



Title VI Fare Equity Analysis

Corpus Christi Regional Transportation Authority | August 2025

Prepared by: RLS & Associates, Inc.



Contents

CCRTA Title VI Fare Equity Analysis.....	1
Overview	1
Relationship Between Transit Fares, Fare Revenues and Ridership.....	1
Peer Comparison.....	2
CCRTA Current Fare Structure	5
Purchasing Passes	5
CCRTA Performance Trends.....	7
Summary	9
Fare Equity Analysis	10
Demographics	10
Survey Responses by Collection Location	15
Ridership Patterns.....	15
Frequency of Riding CCRTA.....	15
Time of Day	16
Transfers	16
Fare Type.....	18
Purpose for Using CCRTA	19
Perceived Impact of Fare Changes.....	19
Recent Improvements.....	19
Trust Fare Adjustment will Improve Rider Experience	20
Technology	21
Reasonableness of Fare Increase	21
Fare Change Recommendation.....	23
Findings	25
Farebox Recovery Ratio Goal	25
Transfer Fees.....	26

CCRTA TITLE VI FARE EQUITY ANALYSIS

OVERVIEW

Corpus Christi Regional Transportation Authority (CCRTA) is a highly successful transit system because it proactively evolves to meet the needs of the residents and businesses in the service area. Over the past 19 years, CCRTA has expanded services and improved amenities through efficient use of its existing budget and without increasing the out-of-pocket costs for riders. In fact, passenger fare prices have remained unchanged since 2006, when the base fare increased from \$0.50 to \$0.75.

Public transit operating revenue for CCRTA comes from a combination of Federal and local sources. The primary local revenue source is Sales Tax, which has increased by approximately 18 percent between 2020 and 2024. However, Federal operating revenue has decreased by 29 percent in the past four years, and operating expenses have increased by approximately 35 percent during the same period. Fluctuations in revenue sources and increasing operating expenses create a fiscally challenging situation for CCRTA that requires constant management and attention. Throughout the fluctuations in operating revenue, the portion of the budget that is derived from CCRTA farebox has declined from 3.6 percent of the operating budget in 2020 to a new low of 2.4 percent of today's budget. The decline in farebox recovery stems from increasing expenses and slightly lower ridership.

National research confirms that its current farebox recovery ratio of 2.4 percent is less than half of the next lowest fare recovery ratio among peer agencies. CCRTA is considering an incremental fare structure change to be implemented over a period of five years.

The following analysis considers the impact that potential increases in fare prices would have on riders based on recent survey results and demographic analysis. It is important to CCRTA to provide effective and affordable service to its entire community. Therefore, this analysis evaluates the potential disproportionate burden and disparate impact on the population consistent with the requirements set forth in Title VI of the Civil Rights Act of 1964 and Federal Transit Administration Circular 4702.1B.

RELATIONSHIP BETWEEN TRANSIT FARES, FARE REVENUES AND RIDERSHIP

Decades of transit research support the following relationships between changing transit fares and the impact on revenues and ridership.

- a) Fares can have a powerful impact on ridership and riders' attitudes about a transit system.
- b) National averages reveal that fare revenues constitute approximately 10 percent of the total budget of a system similar to the CCRTA. By comparison, passenger fares constitute less than four percent of the CCRTA total annual operating costs.

- c) Prior to COVID-19, transit agencies increased fares about every three years in response to increasing costs. It is important to note CCRTA fares have been stable since 2006.
- d) Increasing fares will typically increase fare revenues and reduce ridership. However, the reduction in ridership is often mitigated by improvements in the fare structure or fare media (such as encouraging the use of tap cards or passes) as well as the cost of other transportation alternatives that are available to riders and potential riders (e.g., taxi, Uber/Lyft).
- e) Decreasing fares will typically increase ridership but reduce total fare revenues.
- f) Except for limited cases, it is typically not possible to increase fares, fare revenues, and ridership at the same time; those cases are as follows:
 - a. Temporarily reducing fares to attract new riders and additional trips by current riders, then restoring the fares (totally or partly) and trying to retain some of the new riders and trips.
 - b. Implementing a premium high fare system designed to attract high-end riders, which could violate regulations set forth by Title VI of the Civil Rights Act of 1964.
 - c. Adopting a significantly revised overall fare structure based upon results from a stated preference and usage survey of riders; this may require investment in order to offer new, consumer-friendly payment options.
- g) Fare structures can be fine-tuned to produce more equity, tap markets, simplify fare collection and understanding by operators and riders, reduce operational delays, and reduce confrontations between operators and riders.
- h) Americans with Disabilities Act (ADA) complementary paratransit fares may not exceed twice the fixed route base fares.

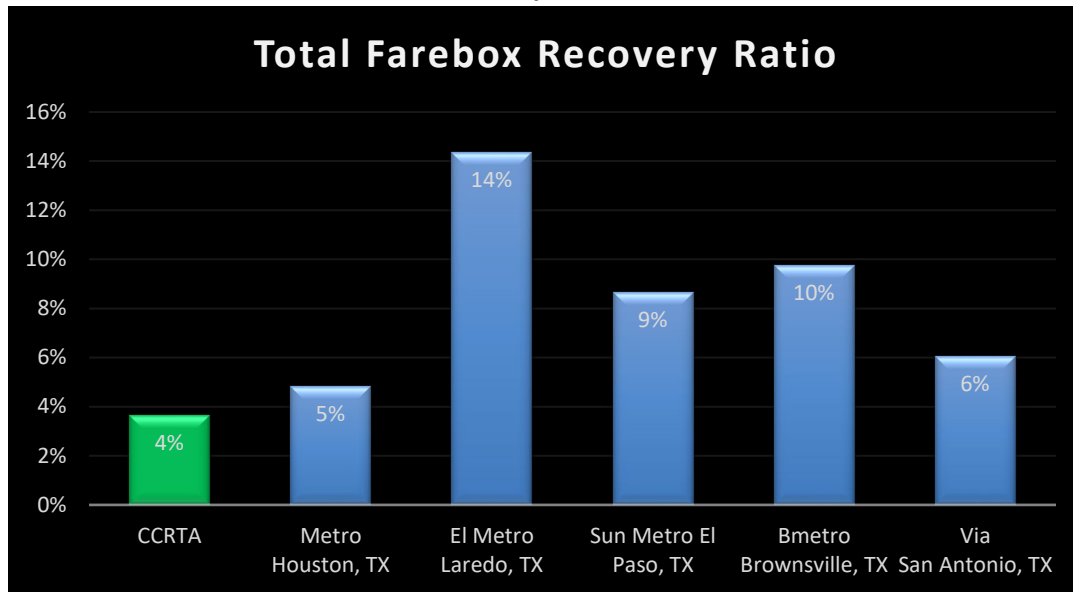
PEER COMPARISON

A peer comparison of annual trends in ridership, operating expenses, and farebox recovery was conducted using the peer transit agencies that CCRTA identified. The selected Texas transit systems offer similar modes of transportation to CCRTA, including fixed routes, demand response, and vanpool services. The population of the urbanized areas for each system ranges from the smallest (Brownsville) to the largest (Houston). The service area populations range from 216,444 to 5.85 million. CCRTA falls in the middle of the range with a population of 339,066.

Farebox recovery ratio is a performance measure typically used by transit systems to calculate the portion of total annual operating expenses that is covered by the fare revenue collected from riders. The formula is total annual fare revenue divided by total annual operating costs. Exhibit 1 illustrates the farebox recovery ratio for each of the transit systems included in the peer comparison.

CCRTA recovered approximately four percent of its operating costs from passenger fares in 2023. By comparison, the peer transit systems recovered five to fourteen percent of their costs from fare revenues. Furthermore, CCRTA is significantly below the national average of farebox recovery ratio which is typically between 10 and 15 percent.

Exhibit 1: Total Farebox Recover Ratio Comparison



Source: National Transit Database, 2023

Table 1 provides a detailed comparison of the peer transit agencies included in the peer comparison. Each transit agency operates fixed route and demand response modes of service. Only CCRTA and Rock Region Metro provided Vanpools. As indicated in the table, CCRTA recovers most of the operating costs for vanpool services from passenger fares. Farebox recovery ratios for demand response/paratransit are lower but comparable to peers. However, fixed route farebox recovery is significantly lower than the peer transit agencies included in this sample.

Table 1: Peer Comparison

Transit Agency	CCRTA	Metro Houston, TX	El Metro Laredo, TX	Sun Metro El Paso, TX	Bmetro Brownsville, TX	Via San Antonio, TX
Urbanized Area Population	339,066	5,853,575	251,462	854,584	216,444	1,992,689
Annual Unlinked Passenger Trips	3,303,048	68,575,784	1,798,331	6,073,481	5,155,709	27,965,368
Base Fare	\$0.75	\$1.25	\$2.00	\$1.50	\$2.00	\$1.30
Annual Operating Costs						
Bus	\$35,242,276	\$517,635,469	\$15,464,469	\$52,173,984	\$7,701,517	\$212,196,151
Demand Response	\$6,706,948	\$96,135,109	\$2,515,795	\$8,919,846	\$1,463,335	\$48,900,150
Vanpool	\$458,541	\$4,902,623	\$0	\$0	\$0	\$1,356,488
Total Annual Operating Costs	\$42,407,765	\$795,077,056	\$17,980,264	\$61,093,830	\$9,164,852	\$262,452,789

Transit Agency	CCRTA	Metro Houston, TX	El Metro Laredo, TX	Sun Metro El Paso, TX	Bmetro Brownsville, TX	Via San Antonio, TX
<u>Annual Fare Revenues</u>						
Bus	\$923,887	\$23,542,741	\$2,542,218	\$4,805,863	\$866,732	\$12,571,182
Demand Response	\$175,183	\$1,853,159	\$41,460	\$478,213	\$29,359	\$1,719,102
Vanpool	\$441,077	\$1,634,394	\$0	\$0	\$0	\$1,599,775
Total Fare Revenues	\$1,540,147	\$38,427,613	\$2,583,678	\$5,284,076	\$896,091	\$15,890,059
<u>Farebox Recovery Ratio</u>						
Bus	3%	5%	16%	9%	11%	6%
Demand Response	3%	2%	2%	5%	2%	4%
Vanpool	96%	N/A	N/A	N/A	N/A	118%
Total Farebox Recovery Ratio	4%	5%	14%	9%	10%	6%

Source: National Transit Database, 2023 and system websites.

CCRTA CURRENT FARE STRUCTURE

The price for an adult to ride CCRTA is \$0.75 for a single ride or \$30.00 for a 31-day pass. A reduced single-ride fare price of \$0.25 (Weekday peak, Saturday and Sunday)/\$0.10 (off peak¹) or \$11.00 for a 31-day pass available for adults age 60 and older, individuals with disabilities, Medicare or Medicaid cardholders, and technical or vocational college students.

