

## Congress Should Bring 'New Starts' to an End

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In 1991, Congress created the "New Starts" program to help fund the construction of new transit infrastructure. Unfortunately, New Starts has done more harm to our cities than any federal program since the urban renewal projects of the 1950s.

On July 16, the Subcommittee on Highways and Transit of the House Transportation & Infrastructure Committee held a hearing on New Starts, which will expire in 2020 unless it is reauthorized. Transit agencies attending the hearing told the subcommittee that New Starts has helped them build high-capacity transit projects that have generated economic development, provided mobility for low-income people, and helped protect the environment. None of this is true.

New Starts is an "open bucket" fund that requires local matching funds, and the more expensive the project, the more money is provided by New Starts. This has led cities to plan increasingly expensive projects to get "their share" of federal funds.

For example, the average, inflation-adjusted cost of new light-rail lines has increased from \$17 million a mile in 1981 to more than \$200 million a mile today. To provide local matching funds, transit agencies have imposed large increases in taxes and gone heavily into debt.

Worse, light rail is an obsolete form of transportation because buses are not only less expensive to buy and less expensive to operate than light rail, they can move far more people per hour. In fact, light rail is by definition low-capacity transit because, for safety reasons, light-rail lines can only move about 20 trains per hour.

By comparison, busways can move hundreds of buses per hour, enabling them to move more than twice as many people per hour as the highest capacity of any light-rail line in America. Because of this, a recent report from the Institute for Transportation & Development Policy concluded, "there are currently no cases in the US where LRT [light-rail transit] should be favored over BRT [bus-rapid transit]."

Streetcars, as illustrated by Washington's H Street streetcar, are even worse than light rail and commuter trains are no better. Most new commuter-rail lines carry so few riders that it would have been less expensive to give every daily round-trip rider a new Toyota Prius every other year for the life of the project than to build and run the rail line.

Contrary to claims that rail transit generates economic development, research funded by the Federal Transit Administration concluded, "Urban rail transit investments rarely 'create' new

growth, but more typically redistribute growth that would have taken place without the investment."

This hasn't stopped transit agencies from claiming that everything that happened to be built near a rail line was built because of the rail line. Phoenix's Valley Metro Rail claims that its light-rail line stimulated more than \$11 billion worth of new development, but its list of developments includes gas stations, an automobile dealership, and more than 70,000 parking spaces, not to mention many government and government-subsidized buildings.

Far from helping the poor, rail transit often hurts low-income commuters. Rail lines built to entice middle-class commuters out of their cars have been so expensive that many transit agencies have been forced to cut bus service to working class neighborhoods. Los Angeles has lost more than 4 bus riders (mostly minorities) for every new rail rider (most of them white) it has attracted by building light rail.

As a result, most low-income families have bought cars and no longer rely on transit. Data collected by the Census Bureau show that people who earn under \$25,000 a year are significantly less likely to take transit to work today than they were a decade ago, while people who earn more than \$75,000 a year are significantly more likely to ride transit to work.

Nor is rail transit particularly green. Except on the West Coast, even electric powered transit gets most of its energy from fossil fuels. The Washington Metrorail system uses more energy and emits more greenhouse gases, per passenger mile, than the average car, while the DC streetcar is dirtier than the worst coal-rolling truck. Even on the West Coast, encouraging people to drive more fuel-efficient cars does far more to help the environment than building rail transit.

For all these reasons, Congress should not reauthorize New Starts in 2020. If Congress wants to continue subsidizing transit agencies, it should distribute the money using a formula that takes transit fares heavily into account. This will encourage transit agencies to put riders first and to emphasize programs that increase ridership rather than ones that increase costs.

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