



Board Report

File #: 2025-0463, File Type: Policy

Agenda Number: 26.

EXECUTIVE MANAGEMENT COMMITTEE JULY 17, 2025

SUBJECT: TITLE VI EQUITY ANALYSIS POLICIES

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

ADOPT Title VI Service and Fare Equity Analysis Policies which include:

- Major Service Change Policy (Attachment A);
- Disparate Impact Policy (Attachment B); and
- Disproportionate Burden Policy (Attachment C).

ISSUE

Title VI of the Civil Rights Act of 1964 (Title VI) prohibits discrimination based on race, color, and national origin in programs that receive federal funding. The Federal Transportation Administration (FTA) requires transportation agencies to demonstrate their compliance with Title VI by adopting policies with FTA Circular 4702.1B "Title VI Requirements and Guidelines for Federal Transit Administration Recipients," issued October 1, 2012. FTA requires the Metro Board of Directors to review and approve the Title VI Equity Analysis policies.

BACKGROUND

Section 601 of Title VI states the following:

No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

FTA Circular 4702.1B, revised in 2012, requires transportation agencies to develop policies to assist in the evaluation of impacts to minority and low-income riders when considering service and fare changes. Metro's Title VI equity policies were adopted pursuant to the Administrative Code under Part 2-50 "Public Hearings".

The Title VI Equity Analysis policies consist of:

The Major Service Change Policy: This policy defines what constitutes a major service change for

the agency which will require a service equity analysis (Attachment A).

The Disparate Impact Policy: Disparate impact refers to a facially neutral policy or practice that disproportionately affects members of a group identified by race, color or national origin, which lacks a substantial legitimate justification, including one or more alternatives that would serve the same legitimate objectives but with less disproportionate effects on the basis of race, color or national origin (Attachment B).

The Disproportionate Burden Policy: Disproportionate burden refers to a neutral policy or practice that disproportionately affects low-income populations more than non-low-income populations (Attachment C).

Metro's Title VI Obligations when evaluating service and fare changes

Metro will utilize the Board adopted Title VI policies included in the agency's Board adopted Title VI Program Update when analyzing service and fare changes. The equity analysis will be completed during the planning stages of the proposed changes. The results of the analysis will be approved by the Board and evidence of the Board action will be included in the next Title VI Program Update submitted to FTA. Metro must submit a Title VI Program Update every three years. The Board last approved the Title VI Policies at its September 2022 meeting. The last submitted Title VI Program Update was on September 29, 2022.

DISCUSSION

Metro, as a fixed route transit provider that receives Federal financial assistance and operates 50 or more fixed route vehicles in peak service, is required to prepare and submit service and fare equity analysis policies to comply with Department of Transportation (DOT) Title VI regulations. Under FTA Circular 4702.1B Title VI Equity Analysis policies are developed by the agency to ensure minorities and low-income communities are not impacted when it conducts Service and Fare Equity (SAFE) Analyses. There are three policies that must be approved by the Board every three years:

- 1) The Major Service Change Policy. Metro's current policy states that a Title VI Equity Analysis will be completed for all Major Service Changes and will be presented to the Board for its consideration and the results will be included in the subsequent Metro Title VI Program Update with a record of action taken by the Board. There are no recommended changes to this Policy for 2025. The full policy is attached as Attachment A.
- 2) The Disparate Impact Policy. Metro's current policy states that testing for Disparate Impact evaluates effects on minority riders or populations as compared to non-minority riders or populations. While performing a Title VI Equity Analysis for possible disparate impact, Metro will analyze how the proposed major service change or fare change action could impact minority populations, as compared to non-minority populations. There are no recommended changes to this Policy for 2025. The full policy is attached as Attachment B.
- 3) The Disproportionate Burden Policy. Metro's current policy states that testing for Disproportionate Burden evaluates potential effects on low-income riders or populations, which Metro defines in the 2025 program update as \$69,350 for a four-member household in

Los Angeles County. The line and system level evaluations are identical to those used to determine potential disparate impacts but compare low-income and non-low-income riders or populations rather than minority and non-minority riders or populations. There are no recommended changes to this policy other than the updated increased low-income threshold from \$59,550 to \$69,350. Metro's Disproportionate Burden policy is subject to change pending further FTA guidance. The full policy is attached as Attachment C.