To receive a reduced fare, passengers must present a valid form of identification when boarding the vehicle. Valid forms of identification include a State-issued ID or Driver's License, Medicare Card, Disabled Veteran ID, or CCRTA-issued B-ID Card. Passengers may apply for a CCRTA B-ID Card at the CCRTA Customer Service Center (applications available online).

Students, faculty and staff from TAMUCC and Del Mar may ride any fixed route for free with a Sand Dollar or Del Mar ID.

A summary of CCRTA fares is provided below.

Regular Services	Other Services	Reduced Single Ride Fare
Adult = \$0.75	Premium Service = \$1.25 (Park & Ride/ Express/ Rural)	Peak & Premium = \$0.25
Child (5 & Under) = Free	B-Line = \$1.25 (Inside ¾ mile ADA zone)	
Student (PreK to 12 th) = Free	B-Line Fare + Surcharge = \$3.25 (Outside ¾ mile ADA zone)	

CCRTA offers three types of passes in addition to the base fare, as follows:

Standard Passes	Special Passes	Reduced Fare
Adult = \$1.75	B-Line = \$50.00	31 Day = \$11.00
7 Day = \$7.50	Commuter (11 Trips) = \$12.50	
31 Day = \$30.00		

PURCHASING PASSES

Passengers may purchase passes online, the GoPass mobile app, at the CCRTA Staples Street Center, or at one of 10 local H-B-B locations. The physical locations include the following:

¹ Off-peak hours are before 6:00 AM, 9:00 AM to 3:00 PM, or after 6:00 PM.

- ◆ CCRTA Stables Street Center (602 N. Staples St.)
- ◆ H-E-B plus! – Flour Bluff (1145 Waldron Rd.)
- ◆ H-E-B plus! – Staples & Saratoga (5313 Saratoga Blvd.)
- ◆ H-E-B – Weber & Holly (5801 Weber Rd.)
- ◆ H-E-B – Moore Plaza (5425 S Staples St.)
- ◆ H-E-B – Alameda & Robert (4320 Alameda St.)
- ◆ H-E-B – Kostoryz & Gollihar (4444 Kostoryz Rd.)
- ◆ H-E-B – Alameda/ Texan Trail (3133 S Alameda St.)
- ◆ H-E-B – S Port & Tarlton (3033 S Port Ave.)
- ◆ H-E-B – Leopard & Nueces (3500 Leopard St.)
- ◆ H-E-B – Leopard & Violet (11100 Leopard St.)

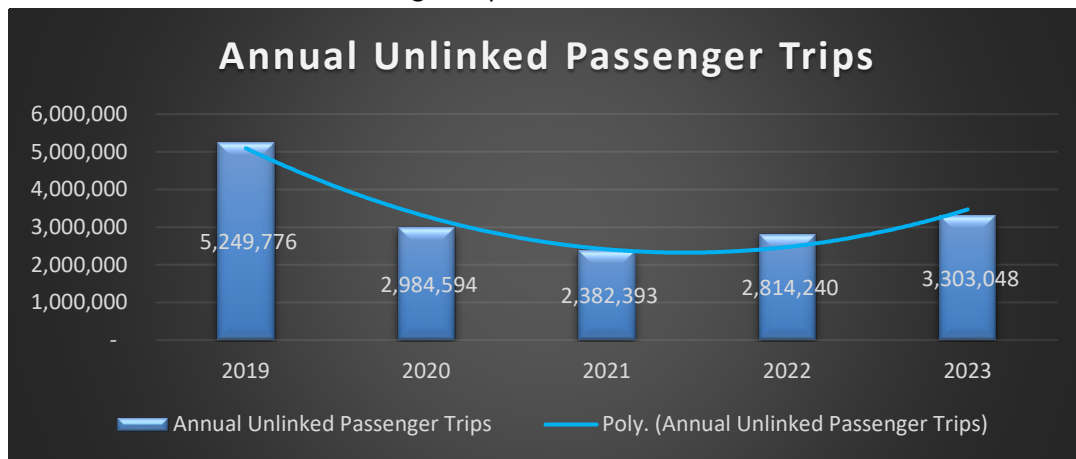


Source: ccrta.org/maps/purchase-locations

CCRTA PERFORMANCE TRENDS

In recent years, the external impacts on public transit included the COVID-19 pandemic and the recovery after the pandemic. Throughout those changes in ridership, which were beyond the control of the agency, CCRTA maintained a vital service to the community, connecting people to jobs and important errands or health care. Ridership declined from approximately 5.2 million passenger trips per year in 2019 (pre-COVID-19) to a low of 2.38 million trips in 2021. Ridership (measured in terms of unlinked passenger trips) is steadily recovering to pre-Pandemic levels but, as of 2023, ridership was 37 percent less than it was in 2019. The fluctuations in ridership result in less farebox revenue generated from passenger fares because routes continued to operate with fewer people riding.

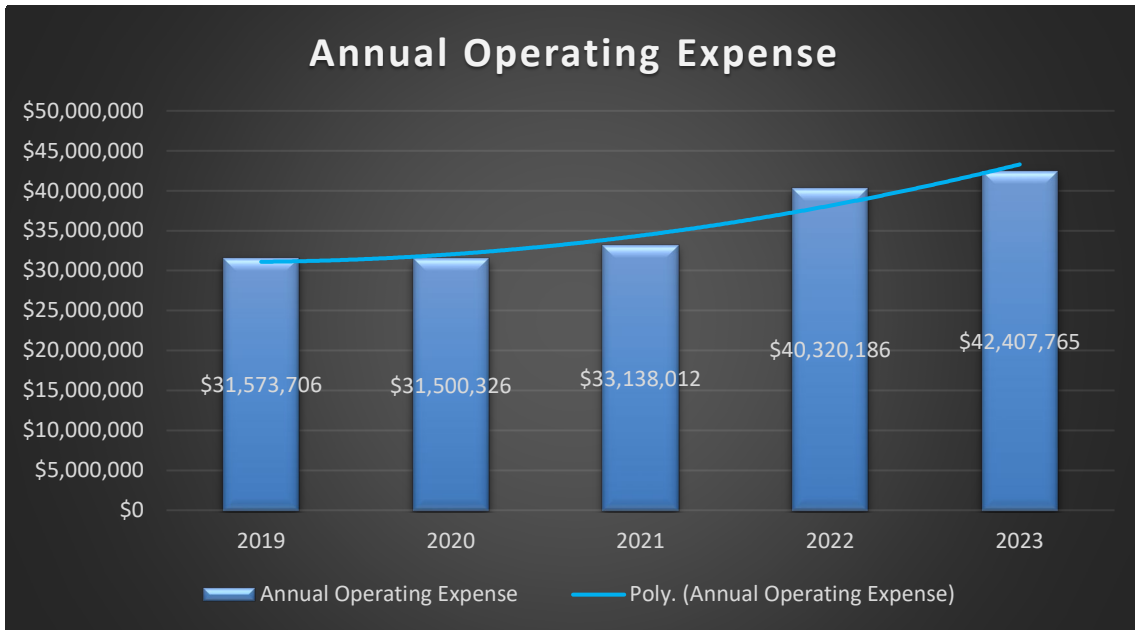
Exhibit 2: Annual Unlinked Passenger Trips



Source: National Transit Database, 2023 Profile

Like most transit systems in America, CCRTA continued to operate during the Pandemic to ensure that riders had access to work, school and community resources. Therefore, annual operating expenses remained relatively steady throughout the pandemic. Post-pandemic operating expenses increased due, in part to inflation. Costs reached a new high in 2023 of \$42.4 million, approximately 34 percent higher than annual expenses in 2019. The following exhibit outlines the trend in annual operating expenses.

