Bringing the Jobs Onboard

Investing in the Transit Workforce for Stronger Communities

Transit plays a central role in providing access to schools, jobs, medical care, parks, grocery stores and other everyday necessities. For decades, the United States has underinvested in this essential building block for economic mobility and equitable prosperity. Transit is also a vital climate solution, providing the fastest pathway for cutting transportation emissions. Ambitious investment in reliable, fast, and affordable public transit systems will help communities flourish and support an economy that works for all.

237,756
Total New Jobs

108,356
New Direct Jobs

129,400
New Indirect & Induced Jobs

"Stronger Communities Through Better Transit Act"

Congressman Hank Johnson (GA) introduced a **federal bill** that would invest $20 billion each year for four years across every transit operation in the country through a formula grant[1] program.

This infusion of funds could translate into over 230,000 new jobs nationwide,

including for transit operators and staff who work tirelessly to keep the systems moving, and also the indirect jobs set in motion by the increased economic activity.

1. Unlike competitive grants, formula grants guarantee funds to all communities with transit. The proposed grant program increases by 50% the operations funding for every recipient of Federal Transit Administration's existing urbanized area and rural area formula funds, and increases the federal share of operating costs for the existing rural area formula program from 50% to 80%.

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New Jobs by State

State	New Operating Funds per Year[2]	Total New Jobs[3]	New Direct Jobs	New Indirect & Induced Jobs
Alabama	$30,836,336	538	339	200
Alaska	$39,471,801	526	270	255
Arizona*	$206,239,326	2,452	1,117	1,334
Arkansas	$21,661,609	345	204	140
California	$3,064,590,652	24,286	14,204	10,083
Colorado	$360,877,678	4,015	1,680	2,335
Connecticut	$122,853,195	1,540	745	795
Delaware	$63,516,898	933	522	411
District of Columbia	$117,531,743	1,474	714	760
Florida	$677,834,667	8,847	4,462	4,386
Georgia	$301,764,780	4,373	2,420	1,952
Hawaii*	$116,453,889	1,384	631	753
Idaho*	$12,420,018	148	67	80
Illinois	$1,062,471,632	11,121	5,989	5,132
Indiana	$153,382,274	2,319	1,326	992
Iowa	$54,691,764	1,056	702	354
Kansas	$39,209,496	467	214	254
Kentucky	$77,565,884	1,169	667	502
Louisiana	$82,251,590	1,103	571	532
Maine	$37,832,134	480	235	245
Maryland	$763,854,166	7,806	2,863	4,942
Massachusetts	$815,440,923	8,491	3,215	5,276
Michigan	$242,387,775	3,703	2,134	1,568
Minnesota	$253,270,346	3,120	1,481	1,639
Mississippi	$18,776,684	237	115	121
Missouri	$152,062,108	2,094	1,110	984
Montana	$12,585,734	254	173	81
Nebraska	$20,562,117	317	184	133

2. Operations funding modeling by Union of Concerned Scientists. Shen, Kevin Xu, 2024, "Modeling Federal Transit Operating Support", https://doi.org/10.7910/DVN/TZKGXZ, Harvard Dataverse, V1
3. Each job represents a single employee working for the duration of the four year funding period. These jobs numbers do not include jobs from non-federal matching funds. The "Stronger Communities Through Better Transit Act" requires local agencies to match the new federal funds, which would result in greater operations funding and additional jobs.

New Jobs by State

State	New Operating Funds per Year	Total New Jobs	New Direct Jobs	New Indirect & Induced Jobs
Nevada*	$103,668,045	1,232	562	671
New Hampshire	$23,438,399	307	156	152
New Jersey	$2,378,661,782	26,762	11,372	15,390
New Mexico	$47,551,446	595	287	308
New York	$4,090,353,552	35,661	21,140	14,521
North Carolina	$187,958,459	1,883	667	1,216
North Dakota	$10,719,184	110	41	69
Ohio	$318,744,618	4,692	2,630	2,062
Oklahoma	$38,986,896	596	344	252
Oregon	$274,864,549	3,393	1,614	1,778
Pennsylvania	$651,032,985	8,856	4,644	4,212
Puerto Rico	$76,688,943	852	356	496
Rhode Island	$41,078,883	552	286	266
South Carolina	$37,361,235	375	133	242
South Dakota	$10,836,644	172	102	70
Tennessee	$101,852,418	1,582	923	659
Texas	$895,100,974	11,217	5,426	5,791
Utah	$162,697,655	2,310	1,257	1,053
Vermont	$18,678,226	300	179	121
Virginia	$540,271,918	6,143	2,647	3,496
Washington	$918,606,291	11,721	5,777	5,943
West Virginia	$21,059,440	343	207	136
Wisconsin	$121,935,725	1,210	421	789
Wyoming*	$5,454,516	65	30	35

* For a few states, the National Transit Database does not include reliable employment data. For these states, the model uses a national average multiplier for direct jobs instead of a state-specific multiplier.

