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## **FARE EQUITY POLICY**

### **Purpose of the Policy**

The purpose of the Fare Equity Policy is to define a threshold for determining whether potential changes to existing transit fares will have a discriminatory impact based on race, color, or national origin, or whether a potential fare adjustment will have a disproportionately high or adverse impact on minority and/or low-income populations.

### **Basis for Policy Standards**

Periodically, the City of Phoenix and Valley Metro make adjustments to transit fares in order to generate revenues to help sustain transit service operations. Federal law requires the City of Phoenix and Valley Metro to prepare and submit fare equity analyses for all potential transit fare adjustments, as outlined in Federal Transit Administration (FTA) Circular 4702.1B, effective October 1, 2012.

### **Fare Equity Policy**

The following are the City of Phoenix and Valley Metro policies for determining if a fare adjustment will result in a minority disparate impact or low-income disproportionate impact.

#### **A. Minority Disparate Impact Policy (Fare Equity Analysis)**

If a planned transit fare adjustment results in minority populations bearing a fare rate change of greater than 4 percentage points as compared to non-minority populations, the resulting effect will be considered a minority disparate impact.

#### **B. Low-Income Disproportionate Burden Policy (Fare Equity Analysis)**

If a planned transit fare adjustment results in low-income populations bearing a fare rate change of greater than 4 percentage points as compared to non-low-income populations, the resulting effect will be considered a low-income disproportionate burden.



## Equity Analysis Data Sources

Category	Action	Sub Action	Evaluation Method
Fare	Adjustment	N/A	O/D <sup>a</sup> profile data of affected fare category and/or Census Data
Service Span	Reduction	N/A	O/D <sup>a</sup> profile data of affected route
	Expansion	N/A	
Service Headway	Reduction	N/A	O/D <sup>a</sup> profile data of affected route
	Expansion	N/A	
Route Length	Reduction	N/A	O/D <sup>a</sup> Data
	Expansion	N/A	Census Data
Route Alignment	Reduced Alignment	N/A	O/D <sup>a</sup> Data
	Expanded Alignment	N/A	Census Data
	Modified Alignment	Eliminated Segment(s)	O/D <sup>a</sup> Data
Segment(s) to New Areas		Census Data	
New Route	New Route	N/A	Census Data

<sup>a</sup> Origin/Destination Survey Data

## Public Participatory Procedures

For all proposed fare changes, City of Phoenix and/or Valley Metro will hold at least one public hearing, with a minimum of two public notices prior to the hearing in order to receive public comments on the proposed fare changes. The first meeting notice will occur at least 30 days prior to the scheduled hearing date, with the second notice being made at least 10 days prior to the scheduled hearing date. Public materials will be produced in English and Spanish (the metropolitan region's two primary languages), or in other languages upon request, in order to ensure Limited English Proficient (LEP) populations within the transit service area are informed of the proposed service changes and can participate in community discussions. Valley Metro and/or the City of Phoenix will conduct a fare equity analysis for the Valley Metro Board of Directors, the City of Phoenix City Council, and the public's consideration prior to any public hearings associated with the proposed fare changes.

## Definitions

Designated Recipient – The City of Phoenix is the designated recipient for federal funds contributing to transit system capital programs and operations in the greater Phoenix metropolitan region.



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Disparate Impact – A facially neutral policy or practice that has a disproportionately excluding or adverse effect on the minority riders or population of the service area.

Disparate Treatment – An action that results in a circumstance in which minority riders or populations are treated differently than others because of their race, color, national origin and/or income status.

Disproportionate Impact – A facially neutral policy or practice that has a disproportionately excluding or adverse effect on the low-income riders or population of the service area.

Express Transit Service – Includes Valley Metro designated express bus and RAPID bus services.

High-Capacity Transit (HCT) – A transit facility or service that operates at a consistent, high frequency of service.

Local Transit Service – Includes Light Rail Transit (LRT), and local fixed-route bus, local limited stop bus, LINK bus routes, and circulator/shuttle bus services.

Low-income Populations & Areas – Low-income populations are those persons with an income of 80 percent or less of the national per capita income. “Low-income Areas” are residential land use areas within census tracts where the average per capita income is 80 percent or less of the national per capita income.

Minority Populations & Areas – Minority populations include those persons who self-identify themselves as being one or more of the following ethnic groups: American Indian and Alaska Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian and Other Pacific Islander, as defined in the FTA Title VI Circular. “Minority Areas” are residential land use areas within Census tracts where the percentage of minority persons is higher than the Valley Metro service area average.

Route-Level – Refers to the geographic level of analysis at the route alignment level by which the performance of a transit route is measured for equity.

Route-Service Area – A three-quarter mile radial buffer on either side of a transit route’s alignment. A three-quarter mile radial buffer is used to ensure compliance with the American’s with Disabilities Act guidelines.

Service Level – Refers to the span of service (hours of operation), days of operation, trips, and headways (service frequencies) for a transit route or the regional transit system.



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Service Area – According to 49 CFR 604.3, geographic service area means “the entire area in which a recipient is authorized to provide public transportation service under appropriate local, state, and Federal law.”

Service Span – The span of hours over which service is operated (e.g., 6 a.m. to 10 p.m.). The service span may vary by weekday, Saturday, or Sunday.

Sub-recipient – Valley Metro is a designated sub-recipient of federal funding for capital projects and service operations. Funding is passed onto Valley Metro from the designated recipient, the City of Phoenix.

System-wide – Refers to the geographic level of analysis by which the performance of the entire transit system is measured for equity.

Transit System – A coordinated urban network of public passenger modes including fixed-route local and express buses, light rail transit, bus rapid transit, and circulator bus services that provide mobility for people from one place to another.