

Transportation and the New Generation

*Why Young People Are Driving Less and What It
Means for Transportation Policy*

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FRONTIER GROUP

About Frontier Group

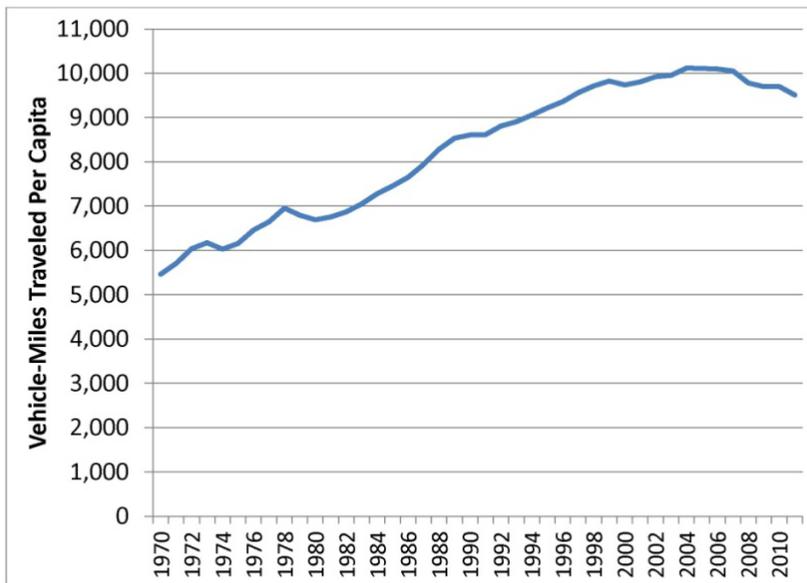
- ▶ Non-profit, non-partisan, multi-issue research and public policy organization.
- ▶ Founded in 1996.

Today's presentation

- ▶ Why focus on youth transportation trends?
- ▶ What are the findings?
- ▶ What are the implications for transportation policy?

Background: The longest decline in vehicle travel since World War II

Vehicle-Miles Traveled per Capita, U.S.



FHWA, *Historical Monthly VMT Report and Traffic Volume Trends*

- ▶ Per capita vehicle-miles traveled last peaked in 2004.
- ▶ Per capita vehicle-miles traveled is down 6 percent since 2004.
- ▶ Absolute vehicle-miles traveled last peaked in 2007.

Will driving continue to increase at pace of last 60 years?

Forward-thinking transportation analysts have asked this question for half a decade:

- “This report presents evidence that several historic trends appear to have moderated or perhaps changed direction in the past decade and these may have significant impacts on future VMT growth.”
 - Steven Polzin, *The Case for Moderate Growth in Vehicle Miles of Travel: A Critical Juncture in U.S. Travel Behavior Trends*, April 2006.
- “Future automobile traffic growth will consist of population growth rather than increased per capita vehicle use...”
 - Todd Litman, “Changing Travel Demand: Implications for Transport Planning,” *ITE Journal*, September 2006.

Why focus on youth?

- 1) Young people account for a substantial share of drivers and vehicle travel.
- 2) They have experienced the greatest change in driving habits in the last decade.
- 3) The transportation habits and behaviors developed by young people may carry on as they age, with long-lasting implications.
- 4) Today's young people will enjoy – or be saddled with – the transportation system we build for the rest of their lives.

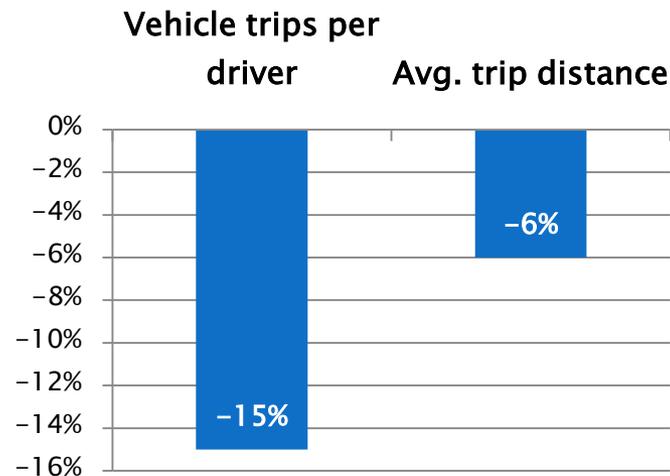
Findings in a nutshell

- Driving among young people has declined significantly over the last decade.
- There are many reasons, including shifts in consumer preferences, technological changes, and increasing barriers to driving.
- Many of the factors that are pushing young people to drive less will likely persist over time.