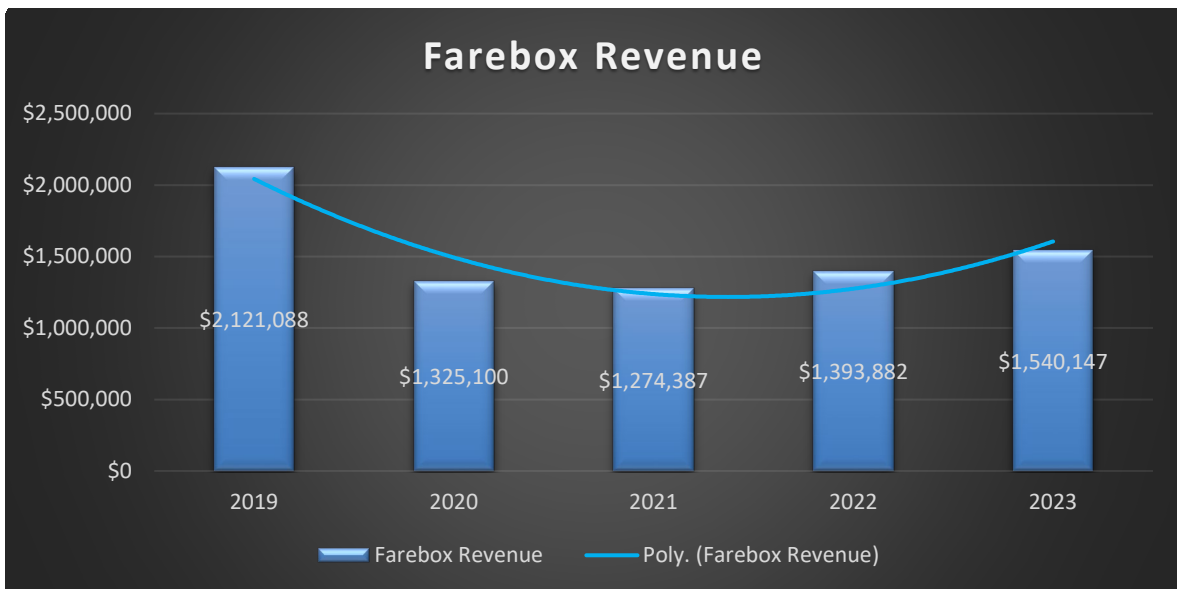
Exhibit 3: Annual Operating Expense



Source National Transit Database, 2023 Profile

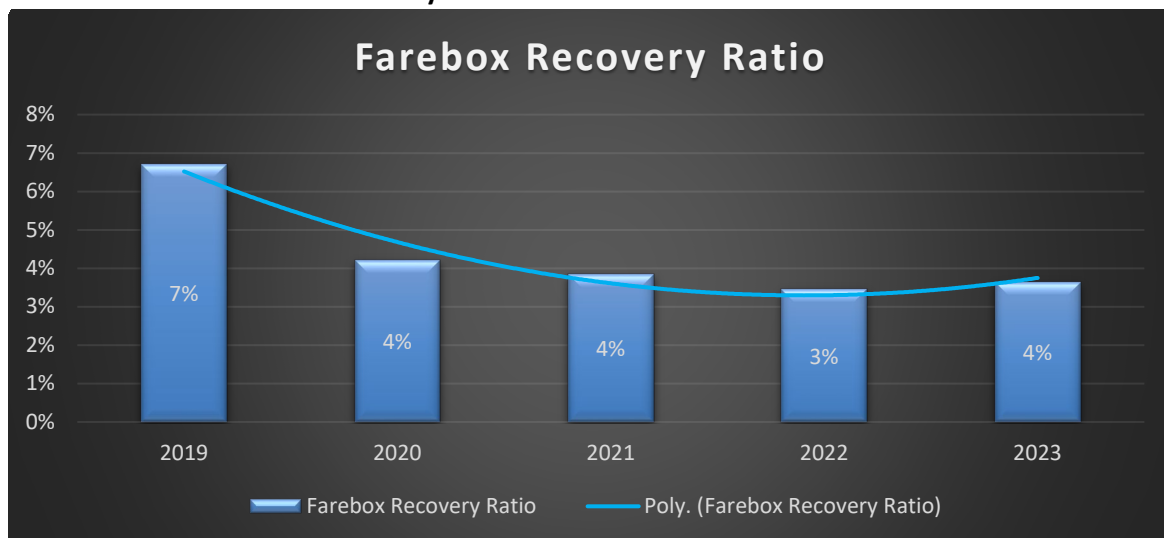
Increasing operating expenses, lower ridership levels, and steady farebox prices have resulted in a significant decline in total annual farebox revenue and the ratio of farebox revenue to operating expenses, as illustrated in the following charts. CCRTA's already low farebox recovery ratio declined even more since 2019 and was less than four percent by 2023.

Exhibit 4: Annual Farebox Revenue



Source: National Transit Database, 2023 Profile

Exhibit 5: Annual Farebox Recovery Ratio



Source: National Transit Database, 2023 Profile

SUMMARY

Even at pre-Pandemic ridership levels in 2019, the CCRTA was achieving a below-average farebox recovery ratio of seven percent. While ridership is recovering to pre-Pandemic levels, CCRTA's operating expenses have increased and it is unlikely that ridership will recover enough to achieve even the seven percent recovery ratio of previous years. Raising fares is one potential method for achieving a stronger farebox recovery ratio that is in line with CCRTA's peer transit agencies and national averages. The following analysis considers the impact on riders if a fare increase were applied.

FARE EQUITY ANALYSIS

A fare equity analysis is conducted to measure the disparate impact of a fare change and determine if minority riders are bearing a disproportionate burden of the change between the existing cost and the proposed cost. The impact is defined as a statistical percentage. If a disparate impact on minority ridership is identified, CCRTA will reanalyze the proposed changes to determine if modifications will remove the disparate impacts.

Similarly, CCRTA must measure the burden of fare changes on riders with low-incomes to determine when those riders are bearing a disproportionate burden of the change between the existing fare and the proposed fare. To measure income, CCRTA collected survey data and analyzed local demographic data.

The CCRTA collected data about fare usage through a survey sample of riders. The survey results from 1,037 participants are used to examine how the proposed fares would affect all riders. Approximately 90.26 percent of the survey respondents use public transportation, and the remaining 9.74 percent do not.

The survey was conducted by CCRTA in June 2025. The survey instrument was designed to include a representative sample of riders and represent the most current rider data.

DEMOGRAPHICS

Questions specific to fare payment type, age, household income, race, and language spoken at home were included in the onboard survey. All riders who identified as non-white are considered minorities for the purpose of this analysis. Income levels were determined by the respondent's answer to a question about their annual household income. By comparison, Federal poverty guidelines are outlined in Table 2 in dollars per year.

Table 2: 2025 Federal Poverty Guidelines for 48 Contiguous States

Household Size	100% of Poverty
1	\$15,650
2	\$21,150
3	\$26,650
4	\$32,150
5	\$37,650
6	\$43,150
7	\$48,650
8	\$54,150
9	\$59,650
10	\$65,150
11	\$70,650

12	\$76,150
13	\$81,650
14	87,150

Source: U.S. Department of Health and Human Services

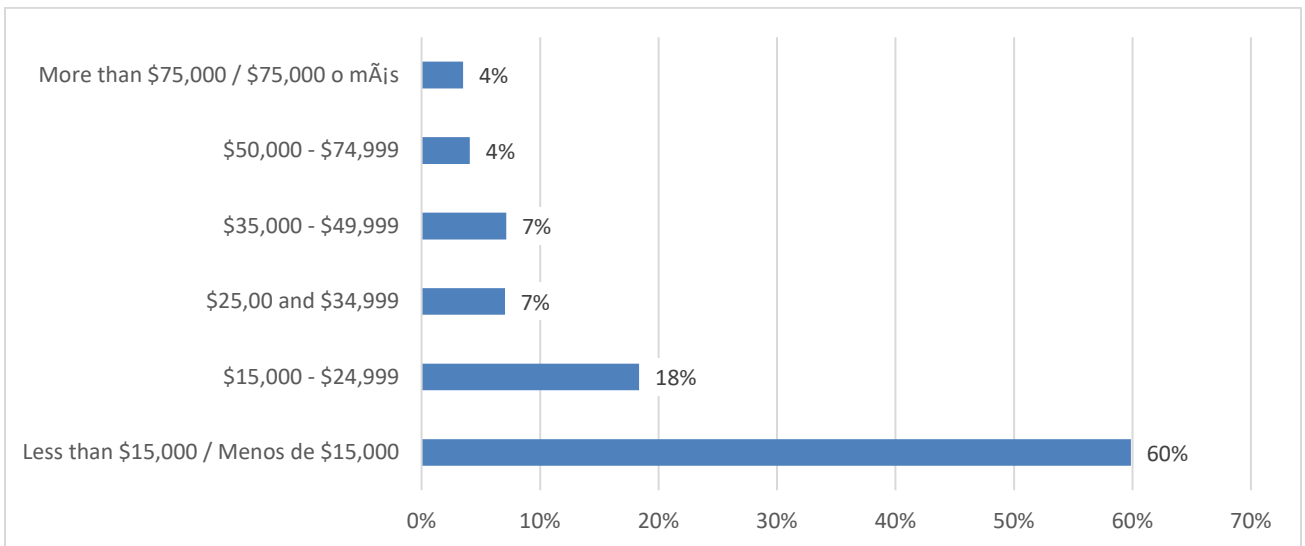
National and State Household Incomes

According to the 2020 U.S. Census, the median household income in Corpus Christi was \$65,138. In Texas, the median household income was \$75,780. Approximately 16.9 percent of the Corpus Christi population lived below poverty (plus/minus 2.3%), which was slightly higher than the statewide statistic of 13.7 percent of the Texas population that lived below poverty.

Household Income of Survey Respondents

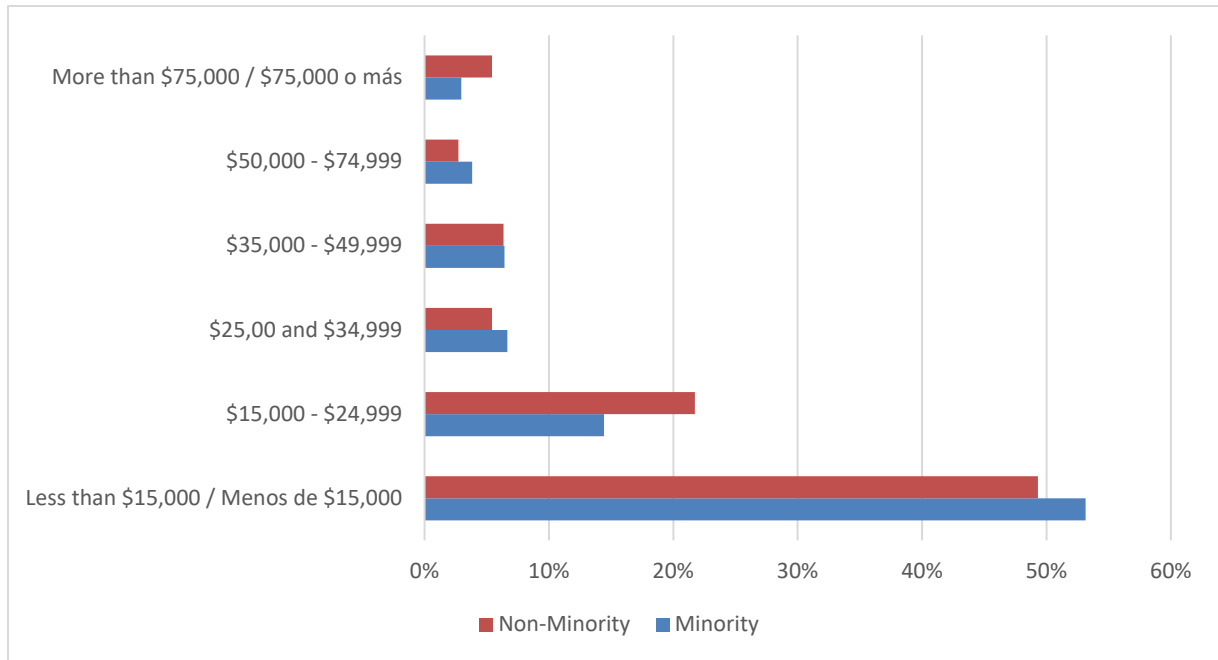
Nearly 60 percent of survey respondents had a household income of less than \$15,000. Approximately 18 percent of respondents earn \$15,000 to \$24,999 per year. Seven percent of respondents earn between \$25,000 and \$34,999, while another seven percent earn between \$35,000 and \$49,999. Fewer respondents, approximately four percent, earn between \$50,000 and \$74,999, and less than four percent earn more than \$75,000 per year. Overall, as income brackets increase, the number of CCRTA riders decreases. It is impossible to determine the median household income of survey respondents because the data does not reveal the number of people in the household. However, if it is assumed that riders live alone, then approximately 60% of them live at the poverty level or below. Based on this assumption, the survey sample indicates that CCRTA bus riders have a lower median household income than the general population of Corpus Christi.

Exhibit 6: Household Income



The comparison of household income by minority and non-minority groups indicates that a slightly higher number of minority (53%) than non-minority respondents (49%) earn less than \$15,000 per year. The groups are relatively similar in the higher income categories of \$35,000 or more, but there is variation in the lower household income categories, as illustrated in Exhibit 7.

