



Board Report

File #: 2015-0307, **File Type:** Motion / Motion Response

Agenda Number: 57.

EXECUTIVE MANAGEMENT COMMITTEE JUNE 18, 2015

**SUBJECT: QUARTERLY REPORT ON THE DEMOGRAPHIC PROFILE OF THOSE
CITED FOR FARE VIOLATIONS**

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE quarterly report on the **demographic profile of those cited for fare violation** in response to Motion #55 from the May 2014 Regular Board Meeting (Item C2).

ISSUE

At the May 2014 Board meeting, the Board approved a motion (Attachment F) on pursuing opportunities for a fair and balanced fare structure. Item C2 of Motion #55 required staff to report quarterly on the demographic profile of those cited for fare violations.

DISCUSSION

The data presented in this report is based on Los Angeles County Sheriff's Department (LASD) static and roving fare enforcement and assessment processes. The data in this report is between Quarter 1 (July-September 2014), Quarter 2 (October-December 2014) and Quarter 3 (January-March 2015). LASD conducts daily fare enforcement, both static and roving operations. Static fare operations occur when law enforcement personnel are assigned to a rail station to conduct fare checks. Roving fare operations occur when law enforcement personnel are assigned to a rail line and conduct fare checks while aboard the train.

100% FARE ASSESSMENT DATA

Fare assessments are 100 percent fare check operations on boardings for a specified period of time. Transit Court staff administer this on-going fare enforcement and assessment method with the close cooperation of LASD. Below is a table which breaks down the data by line, age and race. Metro's Transit Court staff identifies rail stations, including Orange and Silver Lines, for a fare assessment to be conducted by LASD. Stations are selected for 100% fare assessments based on ridership and TAP reports. Fare assessments are a useful tool to use in combination with roving and fixed post fare operations. The goal of these combined efforts is to reduce fare evasion and encourage proper fare compliance.

100% Fare Assessment results from the period of Quarter 3 (January-March 2015):

LINE	NO*	TOTAL CHECKS (YOUTH / ADULT)	TICKETS ISSUED AGES (5-22)	AGE		RACE				
				5-17	18-22	ASIAN	BLACK	HISPANIC	WHITE	OTHER
RED	2	1,358	8	0	8	0	0	0	0	0
BLUE	1	275	5	2	3	0	1	1	0	0
GREEN	1	583	41	13	28	0	12	1	0	0
GOLD	1	389	2	1	1	0	0	1	0	0
EXPO	1	1156	3	0	3	0	0	0	0	0
ORANGE	1	1123	20	2	18	0	1	0	0	1
SILVER	1	1240	0	0	0	0	0	0	0	0
TOTALS	8	6,124	79	18	61	0	14	3	0	1

* NUMBER OF 100% FARE ASSESSMENTS CONDUCTED

100% Fare Assessment results from the period of Quarter 2 (October-December 2014):

LINE	NO*	TOTAL CHECKS (YOUTH / ADULT)	TICKETS ISSUED AGES (5-22)	AGE		RACE				
				5-17	18-22	ASIAN	BLACK	HISPANIC	WHITE	OTHER
RED	4	7,018	275	60	215	0	41	18	0	1
BLUE	5	3,995	431	36	395	0	24	12	0	0
GREEN	12	8,588	369	70	299	1	43	24	1	1
GOLD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EXPO	2	982	30	4	26	0	3	1	0	0
ORANGE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SILVER	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTALS	23	20,583	1,105	170	935	1	111	55	1	2

* NUMBER OF 100% FARE ASSESSMENTS CONDUCTED

100% Fare Assessment results from the period of Quarter 1 (July-September 2014):

RAIL LINE	NO*	TOTAL CHECKS (YOUTH / ADULT)	TICKETS ISSUED AGES (5-22)	AGE		RACE				
				5-17	18-22	ASIAN	BLACK	HISPANIC	WHITE	OTHER
RED	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BLUE	3	1,600	185	40	145	0	25	15	0	0
GREEN	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
GOLD	4	3,575	81	25	56	3	1	20	1	0
EXPO	4	3,034	99	35	64	0	25	10	0	0
ORANGE	5	5,949	140	29	111	1	8	15	4	1
SILVER	4	5,549	2	1	1	0	1	0	0	0
TOTALS	20	19,707	507	130	377	4	60	60	5	1

* NUMBER OF 100% FARE ASSESSMENTS CONDUCTED

YOUTH FARE EVASION DATA

As shown in Attachment A, the total number of all fare evasion citations issued on Metro rail lines for the Quarter 3 is 12,854. Attachment A contains the breakdown of ticket issuance for adults and youth (under the age of 18). This data is based on LASD’s fare enforcement operations conducted daily on the Blue, Expo, Gold, Green, Red, Orange and Silver Lines.

