

# **A Proposal for Free Public Transit and Improved System Efficiency in Austin, Texas**

**Authored by the Bus Riders Union of Austin, Texas**

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## **Introduction**

This report proposes making all transit modes operated by the Capital Metropolitan Transportation Authority fare-free for all passengers.

### **The goals of the plan are to:**

- **Increase ridership,**
- **Alleviate traffic congestion,**
- **Reduce pollution and improve air quality,**
- **Eliminate litter from expired daypasses,**
- **Increase overall productivity,**
- **Expedite the transit system and transportation overall,**
- **Maximize mobility for all residents of Austin, and**
- **Provide overall net monetary and public health gains.**

The Bus Riders Union of Austin, Texas is a city-wide advocacy organization for transit riders, who are the true owners of the public transportation system. Online at [www.busatx.org](http://www.busatx.org).

## **Resources and Acknowledgements**

Our report draws from three primary sources: *A Bolder Plan: Balancing Free Transit and Congestion Pricing*, henceforth referred to as “the Kheel Report”,<sup>1</sup> a recent report incorporating fare-free transit with congestion pricing for New York, NY; *A High Performance Transit Plan for Austin*, henceforth referred to as “the 2000 Performance Plan”<sup>2</sup>, a plan developed in 2000 by a former mayor of Austin and three former Capital Metro Board members; and *Fare-Free Policy: Costs, Impacts on Transit Service, and Attainment of Transit System Goals*, a report prepared in 1994 on fare-free transit for the State of Washington, henceforth referred to as “the Hodge Report”.<sup>3</sup>

We also survey the fare-free period in Austin<sup>4</sup> from October 1989 to December 1990, using quarterly reports, audited financial statements, a 1990 market research study conducted by NSI Research, and a 1993 Quadrennial Performance Audit mandated by the Sunset Commission and submitted to the Texas Department of Transportation.

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<sup>1</sup> “A Bolder Plan: Balancing Free Transit and Congestion Pricing.” Commissioned by Ted Kheel. January 2008. Online at [http://www.nnyn.org/kheelplan/Full Kheel Report for web\\_23 Jan 2008.pdf](http://www.nnyn.org/kheelplan/Full%20Kheel%20Report%20for%20web_23%20Jan%202008.pdf)

<sup>2</sup> “A High Performance Transit Plan for Austin.” By Stephen Bayer, et. al. 2000. Online at <http://www.busatx.org/archives/highperformancetransitplan>

<sup>3</sup> “Fare-Free Policy: Costs, Impacts on Transit Service, and Attainment of Transit System Goals.” By David C. Hodge, et. al. Washington State Transportation Center (TRAC), University of Washington. March 1994. [http://www.busatx.org/files/farefreepolicy\\_hodge.pdf](http://www.busatx.org/files/farefreepolicy_hodge.pdf)

<sup>4</sup> The Free Fare Period in Austin from 1989-90 is well documented at <http://www.busatx.org/archives/freefareperiod>

## **How It Would Work**

All buses, vanpools, and trains would be fare-free. Passengers would simply board and alight, without paying any fare, through the front and back doors.

### **Why Now?**

With the Capital Metro's MetroRail Red Line coming on line later this year, it is important to maximize ridership on this very expensive component of the transit system. There is absolutely ***no better way*** to ensure high ridership than to offer it fare-free. Buses would also be fare-free to maintain equity and to simplify transfers.

Eliminating fares now would also save installation and staffing costs for fare collection on the rail line.

Also, as much of the bus fleet is approaching retirement age, the new fleet will not have to be equipped with very expensive fareboxes.

With car costs at an all time high, fare-free transit will provide the best nudge out of the car and onto public transit.

Physical mobility is linked to social mobility. Fare-free buses allow inexpensive transportation and expanded application options for job seekers, more choices for home relocation, and maximize overall mobility.

Austin is the most congested city of its size.<sup>5</sup> Fare-free buses will relieve congestion and help to remove this dubious distinction.

Austin has been in near-non-attainment status for several years - and may actually now be in non-attainment status due to recent changes in federal standards - in regard to air quality, jeopardizing millions, and perhaps billions of federal highway funds for Austin and the surrounding areas.

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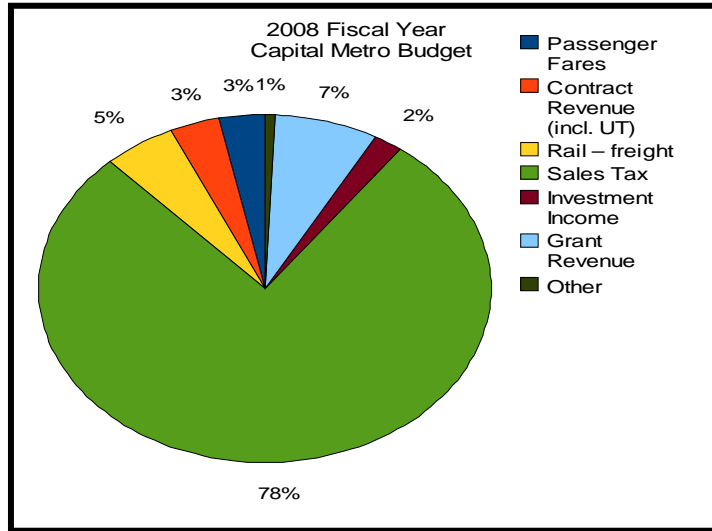
<sup>5</sup> *Urban Mobility Report*. September 2007. Texas Transportation Institute, The Texas A&M University System.  
[http://www.busatx.org/files/urban\\_mobility\\_report\\_2007.pdf](http://www.busatx.org/files/urban_mobility_report_2007.pdf)