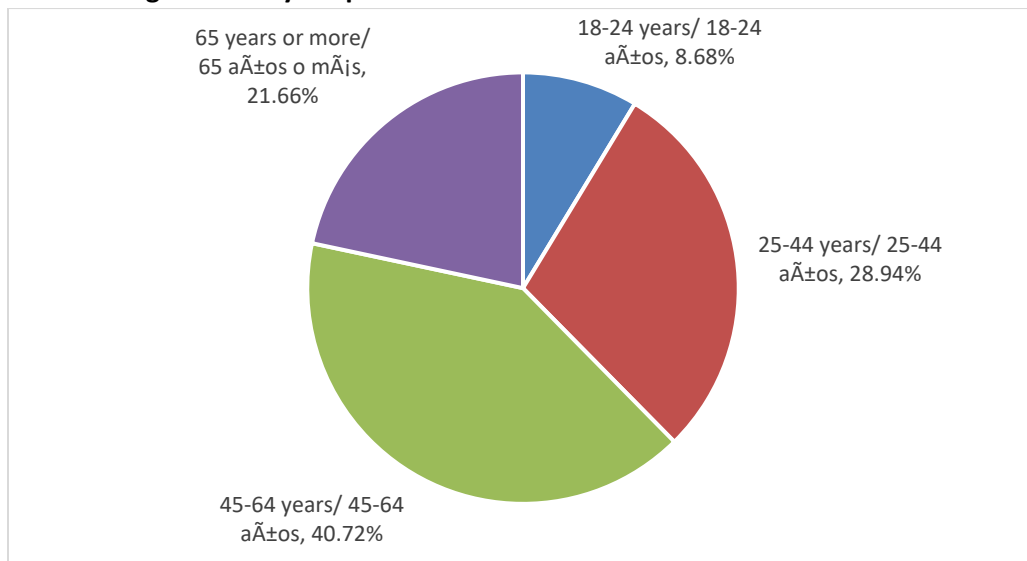
Exhibit 7: Household Income by Minority and Non-Minority Group



Age

All adult age groups were represented in the survey results. Exhibit 8 illustrates the distribution of responses by age group and confirms that the majority of respondents are of traditional working age. The largest age group representation (40.72%) was between 45 and 64 years of age. The second largest group of respondents (28.94%) were between ages 25 and 44. Another 21.66 percent were age 65 or older, and 8.68 percent were ages 18 to 24.

Exhibit 8: Age of Survey Respondents



Gender

Approximately 59 percent of respondents were male and 41 percent were female. Another 0.10 percent preferred not to self-describe their gender.

Race/Ethnicity

The majority (63.42%) of respondents indicated they were Hispanic or Latino. Respondents who identify as White made up approximately 21.27 percent of respondents, 12.43 percent were African American and 1.49 percent were Asian or Asian American. Another 1.39 percent of respondents indicated another race.

Exhibit 9: Race/Ethnicity of Survey Respondents

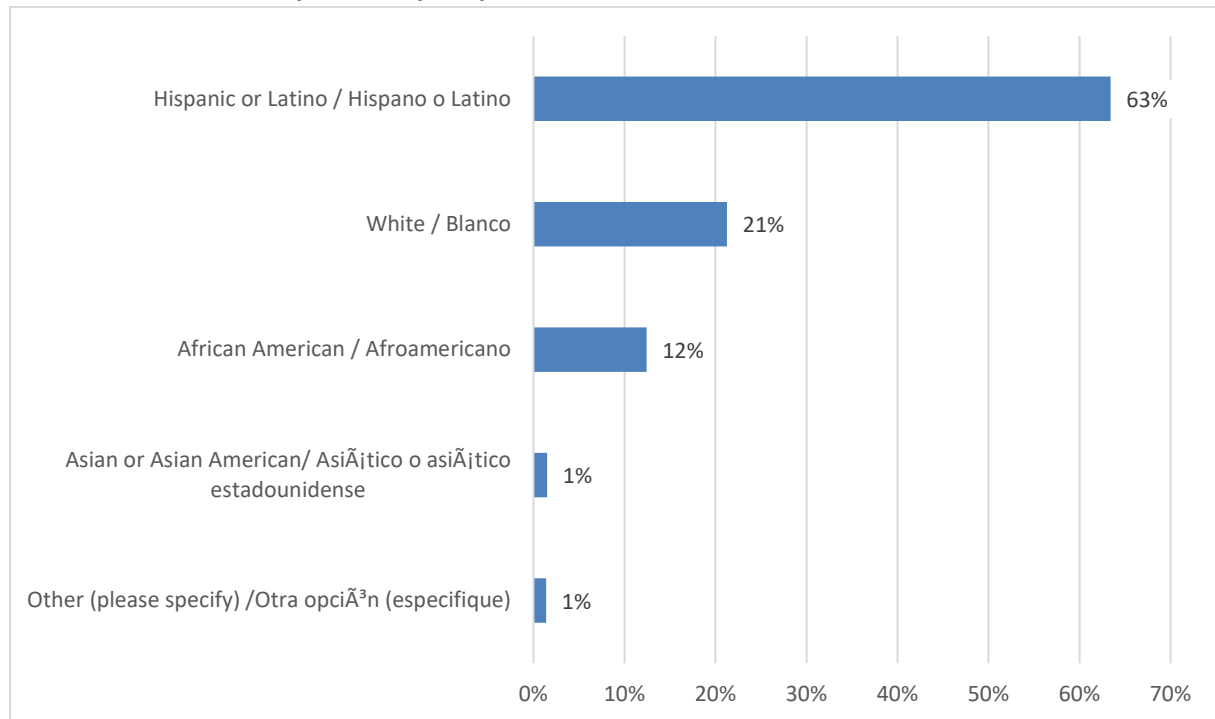
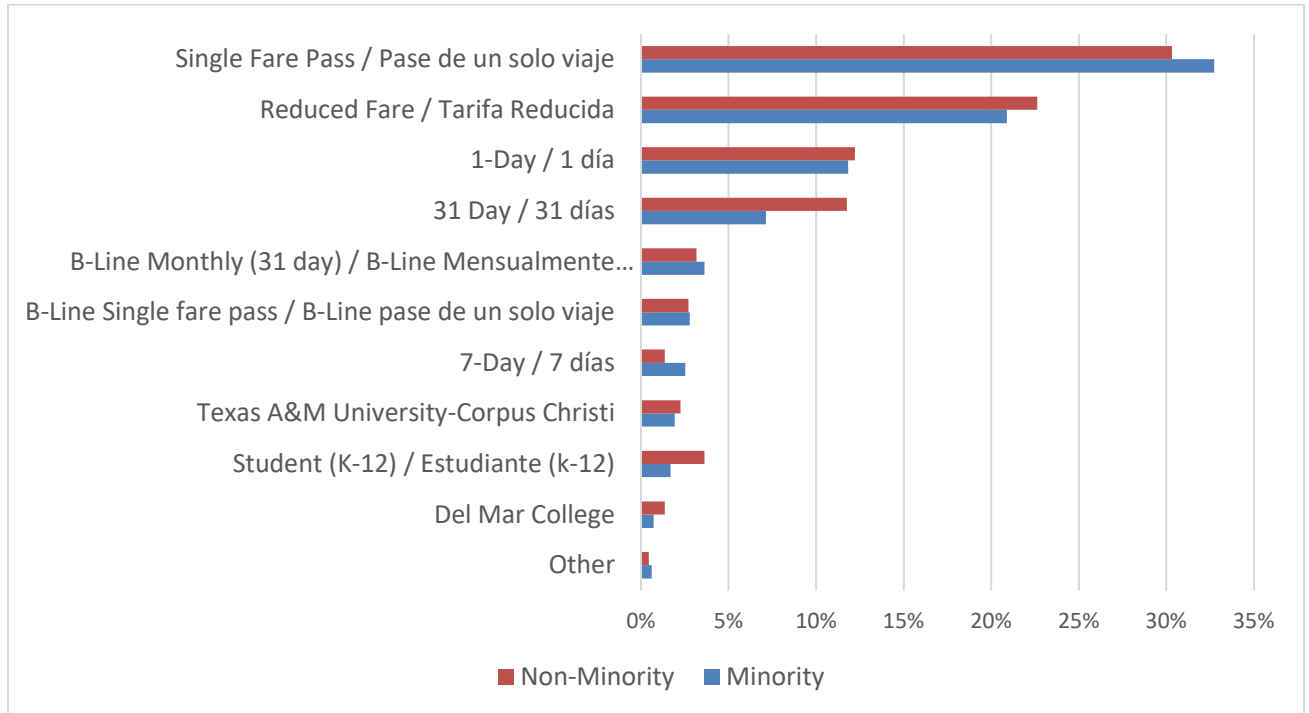


Exhibit 10 illustrates the comparison of fare type most often used by minority and non-minority respondents, according to survey results. The Single Fare was the most commonly used fare for minorities and non-minorities. Thirty-three percent of minorities compared to 30 percent of non-minorities used the Single Fare Pass. Similarly, 21 percent of minorities and 23 percent of non-minorities used the Reduced Single Fare.

Approximately 12 percent of each group (minority and non-minority) used the One-Day Pass. Slightly more non-minority respondents used the 31-Day Pass. Also, slightly more minorities use the Seven-Day Pass (3%) compared to non-minorities (1%). All other passes were similar in use by respondent group.

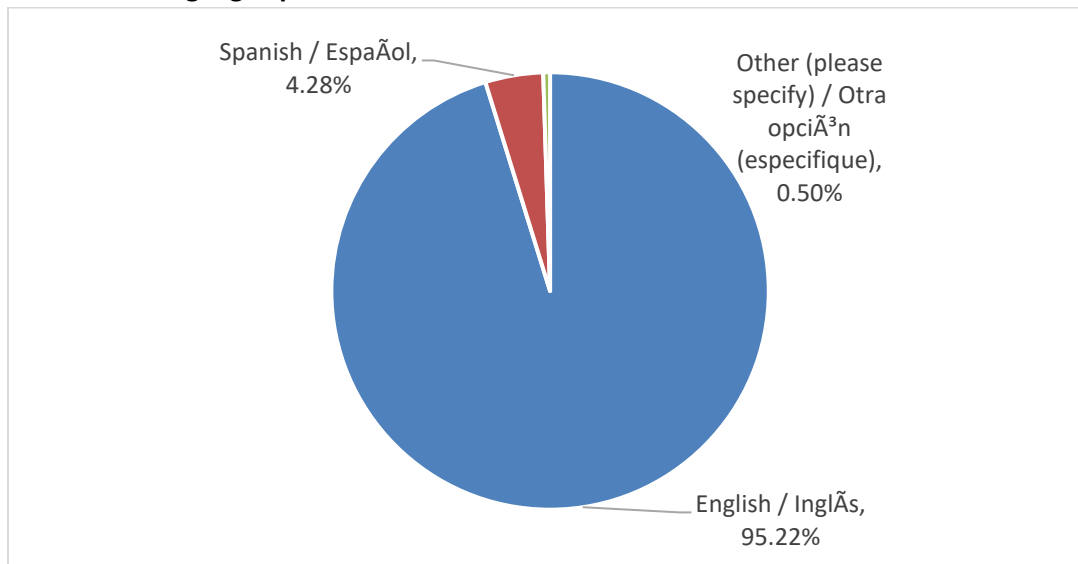
Exhibit 10: Fare Type by Minority and Non-Minority Groups



Language

Nearly all survey respondents (95.22%) primarily speak English at home. The remaining respondents primarily speak Spanish (4.28%) or another language (0.50%) at home. Results are illustrated in Exhibit 9.

