MOBILITY NEWSLETTER

Research and reporting from California, the U.S., and around the world.

September 19, 2023

Powered by

Photo by Mediocre Studio on Unsplash

Exploring Low Income Discounts:

How agencies around the country are approaching discounts on transit for those struggling to pay for mobility.

Of the largest 50 agencies in the U.S., 38% offer a low-income discount.

Of these 19 agencies that offer discounts, the **majority offer a 50% fare discount** to income-eligible riders.

*50 largest agencies as defined by the American Public Transportation Association.

Income eligibility is defined differently across the country. There are two main approaches agencies employ:

1.

Create income thresholds, often based on multiples of the Federal Poverty Level (FPL)

- Thresholds vary greatly
- Some are defined using the FPL
- Eligible incomes are 1x - 3x the FPL

2.

Accept enrollment in other government programs as proof of low-income status

- SNAP* enrollment is the most accepted eligibility, followed by TANF*
- Agencies recognize up to as many as eight local, state, and federal aid programs

When choosing between these options, agencies often consider:

- Regional cost of living relative to national average
- Consistency in eligibility for other local agencies / programs
- The level of control over the size of the eligible population
- The effort and resources required to verify applicants
- Protection of applicant privacy and minimizing collection of personal identifying information (PII)

*** SNAP: Supplemental Nutrition Assistance Program; TANF: Temporary Aid to Needy Families Program)*

Due to these factors, agencies that offer discounts are split in their approaches to determining eligibility.

8 verify whether applicants' incomes qualify directly via **tax or bank documents**.

8 Conduct **income verification** and **accept other program eligibility.**

3 agencies only **accept enrollment in other programs** and don't verify income directly.

Agencies must balance the assurance level of income verification with the ease of access to their discounts.

High Ease of Access

In **Los Angeles,** riders on **Metro** can **self-certify online that they meet the income requirements** to enroll in the LIFE discount program (S).

In the **Bay Area, MTC** has expressed interest in **auto-enrolling eligible riders** based on verification for other state benefits like CalFresh (S).

