



SCOTT ALLEN

REPRESENTATIVE • 97TH ASSEMBLY DISTRICT

For Immediate Release
Contact: Rep. Scott Allen

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(608) 266-8580

Rep. Allen submits budget amendment limiting mass transit subsidies

Rep. Scott Allen (R-Waukesha) today offered a budget motion which requires mass transit systems to collect at least 25% of their operating expenses from passenger fares. Systems in Milwaukee and Madison are doing well as they already exceed this ratio.

The proposal gradually increases the amount of operating expenses required to be collected from passengers in order for the transit system to receive state aid. In 2020, it would be equivalent to 18% of operating expenses. By 2023, it would be 25%. The changes would save state taxpayers between \$3 million and \$18 million over a biennium.

“Transit systems need to succeed, and one of those metrics is the revenue coming in from the fare box. If revenue is low, it suggests the system is unsustainable,” said Rep. Allen. “We accept that we operate transit systems at a financial loss, but what amount of loss is appropriate? What percentage of a subsidy is fair? This motion suggests the users pay at least 25% of the cost.”

Demographics, the statistical data relating to the population and particular groups within it, suggest significant disruptions for Wisconsin’s transit and transportation systems. People are moving from smaller communities to larger ones, and sometimes out of Wisconsin altogether. Technology-based transportation along with shifting populations have left some transit systems struggling.

“Some Wisconsin transit systems are taking taxpayers for a ride,” said Rep. Allen. “For example, a taxpayer subsidy of 90% is just too much. We can no longer afford to be sloppy with taxpayer dollars.”

The proposal now goes to the Joint Finance Committee to determine whether the idea will go into the state budget.

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*The 97th Assembly District includes portions of the City of Waukesha
and the Towns of Waukesha, Genesee, and Mukwonago.*