Youth fare evasion citation issuance by line is as follows:

RAIL LINE	TOTAL CHECKS	TICKETS ISSUED ADULT/YOUTH	AGES 5-17	ASIAN	BLACK	HISPANIC	WHITE	OTHER	% OF TOTAL YOUTH CITATIONS ISSUED
RED	234,158	3,803	70	2	24	38	3	3	11%
BLUE	132,985	3,267	191	2	115	66	1	7	30%
GREEN	258,396	2,204	219	0	164	50	1	4	34%
GOLD	291,879	1,480	66	0	6	59	1	0	10%
EXPO	167,583	880	81	1	49	28	2	1	13%
ORANGE	559,615	939	19	0	8	7	2	2	3%
SILVER	18,587	281	0	0	0	0	0	0	0%
TOTALS	1,663,203	12,854	646	5	366	248	10	17	100%

- Red Line: 70 violations issued (11% of the total youth fare violations issued)
- Blue Line: 191 violations issued (30% of the total youth fare violations issued)
- Green Line: 219 violations issued (34% of the total youth fare violations issued)
- Gold Line: 66 violations issued (10% of the total youth fare violations issued)
- Expo Line: 81 violations issued (13% of the total youth fare violations issued)
- Orange Line: 19 violations issued (3% of the total youth fare violations issued)

Youth fare evasion citation issuance by line for Quarter 2 is as follows:

RAIL LINE	TOTAL CHECKS	TICKETS ISSUED ADULT/YOUTH	AGES 5-17	ASIAN	BLACK	HISPANIC	WHITE	OTHER	% OF TOTAL YOUTH CITATIONS ISSUED
RED	338,336	5,133	101	3	22	67	3	6	9%
BLUE	204,795	4,280	338	2	230	99	2	5	31%
GREEN	300,731	3,361	400	0	302	93	3	2	36%
GOLD	183,602	2,520	154	0	10	135	3	6	14%
EXPO	95,538	1,148	98	0	63	31	2	2	9%
ORANGE	140,393	912	13	0	7	5	0	1	1%
SILVER	961	22	0	0	0	0	0	0	0%
TOTALS	1,264,356	17,376	1,104	5	634	430	13	22	100%

- Red Line: 101 violations issued (9% of the total youth fare violations issued)
- Blue Line: 338 violations issued (31% of the total youth fare violations issued)
- Green Line: 400 violations issued (36% of the total youth fare violations issued)

- Gold Line: 154 violations issued (14% of the total youth fare violations issued)
- Expo Line: 98 violations issued (9% of the total youth fare violations issued)
- Orange Line: 13 violations issued (1% of the total youth fare violations issued)

Youth fare evasion citation issuance by line for Quarter 1 is as follows:

RAIL LINE	TOTAL CHECKS	TICKETS ISSUED ADULT/YOUTH	AGES 5-17	ASIAN	BLACK	HISPANIC	WHITE	OTHER	% OF TOTAL YOUTH CITATIONS ISSUED
RED	334,103	5,129	113	1	35	64	8	5	10%
BLUE	296,561	6,415	394	1	279	104	2	7	35%
GREEN	266,258	2,121	183	0	145	38	0	0	16%
GOLD	163,314	2,879	209	4	24	166	10	3	18%
EXPO	104,000	1,515	141	0	91	47	2	1	12%
ORANGE	144,934	1,222	99	4	29	49	12	4	9%
SILVER	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTALS	1,309,170	19,281	1,139	10	603	468	34	20	100%

- Red Line: 113 violations issued (10% of the total youth are violations issued)
- Blue Line: 394 violations issued (35% of the total youth fare violations issued)
- Green Line: 183 violations issued (16% of the total youth fare violations issued)
- Gold Line: 209 violations issued (18% of the total youth fare violations issued)
- Expo Line: 141 violations issued (12% of the total youth fare violations issued)
- Orange Line: 99 violations issued (9% of the total youth fare violations issued)

METRO ON-BOARD SURVEY DATA

Metro Rail Ridership Demographics:

RAIL LINE	ASIAN	BLACK	HISPANIC	WHITE	OTHER	SAMPLE SIZE
All Rail	9%	19%	53%	13%	6%	4,409
RED/PURPLE	6%	12%	58%	18%	7%	1,266
BLUE	5%	35%	48%	7%	5%	561
GREEN	9%	21%	56%	8%	5%	1,125
GOLD	13%	9%	57%	16%	6%	688
EXPO	9%	25%	46%	14%	6%	769

*** Orange and Silver Line Data will be available in late June when bus surveying is completed

Depicted above is a chart depicting Metro Rail’s ridership demographics. These numbers are derived from Metro’s spring 2015 On-Board Survey, which is conducted on a semi-annual basis.

