

TRANSIT

Times

**Executive
Report
2009**

The Economic Essentials of Transit

Every dollar invested in Wisconsin transit yields a return of \$3.61, according to a study commissioned by the Wisconsin Department of Transportation (WisDOT). The return on investment varies between 6% and 6.5% over the 20-year analysis period* – well above the cost of capital. The bottom line: *Transit benefits always outweigh transit costs.*

Transit benefits to Wisconsin residents in 2004* were estimated at \$726 million (see graphic), or \$7.59 per passenger trip in four major economic sectors – healthcare, work, education and retail/tourism/recreation.

In the Milwaukee system, for example, public transit saved about \$111.7 million in vehicle ownership/operating costs, travel time, accidents, and environmental emissions due to less congestion and fewer miles traveled by personal vehicles.

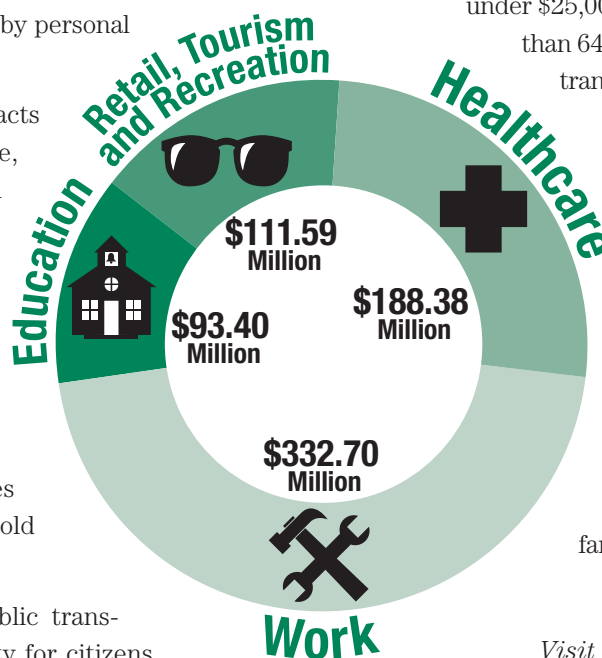
In addition, transit positively impacts economic development. For example, each year Wisconsin citizens make an estimated 9.7 million transit trips for healthcare purposes, resulting in \$188 million in cost savings. Transit riders save \$131 million annually in transportation costs, and \$57 million in home healthcare costs. In turn, riders' transportation cost savings are redirected toward purchases in housing, food and other household expenses.

Another essential benefit of public transportation includes improved mobility for citizens. Most of Wisconsin transit users have no other means of transportation. Waukesha Metro Transit presents a vivid picture of transit's essential role in the community. A 2005 ridership survey conducted by The



Center for Transportation Education and Development at the University of Wisconsin – Milwaukee showed that 73% of Metro customers have no access to a private vehicle; half do not hold a driver's license. Household income is under \$25,000 for 56% of riders surveyed. More than 64% ride the bus daily, and 58.5% use transit to get to work or school.

In short, transit is a lifeline in the community. Inadequate transportation is, and will continue to be, detrimental to quality of life and economic productivity for our communities and citizens of all ages and walks of life. Legislative support of priorities set forth by WURTA in this Executive report will help the Wisconsin economy begin to flourish now and far into the future.



\$726.08 Million
Transit benefits by trip purpose
in four major economic sectors
in millions of dollars.

Visit www.wisconsintransit.org for a link to view the full WisDOT report.

*[*Note: Figures are from 2004, the most recent year for which complete data are available.]*



Seizing Opportunities, Overcoming Challenges

By Dave Mumma, WURTA Chairperson

As we work our way through these challenging times, WURTA believes that even now great opportunities exist to shape the future of public transportation in Wisconsin and nationally. If we are willing to seize the moment and

look to the future, we can position ourselves to emerge from our current struggles stronger and better-prepared to participate in and contribute to the competitive global economy. WURTA and its members pledge to do just that, and we ask for your support to ensure that Wisconsin is ready to face that future.

The American Recovery and Reinvestment Act will enable transit systems to catch up on a number of overdue capital improvement projects that will help position them to move ahead and support the Wisconsin and national economies as they recover. At the same time, however, it is imperative that we not be short sighted, and take the opportunity presented by the

reauthorization of the federal surface transportation program (currently SAFTEA-LU) to ensure that it provides a strong base to support and continue our efforts. We cannot allow our present troubles to overshadow what needs to be done now to prepare for the future. WURTA and its members urge our federal representatives to move quickly to craft a program that will help Wisconsin meet these challenges.

In our state, we are on the brink of considering legislation that will allow local governments to join together to form Regional Transit Authorities (RTAs), recognizing that citizens' needs to travel to work, school, health care and services don't stop at city limits, county or even state lines. Wisconsin will also consider state-supported intercity bus and passenger rail links, stitching the RTAs together in a seamless statewide public transportation system. WURTA urges the Wisconsin Legislature to take this opportunity to provide the kind of transportation system our state and its citizens require to compete, and enjoy the quality of life they have come to expect, in the 21st century.