## The Financial Equation

### A Quick Overview of Capital Metro's Finances

Roughly 3.3% of the 2008 fiscal year Capital Metro budget comes from fare revenues, while 80% consistently comes from sales tax revenues. With such a high public subsidy, taxpayers are made the true owners of Austin transit.

Capital Metro projects to collect approximately \$6.7 million at the farebox this fiscal year, not including the University of Texas Shuttle. A fare-free system would eliminate this revenue. However, given that the accepted industry standard dictates that 2-7 percent of operating expenses is spent on fare collection<sup>6</sup>, **Capital Metro nets no more than \$3.3 million each fiscal year in fares.**<sup>7</sup> This figure



could be conceivably higher, since the 2 percent figure generally applies to much larger service areas (Austin is considered a mid-size, not a large metropolitan area). The 7 percent figure generally applies to much smaller areas. It would not be unreasonable to assume a 4 percent figure, which would mean Capital Metro is *currently breaking even* after counting the fare revenues and farebox maintenance.<sup>8</sup>

### Special Transit Services (STS)

Our Special Transit Services (STS) rebate plan will result in significant savings. Passengers who are eligible for STS but choose to ride fixed route will receive rebates related to the amount they save the system, since STS is tremendously expensive. Some estimates show a Cost per Rider of \$43.<sup>9</sup> An aggressive plan

<sup>6</sup> Hodge, 1994. Page 1.

<sup>7</sup> We arrived at this number using the most conservative figure, 2 percent of operating expenses (roughly \$170 million), which would result in at least \$3.4 million spent each year in costs. The maximum benefit to the system each year from imposing fares, gross minus costs, is a net \$3.3 million.

<sup>8</sup> The 4 percent figure would mean \$6.8 million is spent on costs associated with fare collection, and Capital Metro only collects \$6.7 million in fare revenues.

<sup>9</sup> In the 2006-07 Report to the Community, Capital Metro reported that STS cost \$25,043,969, including costs from other departments such as maintenance and administration, while there were only 576,052 boardings, which would mean a Cost Per Rider of \$43.48.

that reduces costs by a mere 10% will net \$2.5 million.

The rebates would go into an accessibility fund that would be administered by Capital Metro but overseen by civilian monitors to ensure proper administration. The fund would provide at least an additional space for wheelchairs on buses and would repair wheelchair ramps on buses or other accessibility features at bus stops.

### **The University of Texas Contract**

University of Texas students currently pay a fee for additional routing, known as the UT Shuttle, a premium service designed specifically to serve the University community. This premium service includes a higher frequency of roughly every seven to ten minutes, cleaner buses, and efficient routes that are more responsive to ridership needs.

Although the UT Shuttle provides a threshold of quality service for which the rest of the system should strive, the perception during the fare-free period that UT students were subsidizing the whole system was incorrect.

To combat that perception, and for fair treatment of fee-paying UT students, a rebate equal to the fares currently paid by students of St. Edward's, ACC, ITT etc. would go back to UT students: UT would receive a rebate equal to \$0.25 for every UT Shuttle boarding, or roughly \$1.5 million based on the last fiscal year.<sup>10</sup> By making this refund, Capital Metro would only be required to provide minimum service requirements and also make it open to the public.

- It would be far better, financially for both sides, and as a matter of public policy, for Capital Metro to redesign its relationship with the UT Shuttle, first to make explicit the subsidy provided by Capital Metro, and second, to remove itself as the superfluous middleman. This can be accomplished simply by contributing a \$0.25 subsidy per rider to the University, an offer that can be made similarly to other institutions, e.g. major employers, who might wish to develop their own shuttle systems. In exchange, Capital Metro can impose only minimum requirements: that the service be open to the public, free of charge and accessible by the disabled; that its stops be accessible by Capital Metro's own routes to facilitate transfers between the Shuttle System and the transit system as a whole; that it meet minimum average load requirements; and that its operating results be audited in compliance with Federal reporting requirements.<sup>11</sup>

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<sup>10</sup> In the 2006-07 Report to the Community, Capital Metro reported 6,118,099 boardings on the UT Shuttle.

<sup>11</sup> Wording largely adapted from Bayer, et. al, 2000. Page 21.