Low Assurance Level & Fraud Protection

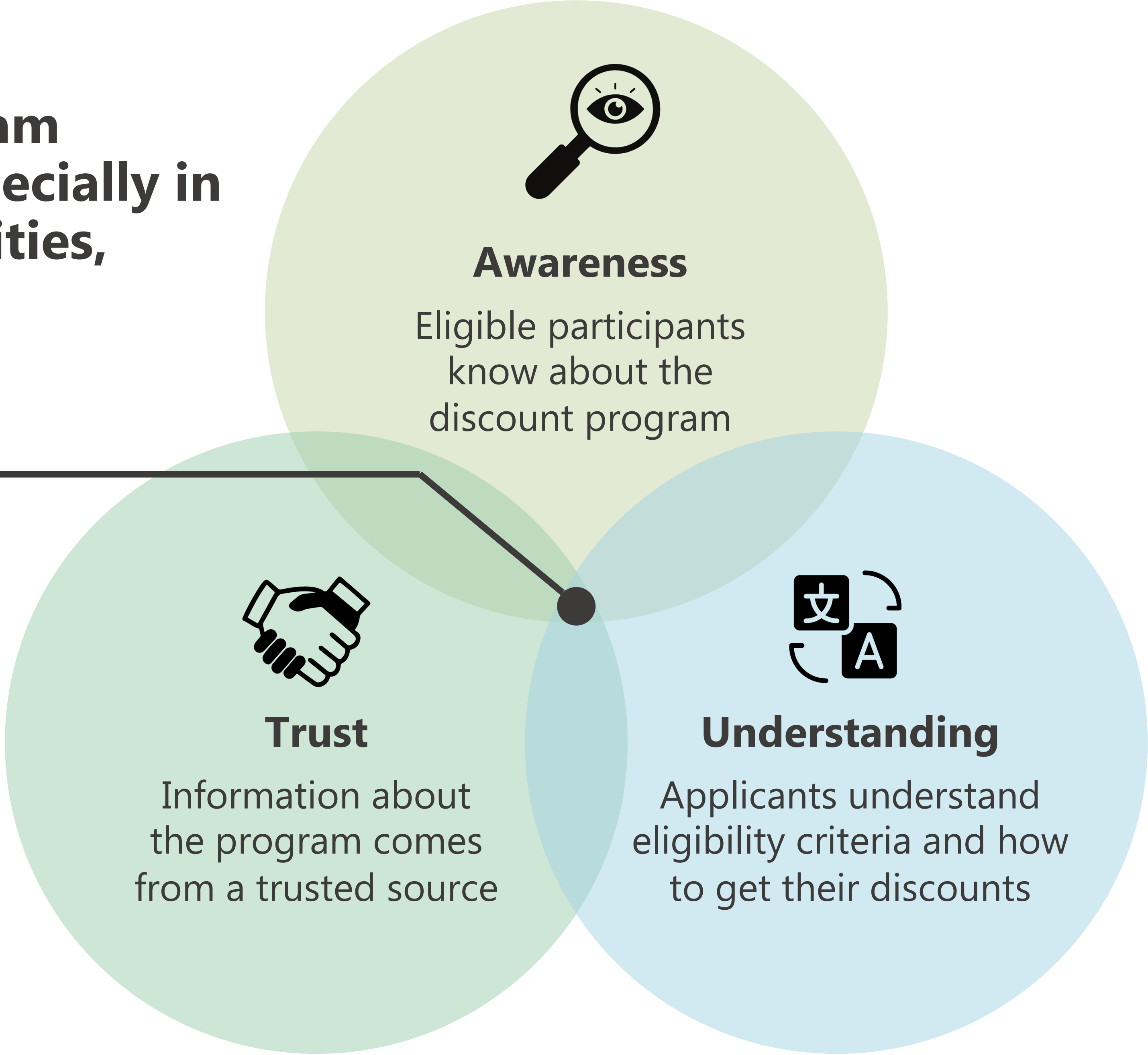
High Assurance Level & Fraud Protection

Traditionally, many agencies required applicants to apply in-person during working hours for discounts, bringing numerous documents including tax documents, pay stubs, and proof of residency with them to prove eligibility.

Low Ease of Access

Helping eligible program participants enroll, especially in marginalized communities, requires special care.

Effective discount program enrollment considers each of these factors.



Participants need to be aware of discount programs to benefit from them.

Recent advertisement from a BART Station in San Francisco.

A bus wrap on an MTA bus displaying an advertisement for the Fair Fares program (S).

19,000 people have enrolled in the **Clipper START** program pilot in the first three years of operation. MTC is working to recruit more of the **1.6 million eligible adults** (S).

In New York City, 30% of eligible commuters use the Fair Fares program**. Surveys suggest that many remaining riders simply don't know about the program,** and awareness varies greatly in different areas of the city **(S).**

Agencies ensure that necessary information is understandable by providing multilingual resources.

NYC.Gov FAQ page: 12 Languages
Application website: 7 Languages
Application Forms: 12 languages

LIFT program FAQ page: 8 Languages
Application website: 3 Languages

Metro website support: 9 Languages
LIFE Application forms: 8 Languages

TriMet Honored Citizen Info: 14 Languages

Working with trusted community-based organizations (CBOs) helps reach eligible riders.

Community members at the Mathewson Street United Methodist Church in Providence receiving passes (S).

RIPTA

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

In Rhode Island, **RIPTA** (Rhode Island Public Transit Authority) piloted a free bus pass program for low-income and unhoused Rhode Islanders.

The agency distributed 600 passes via 11 local organizations, including:

- Community advocacy groups
- Direct service agencies
- Faith-based organizations

According to RIPTA, distributing passes this way was intended to **"reach those in the greatest need,"** who would otherwise be difficult to contact. (S)

Caltrans

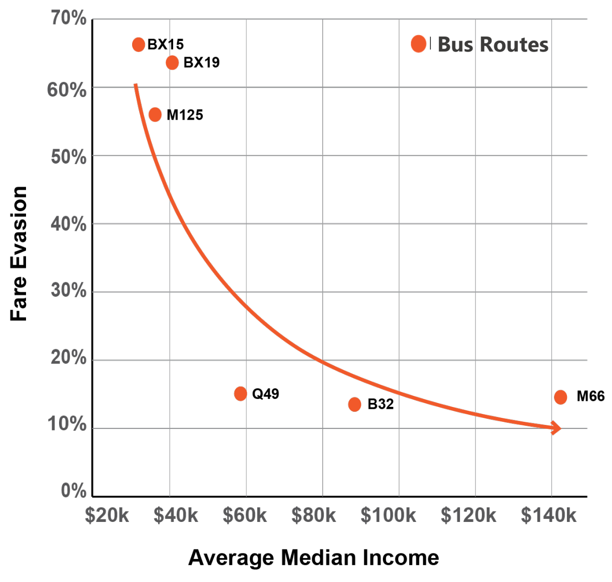
Offering discounts makes it easier for those struggling to pay the fare, potentially reducing evasion.