Thanks to Our Elected Representatives for Supporting Wisconsin Transit

On behalf of the citizens we serve, the members of the Wisconsin Urban and Rural Transit Association (WURTA) thank our congressional delegation and state legislators for their support of our efforts to keep Wisconsin communities moving forward. Without adequate funding, increasing eco-

nommic pressures will put sustainable service at risk. The following are WURTA's top legislative priorities, representing the most urgent needs faced by transit systems across Wisconsin. [Visit www.wisconsintransit.org for a link to view the full WURTA Legislative Agenda.]

Federal Priorities

Putting ARRA Funding to Work: WURTA and its members deeply appreciate the additional transit capital funding of the American Recovery and Reinvestment Act (ARRA). We pledge to put the funds to work in Wisconsin quickly and effectively to address essential backlogged transit capital projects. We are working closely with the Federal Transit Administration, Wisconsin Department of Transportation, and the Governor's Office of Recovery and Reinvestment to ensure every ARRA transit dollar allocated to Wisconsin will provide improved services for our citizens.

Surface Transportation Program Reauthorization: Set to expire on September 30, 2009, timing is critical for the re-

authorization of the Federal surface transportation program, (SAFTEA-LU). We urge the enactment of a comprehensive, innovative and robustly funded capital and operating plan that will take our national surface transportation system and public transit, in particular, into the second decade of the 21st century. Additional funding for transit systems, backed up by sustainable revenue sources, is an imperative to meet the unprecedented demand for public transportation.

As we look for green solutions to urban sustainability, SAFTEA-LU funding will help develop and expand public transit services to provide 10% of urban trips as an integral part of our

see Federal Priorities page 3

Federal Priorities... *continued from page 2*

national infrastructure. Finally, transit funding formulas should be revised so Wisconsin receives a more equitable share. Wisconsin has 2% of the nation's population, but receives less than 1% of the nation's transit funding. Additionally, urbanized areas that operate fewer than 100 buses and have or will soon exceed 200,000 in population, such as Appleton and Green Bay, should retain eligibility for federal operating assistance funds. (see sidebar).

Statewide Discretionary Capital Grant: WURTA continues to support one statewide grant of federal Section 5309 discretionary capital funds, sufficient to meet the needs of all Wisconsin transit systems. A steep reduction in federal capital dollars in recent years, averaging less than 50% of historic annual funding levels, has resulted in a critical backlog of unmet capital needs in all systems, as well as interruption of a rational, orderly cycle of planning and funding. ARRA funds alone will not erase all needs and will not establish a predictable, stable annual

funding source. Statewide grants have proven to be effective over time and a far better solution to our members' capital needs than individual cities or congressional districts "going it alone" in the appropriations process.

Rescind Proposed Change to the "School Tripper" Rule: FTA rules prohibit systems that receive federal transit funds from providing "exclusive school bus service," with the exception of "school tripper" routes that match student travel times and patterns. Abolishing "school trippers" would inconvenience student passengers and increase costs for transit systems and local taxpayers, while reducing the efficiency and effectiveness of transit services across Wisconsin.

Census takes 'mass' out of mass transit

The 2000 Census re-categorized Fond du Lac from a rural to an urban area, reducing the combined state and federal operating assistance from 67% to 57%, eliminating \$434,000 of its \$1.7 million budget. Unable to come up with a 65% local contribution increase, the system reduced weekday bus service by 40% and eliminated all Saturday service completely. Passenger fares were increased by 27%, dramatically shifting riders to taxi service and reducing ridership by about 27%.

Without a change to SAFTEA-LU legislation, the approaching 2010 census will commit at least two Wisconsin communities –Appleton and Green Bay – to a similar fate.



Gov. Jim Doyle talks about the state budget at the Green Bay Transit Center in January, saying his priorities include keeping metro transit systems strong.

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State Priorities

While legislation proceeds in Washington, we are equally committed to working hand-in-glove with our state legislators and agencies. We are fortunate and grateful to have Gov. Jim Doyle's resolute leadership in support of Wisconsin transit. Following is a brief outline of the top issues we are addressing at the state level.

Regional Transit Authorities (RTAs): WURTA strongly supports the creation of statutes authorizing RTAs in Wisconsin, backed by the funding authority to remove transit from the local property tax. [A Legislative Council, including WURTA repre-

sentatives, is currently evaluating such legislation.] To be effective, we believe RTAs must include local community input along with maximum control over the process of determining, establishing, operating and funding RTAs by the local government units who know best what their areas need.

State Operating Assistance: The State of Wisconsin has and continues to be a major supporter of public transit service. However, over the past decade, the state percentage of transit system operating costs has declined dramatically. For example,

see State Priorities page 4