## **System Benefits**

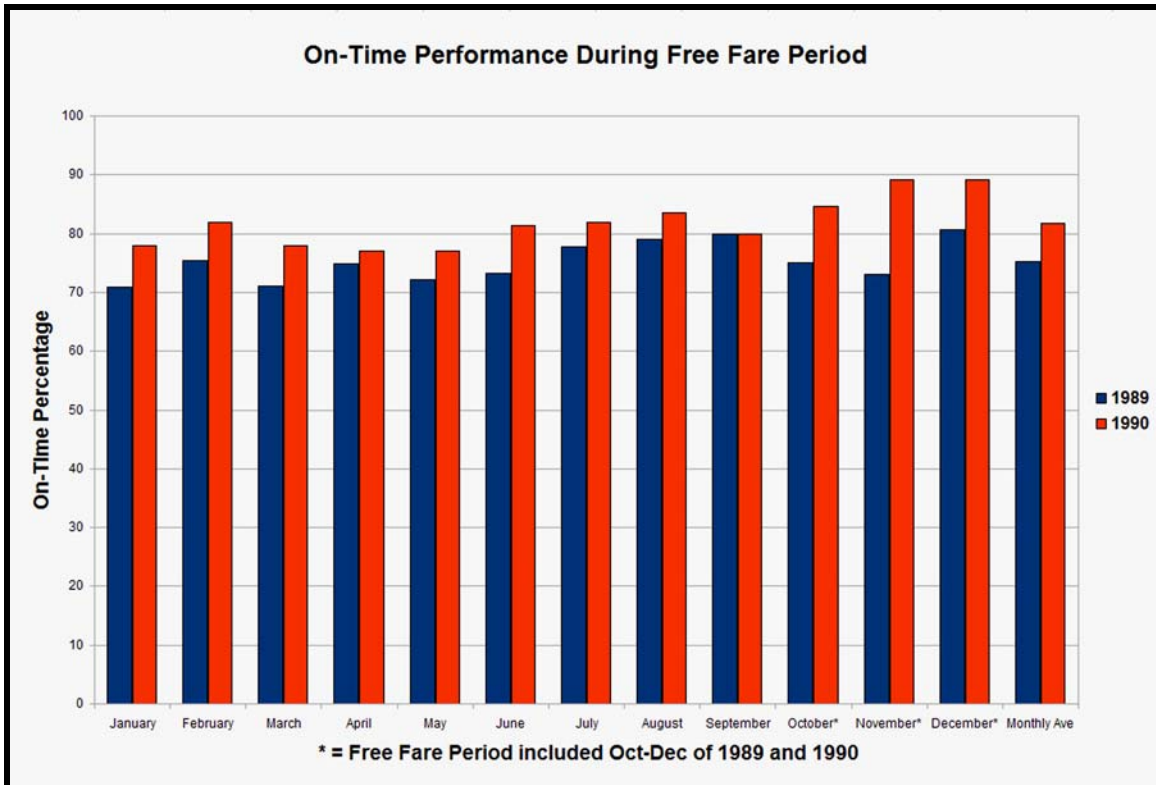
### **Speeding Up the System**

Eliminating fares would speed up the entire transportation system in Austin.

Without fare collection, passengers would no longer have to scrounge for loose change, which sometimes makes the bus wait through a green light. Faster buses mean less overall congestion on the roads.

Eliminating fares would encourage people to get out of their car, which are the key perpetrators of congestion. "Automobile-induced congestion also reduces the efficiency and usage of bus transit. Billions of hours are wasted every year in traffic jams. These wasted hours both reduce economic productivity and limit the time available for leisure, recreation, or family and friends."<sup>12</sup>

During the fare-free period in Austin, on-time bus performance increased.<sup>13</sup> On-time buses increase the attractiveness of mass transit.



<sup>12</sup> "Avoiding the Collision of Cities and Cars: Urban Transportation Policy for the Twenty-first Century." Johnson, Elmer. September 1993. Report on a Study Project sponsored by the American Academy of Arts and Sciences in cooperation with The Aspen Institute. Page 5.

<sup>13</sup> Data adapted from the Performance Audit of the Capital Metropolitan Transportation Authority. Prepared by John T. Doolittle & Associates, Inc., et. al. March 1993. Online at [http://www.busatx.org/files/farefree\\_audit.pdf](http://www.busatx.org/files/farefree_audit.pdf)

Other barriers would be removed, such the physical barrier of the farebox. Eliminating this would ease boarding and alighting of passengers and maximizes available turning radius for passengers in wheelchairs.

