

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

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MEMORANDUM

TITLE VI FARE EQUITY ANALYSIS – GROWING OPPORTUNITIES (GO PASS) FARE PROGRAM

The Federal Transit Administration (FTA) requires transit providers to conduct an analysis of any change in fares to determine whether these changes will have a disparate impact on minority populations or a disproportionate burden on low-income populations. Through action by the Milwaukee County Board of Supervisors, the 2015 Milwaukee County Budget includes the elimination of fares for passengers over the age of 64 or with disabilities starting April 1, 2015. At the request of the County Board, Commission staff will be completing this fare equity analysis as required by the County's Title VI plan. This analysis will need to be reviewed and affirmed by Milwaukee County, as the grantee recipient for the FTA funds utilized by the Milwaukee County Transit System (MCTS), and kept on file to provide to the FTA during the Triennial Review process.

The *Growing Opportunities Fare* or *GO Pass* program will eliminate fares for seniors aged 65 and older and people with disabilities on MCTS fixed route bus services. In order to complete a fare equity analysis, the following steps must be followed:

- Develop a disparate impact policy and disproportionate burden policy with input from the public
- Review the current and proposed change in fares
- Examine the usage of the system by minority and low-income riders who are 65 and older or have a disability compared to the remainder of riders and the County as a whole
- Assess the impacts of the proposed changes in fares
- Determine if there is a finding of a disparate impact or a disproportionate burden
- If necessary, examine alternatives or modify the proposal to mitigate the impact or burden

A disparate impact is "neutral policy or practice that disproportionately affects members of a protected class identified by race, color, or national origin." It exists where a transit provider's policy or practice lacks a substantial legitimate justification and where there exists one or more alternatives that would serve the same legitimate objectives, but with less disproportionate effect on the basis of race, color, or national origin. A disproportionate burden refers to "a neutral policy or practice that disproportionately affects low-income populations more than non-low-income populations."

DISPARATE IMPACT POLICY AND DISPROPORTIONATE BURDEN POLICY

Developed through public input, MCTS uses the four-fifths rule as the threshold for measuring whether minority riders are bearing a disparate impact of adverse effects of a fare change or whether low-income riders are bearing a disproportionate burden of such a fare change. The four-fifths rule is a method of calculating how much one group is impacted compared to another group. Specifically, a disparate impact has occurred when the ratio of the percent change in fares in the minority group compared to the non-minority group is below four-fifths (0.80) or 80 percent. Similarly, a disproportionate burden has occurred when the ratio of the reduction in service or the ratio of the percent change in fares in the low-income group compared to the non-low-income group is below four-fifths.

CURRENT AND PROPOSED FARES

Under the adopted Milwaukee County 2015 Budget, fares for riders aged 65 or older, or riders with a disability, will be reduced from \$1.10 to \$0.00 for the single-ride cash fare. Riders aged 65 or older or riders with a disability will also pay nothing for daily, weekly, and monthly passes under the *GO Pass* program. See Table 1 for a comparison of current fares to proposed fares.

Table 1

CURRENT AND PROPOSED FARES FOR SENIORS AND PEOPLE WITH DISABILITIES ON MCTS FIXED-ROUTE SERVICES

Fare Type	Current Fare	Proposed Fare
Single-Ride Cash Fare	\$1.10	\$0.00
Single-Ride MCard Fare	\$1.10	\$0.00
One-Day Pass (Purchased in Advance)	\$2.00	\$0.00
One-Day Pass (Purchased on Bus)	\$3.00	\$0.00
Weekly Pass	\$11.00	\$0.00
Monthly Pass	\$32.00	\$0.00

Source: MCTS and SEWRPC.

USAGE OF THE SYSTEM BY SENIORS AND PEOPLE WITH DISABILITIES BY MINORITY AND LOW-INCOME STATUS

In November 2012, the Southeastern Wisconsin Regional Planning Commission (SEWRPC) completed an on-board survey of passengers on the MCTS fixed-route bus system, which included asking passengers for their age, race, ethnicity, and income. This information will be used to estimate the potential for disparate impact and disproportionate burden for seniors. However, this survey did not ask passengers if they had a disability, so different data will be used to estimate and discuss the race, ethnicity, and income of passengers with a disability.

Usage of the System by Seniors Compared to All Other Passengers

In order to determine if there is a disparate impact on minorities or a disproportionate burden on low-income individuals due to this fare change, the minority and low-income status of passengers 65 and older was compared to the same characteristics for passengers under 65. This comparison is shown in Table 2. Low-income status was determined using 2012 U.S. Department of Health and Human Services Poverty Guidelines, and Hispanic passengers were included as minorities.