There are still many uncertainties, but the trends suggest that America must rethink its transportation investment priorities and funding system.

The evidence: Youth driving has declined sharply

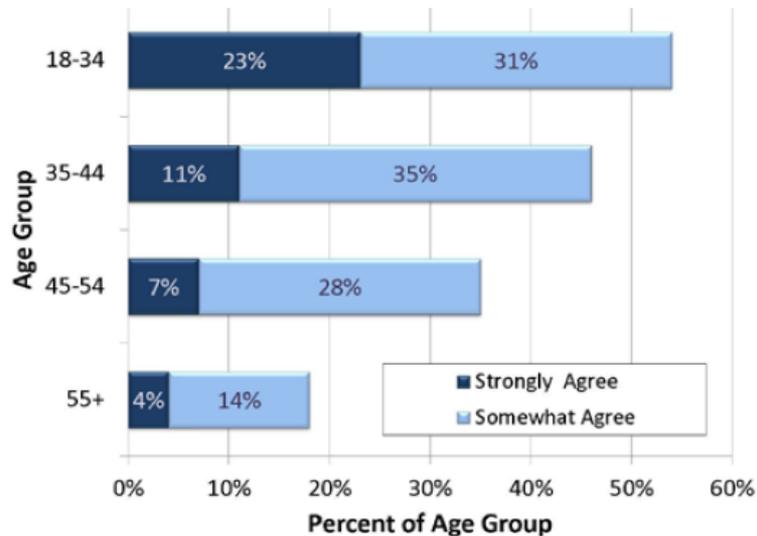
Vehicle-miles traveled declined 23% among 16 to 34 year olds from 2001 to 2009 (2009 NHTS)



The share of 14 to 34 year olds without a drivers license increased from 21 percent to 26 percent (FHWA).

The evidence: Youth are using transportation alternatives

In the survey by KRC Research and Zipcar, participants were asked to what extent they agreed with the statement, "With access to social networking sites such as Facebook and Twitter, text messaging and online gaming, I sometimes choose to spend time with friends online instead of driving to see them." The percent of the age group that said they strongly or somewhat agreed is displayed below.⁴⁶



- ▶ Use of transportation alternatives has increased from 2001 to 2009 (NHTS):
 - Biking trips up 24 percent.
 - Walking trips up 16 percent.
 - Transit passenger-miles traveled up 40 percent.
- ▶ Technology and social media substituting for some trips.

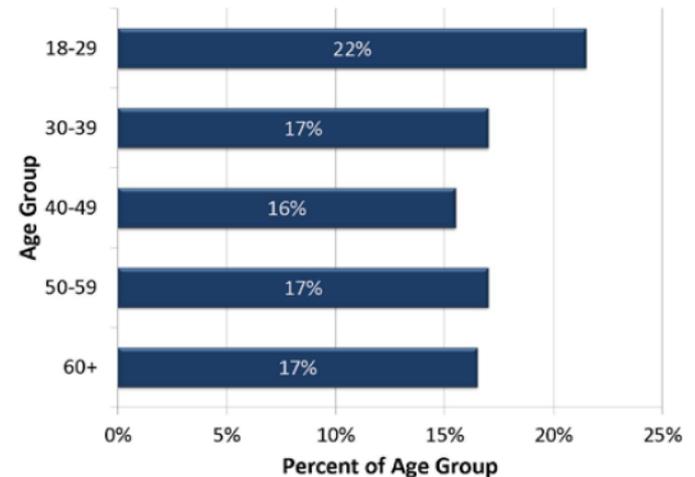
Why young people are driving less:

- Changing housing and transportation preferences.
- The influence of technology.
- New barriers to driving.
- The economy.

Changing housing and transportation preferences

Survey data consistently show that young people value urban lifestyles and proximity to transportation alternatives more than older generations, and are more inclined to alter their driving behavior for environmental reasons.