Metro Rail Youth Ridership Demographics:

RAIL LINE	ASIAN	BLACK	HISPANIC	WHITE	OTHER	SAMPLE SIZE
All Rail	7%	16%	64%	7%	7%	305
RED/PURPLE	10%	12%	64%	9%	5%	***67
BLUE	7%	10%	63%	12%	7%	***41
GREEN	2%	26%	55%	5%	12%	84
GOLD	5%	0%	92%	0%	3%	***38
EXPO	1%	41%	49%	3%	5%	75

*** Orange and Silver Line Data will be available in late June when bus surveying is completed

In order to obtain more accurate information on Metro Rail’s under 18 ridership, Metro Research surveyed over three times the number of passengers than in the Spring 2014 On-Board Survey. Although the system-wide target was met, the Red/Purple Line, Blue Line and Gold Line are just short of meeting the accepted industry practice of 70 surveys for under the age of 18 ridership and have slightly higher rates of error than the other lines.

The current On-Board Customer survey, which will provide overall ridership data as a baseline, was completed in May 2015 for the rail lines and is set to conclude in June 2015 for the bus lines. The rail portion of the project included additional surveyors on all lines in an attempt to collect a larger sample.

YOUTH DEMOGRAPHICS DATA BY RACE

Staff is providing a quarterly report on the demographic profile of the total number of youth that were cited for fare violations. The data, Attachment B (Ticket Issuance by Race: Youth) indicates the following left column:

Race percentage comparison of total youth citations fare violations:

	100%,Static, Roving (January-March 2015) (N=646)	100% Fare Assessment (January-March 2015) (N=18)
• African- American:	57%	78%
• Hispanic:	38%	17%
• White:	1%	0%
• Asian:	1%	0%
• Other	3%	5%

All fare enforcement operations use a blanket method and are not subject to arbitrary enforcement. The percentages above outline all youth citations (646) from January-March 2015 and 100% Fare Assessments (18) from January-March 2015 for comparison. Staff has determined that more specific ridership data is required to serve as a baseline. Metro staff is assessing ways to improve data collection, including gathering more specific data on ticket issuance, fare evasion, youth ridership and overall ridership with breakdowns by age and race. Metro is utilizing additional surveyors on all rail lines during the next On-Board Customer survey in an attempt to collect a

larger sample to assist in these efforts.

EDUCATIONAL OUTREACH EFFORTS

Staff scheduled a Youth on Metro Transit Workshop on February 23, 2015 with several agencies including Los Angeles County Sheriff's Department, Los Angeles County Probation Department, Los Angeles Unified School District, and representatives of Metro. The purpose of the workshop was to discuss minors on the transit system and how fare evasion can be reduced and managed. The working group exchanged ideas and will collaborate further on the topic.

NEXT STEPS

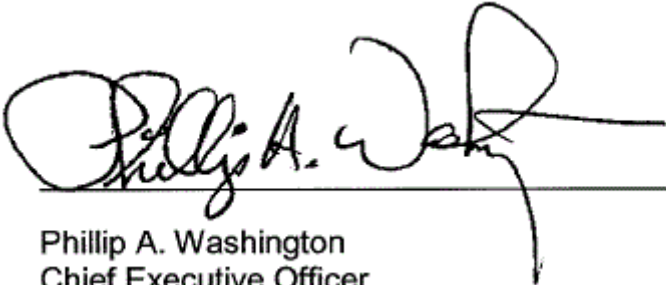
Staff will provide FY15 4th quarter report at the August Executive Management Committee. Metro will continue to work with LASD to ensure consistency when conducting fare enforcement operations. Staff will continue to work on collecting data that can compare youth citations to overall ridership on the system. The current On-Board Customer survey, which will provide overall ridership data as a baseline, will be completed in June 2015; however the rail line portion was completed in May 2015. The rail portion of the project included additional surveyors on all lines and tripled the number of completed surveys. At present, it has been difficult to collect data on youths as they tend to be infrequent riders and tend to not volunteer their information. Data from this survey will be incorporated into these quarterly reports as available. Staff will continue to work on improving the data that is available by exploring ways to increase data collection methods for overall ridership.

