

Regional Interagency Transfer (IAT) Policy

Finance, Budget and Audit Committee
June 17, 2015



Metro

Proposed Interagency Transfer (IAT) Policy Changes

1. Eliminate paper transfers for customers transferring between agencies. Transfers allowed with a TAP card only
2. Transfer fare will be automatically paid with a TAP card, if transfer eligible, when boarding a second agency. On-board sales of transfers at first boarding would be eliminated
3. Transfer period extended from 2 hours to 2.5 hours
4. A single transfer will be allowed within the 2.5 hours

Regional Readiness for IAT Policy Change

- 24 TAP-enabled operators as of May
- Building on successes of operator specific TAP transfers
 - ✓ AVTA and Santa Clarita Transit eliminated paper IATs
 - ✓ LADOT provides internal transfers on TAP
 - ✓ Metro 2 hour one-way fare on TAP
- Metro Rail requires TAP card, Metro TAP card penetration estimated at 70 to 80%
- Policy proposal unanimously approved by General Managers and Bus Operators Subcommittee (BOS)

Customer and Agency Benefits

CUSTOMERS

- Faster boardings
- Eliminate need to carry exact change
- Automatic transfer if eligible
- Consolidation of four different transfer methods in use today

AGENCIES

- Faster boardings
- Consistent with local initiatives and efforts to reduce cash and paper media in favor of technology options
- Fraud reduction
- Directly collected IAT revenues

Significant step in providing a more seamless, coordinated transit system

Fare Equity Analysis Findings (Title VI)

- Fare Equity Analysis completed for the Region
- A disparate impact finding was made for one of eight sub-populations defined in the analysis, constituting about 8% of the County population
- The underlying cause of the disparate impact finding – possession of a TAP card – will be addressed through a comprehensive Marketing and Outreach campaign including dissemination of up to 1 million TAP cards to customers
- Policy approval requires a finding (included in staff recommendation) that the change results in a Disparate Impact but there is substantial legitimate justification for the change and there are not alternatives that would have a less disparate impact

Next Steps

If the policy change is approved...

- TAP Operation will proceed with programming efforts, working closely with each Operator to define business rules and test final functionality
- A print and digital marketing campaign for customers will focus on customer education, including where TAP cards can be purchased and reloaded.
- An internal campaign for bus operators will include in-person training, division outreach, and print materials
- Implementation will be in approximately 6 to 9 months due to the significant programming and testing efforts, and to allow for thorough customer and operator education