

Draft: Major Service Change Policy, Disparate Impact Policy, and Disproportionate Burden Policy

Major Service Change Policy

The Pioneer Valley Transit Authority is required by the Federal Transit Administration to have a threshold at which point a service change is considered a “Major Service Change.” Any service change exceeding that threshold is required to be presented to the public for comment and consideration, as outlined in the PVTA Public Hearing and Major Service Change Policy in Appendix 1 in the [Public Participation Plan](#).¹ In fulfillment of this requirement, the PVTA will hold public hearings and conduct an analysis on Disparate Impact and Disproportionate Burden when a proposed change meets the following criteria:

- Any change in PVTA fare policies, rates, or media is being considered; or
- An alteration of service to existing fixed route service that:
 - Cumulatively changes the number of vehicle revenue hours in the service area by 7.5% or more.

Or:

- Changes the number of revenue service hours on any specific route by 50% or more; or
- Changes the location or number of stops on any specific route by 25% or more;

Service or fare changes which are considered temporary or experimental, and which have a duration of 12 months or shorter, are not considered Major Service Changes.

Process for Restoring Service

Approximately 50% of PVTA operating funding is provided through state legislative appropriations, subject to gubernatorial approval. In FY17 and FY18, funding levels for the next fiscal year were not determined until after the start of the fiscal year. However, PVTA has a fiduciary responsibility to pass a balanced budget before the start of the fiscal year (July 1st) even if state funding levels may not be finalized until July, August, or even September.

As a response, PVTA bases the upcoming fiscal year budget on the Governor’s proposed budget, which is typically released in the winter of the prior fiscal year. However, there has been a great deal of uncertainty in recent years regarding final budget amounts. For instance, in 2018 the FY19 governor’s budget resulted in a projected a \$3.1 million funding shortfall for the PVTA. In order to approve a balanced budget before June 1st, PVTA conducted a public process on a suite of service reductions in accordance with the Major Service Change Policy in force at the time.

¹ This policy supersedes Section 1, Appendix 1 in the Public Participation Plan adopted 11/15/2017

As of this writing (July 2018), it is still unclear what the final state appropriation to PVTA for FY19 will be. If some of the \$3.1 million shortfall is reduced, PVTA will be able to rescind some of the proposed service reductions that were presented at public hearings.

In instances where a projected shortfall is reduced, PVTA staff will use performance measures to systematically reinstate service using the following criteria:

- Percentage of people of color and low-income customers using the route
- Ridership and performance measures as compared to service standards

PVTA will create a ranking of service reductions should additional funding be provided and rescind service cuts based on that ranking.

Disparate Impact Policy (Racial Discrimination)

In accordance with FTA Circular 4702.1B, and industry standards and best practices, the Pioneer Valley Transit Authority has defined a disparate impact as a Major Service Change in which the adverse impacts of the change that people of color experience as compared to non-people of color is 20% or more. For the purposes of this document, the term “people of color” is synonymous with the term “minority” as used in Federal Circular 4702.1B (page I-4).

Disproportionate Burden Policy (Low Income)

In accordance with FTA Circular 4702.1B, and industry standards and best practices, the Pioneer Valley Transit Authority has defined a disproportionate burden to be a change in service where low-income customers would experience a negative impact 20% or larger compared to non-low-income customers. For the purposes of this policy, “low income” is defined in the following ways:

- **Non-students** – Those living in households at or below the federal poverty line are considered low income. This category includes anyone who is not a full-time undergraduate student.
- **Full-time undergraduate students** – The PVTA service area has a high proportion of college students using the service due to the presence of the Five Colleges in Hampshire County and numerous other higher education institutions throughout the region. In the future, PVTA plans to ask full-time undergraduate students about both their Pell Grant eligibility status and FAFSA filing status (independent or dependent) when it performs the next on-board customer survey. Pell grant eligibility and undergraduates filing the FAFSA as independents will be considered low-income once the route-level data are available, since it takes not just student but also family status into account. Until such time, current individual income data will be used.

DI/DB Analysis Examples

FTA guidance requires that DI/DB analyses be conducted using either Census data or rider survey data (but not both). For its major service change DI/DB analyses for FY18 and FY19, PVTA used its customer surveys from 2015 and 2016 for determining disparate impact/disproportionate burden. Using these customer surveys, PVTA classifies certain routes as either “Disparate Impact Routes” or “Disproportionate Burden Routes.”

For those routes which have a proportion of customers which are people of color that meet or exceed 60%, those routes are considered “Disparate Impact Routes.” Any change detrimental to a Disparate

Impact Route will need to be determined to be the least discriminatory impact and mitigations will need to be considered.

Routes which have a proportion of customers which are low-income that exceeds 60% are considered “Disproportionate Burden Routes.” Any change detrimental to a Disproportionate Burden Route will need to be determined to be the least discriminatory impact and mitigations will need to be considered.

Example 1 for applying this policy to service reductions:

- **Major Service Change Determination** – A bus route is proposed to have its vehicle revenue hours reduced from 10,000 per year to 4,500 per year, a 55% decrease. The threshold for a Major Service Change is 50% change in Vehicle Revenue Hours, and so this change would trigger a DI/DB analysis and public hearings.
- **Disparate Impact Analysis:**
 - **Disparate Impact Route Status** – This bus route has a customer base of people of color comprising 65% of all ridership, and so it is classified as a Disparate Impact Route.
 - **Analysis** – The determination that it is a Disparate Impact Route automatically triggers the determination of disparate impact (65% impact on people of color compared to 35% impact to white non-Hispanic customers, or a 30% difference which is greater than the threshold set in the policy of 20%).
 - **Disparate Impact Determination** – This service change would be considered to have a disparate impact. These changes would need to be determined to be the least discriminatory alternative and would need to be mitigated if possible.
- **Disproportionate Burden Analysis:**
 - **Disproportionate Burden Route Status** – This bus route has a low-income customer base comprising 52% of all ridership, and so it is not classified as a Disproportionate Burden Route.
 - **Disproportionate Burden Analysis** – Because it is not classified as a Disproportionate Burden Route, no Disproportionate Burden analysis is required.
 - **Disproportionate Burden Determination** – This service change would be considered to not have a Disproportionate Burden and so no further action is needed.

Example 2 for applying this policy to a fare increase:

- **Major Service Change Determination** – A 20% fare increase for on-board cash fares is proposed. Any fare change is considered to be a Major Service Change as per the policy, triggering a DI/DB analysis and public hearings.
- **Disparate Impact Analysis:**
 - **Analysis** – After accounting for the proposed fare increase in on-board cash fares, the total average fare across all fare media increases by 10% for people of color. The total average fare across all fare media increases by 7.5% for white non-Hispanic PVTA users. The ratio between average total fare increases for people of color to white non-Hispanic users is 1.3 (or 30% greater for people of color), greater than the 20% threshold.
 - **Disparate Impact Determination** – This fare change would be considered to have a disparate impact. The change would need to be determined to be the least discriminatory alternative and mitigations should be considered.

- **Disproportionate Burden Analysis:**
 - **Analysis** – After accounting for the proposed fare increase in on-board cash fares, the total average fare across all fare increases by 11% for low-income customers. The total average fare across all fare media increases by 7% for non-low-income customers. The ratio between the increases for low-income to non-low-income users is 1.57 (or 57% greater for low-income customers), greater than the 20% threshold.
 - **Disproportionate Burden Determination** – This fare change would be considered to have a Disproportionate Burden. The change would need to be determined to be the least discriminatory alternative, and mitigations should be considered.