ATTACHMENTS

- A. Ticket Issuance by Rail Line (Adult/Youth)
- B. Ticket Issuance by Race (Youth)
- C. Ticket Issuance by Time (Youth)
- D. Ticket Issuance by Age (Youth)
- E. Motion 55

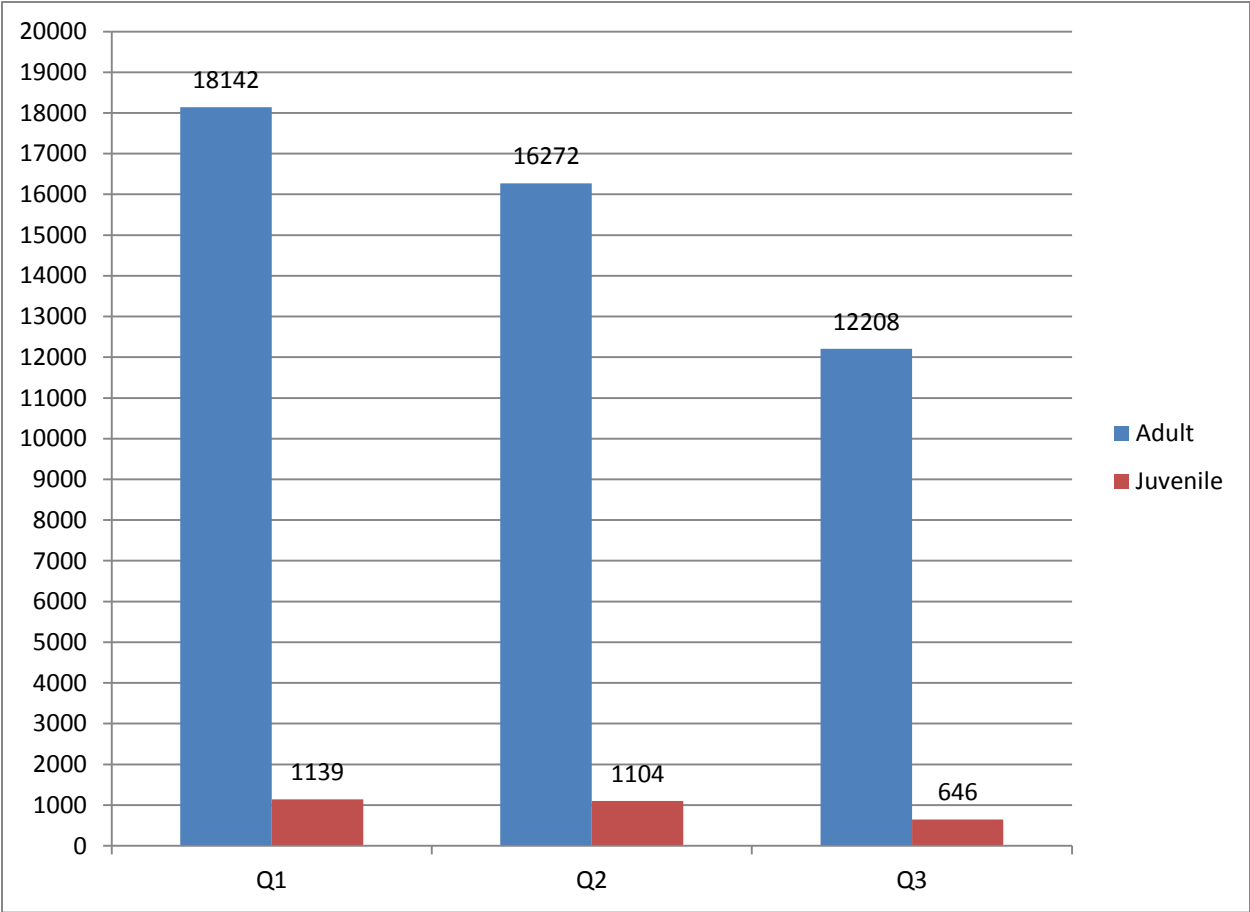
Prepared By: Duane Martin, DEO Project Management, Office of the CEO, 213-922-7460