Maximizing the ability to move between work and home is also maximizing the ability to move up in social class. "People on the move spatially are usually on the move intellectually, financially, or psychologically ... It is the people on the bottom who have everything to gain and nothing to lose from a mobile society."<sup>14</sup>

Households in regions that have invested in public transportation reap financial benefits from having affordable transportation options, even as gasoline prices rise. Lower income households are particularly burdened by higher transportation costs since these expenditures claim a higher percentage of their budgets even if they are spending less in absolute dollars.<sup>15</sup>

Regions of this nation with public transit are losing less money per household from the increase in gas prices than those without due to investments by federal, state, and local governments in more *efficient*<sup>16</sup> transportation systems. This effectively lowers household transportation expenditures and converts transportation dollars that would otherwise leave the region in the form of higher payments for gasoline to dollars that help pay for local transportation services plus other household expenses.<sup>17</sup>

### **System Efficiency**

The primary benefit of a fare-free system is maximum system efficiency. The cost per rider, or "Subsidy per Rider," is defined as an indicator of the effectiveness with which public monies are used in achieving the system's ridership. This figure is computed by subtracting the operating (farebox) revenue from the system operating cost, then dividing by the total boardings<sup>18</sup>. Under a fare-free system, the cost per rider will be reduced to an all time low and possibly a future national standard.

Both the Hodge Report and the 2000 Performance Plan identify the "farebox recovery ratio" as an outdated method for judging system efficiency:

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<sup>14</sup> Cox, Harvey. 1966. "The Secular City: Secularization and Urbanization in Theological Perspective." 2nd ed. New York: Collier Books. Also cited in Johnson, 1993. Page 1.

<sup>15</sup> Adapted from the Key Findings section of "Driven to Spend." Center for Neighborhood Technology and Surface Transportation Policy Project. June 2005. Page 4. Online at [http://www.busatx.org/files/Driven\\_to\\_Spend\\_Report.pdf](http://www.busatx.org/files/Driven_to_Spend_Report.pdf)

<sup>16</sup> We define "efficient" as lower Cost per Rider and better on-time performance, both of which fare-free policy furthers.

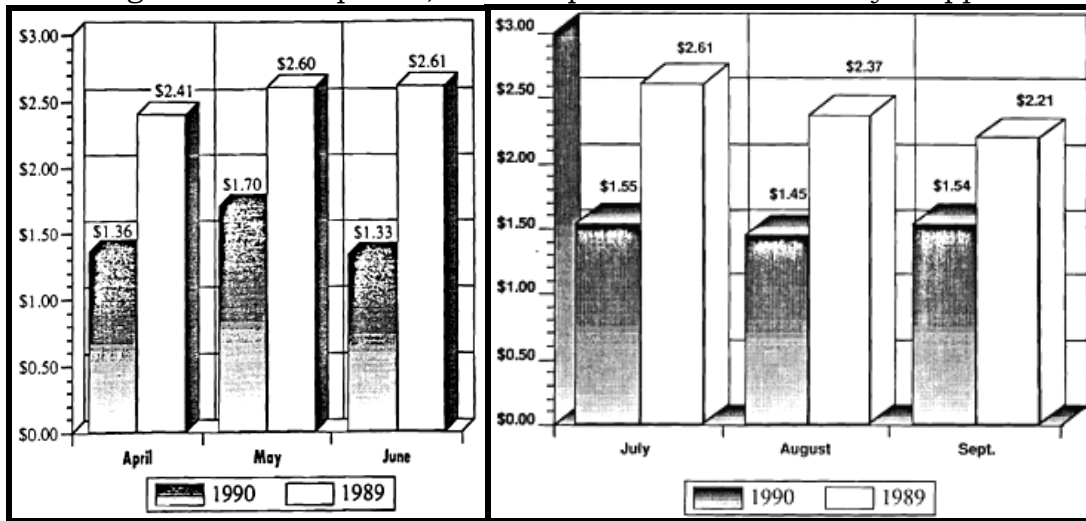
<sup>17</sup> "Driven to Spend." Page 4.

<sup>18</sup> Bayer et. al, 2000. Page 10.

“The most commonly used measure of system effectiveness is the fare box recovery rate, a measure that cannot be computed for a fare-free system. We conclude, however, that the measure's usefulness is limited in any case and that other measures, which are more appropriate (e.g., cost per rider), provide evidence that overall system effectiveness is improved with fare-free transit. An over-emphasis on fare box recovery rates is likely to be counterproductive. Focusing on fare policy is likely to decrease transit ridership and undermine efforts to meet other system goals related to mobility and environmental concerns that rely heavily on ridership totals.”<sup>19</sup>

“For a transit system with a dedicated tax subsidy, however, the Farebox Recovery Ratio is simply a measure of the degree to which the system is maximizing revenue, and for any public agency, maximizing revenue is equivalent to maximizing cost. Note that unproductive increases in operating costs, as long as they are recovered from the farebox, will produce an increase in the Recovery Ratio but an increase in the Subsidy per Rider as well.”<sup>20</sup>

During the fare-free period, the cost per rider substantially dropped<sup>21</sup>:



## **City-Wide Benefits**

Using data from the Kheel Report, a 10% reduction in congestion could save \$200 million in recovered productivity, healthcare and auto insurance, among many other areas. However, since New York City and its transit service area is roughly 12 times the size of Austin and its service area, we might realize even

<sup>19</sup> Hodge, et. al, 1994. Pages 1-2.

<sup>20</sup> Bayer, et. al, 2000. Page 26.

