

TOWARDS UNIVERSAL ACCESS: EXPLORING THE ROLE AND FEASIBILITY OF FARE-FREE TRANSIT IN THE UNITED STATES

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I. INTRODUCTION

Low-income and minority households within the United States are less likely to own an automobile and more likely to suffer from limited mobility.¹ These households adapt to limited mobility by taking fewer trips and traveling shorter distances.² This change in travel behavior can limit the access that this population has to healthcare services, welfare services, recreational facilities, jobs, grocery stores, educational and training opportunities, and social networks.³ An individual's quality of life is shaped by their connection to such resources and opportunities. Limited access to these essential destinations has been found to hinder employment participation, health outcomes, and social participation while contributing to long term cycles of poverty in low-income and minority communities.⁴ It can also contribute to the social exclusion of residents, which refers to the inability to

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¹ GENEVIEVE GIULIANO, HSI-HWA HU & KYOUNG LEE, THE ROLE OF PUBLIC TRANSIT IN THE MOBILITY OF LOW INCOME HOUSEHOLDS 1, 7–9 (2001); THOMAS W. SANCHEZ, RICH STOLZ & JACINTA S. MA, MOVING TO EQUITY: ADDRESSING INEQUITABLE EFFECTS OF TRANSPORTATION POLICIES ON MINORITIES 1 (The Civ. Rts. Project at Harvard Univ. 2003); Karen Lucas, *Transport and Social Exclusion: Where Are We Now?*, 20 TRANSP. POL'Y 105, 106–07 (2012); Timothy F. Welch, *Equity in Transport: The Distribution of Transit Access and Connectivity Among Affordable Housing Units*, 30 TRANSP. POL'Y 283, 284 (2013); Evelyn Blumenberg & Asha Weinstein Agrawal, *Getting Around When You're Just Getting By: Transportation Survival Strategies of the Poor*, 18 J. POVERTY 355, 358 (2014).

² GIULIANO ET AL., *supra* note 1, at 1, 7; SANCHEZ ET AL., *supra* note 1, at 14; Blumenberg & Agrawal, *supra* note 1, at 358.

³ Susan Kenyon, Glenn Lyons & Jackie Rafferty, *Transport and Social Exclusion: Investigating the Possibility of Promoting Inclusion Through Virtual Mobility*, 10 J. TRANSP. GEOGRAPHY 207, 212 (2002); Lucas, *supra* note 1, at 106–07; Roger L. Mackett & Roselle Thoreau, *Transport, Social Exclusion and Health*, 2 J. TRANSP. & HEALTH 610, 610–13 (2015); Amy Lubitow, Jennifer Rainer & Sasha Bassett, *Exclusion and Vulnerability on Public Transit: Experiences of Transit Dependent Riders in Portland, Oregon*, 12 MOBILITIES 924, 926, 933 (2017); Sicheng Wang, Xuanke Wu & Yuche Chen, *Association Between Perceived Transportation Disadvantages and Opportunity Inaccessibility: A Social Equity Study*, 101 TRANSP. RSCH. PART D: TRANSP. & ENV'T 1, 1–2 (2021); Blumenberg & Agrawal, *supra* note 1, at 356, 369.

⁴ Welch, *supra* note 1, at 283; FENG ZHAO & THOMAS GUSTAFSON, TRANSPORTATION NEEDS OF DISADVANTAGED POPULATIONS: WHERE, WHEN, AND HOW? 17 (Fed. Transit Admin. 2013).

participate in normal processes of society, whether in economic, social, cultural, or political arenas.⁵

Transit can play a vital role in combating such outcomes as it can enhance personal mobility and access to social and public amenities and facilities. This impact is heightened when focusing on racial minorities and low-income residents as they are disproportionately reliant on public transit⁶ and compose the majority share of users.⁷ The impact which transit can have on enhancing mobility, access, and addressing social exclusion can be hindered due to barriers which discourage its use. For many low-income and minority residents, fare affordability is a major barrier.⁸ One way to address this barrier, which has gotten a lot of recent attention in major U.S. cities, is via the implementation of a zero-fare transit policy.

Fare-free transit policies involve the delivery of public transportation services without requiring passengers to pay a fare. These policies exist on a spectrum, ranging from partial to full implementation.⁹ A full fare-free policy eliminates fares systemwide for all users. In contrast, partial fare-free policies remove fares only under specific circumstances. This can include eliminating fares during certain times, on specific routes, or for specific user groups. In the United States, partial fare-free policies are relatively common, while full fare-free policies are rare, although this is beginning to change.

The implementation of a fare-free transit policy may sound like a drastic change, but it is more feasible than many think. When transit fares don't generate much revenue compared to what it costs to run the system, eliminating fares can be a sensible business decision. In such instances, the cost of the fare collection process itself is close to, or exceeds, the amount collected from passengers.¹⁰ This happens to be the case widely throughout the United States as transit service providers commonly cover a very small portion of their operating costs via fare revenue.¹¹ Considering this financial reality, and the increasing inequalities in many communities due to limited access to resources, should fare-free transit policies be more widely adopted? This Note plays a part in this conversation by exploring the ability of fare-free transit to address issues associated with limited mobility and access. The feasibility of implementing fare-free transit policies in the United States

⁵ Juan Pablo Bocarejo S. & Daniel Ricardo Oviedo H., *Transport Accessibility and Social Inequities: A Tool for Identification of Mobility Needs and Evaluation of Transport Investments*, 24 J. TRANSP. GEOGRAPHY 142, 144 (2012); Lucas, *supra* note 1, at 106.

⁶ SANCHEZ ET AL., *supra* note 1, at 13; E. Eric Boschmann & Mei-Po Kwan, *Toward Socially Sustainable Urban Transportation: Progress and Potentials*, 2 INT'L J. SUSTAINABLE TRANSP. 138, 147 (2008).

⁷ HUGH M. CLARK, WHO RIDES PUBLIC TRANSPORTATION 4 (2017).

⁸ Lubitow et al., *supra* note 3, at 929–30; Zhenyuan “Eric” Ma, Abdul Rahman Masoud & Ahmed O. Idris, *Modeling the Impact of Transit Fare Change on Passengers’ Accessibility*, 2652 TRANSP. RSCH. REC.: J. TRANSP. RSCH. BD., 78, 78 (2017); Diego Da Silva, Willem Klumpenhauer, Alex Karner, Mitchell Robinson, Rick Liu & Amer Shalaby, *Living on a Fare: Modeling and Quantifying the Effects of Fare Budgets on Transit Access and Equity*, 101 J. TRANSP. GEOGRAPHY 1–2 (2022).

⁹ Wojciech Koblowski, *Why (Not) Abolish Fares? Exploring the Global Geography of Fare-Free Public Transport*, 47 TRANSP. 2807, 2810 (2019).

¹⁰ JOEL VOLINSKI, NAT'L ACADS. OF SCI., ENG'G, & MED., IMPLEMENTATION AND OUTCOMES OF FARE-FREE TRANSIT SYSTEMS 2 (Nat'l Acads. Press 2012).

¹¹ FED. TRANSIT ADMIN., SINGLE SUMMARY OF TRANSIT REP. 2022 EDITION 146 (2022).

is also examined, with a focus on how current laws and policies may either support or hinder such efforts.

In Part II, we provide an overview of the delivery of transit service in the United States, focusing on how the purpose of transit shifted as it transitioned from private to public ownership. In Part III, we detail how transit is currently being funded and highlight the role which transit fares play in this process. In Part IV, we detail the shift towards suburbanization in this country and the inequalities which arose as a result of this shift in resources and opportunities. We present the enhancement of mobility as a way in which to address observed inequalities. In Part V, we present how fare-free transit can enhance mobility throughout a region while also granting greater access to essential services. We highlight cases which have implemented a fare-free transit policy and detail observed outcomes. Lastly, in Part VI, we examine the extent to which federal and state laws and policies influence the implementation of fare-free transit policies. We also suggest necessary actions if we want to support the broad implementation of such policies.

II. THE EVOLUTION OF PUBLIC TRANSIT OWNERSHIP IN THE UNITED STATES

Historically, the private sector played a dominant role in the provision of urban mass transit in the United States. Private firms developed and operated extensive networks of streetcars, buses, and rail services, shaping the movement of people within urban areas. This private-sector dominance, however, was not without its challenges. Regulatory constraints, economic pressures, and demographic shifts all contributed to the decline of private transit operations, ultimately necessitating a transition to public ownership. This shift profoundly altered the goals, focus, and priorities of transit service in the U.S.

A. Challenges of Private Sector Dominance in Transit

While the private transit industry flourished during the late nineteenth and early twentieth centuries, several inherent weaknesses contributed to its decline. Dominant among these issues was overexpansion.¹² Many firms overbuilt their networks due to optimistic ridership projections, attempts to profit from resulting land development, securing territory from competitors, and a lack of integrated planning.¹³ This led to a situation where profitable lines in densely populated areas were tasked with subsidizing underperforming routes in sparsely settled areas.¹⁴ Over time, maintaining these financially unviable routes placed a growing strain on private operators.

¹² Stanley Mallach, *The Origins of the Decline of Urban Mass Transportation in the United States, 1890-1930*, 8 URBANISM PAST & PRESENT 1, 1 (1979).

¹³ *Id.*

¹⁴ *Id.*

Regulatory constraints imposed by municipal franchise agreements, which were contracts granting private companies the right to build and operate transit services within specific geographic areas or along designated routes, limited the ability of transit companies to respond to growing financial pressure.¹⁵ The standard five-cent fare, a common regulatory provision within franchise agreements, ensured affordability but prevented companies from adjusting prices in response to rising operating costs.¹⁶ Public opposition to fare increases compounded these difficulties, as even modest adjustments were met with resistance from riders and city governments alike.¹⁷

The rise of the automobile and suburbanization in the mid-twentieth century further eroded the financial viability of private transit companies.¹⁸ As Americans increasingly moved to suburban areas, dispersed settlement patterns made it difficult for private operators to serve new, low-density communities profitably.¹⁹ The construction of federally funded highways accelerated suburbanization, leading to declining ridership and revenue shortfalls for transit firms.²⁰ By the postwar era, the private transit model was no longer sustainable, with many companies facing insolvency and service cutbacks.