Reviewed By: Stephanie Wiggins, Interim Deputy Chief Executive Officer
213-922-1023

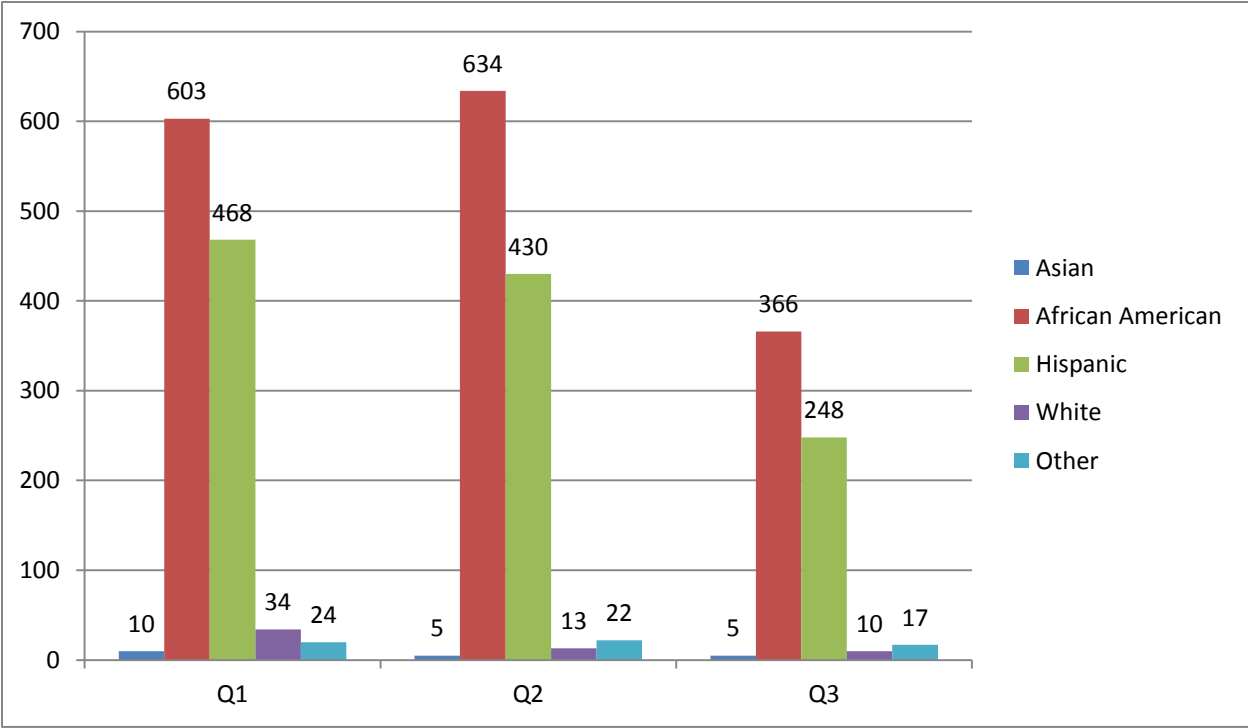


Phillip A. Washington
Chief Executive Officer