Table 2

PROPORTIONATE SHARE OF MCTS RIDERSHIP BY AGE GROUP, MINORITY STATUS, AND INCOME STATUS FROM SEWRPC 2012 ON-BUS SURVEY

Category	Percent Under 65	Percent 65 and Older	All Passengers
All Passengers	96.9	3.1	100.0
Minority Passengers	60.8	28.1	60.2
Non-Minority Passengers	39.2	71.9	39.8
Low-Income Passengers	50.1	26.6	48.8
Non-Low-Income Passengers	49.9	73.4	51.2

Source: SEWRPC.

Table 3 contains the same information for all residents of Milwaukee County from the U.S. Census 2010-2012 American Community Survey.

Table 3

PROPORTIONATE SHARE OF MILWAUKEE COUNTY BY AGE GROUP, MINORITY STATUS, AND INCOME STATUS FROM THE 2010-2012 AMERICAN COMMUNITY SURVEY

Category	Percent Under 65	Percent 65 and Older	All Residents
All Residents	88.6	11.4	100.0
Minority Residents	47.8	20.4	44.6
Non-Minority Residents	52.2	79.6	55.4
Low-Income Residents	23.3	10.3	21.8
Non-Low-Income Residents	76.7	89.7	78.2

Source: SEWRPC and the U.S. Census Bureau

Milwaukee County Residents with Disabilities Compared to All Other Residents

Without specific information regarding passengers with disabilities, only information on the minority or low-income status of all County residents is available. The information in Table 4 is considered as part of this analysis with the understanding that it is the best proxy available for the minority and low-income status of MCTS passengers with disabilities. Low-income status was determined using 2012 U.S. Department of Health and Human Services Poverty Guidelines, and Hispanic passengers were included as minorities.

Table 4

PROPORTIONATE SHARE OF MILWAUKEE COUNTY BY DISABILITY STATUS, MINORITY STATUS, AND INCOME STATUS FROM THE 2010-2012 AMERICAN COMMUNITY SURVEY

Category	Residents with a Disability	Residents without a Disability	All Residents
All Residents	12.9	87.1	100.0
Minority Residents	48.9	45.7	46.1
Non-Minority Residents	51.1	54.3	53.9
Low-Income Residents	31.2	20.4	21.8
Non-Low-Income Residents	68.8	79.6	78.2

Source: SEWRPC and the U.S. Census Bureau

ASSESSMENT OF THE IMPACTS OF THE GO PASS PROGRAM

If implementing the *GO Pass* program does not require an increase in fares on the remainder of passengers, providing this benefit to either people aged 65 and older or people with disabilities would not cause a disparate impact on minority passengers or a disproportionate burden on low-income passengers. However, if implementing the *GO Pass* program does lead to a fare increase on other passengers, or if a fare increase is required for another reason in the future, a further fare equity analysis would need to be performed.

Although the specifics of the fare increase would need to be considered as well, a preliminary analysis of a potential fare increase is included here. In order to determine if a disparate impact would occur, the percent of all non-minority passengers receiving a hypothetical fare increase was divided by the percent of all minority

passengers receiving the same hypothetical fare increase. If the resulting ratio is less than 0.80, a disparate impact has occurred.

The data shown in Table 2 can be used to calculate that 98.5 percent of minority passengers are under age 65, while 94.5 percent of non-minority passengers are under age 65. Therefore, the ratio of the percent of non-minority passengers to the percent of minority passengers is 0.96, greater than 0.80. Similarly, 98.3 percent of low-income passengers are under 65, and 95.5 percent of non-low-income passengers are under 65. These results indicate that there may not be a disparate impact on minority passengers or a disproportionate burden on low-income passengers if fares are raised in the future.

Without specific information on the usage of MCTS fixed-route services by people with disabilities, it is difficult to determine if there may be expected to be a disparate impact on minority passengers or a disproportionate burden on low-income passengers if fares need to be raised in the future. However, assuming that the information on people with disabilities for the entire County is an adequate proxy for the demographics of people with disabilities on MCTS fixed-route services, there would not be expected to be a disparate impact on minority passengers or a disproportionate burden on low-income passengers due to providing the *GO Pass* program for MCTS passengers with disabilities.

POTENTIAL MODIFICATION OF THE *GO PASS* PROGRAM TO AVOID A DISPARATE IMPACT OR A DISPROPORTIONATE BURDEN

As long as fares do not need to be raised as a result of providing free fares to seniors and people with disabilities, there is no disparate impact or disproportionate burden from this program, and therefore no need to modify the program. If fares do need to be raised in the future, a future analysis would be needed to determine if a disparate impact on minority passengers or a disproportionate burden on low-income passengers would occur, and if the program would need to be modified to avoid it.

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