A recent report on fare evasion in **New York** highlighted the correlation between affordability and evasion, recommending an expansion of the City's Fair Fares program (S).

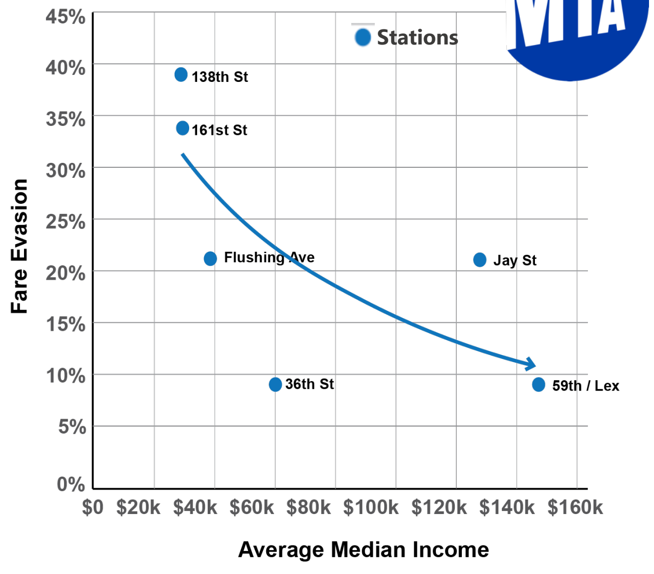
Blue Ribbon Panel Recommendations:

- **Raise the eligible income threshold** from 1x to 2x the Federal Poverty Level.
- **Increase enrollment "pop-ups"** in key areas where residents can receive reduced fare cards on the spot
- **Canvas at transit stops** to raise awareness and capture riders
- **Issue cards with money pre-loaded,** to encourage the first use.

Evasion increases as ability to pay decreases



BUS



SUBWAY

It's important to consider the riders' experience to avoid pitfalls that make discounts hard to access.

"Will I need to spend extra money to get this discount?"

- Appointments only during business hours, requiring missing work
- Pay for travel to the discount office
- Processing / photo fee for discount ID

"Is this discount convenient to get if I'm eligible?"

- Many documents needed to verify eligibility
- No foreign language support
- Registration only available in-person

"Can I pay like everyone else, without feeling othered?"

- Visibly different payment method that must be presented every time
- Stigmatizing discount names
- Unusual / invasive payment procedures

Caltrans

Discount programs on transit can also serve as the front door to other important services and benefits.

CAL ITP is leveraging transit discount programs as a key touchpoint with vulnerable communities, helping them to…

Access more affordable financial services:

- Cal-ITP is working with key players in the financial sector to make financial services like no-fee accounts and credit / debit cards available to low-income, un- and under-banked people.
- Since many of these individuals already ride transit and receive discounts, transit is a trusted avenue through which to reach them, allowing them to learn about banking and access more affordable services.

Build digital identities needed to receive benefits:

- In a pilot with Monterey Salinas Transit, deployed in partnership with the California Department of Technology, seniors can access a discount using a login.gov account.
- If they don’t already have an account, which can be used to access numerous federal benefits programs, they are guided through the signup process while enrolling for their transit benefit.

Gain familiarity with modern payment technology:

- Cal-ITP is working to make discounts user-friendly and easy to access by linking them to modern payment technologies like contactless payments and mobile wallets.
- Our work has helped vulnerable communities gain familiarity and access the benefits of modern payment technologies, such as increased transaction security, speed, and convenience.

Caltrans

Powered by

Question, feedback, or topic you would like to know more about? Please reach out to isaac.sonnenfeldt@rebelgroup.com