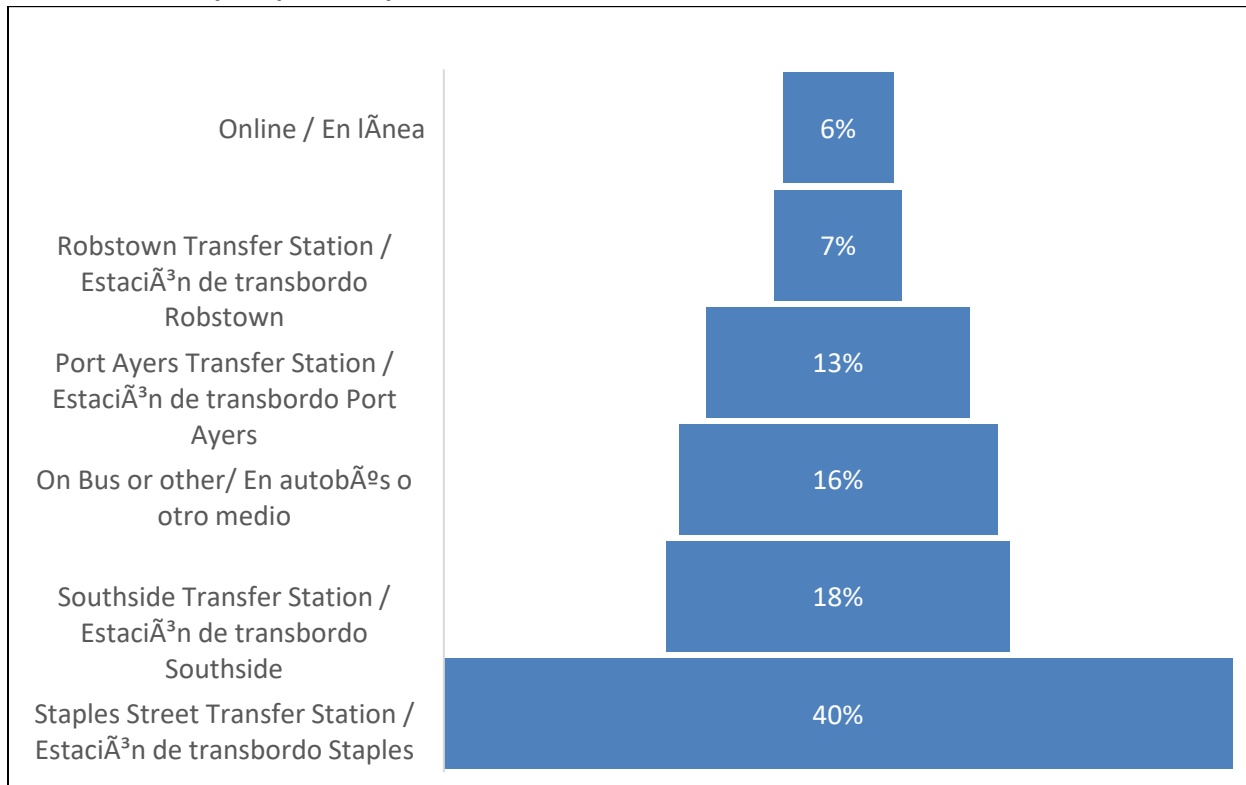
Exhibit 11: Language Spoken at Home



SURVEY RESPONSES BY COLLECTION LOCATION

Surveys were collected online, on the bus, or at one of four CCRTA Transfer Stations. Exhibit 12 illustrates the number of responses collected at each location. Most surveys (40%) were collected at the Staples Street Transfer Station. Less than six percent were collected online.

Exhibit 12: Survey Responses by Location

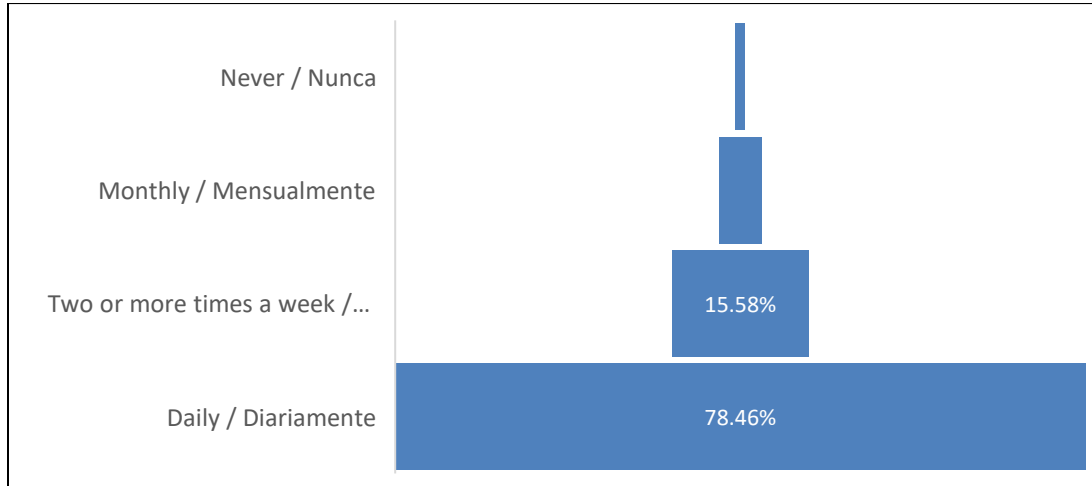


RIDERSHIP PATTERNS

Frequency of Riding CCRTA

Most of the survey respondents are frequent riders. In fact, more than 78 percent indicated that they ride CCRTA on a daily basis. Another 16 percent ride two or more times per week, and nearly five percent ride once a month. Only about one percent of respondents (approximately 10 people) said that they never ride. High frequency ridership of the survey respondents indicates that the impact of the fare change will have a significant impact on the sample of riders. Because the survey is a representative sample of all riders, the high frequency of ridership in the sample also indicates that most riders use CCRTA daily.

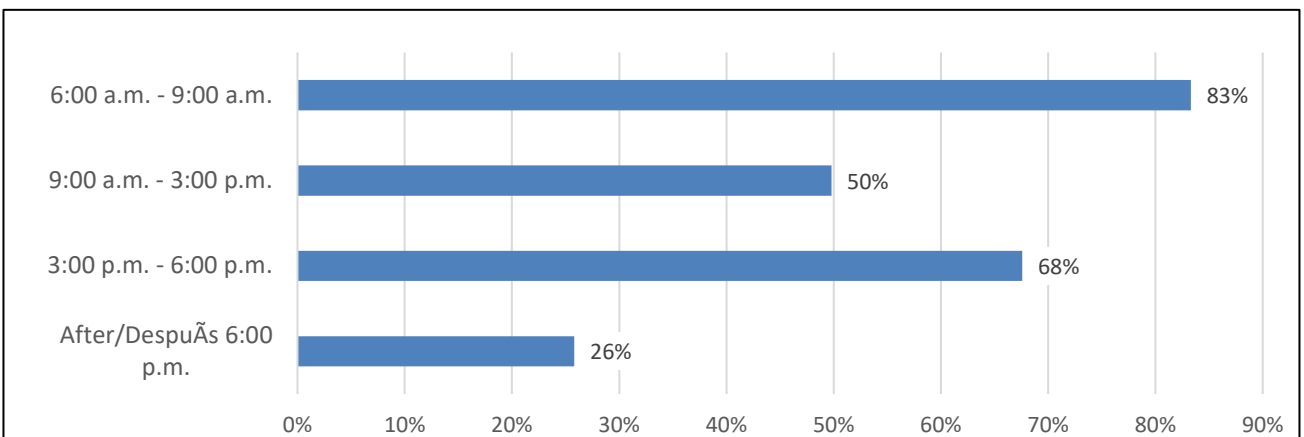
Exhibit 13: Frequency of Riding CCRTA



Time of Day

Most survey respondents regularly travel during peak CCRTA hours of operation: between 6:00 a.m. and 9:00 a.m. and 3:00 p.m. to 6:00 p.m. Nearly half of the riders also indicated that they ride during off-peak hours between 9:00 a.m. and 3:00 p.m. or after 6:00 p.m. (25 percent). Therefore, the impact of changes in peak and off-peak fares are represented by the survey.

Exhibit 14: Time of Day



Transfers

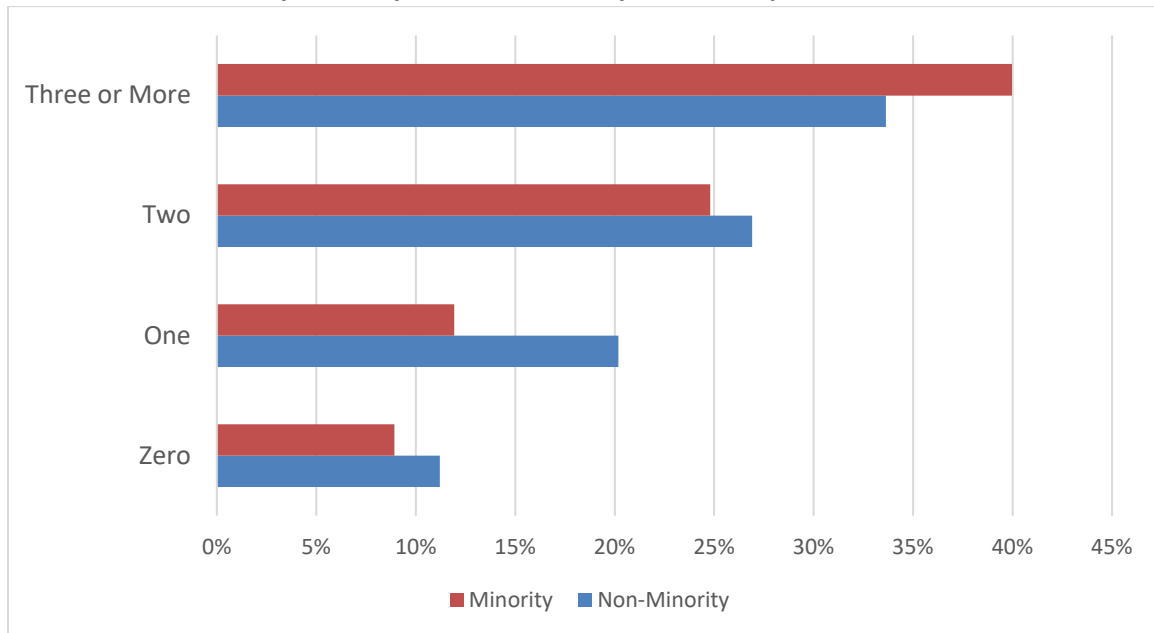
Survey results indicate that 90 percent of riders transfer at least one time per day. A transfer occurs when more than one vehicle/route is needed to complete a one-way trip.