The next Title VI Program Update will be submitted on or before the due date of October 1, 2025.

DETERMINATION OF SAFETY IMPACT

The requested action in this report will have no direct impact on the safety of Metro's employees or customers.

FINANCIAL IMPACT

Adoption of the Title VI Equity Policies has no direct impact upon Metro's expenditure or revenues. Approval is consistent with the implementation of service included in the adopted FY2026 Budget.

EQUITY PLATFORM

Title VI Equity Policies address impacts to Minority Communities and Low-Income Communities as required by FTA Title VI Circular 4702.1B. The FTA encourages agencies to evaluate the impacts of service and fare changes on both minority and low-income communities. While there has been no change to the way impacts to minority communities are analyzed, in January 2025, Metro increased the low-income threshold from \$59,550 to \$69,350, consistent with the California Department of Housing and Community Development's (HCD) increased threshold. This new, increased threshold served to expand the population now classified as "low-income," resulting in a larger share of our customers falling under Title VI protections. This shift reinforces the need to reevaluate service and fare equity analysis to ensure that planned changes do not disproportionately burden these communities. The result is that transit access remains fair, inclusive, and responsive to evolving community needs.

Moreover, although the FTA does not prescribe specific thresholds for identifying disparate impacts or disproportionate burdens, Metro has adopted a more rigorous standard to better address potential inequities. Under Metro's policies, a 5% absolute difference is used to determine whether a major service or fare change results in a disparate impact on minority populations or a disproportionate burden on low-income populations. This threshold is more stringent than the 10% standard used by some other public agencies, reflecting Metro's stronger commitment to equity.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality

by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

While this item does not directly encourage taking transit, sharing a ride, or using active transportation, it is a vital part of Metro operations, as it ensures compliance with federal requirements under Title VI of the Civil Rights Act of 1964. Because the Metro Board has adopted an agency-wide VMT Reduction Target, and this item supports the overall function of the agency, this item is consistent with the goals of reducing VMT.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports strategic plan goal # 5, "Provide responsive, accountable and trustworthy governance within the Metro organization" by adhering to civil rights equity requirements mandated by FTA Title VI Circular 4702.1B.

ALTERNATIVES CONSIDERED

The Title VI Equity Analysis Policies require Board approval before being submitted to FTA. Failure to include Board approved policies in the Title VI Program update may result in non-compliance with FTA program requirements and may result in suspension of federal grants by being non-compliant with civil rights requirements.

NEXT STEPS

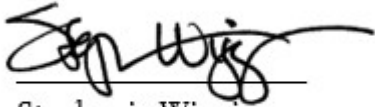
Once approved, Metro's Title VI Equity Analysis Policies will be included in the Title VI Program Update and will be submitted to FTA before the due date of October 1, 2025.

ATTACHMENTS

Attachment A - Major Service Change (2025)
Attachment B - Disparate Impact Policy (2025)
Attachment C - Disproportionate Burden Policy (2025)

Prepared by: Joanna Lemus, Senior Manager, Civil Rights Programs, (213) 922-4067
Stewart Chesler, Manager, Transportation Planning, Service Development, (213) 922-2826
Joseph Forgiarini, Sr. Executive Officer, Service Development, (213) 418-3400
Althea Bovell, Deputy Chief Civil Rights Programs Officer, (213) 418-3168
Benjamin Alcazar, Senior Director, Civil Rights Programs, (213) 922-2634

