



## OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE


Marc Elrich  
County Executive

Tiffany Ward  
Director and Chief Equity Officer

### MEMORANDUM

April 12, 2023

To: Jennifer Bryant, Director  
Office of Management and Budget

From: Tiffany Ward, Director  
Office of Racial Equity and Social Justice 

Re: Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #23-92  
for Transit Services

- I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds that *Supplemental Appropriation #23-92 Transit Services (\$14,409,927)* is likely to advance racial equity and social justice. It enables the payment of wage increases for transit operators and coordinators, who (because of historical and current inequities) are disproportionately people of color, while also ensuring the safety and reliability of Ride On bus service, the ridership of which (due to structural inequities) is disproportionately comprised of low-income and Black Indigenous and Other People of Color (BIPOC) residents.
- II. **BACKGROUND:** The purpose of Supplemental Appropriation #23-92 Transit Services (\$14,409,927) is to address current year cost increases for Ride On service. This supplemental appropriation funds two major programmatic costs, with the goal of ensuring consistent delivery of transit services throughout the County. The two programmatic costs are:
  - a. Retroactive payments to bus operators, totaling approximately \$8.5 million and reflecting wage adjustments following the creation of a new step schedule, were funded in FY22 but were not made until FY23.
  - b. Increased prices for fuel, parts, and repair services have resulted in a projected increase of over \$6 million for Ride On bus fleet operating costs.

To assess the extent to which this supplemental appropriation advances racial equity and social justice, we looked at each of the major programmatic costs to determine the extent to which they advance transit equity, including the experiences of bus operators in the County.

### **Retroactive payments to bus operators**

In November 2021, ORESJ conducted a REIA for Supplemental Appropriation #22-26 Transit Service Bus Operators which funded wage adjustments for the Transit Bus Operator and Transit Coordinator job classifications in Montgomery County. The wage adjustments were the result of a market-based comparability study, which uncovered a significant year-by-year deficiency in the County's salary schedule compared to WMATA. This included deficiency at entry level (approx. \$3,000), nearly \$22,000 after six years of employment, and over a 30-year career approximately \$300,000 less earned by MCG transit bus operators compared to their WMATA counterparts. The retroactive payments were actually paid out in Fiscal Year 2023 (primarily November and December 2022).

ORESJ's finding was that Supplemental Appropriation #22-26 Transit Service Bus Operators is likely to advance racial equity and social justice as it raises the wages of transit operators and coordinators who are disproportionately people of color. Raising the wages of these positions contributes to reductions in racial and ethnic disparities in median household income and housing cost burden. In its REIA, ORESJ explained<sup>1</sup>:

*In the US, historical and current practices of occupational segregation<sup>2</sup> shape labor market opportunities and outcomes by race, ethnicity, and gender. Together with racial inequities in access to housing, lending, and education, occupational segregation helps explain why people of color are overrepresented in low-wage frontline jobs and continue to face constant barriers to advancement<sup>3</sup>. Over time, these inequities have created broad wage inequality by race, ethnicity, and gender, contributing to disparities in income and wealth—a critical driver of housing cost burden.*

Given that Supplemental Appropriation #23-92 funds \$8.5 million in retroactive payments to bus operators (as a part of the wage adjustments approved in Supplemental Appropriation #22-26 Transit Service Bus Operators), it is likely that it, too, will advance racial equity and social justice as it targets positions disproportionately held by Black Indigenous and Other People of Color (BIPOC) workers.

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<sup>1</sup> REIA of Supplemental Appropriation #22-26 Transit Service Bus Operators

<https://www.montgomerycountymd.gov/ore/Resources/Files/22-26.pdf>

<sup>2</sup> <https://equitablegrowth.org/factsheet-u-s-occupational-segregation-by-race-ethnicity-and-gender/>

<sup>3</sup> <https://www.policylink.org/sites/default/files/Advancing%20Frontline%20Employees%20of%20Color.pdf>

### Increased prices for fuel, parts, and repair services

The second programmatic cost proposed in this supplemental appropriation involves cost increases for motor pool services, including for fuel, parts, and repair services. These costs are necessary to maintain the safe operation of the Ride On bus fleet. While ensuring the safety of Ride On buses is something all county residents can benefit from, it is primarily Ride On bus riders who will benefit the most. Because of structural inequities in education, employment, and housing (which ORESJ has written about in multiple REIAs<sup>4</sup>), Ride On ridership is disproportionately compromised of low-income and BIPOC residents.

As part of its compliance with Title VI of the 1964 Civil Rights Act, the department conducted a 2018 survey of Ride On customers. MCDOT's Title VI on-board survey reported the following demographics:

- About 89% of Ride On customers were County residents;
- 78% of customers self-identified as BIPOC; 36% of customers self-identified as Black;
- 42% of customers spoke a language other than English at home. The primary language spoken by this subset of individuals is Spanish (50.9%) followed by French (16.6%) and;
- 47% of customers reported an annual household income of less than \$30,000.

The Montgomery County Racial Equity Profile<sup>5</sup> also indicates the following data points about transportation disparities in the County:

Racial/ Ethnic Group	% Who take public transportation to work
Asian	11.7%
Black	19.8%
Latino	12.8%
White	13.6%
Other	12.1%

<sup>4</sup> REIA of Supplemental Appropriation #22-82 Transportation Services Improvement Fund Reimbursement Disbursement <https://www.montgomerycountymd.gov/ore/Resources/Files/22-82.pdf>; REIA of Supplemental Appropriation #22-26 Transit Service Bus Operators <https://www.montgomerycountymd.gov/ore/Resources/Files/22-26.pdf>; REIA of Supplemental Appropriation #22-89 Snow Removal/Wind and Rainstorm Cleanup <https://www.montgomerycountymd.gov/ore/Resources/Files/22-89.pdf> ; REIA of Supplemental Appropriation #22-92 Taxicab Accessibility Transportation Services Improvement Fund: <https://www.montgomerycountymd.gov/ore/Resources/Files/22-92.pdf>

<sup>5</sup> <https://www.montgomerycountymd.gov/OLO/Resources/Files/2019%20Reports/RevisedOLO2019-7.pdf>

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**Source:**

[https://www.montgomerycountymd.gov/OLO/Resources/Files/2019%20Reports/OLO2019-7-6\\_20\\_19.pdf](https://www.montgomerycountymd.gov/OLO/Resources/Files/2019%20Reports/OLO2019-7-6_20_19.pdf) Pg. 50

<b>Racial/ Ethnic Group</b>	<b>% Who do not have a vehicle</b>
Asian	6%
Black	12.8%
Latino	4.1%
White	5.5%
Other	6.4%

**Source:**

[https://www.montgomerycountymd.gov/OLO/Resources/Files/2019%20Reports/OLO2019-7-6\\_20\\_19.pdf](https://www.montgomerycountymd.gov/OLO/Resources/Files/2019%20Reports/OLO2019-7-6_20_19.pdf) Pg. 52

Based on these data and findings from previous transportation-related REIAs, it is clear that addressing Ride On repair and maintenance costs is a racial equity matter; delivering transit services in a reliably safe manner reduces the burden of transit and other inequities in the County.

cc: Christopher Conklin, Director, Department of Transportation  
Ken Hartman, Director, Strategic Partnerships, Office of the County Executive