- ◆ Nearly half of the survey respondents make three or more transfers (four or more buses) per day on CCRTA
- ◆ 30 percent of the respondents make two transfers (three buses) per day
- ◆ 16 percent of riders make one transfer per day
- ◆ 10 percent complete their trips without a transfer.

Under the existing CCRTA fare structure, a single fare is valid for two hours and includes transfers. Transfers are free under the existing fare structure.

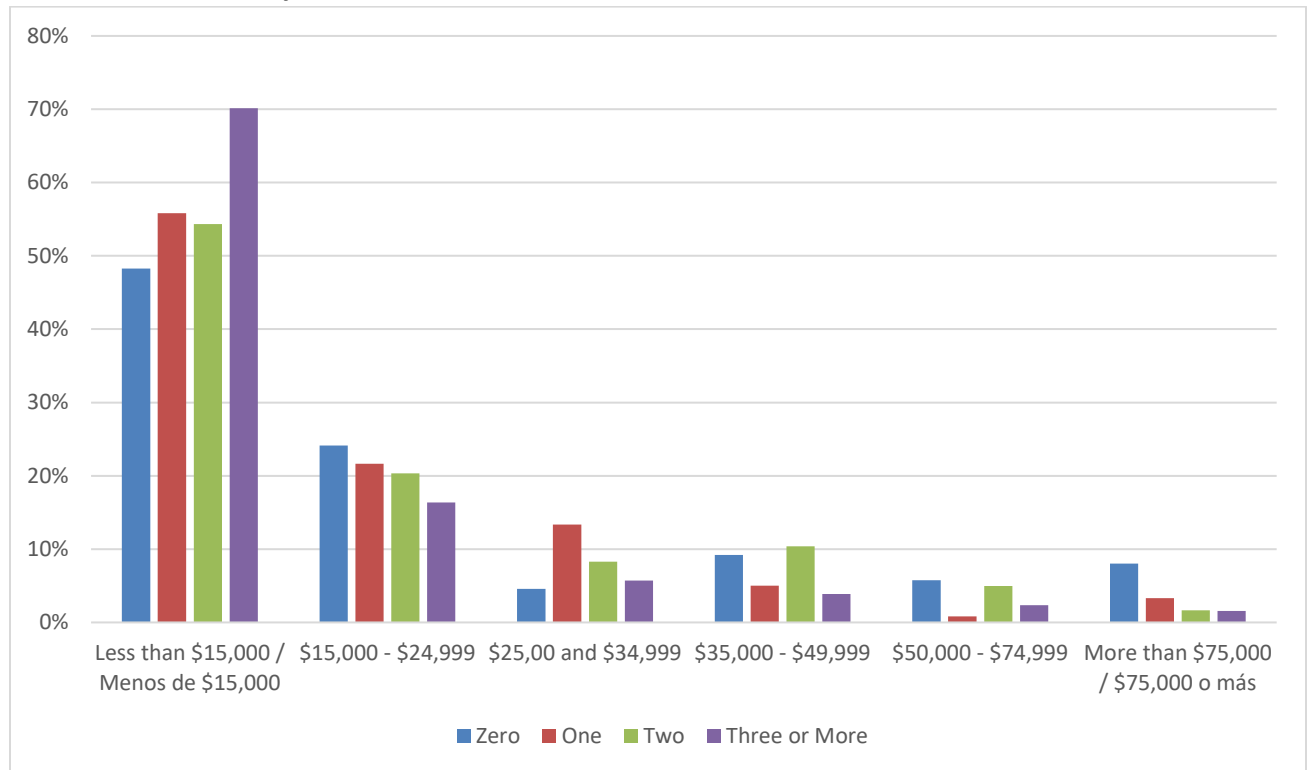
The number of transfers per day does not vary widely by minority and non-minority groups. However, slightly more minority respondents (40%) than non-minority (34%) transfer three or more times per day. Likewise, slightly less minority respondents (9%) than non-minority (11%) transfer zero times per day. The results indicate that minority riders are more likely to need to take multiple buses to complete a one-way trip than non-minority riders. Of those who do transfer, non-minority riders are more likely to complete a trip with fewer transfers than minority rider groups.

Exhibit 15: Transfers by Minority and Non-Minority Rider Group



Survey data indicate that 70 percent of respondents who earn a household income of less than \$15,000 transfer three or more times per day, compared to 48 percent of households that earn less than \$15,000 who do not need to transfer. Households earning \$25,000 or less transfer more often than higher-income households.

Exhibit 16: Transfers by Household Income

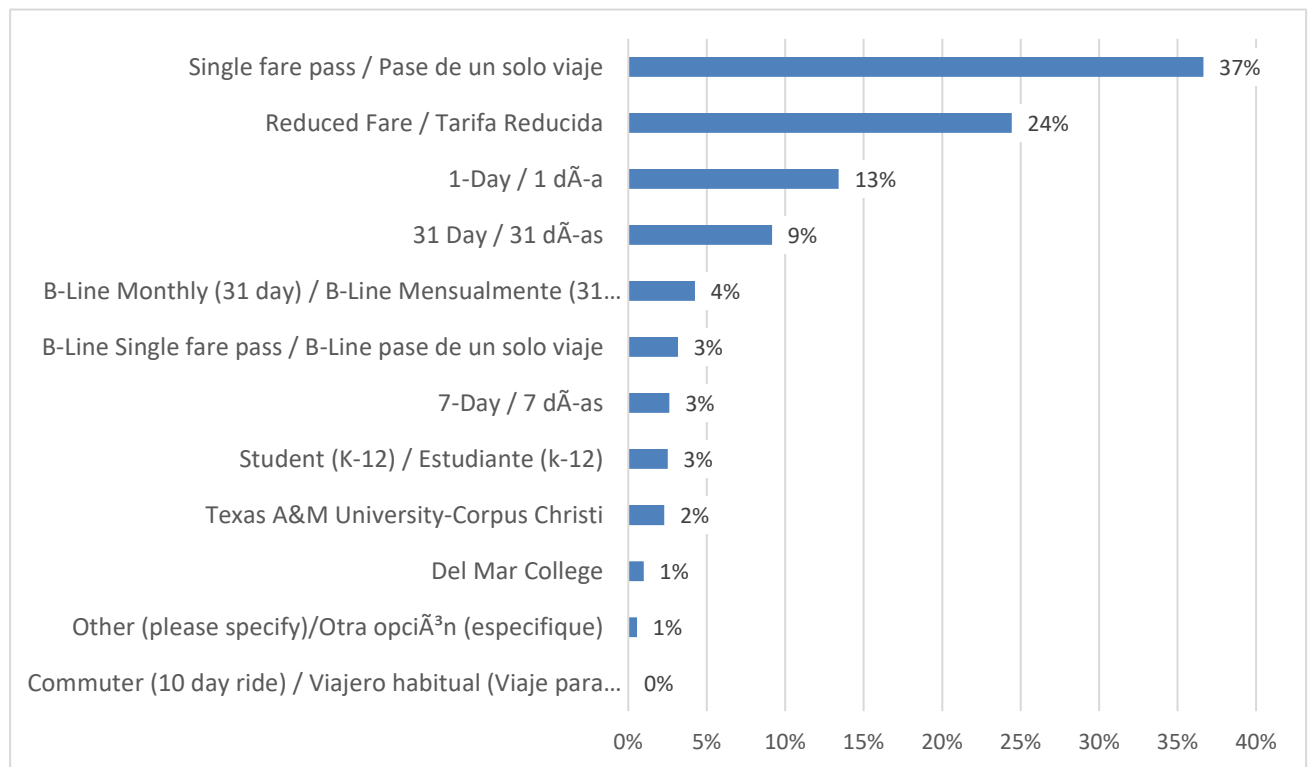


Fare Type

Survey respondents were asked to list the type of fare passes that they most often use.

- ◆ The single fare and reduced price single fare passes are the most common among the survey sample, making up 61 percent of all responses
- ◆ The 1-Day Pass, 31-Day Pass, and B-Line Monthly Pass were the next most popular pass options among respondents
- ◆ All other pass options were used by three percent or less of the respondents

Exhibit 17: Most Often Used Fare Type



Purpose for Using CCRTA

Passengers were asked to indicate the reason for riding CCRTA in terms of the purpose of their trip. Work was the most common trip purpose, closely followed by trips to buy groceries and attend health care appointments. School and “other” were the least common trip purposes. The “other” category included entertainment, shopping, errands and similar purposes.

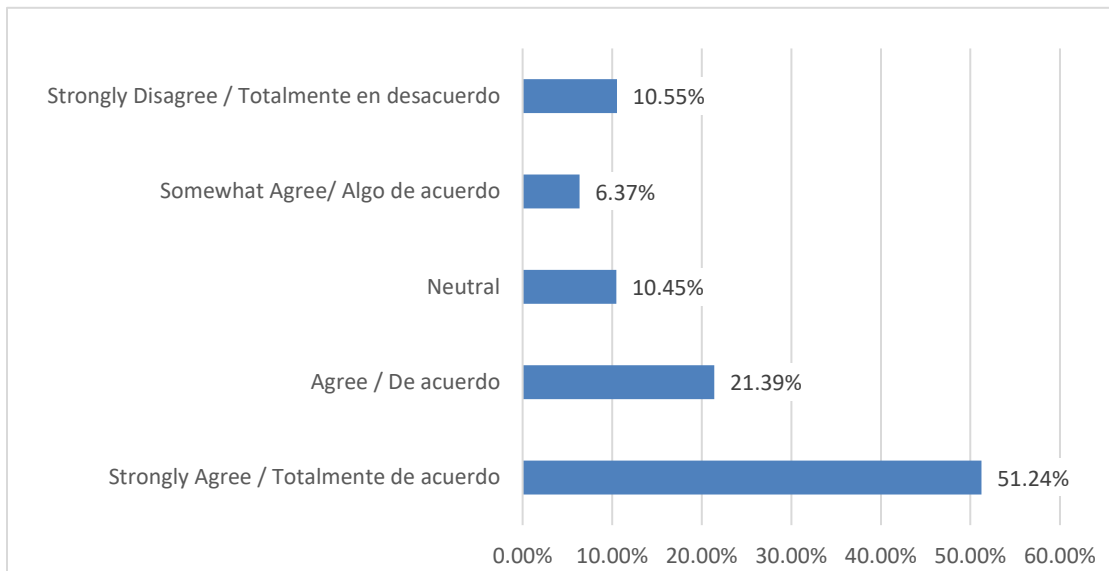
PERCEIVED IMPACT OF FARE CHANGES

Respondents were asked a series of questions about how they perceive CCRTA is or would use revenue from passenger fares.

