment type or fare media. When considering a change in payment type or fare media, if the agency's analysis indicates that the impact on minority or low-income riders is 20 percent or greater than the impact on non-minority or non-low-income riders, the change creates a disparate impact or disproportionate burden. To the extent a change to fare media has any impact on the cost to ride transit, the incremental costs associated with the change are considered as part of a fare increase or decrease analysis.

### 3. Analysis of Disparate Impact/Disproportionate Burden

This proposed fare change would lower fares for ORCA LIFT (low-income adult) on all Sound Transit modes: Sounder commuter rail, Link light rail and Regional Express bus service. The fare proposal would have no adverse impact on low-income riders. Instead, it will directly benefit low-income adult (ORCA LIFT) riders by making travel on all Sound Transit services more affordable. This will also simplify fares by aligning fare levels with Sound Transit's reduced fare for Seniors and Riders with Disabilities. The lower ORCA LIFT fares will have no adverse impact on minority riders. Since the percentage of ORCA LIFT riders that are minority (60 percent)\* is greater than the Sound Transit District average (39.7 percent) this proposed change will benefit minority riders.

This proposal would have no adverse impact on minority or low-income riders, therefore it will not result in any disparate impact or disproportionate burden on these riders.

\*Source: King County Metro, Fourth Quarter 2019 ORCA LIFT Report.