



TA Board of Directors  
Meeting of May 7, 2026

Correspondence as of April 10, 2026

# Subject

1. NY Times - Car travel becoming less affordable for more Americans
2. 7-vehicle crash involving Express Lanes on 101 today

**From:** [Mike Swire](#)  
**To:** [Board \(@smcta.com\)](#); [cacsecretary \[@smcta.com\]](#); [Jeff Lacap](#); [Mima Crume](#); [Audrey Shiramizu](#)  
**Subject:** NY Times - Car travel becoming less affordable for more Americans  
**Date:** Wednesday, April 8, 2026 9:53:17 AM  
**Attachments:** [Rising Prices and High Interest Rates Are Making Car Ownership Feel Impossible - The New York Times.pdf](#)

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For distribution to SMCTA Board and CAC, and C/CAG Board, CMEQ, and BPAC members,

Dear transportation leaders,

I am attaching a [recent article from The New York Times](#). It details the rising cost of purchasing and maintaining an automobile in the United States. Car expenses are increasingly forcing many Americans into bankruptcy.


I hope that our transportation decision-making adjusts to this trend, by ensuring safe, efficient non-car transportation options remain for those who can't afford the skyrocketing cost of automobiles. We can accomplish this by shifting funding from highway-widening projects to public and active transportation.

Thanks for listening,

Mike Swire  
Writing as an individual

# 'It's Just Crazy': High Car Payments Make Ownership Feel Impossible

Rising vehicle prices, auto loan interest rates, and insurance and maintenance costs are making it harder for people to buy or keep cars.

 Listen · 8:29 min



By Kailyn Rhone

March 16, 2026

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An \$830-a-month car payment. Auto insurance for \$280 each month. Thousands more for tire and maintenance repairs.

For almost three years, those bills have followed Davine Greene, a nursing student who hasn't missed or been late on a payment since buying her Kia K5 GT in November 2023. But keeping up

with the payments has driven up her debt to more than \$80,000, not including student loans.

Last week, she filed for bankruptcy to escape the burden, she said.

“This car is the bane of my existence,” said Ms. Greene, 24, who lives in Fort Lauderdale, Fla. “Probably the worst decision I’ve ever made, like, financially speaking.”

As car prices, auto loan interest rates and insurance and maintenance costs continue to rise, owning or buying a car is becoming harder to afford.

The war in Iran has pushed gas prices up, adding to greater affordability concerns. President Trump said in a recent interview with Reuters that he was willing to tolerate higher prices for strategic priorities.

Vehicle prices climbed during the pandemic as supply chain disruptions slowed production and manufacturers focused on building more profitable vehicles. In the years since, rising interest rates have made the situation even tougher on households. The average interest rate on a 60-month new-car loan from banks was 7.22 percent in November, according to the Federal Reserve.

Higher rates have pushed monthly payments further. The average monthly new-car payment reached \$774 in January, up from \$588 in January 2021, according to Edmunds, an auto research firm. A


growing share of buyers are taking on even larger loans: More than 20 percent of new-car borrowers agreed to pay over \$1,000 a month at the end of last year, which was a record, Edmunds reported.

But loan payments are only part of the strain. When insurance, gas, repairs and maintenance are included, the total cost of owning a vehicle has risen more than 40 percent since January 2020, according to an index from Navy Federal Credit Union.

All of this pressure has begun to weigh on many households.

“Americans are frustrated by Whac-a-Mole inflation,” said Heather Long, chief economist at the credit union. “It’s difficult to plan and leaves middle-class and moderate-income consumers constantly on edge about what will shoot up in price next.”

As a result, more middle- to lower-income Americans are falling behind on their car payments. Auto loans that were at least 60 days delinquent reached 1.45 percent in the third quarter, nearly 28 percent higher than three years ago, according to TransUnion, one of the three major credit bureaus. Repossessions have increased. More drivers are trading in vehicles worth less than what they owe on their loans.



[Watch now](#)

**@naturallyjord**

debt free feels better than a new car tbh

original sound - JORDAN

Interest rates would have to decline drastically before they can meaningfully affect monthly payments, and a drop in vehicle pricing could also help, but that is not an outcome shoppers can

expect based on historical precedent, said Joseph Yoon, a consumer insights analyst at Edmunds.

As car costs mount, many Americans are looking for solutions. More are stepping away from the market, taking on longer-term auto loans or dropping car insurance altogether, even though that's illegal in most states. About 53 percent of consumers said affordability was a primary reason for not considering a vehicle purchase this year, according to a recent TransUnion survey.

# Uber, and Holding On to Old Cars



Angelica Akins, 32, beside her mother's vehicle. Without the credit and savings needed to buy a car, she relies on expensive ride-hailing services to get to work. Nic Antaya for The New York Times

Angelica Akins, 32, works late-night shifts as a certified nursing assistant while raising five children. Early last year, the engine of her 2011 Chevrolet Equinox died. Without enough savings or the credit score that dealerships required, she put off buying a car and temporarily turned to ride-hailing services to get to work.

The rides cost her around \$1,000 a month, with her commute taking about two hours round-trip from her apartment in Grand Rapids, Mich., to her job in Saginaw. Ms. Akins picked up extra shifts to keep up with her expenses while saving for a car. But the daily Uber costs added up, and she managed to save only about \$2,500 — less than half of what she desired.

“You never know how important things are until you lose them,” she said.

Ms. Akins recently moved back in with her mother, leaving the neighborhood and home she loved to cut back on her \$1,400 monthly rent and shorten her commute to 30 minutes, making it easier to share rides in her mother’s car or find cheaper trips.

To get around high car costs, other owners, like Antoine Rhodes, a hairstylist, are holding on to aging vehicles longer. The average age of a car on the road now is nearly 13, according to Kelley Blue Book, a research firm.