In the National Association for Realtors survey, participants were asked to rate the importance (on a scale of "very important," "somewhat important," "not very important," and "not at all important") of having (1) bus routes and (2) rail lines within walking distance of their homes. The percentages of participants that answered "very important" for bus routes and rail lines are averaged by age group and displayed below.



Today's news

► First Census estimates since 2010



The screenshot shows the Philly.com website interface. At the top, there's a search bar with the text "Search for : South Jersey news - Mob Scene - Jobs". Below the search bar is a navigation menu with categories like News, Sports, Entertainment, Business, Restaurants & Food, Living, Health, Classifieds, and DealYo. A prominent banner for Kohl's "BIGGEST SALE OF THE SEASON" is visible. The main content area features a news article titled "Growth spurt: City's population rising, census shows" by Julie Shaw, dated Thursday, April 5, 2012, at 3:01 AM. The article text states: "GREAT NEWS! Philadelphia has continued to grow since the 2010 census count, according to new data being released Thursday. The Census Bureau estimates that the city's population on July 1 was 1,536,471, an...". A sidebar on the right contains an advertisement for Bank of America with the text "We're committed to helping small businesses grow." and a link to "Advertise Here".

“Paul Levy, president and CEO of the Center City District, said young parents are choosing to stay in the city after having babies, particularly in Center City and nearby neighborhoods.

Walk around Center City, Northern Liberties, Fairmount and the area around the former Graduate Hospital, and you'll see more baby strollers than before, he said.”

– Julie Shaw, “City’s Population Rising, Census Shows,”
Phila. Daily News, 5 April 2012

“The annual rate of growth in American cities and surrounding urban areas has now surpassed that of exurbs for the first time in at least 20 years, spanning the modern era of sprawling suburban development.

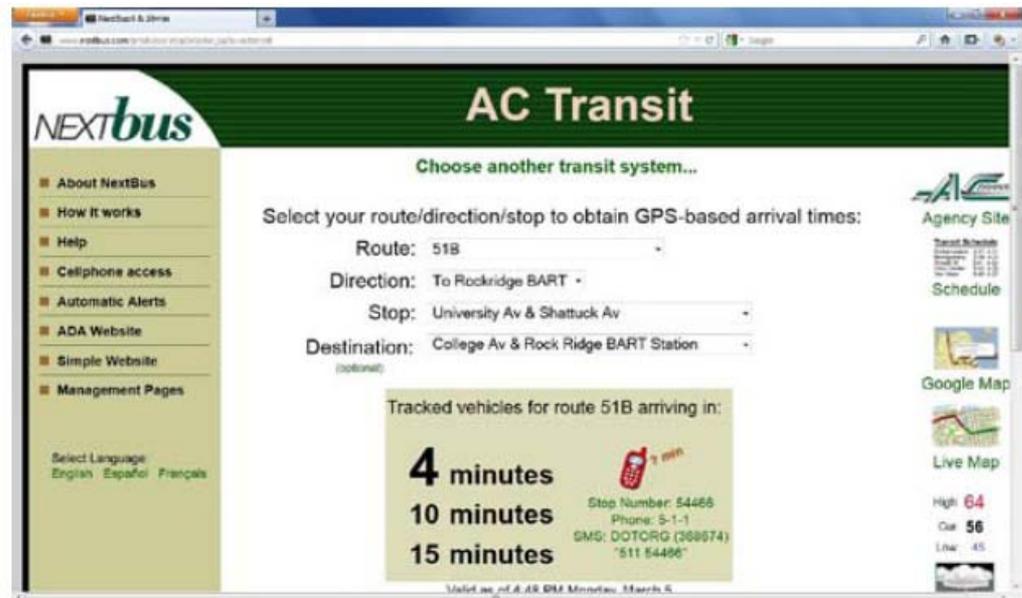
‘The heyday of exurbs may well be behind us,’ Yale University economist Robert J. Shiller said. Shiller, co-creator of a Standard & Poor’s housing index, is perhaps best known for identifying the risks of a U.S. housing bubble before it actually burst in 2006–2007.”

– Associated Press, “Census Shows U.S. Cities Are Booming, Suburbs Are Wilting,” *NY Daily News*, 5 April 2012.

Technology

- Substitution of mobile technology for vehicle trips.
- New, technology-enabled transportation options that didn't exist a generation ago: car-sharing, bike-sharing, real-time transit information.
- Cars and cell phones don't mix.