Reviewed by: Nicole Englund, Chief of Staff, (213) 922-7950

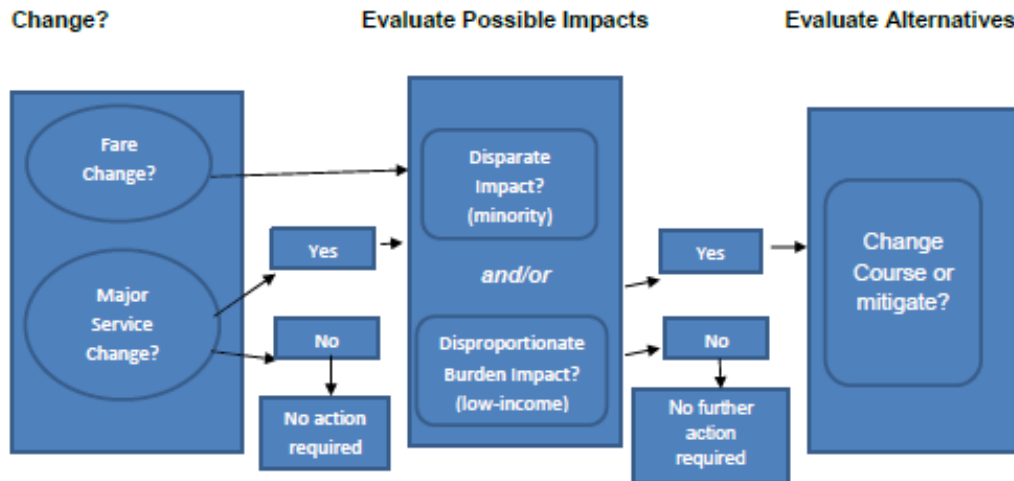
A handwritten signature in black ink, appearing to read 'Step Wiggins', written over a horizontal line.

Stephanie Wiggins
Chief Executive Officer

Metro Major Service Change Policy

FTA Circular 4702.1B, revised in 2012, requires transportation agencies to develop policies to assist in the evaluation of impacts to minority and low-income riders when considering service and fare changes.

Figure 1: Overview of Metro's Title VI Equity Analysis process



All changes in service meeting the definition of “Major Service Change” are subject to a Title VI Service Equity Analysis prior to Board approval of the service change. A Title VI Equity Analysis will be completed for all Major Service Changes and will be presented to the Board for its consideration and the results will be included in the subsequent Metro Title VI Program Update with a record of action taken by the Board. Service changes considered “Minor” due to not meeting the thresholds of a Major Service Change are also analyzed and alternatives considered are documented, however, a Service Equity Analysis is not performed.

For the 2025 FTA Title VI Program Update Major Service Change is defined as any service change meeting at least one of the following criteria:

1. A revision to an existing transit route that increases or decreases the route miles and/or the revenue miles operated by 25% or more at one time or cumulatively in any period within 36 consecutive months since the last major service change;
2. A revision to an existing transit service that increases or decreases the scheduled trips operated by at least 25% at one time or cumulatively in any period within 36 consecutive months since the last major service change;

3. An increase or decrease to the span of service of a transit line of at least 25% at any one time or cumulatively in any period within 36 consecutive months since the last major service change;
4. The implementation of a new transit route that provides at least 50% of its route miles without duplicating other routes;
5. Six months prior to the opening of any new fixed guideway project (e.g. BRT line or rail line) regardless of whether or not the amount of service being changed meets the requirements in the subsections 1 – 5 above to be inclusive of any bus/rail interface changes.
 - a. Experimental, demonstration or emergency service changes may be instituted for one year or less without a Title VI Equity Analysis being completed and considered by the Board of Directors. If the service is required to be operated beyond one year the Title VI Equity Analysis must be completed and considered by the Board of Directors before the end of the one year experimental, demonstration or emergency.
 - b. A Title VI Equity Analysis shall not be required if a Metro transit service is replaced by a different route, mode, or operator providing a service with the same headways, fare, transfer options, span of service and stops.