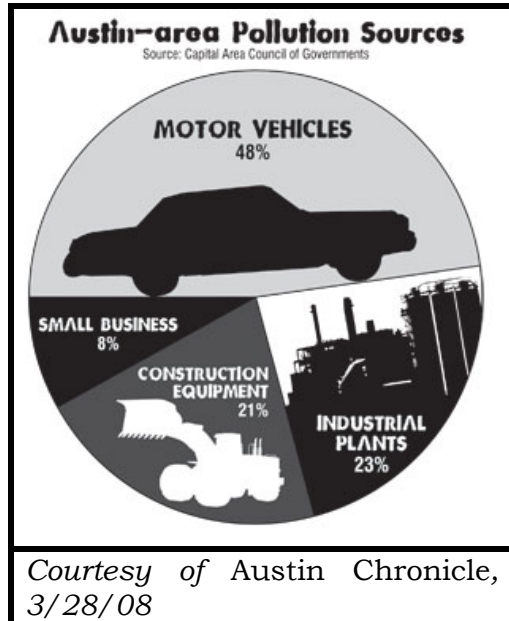
<sup>21</sup> Graphs directly from the April-June 1990 and July-September 1990 Quarterly Reports.

more savings. The Kheel Report estimates that it would save New York nearly \$4 billion per year in recovered productivity based on a 25% reduction in congestion; a shrewd calculation puts Austin's expected savings at \$333 million were we to achieve the same reduction in congestion.

Improving the air quality could also yield the Austin area much more money. The Environmental Protection Agency announced on March 12 of this year that it is tightening the ozone standard for the first time in a decade,<sup>22</sup> and Austin is likely to join Houston-Galveston-Brazoria, Dallas-Fort Worth, Beaumont-Port Arthur, and San Antonio as areas that have reached non-attainment status in the State Implementation Plan (SIP). A non-attainment designation risks the loss of millions, and possibly billions, of federal highway dollars.

The city has feared losing this money for several years; there were once concerns that that funding for SH 130 would be restricted due to Austin's near non-attainment status in 2000. In 2002, the City of Austin and surrounding areas entered into an Early Action Compact (EAC) designed to prevent further pollution and a designation of non-attainment status. However, now that our status just changed from just under the non-attainment limit to just over it, Austin must take preventative action before we soar any higher over the pollution limit.

Getting Austin-area residents out of their cars and on to public transit would not only improve our air quality, but it could also keep all modes of area transportation moving.



## **Further cost saving recommendations**

### **Reversing Increases in Market Department**

We propose a \$2.1 million cut in the marketing department budget, essentially reversing the increases of the past two fiscal years, since a fare-free system will largely market itself. The marketing department has proven to be incompetent and ineffective since the increases in its budget have not counteracted the loss in ridership caused by the elimination of transfers.<sup>23</sup>

<sup>22</sup> "EPA Strengthens Smog Standards to Better Protect Human Health and the Environment". Environmental Protection Agency. 3/12/2008.

<sup>23</sup> Capital Metro replaced free transfers with \$1 all-day passes, which resulted in an 11% drop in lost ridership, despite soaring gas prices.

Our plan still affords a substantial \$1 million budget to produce public service announcements addressing system education and kind ridership promotion, branding, information kiosks, and public relation staff at bus stops and transit centers. Much of public relations is performed, and will continue to be performed, by the Business and Community Development department, which is amply funded.

Just recently, Capital Metro has created a multimedia promotional campaign entitled “i-Ride”<sup>24</sup> that allows bus riders to submit their stories electronically to staff. A number of those who submit material will win a prize. Such promotional gimmicks will never achieve the ridership numbers afforded by fare-free policy.

### **Cut Low-Performance Routes**

Routes with negligible ridership should be replaced by vanpools, and the recovered fixed route service should be shifted to improve frequency on busy routes. This move alone would save at least hundreds of thousands, if not millions of dollars.

### **Aggressive Promotion of Vanpools**

Vanpools are an option for many Capital Metro riders since they allow five to twelve riders to decide their own route and schedule, with one rider designated as the primary driver who can use the van for personal use. Capital Metro pays maintenance, gas and insurance.

A vanpool’s cost per rider, even after making the van fully accessible for wheelchairs, is significantly lower than that of the average bus route. This is for two reasons. First, the cost of the van, both capital and operating, reflects the economies of scale inherent in the use of a mass-produced vehicle made with mass produced parts. Second, there is no wage and benefit cost incurred by the driver, which on a bus route represents roughly 50% of the direct operating expense. Rather, the vanpool driver is compensated by the personal use of the van during evenings and weekends. Capital Metro pays the cost of the van and that share of the cost attributable (by mileage) to the driver's personal use is billed back to the driver. In 1989, Board members noted that at the then-current cost per rider, the Authority could afford, at a 1% tax rate, to carry all of the service area's peak hour work trips on free vanpools.<sup>25</sup>

### **Closing the Downtown Metro store**

The downtown Capital Metro store occupies 12,171 square feet of some of the most expensive property in Austin.<sup>26</sup> It is located on Congress Ave., within

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<sup>24</sup> Online at <http://www.iridecapmetro.org/>

<sup>25</sup> Bayer, et. al. 2000. Page 14.