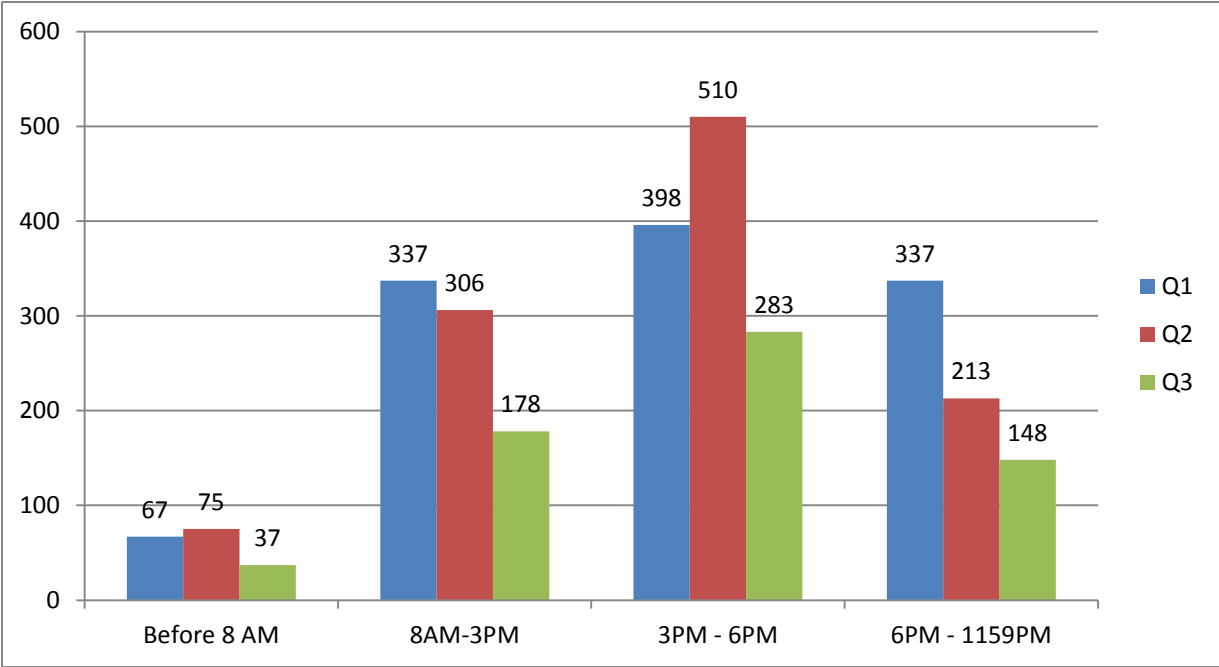
TICKET ISSUANCE BY RAIL LINE (ADULT/YOUTH)



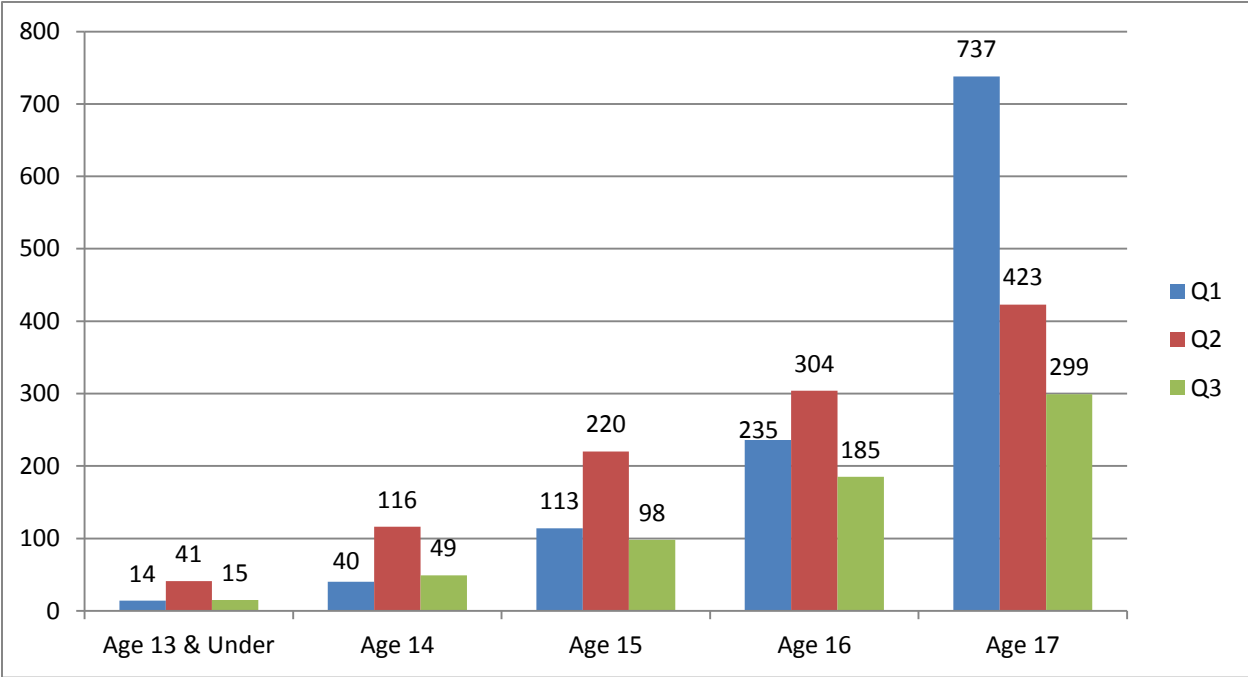
TICKET ISSUANCE BY RACE (YOUTH)



TICKET ISSUANCE BY TIME (YOUTH)



