



## APPENDIX K

# **MAJOR SERVICE CHANGES, DISPARATE IMPACT AND DISPROPORTIONATE BURDEN POLICIES**



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**DATE:** June 27, 2024  
**TO:** Board of Directors  
**FROM:** Angela Swanson, Senior Transit Analyst  
**RE:** Approve Revised Major Service Change, Disparate Impact, and Disproportionate Burden Policies Required by Title VI

**Agenda Item: [7C]**

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**Background:**

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, and national origin in programs that receive federal funding. As a Federal Transit Administration (FTA) funding recipient, the Stanislaus Regional Transit Authority (StanRTA) is required to comply with Title VI by adopting policies specified in FTA Circular 4702.1B, "Title VI Requirements and Guidelines for Federal Transit Administration Recipients," issued October 1, 2012. Among the policies requiring review and approval are Major Service Change (MSC), Disparate Impact (DI), and Disproportionate Burden (DB). These policies ensure that any changes to transit service or fares, whether an increase or decrease, have no discriminatory effect based on race, ethnicity, national origin, or socio-economic status of affected populations. Those characteristics are referred to as a protected class. These policies, applied in conjunction with a public participation plan, guide the transit operator's evaluative process whenever fare changes and major service changes are proposed, adopted, and implemented.

**Discussion:**

StanRTA's policies were developed and implemented in 2022. They were included as part of the agency's initial Title VI program approved by the Board of Directors on June 22, 2022. They are being revised for consistency with FTA Title VI guidance and Circular 4702.1B requirements.

The updated Major Service Change policy reflects the following changes:

This policy establishes a threshold for when a proposed service increase or decrease is “major.” It is thus subject to an analysis of the potential effects of service changes on protected populations, known as a Title VI Equity Analysis. The analysis uses the thresholds identified in the Disparate Impact and Disproportionate Burden policies to determine whether a proposed service change will negatively impact a protected population. If a determination of harm is made, it is incumbent upon the transit agency to mitigate the proposal or adopt an alternative to eliminate the harm.

The proposed updates to the existing Major Service Change policy include:

- **Revenue Hours on a Bus Route.** StanRTA's current policy describes a major change as occurring when there is a twenty-five percent (25%) or greater change proposed in transit revenue hours for any specific bus route or to daily transit revenue hours of a single bus route on a day of the week for which the change is made. Transit revenue hours refer to the amount of time that a bus is available to carry passengers. The *proposed policy reduces this threshold to twenty (20%)* to better align with StanRTA's vision of being a community-focused transit system.

Staff proposes adding several additional major service change descriptors. These service change categories are either an FTA requirement or best practice.

- **Revenue Miles on a Bus Route.** StanRTA proposes that changes to a bus route altering twenty-five percent (25%) or more of the route's path (deadhead path not included) be considered a major service change.
- **New Route.** The addition of a new route, whether fixed or commuter service, is proposed as a major service change.
- **New Fixed Guideway.** Six months prior to the opening of any new fixed guideway project (e.g. BRT line), regardless of whether the amount of service being changed meets the requirements under other provisions.

In addition to these changes in the definition of Major Service Changes, StanRTA is proposing changes to the list of activities that do not constitute a “major service change.” Most items cited are additions to the policy, included for clarification or to reflect FTA requirements. These activities include:

- **Changing route numbers:** Changing route numbers, including splitting or combining two or more routes, does not constitute a new transit route. However, if the reassignment will impact the number of transit revenue hours or the route path, the criteria above should be considered.

- **Standard seasonal variations:** Standard seasonal variations do not constitute a major service change unless the variations, compared to operations during the previous season, fall within the definition of major adjustments in transit service listed in the criteria above.
- **Change in Operators.** StanRTA 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.
- **Demonstration/Pilot Services:** Introduction or discontinuation of short- or limited-term service if the service will be or has been operated for no more than twelve months.<sup>1</sup> These may include promotional, demonstration, seasonal, or emergency service changes or services provided as a mitigation or diversion for construction or other similar activities. Emergency service changes include changes to routes or service frequencies that result from a disaster that severely impairs public health or safety; changes in access to public streets (such as street closures); or the ability of StanRTA's equipment to travel on public streets. 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 one year experimental, demonstration, or emergency period ends.

Disparate impact and disproportionate burden policies establish the thresholds for when an agency will find that a fare change or major service change (increase or decrease) will result in a disparate impact on the minority population(s) or a disproportionate burden on the low-income populations. These policies also define service standards and policies to determine whether service and amenities are distributed equitably to minority and non-minority routes and facilities.

#### Disparate Impact Policy

This policy establishes a threshold for determining when adverse effects of proposed service or fare changes are borne disproportionately by minority populations. The threshold is the difference between the burdens borne by, or benefits experienced by, minority populations compared to non-minority populations. When the threshold is exceeded, a fare or major service change (except promotional/temporary changes) either negatively impacts minority populations more or benefits them less than non-minority populations.

The existing disparate impact policy is proposed to be modified as follows:

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<sup>1</sup> FTA Circular 4702.1B, Chapter VI, page 13.

- **Lower the threshold to 15% to better protect and serve the community.** StanRTA establishes that a fare change, major service change, or other policy has a disparate impact if minority populations will *experience fifteen percent (15%)* more of the cumulative burden or *experience fifteen percent (15%)* less of the cumulative benefit, relative to nonminority populations, unless (a) there is a substantial legitimate justification for the change, and (b) no other alternatives exist that would serve the same legitimate objectives but with less disproportionate effects on the basis of race, color or national origin.
- **Data sources.** StanRTA uses passenger survey data by route or census data for block groups within walking distance of the affected stops/routes for service change analysis. For fare analysis, StanRTA uses data from the annual passenger survey.

#### Disproportionate Burden Policy

The Disproportionate Burden Policy establishes a threshold for determining whether proposed fare or major service changes have a disproportionately adverse effect on low-income populations relative to non-low-income populations. The threshold is the difference between the burdens borne by and benefits experienced by low-income populations compared to non-low-income populations. Exceeding the threshold means either that a fare or service change negatively impacts low-income populations more than non-low-income populations or that the change benefits non-low-income populations more than low-income populations.

If the threshold is exceeded, StanRTA must avoid, minimize, or mitigate impacts where practicable. The existing disparate impact policy is proposed to be modified as follows:

- **Lower threshold from 20% impact to 15% to better protect and serve the community.** StanRTA establishes that a fare change, major service change, or other policy has a disproportionate burden if low-income populations will *experience fifteen percent (15%)* more of the cumulative burden or *experience fifteen percent (15%)* less of the cumulative benefit, relative to non-low-income populations unless (a) there is a substantial legitimate justification for the change, and (b) no other alternatives exist that would serve the same legitimate objectives but with less disproportionate effects on low-income populations.
- **Defined low-income.** Low-income individuals are defined as those making up to 200% of the federal poverty level.

Input and guidance on these proposed policies from the SEAAC members was the first step in the outreach and public input process. As outlined in the Public

Participation Plan, the StanRTA staff conducted public outreach including posting on the policies on the StanRTA website and social media channels, translation of the document into Spanish, and soliciting input from the community as part of outreach activities.

**Fiscal Impact:**

Implementation of these policies has no direct fiscal impact on the agency.

**Advisory Committee Action:**

This item was presented to the Equity and Accessibility Advisory Committee at its March 2024 meeting. The input was received, and the policies were modified to reflect committee concerns for additional clarification.

**Recommendation:**

It is recommended that the Board of Directors:

Adopt Resolution 2024-157 approving the Revised” Major Service Change” Policy and Disparate Impact and Disproportionate Burden Policies required for compliance with Title VI of the Civil Rights Act of 1964.

