

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	03/13/17	Open	Action	03/03/17

Subject: Amendment to RT's Student Discount Fare Policy

ISSUE

Whether to amend the fare structure to redefine who is eligible to purchase a "Student ID" and extend the student discount to those continuing to pursue a traditional high school diploma beyond the age of 18.

RECOMMENDED ACTION

Adopt Resolution No. 17-03-____, Amending Resolution No. 09-10-0174, Entitled "Amending and Restating Fare Structure for Fixed Route Service," to Modify the Definition of School ID Card, RT Student ID Card, and Student.

FISCAL IMPACT:

Table 1

	Current Fare Structure	Proposed Fare Structure
Est. # of Impacted Riders	25	70
Monthly Pass Price Rate*	\$ 110.00	\$ 38.33
Est. Annual Revenue from Monthly Passes	33,000	32,197
Est. Annual Single Ride/Daily Pass Revenue**	49,500	48,296
Total Estimated Revenue	\$ 82,500	\$ 80,493
Estimated Annual Revenue Impact		<u>\$ (2,007)</u>

*Students who qualify for Free and Reduced meal programs receive an additional discount on RT's semi-monthly pass. A blended monthly pass rate was used to analyze the fiscal impact for the fare structure change that assumes 67% of riders will use this discount.

**A recent staff analysis showed that approximately 40% of total student revenues under the current fare structure come from the sales of monthly passes. Staff assumed that the proposed amendment would not impact this ratio.

DISCUSSION

RT's current discount fare policy allows students ages 5-18 to receive a 50% to 75% discount on a monthly pass or semi-monthly pass and a 50% discount on daily passes and single fares. At a minimum, all students receive a 50% discount. Students that are eligible for the federal free and reduced price meal program are able to receive the 75% discount. In addition, as a result of feedback from the students and parents, RT offers both monthly and semi-monthly student passes. By having two semi-monthly passes, it allows parents to spend less upfront or just purchase a pass for the first or second half of the month. Students must have an RT-issued Student ID to receive a monthly pass discount. Students are eligible for discounts for

Approved:

Presented:

Final 03/08/17

General Manager/CEO

Acting Chief Financial Officer

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other fare media upon presentation of either an RT-issued Student ID card or a School ID card or for those under age 13, by affirmation of age. Under the fare structure (Resolution No. 09-10-0174, as amended):

“A person may purchase an RT Student ID Card upon providing RT with both of the following:

Evidence satisfactory to RT that the person has not reached his or her 19th birthday based upon written documentation acceptable to RT, including, without limitation, a birth certificate, DMV Driver's License, or DMV Identification Card; or by having an accompanying parent or guardian affirm that the person has not reached his or her 19th birthday; and

Evidence satisfactory to RT that the person is attending or enrolled to attend a School, or is required to obtain a high school diploma or equivalent as a condition of probation ordered by a court or as a condition of parole by a parole board, based upon written documentation acceptable to RT including, without limitation, (a) a valid School ID Card or enrollment form; or (b) by an accompanying parent or guardian affirming that the person is currently enrolled in School.”

The proposed change would simplify the fare structure and allow for students over the age of 18 who are continuing to pursue their traditional high school diploma to qualify for student fares. The proposed amendment would modify the existing RT Board-adopted Fare Structure as it relates to students who may purchase an RT Student ID Card to read:

“School ID Card and RT Student ID Card is an identification card issued to a Student by a School or RT, respectively, that includes the name and photograph of the Student to whom the card is issued and an Expiration Date. A person may purchase an RT Student ID Card upon providing RT with the following:

(1) For five and six year olds, by affirmation of age by an accompanying parent or guardian.

(2) For all others, evidence satisfactory to RT that the person is attending or enrolled to attend a School pursuing their high school diploma, or is required to obtain a high school diploma or equivalent as a condition of probation ordered by a court or as a condition of parole by a parole board, based upon written documentation acceptable to RT including, without limitation, (a) a valid School ID Card or enrollment form; or (b) by an accompanying parent or guardian affirming that the person is currently enrolled in School.”

“Student means a person who is either: (a) five or six years old, as affirmed by a parent; (b) attending or enrolled to attend a School; or (c) required to obtain a high school diploma as a condition of probation ordered by a court or as a condition of parole by a parole board.”

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From a fiscal impact prospective, staff estimates that the proposed change would have a minor fare impact. Based on a survey of school districts within RT's jurisdiction, staff found that at most, 1,000 new students will qualify for a student fare assuming the recommended change to the fare structure is approved. RT data shows approximately 7% of students in RT's jurisdiction use the student discounts. Based on this, Staff projects that 70 students may use the student discount. Regional data received from the Sacramento Area Council of Governments (SACOG) suggest that approximately 2.5% people in RT's jurisdiction use public transportation. This means that of the 70 students impacted by the fare structure amendment, it is likely that approximately 25 of those students currently use RT and are subject to paying full fare if not eligible for another form of discount.

Staff released a Title VI analysis to the public on January 25, 2017 that sought public feedback on the issue discussed above, among other items. The results of the Title VI analysis as it pertains to this issue will be presented to the Board on March 13, 2017. Staff found there to be no disparate impacts to minority groups or disproportionate burdens on low income population in regards to the proposed fare structure change above.

Therefore, staff recommends that the Board amend Resolution No. 09-10-0174, and allow for expansion of the individuals authorized to purchase a Student ID card and receive a student discount to include individuals of all ages pursuing a traditional high school diploma.

RESOLUTION NO. 17-03_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

March 13, 2017

AMENDING RESOLUTION NO. 09-10-0174, ENTITLED “AMENDING AND RESTATING FARE STRUCTURE FOR FIXED ROUTE SERVICE” TO MODIFY THE DEFINITION OF SCHOOL ID CARD, RT STUDENT ID CARD, AND STUDENT

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the definitions of “School ID Card and Student ID Card” and “Student” in Resolution 09-10-0174 are amended to read in their entirety as follows:

“School ID Card and RT Student ID Card is an identification card issued to a Student by a School or RT, respectively, that includes the name and photograph of the Student to whom the card is issued and an Expiration Date. A person may purchase an RT Student ID Card upon providing RT with the following:

- (1) For five and six year olds, by affirmation of age by an accompanying parent or guardian.
- (2) For all others, evidence satisfactory to RT that the person is attending or enrolled to attend a School pursuing their high school diploma, or is required to obtain a high school diploma or equivalent as a condition of probation ordered by a court or as a condition of parole by a parole board, based upon written documentation acceptable to RT including, without limitation, (a) a valid School ID Card or enrollment form; or (b) by an accompanying parent or guardian affirming that the person is currently enrolled in School.”

“Student means a person who is either: (a) five or six years old, as affirmed by a parent; (b) attending or enrolled to attend a School; or (c) required to obtain a high school diploma as a condition of probation ordered by a court or as a condition of parole by a parole board.”

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary