Impacts of remote work on vehicle miles traveled and transit ridership in the United States

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¹ Abstract

2 Remote work's potential as a sustainable mobility solution has garnered attention, particularly due

 $_{3}$ $\,$ to its wides pread adoption during the COVID-19 pandemic. Our study systematically examines the

⁴ impacts of remote work on vehicle-miles traveled (VMT) and transit ridership in the United States

⁵ from April 2020 to October 2022. We find that using the pre-pandemic levels as the baselines, a

 $_{6}\,$ mere 1% decrease in on-site workers corresponds to a 0.99% reduction in state-level VMT and a

 $_{7}$ 2.26% drop in Metropolitan Statistical Area (MSA)-level transit ridership. Notably, a 10% decrease

* in on-site workers compared to the pre-pandemic level could yield a consequential annual reduction

of 191.8 million metric tons (10%) in CO₂ emissions from the transportation sector, alongside a
substantial \$3.7 billion (26.7%) annual loss in transit fare revenues within the contiguous US. These

11 findings offer policymakers crucial insights into how different remote work policies can impact urban

¹² transport and environmental sustainability as remote work continues to persist.

Decarbonizing the transportation sector is critical for mitigating climate change, as transportation 13 accounts for 35.9% of energy-related carbon dioxide emissions in the United States [1]. To cut 14 transportation-related greenhouse gas (GHG) emissions, studies acknowledge the need to promote 15 both technological innovations and sustainable behavior changes [2, 3, 4, 5]. Among demand-side 16 solutions, remote work has gained attention as a sustainable mobility tool in the past decades. 17 By allowing employees to work from home, in satellite telecenters, or other locations, remote work 18 was initially proposed to provide more flexibility to employees regarding work locations and work 19 hours [6, 7, 8]. Advocates for the remote work arrangement usually highlight its utilities of cutting 20 carbon emissions by reducing the number of commuting trips [9, 10, 8], saving travel time through 21 alleviating traffic congestion [11, 12], and in some cases promoting the usage of sustainable travel 22 modes such as public transit [13, 14]. 23

Despite theoretical advantages, the actual impact of remote work on urban mobility remains uncertain and sometimes contradictory in existing literature. Previous studies have shown a wide range of estimated impacts on vehicle-miles traveled (VMT) associated with remote work, ranging from a 20% reduction to a 3.9% increase when teleworking one day a week in pre-pandemic settings [6]. These disparities can be attributed to variations in measuring remote work, utilizing diverse datasets, and the intricate mechanisms through which remote work influences motorized travel.

Regarding the mechanisms, on one hand, remote work has the potential to reduce VMT by eliminating or reducing employees' commuting needs and by cutting down vehicle travel time, particularly during peak hours, thus reducing carbon emissions [9, 10, 15]. On the other hand, it can also potentially lead to an increase in VMT [16, 17]. For instance, remote workers may engage in more non-work travel due to the flexibility of their work schedule and location [18, 19]. Additionally, they may choose to live further away from their workplace, resulting in longer commutes on non-remote working days [9, 20].

The effect of remote work on public transit is also uncertain: though some literature suggested 37 that remote work can increase public transit usage [13, 14], others found that remote work actually 38 reduced transit usage through reducing the commuting needs [21, 22]. Despite the controversy in 39 previous research findings, we need to note that identifying the pre-pandemic impacts of remote 40 work on urban mobility itself was challenging, because remote work was a very limited practice at 41 that time. In 2017-2018, just 8% of Americans worked from home for at least one day per week. 42 as reported by the American Time Use Survey [23, 24]. In 2019, the American Community Survey 43 revealed that only about 5.7% of workers in the United States primarily worked from home [25]. 44 As a result, the impacts remote work imposed on the overall urban transport system were marginal 45 and unstable, making them difficult to identify in practice. 46

The COVID-19 pandemic has had a profound impact on remote work trends [26]. It has compelled millions of Americans to adapt to working from home (WFH), with a significant 37% of the population working remotely full-time as of April 2020 [27]. While the pandemic health emergency is reaching its conclusion [28], many companies have recognized the benefits and and are embracing remote work policies for the long term. This decision allows employees the flexibility to work remotely either part-time or full-time. Data from May 2023 indicates that approximately 20.1% of employed Americans WFH for at least one day per week [29]. With remote work likely to remain a popular working arrangement in the post-pandemic era, it becomes crucial to systematically evaluate the effects of remote work on urban mobility. Such an analysis can provide valuable insights for governments seeking to reduce VMT, alleviate congestion, and mitigate air pollution in the long run. It will also help employers and employees understand how their remote work policies and preferences collectively influence the urban transport system and environmental sustainability in the future.