Attachments

1. Revised Major Service Change Policy
2. Revised Disparate Impact and Disproportionate Burden Policies

## MAJOR SERVICE CHANGE POLICY

Title VI of the Civil Rights Act of 1964<sup>1</sup> prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance. Those characteristics are considered protected, and persons with those characteristics are referred to as a protected class. As a recipient of Federal Transit Administration (FTA) funding, the Stanislaus Regional Transit Authority (StanRTA) is required to comply with Title VI and Executive Order 12898 on Environmental Justice<sup>2</sup> as defined in 42 U.S.C. Section 2000d. FTA Circular 4702.1B<sup>3</sup>, revised in 2012, requires transit operators to evaluate the impacts of proposed major service changes or fare changes on minority and low-income populations and to establish specific measures to avoid, minimize, and mitigate inequitable impacts that these populations may experience due to these changes. To accomplish this, transit agencies develop policies to assist in evaluating impacts on protected classes when considering service and fare changes.

The major service change policy is one of three policies that are the foundation of this analytical framework. This policy updates what constitutes a “major service change” for StanRTA and will be incorporated into the 2024 Title VI Program Update. For any major service change, staff must hold a public meeting and conduct an equity analysis to determine if a proposed change would result in an unequal distribution of burdens or benefits.

All changes in service meeting the definition of “Major Service Change” are subject to a Title VI Service Equity Analysis before Board approval of the service change. All proposed major service changes will be presented to the Board and include the relevant equity analysis. Equity analysis is not limited to major service changes. Minor service changes are also analyzed through an equity lens for potential disparate and disproportionate impacts; however, a formal Service Equity Analysis is not performed. A proposed change in service will be considered a “major service change” if it meets one of the following criteria:

1. **Changes to revenue hours:** Any aggregate change of twenty percent (20%) or more of the number of transit revenue hours of a route for the day of the week for which the change is proposed. Transit revenue hours refers to the amount of time that a bus is available to carry passengers.
2. **Changes to revenue miles:** Any changes in the routing of a bus route that alters twenty-five percent (25%) or more of the route’s path (deadhead path not included).
3. **A new transit line is established.** Applies to fixed-route and commuter services.
4. **New fixed guideway.** Six months before the opening of any new fixed guideway project (e.g. BRT line), regardless of whether the amount of service being changed meets the requirements in the subsections.

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<sup>1</sup> U.S. Department of Justice Title VI of the Civil Rights Act of 1964: <https://www.justice.gov/crt/fcs/TitleVI>.

<sup>2</sup> The requirements described here apply only to transit providers that operate 50 or more fixed route vehicles in peak service and are located in a UZA of 200,000 or more in population

<sup>3</sup> FTA Circular 4702.1B - Title VI Requirements and Guidelines for Federal Transit Administration recipients, issued October 1, 2012; Chapter IV, Section 7. [https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA\\_Title\\_VI\\_FINAL.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA_Title_VI_FINAL.pdf)

The following actions do not constitute a “major service change” and, therefore do not require a public hearing or an equity analysis:

- **Changing route numbers:** Changing route numbers, including splitting or combining two or more routes, does not constitute a new transit route. However, if the reassignment will impact the number of transit revenue hours or the route path, the criteria above should be considered.
- **Standard seasonal variations:** Standard seasonal variations do not constitute a major service change unless the variations, compared to operations during the previous season, fall within the definition of major adjustments in transit service listed in the criteria above.
- **Very low-frequency services:** Changes to service on routes with fewer than 1,000 total revenue hours in a year do not constitute a major service change.
- **Change in Operators.** StanRTA 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.
- **Demonstration/Pilot Services:** Introduction or discontinuation of short- or limited-term service as long as the service is operated for no more than twelve months.<sup>4</sup> These may include promotional, demonstration, seasonal, or emergency service changes or services provided as a mitigation or diversion for construction or other similar activities. Emergency service changes include changes to routes or service frequencies that result from a disaster that severely impairs public health or safety, changes in access to public streets (such as street closures); or the ability of StanRTA’s equipment to travel on public streets. 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 year experimental, demonstration, or emergency period ends.

