

ORION FORUM

# Funding Gaps and Service Cuts: Reimagining Public Transit for an Equitable Future

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## Executive Summary

Many major American metropolitan public transportation organizations are confronting critical funding shortfalls in the coming years, which they warn will force them to implement drastic service reductions and fare increases without further investment. Among other benefits, public transportation is a vital resource for vulnerable and disadvantaged communities, who often tend to be the primary users of mass transit. As such, transit access and effectiveness becomes an important determinant of social mobility in providing access to employment, healthcare, and education.

In this study, two case study cities, Chicago and Philadelphia, are utilized to elucidate the nature of the funding landscape as well as the evolution of ridership patterns. In both examples, as well as nationally, the decrease in mass transit ridership following the COVID-19 pandemic paired with expiration of federal relief funds creates severe funding gaps. City and regional transit agencies anticipate and have begun to implement severe service reductions and fare increases in the absence of new and continued funding. Public transportation, as mentioned, is a powerful driver of economic development and often provides crucial assistance for communities who are either unable to or priced out of vehicle ownership. However, development patterns often make public transit much less time-effective than private vehicles,

Access to transit is additionally divided across socioeconomic and racial and ethnic lines. As transit access, particularly light rail, contributes to property values, white and affluent communities by and large have greater access to transit locations. This is in spite of the fact

racial minorities, migrants, and the lower income people making greater use of these services, and particularly bus services. With massive service reductions on the horizon, it is clear that that service stands at an operational crossroads. Public transportation is a necessary facet of strong and equitable communities, but expansion and maintenance projects face a variety of monetary and structural barriers such as reattracting ridership following the COVID-19 pandemic, shifting patterns of employment, and fiscal efficiency.

Learning from transit innovations in San Francisco and Washington, D.C. as well as international examples, cities should invest in transit to adapt it to modern uses, implementing the following initiatives:

- Reorienting bus services to adapt to evolving consumer needs as it is a more versatile versus light rail.
- Increasing off peak service frequency to account for low-income workers and weekend travel
- Aligning transit investments around those most reliant on its services in the model of the San Francisco Transit Equity Neighborhoods
- Instituting Transit Oriented Development strategies surrounding light rail as in Washington D.C. to potentially attract investment and ridership
- Optionally, microtransit can be utilized to supplement first mile/last mile transit access in support of rail services connecting riders to their final destinations.



## FUNDING SHORTFALLS

Major U.S. transit systems are facing potential service cuts due to critical financial challenges

## UNEQUAL ACCESS

Socially disadvantaged groups are more reliant but have poorer access



## BARRIERS TO EXPANSION

Low-density development and suburbanization hamper transit growth

## INNOVATIVE INVESTMENTS

Modernizing transit can improve convenience and better serve those in need



## Introduction

Transportation, at its [most straightforward definition](#), is the movement of people and goods from one location to another through various means of transport utilizing infrastructure such as roads, ports, and airports. The concept of transportation has different dimensions such as public versus private means of transit. Public transportation, specifically, is usually publicly funded means of transport designed to be accessible to the general public that is run across a single defined route and operated for a fare whereas private transportation is oriented around the private ownership and operation of a motor vehicle. The current paper focuses on public transportation and its operation in the context of the United States' major metropolitan areas

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and analyzes how funding decisions and urban planning frameworks shape the equity and viability of public transportation systems in major U.S. cities.

There are a number of characteristics which impact people`s reliance on public transportation. Affordability of vehicles, the size and structure of urban cities, the frequency and accessibility and service that agencies provide all factor into the calculus of utilizing public transportation. The [cost of operating and maintenance](#) of a private automobile may be prohibitive for low income families, where the cost of such an endeavor may force individuals in the lower quintiles to rely at least partially on public transit to reduce costs faced by the household. [Car-inclusive or exclusive city design](#), such as having increased or decreased parking spaces for riders, as well as the frequency of service for public transportation services are also factors that may increase its usage or disincentivize ridership of these services.

In a sense, public transportation is implicitly associated with socioeconomic disadvantage of its users, seeking to provide equity and a base level of access to mobility. [Research from the Urban Institute](#) underlines that it is usually Americans who are low-income, people of color, or migrants that utilize public transportation. Per the [U.S. Census Bureau 2019 report](#), 67.3% of Black Americans and 76.3% of Latino Americans own a car versus 85.9% of their White counterparts owning private automobiles, emphasizing public transportation`s link with social equity. [In the same report](#), vehicle ownership was similarly divided by socioeconomic lines, with 61.2% of the lowest quintile of household income owning automobiles versus 90.4% and 89.9% of the two highest quintiles of household income in the United States. Advocates for public transportation point to its ability to expand opportunities for those who do not own a personal automobile, may not have consistent access to a private vehicle, or are thereby unable to drive, such as the disabled or elderly. Evidently, transit access and the availability of public transportation is an important aspect of supporting equity for vulnerable and disadvantaged groups in America.

However, the United States has traditionally invested less in terms of public transit than such comparable nations as Germany and France. While American transportation funding has traditionally heavily favored highway funding over public transportation (PT) in the allocation of investment, funding for PT programs is derived from a combination of funding bills from the

local, state, and federal levels of government.

For instance, federal acts such as the Fixing America's Surface Transportation (FAST) Act, passed in 2015 by the Obama Administration and more recently the Infrastructure Investment and Jobs Act (IIJA), also referred to as the Bipartisan Infrastructure Law (BIL), passed by the Biden Administration in 2021 have provided funding and support for public transportation. Such acts, combined with funding from the local and state government compose the bulk of support for public funding systems, alongside revenues generated from fare collection. As a [publicly operated service](#), few, if any, PT agencies globally generate the revenue to operate independently and thus all American transit is beholden to government subsidies to some degree to continue their operations.

Some politicians and practitioners have been hesitant to expand the funding base of PT on account of it being perceived as a burden on the economy, such as the case of [legislative blockage for funding in Pennsylvania](#). With compounding variables such as inequitable transportation access, a crisis in ridership resulting from the COVID-19 pandemic, and perpetual funding bailouts, it is clear that public transportation in the United States is at a pivotal state in determining if it shall be further funded and expanded or not.

To elucidate the manifestations of these processes of potential funding cuts and struggles to regain ridership, the major cities of Chicago and Philadelphia will be called up as case studies in the potential impact of funding cuts. Both cities are major US metropolitan areas that have extensive networks of public transportation, with Philadelphia attracting 55,087 riders through the first quarter of 2025 according to the [American Public Transportation Association's yearly report](#), with Chicago's system of public transportation carrying around 71,650 riders within the same timeframe. However, both agencies count among those that were heavily impacted by severe operational constraints following the COVID-19 pandemic, seeing [severe impacts](#) in terms of frequency of service and reliability impacting ridership. Both cities grant a frame for understanding the current crisis facing American public transit authorities and an understanding of the impact of proposed cuts in transit access and equity.

The following sections establish the state of transit within this study's two cases, outlining funding proposals and transit equity in the respective cities of Philadelphia and Chicago before

outlining the relation between transit and several other equity-linked indicators. This study concludes with a summarization of the barriers to the funding and expansion of public transportation and an analysis of how other major U.S. metropolitan areas have managed the post pandemic recovery. From the lessons gathered, a final set of recommendations in debate on the continued funding and operation of American public transportation is offered.

## The State of Transit in Chicago

Public transportation in Chicago and its surrounding regions is funded and operated by three distinct entities which manage separate functions of public transportation, coordinated under the Chicago Regional Transit Authority (RTA). The Chicago Transit Authority (CTA) is responsible for the train and bus service within the city center of Chicago, whereas Metra is tasked with managing commuter rails to the surrounding regions of Chicago and PACE offers bus services in these surrounding regions as well as connections to CTA and Metra centers. A summary table of the service areas of the Chicago regional transit agencies is contained below:

### Chicago Regional Transit System Summary (2025)

Entity	Function	Service Area
<b>Chicago Transit Authority (CTA)</b>	Operates trains and buses	City center of Chicago
<b>Metra</b>	Manages commuter rail services	Surrounding regions
<b>PACE</b>	Offers bus services and connections to CTA/Metra	Surrounding hubs
<b>Regional Transit Authority (RTA)</b>	Coordinates funding and oversight among CTA, Metra, and PACE	Chicago and surrounding regions

RTA funding in the year of 2025 is backed by its own revenue of 826.8 million dollars, composing 20% of its budget, whereas the other 80% of its fiscal operating budget (2.5 billion dollars) is managed by public sources of funding. The largest allocations of money for the year

of 2025 are the remainder of federal relief funding (19.5% of its budget) and 41.5% of its budget being generated from the RTA sales tax placed upon Chicago and its surrounding counties in Northern Illinois serviced by the transit organizations. However, [analysis by the RTA](#) states that following the year of 2025, the expiration of federal pandemic relief funds will leave the system facing a budget shortfall of 771 million dollars, which would result in 40% service cuts and reductions instead of planned expansions [9]. A summary of the RTA budget is below:

### Funding Overview of RTA Budget (2025)

Source	Amount (USD)	% of Total Budget	Notes
RTA Own Revenue	826.8 million	20%	Generated internally
Federal Relief Funds (remaining)	487.5 million	19.5%	Set to expire post-2025
RTA Sales Tax	1.037 billion	41.5%	Levied on Chicago and surrounding counties
Other Public Funding	~648.7 million	~25.9%	Remaining budget from other sources
<b>Total Operating Budget</b>	<b>2.5 billion</b>	<b>100%</b>	
<b>Projected Shortfall (Post-2025)</b>	<b>771 million</b>	—	Due to expiration of federal relief funds
<b>Expected Impact</b>	—	—	Possible 40% service cuts and reductions

To protect and expand public transportation in Chicago, State Senator Ram Villivalam proposed a [plan to reform transportation infrastructure](#) in Chicago and its surrounding regions. Representing the Chicago region, State Senator Villivalam’s plan would not just fund the transit agency through 2026, but provide a network designed to last and continue to serve the greater Chicago region. The [estimated cost](#) of such a proposal would be approximately 1.5 billion dollars, including a new \$1.50 fee on deliveries. In addition, this proposal would include consolidating the four transit authorities (the three operators and the overarching RTA) into a singular transportation entity, titled the Northern Illinois Transit Agency, or the NITA. For instance, the CTA, Pace, and Metra all currently operate independent payment systems, which may limit consumer accessibility and understanding. The refunding and reorganization

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proposal passed through the Illinois State Senate, but the Illinois State House has not acted by the May 31 budget deadline. Instituting a [funding plan](#) for 2026 is still possible to enact in the current year, but will require a larger political consensus to enact, with a three-fifths majority required.

As outlined in the general overview, Chicago possesses one of the most comprehensive systems of public transportation in the United States, but think tanks and advocacy groups point to historic inequities in transit access for low income and marginalized groups versus more affluent populations. Per the [think tank TransitCenter](#), the average Black resident can access 236,641 potential jobs in 45 minutes using transit, and the average Latino residents 241,622 jobs in the same time frame. For contrast, White residents, on average, can access 344,182 employment opportunities. Additionally, Chicago transit options often offer premium transit options, such as through Metra's commuter rails, that are often faster transit options, at the trade-off of being more expensive, which may disadvantage low-income riders. Utilizing transit to access necessities, such as transportation to hospitals, schools, and groceries stores is generally much more complicated and takes much more time than traveling via car. While it is clear that PT does not provide a competitive alternative to private automobiles, a [research study](#) commissioned by the CTA and conducted by the Argonne National Laboratory and the Massachusetts Institute of Technology projected that the proposed cuts to mass transit in the Chicago region would result in a decrease in travel speed in the city by 33%, increase travel time within and around the city by 35% and lead to a cancellation of two million activities daily, which would result in a loss of thirty-five billion dollars.

In short, Chicago both relies on transit to power its economy and provide for disadvantaged communities, but PT is also deficient in being a serious alternative to automobile transportation. The likely inefficiencies of PT and inequitable access to transit mean that while Chicago does indeed depend on PT to fuel its economy, it does not operate as equitably and efficiently as possible.

### **The State of Transit in Philadelphia**

In Philadelphia, the Southeastern Pennsylvania Transit Agency (SEPTA) administers public transportation that spans subway, bus, light rail, and trolley transportation in its provision of

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service. Similar to Chicago, the SEPTA, which services Philadelphia and its surrounding counties in Pennsylvania, New Jersey and Delaware, is facing incoming service reduction as a result of rising operational costs alongside the ending of federal relief funding from the COVID-19 pandemic. The SEPTA has already instituted austerity measures such as a hiring freeze and shedding administrators. [Recent SEPTA press releases](#) have warned that unless the organization receives additional sources of funding, they will be forced to increase the transportation fare and cut several transportation routes. Starting in August 2025, a phased plan will cut 32 bus routes, shorten 16 others, reduce service on 88 bus, metro, and rail lines, and end special services for events like sports competitions. In September 2025, fares will increase to \$2.90, which would match New York City as the highest in the United States. Then in January 2026, the final phase of the budget plan will cut an additional 25% of services, which would eliminate five regional rail routes, eighteen bus routes, and introduce a 9 P.M. curfew on all public transportation.

[SEPTA officials](#) point to a legacy of underinvestment as a precipitator to the organization's current operating crisis. The approved cuts to service by the SEPTA operating board come in the face of a \$216 million operating deficit. [Pennsylvania Governor Josh Shapiro](#) previously authorized a one-time payment of \$46 million to aid in SEPTA's operating budget, as well as redirecting funding from highway administration to fund mass transit. A bill to aid mass transit funding in Pennsylvania through the redirection of funds gathered in the state *Sales and Use Tax* to gather an additional \$292 million to support public transit across the state of Pennsylvania. The [proposed state budget](#) has passed through the Pennsylvania State House, where it was initially proposed, four times, but still faces challenges in the Pennsylvania State Senate. Senate Majority leader Joe Pittman, for instance, argued that the demands for funding for SEPTA were too cumbersome for the state of Pennsylvania to cover in [public statements](#).

While SEPTA is generally considered one of the nation's most efficient and comprehensive networks of public transit, there still remain inherent deficits in terms of equity and access to transit to the system as is the case in Chicago. For instance, public transportation think tank Transit Center finds in a [2024 report](#) that car-owning Philadelphians have five times more access to employment opportunities versus Philadelphians with the best transit access. That

White and high-income residents have better access to transit in Philadelphia is no surprise, as a [2020 survey](#) found that 39% of low-income Philadelphians named access to transportation as their biggest hurdle to finding and maintaining employment. Similarly, the same study, conducted by the Economy League of Greater Philadelphia, reported that usage of public transportation, travel to work via car, and work from home vary significantly across racial and ethnic lines, suggesting a corresponding disparity in the quantity and type of employment accessible to different groups.

In brief, both Philadelphia and Chicago and their respective mass transit systems face an incoming period of operational austerity that seems certain to trigger what is generally termed [“transit death spiral,”](#) a term for the phenomenon where transit systems lose revenue through a lack of ridership and therefore are forced to raise costs and reduce service. This perpetuates a continual contraction of service and ridership, that without intervention may spell the full death of a transit system. With massive funding and expansion plans in proposal in both case studies, it is clear to see that mass transit in major American metropolitan areas is at an operational crossroads, and the opportunities to either double down on transit investment or pivot through innovation to alternative systems. Before analyzing policies to achieve either objective that have worked in other case studies, it is important to understand some of the basic underlying arguments to which funding mass transit pertains.

### **Public Transit and Equity**

As previously discussed, mass transit in the United States is a vital lifeline for vulnerable communities that do not have motor vehicles or possess other such vulnerabilities, impacting several key indicators of life, such as health and employment. In terms of the impact of mass transit on health outcomes, transit access can be a key determinant of community health and well-being. For instance, the [Network for Public Health Law](#) contends that 45% of Americans already lack access to reliable public transit and in 2023, “21 percent of U.S. adults without access to a vehicle or public transit went without needed medical care last year.” The necessity of public transportation for these communities in accessing health care options, and its deficiencies in terms of reaching all who may need such a service provide an argument for not just the continued funding of public transportation services, but additionally the expansion

of public transportation services to resolve historical inequalities in disparate access to services such as hospitals as discussed in the case studies of Chicago and Philadelphia.

Far beyond just providing access to places of health care, proponents of public transit point to its role in promoting both community and environmental health. Public transportation options are able to house more riders than an automobile, with 69.2% of riders traveling to work alone in 2023 per the [U.S. Census Bureau](#). More reliable mass transit options would attract riders and reduce congestion on the road, thereby reducing carbon emissions from these vehicles in turn. While a vast majority of workers drove to work alone in the calendar year of 2023, the [Census Bureau](#) reports that nationally only 3.5% of workers commuted to work via public transit in the same year.

Not only the reduction in carbon emissions links the expanse of public transit options to better health outcomes, but also the potential for public transportation to increase physical activity as users are required to walk or bike to public transportation options as opposed to simply driving to work. A [2021 report](#) co-authored by the John Hopkins Bloomberg School of Public Health and the Baltimore Transit Equality Coalition argued that the continued planning of communities around auto-oriented development versus walking or transit alternatives systematically benefits more affluent communities that are able to afford cars. For this reason, they argue that the continual hesitance of planning departments to fund and expand transit options only continues to perpetuate socio-economic and health disparities by ordering who gets the best access to health care, healthy food, and opportunities for employment.

Transit access and reliability are critical determinants of employment prospects across many U.S. major metropolitan areas. For instance, academic studies on [American metro areas](#) estimate that there are as much as thirty times more employment opportunities accessible via car than transit across U.S. cities, with a frequent problem being an incomplete direct commute via public transportation [requiring layovers between transit services](#). Those reliant on transit to access places of employment are disadvantaged not only in the opportunities they have for gainful employment, but also in terms of location and housing. For instance, low-income communities may be forced to live closer to their places of employment versus more affluent populations, especially as low-skilled labor is more location oriented than other forms

of employment. The [spatial mismatch hypothesis](#) was first proposed by economist John Kain in 1968 and further expanded upon in 1992, and concerns the disconnect between low income, minority communities and employment opportunities. Specifically, it raises the increasing suburbanization of employment opportunities, and the inability of some members of these communities to access such jobs. Increasing investment in public transportation may diversify the opportunities of transit dependent households and enable them to pursue better opportunities and those outside of their immediate surroundings. For instance, a [popularized model](#) is that which Morgan State University Professor Lawrence Brown deems the “Black Butterfly” of Baltimore, where Black and low income communities are relegated to the east and west of the city and face less transit access and investment versus more affluent, white communities. The equitable expansion of transit opportunities may be a valuable tool in resolving historical inequities in employment and investment by expanding access and opportunities for traditionally left-behind communities.

The impact of expanding transit access on the spatial distribution of poverty is unclear and may compose [heterogeneous impacts](#) across city spaces. Some may see lower income residents moving towards transit centers, such as urban rail, whereas these spaces may also be gentrifying agents in communities, as transit centers may attract new housing developments and commercial sites. Transit infrastructure and its expansion can influence neighborhoods through varied and complicated mechanisms, clearly altering compositions in either of the two previous examples or some combination of the two. A summarization of these main points is contained below:

### Why Fund Public Transportation? – Summary Table

Dimension	Key Points	Supporting Evidence / Examples
<b>Health Access</b>	PT is essential for vulnerable populations to reach medical care	– 21% of U.S. adults without needed care in 2023 (Jeden)
	Lack of reliable PT contributes to poor community health outcomes	– 45% of Americans lack access

	Expansion can address historical inequalities in access to hospitals	- Network for Public Health L expanded PT
<b>Environmental Impact</b>	PT reduces congestion and carbon emissions	- 69.2% of workers drove alone
	Low PT usage despite benefits	- Only 3.5% of workers used PT (U.S. Census Bureau)
	Encourages physical activity	- Walking/biking to PT increases physical activity vs. auto-oriented commuting
	Auto-centric planning favors affluent communities	- 2021 report by Johns Hopkins Center for Urban and Regional Transit Equality Coalition
<b>Employment Access</b>	PT access affects job opportunities and economic mobility	- Up to 30x more jobs accessible for low-income households (Boernat et al. 2017; Cox 2018)
	Spatial mismatch limits low-income access to suburban jobs	- Concept by John Kain (1968)
	PT expansion can diversify employment options for transit-dependent households	- “Black Butterfly” model by Morgan State University
<b>Urban Equity &amp; Planning</b>	PT influences neighborhood composition and investment patterns	- PT centers may attract development and gentrification
	Effects vary across cities and communities	- Outcomes may be heterogeneous and context-dependent

While there are clearly gains to be made from the expansion of public transit options in America, the fact of the matter is that there are many barriers to this action of expanding the options public transportation riders utilize.

### **Barriers to the Funding and Expansion of PT**

As previously elaborated, there are many structural barriers that have both limited the historical role of public transportation funding and operation among American metro areas as

well as present obstacles to its expansion. Historic underfunding especially compared to highway and automobile infrastructure means that public transportation is often seen as a non-competitive option in terms of providing access to essential services such as employment, healthcare, and groceries. Proposals to not just maintain, but expand public transportation to ensure a sustainable future for public transit total easily in the millions of dollars, with some proposals in the billions of dollars. For state legislators already tired of bail-outs for public transportation efforts, such an effort in doubling down on a system that is already struggling may not be savvy compared to options such as promoting or subsidizing microtransit options versus mass transit. An alternative to public transit, micro transit is a mix of public transportation's accessibility with the on-demand elements found in ride sharing services such as Uber or Lyft. In terms of costs, a [2015 study published by the United States Department of Transportation](#) found that in the abstract, many Americans did see public transportation as offering benefits to their communities, such as reducing traffic congestion and providing access to vulnerable communities. However, they were more wary of tax hikes to fund these services in practice.

Far beyond the costs associated with protecting and expanding public transportation is the effectiveness of transit options versus its use case. Effective systems of public transportation traditionally have thrived when serving denser residencies, in which a larger base of potential riders and concentration of important destinations creates an effective system for supply and demand that makes [service for these residencies](#) economically viable. Indeed, the prevalence of the single family home and lower-density occupancies in the [United States](#) versus competing nations such as Japan, France, or Germany clashes with the compatibility of dense urban form with public transportation provision. As such, American urban sprawl signifies that the increasing suburbanization of residencies further incentivizes the use of automobiles that can quickly cover large swathes of land at a user's whim. The shift from urban places of employment to the rise suburban employment presents [another barrier](#) to the effectiveness of public transportation in the American, as many systems of public transportation are designed to transfer workers from the outside of the city into the central business district to work. Aside from the rise in work from home arrangements from the pandemic (with 14% of Americans working from home in 2024, per [a report by the Pew Research Center](#)), the rise in intrasuburb

transit for work poses another barrier for public transportation to meet consumer needs effectively.

Furthermore, large scale transit projects such as the expansion of light rail services often is a politically contentious task that requires delicate negotiations with existing neighborhood stakeholders. The expansion of transit access and locations has received [serious backlash](#) from vocal community members in American metropolitan regions, concerned over its impact on property values, changes in neighborhood character and composition, traffic, and the potential of crime associated with the rise in transit options. Generally classed under the acronym of NIMBY-ism, an acronym for not in my backyard, resistance to these sorts of efforts speaks to underlying concerns faced by many concentric city suburbs on population density, the urban environment, and the expansion of transit options. A summary table of these dimensions for consideration is contained below:

### Barriers to Public Transportation Funding – Summary Table

Dimension	Key Concerns	Supporting Evidence / Examples
<b>Historical Underfunding</b>	PT has long been underfunded compared to highways and auto infrastructure	- Seen as non-competitive for healthcare, groceries
	Expansion proposals often require millions or billions in funding	- Legislators wary of repeated costs
	Preference for microtransit or private alternatives	- Some view smaller, flexible as cost-effective
<b>Public Perception &amp; Tax Resistance</b>	Americans acknowledge PT benefits but resist tax increases	- 2015 USDOT study: benefits hikes unpopular
<b>Low-Density Urban Design</b>	PT is less efficient in sprawling, low-density areas	- U.S. suburbanization favors
	PT systems designed for city-center commuting, not suburb-to-suburb travel	- Rise in suburban employment (14% WFH in 2024, Pew Research)

<p><b>Political &amp; Community Resistance</b></p>	<p>Transit expansion often faces local opposition</p>	<p>- Concerns over property value character, traffic, and crime</p>
	<p>NIMBYism reflects resistance to increased density and urbanization</p>	<p>- Vocal backlash in metro areas and transit hubs</p>

Development patterns and attitudes make the expansion of transit a politically difficult task to complete, both in wariness around transit as well as a response to the increasing decentralization of work and employment versus traditional commuting patterns. Plans to fund and expand PT must both be sensitive to community concerns and incorporate shifting commuting patterns to meet the needs of users.

### Comparative Lessons to be Learned From Similar Cases

To supplement or replace mass transit options, several American cities have instituted micro transit options to support existing infrastructure. An on demand ride service, micro transit combines public transportation’s availability with the technology of ride hailing services such as Lyft and Uber. An [analysis published](#) by micro-transit provider Via on the implementation of microtransit options in Jersey City, New Jersey argued that the implementation of microtransit was able to equitably support some of the city’s most transit dependent residents. Specifically, Via’s analysis determined that microtransit had opened up half of the city’s jobs within a 30 minute commute, whereas only 20% were accessible via bus or light rail. Additionally, this case study argued that microtransit supported affordable housing measures, as approximately 40% of rides ordered for microtransit in Jersey City were in close proximity to affordable housing, removing transit access as a requirement for housing selection. Similarly, [an analysis from the think tank the Reason Foundation](#) points to Denver, Colorado as another effective example of the implementation of microtransit in connecting consumers in low density areas with fixed route transit options. The FlexRide service takes 6% of the Denver Regional Transportation District’s \$784 million operating budget, but is responsible for increasing ridership on fixed route traffic by 10%. However, detractors of microtransit point to its high operating costs, unpredictable demand, and inability to manage large quantities of riders when necessary. The implementation of microtransit in Des Moines, Iowa, did not lead to a substantial increase in

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ridership through the Reason Foundation’s report, requiring subsidies to continue in operation despite passengers who utilized the service overwhelming (80%) reporting that they had positive experiences with the service. In short, microtransit does not appear to be a clear-cut replacement for mass transit systems, but a complement to these services to bridge gaps to fixed route transit or through low transit density areas, but poses scaling problems in servicing a wider area.

A policy shift in a similar American metropolitan area is found in San Francisco, another American city in which public transportation cuts have been necessitated by a lack of funding. Even before the COVID-19 pandemic, San Francisco’s Municipal Transit Agency (SFMTA) approved a transit plan named the [Muni transit equity system](#). In both the pandemic and in restoring transit service, the SFMTA prioritized providing service in its designated equity neighborhoods. These regions were designated through “equity zones” determined through an analysis of the population of low-income and non-white residents, percentage of the population who owned a car, and the concentration of affordable or public housing in the area. [The SFMTA reports](#) that equity neighborhoods outperformed more affluent neighborhoods in terms of providing access to jobs.

The model metropolitan rebound from the ridership crisis sparked by the COVID-19 pandemic is found in Washington, D.C., which posted the strongest recovery of transit ridership since 2019, closely followed by New York City, according to [data from the FTA. Utilizing federal funding](#), the Washington Metropolitan Areas Transit Authority (WMATA) sought to expand service frequency and extend the Metrorail’s silver line to access the surrounding Dulles Airport. A large part of the organization’s success in attracting riders can be attributed to its increasing frequency of service in off hours and weekends, as a response to shifting workplace and transit demands. Light rail services in D.C. are oriented towards commuting from suburban outskirts into the city center, but some bus services have increased ridership over pre-pandemic levels in response to the rise of [intra-suburban travel](#). A recent development has been the [restructuring of bus routes](#) within both Washington D.C. and the surrounding regions. The WMATA states that such efforts are made to simplify the naming system of services as well as provide strategic access for equity focus communities.

Additionally, the WMATA has sought to [increase development](#) surrounding light rail stations, including transit oriented development (TOD) patterns of increasing housing and commercial development around transit centers. Such efforts create the density around transit corridors that can stimulate ridership and frequency of transit stops. However, like in many other metropolitan areas, transit access is still unequally applied across the access to services that White and Black residents face and the time it takes for them to reach employment opportunities. To support low income workers, the WMATA has [adjusted service hours](#) to expand night service, catering to low income or essential workers who are more likely to commute at nighttime. However, the impact of federal return to office orders may inflate the number of commuters to work in the D.C. metro area versus other major metropolitan areas. Nonetheless, the message that the WMATA's responses to the pandemic indicate is simple: if service is frequent and reliable, then commuters will utilize metro services for both work and pleasure.

### **Final Conclusions and Policy Recommendations**

It is clear that the future of mass transit services in the United States is at a pivotal point on account of the fiscal pitfalls faced by case studies such as Chicago and Philadelphia. If cities are to invest in mass transit, they must do so in a way that meets residents most dependent on transit at their point of need. Chicago's plan to increase intra-suburb transit appears to be an effective and necessary evolution of public transit to respond to new demands on the system, but is, of course, dependent on the passage of the state-level transportation bill. Several foreign public transportation systems in comparable nations to the United States draw upon connecting lines in light rail to ensure that it provides access to the entirety of a metropolitan area as opposed to radial commuting patterns focused on moving people in and out of the city center, though such an endeavor composed an immense cost up front from in planning and implementation. It is clear from both case studies that revolutionizing mass transit systems would require acts of political courage to create the circumstances where mass transit would be a more competitive action to meet the needs of riders, thereby attracting more revenue.

The root cause of the difficulties of mass transit systems to take hold in America is the prevalence of low density urban sprawl in American cities, as detached, single family homes compose an estimated 75% of zoned land use nationally. Denser, more compact cities such as the model prevalent in Europe and Asia are more in line with the [models in which public transportation typically has thrived](#). In terms of [transit innovations](#) such as microtransit, studies indicate that it is [only cost effective](#) for transit agencies to provide micro transit options when servicing areas that received less than [six riders per bus route](#). There are a variety of new concepts and strategies in place surrounding mass transit, but innovation born of austerity is not an effective solution to preserving and expanding equity in transit access while making mass transit an effective alternative to automobile transit to attract ridership. Increasing density around transit points, as in the case of Washington, D.C., provides the density of residential and commercial buildings that makes ridership a more efficient option for commuters.

Furthermore, alternative solutions such as microtransit and subsidized ride sharing do not replicate the gains of public transit in positively impacting health outcomes and congestion reduction. For instance, in Philadelphia, the more transit reliant southern region of the city is serviced by light rail, but typically dominated by lower density housing. Increasing housing density and transit oriented development through the region is the model of the WMATA would be an effective way to increase ridership and bolster economic output for both SEPTA and regionally. Doubling down on intra-suburb transit to respond to shifting ridership demands also certainly appears to be an expedient action, either in the form of doubling down on and updating bus service or expanding light rail services to provide this service. Strategic application of resources, providing a reliable and effective service, and meeting their audience at their needs is an undeniably difficult task, but is necessary to secure and expand the future of mass transit in America.

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