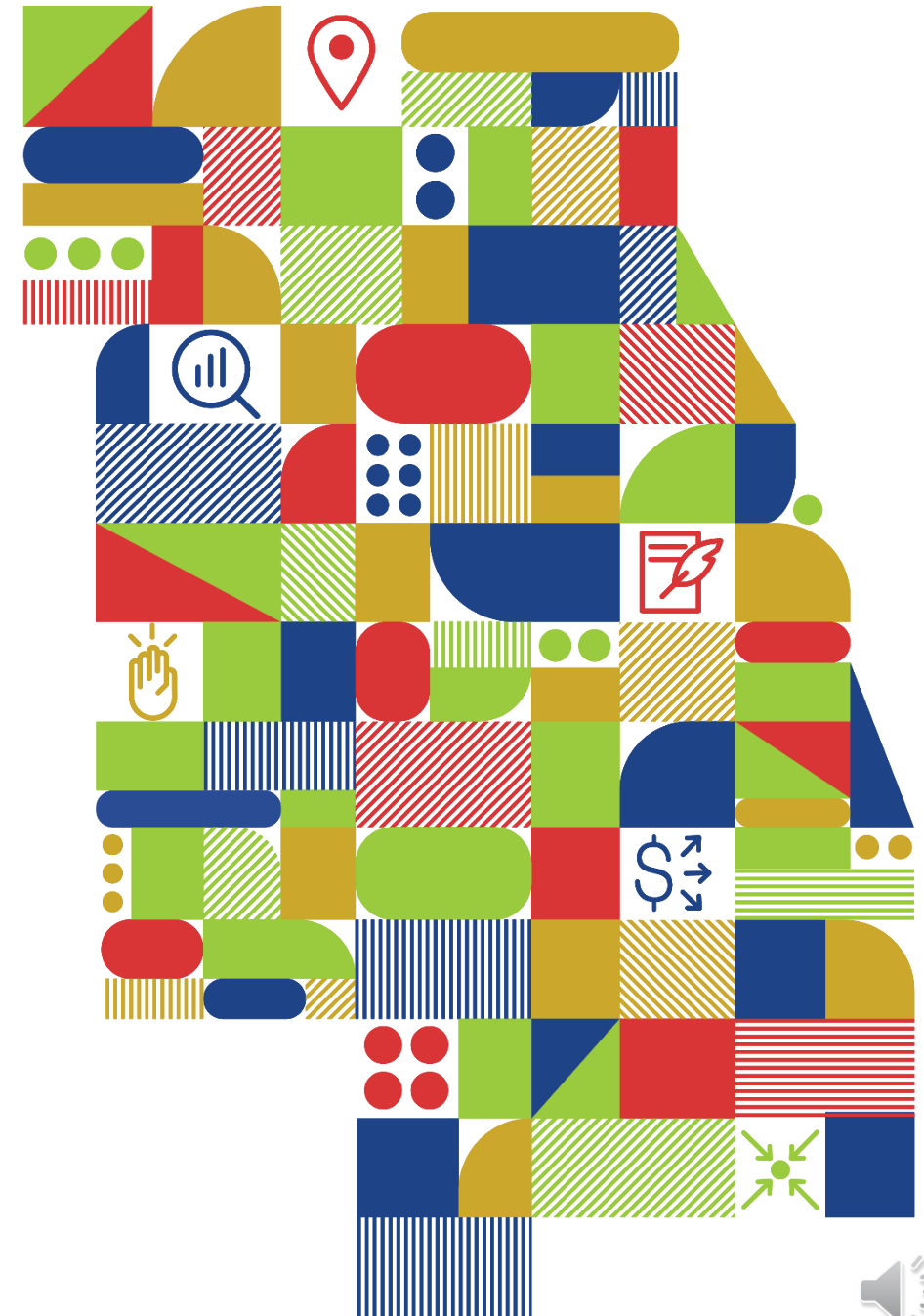




Assessing equity in transportation fees, fines, and fares

September 9, 2020



Implementing and supporting two ON TO 2050 recommendations

Leverage the transportation network to promote inclusive growth

Fully fund the region's transportation system

Project goals

Assess the equity impacts of existing and proposed transportation revenue sources on residents with lower incomes

Develop policy recommendations to reduce the disproportionate impacts on residents with lower incomes while continuing to meet transportation revenue goals

CMAP has convened a group of partners to provide expertise

Review the equity impact assessments of fines, fares, and fees

Help identify specific mitigation mechanisms

Outline strategies to advance equity in transportation fines, fares, and fees

**What is this project
evaluating?**

Fees, fines, and fares for evaluation

- Motor fuel tax and road usage charge
- Traffic violations and delinquency fines
- Transit fares
- Congestion pricing and tolling
- Priced parking
- State and local motor vehicle registration fees
- Transportation network company (TNC) fees

Key questions

How can transportation fines, fares, and fees best generate revenue without imposing undue financial burden on individuals with low incomes?

How can fines, fares, and fees be structured so that people of limited socioeconomic status can access the transportation system?

What is equity?

Challenges in advancing equity

Tradeoffs with other transportation goals

Implementation costs

Statutory restrictions

Information limitations

Existing transportation equity policies

Lowering the financial burden

Reforming policies that disproportionately impact individuals with low incomes

Mitigating financial impacts through tax policies

Preliminary findings

Equity assessments

To what degree are residents with lower incomes impacted by these transportation fees, fines, and fares?

Are residents with lower incomes disproportionately burdened by these transportation fees, fines, and fares?

Fees associated with driving

The burden of the MFT is borne less by households with lower incomes since they tend to drive fewer miles

Households with lower incomes tend to own fewer vehicles, thus spend less on vehicle registration fees

The MFT, vehicle registration fees, plus other costs of driving, remain a high burden for households with low incomes that lack mobility options

Transit fares

Households with low income take 20% more transit trips than other households but when work commutes are excluded, these households take twice as many trips

The cost of a fare varies by many factors, some of which can result in the cost of taking transit comprising a relatively high share of earnings for a household with low income

Traffic violation fines

Lower-income households pay a substantially larger share of weekly wages on a fine than households with higher incomes

Traffic fines can compound to become a major source of debt and a barrier to employment for residents with lower incomes

Discussion and next steps

Next steps

Evaluations: ongoing

Partner and expert interviews: ongoing

Resource group meetings: September 14 and late 2020

Final report: winter 2020/2021



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