## EQUITY ANALYSIS PROCESS

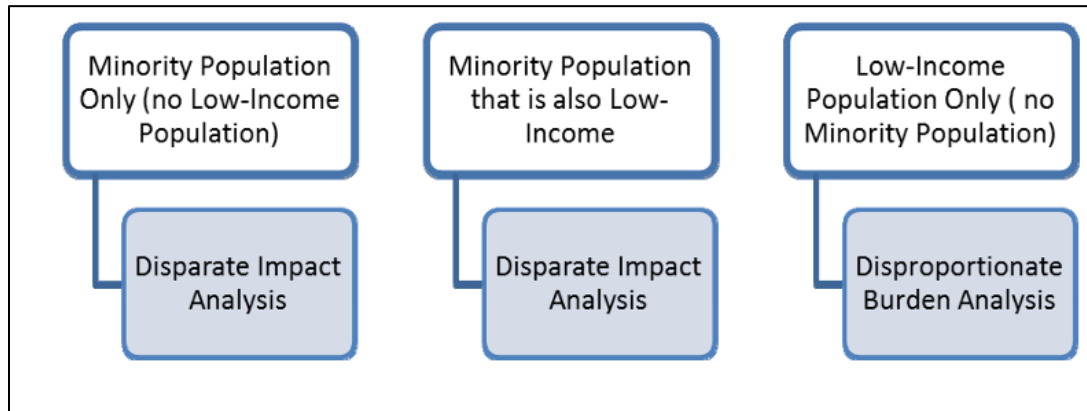
Title VI extends protections to minority populations. Low-income populations, however, are not a protected class under Title VI. The FTA recognizes the inherent overlap of environmental justice principles in this area because it is important to evaluate the impacts of service and fare changes on passengers who are transit-dependent. That is why the FTA requires transit providers to evaluate proposed service and fare changes to determine whether low-income populations will bear a disproportionate burden of the changes. A Title VI Equity Analysis completed for a major service change must be presented to the Board of Directors for their consideration and then forwarded to the FTA with a record of the action taken by the Board.

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<sup>4</sup> FTA Circular 4702.1B, Chapter VI, page 13.

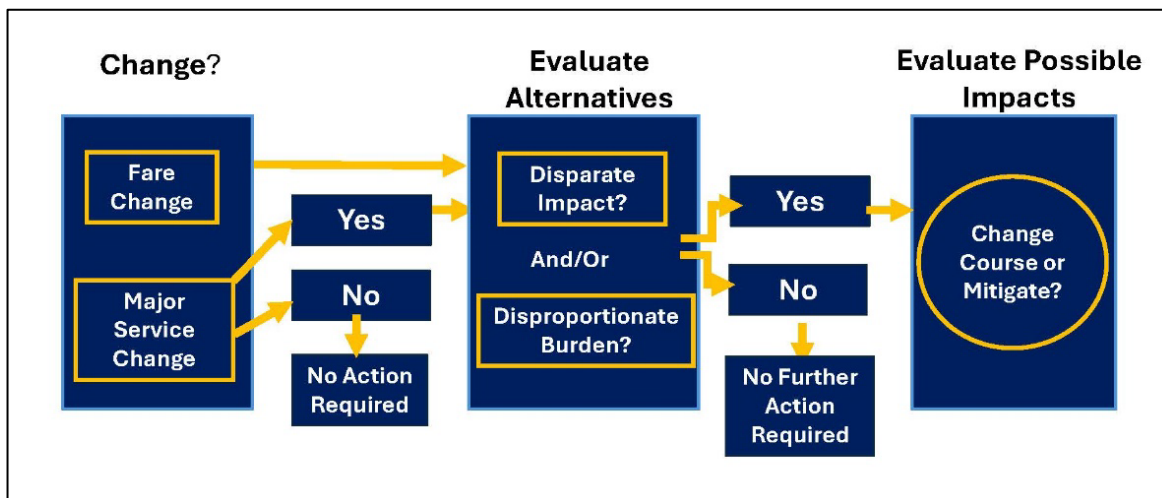
StanRTA recognizes this tiering process when conducting an Equity Analysis and follows the guidance provided by the FTA.<sup>5</sup> As shown in Figure 1, the Equity Analysis only examines the disproportionate burden when the only affected group is a low-income population.