Using a combination of anonymized and aggregated workplace visitation data along with nation-60 wide panel data on VMT and public transit, we conducted a comprehensive analysis to investigate 61 the impacts of remote work on VMT and transit ridership across the United States following the 62 COVID-19 pandemic. To address concerns of endogeneity, we employed an instrumental variable 63 (IV) approach and investigated how these effects varied across different spatial and temporal dimen-64 sions. Furthermore, based on the estimated effects of remote work on VMT and transit ridership. 65 we quantified the corresponding reductions in carbon dioxide (CO_2) emissions and transit fare rev-66 enues at both national and regional levels. By doing so, our study aims to provide valuable insights 67 into the environmental implications of advocating remote work as a strategy for mitigating on-road 68 GHG emissions. It is noteworthy that our analysis spans the period from April 2020 to October 69 2022, during which the effects of remote work on VMT and transit ridership may have been uniquely 70 shaped by the COVID-19 pandemic. During the pandemic period, the induced trips may have been 71 restricted, potentially introducing an upward bias in estimating the net impact of remote work on 72 VMT and transit ridership. Hence, we recognize the need to further examine the impacts of remote 73 work on urban mobility in the post-pandemic era. 74

75 Results

To examine the impact of remote work on VMT and transit ridership in the United States from April 2020 to October 2022, we adopt a unique identification strategy based on the heterogeneity in the recovery rate of onsite workers. The recovery rate of onsite workers serves as a proxy for the inverse of remote work prevalence, which is measured by the percentage of onsite workers compared to pre-pandemic levels. In this study, we examine the impact of remote work on two key urban mobility measures: (1) VMT in 48 states and the District of Columbia, and (2) transit ridership in 217 Metropolitan Statistical Areas (MSAs).

Based on the panel datasets that offer broad spatiotemporal coverage, we first employ the fixed-83 effect regressions, where the dependent variables are the recovery rates of VMT and transit ridership, 84 measured by the percentage of VMT and transit ridership compared to their respective values in 85 the same month of 2019. By including the regional and month fixed effects in the models, we can 86 effectively control for the region- and time-specific variations. In addition to the fixed effects, we 87 account for other relevant covariates, including GDP per capita, unemployment rate, the recovery 88 rate of transit services, transit fares, population size, net migration rate, reopening status, reported 89 COVID cases per capita, and vaccination rate. These covariates help to control for various factors 90

that could potentially impact the fluctuations in VMT and transit ridership throughout the duration
of the study. The primary independent variable of focus is the recovery rate of onsite workers.

However, fixed-effects models have limitations, such as omitted variable bias and reverse causal-93 ity. Furthermore, using the percentage of onsite workers as a proxy for remote work may not 94 accurately capture the full extent of remote work, particularly for individuals who may remain 95 offsite due to job loss. To address these issues simultaneously and refine our analysis, we adopted 96 an instrumental variable approach using two-stage least squares (2SLS) estimation. Specifically, we 97 used the percentage of suitable remote workers in each state/MSA for each month as our instrument. 98 This instrument was derived by considering industry-specific percentages of suitable remote workers 99 and variations in employment levels across different industries in each state/MSA. By employing 100 this instrument, we effectively removed variations in the endogenous predictor (i.e., the percentage 101 of onsite workers compared to pre-pandemic levels) unrelated to remote work, including changes due 102 to shifts in unemployment rates. Additionally, we examine the spatial heterogeneity and temporal 103 evolution of the causal effects, and estimate the corresponding marginal effect of remote work on the 104 CO_2 emissions in each state and that on transit fare revenues in each MSA, yielding the following 105 major findings: 106

Compared to pre-pandemic levels, a 1% increase in the number of onsite workers is associated
 with a 0.99% increase in state-level VMT and a 2.26% increase in MSA-level transit ridership.
 On a regional scale, when a state or an MSA has a higher percentage of transit commuters,
 the impact of remote work on VMT tends to be smaller, while its effect on transit ridership
 tends to be larger.

A 10% decrease in the number of onsite workers compared to pre-pandemic levels could lead to a reduction of 191.8 million metric tons of CO₂ emissions related to VMT, which represents a 10% annual reduction in CO₂ emissions from the transportation sector in the contiguous US. Additionally, this decrease in onsite workers may result in a \$3.7 billion or 26.7% annual loss in transit fare revenues.

117 118 3. Temporally, the impacts of remote work on the recovery rates of VMT and transit ridership display remarkable temporal consistency over the entire study period.

¹¹⁹ Remote work highly correlated with VMT and transit ridership

We begin by examining the non-causal correlations between remote work and both VMT and transit ridership, which provide suggestive evidence of the negative impact of remote work on the recovery of these two mobility indicators. We present recovery rates of VMT and transit ridership in relation to the recovery rate of onsite workers, as shown in Figure 1(a)-(d). These figures depict aggregated samples at state/MSA and month-year levels.