B. The Transition to Public Ownership and the Implications on Transit Priorities

The financial struggles of private transit operators in the postwar period led to the widespread municipalization of transit services.²¹ Facing service cutbacks and the collapse of private providers, cities and states stepped in to ensure the continued operation of transit networks. Major urban centers such as Boston, Chicago, Cleveland, and New York were among the first to take control of struggling rail and bus systems.²² This trend accelerated with the passage of the Urban Mass Transportation Act of 1964, which provided federal funding for cities to acquire and improve transit infrastructure.²³ By the 1980s, public ownership had become the dominant model, with over 500 publicly owned transit agencies operating across the country.²⁴

The transition to public ownership brought a fundamental shift in the mission of transit agencies. Under private ownership, transit companies focused primarily on maximizing revenue and controlling costs to ensure profitability. Publicly owned transit agencies, however, operated under a broader mandate,

¹⁵ See *id.* at 3; George M. Smerk, *Urban Mass Transportation: From Private to Public to Privatization*, 26 TRANSP. J. 83, 83–85 (1986).

¹⁶ Mallach, *supra* note 12, at 2.

¹⁷ *Id.* at 5.

¹⁸ *Id.* at 13.

¹⁹ Smerk, *supra* note 15, at 85.

²⁰ TRANSP. RSCH. BD.: NAT'L RSCH. COUNCIL, CONTRACTING FOR BUS AND DEMAND-RESPONSIVE TRANSIT SERVICES: A SURVEY OF U.S. PRACTICE AND EXPERIENCE: SPECIAL REPORT 258, at 33 (Nat'l Acads. Press 2001).

²¹ *Id.* at 41.

²² *Id.* at 34.

²³ *Id.*

²⁴ *Id.* at 35.

emphasizing service provision as a public good rather than a purely commercial enterprise.²⁵

This shift in priorities allowed transit agencies to pursue goals beyond fare maximization, such as a) social equity, by prioritizing service access for low-income and disadvantaged populations and ensuring mobility for those without private vehicles; b) traffic and environmental concerns, by leveraging transit investments to address congestion and improve air quality; c) economic development, by using transit investment as a catalyst for economic revitalization while supporting business districts and job accessibility; and d) quality of life, by using transit investment to shape land use policies and enhance urban aesthetics.²⁶

While public ownership resolved many of the financial and operational challenges faced by private firms, it also introduced new issues, such as being vulnerable to political shifts and balancing competing priorities, such as cost recovery with social service obligations.²⁷ Ultimately, the shift from private to public ownership reshaped the landscape of urban transit in the United States. The public sector now plays a central role in ensuring mobility and accessibility in American cities. This fundamental shift towards public ownership required a significant change in how transit services are financed. Consequently, the following Part examines the diverse funding mechanisms currently supporting public transit agencies.

III. FUNDING TRANSIT

Public transportation is largely funded by passenger fares and financial assistance from state, local, and federal governments.²⁸ Funding is utilized to cover expenses incurred by transit service providers which typically fall within one of two categories. Capital costs include expenditures for infrastructure development, vehicle procurement, and system expansion while operating costs encompass day-to-day expenses such as fuel purchases, employee wages, and vehicle maintenance.²⁹ In 2019, spending on public transportation totaled seventy-nine billion dollars, with fifty-four billion dollars being dedicated to cover operating costs and twenty-four billion dollars for capital expenditures.³⁰

²⁵ Brian D. Taylor & Eric A. Morris, *Public Transportation Objectives and Rider Demographics: Are Transit's Priorities Poor Public Policy?*, 42 TRANSP. 347, 348 (2015).

²⁶ *Id.*

²⁷ TRANSP. RSCH. BD., *supra* note 20, at 37.

²⁸ 2023 *Public Transportation Fact Book*, APTA (Mar. 2024), <https://www.apta.com/wp-content/uploads/APTA-2023-Public-Transportation-Fact-Book.pdf> [<https://perma.cc/MT4X-6738>].

²⁹ JOEL MENDEZ, JAMES WOOD, DRISTI NEOG & JEFFREY R. BROWN, *HANDBOOK OF PUBLIC TRANSPORT RESEARCH: PAYING FOR PUBLIC TRANSPORT* 202, 203 (2021).

³⁰ CONG. BUDGET OFF., *FEDERAL FINANCIAL SUPPORT FOR PUBLIC TRANSPORTATION* 2 (2022).

A. The Role of Transit Fares

Passenger fares are a fundamental component of transit funding, serving as a direct charge for service consumed by riders. Most transit agencies require passengers to pay a fare, though the structure of these fares can vary. The form that fares can take varies as it can be a set amount regardless of trip characteristics; distance or zone-based, which increases based on the distance traveled; and incorporate dynamic components that adjust fares based on time of day, often implementing higher rates during windows of peak demand.³¹ The primary advantage of fare-based revenue is its alignment with user-pays principles, which support efficiency and equity by charging those who directly use transit service.³² While transit fares are essential for generating revenue, they are insufficient as a standalone funding source. In fact, they rarely cover operating costs alone.³³ The farebox recovery ratio attained by transit service providers, which represents the percentage of operational costs recouped through passenger fares, details the extent of this funding deficit. The average farebox recovery ratio for transit service providers sits at roughly thirty-three percent.³⁴ This leads to the requirement of supplementary funding to sustain public transit operations and ensure continued service availability.

B. Federal Funding and Support

Federal involvement in public transit has evolved significantly since the passage of the Urban Mass Transportation Act of 1964. Before the mid-1960s, public funding for transit systems was minimal, and federal assistance was primarily directed toward recapitalizing these systems.³⁵ Over time, the focus of federal funding has expanded beyond mere capital investment to support operational expenses, safety oversight, planning, and research.³⁶

At the heart of federal funding for public transportation is the public transportation program administered by the Department of Transportation's Federal Transit Administration (FTA). Since 1964, the FTA has partnered with state and local governments, channeling over twenty billion dollars annually into public transit.³⁷ Almost all federal support for public transportation is provided through FTA grants, which are typically awarded to individual transit agencies.³⁸ These grants are predominantly distributed through formula-based mechanisms set by Congress. The formulas consider factors such as population size and density, the extent of local transit infrastructure, and overall demand for public transportation.³⁹

³¹ MENDEZ ET AL., *supra* note 29, at 206.

³² *Id.*

³³ *Id.* at 205.

³⁴ *Id.* at 212.

³⁵ WILLIAM J. MALLET, CONG. RSCH. SERV., R47002, FED. PUB. TRANSP. PROGRAM: IN BRIEF, at 1 (2024).

³⁶ *Id.*

³⁷ *Grant Programs*, FED. TRANSIT ADMIN., <https://www.transit.dot.gov/funding/grants/grant-programs> [<https://perma.cc/VF3A-BFS4>].

³⁸ Nathan Musick, *Fed. Financial Support for Pub. Transp.*, CONG. BUDGET OFF., <https://www.cbo.gov/publication/57940> [<https://perma.cc/C5Y3-BRLA>].

³⁹ *Id.*

In addition to formula grants, some funding is allocated through a competitive selection, with grants awarded to projects that address specific program objectives.⁴⁰ Competitive grant programs enable a broad range of eligible applicants, such as state and local governments, federally recognized Tribes, transit providers, research institutions, and non-profit organizations, to apply for funding.⁴¹ In some FTA programs, formula and competitive approaches are integrated to ensure equitable distribution among transit agencies of varying sizes and geographic contexts, including urban and rural areas.⁴²

The FTA draws its funds from two primary sources: the mass transit account of the Highway Trust Fund (HTF) and the general fund of the Treasury.⁴³ First, the FTA receives funds from the mass transit account of the HTF, a federal fund composed of two separate accounts, one for highways and one for mass transit. Revenue for the HTF is generated primarily through excise taxes on motor fuel, trucks, trailers, and truck tires, as well as other related taxes and interest credited to the fund.⁴⁴ About eighty percent of HTF revenues typically support highway programs, while twenty percent is allocated to mass transit.⁴⁵ Of the funds allocated to mass transit, roughly two-thirds support capital spending, and the remainder is used for operations and maintenance.⁴⁶

Transfers from the general fund of the Treasury serve as an additional funding source essential to sustaining public transit due to the continued revenue shortfalls experienced by the HTF for over a decade.⁴⁷ The HTF's receipts have not kept pace with the growing demands of highway and mass transit programs. Congress has enacted laws since 2008 that have transferred more than \$268 billion from the Treasury's general fund to the HTF to address this gap.⁴⁸ These transfers help ensure public transportation systems' continued operation and expansion despite insufficient dedicated revenues. Federal public transportation resources are further bolstered by surface transportation programs that permit highway funds to support transit projects and additional funding from non-transportation programs that support areas such as health, education, and veterans affairs.⁴⁹

C. Local Funding and Support

A significant amount of public transit funding is generated locally, within the specific communities or regions where the service operates. In 2022, state and

⁴⁰ *Overview of Funding and Financing at USDOT*, U.S. DEP'T OF TRANSP. (March 20, 2025), <https://www.transportation.gov/grants/dot-navigator/overview-funding-and-financing-usdot> [<https://perma.cc/UXG2-NWJ8>].

⁴¹ *Id.*

⁴² Musick, *supra* note 38.

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ *Id.*

⁴⁸ *Id.*

⁴⁹ MALLEY, *supra* note 35, at 3.

local sources together accounted for over forty percent of all transit funding (both operating and capital expenses).⁵⁰ The most common types of local funding include sales taxes, payroll taxes, fees charged to motorists, and others, as detailed below.⁵¹

Sales Tax: Sales taxes are the most common funding source for local and regional transit services. The tax is typically set as a percentage of the purchase price of goods being sold and resulting tax revenues are collected from merchants. Sales taxes are typically approved through a public vote and are often tied to specific projects that are to be funded by tax revenues.