<sup>26</sup> Found on page 8 of Capital Metro’s 2008 fiscal year budget.

close proximity to many bus routes, where passengers can conveniently buy bus passes and schedule booklets. However, we recommend closing this facility, as there will no longer be a need to sell passes. Kiosks could better provide route information, and other functions could be moved to the North Operations or other outlying facilities. Schedule booklets could be available at HEBs, the UT Student Union, and other locations, as they have been in the past. The 2008 budget remains unclear on how much the facility is worth, and its operating costs, but we believe closure could net at least hundreds of thousands of dollars.

### **"Services"**

The 2008 budget includes \$31.3 million under the nebulous category of "services." Much of this is for dozens of studies and consultant fees. It includes legal fees for labor negotiations etc. that should be performed in-house by the already robustly funded legal and labor relations departments. Many of these services are overkill, and some are totally useless. We recommend a careful examination and re-prioritization in this area. A mere 3% reduction would net over \$1 million in savings.

### **Bring advertising in house**

The transit authority sub contracts advertising duties to Reagan Advertising, a billboard company. This means bus advertising is handled by the same company that handles the media it most directly competes with. The end result is lousy performance, such as advertising that wraps around the bus, blocking windows and causing riders to occasionally miss their stops. It produces no identifiable revenue.

### **Publicly-Funded Parking Lots**

We also strongly recommend that the transit authority refrain from partnering with developers to build Park-N-Rides that do not primarily serve transit; those at the Triangle and Praise Tabernacle are prime examples of this. Both these parking facilities serve private entities and are impractical as genuine Park-N-Rides, mainly due to lack of access to Austin's busiest roads.

### **Tighten the Belt on Supervisor Vehicles**

Capital Metro must stop using expensive, gas-guzzling SUV's and full size sedans for transporting solitary supervisors and staff. This is a wasteful and polluting policy that reflects poorly on the transit authority's purported commitment to efficiency and environment.

## **Myth Busting: An Honest Review of the Free Fare Period**

<i>Myths</i>	<i>Facts</i>
Costs skyrocketed	<p>1988: \$31,100,983 (with fares)            1989: \$34,580,543 (with fares for 3 quarters)            1990: \$37,437,627 (with no fares)            1991: \$41,877,115 (with fares)</p> <p>The amount of sales tax revenues used was actually decreased as well: it decreased to 3/4 of a percent from a full 1% of sales tax.</p>
Buses were flooded with “punks, drunks, and skunks”	<p>The idea that undesirable riders flooding the system prevailed: joyriding kids and aggressive drunks that threatened personal safety.</p> <p>The daytime curfew was not in effect until after 1990. The problem of schoolchildren joyriding during the school day would not happen again.</p> <p><b>Crime did not proportionately increase.<sup>27</sup></b> By the 4th quarter of 1990, security incidents per 1000 boarding were lower than 1988 numbers in every category but one: intoxicated passengers. Had Capital Metro continued free fares on a permanent basis, they would have created a special program to deal with this, as the city - in cooperation with the cab companies - eventually did.</p> <p>Vagrants show up in the security incident statistics; then as now, vagrants are put off the bus. Capital Metro buses averaged about six per day; quite a bit lower than the Austin Public Library downtown, whose daily traffic was a fraction of the buses’ 70-90,000 average weekday ridership.</p>
Regular bus riders were driven away by the new riders, i.e., vagrants	<p>On-board surveys found customer satisfaction at extraordinarily high levels, with 93% of passengers expressing approval for free fares.<sup>28</sup></p> <p>NSI Research, a market research firm that conducted telephone surveys, tallied the reasons former riders gave for leaving the system during the free fare period.</p>

<sup>27</sup> Despite the fact that a petition of 215 bus operators was presented at a Free Fare Public Hearing claiming that "an increase in attacks and incidents on all Capital Metro buses, causing undue stress and delays to both passengers and bus operators" resulted from free fares, it was unsupported by the facts.

<sup>28</sup> According to former Chairman Stephen Bayer.