For Mr. Rhodes, 34, car payments aren't the issue, since both of his vehicles are paid off. Instead, the challenge is keeping up with gas, repairs and rising insurance costs.

After splitting time between Las Vegas and Texas, he settled in Houston in 2023. But he had hourlong work commutes and was driving for DoorDash and Uber for extra income, which quickly raised the gas bill and mileage on his 2016 Chevy Sonic. He is also holding on to a 2015 Chevy Camaro.

Mr. Rhodes has decided to pause his ride-hailing and delivery work and is focusing only on hairstyling.

"I remember being younger, and you could just buy a car outright and keep it rolling," Mr. Rhodes said. "Now there's these high payments. It's just crazy."

Part of the reason rising insurance costs are hitting drivers like Mr. Rhodes is the steady growth in uninsured drivers. The number of people driving without coverage jumped to more than 15 percent in 2023 from about 11 percent in 2019, according to Insurance Research Council, a firm that calculates data based on the relative frequencies of auto-insurance claims. JD Power, which surveys consumers about insurance trends, reported a similar increase in uninsured drivers in the second half of 2025.

When drivers skip insurance, everyone else pays more. Insurers spread the risk, which pushes up premiums and leaves many households scrambling to trim costs elsewhere. And drivers who forgo insurance and have an accident could face financial ruin.

## **A Struggling Auto Industry**

Higher car costs aren't hitting just consumers — they are also weighing on dealerships.

Sales ticked up slightly in January but dropped more than 3 percent in February. Affordable sedans — once popular with first-time buyers — are disappearing. Companies like General Motors, Ford Motor and Stellantis have stopped making many entry-level models, and G.M.'s dealer inventory is about half of what it used to be.

Analysts expect U.S. auto sales to slip to around 16 million vehicles in 2026, down from 16.3 million in 2025. This is partly because of Mr. Trump's tariffs on new cars and parts, which have raised prices and forced automakers to rethink supply chains.

Despite these challenges, the market has held up thanks to wealthier buyers. Americans with household incomes of \$150,000 or more now account for 43 percent of new-car sales, up from a third of all cars sold in 2019, according to Cox Automotive, a

research firm. Yet lower-income households are buying fewer vehicles, dropping to about a quarter today from over a third of sales in 2019.

“When it takes well over 30 weeks of median household income to afford the average new vehicle, personal transportation shifts from a routine household purchase to a discretionary one,” said Erin Keating, executive analyst at Cox Automotive.

When Ms. Greene, the nursing student in Florida, agreed to her \$830 monthly car payment, she said, the dealership originally told her that it would be about \$400 a month — less than what she had been paying for her two-door Mustang. By then, she already had the keys in her hand and started imagining life with the car.

Now, as she waits for her bankruptcy to become final, Ms. Greene hopes to find a car with a payment of \$400 or less. She doesn't care what kind of car it is, as long as it's affordable.

“I'm going to pretty much just go for something to get me from Point A to Point B,” she said.

**Kailyn Rhone** is a Times business reporter and the 2025 David Carr fellow.

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A version of this article appears in print on , Section B, Page 1 of the New York edition with the headline: Struggling To Own Cars Amid Costs

**From:** [Mike Swire](#)  
**To:** [Board \(@smcta.com\)](#); [cacsecretary \[@smcta.com\]](#); [Mima Crume](#); [Jeff Lacap](#)  
**Subject:** 7-vehicle crash involving Express Lanes on 101 today  
**Date:** Wednesday, April 8, 2026 7:00:07 PM  
**Attachments:** [image.png](#)  
[image.png](#)

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**CHP - Redwood City**

5h · 🌐

San Mateo - 4/8/26 at approximately 7:45 am, CHP Redwood City responded to a 7-vehicle crash in heavy traffic on US-101 southbound, at Poplar Ave. One driver was transported to Kaiser for possible minor injuries.

If you are changing lanes from a complete stop, please double check to ensure that you are safely changing lanes. ⚠️ Always yield to the right-of-way to those in their respective lanes!

\*PSA\* If the Express Lane is moving at freeway speeds while other lanes are slow/stopped:

- Be aware of traffic that might enter into the lanes suddenly!
- Check for faster moving traffic before entering the Express Lanes, and keep in mind faster traffic can close the distance very quickly at freeway speeds!

[#TrafficSafety](#) [#CommuteTraffic](#) [#RightOfWay](#) [#SanMateoCounty](#) [#PSA](#)



Dear transportation leaders,

Here is a post from CHP - Redwood City regarding a seven vehicle crash today involving the Express Lanes.

Last week, the TA Board and CAC heard the long awaited analysis of Express Lane & widening performance for the 101 project. However, we did not hear whether safety on 101 had improved or worsened since the Express Lane installation and highway widening 3+ years ago. This was surprising given that we have two years of crash data since the study launched. Why were we not given the safety results when the data was already available to the general public?

I hope that the TA and C/CAG Boards will demand safety data before making a decision on the 101 EL project North of 380. As many of you acknowledged, it is smart policy to evaluate recent results before making similar decisions. We were told we will receive the safety data, but it wasn't clear whether this will happen before or after the TA and C/CAG decide on the project's next phase.

We should expect crash frequency and severity to increase when adding lanes. If vehicle

speeds increase (through less congestion - a debatable assumption), crashes are likely to worsen because the energy of impact increases with the square of the speed. Furthermore, more lanes mean more cars on the road, increasing crashes. Furthermore, the speed difference between the Express Lanes and general purpose lanes makes crashes more likely.

I hope safety influences the Board's upcoming decisions even if it isn't the focus of the EIR process.

Sincerely,

Mike Swire  
writing on my own behalf