Payroll Tax: Payroll taxes are levied on an employer's gross payroll. This mechanism shares the cost of transit with entities that benefit from its existence. Since transit systems help employees commute efficiently, reduce traffic congestion, and support economic activity, businesses benefit from reliable transportation infrastructure. Some regions impose payroll taxes on employers because they recognize that a well-functioning transit system enhances workforce mobility, reduces the need for large parking facilities, and contributes to a more accessible labor market.⁵²

Property Taxes: Property taxes, which are based on the value of land and buildings, serve as a key revenue source for many local governments. They provide a stable, locally controlled revenue stream. In some areas, a portion of these revenues is allocated to support public transit, recognizing the role transit plays in enhancing accessibility and boosting property values.

Taxes and Fees Imposed on Motorists: Motorists contribute to public transit funding through various taxes and fees, such as parking charges, tolls, and vehicle lease/rental fees. Additionally, vehicle registration fees are the second most common source of state-level transportation revenue, with over half of states using them to raise more than twenty-five percent of their dedicated transportation funds.

Tax Increment Financing Districts: Tax Increment Financing (TIF) districts leverage expected property value increases to fund public improvements like transit. When a transit project is built within a TIF district using initial financing like bonds, it is anticipated to raise property values and, thus, property tax revenues over time. TIF captures this additional tax revenue that surpasses the original baseline level. These captured funds are then dedicated solely to paying back the initial cost of the transit project.

IV. SUBURBANIZATION AND THE IMPACT ON ACCESS

While the nature of public transit evolved in the United States, so did the communities where people settled. An outward wave of activity infused the urban periphery with a growing populace and extensive economic activity. While crafting the suburbs we see today, this shift contributed to the development of significant regional inequalities, negatively impacting the well-being and quality of life for many. Enhancing one's mobility is often seen as a crucial way to address these adverse outcomes.

⁵⁰ FED. TRANSIT ADMIN., *supra* note 11, at 111.

⁵¹ MENDEZ ET AL., *supra* note 29, at 209; *A Guide to Transportation Funding Options*, TEX. TRANSP. INST.: UNIV. TRANSP. CTR. FOR MOBILITY, <https://utcm.tti.tamu.edu/tfo/transit/summary.stm> [<https://perma.cc/5AYR-VY8B>].

⁵² MENDEZ ET AL., *supra* note 29, at 209–10.

A. Suburbanization and White Flight

The suburbanization of America, which was implemented aggressively, can be traced back to the National Housing Act of 1934, facilitated through the Federal Housing Administration (FHA).⁵³ Prior to the Act, the Homeowners' Loan Corporation (HOLC) was established in 1933 to secure mortgages, thereby mitigating the risk of foreclosure.⁵⁴ However, this program was not just in its implementation. As part of the appraisal method and risk assessment used by HOLC, banks were required to evaluate potential beneficiaries based on their income, occupation, location, and ethnicity.⁵⁵ The outcome of this appraisal method was the creation of secret "redlining" maps, which were used to identify lending risks ranging from hazardous to best.⁵⁶ Neighborhoods with African American residents, older housing, and lower-income households were consistently assigned a D rating, labeled as "hazardous," and marked in red.⁵⁷ This process effectively closed off access to mortgages from the minority communities for decades.

The areas deemed most desirable were situated outside inner cities and adhered to FHA underwriting standards, which promoted the single-family, dispersed, automobile-centric model as the preferred approach for new construction.⁵⁸ This incentivized white flight, where the inner-city population, particularly the high-income white majority, moved from the city to the suburbs, where this new housing pattern was being established, giving rise to the concept of the American dream.⁵⁹

In response to this flight, business and industrial facilities relocated to the suburbs, following their customer base and labor sources.⁶⁰ Moreover, the industrial revolution was ongoing at the time, transforming the manufacturing process from labor-intensive to machine-intensive. These new processes, such as the assembly line, required larger and ideally single-level facilities, which necessitated more land

⁵³ KENNETH T. JACKSON, *CRABGRASS FRONTIER: THE SUBURBANIZATION OF THE UNITED STATES* 191–218 (1985); CAROL LAMBERG, *HOUSING SECURITY: A SECTION 8 MEMOIR* (2021).

⁵⁴ JACKSON, *supra* note 53, at 195–96.

⁵⁵ See Amy E. Hillier, *Redlining and the Homeowners' Loan Corporation*, 29 J. URB. HIST. 394, 395, 398, 402, 405 (2003).

⁵⁶ *Id.* at 395, 401; Gregory D. Squires, *Racial Profiling, Insurance Style: Insurance Redlining and the Uneven Development of Metropolitan Areas*, 25 J. URB. AFFAIRS 391, 394–407 (2003).

⁵⁷ Hillier, *supra* note 55, at 395.

⁵⁸ See Michael Southworth & Eran Ben-Joseph, *Street Standards and the Shaping of Suburbia*, 61 J. AM. PLAN. ASS. 65, 74–75 (1995).

⁵⁹ See Keith Ihlanfeldt, *The Spatial Mismatch Between Jobs and Residential Locations Within Urban Areas*, 1 CITYSCAPE 219, 228 (1994); see VINIT MUKHIJA, *REMAKING THE AMERICAN DREAM* 37–40 (2022).

⁶⁰ See Yingling Fan, *The Planners' War Against Spatial Mismatch: Lessons Learned and Ways Forward*, 27 J. PLAN. LIT. 153 (2012); WILLIAM JULIUS WILSON, *WHEN WORK DISAPPEARS: THE WORLD OF THE NEW URBAN POOR*, 111 POL. SCI. Q. 567, 578–80 (1996).

that was available in the suburbs.⁶¹ As specialized jobs increasingly migrated to suburban areas, the entry-level requirements began to necessitate a higher degree of skilled professionalism. Many of the inner-city residents did not have post-secondary schooling to qualify for these jobs and thus were left out of this labor market.⁶² Consequently, the concentration of specialized jobs in the suburbs and nonspecialized jobs in inner cities resulted in a surplus of more workers than jobs available in inner cities.⁶³

B. Federal Policy and the Racialization of Suburban Access

Minorities remaining in inner cities were often deprived of essential resources, such as vehicle ownership and accessible public transit, which hindered their ability to commute to emerging job opportunities in suburban areas.⁶⁴ Additionally, transit systems were limited to inner-city areas and were not extended to suburban regions, effectively confining minorities to the inner-city.⁶⁵ In the suburbs, the new suburbanites established exclusionary practices that created barriers to entry for minority populations. Racial covenants identified as the Jim Crow rules were frequently used to bar the sale or occupancy of the new housing units to the minority, non-White population.⁶⁶ However, these covenants were ruled unenforceable after the U.S. Supreme Court deemed them unconstitutional in the *Shelley v. Kraemer* case.⁶⁷ Notably, while these covenants were deemed unenforceable, they continued to be used.⁶⁸

In an earlier case, the U.S. Supreme Court ruling in *Village of Euclid v. Ambler Realty Co.* established that apartments could be considered a nuisance and viewed as an invasion.⁶⁹ This perception of invasion, associated with the introduction of individuals from lower social backgrounds, led to restrictions on apartments in most single-family home zones, significantly impeding the ability of

⁶¹ WILLIAM JULIUS WILSON, *THE TRULY DISADVANTAGED: THE INNER CITY, THE UNDERCLASS, AND PUBLIC POLICY* (2d ed. 1990); THOMAS J. SUGRUE, *THE ORIGINS OF THE URBAN CRISIS: RACE AND INEQUALITY IN POSTWAR DETROIT* 127–29, 132–43 (1996); Rory Fabian, *Ford Engine Plant*, CLEV. HIST. (Jan. 11, 2025), <https://clevelandhistorical.org/items/show/268> [https://perma.cc/M4ZM-FBDY].

⁶² Ihlanfeldt, *supra* note 59, at 222.

⁶³ Evelyn Blumenberg & Michael Manville, *Beyond the Spatial Mismatch: Welfare Recipients and Transportation Policy*, 19 J. PLAN. LIT. 182, 183–84 (2004).

⁶⁴ *Id.* at 183, 186.

⁶⁵ See Christof Spieler, *Racism Has Shaped Public Transit, and It's Riddled with Inequities*, RICE UNIV. (Aug. 24, 2020), <https://kinder.rice.edu/urbanedge/racism-has-shaped-public-transit-and-its-riddled-inequities#:~:text=It%27s%20a%20transit%20planning%20and,a%20bus%20in%20mixed%20tr> affic [https://perma.cc/V69V-5XX7].

⁶⁶ John A. Powell, *Structural Racism and Spatial Jim Crow*, *THE BLACK METROPOLIS IN THE TWENTY-FIRST CENTURY: RACE, POWER, AND POLITICS OF PLACE* 41, 44–45, 50–51 (Robert D. Bullard ed., Rowman & Littlefield Publishers Inc. 2007); Andrew H. Whittemore, *Exclusionary Zoning: Origins, Open Suburbs, and Contemporary Debates*, 87 J. AM. PLAN. ASS'N 167, 168 (2021).

⁶⁷ *Shelley v. Kraemer*, 334 U.S. 1 (1948).

⁶⁸ Leah Platt Boustan, *Racial Residential Segregation in American Cities* (Nat'l Bureau of Econ. Rsch., Working Paper No. 19045, 2013); RICHARD R.W. BROOKS & CAROL M. ROSE, *SAVING THE NEIGHBORHOOD: RACIALLY RESTRICTIVE COVENANTS, LAWS, AND SOCIAL NORMS* 72 (2013).