These four subfigures reveal significantly positive correlation coefficients between the recovery rate of onsite workers and the recovery rates of VMT and transit ridership. Figures 1(a) and (b) clearly illustrate positive associations between onsite workers' recovery rates and both VMT and transit ridership at the state/MSA level. Furthermore, these figures suggest that states and MSAs
with a higher percentage of transit commuters tend to show a lower recovery rate of onsite workers.
The month-year level aggregation in Figures 1(c) and (d) reveals even more pronounced correlations between the recovery rate of remote work and the recovery rates of VMT and transit
ridership. The slopes of the best-fit lines in these figures exceed 1, indicating stronger relationships at the month-year level. Additionally, as the pandemic progressed, we observed simultaneous
increases in the recovery rates of onsite workers, VMT, and transit ridership.

To further our analysis, we employ a set of fixed-effect models and 2SLS models to estimate the causal effects of remote work on VMT and transit ridership, with the results presented in the following sections.

¹³⁸ Causal effect of remote work on VMT

Columns (1) and (2) of Table 1 present results using ordinary least square (OLS) and fixed-effect 139 modeling to investigate the influence of remote work on VMT. Both models reveal a positive cor-140 relation between the recovery rate of onsite workers and VMT recovery, confirming the trends 141 observed in Fig. 1. The fixed-effect models reveal a more pronounced impact of remote work, 142 with a 1-percentage-point increase in onsite worker recovery rate associated with a substantial 0.82-143 percentage-point increase in the VMT recovery rate. Furthermore, the fixed-effect model (Column 144 2), after accounting for state fixed effects and month fixed effects, identifies covariates like state 145 reopening status, transit service recovery rate, vaccination rate, and population size as positively 146 correlated with VMT recovery, while unemployment rate and COVID-19 cases show negative correla-147 tions. These findings remain robust across alternative specifications, as confirmed by our sensitivity 148 tests, which show that excluding GDP per capita or unemployment rate does not qualitatively affect 149 the inference (Supplementary Section 2.1 and 2.2). 150

Next, in Table 2, we present the results of the 2SLS estimation, with the model statistics used 151 to assess the model's validity presented in Supplementary Section 2.3. The 2SLS results suggest 152 that a 1-percentage-point increase in the recovery rate of onsite workers is associated with a 0.99-153 percentage-point increase in the VMT recovery rate (Column 1). This estimate is slightly larger than 154 that derived from the fixed-effect model (0.82-percentage-point increase, as indicated in Column 2 155 of Table 1). The smaller estimate in the fixed-effect model may be attributed to the issue of reverse 156 causality, as an increase in VMT and road congestion may lead people to opt for remote work as a 157 means to avoid commuting [30], thereby attenuating the estimated effect of remote work on VMT 158 reduction. 159

Given that the graphical findings in Fig. 1 suggest that the percentage of transit commuters can influence the relationship between the recovery rate of onsite workers and the recovery rates of VMT and transit ridership, we introduce an interaction term between the recovery rate of onsite workers and the log-transformed percentage of transit commuters. Our analysis reveals that the magnitude of the causal effect of remote work on VMT is diminished in states with higher percentages of transit commuters (Column 2 of Table 2). Furthermore, we examine regional heterogeneity in the causal effect across states (*Methods*). Column 3 of Table 2 illustrates the causal effect of the recovery rate of onsite workers by geographical division. The result shows that the effect is consistently significant across all geographical divisions, with variations in magnitude, such as Pacific and Mountain regions exhibiting effects below the average, and others exhibiting effects above the average.

Our study's findings align with the majority of pre-pandemic research on remote work and VMT 170 which generally indicates a negative association, signifying reduced VMT. Notably, the effect sizes 171 observed in our study tend to be larger than those in previous research [6], likely because the impact 172 on VMT was weak and unstable due to the limited adoption of remote work before the pandemic. 173 However, our results differ from certain pre-pandemic studies that reported a net increase in VMT 174 associated with remote work [31, 32, 14]. This net increase occurs because the travel-reduction effect 175 is outweighed by the travel-inducing effect, where remote workers may engage in more non-work-176 related trips due to schedule flexibility or opt for longer commutes due to workplace relocation. 177 [31, 32, 14]. It's essential to highlight that our study does not distinguish between the travel 178 reduction and travel-inducing effects of remote work; instead, it quantifies the net impact that 179 considers both aspects. Our 2SLS analysis demonstrates a significant negative net effect, suggesting 180 that, during our study period, the reduction in travel associated with remote work outweighs any 181 travel-inducing effects. 182