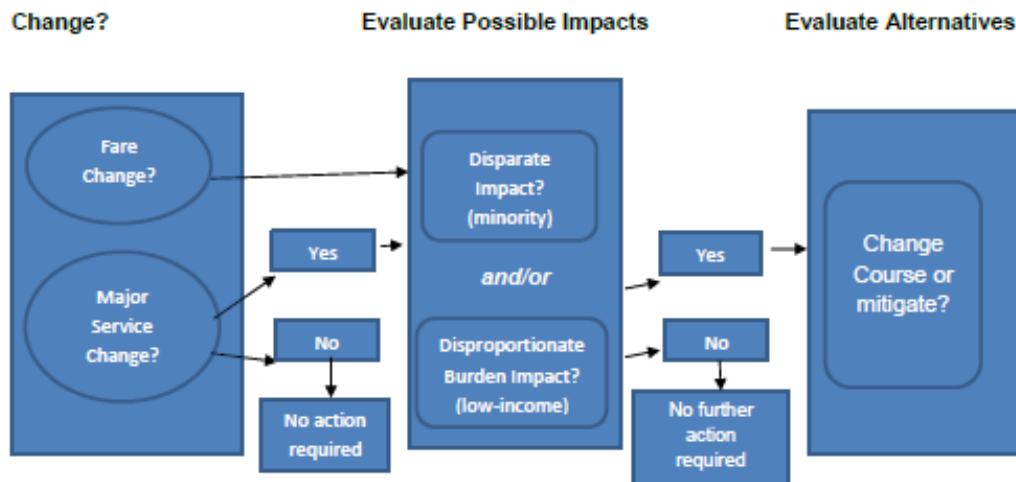
Metro Disparate Impact Policy

FTA Circular 4702.1B, revised in 2012, requires transportation agencies to develop policies to assist in the evaluation of impacts to minority and low-income riders when considering service and fare changes.

Testing for Disparate Impact evaluates effects on minority riders or populations as compared to non-minority riders or populations. “Minority” is defined as all persons who identify as being part of racial/ethnic groups besides white, non-Hispanic.

In the course of performing a Title VI Equity Analysis for possible disparate impact, Metro will analyze how the proposed major service change or fare change action could impact minority populations, as compared to non-minority populations.

Figure 1: Overview of Metro’s Title VI Equity Analysis process



In the event the proposed action has an adverse impact that affects protected populations more than other populations at a level that exceeds the thresholds established in the Board adopted Disparate Impact Policy, or that restricts the benefits of the service change to protected populations, the finding would be considered as a potential Disparate Impact. In the possible scenario of finding Disparate Impact, Metro will evaluate whether there is an alternative that would serve the same objectives and with a more equitable impact. Otherwise, Metro will take measures to minimize or mitigate the adverse impact of the proposed action.

The Disparate Impact Policy defines measures for determination of potential adverse impact on minority populations/riders from major service changes or any change in fares (increase or decrease) The policy is applied to both adverse effects and benefits of major service changes.

All changes in service meeting the definition of “Major Service Change” and any change in fares and/or fare media are subject to a Title VI Service Equity Analysis prior to Board approval of the change. A Title VI Equity Analysis will be completed for all Major Service Changes and all fare and/or fare media changes (increase or decrease). The results of the Title VI Equity Analysis will be presented to the Board for its consideration and the results will be included in the subsequent Metro Title VI Program Update with a record of action taken by the Board. Service changes considered “Minor” due to not meeting the thresholds of a Major Service Change are also analyzed and alternatives considered are documented, however, a Service Equity Analysis is not performed.

For the 2025 FTA Title VI Program Update:

Disparate impact refers to a facially neutral policy or practice that disproportionately affects members of a group identified by race, color or national origin and the policy lacks a substantial legitimate justification, including one or more alternatives that would serve the same legitimate objectives but with less disproportionate effects on the basis of race, color or national origin. This policy defines the threshold Metro will utilize when analyzing the impacts to minority populations and/or minority riders.