⁶⁹ *Euclid v. Ambler Realty Co.*, 272 U.S. 365, 395 (1926).

low-income minorities to move into suburban areas.⁷⁰ The suburbanites also utilized what was referred to as collective action, which included violence and arson against the minority families who moved into the white dominated areas.⁷¹ On the other hand, the FHA and HOLC explicitly recommended homogeneity in social grouping, specifically by race, as part of their underwriting standards, thereby withholding mortgage securities from minorities who intended to move to the suburbs.⁷² Homeowners could also use race as a factor to explicitly refuse to sell or rent to minority households, a practice that continued until its prohibition by the Fair Housing Act of 1968.⁷³

The public housing program instituted through the U.S. Housing Act of 1937 further entrenched segregation as it concentrated the new public housing within the inner cities.⁷⁴ This practice further curtailed the movement of low-income minorities to the suburbs and continued for over three decades until it was prohibited by the 1968 Fair Housing Act and *Shannon v. United States Department of Housing and Urban Development*.⁷⁵ These practices devastated inner cities by triggering widespread disinvestment. As redlining excluded minority neighborhoods from banks' support, property values fell, wealthier residents left, and tax revenues declined, leading to deteriorating public services. When minorities attempted to move into better resourced areas, Jim Crow laws often blocked them. Even when legal victories, such as school desegregation lawsuits, allowed access, white residents responded by relocating again, creating new segregated neighborhoods.⁷⁶

C. Unequal Access: The Hidden Costs of Suburban Inaccessibility

These patterns of disinvestment and exclusion laid the groundwork for a broader structural issue in urban America: spatial mismatch. Originally formulated by John Kain in 1968, spatial mismatch refers to the phenomenon where the decentralization of jobs from urban centers to suburban peripheries disproportionately affected minority communities confined to inner cities.⁷⁷ As employment opportunities moved outward, Black workers were physically separated from jobs, with inadequate public transportation compounding the barrier. The long distances to the suburbs made commuting costly, while limited information on job

⁷⁰ See Whittemore, *supra* note 66.

⁷¹ Boustán, *supra* note 68.

⁷² Powell, *supra* note 66.

⁷³ Boustán, *supra* note 68, at 9.

⁷⁴ See LAMBERG, *supra* note 53, at 7, 9; Kirk McClure, Anne R. Williamson, Hye-Sung Han & Brandon Weiss, *The LIHTC Program, Racially/Ethnically Concentrated Areas of Poverty, and High-Opportunity Neighborhoods*, 6 TEX. A&M J. PROP. L. 89, 91 (2020); Terry Gross & Richard Rothstein, *Historian Says Don't 'Sanitize' How Our Government Created Ghettos*, NPR (May 14, 2015, 3:16 PM), <https://www.npr.org/transcripts/406699264> [<https://perma.cc/U5B5-CZUM>].

⁷⁵ See *Shannon v. U.S. Dep't Hous. Urb. Dev.*, 436 F.2d. 809, 821–22 (1970); Philip D. Tegeler, *The Persistence of Segregation in Government Housing Programs*, in *THE GEOGRAPHY OF OPPORTUNITY* 196, 197 (2006); Fair Housing Act, 42 U.S.C. §§ 3601–19 (1968).

⁷⁶ Powell, *supra* note 66, at 44.

⁷⁷ Ihlanfeldt, *supra* note 59, at 220.

opportunities for minorities further exacerbated this challenge.⁷⁸ The result of this disparity was the concentration of poverty due to modal and skill mismatches, making employment inaccessible to residents without a car in areas characterized by auto-oriented land-use patterns.⁷⁹ Due to this concentration of poverty, residents often lacked social networks with peers who were connected to other labor sources.⁸⁰

Galster and Killen further expanded the spatial mismatch concept by elaborating on “process” and “prospects,” the former referring to the institutional systems that facilitate upward mobility and the latter to individuals’ perceptions of opportunities.⁸¹ Decades of discrimination had deeply eroded both, leaving many minority residents distrustful of systems that historically excluded them and skeptical of the opportunities supposedly available in the suburbs.⁸² The high unemployment and an oversupply of labor in inner cities drove down wages, resulting in a positively sloped intra-urban wage gradient for low-skilled workers, with higher wages found farther from the city center.⁸³ An analysis by Powell found that based on the trends at the time, it would take nearly 580 years for the wage gap to be closed.⁸⁴ Moreover, the unemployment rate was found to be twice as high as the rate in the suburbs.⁸⁵

This pattern of disinvestment and segregation also contributed to persistent disparities in food access for minority and low-income communities. Food deserts and food insecure areas are often characterized by the absence of nearby supermarkets, fresh food grocery stores, and flexible mobility, limiting access to affordable and nutritious food.⁸⁶ Research consistently shows that redlined neighborhoods, often predominantly African American and Hispanic communities, have fewer grocery stores, forcing residents to travel close to two miles farther to access fresh produce compared to those in predominantly White areas.⁸⁷ These disparities are worsened by retail redlining, where stores avoid low-income areas due to perceived lower profitability, especially on perishable goods.⁸⁸ As a result,

⁷⁸ *Id.* at 229.

⁷⁹ Blumenberg & Manville, *supra* note 63, at 186, 197; Fan, *supra* note 60, at 153.

⁸⁰ Boustian, *supra* note 68.

⁸¹ George C. Galster & Sean P. Killen, *The Geography of Metropolitan Opportunity: A Reconnaissance and Conceptual Framework*, 6 HOUS. POL'Y DEBATE 7, 9 (1995).

⁸² *See id.* at 35–36.

⁸³ Ihlanfeldt, *supra* note 59, at 221 (“The surplus of resident labor within black areas will result in the higher unemployment that Kain hypothesized if wage rates are inflexible in a downward direction. If wages are flexible, however, the labor surplus will be eliminated as wage rates fall to their equilibrium level. ... Thus job decentralization combined with involuntary housing segregation may reduce the economic welfare of blacks by making it more difficult to find work, by reducing wage rates in black areas relative to white areas, or by increasing commuting costs.”).

⁸⁴ Powell, *supra* note 66, at 42.

⁸⁵ *See id.*

⁸⁶ James D. Wright, Amy M. Donley, Marie C. Gualtieri & Sara M. Strickhouser, *Food Deserts: What is the Problem? What is the Solution?*, 53 SOC. SCI. & PUB. POL'Y 171, 171 (2016); Mengyao Zhang & Debarchana Ghosh, *Spatial Supermarket Redlining and Neighborhood Vulnerability: A Case Study of Hartford, Connecticut*, 20 TRANSACTIONS IN GIS 79, 81 (2016).

⁸⁷ Shannon N. Zenk, Amy J. Shulz, Teretha Hollis-Neely, Richard T. Campbell, Nellie Holmes, Gloria Watkins, Robin Nwankwo & Angela Odoms-Young, *Fruit and Vegetable Intake in African Americans: Income and Store Characteristics*, 29 AM. J. PREVENTATIVE MED. 1, 3 (2005); Yasamin Shaker, Sara E. Grinesky, Timothy W. Collins & Aaron B. Flores, *Redlining, Racism, and Food Access in US Urban Cores*, 40 AGRIC. & HUM. VALUES 101, 108 (2023).

⁸⁸ Zhang & Ghosh, *supra* note 86, at 79–82.

local corner stores and independent grocers, which offer fewer nutrient-dense options, become the primary sources of food, contributing to poor diets, obesity prevalence, and negative health outcomes.⁸⁹ The convenience of one-stop shopping and big box stores in wealthier areas remains out of reach, and while car ownership alleviates some challenges, minority residents have disproportionately lower vehicle ownership rates and face hardships regarding transit access.⁹⁰

Studies have also shown that economically disadvantaged neighborhoods consistently face a shortage of healthcare providers and facilities, limiting residents' ability to access timely and quality care.⁹¹ The disparities are compounded by inadequate community amenities, including limited transportation, low-performing schools, and a lack of commercial investment, which deter healthcare facilities and physicians from locating in these neighborhoods.⁹² The non-specialized jobs available to low-income, non-skilled workers often do not offer the comprehensive health insurance coverage typically provided by firms located in suburban areas, which is often more extensive than public insurance.⁹³ Subsequently, redlined areas correlate with higher rates of chronic illnesses, advanced-stage diagnoses, and lower rates of surgical intervention due to delayed care and under-resourced facilities.⁹⁴ A recent study by Suncica Milosevic and Ajla Aksamija further found that even during the COVID-19 pandemic, vaccination rates were significantly lower in redlined areas due to proximity and transportation challenges, despite federal measures increasing their availability.⁹⁵ Meanwhile, another study found that the presence of at least one Federally Qualified Health Center (FQHC) in a redlined medically underserved area significantly increases the likelihood of patients in that area seeking healthcare services at FQHCs.⁹⁶

⁸⁹ Renee E. Walker, Jason Block & Ichiro Kawachi, *Do Residents of Food Deserts Express Different Food Buying Preferences Compared to Residents of Food Oases? A Mixed-Methods Analysis*, 9 INT'L J. BEHAV. NUTRITION & PHYSICAL ACTIVITY 1, 2 (2012); Zenk et al., *supra* note 87, at 6.

⁹⁰ Fan, *supra* note 60, at 158.

⁹¹ See, e.g., Darrell J. Gaskin, Gniesha Y. Dinwiddie, Kitty S. Chan & Rachael McCleary, *Residential Segregation and Disparities in Health Care Services Utilization*, 69 MED. CARE RSCH. & REV. 158, 162 (2012).

⁹² *Id.* at 161–62; Darrell J. Gaskin, Gniesha Y. Dinwiddie, Kitty S. Chan & Rachael R. McCleary, *Residential Segregation and the Availability of Primary Care Physicians*, 47 HEALTH SERVS. RSCH. 2353, 2356 (2012).

⁹³ Julia A. Prentice, *Neighborhood Effects on Primary Care Access in Los Angeles*, 62 SOC. SCI. & MED. 1291, 1293 (2006).

⁹⁴ Odysseas P. Chatzipanagiotou, Selamawit Woldesenbet, Muhammad Musaab Munir, Giovanni Catalano Mujtaba Khalil, Zayed Rashid, Abdullah Altaf & Timothy M. Pawlik, *Impact of Contemporary Redlining on Healthcare Disparities Among Patients with Gastrointestinal Cancer: A Mediation Analysis*, 32 ANNALS SURGICAL ONCOLOGY 1199, 1207 (2024).