¹⁸³ Causal effect of remote work on transit ridership

Among the 217 MSAs included in the transit ridership estimations, our 2SLS results (Column 184 4 in Table 2) indicate that a 1-percentage-point increase in the recovery rate of onsite workers 185 corresponds to a 2.26-percentage-point increase in transit ridership. In comparison, the fixed-effect 186 model yields a smaller estimate (i.e., 0.54 as indicated by Column 4 in Table 1), suggesting that 187 there might be omitted variables exerting a directional impact on transit ridership that differs from 188 the effect of the recovery rates of onsite workers. One possible omitted variable is the demand 189 for ride-hailing services. Notably, both the number of ride-hailing users and the number of onsite 190 workers exhibit increasing trends during our study period [33, 34]. Since the rising demand for ride-191 hailing services is likely to partially offset the transit demand resulting from people's return to the 192 workplace, the omission of ride-hailing demand in our fixed-effect models might underestimate the 193 effect of onsite workers on transit ridership. In contrast to the VMT estimation result, we observe 194 that the effect of remote work on transit ridership recovery increases with the percentage of transit 195 commuters (Column 5 in Table 2). Across geographical divisions, the effect remains significant in 196 all nine geographical divisions. Notably, the West North Central and New England regions exhibit 197 the most substantial marginal effects, surpassing the average marginal effect of 2.259, while other 198 divisions are associated with effects below the average marginal impact. 199

Our finding of remote work reducing transit ridership aligns with certain pre-pandemic studies [22, 21, 35], while contradicting others [14, 20, 15]. This discrepancy may be attributed to differences in how remote work is measured, variations in data structures, and modeling techniques. However, our fixed-effect and 2SLS results are directionally consistent with a pre-pandemic study that utilized a dataset with a similar structure and geographical coverage to ours. The aforementioned study found that an additional percentage of remote workers was associated with a 0.76% reduction in transit ridership in the U.S. between 2012 and 2018 using fixed-effect estimation [21].

207 Determinants of onsite workers' recovery rate

Table 3 presents the first-stage results of the IV regression, where the recovery rate of onsite workers 208 is regressed on the percentage of suitable remote workers (the IV), along with the covariates and 209 fixed effects. The significantly negative coefficients of the IV indicate that a higher percentage of 210 suitable remote workers is associated with a lower recovery rate of onsite workers, even after ac-211 counting for factors such as reopening stimulus effects, GDP per capita, unemployment rate, transit 212 service recovery trends, transit fares, vaccination rates, and population changes. Specifically, a 1-213 percentage-point increase in the percentage of suitable remote workers is associated with a decrease 214 of 2.28 percentage points in the recovery rate of onsite workers across the 48 states and District of 215 Columbia, and a decrease of 0.24 percentage points across the 217 MSAs. This disparity can be 216 attributed to the larger geographic area and population coverage of states compared to the specific 217 urban focus of MSAs. State-level analysis combines remote work behavior across diverse MSAs, re-218 sulting in a more homogeneous effect, while MSA-level analysis captures localized dynamics, leading 219 to greater heterogeneity in the effects of the IV on the recovery rate of onsite workers. Following 220 the main 2SLS estimations, we conducted robustness tests on our 2SLS models, including falsifi-221 cation tests, variations in the study period, and the use of an alternative metric for remote work 222 (detailed in Supplementary Section 3). The results not only confirm the validity of our results but 223 also strengthen the robustness of our conclusions. 224

²²⁵ Temporal variation of the effect of remote work

To analyze the temporal evolution of the causal relationship between the recovery rate of onsite workers and urban mobility, we estimate the quarterly effects for each mobility measure. As depicted in Figure 2, our results reveal that the effects on the recovery rates of VMT and transit ridership remain not only statistically significant but also remarkably stable throughout the study period (detailed results in Supplementary Tables S10 and S11).

Specifically, the effect on transit ridership exhibits a consistent stability with a slight increasing trend over time. Meanwhile, the effect on VMT recovery displays some seasonal fluctuations. However, after accounting for these seasonal trends, the effect on VMT remains overall stable with a slight upward trajectory. These persistent patterns in both transit ridership and VMT underscore the robustness of the observed effect over time and suggest its potential for long-term significance.

²³⁶ Effects on on-road CO₂ emissions and transit fare revenues

To contextualize the effects of remote work on VMT and transit, we estimate the reduction in 237 CO₂ emissions associated with the effect of remote work on VMT and the reduction in transit fare 238 revenue associated with the effect of remote work on transit ridership. On a national basis, we 239 estimate that a 10% decrease in the number of onsite workers compared to pre-pandemic levels will 240 reduce the annual total VMT-related CO₂ emission by 191.8 million metric tons. For reference, 241 the annual energy-related CO_2 emissions from the transportation sector in the contiguous U.S. is 242 1915.26 million metric tons in 2019 [1]. Therefore, our finding suggests that a 10% decrease in 243 the number of onsite workers compared to pre-pandemic levels could potentially result in a 10%244 reduction in CO_2 emissions from the transportation sector in the contiguous U.S., using the 2019 245 level as the baseline (*Methods*). We also find that the marginal effect of remote work on VMT-246 related CO_2 reductions varies substantially across states (Fig. 3a). For example, a 1% decrease in 247 the number of onsite workers compared to pre-pandemic levels would lead to monthly reductions 248 of 176.1 thousand metric tons versus 47.5 thousand metric tons in CO_2 emissions in Texas versus 249 New York State. The difference in CO_2 emissions across states is due to three factors: the marginal 250 effect of remote work on VMT varying with the percentage of transit commuters in each state (the 251 effect for each state is reported in Supplementary Fig. S5), the pre-pandemic (2019) VMT levels of 252 each state, and the state-specific emission factors in 2020-2021 (Methods). 253

Increasing the remote working level would also lead to a considerable loss in public transit fare 254 revenues, which may impact the financial sustainability of the transit agencies and thus poses a 255 challenge for transit agencies to deliver transit services that are responsive to people's travel needs. 256 Across the 217 MSAs, we estimate that a 10% decrease in the number of onsite workers compared 257 to pre-pandemic levels would lead to an annual loss of 2.4 billion transit trips and \$3.7 billion in fare 258 revenue, which are roughly 26.7% of the annual transit ridership and fare revenue in 2019 (Methods). 259 Regionally, the marginal effects of remote work on transit fare revenue vary widely across MSAs 260 (Fig. 3b). The majority of the transit fare revenue loss occurs in the New York MSA, where a 261 1-percentage-point decrease in the recovery rate of onsite workers would result in \$18.16 million 262 loss in transit fare revenue per month, which accounts for 59.46% of the total monthly transit fare 263 revenue loss in all 217 MSAs. 264

265 Discussion

The advent of remote work has brought about transformative changes in work and lifestyle, with profound implications for urban mobility. Our research has shown that remote work has led to significant reductions in VMT and transit ridership since the onset of the COVID-19 pandemic. These findings are consistent with numerous pre-pandemic studies [6, 9, 10, 8, 11, 12]. Importantly, the impact of remote work on VMT and transit ridership persisted from April 2020 to October 2022, with the magnitude of these effects showing relative stability over the course of the study. This enduring pattern underscores the robustness of our estimated impact and suggests their potential 273 long-term implications.

The widespread adoption of remote work offers significant benefits in terms of on-road carbon 274 emissions. Our research emphasizes the effectiveness of remote work policies in mitigating on-road 275 CO₂ emissions, complementing existing measures such as carbon tax and road pricing. Notably, or-276 ganizations worldwide have embraced remote work and are committed to maintaining these options 277 in the future [36, 37]. This persistent trend is poised to generate enduring reductions in on-road 278 carbon emissions, underscoring the need for companies and policymakers to recognize the environ-279 mental advantages of remote work and for governments to consider the incorporation of remote 280 work strategies into their initiatives for transportation decarbonization. 281

However, despite the positive impact of remote work on on-road CO_2 emissions, our research 282 also reveals a significant challenge related to transit fare revenue loss due to reduced transit rider-283 ship. Although transit agencies have received assistance through federal funding since March 2020 284 [38, 39, 40], persistently low ridership poses financial difficulties for transit agencies. This situation 285 raises concerns about their long-term financial sustainability and their ability to operate indepen-286 dently from federal subsidies [41, 42, 43]. To address this challenge, transit agencies must focus on 287 enhancing customer attraction and revenue generation while promoting sustainable urban growth 288 through viable alternatives to car-centric and fuel-inefficient development. Given that remote work 289 often involves home-based flexible trips, transit agencies can invest in on-demand services, flexible 290 routing, and non-commuting trips in residential areas, thereby diversifying their service offerings be-291 vond traditional fixed-route services primarily designed for regular commuting in the pre-pandemic 292 era. 293