	It found: "Among those who have quit riding the bus since the free fare program began, little more than coincidence can be attributed to loss of riders due to the free fare program. The main reason for declining or stopped usage in bus service is the recent acquisition of a car. Other reasons such as a change in job or address also explain why some have quit riding the bus. In only a couple of isolated instances are on-board safety or less than desirable passengers or anything else negatively attributed to the free fare program cited as reasons for discontinued use of bus service." <sup>29</sup>
Buses were overcrowded	There was an initial overcrowding, but Capital Metro spent \$1.5 million on frequency improvements for deploying extra vehicles to handle the loads. <sup>30</sup>
On-time schedule performance will be negatively impacted	Schedule adherence actually increased during the fare-free period. In every month of the fare-free program, on-time performance was better than for the same month in the prior year. <sup>31</sup>  Complaints called in to Capital Metro regarding late buses decreased during the free fare period as compared to 1989 before the period began. <sup>32</sup>
Riders complained about service and didn't support the free-fare plan	The NSI Market Research shows general public approval of the fare-free program at 81%, even though 49% of respondents had never used Capital Metro services. Among riders: 97%. <sup>33</sup>

## **Minimizing negatives**

### **Security**

Currently, Capital Metro experiences a low number of security incidents. During the fare-free period, the bus service, though many times the foot traffic,

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<sup>29</sup> NSI Research. 1993. Page 1. Online at [http://www.busatx.org/files/farefree\\_marketresearchstudy.pdf](http://www.busatx.org/files/farefree_marketresearchstudy.pdf)

<sup>30</sup> Figure from Bayer, et. al. 2000.

<sup>31</sup> Doolittle & Associates, Inc., et. al. March 1993.

<sup>32</sup> In April-June 1989, 14% of complaints dealt with late buses; in April-June 1990: 13.2%. In July-September 1989: 17% of complaints dealt with late buses; in July-September 1990: 12.2%. From the April-June 1990 and July-September 1990 Quarterly Reports. Online at [http://www.busatx.org/archives/farefreequarterly\\_aprjune1990](http://www.busatx.org/archives/farefreequarterly_aprjune1990) and [http://www.busatx.org/archives/farefreequarterly\\_julysept1990](http://www.busatx.org/archives/farefreequarterly_julysept1990)

<sup>33</sup> According to former Chairman Stephen Bayer.

averaged less daily incidents than the main public library. The lack of security on buses is largely mythologized. And in fact, fare challenges by operators are the number one cause of operator assaults on buses.<sup>34</sup> This specific security situation would be eliminated under a fare-free system.

Many fears of unsafe buses were irrational, with some passengers believing that criminals would ride from East to West Austin to steal from and mug their fellow Austinites. Following this line of thinking, a re-introduction of fares would do nothing to combat this trend, unless the thief was to return with less than 50 cents. Many stories like these were concocted to re-introduce fares.

If security incidents were to increase, then the Bus Riders Union would argue that security guards, such as off-duty police officers, could be hired as needed.

To deal specifically with issues like homelessness, alcoholism, and dropout prevention, we recommend that Capital Metro partner with appropriate social service agencies. These agencies are better versed in strategies for addressing these very complex issues.

### **Addressing Influx of Passengers**

There will be an inevitable influx of passengers, although the 80% gains in ridership during the 1989-90 fare-free period may not be replicated. Regardless, service improvements **must** accommodate these gains to prevent overcrowding and ensure that mobility impaired passengers are able to board fixed route, to be consistent with the STS rebate program we have detailed.

We recommend revisiting and re-instituting the strategies dealing with overcrowding that were successful during the fare-free period.<sup>35</sup>

The Kheel Report contends that, in New York, peak times will be relatively undisturbed as most commuters, who make up the bulk of peak-time ridership, are already riding. This is probably not the case in Austin, as New York has a long established and healthier transit culture. We should expect a significant surge in new commuters at these times when the buses are already relatively full. Kheel has proposed some excellent remedies that, with competent implementation and aggressive promotion, will also work well in Austin.

Included are:

- ***Creative incentives and partnerships with employers to encourage riders to shift to "shoulder" times: the times adjacent to peak***

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<sup>34</sup> *In Transit* Magazine, which represents transit drivers across the nation, has reported that most assaults on drivers are related to fare disputes. Online at <http://www.atu.org/about/intransit/>

<sup>35</sup> The strategies were obviously successful since overcrowding, security incidents and related complaints, and on-time performance were all enhanced during this period, based on related documents.

*times, both before and after.*

- **Promotion of shifts to parallel routes and modes, including:**

Bicycles: The reduction of congestion will encourage more bicycle riding. We also recommend increasing the capacity of bike racks on buses to facilitate "combination commuting." Cities such as Seattle use bike racks with 3 slots, which would net a 50 percent increase the available number of current slots.

MetroRail: Based on current ridership on the Leander Express, there should be plenty of room on the train.

Overlays: Good examples of underutilized overlays during current peak times are the express routes, Dillos and UT Shuttles. The current system has an abundance of overlaid routing. As routes approach the Central Business District, they become more and more prevalent. People already make use of the overlay buffet and will do so even more, especially with education from the transit authority.

The UT Shuttle is especially promising as its peak times differ from the rest of the system because of the unique lifestyles and schedules of students. Further, its "shuttle" nature creates virtually empty buses on outbound segments in the AM, and inbound segments in the PM.

Deadheads: Deadheads, which are empty buses traveling between the garage and the start/end of a route or between routes<sup>36</sup>, currently constitute a huge amount of wasted capacity. Most are overlaid with other routes, often during peak hours. Capital Metro should carefully examine deadheads and make use of this valuable, unused capacity.