⁹⁵ Suncica Milosevic & Ajla Aksamija, *Vaccination Accessibility Analysis: Modeling Historical Patterns of Redlining and Access to Healthcare Services*, 2023 SOC'Y MODELING & SIMULATION INT'L 448, 455 (2023).

⁹⁶ Eun Kyung Lee, Gwendolyn Donley, Timothy H. Ciesielski, Darcy A. Freedman & Megan B. Cole, *Spatial Availability of Federally Qualified Health Centers and Disparities in Health Services Utilization in Medically Underserved Areas*, 328 SOC. SCI. & MED. 1, 4 (2023).

D. Outcomes of Suburbanization

The cumulative impact of this spatial inequality continues to manifest in deeply entrenched socioeconomic and health disparities. Contemporary analysis reveals that neighborhoods historically designated as hazardous by HOLC exhibit the highest levels of poverty, limited public and private investments, low vehicle ownership rates, unemployment, and social vulnerability.⁹⁷ These areas have significantly lower rates of homeownership, home values, economic mobility, and wealth accumulation, with the racial wealth gap between Black and White Americans reaching a historic high of \$242,000 in 2022.⁹⁸ The U.S., with the highest income inequality among developed nations,⁹⁹ shows an unusually strong persistence of poverty and wealth across generations, diverging from the typical pattern where inequality leads to increased redistributive policies.¹⁰⁰ The consequences of inequitable transit infrastructure extend beyond economic opportunity. As seen during Hurricane Katrina, the city's lack of effective evacuation plans for transit users disproportionately endangered Black residents, whose reliance on public transit was four times higher than that of white residents.¹⁰¹

With social determinants responsible for as much as seventy-five percent of an individual's vulnerability to disease, residential segregation emerges as a powerful driver of health disparities.¹⁰² As a result, communities in historically segregated areas face a disproportionate burden of chronic illnesses, higher rates of poor birth outcomes, and increased risk of premature death.¹⁰³ Children in these neighborhoods face higher mortality rates, poorer educational attainment, and restricted upward mobility, reinforcing intergenerational cycles of disadvantage.¹⁰⁴ In states with high inequality, the stress of relative deprivation correlated with poor

⁹⁷ See BROOKS & ROSE, *supra* note 68, at 207; Chatzipanagiotou et al., *supra* note 94, at 1206; Yujian Lu, Natasha Howard, Christopher P. Brown & Xi Gong, *The Long-Run Effect of Historical Redlining Practices on Social Vulnerability in U.S. Cities*, 157 CITIES 1, 1–3, 6 (2025); Carolyn B. Swope, Diana Hernández & Lara J. Cushing, *The Relationship of Historical Redlining with Present-Day Neighborhood Environmental and Health Outcomes: A Scoping Review and Conceptual Model*, 99 J. URB. HEALTH 959, 976 (2022); Bev Wilson, *Urban Heat Management and the Legacy of Redlining*, 86 J. AM. PLAN. ASS'N 443, 446 (2020).

⁹⁸ Ana Hernández Kent & Lowell R. Ricketts, *U.S. Wealth Inequality: Gaps Remain Despite Widespread Wealth Gains*, FED. RESERV. BANK ST. LOUIS (Feb. 7, 2024), <https://www.stlouisfed.org/open-vault/2024/feb/us-wealth-inequality-widespread-gains-gaps-remain#authorbox> [<https://perma.cc/ZF2P-2RFM>].

⁹⁹ Kathryn M. Neckerman & Florencia Torche, *Inequality: Causes and Consequences*, 33 ANN. REV. SOCIO. 335, 336 (2007).

¹⁰⁰ *Id.* at 345.

¹⁰¹ Manuel Pastor, Robert Bullard, James K. Boyce, Alice Fothergill, Rachel Morello-Frosch & Beverly Wright, *Environment, Disaster, and Race After Katrina*, 13 RACE, POVERTY & ENV'T 21, 21 (2006).

¹⁰² Gaskin et al., *supra* note 91, at 162.

¹⁰³ Chatzipanagiotou et al., *supra* note 94, at 1200; Elizabeth Friedman, Brian Lee, Casey Kalman & Neal Wilson, *Historic Racism in Kansas City Affects Today's Pediatric Asthma Burden*, 78 HEALTH & PLACE 1, 1 (2022); Noa T. Kraus, Sarah Connor & Krista Shoda, *Historic Redlining and Health Outcomes: A Systematic Review*, 41 PUB. HEALTH NURSING 287, 287 (2024); Aparna Lhila & Kosali I. Simon, *Relative Deprivation and Child Health in the USA*, 71 SOC. SCI. & MED. 777, 777 (2010).

¹⁰⁴ Neckerman & Torche, *supra* note 99, at 337–45, 349–51; see generally Powell, *supra* note 66.

health behaviors, increased mortality, and mental distress.¹⁰⁵ Additionally, redlined areas tend to be situated downwind and near polluting facilities, such as coal and oil power plants, which increase environmental health risks and contribute to higher rates of asthma, cardiovascular disease, and cancer.¹⁰⁶

These outcomes are not accidental but rather the product of deliberate policy choices that extracted resources from urban cores and redirected them toward suburban development without reinvestment, leaving marginalized communities to bear the consequences of structural neglect.¹⁰⁷

E. The Impact of Mobility

The internal combustion engine revolutionized American urban form, as Jackson observed, but this transformation left those without access to automobiles behind. The expansion of the interstate highway system, funded through public taxes, prioritized suburban car travel while neglecting investments in inner-city public transit, such as streetcars.¹⁰⁸ This omission disadvantaged low-income, transit-dependent residents, who contribute to highway funding but rarely benefit from it.¹⁰⁹ For nearly four decades, discriminatory planning practices and redlining entrenched these disparities, and even after the Civil Rights Act of 1964, the resulting damage was woven into the urban fabric.

Mobility remains central to overcoming these persistent inequalities, yet transportation policies, both past and present, often reinforce them.¹¹⁰ Research consistently identifies transportation as a major barrier to employment for low-income individuals and welfare recipients.¹¹¹ Powell notes that while seventy percent of new jobs are located in the suburbs, forty percent are inaccessible by

¹⁰⁵ Lhila & Simon, *supra* note 103, at 777–78.

¹⁰⁶ Lara J. Cushing, Shiwen Li, Benjamin B. Steiger & Joan A. Casey, *Historical Red-Lining is Associated with Fossil Fuel Power Plant Siting and Present-Day Inequalities in Air Pollutant Emissions*, 8 NATURE ENERGY 52, 52–53 (2023).

¹⁰⁷ Jackelyn Hwang, Michael Hankinson & Kreg Steven Brown, *Segregation and Subprime Lending within and across Metropolitan Areas*, 93 SOCIAL FORCES 1081, 1100 (2015); Gross & Rothstein, *supra* note 74; see generally Powell, *supra* note 66.

¹⁰⁸ Kenneth T. Jackson, *Federal Subsidy and the Suburban Dream: How Washington Changed the American Housing Market*, in CRABGRASS FRONTIER: THE SUBURBANIZATION OF THE UNITED STATES 191, 191 (1985); Jonathan Kwitny, *The Great Transportation Conspiracy*, in CONTROLLING TECHNOLOGY: CONTEMPORARY ISSUES 265–274 (Eric Katz, Andrew Light & William B. Thompson 2d ed. 1991).

¹⁰⁹ Powell, *supra* note 66, at 51.

¹¹⁰ Nancy Hudspeth & Gerard Wellman, *Equity and Public Finance Issues in the State Subsidy of Public Transit*, 30 J. PUB. BUDGETING ACCT. & FIN. MGMT. 135, 149 (2018); Christof Spieler, *Racism Has Shaped Public Transit, and It's Riddled with Inequities*, RICE UNIV. (Aug. 24, 2020), <https://kinder.rice.edu/urbanedge/racism-has-shaped-public-transit-and-its-riddled-inequities> [<https://perma.cc/EFC8-ASQ3>]; Taylor & Morris, *supra* note 25, at 352.

¹¹¹ Blumenberg & Agrawal, *supra* note 1, at 183; Rolf Pendall, Evelyn Blumenberg & Casey Dawkins, *What if Cities Combined Car-Based Solutions with Transit to Improve Access to Opportunity?*, METRO. HOUS. & CMTYS. POL'Y CTR. 1, 181 (2016).

public transit.¹¹² This mismatch is especially severe for low-income workers, who are more likely to work non-standard hours, during which transit service is limited or nonexistent.¹¹³ Even when available, transit options are frequently unreliable, time-consuming, or unaffordable.¹¹⁴

Investment in public transit offers a compelling solution to these challenges. By reducing the cost and commuting time between inner cities and suburban job centers, transit increases access not just to employment but also to healthcare, retail, and other essential services.¹¹⁵ Compared to housing integration, which is often costlier and politically contentious, transit expansion is a more viable strategy for addressing the spatial inequality.¹¹⁶ Moreover, when designed inclusively, public transit can support both equity, by prioritizing the needs of marginalized groups, and equality, by expanding universal access. As Schattschneider argues, policy momentum builds when broad coalitions support a cause, making universal public transit not just necessary but also politically strategic.¹¹⁷

V. FARE-FREE TRANSIT AS A SOLUTION

Public transit fares can impose a significant financial burden on many individuals and households, potentially limiting their access to essential services, employment, and educational opportunities. In response, a growing number of municipalities worldwide have experimented with implementing fare-free transit policies. This Part explores the impact of transit fares and documented impacts of these fare-free policies by examining the diverse outcomes observed in cities that have eliminated fares.

A. The Impact of Transit Fares

Access to efficient transit service can play a critical role in addressing mobility and accessibility challenges faced by under-resourced households.¹¹⁸ By connecting individuals to essential destinations, resources, and services, transit can

¹¹² Blumenberg & Manville, *supra* note 63, at 191.

¹¹³ Fan, *supra* note 60, at 153.