TICKET ISSUANCE BY AGE (YOUTH)



REVISED MOTION BY:

**SUPERVISOR MARK RIDLEY-THOMAS, MAYOR ERIC GARCETTI SUPERVISOR
ZEV YAROSLAVSKY & SUPERVISOR DON KNABE as AMENDED
BY BONIN**

Pursuing Opportunities for a Fair and Balanced Fare Structure

May 22, 2014

The Los Angeles County Metropolitan Transportation Authority (MTA) Board of Directors (the Board) is being asked to consider a series of fare increases for riders that use our bus and light rail system. The fare increases are proposed to mitigate what is projected to be a \$36.8 million operating deficit anticipated by 2016, which is expected to grow to \$225 million by 2024.

While MTA is in the midst of an unprecedented construction program to expand public transit and related amenities, fares currently only cover roughly a quarter of operating costs — the lowest of any major transit agency in the nation. This low fare recovery rate of 26.2% potentially jeopardizes MTA's ability to secure federal funding, as existing agreements with the Federal Transit Administration (FTA) are based on a 33% fare box recovery. **Metro's light rail network is expanding dramatically over the next 6 years; next year the Exposition Line and the Foothill/Gold Line Extension will open, the Crenshaw Line will follow in 2019, as will the Regional Connector in 2020. For the past few years, Metro has been able to balance its budget by drawing on reserves; however, those reserve sources have been depleted, and Metro will not be able to rely on them in future years.** If fares are not raised, services will very likely need to be cut, and planned capital projects would potentially need to be deferred in order to address this looming deficit.

As part of the public hearing process on the three-phased fare increase proposal, a variety of meaningful feedback was provided to the Board. Amongst the chief concerns identified include the impact of the fare increases on low-income riders and students, the criminalization of fare evasion amongst youth (under age 18) and general questions about the pricing structure.

Firstly, while MTA may have proportionately lower fares compared to other urban transportation systems, any proposed fare increase is bound to hurt the pocket books of Los Angeles County's working poor, a majority of which rely on the public transportation system. As the California Community Foundation notes in their 2013 Los Angeles Equity Atlas, 70% of transit commuters earn only \$25,000 annually. At a time when we must be building up the ridership base in order to reduce congestion, promote environmental stewardship and enhance the quality of life in the region, we must ensure fairness in our fare structure. MTA currently invests over \$10.5 million annually in subsidy programs to buffer transit costs amongst the very low income. However, over

the past few years, eligibility for participation continues to be based on the United States Department of Housing and Urban Development 2007 Poverty Guidelines. The guidelines should be updated to represent current year rates and adjusted annually. In addition, the program should be more aggressively marketed, **including on Metro's website,** so that low income riders are aware of the program.

It is also critical that students have safe, reliable and affordable ways to get to school. Students from low-income households are more likely than those from higher income households to rely on public transportation to get to school. However, the lack of affordable transportation is a frequently cited barrier to regular school attendance. It is critical that the Board make meaningful attempts to address this barrier as those who attend school regularly are more likely to graduate, and have lower rates of incarceration, teen pregnancy, substance abuse, and chronic disease.

Secondly, the criminalization of fare evasion amongst youth riders has also been a significant concern voiced during the hearing process. Fare evasion is the number one reason why youth are cited by the Los Angeles County Sheriff's Department, which can result in heavy fines or court appearances. A first-time court appearance during high school quadruples a student's dropping out rate. MTA currently offers an online educational diversion program to help youth who received a citation reduce fines and avoid court involvement. However, in 2012, less than 500 youth, out of the 9,966 cited for fare evasion, completed the program. Efforts should be made to expand the utilization of diversion programs so that youth are not criminalized for fare evasion and additional outreach should be done to ensure that students are aware of the variety of fare subsidies that are available.

Thirdly, this Board should be satisfied that a range of options, with quality analysis and modeling, have been evaluated to ensure that fare structures optimize ridership to raise revenue are recommended over the next decade. Moreover, in November 2016, voters may potentially approve another sales tax measure with increased funds for operations, which may be sufficient to cover MTA's growing operational requirements. Regardless, a number of additional questions and strategies should be evaluated to minimize the impacts to low income riders, including, but not limited to:

- Evaluating the efficacy of merging the 30-day pass with the EZ Pass;
- Modifying fare increases for the 7-day and 30-day pass in order to mitigate impacts on low income riders;
- Charging for parking at MTA stations;
- Evaluating opportunities to create additional operational cost savings and new revenue opportunities;
- Developing a multi-day passes to encourage tourists to use the public transit system; and
- Adjusting MTA fares annually consistent with the Consumer Price Index instead of stand-alone fare increases.