This study also paves the way for future research endeavors. Firstly, while our analysis covers 294 the period from April 2020 to October 2022 due to data availability, further research is necessary 295 to assess the long-term impacts of remote work on urban mobility, considering potential behavioral 296 changes and evolving work dynamics in the post-pandemic era. Secondly, previous studies have 297 highlighted that work related travel savings resulting from remote work may stimulate other types 298 of travel, potentially offsetting the reductions achieved by avoiding commuting [18, 19, 16, 17]. 299 While our study measures the net effect of remote work on overall travel, additional investigations 300 are needed to quantify the impacts of remote work on work-related travel and other types of travel 301 separately. Lastly, although our study indirectly measures the extent of remote work using the 302 recovery rate of onsite workers from Google Community Mobility Reports, future research should 303 consider direct measurements of remote work. Additionally, it's crucial to acknowledge that Google 304 Community Mobility Reports rely on data from users who have enabled Location History, possibly 305 introducing bias toward individuals with access to smartphones and technology. While our data 306 robustly represents remote work based on a comparison with a national remote work survey dataset 307 (Supplementary Section 1.3), exploring other datasets with greater representativeness is advisable 308 for future research. 300

310 Methods

311 Data.

The recovery rate of onsite workers is determined using data obtained from the Google Commu-312 nity Mobility Reports [44]. These reports provide information on the percentage change in visitors 313 to workplaces compared to a baseline, which we consider as the recovery rate of onsite workers, at 314 the county level. The baseline represents the median value observed during the 5-week period from 315 January 3 to February 6, 2020, specifically for the corresponding day of the week. It's important to 316 note that this data is collected by Google from users who have enabled Location History, which may 317 introduce limitations in representativeness as it does not account for individuals who are not Google 318 users or Google users who did not enable Location History during the study period. To assess data 319 representativeness, we conducted a comparison of our data with the remote working indicator ob-320 tained from a national remote work survey dataset, specifically the monthly U.S. Survey of Working 321 Arrangements and Attitudes (SWAA). The results reveal a strong negative correlation between the 322 recovery rate of onsite workers in our sample and the remote work measure in the SWAA data 323 when aggregated to the state and month-year level, with correlation coefficients of -0.83 and -0.88, 324 respectively. Our data validation results affirm the robust representation of our indicator regarding 325 the extent of remote work (details in Supplementary Section 1.3). 326

To calculate the monthly recovery rate of onsite workers for a state or MSA, we average the recovery rates of all counties within that state/MSA. The averaging is weighted by the employment level in each county for the corresponding month, which is obtained from the US Bureau of Labor Statistics [45]. The available data spans from April 2020 to October 2022, which serves as our study period.

The monthly state-level VMT data are collected from the U.S. Federal Highway Administrations (FHWA) [46], which report the vehicle miles traveled on all roads for 50 US states and the District of Columbia. We focus on the contiguous U.S. which includes 48 states and the District of Columbia from April 2020 to October 2022.

Public transit data comes from the National Transit Database [47], which contains panel data 336 of transit profiles and summaries at an agency-month level, reported separately by mode. We 337 include only "full reporters" that regularly report their ridership monthly, and exclude "reduced 338 reporters"/"small systems reporters" (agencies operating fewer than 30 vehicles in maximum service) 339 and "rural reporters" (agencies not reporting data to the monthly ridership module). For each 340 agency, we include bus modes (bus, bus rapid transit, commuter bus, and trolleybus) and rail 341 modes (light rail, heavy rail, commuter rail, etc.), and exclude demand-responsive transit and 342 all other modes. We retained only agencies that provided continuous service from January 2019 to 343 October 2022, covering 97.5% of all transit vehicle revenue miles provided by agencies that operated 344 throughout 2019. The resulting data covers 217 MSAs from April 2020 to October 2022. 345

Transit ridership and transit service supply are calculated as the total number of unlinked passenger trips and the total vehicle revenue miles (VRM) for all operators within an MSA, respectively. The recovery rates for transit ridership and service supply are calculated by comparing the transit ridership and service supply in a specific month to the values in the same month of 2019. Yearly average transit fare data is also sourced from the National Transit Database. To calculate this average fare, we first sum the annual unlinked passenger trips (i.e., transit ridership) and the annual fare revenue for all operators within an MSA. Subsequently, we compute the average fare by dividing the annual fare revenue by the annual unlinked passenger trips.

Data on the percentage of suitable remote workers (SW), serving as the instrumental variable (IV) in our two-stage least squares (2SLS) regressions, is sourced from the US Bureau of Labor Statistics. This variable is derived using two statistics: 1) the industry-specific percentage of suitable remote workers obtained from a national employment survey dataset, and 2) the time-varying employment by industry in each state/MSA.

To calculate SW_{it} , which represents the percentage of suitable remote workers for state or MSA i at time t, we take the weighted average across all industries in that region. More specifically, we use the formula $SW_{it} = \sum_{j} e_{ij}^{t} p_{ij} / \sum_{ij} e_{ij}^{t}$. Here, p_{ij} refers to the estimated percentage of suitable remote workers for industry type j in region i, which is obtained from the May 2019 Occupational Employment Statistics survey [48]. e_{ij}^{t} represents the employment level in region i for industry j at time t, which is extracted from the quarterly census of employment and wages published by the US Bureau of Labor Statistics [45].