¹¹⁴ Shirshendu Chakrabarti, *How Can Public Transit Get People Out of Their Cars? An Analysis of Transit Mode Choice for Commute Trips in Los Angeles*, 54 TRANSP. POL'Y 80, 87 (2017); Mario Cools, Yannick Fabbro & Tom Bellemans, *Free Public Transport: A Socio-Cognitive Analysis*, 86 TRANSP. RES. PART A: POLICY & PRAC. 96, 97 (2016).

¹¹⁵ Nancy Hudspeth & Gerard Wellman, *Equity and Public Finance Issues in the State Subsidy of Public Transit*, 30 J. PUB. BUDGETING, ACCT. & FIN. MGMT. 135, 136 (2018); see TODD LITMAN, VICT. TRANSP. POL'Y INST., *EVALUATING PUBLIC TRANSIT BENEFITS AND COSTS* 65, 70–74 (May 22, 2025).

¹¹⁶ Fan, *supra* note 60, at 153.

¹¹⁷ E.E. SCHATTSCNEIDER, *THE SEMISOVEREIGN PEOPLE: A REALIST'S VIEW OF DEMOCRACY IN AMERICA* 1–19 (Holt, Rinehart & Winston 1960).

¹¹⁸ Timothy F. Welch, *Equity in Transport: The Distribution of Transit Access and Connectivity Among Affordable Housing Units*, 30 TRANSP. POL'Y 283, 283 (2013).

significantly enhance their quality of life.¹¹⁹ For example, improved access to such elements has been linked to heightened probabilities of employment and better health outcomes.¹²⁰ However, this impact of transit can be muted due to the presence of barriers that discourage its use. Possible barriers are plentiful and can include psychological concerns (e.g., perceived safety), physical obstacles (e.g., steep gradients, inaccessible design), inadequate facilities (e.g., lack of shelters or seating), and insufficient travel information.¹²¹

A prominent barrier that is frequently mentioned by transit users is fare affordability.¹²² This barrier is pronounced for low-income users as transit fares can consume a large share of their income.¹²³ In some metropolitan areas, low-income households spend as much on transportation as they do on housing.¹²⁴ To cope, users often reduce spending or alter travel behavior to cover transit costs.¹²⁵ This can result in a reduction in the consumption of necessities such as food or medication or the elimination and reduction of trips.¹²⁶ The reduction or elimination of trips ultimately limits the level of access users have to resources and opportunities located throughout the region. This behavior has been found to contribute to negative outcomes such as missed medical appointments and school absences, with broader social and health implications.¹²⁷ This can contribute towards the deterioration in quality of life and increase the risk of social exclusion, which occurs when someone isn't able to participate in the social, economic, and political aspects of everyday life due to having limited access to varying opportunities.¹²⁸

The elimination of fares is considered as a way in which to help address such issues. By delivering fare-free transit service, transit becomes more accessible,

¹¹⁹ Lubitow et al., *supra* note 3, at 926; Thomas W. Sanchez, *The Connection Between Public Transit and Employment: The Cases of Portland and Atlanta*, 65 J. AM. PLAN. ASS'N 284, 292 (1999); C. Yi, *Impact of Public Transit on Employment Status: Disaggregate Analysis of Houston, Texas*, 1986 TRANSP. RES. REC. 137, 143 (2006); ZHAO & GUSTAFSON, *supra* note 4, at 73.

¹²⁰ Kevin Credit, Gustavo Dias & Brenda Li, *Exploring Neighbourhood-Level Mobility Inequity in Chicago Using Dynamic Transportation Mode Choice Profiles*, 12 TRANSP. RES. INTERDISCIPLINARY PERSP. 1, 1–2, 11 (2021).

¹²¹ Andrew Church, Martin Frost & Karen Sullivan, *Transport and Social Exclusion in London*, 7 TRANSP. POL'Y 195, 198–200 (2000); Lucas, *supra* note 1, at 107–08; Mackett & Thoreau, *supra* note 3, at 611.

¹²² Blumenberg & Agrawal, *supra* note 1, at 369; Lubitow et al., *supra* note 3, at 924.

¹²³ Genevieve Giuliano, *Low Income, Public Transport, and Mobility*, 1927 TRANS. RES. REC.: J. TRANSP. RES. BD. 63, 63–70 (2005); Thomas W. Sanchez, Rich Stolz & Jacinta S. Ma, *Inequitable Effects of Transportation Policies on Minorities*, 1885 TRANSP. RSCH. REC.: J. TRANSP. RSCH. BD. 104, 105 (2004).

¹²⁴ Sanchez et al., *supra* note 123 at 105.

¹²⁵ Blumenberg & Agrawal, *supra* note 1, at 369–70; see Alexis F. Perrotta, *Transit Fare Affordability: Findings From a Qualitative Study*, 22 PUB. WORKS MGMT. & POL'Y 226, 245 (2017).

¹²⁶ Blumenberg & Agrawal, *supra* note 1, at 368; see Perrotta, *supra* note 125, at 232.

¹²⁷ See Lubitow et al., *supra* note 3, at 929–30.

¹²⁸ Kenyon et al., *supra* note 3, at 209.

and users can experience considerable improvements in their personal mobility.¹²⁹ They also gain greater access to the essential resources which are dispersed throughout the region they inhabit.¹³⁰ This impact is likely to be heightened for those who have historically suffered from limited mobility and limited access to opportunities, low-income residents and people of color.

B. Fare-Free Transit in Practice

In recent years, fare-free public transit has gained traction among service providers in the United States. The motivation behind exploring or implementing such policies is multifaceted. One factor is a desire to enhance equity, as eliminating fares removes a significant barrier towards use for low-income and transportation-disadvantaged populations, thereby improving their access to jobs, education, healthcare, and other essential services.¹³¹ Another key motivation is to increase ridership.¹³² By making transit more accessible, service providers hope to draw new riders, potentially encouraging a shift away from personal vehicles. This shift further supports the attainment of environmental goals held by the service provider, such as the reduction of traffic congestion, the lowering of greenhouse gas emissions, and the improvement of air quality.¹³³ Providers also pursue fare-free transit to gain operational efficiencies. Removing the need for fare collection can significantly speed up the boarding process, reduce vehicle dwell times at stops, and improve on-time performance.¹³⁴ These outcomes can aid in the reduction of operating costs while enhancing overall system performance.¹³⁵

The impact fare-free transit can have on users' mobility is evident when looking at cases that have implemented this policy. Cases spanning Aubagne, France; Hasselt, Belgium; Tallinn, Estonia; Corvallis, Oregon; Asheville, North Carolina; Denver, Colorado; and Mercer County, New Jersey, all share one common outcome: the observed increase in ridership following the elimination of transit fares.¹³⁶ If fares are eliminated, we see an increase in the number of transit trips

¹²⁹ See Jiangping Zhou, Min Zhang & Pengyu Zhu, *The Equity and Spatial Implications of Transit Fare*, 121 TRANSP. RSCH. PART A: POL'Y & PRAC. 309, 313 (2019).

¹³⁰ See *id.*

¹³¹ Koblowski, *supra* note 9, at 2816–17.

¹³² *Id.* at 2821.

¹³³ VOLINSKI, *supra* note 10, at 22, 70, 94–95.

¹³⁴ *Id.* at 2, 24, 33.

¹³⁵ Furthermore, in situations where farebox recovery ratios (the proportion of operating costs covered by fare revenue) are already very low, the agency might determine that the administrative costs associated with fare collection and enforcement outweigh the revenue generated, making fare elimination a financially pragmatic choice, particularly if stable alternative funding sources can be secured. *Id.* at 24 (“Fare-free transit allows passengers to board from both doors, helping to speed the boarding process and reduce dwell time, thus allowing the bus to stay on schedule more reliably. One transit manager reported that dual-door boarding has allowed them to reduce the rate of acquiring additional equipment to remain on schedule, thereby minimizing the increase in capital and operating expenses caused by buying and utilizing additional equipment.”).

¹³⁶ See Ralf Brand, *Co-Evolution of Technical and Social Change in Action: Hasselt's Approach to Urban Mobility*, 34 BUILT ENV'T 182, 189–90 (2008); Oded Cats, Yusak O. Susilo & Triin Reimal, *The Prospects of Fare-Free Public Transport: Evidence from Tallinn*, 44 TRANSP. 1083, 1100–01 (2016); Lawrence B. Doherty & Bruce D. Spear, *Free-Fare Transit: Some Empirical Findings*, 799

taken. This impact can be heightened for populations that traditionally suffer from limited mobility. For example, the elimination of transit fares in Tallin, Estonia resulted in higher share of transit usage among adolescents (+ 21%), the elderly (+ 18%), the poor (+ 26%), and unemployed (+ 32%).¹³⁷ Similar observations have been made in the United States,¹³⁸ France,¹³⁹ and South Korea.¹⁴⁰

Observed outcomes in practice support the notion that the implementation of a fare-free transit policy can result in heightened transit use.¹⁴¹ This can be transformative for many, especially for those whose access to transit and personal mobility has been previously limited. Without the worry of fare affordability, individuals with limited financial resources can travel more frequently and flexibly, improving the level of access they have to vital resources and services. This can result in a drastic improvement in their quality of life via improved access to employment, education, childcare, medical care, social networks, and other essential resources. Benefits that emerge from heightened transit use are not likely to be exclusively experienced by transit users. For instance, heightened transit use can lead to reduced congestion and improved air quality, which will benefit the community broadly.¹⁴²

VI. POLICY AND LEGAL FRAMEWORKS SHAPING FARE-FREE TRANSIT

The transition towards fare-free public transit represents a significant policy shift, and its feasibility and implementation are profoundly influenced by the existing policy and legal landscape. Thus, the extent to which regulatory environments at various governmental levels hinder or support the adoption of fare-free policies needs to be evaluated. Foundational to this discussion is an exploration of the ongoing debate concerning whether public transit should fundamentally be considered a public good, as perspectives on this issue often shape legislative and funding priorities.

TRANSP. RSCH. REC. 47, 47–48 (1981); A.H. Studenmund & David Connor, *The Free-Fare Transit Experiments*, 16 TRANSP. RSCH. PART A: POL'Y & PRAC. 261, 262–64 (1982); VOLINSKI, *supra* note 10, at 2, 10.

