Economic Impacts of Public Transit

Public transportation is critical to maintain and create American jobs as well as to keep the economy moving.

Investment in Public Transportation

- Public transportation is a $102 billion industry.
- An estimated $55.1 billion of public transit expenditures flow into the private sector.
- Nearly 6,700 organizations provide public transportation in the United States.
- Each $1 billion in transit investment generates $5 billion in long-term economic value, and it also creates or sustains more than 41,400 jobs,
- That same $1 billion investment also yields $251 million in tax revenue generated across federal, state and local governments.

Providing Access to Jobs

- 87% of trips directly benefit local economies, either providing job access or connecting people to retail and recreational venues.
- More than 450,000 people directly employed by public transit agencies and received $39 billion in compensation in 2024. Public transit also supports millions of private sector jobs.
- Public transportation is available in every state and Americans took 8.1 billion trips on public transportation in 2025.
- 50% of public transportation trips are bringing riders to and from employment.

Increasing Personal Savings

- An individual in a two-person household can save nearly $14,100 per year by taking public transportation.
- The average household spends 16 cents of every dollar on transportation, and 93% of this goes to buying, maintaining, and operating cars, the largest expenditure after housing.
- Home values were up to 24% higher near public transportation than in other areas. Hotels in cities with direct rail access to airports raise 11% more revenue per room than hotels in those cities without.

Funding

- Public transit operations are funded by a combination of fares, agency earnings, and financial assistance from state, local and federal governments. Long-term dedicated federal investment is critical to ensuring good public transportation and safeguarding global competitiveness.
- The nationwide public transit State of Good Repair backlog exceeds $150 billion. This deficit represents decades of deferred maintenance that threatens overall system Every $1 invested in public transportation generates $5 in long-term economic returns.
- More than 77% of all federal transit capital funding flows into the private sector via business vendor contracts, heavy manufacturing construction jobs, and private technology service agreements.