**Figure 1: Equity Analysis**



The Equity Analysis decision-making process is depicted in Figure 2 below. The chart illustrates the Equity Analysis steps. To the left, “Change?” are the two activities that trigger Equity Analysis. The first activity is a fare change. All fare changes require evaluation of a disparate impact and disproportionate burden. If a burden is found, mitigation measures are explored. If there is no finding, the fare change can proceed as proposed.

**Figure 2: Overview of the Equity Analysis Process**



For service changes, if the change is not major, then the change is informally evaluated, but no Equity Analysis is prepared. These activities are captured in the center block “Evaluate

<sup>5</sup> [https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA\\_Title\\_VI\\_FINAL.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA_Title_VI_FINAL.pdf)

Alternatives.” If the change qualifies as major, the disparate impact and disproportionate burdens are analyzed. In step three, “Evaluate Possible Impacts,” if no harm is found, the service change moves forward. If harm is documented, mitigation measures are pursued.

### **Equity Analysis Mitigations**

StanRTA will provide a meaningful opportunity for public comment on any proposed mitigation measures. This will include a discussion of less discriminatory alternatives that may be available in advance of any action on the proposals that may be submitted to the Board for approval. Where StanRTA identifies a disproportionate burden on low-income populations due to a fare or service change, it will take steps to avoid, minimize, or mitigate the impacts where practicable. As part of the Equity Analysis process, StanRTA will communicate alternatives available to low-income riders affected by the service or fare change.

All major increases or decreases in transit service are subject to a Title VI Equity Analysis prior to Board approval of the service change. A Title VI Equity Analysis completed for a major service change must be presented to the Board of Directors for their consideration and then forwarded to the FTA with a record of the action taken by the Board.

**STANISLAUS REGIONAL TRANSIT AUTHORITY  
RESOLUTION 2024-158  
APPROVING REVISED MAJOR SERVICE CHANGE, DISPARATE IMPACT AND  
DISPROPORTIONATE BURDEN POLICIES REQUIRED FOR COMPLIANCE WITH  
TITLE VI OF THE CIVIL RIGHTS ACT OF 1964**

WHEREAS, the Stanislaus Regional Transit Authority (“Authority”) is a joint powers agency whose members are the City of Modesto and the County of Stanislaus, and which was created to consolidate transit services countywide with the exception of the City of Turlock; and

WHEREAS, as the recipient of Federal Transit Administration (FTA) funding, the Authority is required to comply with Title VI by adopting policies specified in FTA Circular 4702.1B, “Title VI Requirements and Guidelines for Federal Transit Administration Recipients”; and

WHEREAS, among the policies requiring review and approval are Major Service Change, Disparate Impact, and Disproportionate Burden as these policies ensure that any changes to transit service or fares, whether an increase or decrease, have no discriminatory effect based on race, ethnicity, national origin, or socio-economic status of affected populations; and

WHEREAS, the Authority’s Title VI policies were developed, adopted and implemented in June 2022 and are being revised for consistency with FTA Title VI Guidance and Circular 4702.1B requirements.

NOW, THEREFORE, BE IT RESOLVED that the Authority Board of Directors hereby approves the Revised Major Service Change, Disparate Impact and Disproportionate Burden Policies required for compliance with Title VI of the Civil Rights Act.

The foregoing Resolution was introduced at a regular meeting of the Stanislaus Regional Transit Authority, on the 27th day of June 2024. A motion was made and seconded to adopt the foregoing Resolution. The Motion was carried, and the Resolution was adopted.

MEETING DATE: **June 27, 2024**

ATTEST:



ADAM BARTH, CHIEF EXECUTIVE OFFICER

  
GEORGE CARR, CHAIR