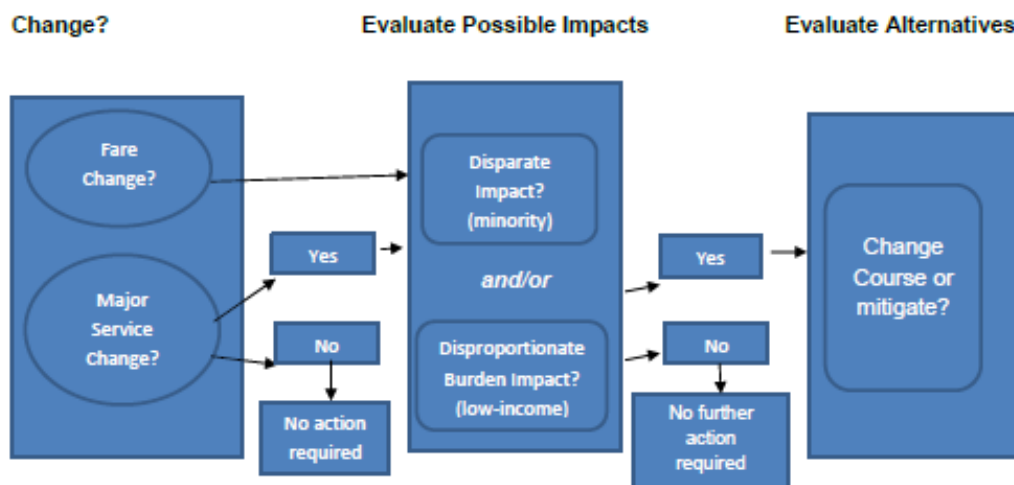
- a. For major service changes, a disparate impact will be deemed to have occurred if the absolute difference between the percentage of minority adversely affected and the overall percentage of minorities is at least five percent (5%).
- b. For any applicable fare changes, a disparate impact will be deemed to have occurred if the absolute difference between the percentage of minority adversely affected and the overall percentage of minorities is at least five percent (5%).

Metro Disproportionate Burden Policy

FTA Circular 4702.1B, revised in 2012, requires transportation agencies to develop a Disproportionate Burden policy to assist in the evaluation of impacts on minority and low-income riders when considering service and fare changes.

Testing for Disproportionate Burden evaluates potential effects on low-income riders or populations. Metro defines low-income riders as those with an annual income of \$69,350 or less for a four-member household in Los Angeles County, using the highest tier break in the American Community Survey (ACS) data that most closely aligns with the 2024 California Housing and Community Development (HCD) thresholds. The line and system level evaluations are identical to those used to determine potential disparate impacts but compare low-income and non-low-income populations rather than minority and non-minority.¹

Figure 1: Overview of Metro’s Title VI Equity Analysis process



Any changes in service meeting the definition of “Major Service Change” and any change in fares and/or fare media (increase or decrease) are subject to a Title VI Service Equity Analysis before the Board’s approval of the change. The results of the Title VI Equity Analysis will be presented to the Board for its consideration and the results will be included in the subsequent Metro Title VI Program Update with a record of action taken by the Board. Service changes considered “Minor” due to not meeting the thresholds of a Major Service Change are also analyzed and alternatives considered are documented, however, a Service Equity Analysis is not performed.

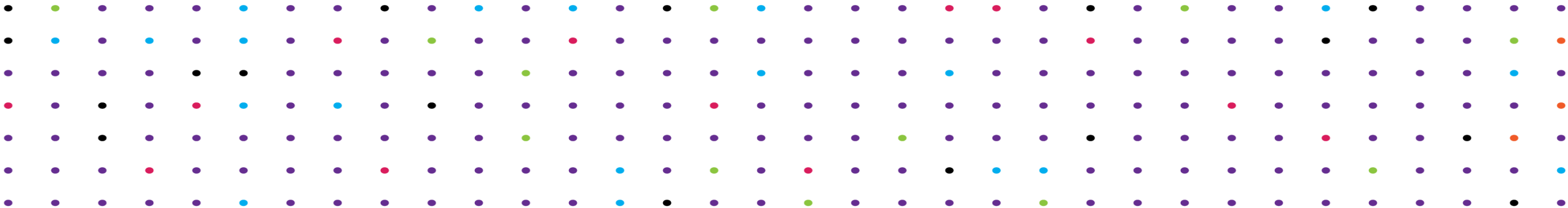
¹ Metro’s Disproportionate Burden policy is subject to change pending further FTA guidance.

