Factors Influencing Outcomes of Referendums for Transit Funding

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Abstract

Transit is an integral part of a sustainable transportation system in any region. Proposals for transit initiatives that are brought to referenda also include a funding vehicle, either tax based or bond based. A tax funded proposal would impose the cost on the present generation of residents while a bond funded one delays the burden to future generations. We investigate whether the success of proposals in referenda are related to the use of taxes or bonds. We investigate this question using data from one hundred and eleven transit referenda held in the United States from 1999 to 2007. We find that proposals that use taxes are less likely to pass than those using bonds.