



## Chicago Transit Authority Service and Fare Equity Policy

Pursuant to Federal Transit Administration (“FTA”) Circular 4702.1B, FTA Circular 4703.1, and Title VI of the Civil Rights Act of 1964, and their related regulations, the Chicago Transit Authority (“Authority”) adopts the following policy for service and fare equity analyses.<sup>1, 2</sup>

### Section I: Service Equity Analysis

- A. *Major Service Change Policy*: A service equity analysis will be conducted whenever the Authority implements a major service change to the rail or bus system as defined in this policy. A major service change to the rail or bus system is defined as the addition of, or reduction in, more than ten percent (10%) of the rail or bus system’s riders or vehicle revenue hours through one or more route changes that would remain in effect in excess of twelve (12) months.
- B. *Disparate Impact<sup>3</sup> Policy*: A major service change to the rail or bus system will be deemed to have a disparate impact on minority populations if the percentage of riders or vehicle revenue hours on minority-classified routes affected by the major service change is at least fifteen percentage points (15%) higher than the percentage of riders or vehicle revenue hours on non-minority-classified routes affected by the major service change.
- C. *Disproportionate Burden<sup>4</sup> Policy*: A major service change to the rail or bus system will be deemed to have a disproportionate burden on low-income populations if the percentage of riders or vehicle revenue hours on below-poverty-level classified routes affected by the major service change is at least fifteen percentage points (15%) higher than the percentage of riders or vehicle revenue hours on above-poverty-level classified routes affected by the major service change.

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<sup>1</sup> Any definition in the Service and Fare Equity Policy is not intended to replace the definitions for similar terms in the Chicago Transit Board-adopted Service Standards.

<sup>2</sup> For the purposes of implementation of this policy, ridership will be estimated in accordance with FTA guidelines.

<sup>3</sup> Disparate impact refers to a facially neutral policy or practice that disproportionately affects members of a group identified by race, color, or national origin, where the recipient’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.

<sup>4</sup> Disproportionate burden refers to a neutral policy or practice that disproportionately affects low-income populations more than non-low-income populations. A finding of disproportionate burden requires the recipient to evaluate alternatives and mitigate burdens where practicable.

## **Section II: Fare Equity Analysis**

- A. *Fare Change*: A fare equity analysis will be conducted whenever the Authority implements a fare change, regardless of the amount of increase or decrease, except for those fare changes mandated by Federal, state or local law. A fare change is defined as an increase or decrease in fares: (a) on the entire system, (b) on certain transit modes, or (c) by fare payment type or fare media. The exceptions are as follows:
1. “Spare the air days” or other instances when a local municipality or the Authority has declared that all passengers ride free;
  2. Temporary fare reductions that are mitigating measures for other actions (i.e. construction activities that close a segment of the rail system); or
  3. Promotional fare reductions that last less than six (6) months.
- B. *Disparate Impact Policy*: A fare change will be deemed to have a disparate impact on minority populations if its implementation results in either:
1. When one (1) fare change is proposed, the percentage of impacts of the proposed fare change borne by minority riders as a result of the proposed fare change is at least ten percentage points (10%) higher than the percentage of impacts of that proposed fare change on the overall rider population; or
  2. When more than one (1) fare change is proposed:
    - a. *For each fare change in the package*: the percentage of impacts of each individual proposed fare change borne by minority riders as a result of the proposed fare change is at least ten percentage points (10%) higher than the percentage of impacts of that proposed fare change on the overall rider population; and
    - b. *For the total package of fare changes*: the aggregate percentage of impacts for the proposed fare changes borne by minority riders as a result of the proposed fare changes is at least five percentage points (5%) higher than the aggregate percentage of impacts on the overall rider population.
- C. *Disproportionate Burden Policy*: A fare change will be deemed to have a disproportionate burden on low-income populations if its implementation results in either:
1. When one (1) fare change is proposed, the percentage of impacts of the proposed fare change borne by low-income riders as a result of the proposed fare change is at least ten percentage points (10%) higher than the percentage of impacts of that proposed fare change on the overall rider population; or
  2. When more than one (1) fare change is proposed:
    - a. *For each fare change in the package*: the percentage of impacts of a single proposed fare change borne by low-income riders as a result of the proposed fare change is at least ten percentage points (10%) higher than the percentage of impacts of that proposed fare change on the overall rider population; and
    - b. *For the total package of fare changes*: the aggregate percentage of impacts for the proposed fare changes borne by low-income riders as a result of the

proposed fare changes is at least five percent (5%) greater than the aggregate percentage of impacts on the overall rider population.

**Section III: When a Major Service or Fare Change is Deemed to Have a Disparate Impact and/or Disproportionate Burden**

- A. *Avoid, Minimize, or Mitigate Impact and/or Burden*: If a proposed major service change or fare change is deemed to have a disparate impact and/or disproportionate burden, the Authority shall consider modifying the proposed changes in order to avoid, minimize or mitigate the disparate impact(s) or disproportionate burden(s) of the proposed change. Any modifications to the proposed change must be reanalyzed according to the policies in Sections I and II to determine whether the proposed change removed the disparate impacts and/or disproportionate burdens of the change.
- B. *No Alterations or Unable to Remove Impact and/or Burden*: If the Authority chooses not to alter the proposed major service or fare change, or if modifications to the proposed major service or fare change do not remove the disparate impact(s) or disproportionate burden(s), the following steps must be taken:
  - 1. If the Authority chooses not to alter the proposed major service or fare change, or if modifications to the proposed major service or fare change do not remove the disparate impact, the Authority may implement the major service or fare change *only* if:
    - a. The Authority has a substantial legitimate justification for the proposed service or fare change, *and*
    - b. The Authority can show that there are no alternatives that would have a smaller disparate impact on minority riders that would still accomplish the Authority's legitimate program goals.
  - 2. If the Authority chooses not to alter the proposed major service change or fare change, or if modifications to the proposed major service change or fare change do not remove the disproportionate burden on low-income riders:
    - a. The Authority shall take steps to avoid, minimize, or mitigate those impacts where practicable, *and*
    - b. The Authority should describe alternative service and/or fares available to low income customers.