



To: Scott Avedisian, Chief Executive Officer
Normand Benoit, Chairman

Cc: Chris Durand, Chief Financial Officer

From: Greg Nordin, Chief of Strategic Advancement

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RIPTA currently operates a program for low-income individuals that are senior or have a disability to access free bus fares for two years. This program, known colloquially as the “free bus pass program” generously exceeds the federal requirement of half-fare. This program has no restrictions on time, and allows for free transit access for participants upon enrollment and a one-time \$10 application fee. This program is completely administered by RIPTA, including the setting of enrollment criteria, the review of applications, and the issuance and maintenance of bus passes for individuals enrolled in the program.

While this program provides significant benefit to patrons who utilize it, this program has significant room for improvement in its management and availability. Specifically, the “free bus pass program” has three fundamental issues.

1. RIPTA’s “Free Bus Pass Program” leaves significant gap for low-income individuals.

Under the current structure of RIPTA’s “Free Bus Pass Program,” applicants must dually qualify to receive the benefit. Applicants must have an income less than 200% of the poverty threshold, and then users must also have a verifiable disability or be older than age 65. Applicants that meet the criteria for age or disability, but not for income can still receive a half-fare bus pass that allows them to board in off-peak times for \$1.00 (per the federal requirement). Applicants that meet the income threshold, but neither the age nor the disability threshold, receive no benefit under any current program.

This gap in the program means there are an unknown number of low-income individuals that have an income below 200% of the poverty threshold that are unable to receive subsidized transportation.

2. RIPTA’s “Free Bus Pass Program” is underfunded.

Currently, RIPTA’s “Free Bus Pass Program” is funded with \$5.9M from the State (\$3.4M in vehicle registration fees and \$2.5M in gas tax revenue). These two sources are not tied to enrollment and participation in the program, and therefore, as ridership in the program continues to grow, RIPTA’s reimbursement for this service is stagnant. This funding stream prevents RIPTA from investing further in the service on which these riders rely, in spite of the fact that RIPTA often experiences overcrowding on its services.

3. RIPTA’s “Free Bus Pass Program” is administered by an agency whose core competency is delivering transportation, not vetting individuals for benefits.

While RIPTA is dedicated to ensuring all Rhode Islanders have access to safe, convenient, affordable transportation, operating a program that determines which Rhode Islanders deserve benefits and which do not is beyond the scope of RIPTA's mission. In the current arrangement, RIPTA is responsible for not only setting the thresholds for the "Free Bus Pass Program," but RIPTA is also responsible for determining the documentation that passengers must supply to verify they meet the threshold. What this means is that passengers that are already qualifying for benefits elsewhere are now forced to requalify into a new program with RIPTA.

Previously, RIPTA worked with social service agencies in enrolling applicants into this program, but this policy was revised in 2016 after RIPTA learned that enrollment was inconsistent across agencies, and that agencies often took a more liberal position on enrolling applicants into the program. Considering the program is both underfunded, and any overages are absorbed by RIPTA's own operating budget, the agency was required to end this practice to ensure consistency in enrollment.

Solutions

To resolve the three identified problem areas of this program, I would propose a multipronged approach:

1. Create a limited-term pilot program to understand the travel needs and impacts of low-income individuals

To understand the travel patterns and impacts on the RIPTA system, RIPTA will create a limited-term pilot program that will provide free bus passes to 100 individuals that meet the poverty threshold but do not meet the disability or age threshold of the current program. These riders will be tracked for a period of 6 months to determine their impact on the system. Key data gathered will include:

- Number of trips taken
- Most frequently used routes
- Systemwide overcrowding

At the end of this pilot period, RIPTA staff will draft a report to RIPTA's Board of Directors with the results of the pilot period.

2. Identify legislative sponsors to introduce legislation that will fund a new bus pass program, including a per-trip rate for all reimbursements

Based on other engagements, RIPTA staff believes that there are legislators that would be willing to sponsor proposed legislation that supports revitalizing this pass program. If the Board of Directors chooses to take action on this topic, RIPTA staff will start engaging legislative support.

3. Through the State of Rhode Island's Human Services Transportation Coordinating Council, engage stakeholders in a discussion about program administration

Identify state agencies and/or social service agencies that are already qualifying individuals for benefits within the state and authorize those agencies to issue bus passes

to individuals in need. This can only be done if the reimbursement for the program is outside of RIPTA's current budget.

4. Replace RIPTA's "Free Bus Pass Program" with three new programs: Low-Income Bus Pass Program, Bus Pass Program for Seniors, Bus Pass Program for Individuals with Disabilities.

These three programs can then be right-sized to ensure that the benefits of each are targeted at the right individuals. For example, if a person is low-income, they may receive a bus pass that is free for a period of time, whereas a senior may receive a half fare bus pass. Passengers can dually-qualify into these programs and utilize the benefit that is most generous. Once these three programs have been created, this model can be expanded for other potential populations that might need discounted transit, including youth and veterans.

Next Steps

To advance this effort, I would propose placing a resolution onto the board agenda as soon as possible to begin the pilot program. With winter approaching, the need for relief will be greatest now, and this will show positive momentum forward with minimal investment required. If the board votes to approve this program, RIPTA staff can have passes available within the start of the next month of service. Additionally, we can immediately reach out to state legislators to get legislation introduced.