¹³⁷ See Cats et al., *supra* note 136, at 1095–96.

¹³⁸ See VOLINSKI, *supra* note 10, at 2, 13.

¹³⁹ See HENRI BRICHE, DUNKERQUE “LABORATOIRE” DE LA GRATUITÉ DES TRANSPORTS EN COMMUN: RETOUR SUR LES EFFETS DE LA GRATUITÉ PARTIELLE [DUNKIRK “LABORATORY” FOR FREE PUBLIC TRANSPORT: EFFECTS OF PARTIALLY FREE-OF-CHARGE ACCESS] 53 (Observatoire des Villes du Transport Gratuit [OVTG] 2017) (Fr.), https://www.wizodo.fr/photos_contenu/doc-30c5db6b346b71643bfcdebd5a9e083b.pdf [<https://perma.cc/YV2M-STWY>].

¹⁴⁰ See Jun Myung-Jin, Jeong Ji-Eun & An Hyun-Ju, *The Welfare Effects of the Free Subway Fare Scheme for Seniors: A Discrete Choice Approach with the Case of Seoul*, 6 CASE STUD. ON TRANSP. POL'Y 642, 650 (2018).

¹⁴¹ VOLINSKI, *supra* note 10, at 26 (“The effect of fare-free policies on total public transit ridership is invariably positive, many times at levels unanticipated even by the most optimistic transit managers or policymakers.”).

¹⁴² Cats et al., *supra* note 136, at 1086.

A. Transit as a Public Good

Fare-free transit is not a novel ideal. It has been the focus of public debate for some time, supported by the notion that public goods should be “free.”¹⁴³ Whether transit should actually be considered a public good is a topic of discussion itself. From an economic standpoint, a pure public good needs to be non-rivalrous, which means that one person’s consumption of the good does not diminish another person’s ability to consume it, and non-excludable, meaning that it is impossible or prohibitively expensive to prevent people who haven’t paid for the good from consuming it.¹⁴⁴ While public transit does not meet these criteria, as heightened demand can restrict others from consuming transit service and transit service providers actively prevent non-payers from using the system via fare evasion techniques, it should be classified as a public good given the benefits it yields to society as a whole.¹⁴⁵ While the ability of public transit to meet the criteria typical of public goods can be contested, the nature of the benefits it yields cannot.¹⁴⁶

The benefits produced by public transit can be widely applied across entities and individuals within the regions where service is delivered.¹⁴⁷ For example, businesses benefit from the presence of transit through enhanced access to a potential workforce and the production of reliable commute options for employees.¹⁴⁸ Transit can support downtown development by reducing parking costs and traffic congestion, enabling denser, more walkable commercial areas. Additionally, reducing congestion benefits manufacturing and shipping firms that depend on efficient roadway use.¹⁴⁹ Taxpayers and local governments benefit from transit as it can ensure access to vital public services like healthcare and education, particularly for disadvantaged populations.¹⁵⁰ It also aids strategic land use planning, potentially reducing infrastructure costs associated with sprawl while supporting economic development efforts that can broaden the tax base.¹⁵¹ Even motorists who do not use public transit are likely to experience considerable benefits due to the presence of this service.¹⁵² Benefits are primarily tied to reduced traffic and parking congestion, as transit options attract other travelers off the roadways.¹⁵³ Congestion relief supported by transit service has the added benefit of creating a safer driving

¹⁴³ *Id.*

¹⁴⁴ Julian Reiss, *Public Goods*, in THE STANFORD ENCYCLOPEDIA OF PHILOSOPHY 1, 2 (Edward N. Zalta ed., 2021), <https://plato.stanford.edu/entries/public-goods/> [<https://perma.cc/8LZJ-SAQ3>].

¹⁴⁵ See Daniel Baldwin Hess, *Decrypting Fare-Free Public Transport in Tallinn, Estonia*, 5 CASE STUD. ON TRANSP. POL’Y 690, 691 (2017).

¹⁴⁶ See Rebecca Schein, *Free Transit and Social Movement Infrastructure: Assessing the Political Potential of Toronto’s Nascent Free Transit Campaign*, 22 ALTERNATE ROUTES: J. CRITICAL SOC. RSCH. 115, 121 (2011).

¹⁴⁷ See LITMAN, *supra* note 115, at 79.

¹⁴⁸ *Id.* at 76.

¹⁴⁹ *Id.*

¹⁵⁰ See *id.* at 28, 76.

¹⁵¹ *Id.* at 76.

¹⁵² See *id.* at 77.

¹⁵³ See *id.*

environment for remaining motorists.¹⁵⁴ Furthermore, transit also provides motorists with a valuable backup mobility option when they cannot drive.¹⁵⁵

While the benefits of transit are felt by many, the public transit system is primarily supported by few. Public transit is funded disproportionately by low and middle-income people; as such, transit fares effectively act as a regressive tax.¹⁵⁶ This gives heightened significance to the efforts that present public transit as a public good. If the benefits of public transit spill over to society beyond the direct users, as do schools and libraries, then should it be funded alike by governments through taxation? The fact that many regions throughout the United States employ transit fares tells us that transit is not yet considered in the same way as other services that produce considerable public benefit. The exploration of fare-free policies by many transit service providers may signal a changing perspective, which would be necessary for wide-ranging implementation.

B. Federal Policy and Legal Influences on Fare-Free Transit

Title VI, which was enacted as part of the Civil Rights Act of 1964, declares that:

No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.¹⁵⁷

This mandate directly applies to recipients of funding from the Federal Transit Administration (FTA), which distributes thousands of grants to state and local transit providers.¹⁵⁸ The FTA actively monitors these recipients' Title VI programs to ensure compliance,¹⁵⁹ possessing the authority to challenge the use of federal funds when local policies exhibit a disparate impact on communities of color. This enforcement mechanism is designed to prevent the perpetuation of past discriminatory practices, even through seemingly neutral policies.

Furthermore, Department of Justice (DOJ) regulations require that agencies like the Department of Transportation (DOT) issue guidelines detailing Title VI requirements for fund recipients.¹⁶⁰ The DOT's regulations echo the language of Title VI, obligating recipients to proactively ensure equitable access to their programs, regardless of race, color, or national origin. For instance, the Department of Transportation's Title VI regulations impose affirmative obligations, which

¹⁵⁴ *See id.*

¹⁵⁵ *Id.* at 76; Michael Manville & Adam Seth Levine, *What Motivates Public Support for Public Transit?*, 118 TRANSP. RSCH. PART A: POL'Y & PRAC. 567, 568 (2018).

¹⁵⁶ *See* Giuliano, *supra* note 123, at 64.

¹⁵⁷ 42 U.S.C. § 2000d.

¹⁵⁸ FED. TRANSIT ADMIN., U.S. DEP'T OF TRANSP., FTA C 4702.1B, TITLE VI REQUIREMENTS AND GUIDELINES FOR FEDERAL TRANSIT ADMINISTRATION RECIPIENTS (2012).

¹⁵⁹ *Id.* at VII-1.

¹⁶⁰ *Id.* at II-1–2.

include the duty to address and remedy the effects of past discriminatory practices where “prior discriminatory practice” existed.¹⁶¹

Given this legal framework, Title VI presents a theoretical avenue to advocate for fare-free transit policies in the United States. The obligation to remove or overcome the effects of discrimination where “prior discriminatory practice existed” offers a potential justification for addressing the long-term consequences of discriminatory federal policies that historically restricted access to suburban areas for marginalized communities. Implementing fare-free transit can be seen as a measure to rectify these past inequities by eliminating a significant barrier, transit fares, that disproportionately impacts individuals whose mobility and access to resources were previously limited.

The removal of transit fares has the added benefit of mitigating impact by removing the specific policy, fares, that research has found to disproportionately burden low-income individuals and, by extension, often racial and ethnic minorities.¹⁶² The fact that minorities are more likely to recognize fare affordability as a factor which limits or prevents their use of transit¹⁶³ is a representation of how transit fares can contribute to some protected classes being “*excluded from participation in, be denied the benefits of*” a program receiving federal financial assistance. In this context, Title VI can serve as a rationale for seriously considering fare-free policies as a means to ensure that one’s level of access and mobility is not contingent on the ability to pay, thereby promoting more equitable access to opportunities for all residents, in alignment with the spirit and requirements of Title VI.

However, relying on Title VI to advance fare-free transit policies faces significant limitations. One major hurdle is associated with the difficulty of judicial enforcement following the Supreme Court’s 2001 decision in *Alexander v. Sandoval*, a challenge to Alabama’s English-only driver’s license examination.¹⁶⁴ This ruling limited the implied private right of action under Title VI to cases of intentional discrimination, making it considerably harder for individuals and advocacy groups to challenge policies based solely on their disparate impact through private lawsuits.¹⁶⁵ As a result, the potential for Title VI to drive significant systemic change is more likely to originate from federal agencies rather than through grassroots or community led efforts. The Court’s ruling significantly limits the ability of the public to initiate change from the bottom up.

An additional hardship in relying on the use of Title VI to support efforts to implement fare-free transit policies is the necessity to counter a “substantial legitimate justification” argument.¹⁶⁶ This defense allows agencies to defend policies which may have a disparate impact if they can show it serves a legitimate purpose. In this sense, transit agencies are likely to argue that fares are essential for funding the operation and maintenance of transit systems. The case of *Darensburg*

¹⁶¹ 49 C.F.R. § 21.5(b)(7).

¹⁶² Zhou et al., *supra* note 129, at 309; Diego Da Silva, Willem Klumpenhower, Alex Karner, Mitchell Robinson, Rick Liu & Amer Shalaby, *Living On a Fare: Modeling and Quantifying the Effects of Fare Budgets on Transit Access and Equity*, 101 J. TRANSP. GEOGRAPHY 1, 5 (2022).

¹⁶³ Blumenberg & Agrawal, *supra* note 1, at 361, 369–70.

