

## **Mineta Report: Benefit-Cost Ratios of US Transit Systems Are Compiled and Evaluated**

*Valuable resource for transit planners, policy makers, advocates*

**San Jose, CA – July 7, 2015** – Transit advocates, planners, and policy makers can now find a collected resource of benefit-cost ratio estimates for US transit systems. A new white paper from the [Mineta Transportation Institute](#) (MTI) by Christopher E. Ferrell, PhD called [\*The Benefits of Transit in the United States: A Review and Analysis of Benefit-Cost Studies\*](#), also identifies the main categories of monetized benefits that derive from transit services in the US. The report is available for free download at <http://transweb.sjsu.edu/project/1425.html>

“A review and analysis of available benefit-cost ratio estimates for transit systems in the US found wide variation among sources,” said Dr. Ferrell. “Some of these differences are attributable to the population sizes and densities of the service areas—the context—with rural and small urban areas generally yielding lower benefit-cost values than urbanized areas. However, substantial differences remained even after the context was accounted for, suggesting that differences in the methods of analysis used in these studies are the cause and that researchers could benefit from the comparisons and analysis provided herein.”

The paper also found that the benefits of transit were measurable and strong in a variety of operating environments, not just in large cities. Among other things, the review and analysis found that:

- Substantial transit benefits are seen in rural and small urban areas;
- Transit often pays for itself in congestion relief benefits for mid- to large-sized urban areas;
- Jobs and economic stimulus are among the largest benefit categories from transit investments;
- Transit improves health care access and outcomes while reducing costs;
- Transit saves people money;
- Low benefit-cost ratios aside, transit saves lives; and
- Greenhouse gas emissions, air quality, and other important but undervalued transit benefits categories should be considered.

Congestion cost savings, especially in larger urban areas, was a primary benefit. Another important benefit went to jobs and the economy. This was especially true in larger urbanized areas, but even small cities and rural areas gained substantially from transit services.

Few published studies measured health care cost benefits of transit. However, one study concluded that giving people low-cost and reliable transit access to medical services decreases the tendency of low-income people living in rural and small urban areas to forgo treatments. Thus, transit helps improve public health and reduce health care costs to society.

The paper goes into greater detail regarding each of its collected findings, including comparison charts and discussions from a variety of other published analyses.

For a free, no-registration download, go to <http://transweb.sjsu.edu/project/1425.html>

**Tweet this:** US transit cost/benefits analyzed in our new report. Great info for planners, policy makers. <http://ow.ly/Pi6UK>

## **ABOUT THE PRINCIPAL INVESTIGATOR**

Christopher Ferrell, PhD, began his planning career in 1995 working for the Metropolitan Transportation Commission (MTC). Since 2000, he has been a transportation consultant, and in 2010 he co-founded CFA Consultants, a transportation planning and research firm. Dr. Ferrell completed his doctoral studies in city and regional planning at the University of California, Berkeley in 2005. His research focuses on the interactions between transportation, land use, and the economy.

## **ABOUT THE MINETA TRANSPORTATION INSTITUTE**

The Mineta Transportation Institute (MTI) conducts research, education, and information transfer programs regarding surface transportation policy and management issues, especially related to transit. Congress established MTI in 1991 as part of the Intermodal Surface Transportation Efficiency Act. MTI won national re-designation competitions in 2002, 2006 and 2012. The Institute is funded through the US Department of Transportation, the US Department of Homeland Security, the California Department of Transportation, and public and private grants. The internationally respected members of the MTI Board of Trustees represent all major surface transportation modes. MTI, the lead institute for the nine-university Mineta National Transit Research Consortium, is affiliated with San Jose (CA) State University's College of Business. Visit [transweb.sjsu.edu](http://transweb.sjsu.edu)

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