

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1175

IN THE MATTER OF:

Served November 3, 1971

Establishment of Reduced)
Fares on D. C. Transit)
System, Inc., for Senior)
Citizens.)

Docket No. 237

In Order No. 1052, the Commission undertook the development of an "experimental program for the provision of reduced fares for senior citizens during non-rush hours" on the bus routes of D. C. Transit System, Inc. (Transit).

This resulted in the issuance of Order No. 1129, wherein the Commission directed Transit to begin such an experiment on Sunday, May 9, 1971, for a period of ninety (90) days. The experiment consisted of a 15-cent reduction on all regular route fares of at least 40 cents for anyone 65 years of age or older, from 9:30 A. M. to 3:00 P. M., and from 7:00 P. M. to 3:00 A. M., Monday through Friday, and all day Sunday, upon presentation of a special identification card issued by Transit.

In addition, certain surveys and counts were ordered and the staff was directed to analyze and evaluate the ridership data after 45 days of experience and report its findings and recommendations to the Commission. Direct expenditures by Transit in connection with the experiment, not including reimbursement for any loss of farebox revenue, was authorized from the "Reserve for Commission-Ordered Projects" under the terms of Order No. 773.

The initial staff report concluded that the program was providing significant benefits for the elderly, and that the initial test period had been too short to provide a basis for full evaluation of the experiment. It further concluded that the losses being experienced by Transit were not so great that

5. That D. C. Transit System, Inc., post notice of the time and location of the public hearing, and subject matter thereof, in each of its buses, on or before Tuesday, November 9, 1971.

6. That the staff analyze and evaluate the ridership data through January 28, 1972, and report its findings and recommendations to the Commission on or before February 17, 1972.

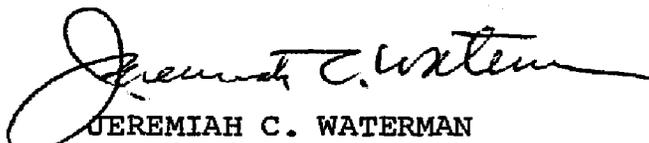
7. That on and after Wednesday, November 3, 1971, either the special senior citizen identification card issued by D. C. Transit System, Inc., or the Medicare card issued by the Social Security Administration shall be accepted as valid identification for purposes of tendering an appropriate reduced fare.

8. That D. C. Transit System, Inc., make such counts, reports and surveys as the staff may require.

9. That D. C. Transit System, Inc., in consultation with the staff, undertake a paid advertising campaign designed to reach and attract additional senior citizen patronage.

10. That direct expenditures in connection with this experiment may continue to be reimbursed to D. C. Transit System, Inc., from the "Reserve for Commission-Ordered Projects" under the terms of Order No. 773, after submission to and approval by the Commission. Eligible expenditures may include costs involved in registering persons and issuing special identification cards, the extra costs incurred in analyzing data, and the costs involved in publicity programs, including the paid advertising campaign herein ordered. Eligible expenditures shall not include reimbursement for any revenue loss due to reduced fares or diversionary patronage losses.

BY DIRECTION OF THE COMMISSION:


JEREMIAH C. WATERMAN
Chairman

HOOKER, Commissioner, not participating.

Further, the staff noted that a number of senior-citizen-related organizations have been in contact with the Commission, and suggested that these groups be enlisted to assist in making the program a success. The Commission will ask the staff to undertake this effort immediately.

Much of the correspondence received about the program, both from concerned organizations and from individuals, requested a public hearing on the matter. The Commission is interested in receiving the views of interested persons, and will schedule an early hearing for this purpose.

Finally, the staff will be required to report its findings and recommendations based on 265 days of experience.

THEREFORE, IT IS ORDERED:

1. That the senior citizen reduced fare experiment on D. C. Transit System, Inc., which was established for ninety (90) days on Sunday, May 9, 1971, by Order No. 1129 and was continued for an additional ninety (90) days by Order No. 1158, be, and it is hereby, continued for an additional one hundred twenty (120) consecutive days, for a total of three hundred (300) days, through Friday, March 3, 1972, subject to further continuation by order of the Commission.

2. That a public hearing on this matter be, and it is hereby, scheduled for 10:30 A. M., Tuesday, November 23, 1971, in the City Council Chambers, Room 500, District Building, 14th and E Streets, N. W., Washington, D. C.

3. That any interested person desiring to be heard on this matter should appear at the hearing.

4. That D. C. Transit System, Inc., publish notice of the time and location of the public hearing, and subject matter thereof, in a newspaper of general circulation in the Metropolitan District at least once on or before Tuesday, November 9, 1971.

off as identification cards accumulated in the possession of a larger and larger percentage of those who could or would register for them. The Commission agrees with the staff's conclusion and believes that, to the extent the Medicare card may increase the number of senior citizens participating in the program, it should be accepted. However, the existing registration mechanism for special identification cards should be maintained for those persons who may not be eligible for the Medicare card.

The report concluded through statistical analysis and investigation that there was reason to question the accuracy of the ridership counts sufficient to warrant the collection of additional data before a fully accurate and final determination on the results of the program could be made. It recommended a further extension of the experiment for a period of at least 120 days to permit sufficient time to collect the necessary data. The Commission believes the 120 day extension is appropriate, particularly considering that a new factor in the experiment, the Medicare card, must be taken into account.

The staff report also concluded that additional senior citizen awareness and participation might be achieved through paid advertising in contrast to the public service announcement approach. The Commission believes that there are few, if any, existing senior citizen riders of Transit who are not now aware, at least, of the availability of the reduced fare, whether they choose to use it or not. Certainly there have been some senior citizens, not previously Transit's riders, who have heard of the program, have registered, and have made use of the reduced fare. Just as certainly, there are some senior citizens who, for one reason or another, have not even heard of the program. The Commission believes that a brief, but intensive, paid advertising effort to reach and attract these persons should be undertaken as early as it can be arranged in the 120 day extension period. Transit will be directed to undertake such a campaign, in consultation with the staff, and will be permitted to recover the cost of an approved advertising effort from the "Reserve for Commission-Ordered Projects".

the experiment could not be continued for an additional period of time. It recommended that the additional time be used to gather additional data, improve publicity, and increase the number of registration locations.

Upon consideration of the staff report, the Commission issued Order No. 1158, continuing the experiment for an additional ninety (90) days, for a total of one hundred eighty (180) consecutive days, subject to further continuation by order of the Commission. That order also directed Transit to publicize the program with signs on the inside and outside of its buses, to conduct registration at its four division offices, and to continue the counts and surveys. The staff was directed to try to obtain increased publicity for the program through the mass media and to analyze and evaluate the ridership data and again report its findings and recommendations to the Commission.

The second staff report based on 135 days of experience recounted an increased publicity program including bus signs and newspaper, radio and television coverage. It pointed out increased senior citizen registration facilities, with the number of registrants going over 29,000 by the end of September.

Revised calculations in the second report indicated that the extent of revenue loss, originally estimated at \$620 per weekday for the first 45 days of the experiment, should have been \$430. Passenger data available in the second report based on 135 days experience indicate a net increase since the beginning of the program of 20 percent in senior citizens riding on a normal weekday. The latest available data now indicates a current rate of revenue loss per weekday of \$560.

It was concluded in the staff report that the scope of the experiment might be expanded if Medicare cards, as well as the special identification cards, were accepted as valid senior citizen identification on the bus. The Commission recognizes that without the registration requirement in the initial stages of the experiment, a valuable tool for statistical control and analysis of the results would have been lost. According to the staff report, however, registration has tapered