

## WHY TRANSIT MATTERS SAVING MONEY

## Want to save money? Take public transit

Americans are always looking for a good deal – to pay less and get more for our money. In 2016, AAA reported that the annual cost of owning and operating a vehicle in the U.S. is  $$8558.^2$ 





Housing and transportation consume around half of the typical American Family's income. For those homeowners who make 50% to 100% of the median income, the cost of housing and transportation is even more burdensome, taking 72% of their income.<sup>5</sup>

In 2017, the American Public Transportation Association estimated that when a person switches their daily commute from driving to public transit, they can average \$9,946 in annual savings. On average, that is more than \$828 a

monthSwitching from driving to commuting by transit just four days each month (eight one-way trips) can reduce driving costs by 14 to 26 percent.<sup>3</sup>

There are indirect savings from the use of mass transit too. Public transit reduces the costs of traffic congestion that benefit everyone in terms of the time and money wasted while stuck in traffic.

And we shouldn't ignore the health benefits of public transit and the subsequent financial savings that are enjoyed

by an entire community. According to the Smart Growth Network, better transportation options make people less inclined to drive their cars and "help fight obesity, reduce chronic disease, and contribute to community health". Church also presents the monetary costs associated with obesity, adding that, "At the individual level, obesity adds \$19.39 per overweight pound in annual health care expenses. This conservative estimate accounts only for direct health care costs, and does not include the additional burden of lost wages, absenteeism, disability, and reduced productivity at work."<sup>6</sup>

The savings created by mass public transit improves life for individuals and the community. While individuals can keep money lost on transportation costs, communities and businesses also save money through increased productivity and a healthier workforce.

**Real Costs of Driving, 2016**<sup>2</sup>



- Where the Middle Class Spends 75 Percent of Its Income on Housing and Transport, Thompson, *The Atlantic* Cities, November 29, 2012.
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## Sources

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- Driving Commuter Choice in America, Expanding <u>Transportation Choices Can Reduce Congestion, Save</u> <u>Money, and Cut Pollution</u>, Perks and Roborn, Natural Resources Defense Council (NRDC), July 2013.

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- 5. More than 35% of U.S. Public Transit Buses Use Alternative Fuels or Hybrid Technology, APTA, April 22, 2012.
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