ALLEGHENY INSTITUTE FOR PUBLIC POLICY

February 22, 2023 **Policy Brief: Volume 23, Number 8**

Bus ridership still far below pre-COVID levels

Summary: Mass transit use in the Pittsburgh area and across the United States in 2022 remained far below 2019 levels. This *Policy Brief* examines Pittsburgh Regional Transit (PRT, formerly the Port Authority of Allegheny County) bus passenger count, operation measures and light-rail usage. The *Brief* also reviews bus passenger numbers in 14 other transit systems across the country.

Not all systems have light-rail, and some have heavy rail, so only bus passengers are reviewed for those systems. The 14 comparison systems include: Philadelphia; Baltimore; Atlanta; Orlando; Tampa; Miami; Nashville; Cleveland; Milwaukee; Minneapolis-St Paul; Dallas; San Antonio; Austin; and Portland, (Ore.). Except for Philadelphia, no other very large systems such as New York City or Chicago were reviewed. All data were taken from the National Transit Database including data through December 2022.

Bus passengers

For the 15 systems overall, the 2022 annual bus passenger count was 36 percent below the 2019 annual count.

Individually, the systems' percentage declines in yearly bus passenger totals from 2019 to 2022 are as follows: Pittsburgh (42.6); Philadelphia (36.2); Baltimore (33.9); Atlanta (45.8); Orlando (29.5); Tampa (16.0); Miami (15.0); Nashville (23.1); Cleveland (48.7); Milwaukee (36.1); Minneapolis-St Paul (49.2); Dallas (42.0); San Antonio (42.6); Austin (32.3) and Portland (43.5).

Geographically there is little correlation between locations of the systems and the degree of 2022 passenger count recovery from 2019 levels, except for the Florida bus systems. The three Florida systems in 2022 averaged 20.2 percent below the 2019 reading. The next best was Nashville at 23.1 percent. All other systems were still trailing 2019 by over 30 percent. Indeed, seven systems were over 40 percent behind 2019 with the worst performances at Minneapolis-St Paul at 49.2 percent, Cleveland at 48.7 percent and Atlanta at 45.8 percent.

Jobs growth and passenger count recovery

Pittsburgh was joined by Dallas, San Antonio and Portland at nearly 43 percent lower passenger counts than in 2019. The slow recovery in the two large Texas cities is perhaps a little surprising given the relatively strong economy in that state. It suggests that factors besides the recovery of employment are at work.

Consider that Dallas experienced a massive 10.4 percent increase in private-sector jobs from December 2019 to December 2022. But passengers were still down 42 percent. Similarly, Austin employment had an even larger 13.7 percent gain in employment over the same period. But passengers were down 32.3 percent.

However, Tampa, with passengers down 16 percent, and Miami, with passengers down 15 percent from 2019 to 2022, bus passenger recovery in those regions seems to reflect to some extent faster job recovery—Tampa with an 8 percent gain over the three-year period and Miami at 4 percent. Similarly, Nashville has seen a strong jobs recovery and has surpassed the pre-pandemic totals by 7.5 percent and has recovered all but 23 percent of pre-COVID passengers, much better than most of the transit systems surveyed.

At the same time and surprisingly, Minneapolis-St Paul had the weakest recovery of bus passengers, a loss of 49.2 percent. That's even though the metro area has almost fully recovered the pandemic job losses with the December 2022 employment count down only 0.7 percent from December 2019. Meanwhile, in the Pittsburgh Metro Area, December 2022 jobs were still 3.2 percent below December 2019 and the bus passenger count was down 42.6 percent.

In short, the recovery and growth of employment does not necessarily coincide with bus passenger recovery in these cities. In some cities it does and in others is does not. But having said that, it is clearly better to have strong job growth than bus ridership gains.

Longer term passenger counts

It is also interesting to note that many of the transit agencies in this group of 15 had substantially higher passenger counts in 21st century years prior to the 2019 performance. As examples: Atlanta ridership peaked in 2008 at 72.1 million, well above the 2019 reading of 51.9 million; Baltimore reached 85 million riders in 2010, compared to 64.4 million in 2019; Philadelphia had 187.6 million in 2004, well above the 152.1 million in 2019; Pittsburgh bus riders totaled 63.2 million in 2002 compared to 55 million in 2019.

