

## Laid on the Table

### MUNICIPALITY OF ANCHORAGE Summary of Economic Effects -- General Government

AO Number: 2025-69

Title: **Ordinance No. AO 2025-69, an ordinance of the Anchorage Assembly amending Anchorage Municipal Code Chapter 11.70 to establish permanent free fares for persons under 18 years of age on People Mover Transit and to update definitions, fare categories and rates accordingly.**

Sponsor: **Assembly Member Martinez**  
 Preparing Agency: Department of Public Transportation  
 Others Impacted: OMB

CHANGES IN EXPENDITURES AND REVENUES:			(In Thousands of Dollars)		
	FY25	FY26	FY27	FY28	FY29
Operating Expenditures					
1000 Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -
2000 Non-Labor	-	-	-	-	-
3900 Contributions	-	-	-	-	-
4000 Debt Service	-	-	-	-	-
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -
Add: 6000 Charges from Others	\$ -	\$ -	\$ -	\$ -	\$ -
Less: 7000 Charges to Others	-	-	-	-	-
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES:	\$ (76)	\$ (124)	\$ (124)	\$ (124)	\$ (124)
CAPITAL:	\$ -	\$ -	\$ -	\$ -	\$ -
POSITIONS: FT/PT and Temp					

#### **PUBLIC SECTOR ECONOMIC EFFECTS:**

Based on rider survey data, an estimated 5% of riders are under 18. After adjusting for the school calendar and excluding summer months, youth ridership accounts for roughly 3.5% of total fare revenue (\$96,000). This assumes youth pay the full average fare, though many likely pay reduced youth fares, making this estimate conservative. In addition to fare revenue loss, the Anchorage School District's U-Pass contract, which currently contributes \$28,000 annually, would likely be discontinued.

#### **PRIVATE SECTOR ECONOMIC EFFECTS:**

Allowing youth to ride free on buses in Anchorage could produce several private sector economic effects. Families would save on transportation costs - up to \$400-\$600 per year per child if they no longer need to buy youth passes or drive kids to school and activities. These savings may be redirected to local spending on food, clothing, or recreation, benefiting local businesses. Employers could also see a larger pool of youth available for part-time and seasonal jobs. More mobility options means youth are more likely to access jobs and spend money, which could boost sales by tens of thousands per year depending on ridership increases. Over time, improved access to education and steady attendance could strengthen the local workforce, reducing long-term costs to employers.

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