



Congress Should Stop Funding Transit ‘New Starts’

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Congress should follow the proposal in President Trump’s 2018 budget blueprint to stop funding new projects under the Federal Transit Administration’s capital investment program, sometimes known as “New Starts,” and its cousin, “Small Starts.” Created in 1991, this program has funded dozens of light-rail, heavy-rail (elevated trains & subways), commuter-rail and streetcar projects.

This program was a mistake from the beginning, as rail transit is an obsolete technology that makes no sense outside of New York City, the only place in the nation with the population and job densities that require rail transport. Instead of improving transportation, the only real beneficiaries of New Starts and Small Starts are rail contractors and railcar manufacturers.

Since 1991, the federal government has spent about \$70 billion (in today’s dollars) on New/Small Starts. To be eligible for this money, local transit agencies must put up matching funds and agree to pay to operate and maintain the rail lines. The result has been rapidly rising construction costs and growing maintenance backlogs, putting major burdens on local taxpayers.

In exchange for these high costs, the number of annual transit rides taken by urban residents has declined 10 percent. One reason is that new rail lines are so costly that transit agencies are often forced to cut bus service and raise fares.

Los Angeles, for example, started planning and building rail transit in the mid-1980s. By 1995, the region had opened several expensive rail transit lines. To pay for these lines, it reduced bus service, and total transit ridership fell by 17 percent.

The NAACP sued Los Angeles’ transit agency for building rail into white neighborhoods while it let transit to minority neighborhoods decline. The court ordered the agency to restore bus service for 10 years, which restored ridership to its mid-1980 levels. But when the court order expired, Los Angeles began cutting bus service to pay for new rail lines, and ridership has again declined.

This pattern has been repeated in many regions. While not all cities that built rail have seen total ridership fall, most have seen declines in per capita ridership. Atlanta, Baltimore, Buffalo, Dallas, Houston, Los Angeles, Norfolk, Phoenix, St. Louis, and Sacramento are among the cities that have received New Starts funds and have seen both per capita transit ridership and transit's share of commuting decline since they began building rail transit.

To make matters worse, New Starts encourages transit agencies to get more federal dollars by planning increasingly expensive rail lines. In the early 1990s, new light-rail construction costs averaged \$40 million per mile in today's dollars. Today, they average more than \$160 million per mile.

Seattle just completed a light-rail line that cost \$626 million per mile, and Los Angeles is planning one that will cost close to \$1 billion per mile. No one in the transit industry seems to be bothered by these ridiculous costs.

To gain support for such expensive projects, advocates claim rail transit relieves congestion. Yet light rail, streetcars, and commuter rail usually increase congestion, both because the first two occupy lanes once open to automobiles and because cities give rail priority over cars at traffic lights. The traffic analysis for Maryland's Purple Line, for example, predicts that it will increase the time people waste in traffic by 35,000 hours per day.

Rail transit is obsolete because buses can move more people, faster, and more safely than most rail lines at far lower startup and operating costs. Buses may be smaller than railcars, but they can operate far more frequently. The Washington Metro can run just 28 trains per hour, and most light-rail lines can safely run only 20 trains per hour, but bus-rapid transit lines can easily move more than 250 buses per hour. Outside of New York City, no place in America needs more capacity than buses can provide.

Unlike other federal transit programs, new/small starts require deficit spending out of general funds, not gas taxes. To stop wasting money on obsolete transportation, Congress should end appropriations to new capital improvement transit projects.

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