The reopening status of a state refers to the lifting of social distancing measures, such as imposing mandatory stay-at-home orders, closing or limiting capacity at non-essential businesses, restaurants, and bars, as well as limiting large gatherings [49]. A value of 1 is assigned if the state had reopened by the end of the month, and 0 if it had not. This information is sourced from the Kaiser Family Foundation [49], which has been tracking the reopening status of each state on a weekly basis since the beginning of the pandemic. Each MSA is mapped to a state which has the most population of that MSA.

The GDP data utilized in this study are sourced from the Bureau of Economic Analysis. As the GDP data is reported on a quarterly basis, we calculate the average monthly GDP data per quarter per capita, which serves as our independent variable. For the MSA-based analysis, since the quarterly data is available only at the state level, we represent each MSA by the state with the highest population within that MSA. To capture the monthly unemployment rates, data for each state and MSA are collected from the U.S. Bureau of Labor Statistics and retrieved from Federal Reserve Economic Data (FRED).

Previous research has indicated that individuals may opt to relocate to more distant locations when engaging in remote work, leading to potential changes in their travel patterns [9, 20]. To address this phenomenon, we incorporate the net migration rate as an independent variable in our analysis. The net migration rate for region (state or MSA) i during month-year t is calculated as:

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Net migration rate
$$_{i}^{t} = (Gross \ inflow _{i}^{t} - Gross \ outflow _{i}^{t})/Population_{i}$$
 [1]

Gross in- and outflows refer to the total number of individuals moving in and out of the region i during month-year t. The raw data is sourced from change-of-address records provided by the United States Postal Service (USPS)[50], which document these migrations at the ZIP code level on a monthly basis. We then aggregate this data to the state or MSA level. $Population_i$ refers to the total population in region i.

The daily number of new COVID-19 cases at the county level was sourced from the New York 390 Times [51], and we aggregated this data to the region-month level for our analysis. To account for 391 population differences, we utilized the number of new cases per capita as an independent variable in 392 our regressions. Information on vaccination rates for each state was obtained from the Centers for 393 Disease Control and Prevention (CDC) [52]. It is worth noting that vaccine effectiveness diminishes 394 over time. A meta-analysis of studies on COVID-19 vaccination effectiveness [53] found that after 395 any primary vaccination cycle, the effectiveness against symptomatic disease dropped to less than 396 10% for Omicron and less than 50% for Delta. To capture the temporal variations in vaccine effects. 397 we incorporated three variables: vaccinations per person in the past 3 months, vaccinations over 398 the past 3-6 months, and vaccinations over the past 6-9 months. 399

The annual population data for the years 2020 to 2022 for each state and MSA is derived from the U.S. Census Bureau [54, 55]. Information on the percentage of transit commuters in each state and MSA is sourced from the 2021 American Community Survey 5-year estimates.

We have compiled the essential information on key variables, including their measurement units, sources, and original spatiotemporal granularity, in Supplementary Section 1.1. Descriptive statistics of the variables are provided in Supplementary Section 1.2. Data processing utilized Python version 3.7.4 and R version 3.6.3, while modeling was performed using R version 3.6.3.

Fixed-effect model specification. The main goal of this study is to analyze how the recovery
rate of onsite workers impacts the recovery of VMT and transit ridership. To achieve this goal, we
first apply the following fixed-effect models:

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$$Y_{it} = \beta_0 + \beta_1 R W_{it} + \beta_2 Controls_{it} + \alpha_{1i} + \alpha_{1m} + v_{it}$$
^[2]

where Y_{it} denotes the recovery rate of VMT for state *i* at time *t* or the recovery rate of transit 411 ridership for MSA i at time t, which are calculated as the percentages of VMT and transit rider-412 ship compared to the values in the same month of 2019. RW_{it} denotes the recovery rate of onsite 413 workers for state/MSA i at time t, which is calculated as the percentage of the number of workplace 414 visitors at time t compared with its pre-pandemic level. $Controls_{it}$ is a set of control variables cor-415 responding to state/MSA i and time t, including GDP per capita, unemployment rate, the recovery 416 rate of transit services, transit fares, population size, net migration rate, reopening status, reported 417 COVID cases per capita, and vaccination rate. Most variables can be aggregated to the monthly 418 level. However, transit fares and population size are reported annually, thus we employ data from 419 the corresponding year. For GDP per capita, which is reported quarterly, we calculate and employ 420 the average monthly GDP per capita for the corresponding quarter. β_0 denotes the intercept, β_1 is 421 the coefficient of RW_{it} , and β_2 represents the coefficients for the control variables. α_{1i} denotes the 422 regional fixed effects that control for time-invariant characteristics at the state or MSA level. α_{1m} 423 denotes the month fixed effects that account for the variation by month. v_{it} is the error term. 424