¹⁶⁴ *Alexander v. Sandoval*, 532 U.S. 275, 278–79 (2001).

¹⁶⁵ *Id.* at 285–86, 293.

¹⁶⁶ U.S. DEP’T TRANSP., *What Types of Discrimination are Prohibited by Title VI?*, <https://highways.dot.gov/media/34386> [<https://perma.cc/HH4V-DBJN>].

v. Metropolitan Transportation Commission exemplifies the power of this defense. In this case, low-income minority bus riders in the San Francisco Bay Area filed suit against the Metropolitan Transportation Commission (MTC), the agency responsible for regional transportation planning efforts.¹⁶⁷ The plaintiffs claimed that the MTC's funding decisions discriminated against minority transit users by prioritizing rail projects, which primarily served whiter, more affluent suburbs, over bus service, used more heavily by low-income people of color in urban areas.¹⁶⁸ This, they argued, violated Title VI of the Civil Rights Act of 1964 and the Equal Protection Clause of the Fourteenth Amendment.¹⁶⁹ The use of a "substantial legitimate justification" argument played a role in the court's rationale for the outcome. The court found that MTC's investment in rail projects was supported by legitimate, non-discriminatory goals.¹⁷⁰ These goals included the enhancement of regional mobility, congestion relief, air quality improvement, and long-term transportation planning.¹⁷¹ These goals were considered rational and within the agency's discretion, even if the outcomes disproportionately benefited wealthier or whiter communities. This precedent underscores the difficulty in using Title VI to mandate fare-free policies when agencies can present seemingly valid financial and operational reasons for maintaining fares.

C. State Law as a Determinant of Fare-Free Transit Feasibility

A challenge that transit service providers are likely to face in the implementation of fare-free transit policies includes the need to replace what may be substantial farebox revenues with another revenue source.¹⁷² This reality underscores the critical importance of state-level government, which can significantly enable or hinder public transit service through its financial commitments and legislative frameworks.

A significant barrier to securing replacement funding often lies in state-level restrictions limiting the types of funds eligible for supporting public transit. Predominantly, these restrictions prohibit or limit the use of taxes and fees imposed on motorists, a major revenue stream traditionally used to support broader

¹⁶⁷ *Darensburg v. Metro. Transp. Comm'n*, 611 F. Supp. 2d 994 (No. C-05-01597 EDL) at 1054–55.

¹⁶⁸ *Id.*

¹⁶⁹ *Id.* at 518.

¹⁷⁰ However, on appeal, the Ninth Circuit Court of Appeals did not reach the issue of whether MTC had a substantial legitimate justification. Instead, the appellate court reversed the district court's finding of disparate impact, concluding that the plaintiffs' statistical measure for demonstrating disparate impact was unsound and their claim rested on a logical fallacy. *See generally* *Darensburg v. Metro. Transp. Comm'n*, 636 F.3d 511 (9th Cir. 2011). Therefore, while the "substantial legitimate justification" argument was central to the district court's decision, the appellate court's differing outcome meant it did not ultimately rely on that justification. Regardless of the appellate court's ruling on the specific disparate impact claim, the lower court's consideration of MTC's justifications highlights inherent difficulties in using Title VI to address discrimination concerns."

¹⁷¹ *Id.* at 1054.

¹⁷² VOLINSKI, *supra* note 10, at 2.

transportation systems. Taxes on motor fuel, in particular, represent a major funding source which provides support for a state's transportation network.¹⁷³ Yet, in numerous states, constitutional or statutory provisions explicitly forbid the allocation of state gas tax revenue toward public transit initiatives.

The nature of these restrictions carries significant weight. Gas tax limitations codified in state statutes are laws enacted and potentially repealed by state legislators. While challenging, advocating for statutory changes is a feasible legislative process. Currently, seven states impose such statutory restrictions.¹⁷⁴ Conversely, state constitutional restrictions present a far more formidable obstacle. Repealing or amending a constitutional provision typically requires a complex and politically challenging process, often involving statewide ballot measures or supermajority legislative votes. A total of twenty-six states are reported to have clauses in their state constitutions that prohibit or restrict the use of gas tax revenue for public transit.¹⁷⁵ An example is Minnesota which, within Article XIV of its constitution, mandates that motor vehicle fuel tax revenue be dedicated solely for highway purposes.¹⁷⁶ Restrictions on the use of gas tax for public transit use are also commonly coupled with limitations in the use vehicle registration fees, driver's license fees, and parking fees, which can exacerbate issues transit service providers face in identifying possible additional funding streams.

The restrictions on utilizing motorist-generated fees and taxes for transit often fail to acknowledge the tangible benefits that robust public transit systems provide to motorists themselves, such as reduced traffic congestion and wear on road infrastructure.¹⁷⁷ It also forces transit service providers to explore other local revenue generating mechanisms such as sales taxes which are likely to require a public vote and thus to be more difficult to enact.

Therefore, the specific legal and fiscal landscape established by state law is a major determinant of the feasibility of implementing fare-free transit policies. Restrictions on traditional transportation revenues force transit agencies to navigate complex local politics or devise innovative funding strategies. These alternative approaches might include alternatives such as the use of tax-increment financing zones or public-private partnerships, which are often context-dependent and may not be feasible or effective in all jurisdictions.

D. A Way Forward

To fully realize the promise of fare-free transit, a multi-faceted policy approach is needed, one that reimagines the role of transit in society, strengthens federal legal frameworks, aligns state-level fiscal policy, and builds upon the equity-

¹⁷³ Stephen Coleman Kenny, *Where Does Your State Stack Up on Supporting Transit*, TRANSP. FOR AM. (Feb. 22, 2023), <https://t4america.org/2023/02/22/transit-report-card-part-1/> [<https://perma.cc/25KA-3CNM>].

¹⁷⁴ *Id.*

¹⁷⁵ *Id.*

¹⁷⁶ MINN. CONST., art. XIV, § 10 (1974); see *Highway Users Tax Distribution Fund for Local Roads and Bridges*, MINN. DEP'T OF TRANSP. (Jan. 2023), <https://www.lrl.mn.gov/docs/2024/other/240523.pdf> [<https://perma.cc/TWS3-N3GC>].

¹⁷⁷ LITMAN, *supra* note 115, at 79.

driven foundations of civil rights law. The following strategies outline key directions for moving forward:

1. Reframing Transit as a Public Good

One of the shifts necessary to support fare-free transit is a cultural and policy reorientation that treats public transportation not as a commodity, but as a public good.¹⁷⁸ This framing aligns transit with other essential services such as education, clean water, and emergency services.¹⁷⁹ These resources are made available based on collective need rather than individual ability to pay. Recognizing transit as a public good broadens the rationale for its public funding and justifies more robust and stable financial support. Such a shift requires federal and state policymakers to acknowledge the broader social, economic, and environmental benefits of transit.

2. Building on the Legacy of Title VI

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs receiving federal assistance,¹⁸⁰ yet its application to fare policies remains underdeveloped. To strengthen protections against inequitable fare structures, agencies such as the Federal Transit Administration (FTA) and the Department of Justice (DOJ) should issue formal guidance clarifying how Title VI applies to fare-setting practices. Such guidance should recognize fare burdens as a potential site of discriminatory impact and provide clear standards for conducting equity analyses.

3. Strengthening Federal Leadership and Support

To firmly embed support for equity-enhancing policies like fare-free transit, the federal government should build upon foundational environmental justice commitments, such as those initiated by Executive Order 12898, by enacting comprehensive legislation that codifies these principles into statutory authority.¹⁸¹ While EO 12898¹⁸² and subsequent orders like EO 14096¹⁸³ have been crucial in directing federal agencies to address disproportionate environmental and health impacts on minority and low-income populations, executive orders lack the permanence of statutes and remain vulnerable to change by future administrations. For example, both EO 12898 and EO 14096 were revoked on January 21, 2025, via

¹⁷⁸ Koblowski, *supra* note 9, at 2816.

¹⁷⁹ Cats et al., *supra* note 136, at 1086.

¹⁸⁰ 42 U.S.C. § 2000d.

¹⁸¹ Exec. Order No. 12898, 59 Fed. Reg. 7629 (Feb. 16, 1994).

¹⁸² *Id.*

¹⁸³ Exec. Order No. 14096, 88 Fed. Reg. 25251 (Apr. 21, 2023).

Executive Order 14173.¹⁸⁴ Codifying environmental justice principles would create a more durable legal framework and offer legal recourse for affected communities. Specific to public transportation, such a statute could incentivize fare-free policies in areas with environmental justice concerns. Therefore, transforming federal environmental justice directives from executive orders into statutory law offers a significantly more stable and powerful pathway for advancing and sustaining fare-free transit as a deliberate tool for transportation equity.

4. Enabling Revenue Flexibility Through State Legal Reform

At the state level, legal frameworks must evolve to support innovative and diversified funding mechanisms for transit. Restrictions on the use of traditional transportation revenues, such as gas taxes or vehicle registration fees, often limit agencies' ability to fund operations sustainably. States should reform their laws to permit transit providers to tap into a broader array of revenue sources. This flexibility acknowledges the multifaceted benefits that transit generates across sectors, from improved public health to increased economic productivity. Aligning state policy with this broader understanding of transit's value is essential to creating the financial conditions under which fare-free service becomes a possibility.

VII. CONCLUSION

This Note examines the ability of fare-free transit to address issues associated with limited mobility and access. It also explores the feasibility of implementing fare-free transit policies by examining current laws and policies. Ultimately, the potential benefits of fare-free transit are clear, yet the path to broad adoption across the U.S. remains obstructed by legal and policy realities. Existing frameworks at both federal and local levels are currently insufficient to support such a widespread shift. While the implications of eliminating fares are increasingly understood, realizing this policy nationwide requires significant groundwork. Until that foundational work progresses, communities must prioritize other viable strategies to tackle the immediate transportation barriers faced by their populations.

¹⁸⁴ Exec. Order No. 14173, 90 Fed. Reg. 8633 (Jan. 21, 2025).