Recent Improvements

With regard to service improvements, CCRTA asked respondents if they noticed improvements to CCRTA, such as the new Port Ayers Transfer Station, more bus shelters, new buses, and more visible security. More than 70 percent of respondents agree or strongly agree that they have seen improvements. Others remained neutral or disagreed that improvements were made.

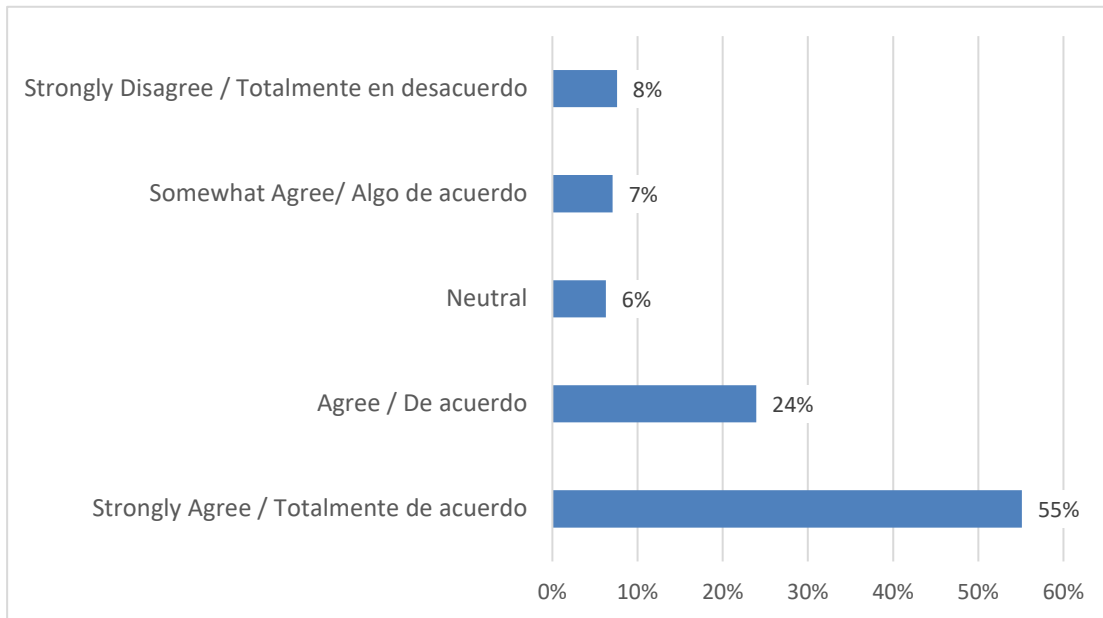
Exhibit 18: Perceived Recent Improvements



Trust Fare Adjustment will Improve Rider Experience

Approximately 78 percent of respondents trust that CCRTA will use additional revenue from the fare adjustment to improve the rider experience. The remaining respondents are neutral, somewhat agree, or disagree.

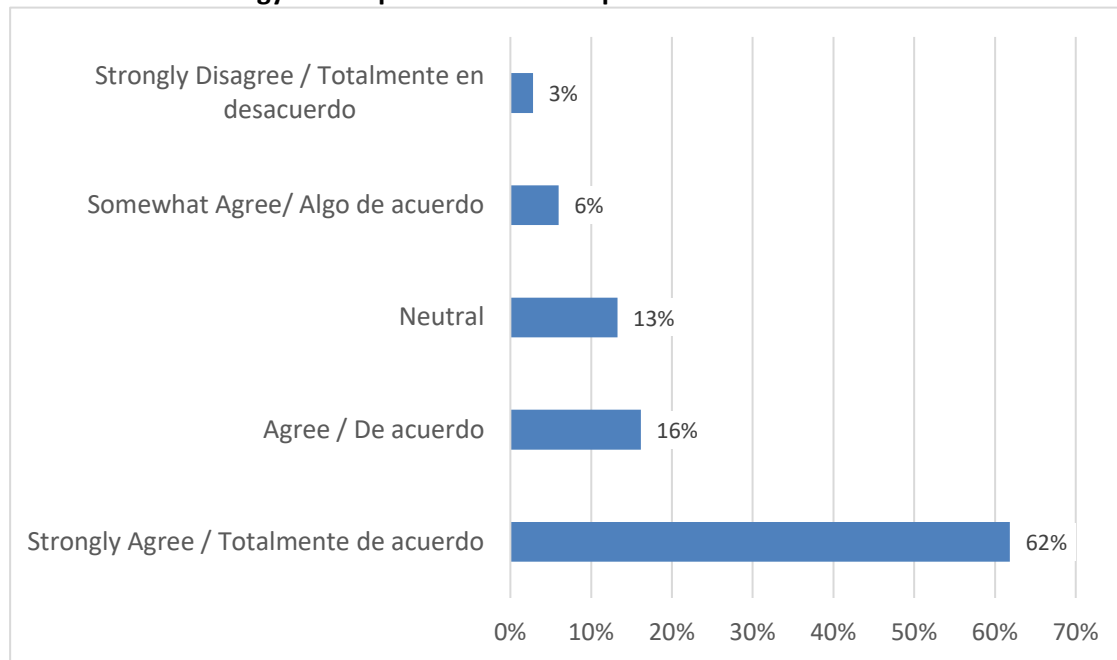
Exhibit 19: Trust CCRTA to Improve Rider Experience



Technology

Approximately 62 percent of respondents strongly agree and 16 percent agree that having modern technology, such as mobile apps and real-time tracking, is essential to providing a better experience for CCRTA riders. Approximately 13 percent of respondents were neutral on the issue and the remaining respondents somewhat agree or disagree.

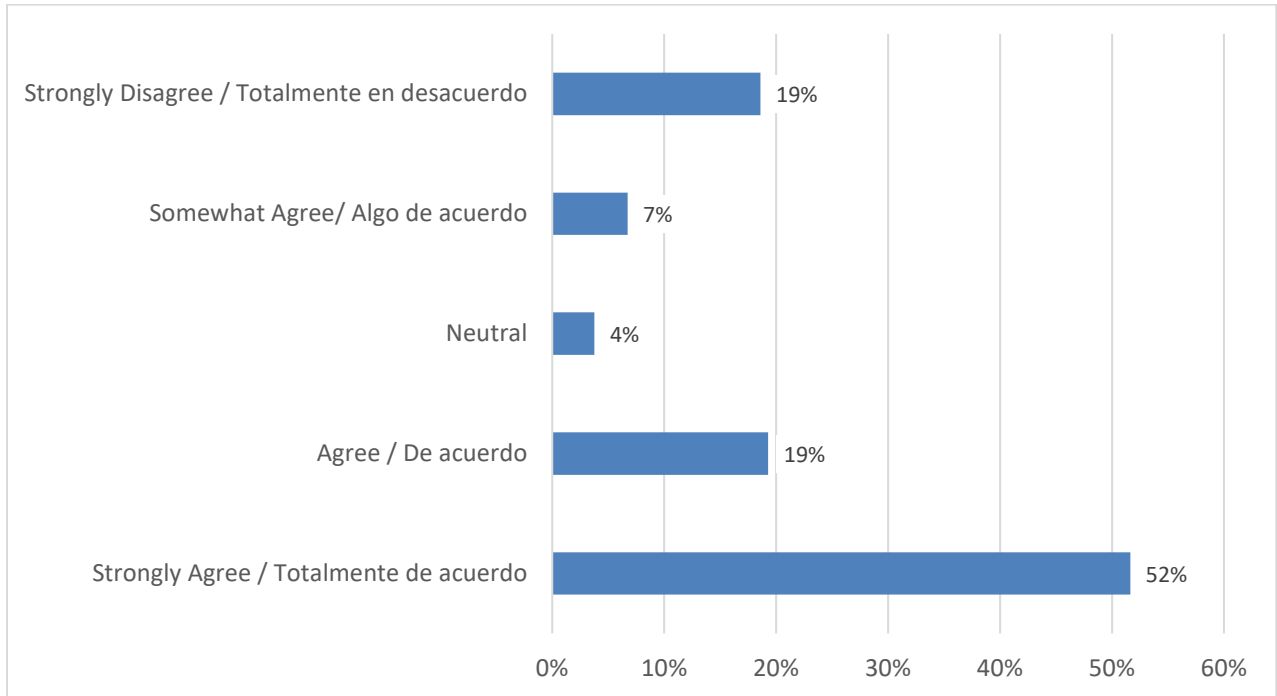
Exhibit 20: Technology Will Improve the Rider Experience



Reasonableness of Fare Increase

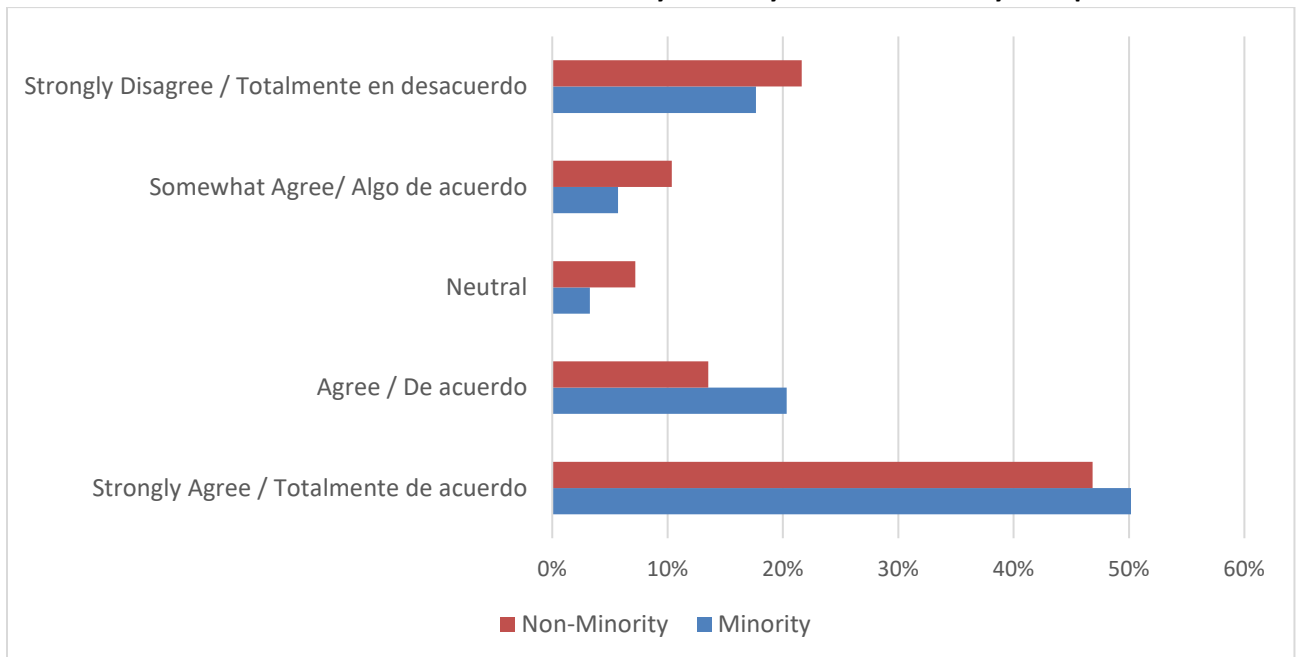
Approximately 70 percent of survey respondents indicated that they strongly agree or agree that a \$0.25 increase for base fare is reasonable to help CCRTA continue providing reliable and safe service. About 10 percent of respondents were neutral or only somewhat agree. Approximately 19 percent of respondents strongly disagree with the reasonableness of the fare increase.

