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# The Economic Value of Public Transit in Alaska

Developed by EBP US, Inc.  
for the Alaska Department of Transportation & Public Facilities

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EBP 

## Alaska Transit Agencies

The study includes the providers that receive grant funding from the Alaska Community Transit Office:

- Anchorage – People Mover and AnchorRIDES
- Bethel – Bethel Transit Bus System
- Central Kenai Peninsula – Central Area Rural Transit (CARTS)
- Fairbanks – Metropolitan Area Commuter System (MACS) and Van Tran
- Girdwood – Glacier Valley Transit (GVT)
- Gulkana – Soaring Eagle Transit (SET)
- Hollis – The Inter-Island Ferry Authority (IFA)
- Juneau – Capital Transit
- Ketchikan – Ketchikan Gateway Borough Transit (The Bus)
- Kodiak – Kodiak Area Transit System (KATS)
- Wasilla – Valley Transit
- Sitka – The Ride
- Talkeetna – Sunshine Transit
- Tok – Interior Alaska Bus Line (IABL)

## The Economic Value of Public Transit in Alaska

Public transportation agencies across Alaska serve residents, visitors, and businesses by providing safe, affordable, reliable, and accessible transportation. This report assesses the multifaceted benefits of transit and its importance to the Alaskan economy, including:

**Statewide Economic Impacts of Transit Expenditures.** Transit agency expenditures create jobs and generate business sales throughout Alaska. This includes both jobs and sales directly supported by transit agencies as well as “multiplier” effects, including increased sales for suppliers and the spending of worker income at Alaskan businesses.

**Transit Commuters and the Alaskan Economy.** Transit connects Alaskan businesses with their workforce. Using data from the American Community Survey, this study quantifies the number of transit commuters by industry who are able to get to work because of transit, alongside the wages they earn and the business sales they help generate.

**Transit’s Role in Providing Inclusive Mobility.** A crucial role of transit is providing inclusive mobility, particularly for those who may have limited or no alternative means of transportation. This

study provides data on the cohorts for whom transit is especially important, including households without a vehicle, older adults, people with restricted mobility, and young people.

**Performance Benefits of Transit.** One way of understanding the ongoing value of providing transit services is to consider the counterfactual: “what would happen if transit were not available?” The study quantifies how transit helps avoid costs to people and society relative to other alternative modes of transportation which are often expensive and inconvenient. The evaluation includes user benefits like travel cost savings as well as broader societal effects on safety and the environment. The study also analyzes the value of enabling access to jobs, health care, and other social connections.

**Transit Agency Highlights.** Transit agency highlights developed based on interviews with transit agency staff and other community members provide insights into the unique ways in which agencies serve their communities across the state.

To capture stable conditions before disruptions caused by the COVID-19 pandemic, the study relies on data from the years 2017 to 2019. Findings from interviews provide additional insights into the impacts of the pandemic and how agencies responded and adapted to continue to safely serve their riders.

# Key Findings

Statewide Economic Impacts of Transit Expenditures	Transit Commuters and the Alaskan Economy	Transit's Role in Providing Inclusive Mobility	Performance Benefits of Transit
			
<p><b>831 Jobs</b>  <b>\$113.9 Million in Annual Sales</b>            Supported by transit agency expenditures on operations, maintenance, and capital projects</p> <p><b>\$1.9 in Business Sales for Every \$1</b>            Spent within Alaska on transit</p>	<p><b>5,645 Workers</b>            Can get to work because of transit</p> <p><b>\$203 Million in Annual Wages</b>            Brought home by transit commuters</p> <p><b>\$941 Million in Annual Sales</b>            Facilitated by transit commuters</p> <p><b>2 Percent</b>            Transit commuter share, statewide</p>	<p><b>28 Percent</b>            Of AK transit commuters live in households without a car available</p> <p><b>\$24,826</b>            Median income of AK transit commuters</p> <p><b>52 Percent</b>            Of AK transit commuters identify as non-white</p> <p><b>24 Percent</b>            Of AK transit trips by young people under the age of 16</p> <p><b>34 Percent</b>            Of AK transit trips by people who are 60+ years of age</p>	<p><b>1 Million</b>            Trips enabled by Alaska transit agencies that would not be possible otherwise</p> <p><b>\$117 Million</b>            On average in annual benefits from Alaska transit</p> <p>Compared to</p> <p><b>\$56 Million</b>            On average in annual costs</p>

Source: EBP Analysis. Enabled trips do not include Interior Alaska Bus Lines and the Inter-Island Ferry Authority. Benefits exclude Interior Alaska Bus Lines, Inter-Island Ferry Authority, and Gulkana Soaring Eagle Transit. Photo credits: Municipality of Anchorage, dba: Public Transportation, Capital Transit, Hall Anderson, Courtesy of Leslie Jackson, Ketchikan Gateway Borough Transit.