Types of Jobs Supported by Transit Investment

DIRECT JOBS are employees hired directly by transit agencies, including bus drivers, facilities custodians, vehicle mechanics, accountants, secretaries, and transit planners.
Example: Bus Driver

INDIRECT JOBS are also known as "supplier purchase effects." These are **jobs in industries that supply goods and services to the public transit sector**. This could include workers manufacturing vehicles, printing signs, or distributing parts for vehicle maintenance and repair. For example, to add the almost 100 million hours of service forecasted with the increased operations spending, agencies may need to purchase up to 20,000 new buses and trains, which will spur new manufacturing jobs.
Example: Bus Production Assembly Line Worker

INDUCED JOBS are also known as "employee spending effects." These are **jobs created by economic stimulus that happens when new transit employees – and employees in related supplier industries –spend their income on goods and services** such as groceries, healthcare, and recreation. (They do not include jobs created from the other types of economic stimulus outlined in the "More Economic & Household Benefits" section below.)
Example: Restaurant Cook

Good Transit Depends on Good Working Conditions

Safe, reliable, and frequent transit is only possible with good transit working conditions.

A 2022 **survey** from the American Public Transportation Association found that **96% of transit agencies have workforce challenges**, and 84% have reported that staffing shortages impact service provision.

New funding streams alone will not solve driver and mechanic shortages or deliver more frequent rides. Only if this funding translates into **high-road jobs** – with good pay, job security, family-friendly scheduling, and safe working conditions–will transit riders and operators overcome the impacts of understaffed transit systems.

Additional Economic Benefits

The American Public Transportation Association estimates that every $1 invested in transit **delivers $5 of economic return**. This would mean that a $20 billion investment would generate a **$100 billion boost for the economy**.

More Economic & Household Benefits not captured in the jobs modeling:

Pocketbook savings — Functional transit delivers household savings from reduced car ownership. People in the United States pay an **average of $12,182 per year** to own and maintain a new car. By contrast, transit passes typically cost $50-$150 per month. Savings on transportation translate into spending in other parts of the economy.

Better commutes — More frequent transit means shorter commutes for everyone – saving time and money for workers. Lower road congestion, as more people use transit, helps transit riders and car drivers alike.

Job retention — If workers can reliably get to work on time with frequent transit service, they are more likely to perform well and keep their jobs. Higher job retention builds security for families, reduces costs for employers, and stabilizes the economy as a whole.

Public health — Fewer car crash injuries, decreased air pollution, and better access to preventative **medical care** translate into better quality of life and cost savings for families and taxpayers. Traveling by transit is **ten times safer** than traveling by car. Traffic crashes cost the United States **$340 billion** in 2019, so even a modest decrease will have a huge economic impact.

Increased mobility and opportunity — *Everyone* can get where they need to go, accessing employment, healthcare, education, recreation, social outings, and basic necessities, especially people who don't drive – who are **disproportionately people of color**, poor and working class people, people living with disabilities, youth and elders. This mobility increases overall quality of life, happiness, and productivity among all people.

Increased property values and tax base — Public transit can **increase nearby property values** by up to 150 percent, which grows the local community's tax base to support important public services like schools, roads, and fire and emergency medical response.

Behind the Jobs Numbers

Where does the data come from? Transit agencies report various types of information to the **National Transit Database (NTD)**. Agencies are divided into three main reporting categories, depending on the population size served and the number of vehicles in service. **"Full reporters,"** the larger agencies in urban areas, are required to report employment numbers. **"Reduced reporters"** and **"rural reporters"** are generally smaller agencies that are not required to report their employee counts.

Transit Jobs per $1 million — To predict the number of new employees that agencies will hire using the increased operations spending, we can create a jobs "multiplier" that represents the number of jobs per $1 million of transit operations spending under current spending and employment conditions.[4] For this model, we used NTD data from 2021. For each state, we divided the number of employees reported by full reporter agencies within that state by the total operating spending reported by those same agencies. We then applied these state-specific multipliers to the increased operations funding that would be made available to each state across all agency types.

Indirect & Induced Jobs — To predict the indirect and induced jobs, we used multipliers derived from the **IMPLAN model**, which analyzes economic data across industries. These multipliers are designed to specifically predict the effect that investments in transit have on other sectors of the economy. For some states, we used multipliers specific to the particular state, while for others we used a national average.

Uncertainty and potential uncounted jobs — For a few states, the National Transit Database does not include reliable employment data. For these states, we used a national average multiplier instead of a state-specific multiplier. For instance, Hawaii has two full reporter agencies, but NTD reports zero employees. Wyoming does not have any full reporter agencies. In these cases, it is not possible to create an accurate state-specific multiplier using the jobs per million methodology outlined above.

It is possible that the method of using full reporter agencies to create jobs multipliers may result in undercounting of jobs; there is evidence that smaller rural agencies employ more people per $1 million spending than larger urban agencies. The more rural states may in fact see greater job growth than predicted by this model.

This estimate for job growth does not incorporate jobs from the types of economic stimulus outlined above in the "More Economic Benefits" section, and as such it is likely an undercount. When those additional benefits are included, job creation can be even higher. The American Public Transportation Association estimates that investment in transit can "yield **49,700 jobs** per $1 billion invested."

URBAN REPORTERS:

Full Reporters: Agencies that operate either more than 30 vehicles or operate rail service (or other "fixed guideway" service). These agencies report their employee counts.

Reduced Reporters: Agencies that operate 30 vehicles or less and do not operate rail service (or other "fixed guideway" service).

RURAL REPORTERS:

Agencies in areas with fewer than 50,000 people are not required to report their employee counts.

4. Future inflation and changes in worker pay will influence the number of jobs created.