Transit agencies serving Cleveland; Minneapolis-St Paul; Portland and Dallas also had far more bus passengers 10 or more years before 2019. The reasons for the declines in so many of the transit agencies are likely to be complicated and perhaps different from metro to metro. But, in any case, it presents serious questions about the factors that are driving demand for bus travel in urban areas and points to a possible longer-term drop in bus usage.

PRT COVID relief

The 15-metro sample illustrates some stark differences in the recovery of bus passengers. Despite the large shortfalls in recovery for many systems, there is apparently no urgency to cut costs or trim service because of the COVID relief funds that will continue to be available to use.

For example, PRT reports in its 2023 Operating Budget document that it has received a total of $502 million in federal stimulus to support operating expenses, including employee costs. Of that total PRT has $338 million remaining to fill gaps in operations funding for a couple more years. This has enabled the system to operate with no layoffs, although there have been some slight reductions in staff through retirement and resignations. Other systems presumably have received substantial COVID related federal stimulus funds in order to prevent large service and employee reductions.

PRT operations employment and costs

PRT has made small reductions in service through 2022 and staff reductions have been very minimal with no layoffs. However, in bus service, the passenger count (unlinked passenger trips) is down by 42.6 percent from 2019 to 2022 after a drop of 56 percent from 2019 to 2021. At the same time, vehicle revenue miles (VRM) were down just 13.1 percent while the employees involved in providing bus and light-rail service fell from 2,187 in 2020 to 2,145 in 2022 and are budgeted to rise to 2,418 in FY 2023 (figures from the FY 2023 budget). The all-in cost of providing bus service was $348,434,000 in FY 2022 with 31,556,000 passengers (calendar year) producing a per rider expense of $11.04, an increase of 86 percent from the FY 2019 per passenger expense of $5.92.

Meanwhile, the situation with light-rail service is far worse than the disastrous bus passenger decline. Light-rail passengers plunged 68 percent from 2019 to 2022 with the count dropping from 7,423,997 to 2,323,520. Meanwhile, light-rail VRM fell from 2.16 million in 2019 to 1.36 million in 2022—a decline of 36.5 percent. This decline was three times the 13.1 percent decline in bus VRM during the period. Per rider cost on the light-rail system based on FY 2019 expense and calendar year 2019 riders ($70,910,000 expense and 7,423,997 passengers) was $9.55. But by 2022, the cost per rider had climbed to $31.46, owing to the 68 percent drop in riders and a 3 percent rise in light-rail operations expenditures.

In short, PRT's long history of being an extremely high cost per passenger transit agency has been greatly exacerbated by the COVID pandemic and the very slow recovery of passenger demand leading to a massive increase in per rider cost. Only large infusions of supplemental funds from the federal government and the state have allowed the transit system to avoid layoffs and massive service cuts.

All this has happened despite the failure of ridership to return to anywhere close to pre-COVID levels. The waste of funds is deplorable but as with the other COVID relief it is

seriously overdone. Unused or unbudgeted COVID funds should be withdrawn and returned to the government. All this does is enable inefficiency and waste throughout the country at the expense of taxpayers.

Conclusion

Based on the review of 15 transit systems, bus ridership nationally remains well below the pre-pandemic level. The continued use of COVID relief stimulus funds to support unneeded capacity in systems operating at more than a 30 percent loss in ridership is an enormous waste of tax dollars.

The federal government should ask for a part or all the unused or unbudgeted funds to be returned based on the extent of failure to recover to pre-pandemic levels of ridership. This situation is setting a very bad precedent.

Jake Haulk, Ph.D., President-emeritus

Allegheny Institute for Public Policy
305 Mt. Lebanon Blvd.* Suite 208* Pittsburgh PA 15234
Phone (412) 440-0079
E-mail: aipp@alleghenyinstitute.org
Website: www.alleghenyinstitute.org
Twitter: AlleghenyInsti1