For the 2025 FTA Title VI Program Update:

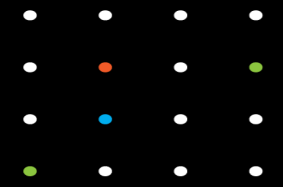
Disproportionate burden refers to a neutral policy or practice that disproportionately affects low-income populations more than non-low-income populations. A finding of disproportionate burden for major service and fare changes requires Metro to evaluate alternatives and mitigate burdens where practicable.

- a. For major service changes, a disproportionate burden will be deemed to exist if an absolute difference between the percentage of low-income persons adversely affected by the service change and the overall percentage of low-income persons is at least five percent (5%).
- b. For fare changes, a disproportionate burden will be deemed to exist if an absolute difference between the percentage of low-income persons adversely affected and the overall percentage of low-income persons is at least five percent (5%).

Title VI Equity Analysis Policies



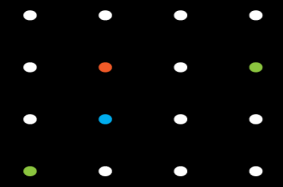
Recommendation



Adopt the Title VI Service and Fare Equity Analysis Policies which include the following:

- Major Service Change Policy
- Disparate Impact Policy
- Disproportionate Burden Policy

Requirement to Evaluate Service and Fare Change



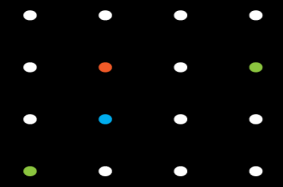
The Federal Transportation Administration (FTA) requires transportation agencies to comply with Title VI by adopting policies per FTA Circular 4702.1B “Title VI Requirements and Guidelines for Federal Transit Administration Recipients”

- Metro Board of Directors is required to review and approve the Title VI Equity Analysis policies for service and fare changes every three years.

Metro Title VI Equity Analysis Policies is required:

- Major Service Change Policy – Establish a threshold for service changes
- Disparate Impact Policy – Impact to minority riders
- Disproportionate Burden Policy – Impact to low-income riders

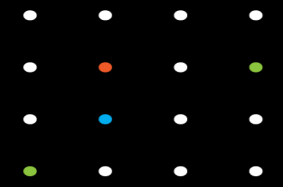
Major Service Change



Major Service Change Policy defines what constitutes a “Major Service Change” for the agency which will require a Service Equity Analysis.

- Current Metro policy states a Title VI Equity Analysis will be completed for all Major Service Changes presented to the Board
- Results will be included in the Metro Title VI Program Update with a record of action taken by the Board.
- There are no recommended changes to this Policy for 2025.

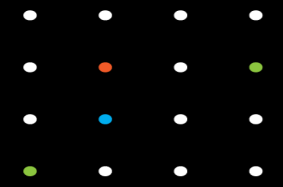
Disparate Impact Policy



Disparate Impact Policy evaluates the effects on minority riders or populations as compared to non-minority riders or populations.

- Metro will analyze how the proposed service or fare change action may impact minority populations compared to non-minority populations.
- “Minority” is defined as all persons who identify as being part of racial/ethnic groups besides white, non-Hispanic.
- No recommended changes to this Policy for 2025.

Disproportionate Burden Policy



Disproportionate Burden Policy evaluates potential effects on low-income populations, defined in the 2025 program update as \$69,350 for a four-member household.

The line and system level evaluations are identical to those used to determine potential disparate impacts

- 2025 policy change increases the low-income threshold from \$59,550 to \$69,350 consistent with the California Department of Housing and Community Development's (HCD) increased threshold.