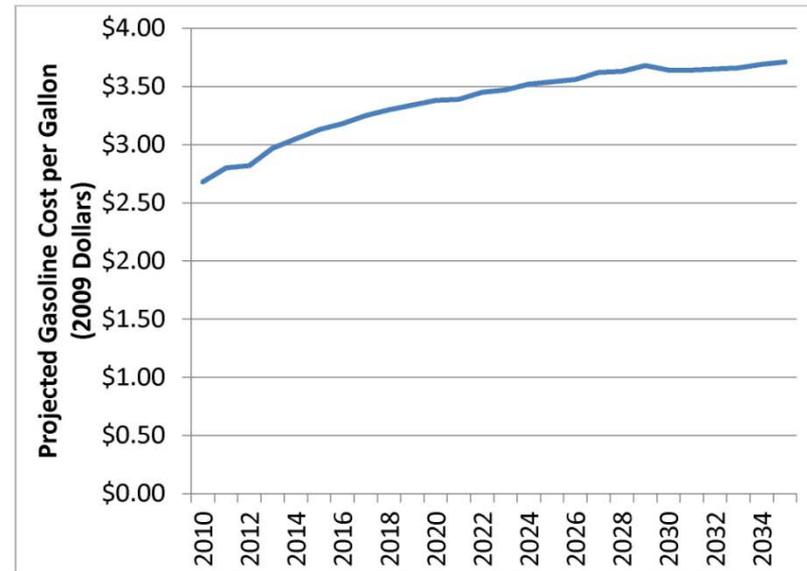
“The safety recommendation specifically calls for the 50 states ... to ban the nonemergency use of portable electronic devices (other than those designed to support the driving task) for all drivers.” NTSB, 12/13/11.



New barriers to driving

- ▶ High gasoline prices are likely here to stay.
- ▶ Graduated drivers licensing laws: more costly training, fewer privileges.

Projected Gasoline Prices (U.S. Dept. of Energy Annual Energy Outlook 2011)



Economy

- ▶ Young people with jobs drive more miles than young people without.
- ▶ However:
 - Young people with jobs drove 16.5% fewer miles on average in 2009 than in 2001.
 - Young people in higher-income households (> \$70K household income) saw dramatic increases in transit use and bicycling.
- ▶ Upshot: Economic recovery could bring *some* uptick in driving, but little reason to think it will bring return to prior trend.

Summing up

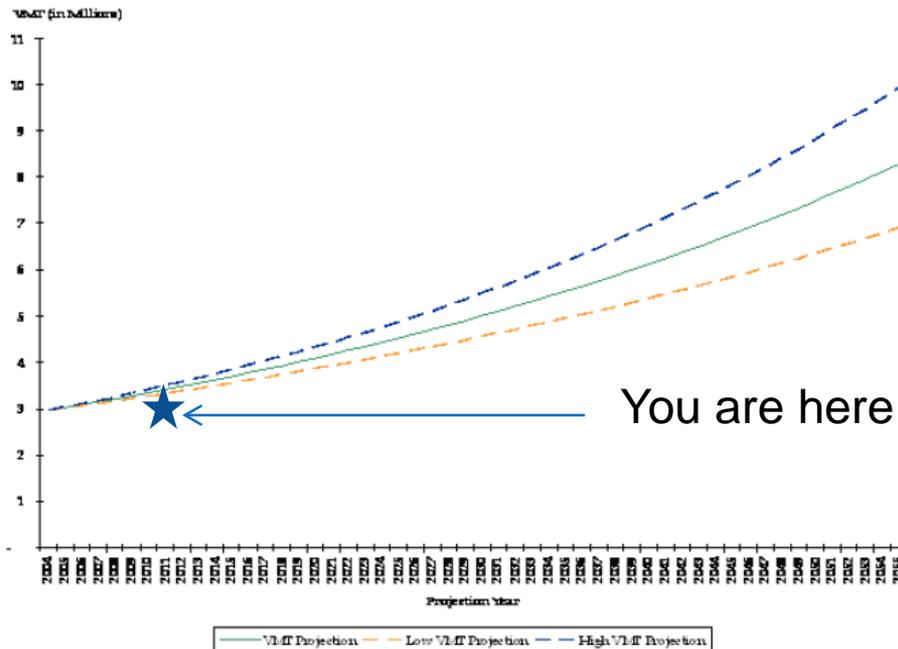
- ▶ Youth driving has declined sharply in the last decade.
- ▶ There is strong reason to believe that at least some of the decline will persist even after the economy regains steam.

