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The Costly Scramble To Save Public Transit In San Francisco

BY KERRY JACKSON

Public transportation in San Francisco has been slipping for some time. To keep it from barreling into the bay, officials are going after wallets, and they plan to cast a net that is so wide that even those who don't use the systems will be pinched.

Both BART, the Bay Area region's subway, at one time considered a model system, and the Muni, the San Francisco Municipal Transit Authority, which runs buses, trolleys, light rail and the cable cars in the city of San Francisco, are in financial distress. It's not a new development but one that has been festering over the years. In light of how much adversity they've encountered, it's almost surprising they're still operating.

There was the "doomsday scenario" of late 2022, early 2023, when BART was threatening to shutter nine stations, close several lines, end weekend service and pull trains from the tracks at 9 p.m. on weekdays. The prospect of mass layoffs was floated. With emergency federal funds running out, BART was headed toward a "fiscal cliff."

At the time, Ian Griffiths of the transit advocacy group Seamless Bay Area told the media that BART and Muni were "on the brink."

"People don't understand," he said, "the transit system is so close to collapse."

The end of the line, or at least some broken and busted track, is still just around the next bend. BART's 2025 fact sheet says the system "would have to cut service 65% to 85% to save 20% to 40%. Cutting service and scaling back on cleanliness and safety efforts will only trigger a transit death spiral."

Ridership has recovered – somewhat – increasing from a 111,311 weekday average in fiscal 2022, to 149,574 in fiscal 2023 to 165,502 in 2024. But it's still far off the pre-pandemic weekday average of 410,774 in fiscal 2019.

Financial performance has improved, as well. But that doesn't mean the system is healthy. The operating ratio, which "is the percentage of costs paid by passenger fares, parking revenue, advertising, and other sources of revenue," is still only 29%, far off the pre-pandemic mark of 71%. If BART, with its "ongoing structural deficits ranging from \$375 million to over \$400 million per year beginning in" fiscal 2027, were a business, it couldn't have survived to this point.

The Muni system is in better shape. But ridership is still below pre-COVID levels. In September, weekday ridership reached "74% of 2019 levels, the highest since the pandemic started," with overall average ridership hitting 78% of what it was before the pandemic. So desperate are officials to find a bright side, this was actually cause for celebration at the SFMTA offices. Still, it's clear that many, say hundreds of thousands, have decided they don't need public transit, that it's not the "Bay Area's lifeblood" that is "essential" to the "region's future."

Notice the common thread running through these proposals? They would require non-riders to further subsidize the system and more deeply entrench a wealth-redistribution scheme.

With a mountain of spreadsheet numbers that don't add up, officials are scrambling to find "extreme, long-term, every-idea-is-a-good-idea proposals to stave off" the Greater San Francisco "transportation apocalypse," the San Francisco Standard reported last month. Some of the possibilities include congestion pricing during the busiest commute times, increased neighborhood parking fees for those coming into the city, and "curbs that force Uber and Amazon drivers to pay up instead of double-parking for free."

A pair of tax-raising ballot measures are also looming.

Other options being discussed, according to the Standard, include extending parking meter operating hours to 10 p.m. or to Sundays; slapping a \$25 million tax on rideshare companies (which will be passed along to consumers who are preferring the convenience, privacy, safety and cleanliness of hired vehicles); new taxes on private and public parking; and raising taxes on cell phone communications and utilities.

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Public transit advocates will say this is fine, in fact it's desired because doing so closes the wealth gap while also addressing market failure.

Whatever the market's flaws, it's been public transit's protected monopoly that has obstructed private innovation, and has also been central to its inability, and even refusal, to provide efficient services because it has no incentive to do so. Under those conditions, systems eventually will arrive at the same grim destination where the SFMTA and BART find themselves. Their only recourse then is to rummage through whomever's pockets they can get their hands into.

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