Exhibit 21: Reasonableness of a \$0.25 Fare Increase



Analysis by minority and non-minority group reveals little variation in agreement with the base fare increase of \$0.25. Approximately half of the respondents in each group strongly agree.

Exhibit 22: Reasonableness of a \$0.25 Fare Increase by Minority and Non-Minority Groups



FARE CHANGE RECOMMENDATION

CCRTA conducted this analysis to evaluate proposed fare changes that would be implemented over a period of five years. The proposed fare changes are outlined in the table below. The proposed changes will increase the base fare and reduced-price base fare by \$0.25 in years 1, 3 and 5. The incremental increases will have the most significant impact in Year 1 (a 33% increase) compared to Years 3 and 5 (a 25% and 20% increase, respectively). The proposed Day Pass increase in Year 1 equates to a 14% increase, compared to a 25% and 20% increase in Years 3 and 5. Similarly, the 31-Day Pass increases by a larger percentage in Years 3 and 5 and is less impactful in Year 1.

The Reduced Base Fare will increase from \$0.25 to \$0.50 in Year 1, remain unchanged in Year 3 and increase to \$0.75 in Year 5. The Reduced 31-Day Pass will increase from \$11.00 to \$17.50 in Year 1, remain unchanged in Year 3 and increase again in Year 5. CCRTA will also introduce two new Reduced Fare Passes in Year 1: The Reduced Day Pass and 7-Day Pass.

B-Line Regular Fare will increase by \$0.25 in Year 1, by \$0.50 in Years 3 and 5. B-Line 31-Day Pass will increase by \$10.00 in Year 1 and \$15.00 in Years 3 and 5.

	Current	Year 1	Year 3	Year 5
	Fare	Fare	Fare	Fare
Regular Fixed-Route				
Base Fare	\$0.75	\$1.00	\$1.25	\$1.50
Day Pass	\$1.75	\$2.00	\$2.50	\$3.00
7-Day Pass	\$7.50	\$10.00	\$12.50	\$15.00
31-Day Pass	\$30.00	\$35.00	\$43.75	\$52.50
Reduced Fixed-Route				
Reduced Base Fare	\$0.25	\$0.50	\$0.50	\$0.75
Reduced Day Pass	-	\$1.00	\$1.00	\$1.50
Reduced 7-Day Pass	-	\$5.00	\$5.00	\$7.50
Reduced 31-Day Pass	\$11.00	\$17.50	\$17.50	\$26.25
B-Line				
B-Line Regular Fare (trips within ADA service area)	\$1.25	\$1.75	\$2.25	\$2.75
B-Line Regular Fare + \$2.00 Surcharge (trips outside ADA service area)	\$3.25	\$3.75	\$4.25	\$4.75
B-Line Regular 31 - Day Pass	\$50.00	\$60.00	\$75.00	\$90.00
Express				
Premium Express Fare	\$1.25	\$1.75	\$2.25	\$2.75
Premium Reduced Express Fare	\$0.25			
#94 Port Aransas Shuttle	\$0.25			

11-Trip Commuter Pass (valid on all services)

\$12.50

Additionally, passengers using the Tap Card will pay a fee of \$3.00 for the card.

The proposed fare changes will result in a mix of increases to the base fare and decreases in the multipliers for passes. The following table illustrates the percent increase in fares at each interval.

	Current	Year 1	Year 3	Year 5
	Fare	% Increase	% Increase	% Increase
Regular Fixed-Route				
Base Fare	\$0.75	33.33%	25.00%	20.00%
Day Pass	\$1.75	14.29%	25.00%	20.00%
7-Day Pass	\$7.50	33.33%	25.00%	20.00%
31-Day Pass	\$30.00	16.67%	25.00%	20.00%
Reduced Fixed-Route				
Reduced Base Fare	\$0.25	100.00%	0.00%	50.00%
Reduced Day Pass	-		0.00%	50.00%
Reduced 7-Day Pass	-		0.00%	50.00%
Reduced 31-Day Pass	\$11.00	59.09%	0.00%	50.00%
B-Line				
B-Line Regular Fare (trips within ADA service area)	\$1.25	40.00%	28.57%	22.22%
B-Line Regular Fare + \$2.00 Surcharge (trips outside ADA service area)	\$3.25	15.38%	13.33%	11.76%
B-Line Regular 31 - Day Pass	\$50.00	20.00%	25.00%	20.00%
Express				
Premium Express Fare	\$1.25	40.00%	28.57%	22.22%
Premium Reduced Express Fare	\$0.25	100.00%		
#94 Port Aransas Shuttle	\$0.25	100.00%		
11-Trip Commuter Pass (valid on all services)	\$12.50	100.00%		

CCRTA is considering a Tap Card fee of \$3.00 for the card. Also, transfers may change from free (currently) to \$0.25 in Year 1 and increase by another \$0.25 in Years 3 and 5.

FINDINGS

If the proposed changes are implemented, CCRTA riders will see an overall increase in Base Fare and Pass prices. According to survey results, the Base Fare and Reduced Fares are the most commonly used fare media. CCRTA proposes to increase the Base Fare by 33 percent and the Reduced Base Fare by 100 percent in Year 1, and smaller percentages in Years 3 and 5.

According to survey results, the difference in frequency of use of Base Fares between minority and non-minority rider groups was two to three percent. That is, 33 percent of minority riders use the Base Fare compared to 30 percent of non-minority riders. Conversely, 23 percent of non-minority riders use the Reduced Base Fare compared to 21 percent of minority riders. Therefore, the increase in Base Fare and Reduced Fare impacts each group and there is no disparity. Additionally, the increase in price for the 31-Day Pass is more likely to impact non-minority riders than minority riders.

Mitigating Factors

While there is no finding of disparity or disproportionate impact with the proposed changes mentioned above, CCRTA is already considering mitigating factors to reduce the impact on all passengers. It is recommended that those factors are implemented, if possible. Proposed mitigating factors include the following:

- ◆ The system is implementing a half-price Reduced Day Pass and Reduced 7-Day Pass in Year 1, which will mitigate the impact of the increased fare price for everyone who is eligible for the reduced fares.
- ◆ Increase the Base Fare and Reduced Base Fare by \$0.50 (from \$0.75 to \$1.00) in Year 1 and \$1.25 in Year 4 (2029).
- ◆ CCRTA is also considering implementing a fare capping program on a monthly and possibly a weekly basis for all GoPass users. Fare capping will help offset the impact of increased base fares for all riders and encourage them to ride often, even if the purchase price of weekly or monthly pass is not feasible for their budgets. With the fare capping option, riders may choose to purchase the base fares, but once they have spent \$35 (or 35 one-way trips) within 31 days, they will not pay for additional rides taken that month. Fare capping is a beneficial alternative for passengers with limited incomes, and it also encourages frequent ridership.

Farebox Recovery Ratio Goal

It is recommended that CCRTA measure its farebox recovery ratio on a semi-annual basis after implementing fare increases to determine if the fare structure changes have improved its progress toward a farebox recovery ratio goal. If no goal has been set, it is strongly recommended that CCRTA consider establishing a goal so that it may better measure progress. At the conclusion of Year 4, CCRTA should determine if it has achieved the farebox recovery ratio goal. If so, CCRTA may determine that the proposed fare increase for Year 5 is not necessary.

Transfer Fees

The current CCRTA policy for disparate impact indicates that a *“disparate impact exists when fares which have been identified as more utilized by minorities or persons with incomes below the poverty level will be raised faster than the base rate. Similarly, if a fare is less utilized and will see changes more favorable than the base rate, a disparate impact exists.”* The proposed fare changes to Regular, Reduced, B-Line and Express Fares do not represent a disparate impact according to this section of the CCRTA policy. Nor does the increase represent a disparate impact with regard to FTA Circular 4702.1B.

However, if CCRTA is considering charging a fare for transfers, survey results indicate that most people need to transfer one or more times per day. Minorities are more likely than non-minorities to need to transfer three or more times. If a fee for transfers is implemented, it would have a disproportionate burden on minority riders.

Similarly, passengers from households earning less than \$15,000 per year transfer more often than passengers with higher-earning households. Therefore, a transfer fee will have a disproportionate burden on the households with the lowest incomes.

Mitigating Factors

If CCRTA intends to implement a fee for transfers, an alternative to mitigate the impact on the households with the lowest income and riders who are minorities must be considered. The recommended alternative to implementing a transfer fee is a “Free 2-Hour Transfer” for riders who purchase their fare through the GoPass app.

The option to implement a Free 2-Hour Transfer for GoPass users is an effective mitigation option for all passengers, if a \$0.25 Transfer Fee is added to the fare structure. Passengers may purchase bus passes by downloading the GoPass Mobile App to their device. Passes are securely stored through the app. Passengers who are unbanked have the option to load funds on the app using cash at participating retailers, including Stripes, Walmart, Family Dollar, CVS, Dollar General, and Target. The GoPass app includes a function to find participating, nearby stores.

As a mitigating strategy to the impact of a \$0.25 Transfer Fee, CCRTA proposes to offer all passengers the opportunity to use cash to add funds to the GoPass app at retailers that are located throughout the community, or add funds to the app through their bank. The offer of a free transfer within a two-hour window for GoPass users is available to all riders, and it is reasonable to expect that a one-way trip will be completed within two hours.