MTA could benefit from outside expertise on this issue. A Transit Ridership Best Practices Task Force, composed of transportation representatives from similar, large transit authorities, could provide guidance on other revenue generation strategies. There is precedence for this. In 2004, a team of high-ranking transit officials were asked to provide input on the Exposition Line's contracting procedures and provided significant insight and feedback. Additional ideas and input that incorporates best practices from similar agencies should be incorporated before the additional fare increases in 2017 and 2020 take effect. The American Public Transportation Association (APTA) would be well suited to provide support and input into this effort.

There should also be a Rider's Advocate positioned within the Inspector General's Office that could serve as an independent advocate tasked with monitoring and assessing customer service related issues and evaluating future fare structuring strategies recommended by the Chief Executive Officer.

I THEREFORE MOVE THAT THE BOARD OF DIRECTORS:

A. Direct the Chief Executive Officer to take the following actions related to the Fare Subsidy Program:

1. Update the eligibility for participation based on the United States Department of Housing and Urban Development's 2014 Poverty Guidelines and adjust eligibility annually based on updates to the guidelines;
2. Report back to the Board in September 2014 with recommendations on how to expand outreach and enhance marketing for the program; including but not limited to: multi-lingual advertising on buses and trains, at transit stations, and at all points of sale for TAP cards and Metro passes; on TAP purchase kiosks; through partnerships with community based organizations, social service agencies, senior centers, schools, churches, and job training centers; through public service announcements on local media; and
3. Report back to the Board in January May 2015 with assessments regarding whether additional funding should to be allocated to meet growing demand.

B. Direct the Chief Executive Officer to temporarily freeze student fares at their current pricing levels until **July 2015 with such a freeze being subject to** further evaluation by the **APTA-coordinated** Transit Ridership Best Practices Task Force. Staff must come back to the board for authorization to unfreeze student fares. Report back at the next meeting on the costs associated with expanding the fare hike freeze to seniors and disabled passengers.

C. Direct the Chief Executive Officer to take the following steps in order to decriminalize youth fare evasion on Metro's system:

1. Report back to the Board in September 2014 on the **implementation of an enhanced establishment of a** comprehensive diversion program, **including investigating whether non-sworn or non-Sheriff personnel should check fares and cite fare evasion as part of the Metro Security Service procurement process, the** feasibility of requiring all youth that are cited for fare evasion to participate in a mandatory online educational diversion program and/or participate in community service in lieu of fines and court appearances and recommendations on any necessary changes to the California Penal Code; and
2. **Metro should also report quarterly at the Executive Management Committee on the demographic profile of those cited for fare violations.**

D. Postpone implementation consideration of the proposed 2017 and 2020 fare increases until after the Chief Executive Officer convenes a Transit Ridership Best Practices Task Force, in coordination with the American Public Transportation Association, to provide guidance on fare structuring strategies that optimize MTA's financial performance while minimizing the burden on the system's lowest income riders. The panel should be asked to consider alternative revenue generation strategies as well as provide recommendations on opportunities to expand ridership; and report back to the Board by July 2015 with their recommendations. **Formal adoption of the 2017 and 2020 increases should be contingent upon validation of the fare restructuring by the APTA-coordinated Transit Ridership Best Practices Task Force, no other potential revenue streams for bus and rail operations being identified, and a public hearing.**

E. Direct the Inspector General **to immediately research the establishment of within her office,** a Rider's Advocate that would serve as an independent advocate to monitor and assess customer service related issues and evaluate future fare structuring strategies. **Initial research should include consideration of the following questions, and report back to the Board in January 2015:**

1. **Existing models presently utilized at other comparable transit authorities; Potential criteria and protocol for evaluating customer service issues**
2. **Potential criteria and protocol for evaluating customer service issues;**
3. **Metrics for evaluating customer service concerns and how they relate to fare structures;**
4. **Potential governance models for the Rider's Advocate function within the MTA;**

5. **Reporting structure for this position through the Office of the Inspector General; and**
 6. **Methodology for the Office of the Inspector General to review and make recommendations to the Metro Board of Directors.**
- F. Require Metro not implement any fare hike until the 2-hour free transfer goes into effect, so that the fare hike and free transfer take effect simultaneously.