There is increasing recognition of these trends by researchers and the media ... yet the transportation policy debate has not caught up to the new reality.

Why does this matter?

Projections of future vehicle travel shape infrastructure investment decisions...

Figure 4.12 Vehicle Miles of Travel Projection, 2004-2055



“Even with major modal improvements and demand management measures, annual VMT may reasonably be expected to increase to 5 trillion by 2035.”

- P.B. Consult Inc. for NCHRP, *Future Options for the National System of Interstate and Defense Highways*, 2007

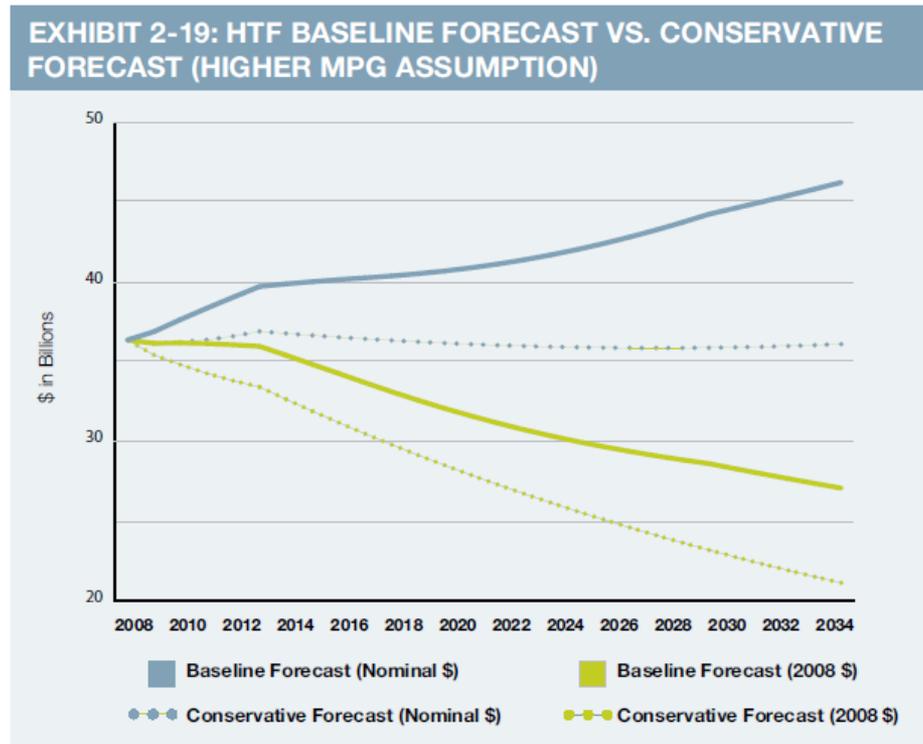
Chart: Technical Memorandum Task 4, *Future Options for the National System of Interstate and Defense Highways*, 2006

Why does this matter?

... and funding expectations.

“Most experts that study fuel consumption and travel trends view the recent decline in VMT as a temporary trend and expect travel growth to resume a trajectory of about 1.5–1.8 percent per year for the foreseeable future ...”

- Report of the National Surface Transportation Infrastructure Financing Commission, 2009



Why does this matter?

- ▶ Political system responded to demands for more mobile, automobile centered transportation system in post-WWII era.
- ▶ Will it respond similarly to demands for new transportation and living choices in 21st century?

Still much we don't know

- ▶ Magnitude of trend.
 - Will driving stagnate overall as it has for the last decade ... or will it grow only with population? *Either outcome would represent a shift from historical trends and require a change in expectations.*
- ▶ How do the trends play out at state and local levels?
- ▶ Need more and better data.
 - Reason to believe that models that guided decision-making in the low gas price, pre-smart phone, pre-housing bust era don't work as well anymore.

A wake up call

Transportation trends are changing ...

... especially among the people who will use transportation infrastructure for the next 40 years.

We need a mature conversation about America's future transportation needs that acknowledges these changes and invests public funds wisely.

Thank you.

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