Vanpools: In time, vanpools will become increasingly attractive, as co-workers discover each other using mass transit.

Walking and taxis: As people begin to leave their cars at home they will sometimes choose other modes for short lunch-hour type trips.

Rapid Transit (BRT): Should the Rapid Bus ever materialize,<sup>37</sup> it could also absorb some overflow passengers.

### **An Important Note about Mobility Impaired Passengers**

With increased ridership, especially at the onset, it will be critical for Capital Metro to have an already established, strict, and well-publicized policy for the boarding of disabled, fixed-route passengers. Operators should receive expert sensitivity training to ensure courtesy, consistency and professionalism.

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<sup>36</sup> Definition from Capital Metro 2008 fiscal year budget, page 96.

<sup>37</sup> Capital Metro's Rapid Transit Department has received \$3.6 million between FY 2006-08.

## Conclusion

Through a combination of cost-saving and revenue-increasing measures, the Bus Riders Union of Austin, Texas plan for fare-free policy re-implementation would net the bus riders and general public substantial monetary and public health gains.

<b>Money lost under our plan</b>		
Fare revenue lost	\$6.7 million	<b>\$8.2 million lost</b>
UT rebate	\$1.5 million	
<b>Money gained under our plan</b>		
Cutting fare collection	\$3.4 million	<b>\$10.8 million gained</b>
Marketing cuts	\$2.1 million	
STS rebate program (at 10%)	\$2.5 million	
Close downtown store	\$500,000	
Vanpools	\$1 million	
Reduced "Services"	\$1 million	
In-house ads	\$250,000	
Cheaper and more fuel efficient car fleet for supervisors	\$75,000	
<b>Net Gain</b>		
\$10.8 million gained - (\$8.2 million lost) = \$2.6 million tangible benefit		
<b>+ Plus +</b>		
Increased productivity from reduced congestion	\$200+ million	
Avoiding non-attainment status	Hundreds of millions to billions in kept federal highway funds	
Improved Quality of Life <ul style="list-style-type: none"> <li>• Enhanced Emergency Medical Services (EMS) response times</li> <li>• Cleaner, healthier air</li> <li>• Less congestion contributes to a safer bicycling and pedestrian environment</li> <li>• Improved worker mobility</li> <li>• Fewer bad drivers on the road</li> <li>• Litter from expired daypasses would be reduced and eventually eliminated at bus stops and inside buses.</li> <li>• Fewer old, polluting clunkers on the road <ul style="list-style-type: none"> <li>○ "10 percent of the vehicles on the road today [in 1993] produce 50 percent of vehicle-induced air pollution."<sup>38</sup></li> </ul> </li> </ul>	<b>Priceless</b>	

<sup>38</sup> Calvert, J. G., J. B. Heywood, R. F. Sawyer, and J.H. Seinfeld. 1993. "Achieving Air Quality: Some Reflections on Controlling Vehicle Emissions." *Science*. 261: 37-45.

With the increased awareness of climate change and the ever-booming population of Austin and the surrounding areas, it is imperative that preventative action be taken to minimize the effects of congestion and improve public health.

In 1990, the Capital Metro Board of Directors voted on whether to continue the fare-free program for another five years. The proposal failed by a vote of 3-4. It is important to reverse that vote now more than ever to continue the successful policies of the fare-free period.

Fare-free policy is the best approach and will likely be the standard of the public transit industry. It offers benefits such as reduced congestion, improved air quality (necessary to avoid non-attainment status), better public health, increased productivity, and a faster transit system and transportation overall.

Within the past year, New York Mayor Michael Bloomberg, Illinois Governor Rod Blagojevich, and San Francisco Mayor Gavin Newsom have all expressed support for fare-free policy.<sup>39</sup> Mayor Bloomberg endorsed the idea that to combat global warming, mass transit ought to be free and charging large fees to drive into the city; Mayor Newsom backed the likelihood that San Francisco nets no profit from collecting fares.

With its 2007 Climate Protection Plan, the City of Austin has shown its desire to be a committed leader in combating global warming. Fare-free policy is the next logical step to living healthier lives. We are calling on the residents of Austin, Capital Metro, and the City Council to prove this city is the most livable city in the nation.

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July 2. Also cited in Johnson, 1993. Page 16.

<sup>39</sup> Mayor Bloomberg was quoted in "It's Hizzoner to ride train." By Michael Daly. *New York Daily News*. 07/07/2007. Gov. Blagojevich started a state-wide initiative to allow seniors to ride for free, but CBS reported "Ideally, Gov. Rod Blagojevich says everyone should be able to ride public transportation for free." "Blago's Senior CTA Decision Is First Step In Plan." By Dana Kozlov. *CBS 2 Chicago*. 01/11/08. "[Mayor] Newsom said the costs of collecting the revenue, which includes the necessary equipment and proper staffing to stop fare evaders, 'is such that one can make an argument that we are collecting as much as we're spending.'" From "Newsom to explore fare-free Muni." By Joshua Sabatini. *Examiner.com*. 03/07/07.