2SLS specification. To solve the endogeneity problem of RW_{it} and estimate the causal effect of the recovery rate of onsite workers on transit ridership recovery, we apply a 2SLS estimation. In the first stage of the 2SLS model, we estimate the recovery rate of onsite workers using the following formula:

430

$$RW_{it} = \gamma_0 + \gamma_1 SW_{it} + \gamma_2 Controls_{it} + \alpha_{2i} + \alpha_{2m} + \epsilon_{it}$$
[3]

where SW_{it} represents the percentage of suitable remote workers in region *i* at time *t*. γ_0 denotes the intercept, γ_1 is the coefficient of SW_{it} , and γ_2 represents the coefficients for the control variables. α_{2i} and α_{2m} are the regional fixed effects and the month fixed effects, and ϵ_{it} is the error term. We include the same set of control variables, regional and month fixed effects as in the fixed-effect model (equation 2). The second stage of the 2SLS follows the formula:

$$Y_{it} = \beta_0 + \beta_1 \widehat{RW_{it}} + \beta_2 Controls_{it} + \alpha_{1i} + \alpha_{1m} + v_{it}$$

$$\tag{4}$$

where $\widehat{RW_{it}}$ is the predicted value of the recovery rate of onsite workers estimated from Equation 3. Controls_{it} is the same set of control variables as in Equation 2. α_{1i} and α_{1m} denote the regional fixed effects and the month fixed effects, and v_{it} is the error term. For all the 2SLS regressions, we conduct robustness tests in Supplementary Section 3.

441

436

Heterogeneity of the causal effect by geographical divisions To estimate the heterogeneity
of the effect across geographical divisions, we re-estimate the second stage model using the following
formula:

$$Y_{it} = \beta_0 + \sum_m \theta_m * \mathbf{I} \{ i \in D_m \} * \widehat{RW_{it}} + \beta_2 Controls_{it} + \alpha_{1i} + \alpha_{1m} + \upsilon_{it}$$
[5]

where D_m indicates a specific geographical divisions. There are nine divisions in the United States, namely New England, Middle Atlantic, East North Central, West North Central, South Atlantic, East South Central, West South Central, Mountain, and Pacific [56]. $\mathbf{I} \{i \in D_m\}$ takes value 1 if *i* is in D_m and 0 if not. θ_m denotes the division-specific effect. Other parts of the model remain the same as in Equation 4.

Effects by the percentage of transit commuters. Theoretically, the influence of remote work on both VMT and transit ridership depends on the interplay between its impact on people's travel needs and the distribution of residents' travel modes within a region. To account for these variations, we explore how the marginal effect of remote work varies by the percentage of transit commuters using the following specification:

457

451

$$Y_{it} = \beta_0 + \omega_1 * \widehat{RW_{it}} + \omega_2 * \widehat{RW_{it}} * \log(Z_i) + \beta_2 Control_{sit} + \alpha_{1i} + \alpha_{1m} + v_{it}$$
[6]

where Z_i is a key socio-demographic variable for region *i*. It denotes both the percentage of transit commuters in state *i* for the VMT estimation and the percentage of transit commuters in MSA *i* for the transit ridership estimation. The region-specific effect of the recovery rate of remote workers on Y_{it} in region *i* is thus represented by $\omega_1 + \omega_2 * log(Z_i)$. It's worth mentioning that the state-specific percentage of transit commuters is obtained from the 2021 American Community Survey 5-Year data, and given that this dataset is cross-sectional and lacks temporal variation, it does not reflect the evolving regional travel mode dynamics over our study period. Other parts of the model remain the same as in Equation 4.

466

Temporal heterogeneity of the causal effect. To explore the temporal change in the effect ofthe recovery rate of onsite workers on urban mobility, we estimate the following model:

469

477

$$Y_{it} = \beta_0 + \sum_k \gamma_k * \mathbf{I} \{ t \in T_k \} * \widehat{RW_{it}} + \beta_2 Controls_{it} + \alpha_{1i} + \alpha_{1m} + \upsilon_{it}$$
[7]

where T_k indicates the k^{th} year-quarter in the study period, ranging from 2020 Q2 to 2022 Q3, with October 2022 categorized into 2022 Q3. $\mathbf{I} \{t \in T_k\}$ takes value 1 if t is in T_k and 0 if not. γ_k denotes the year-quarter-specific effect. Other parts of the model remain the same as in Equation 4.

473 Measuring the marginal effect of remote work on the VMT-related carbon emissions.
474 To quantify the impact of remote work on carbon emissions related to VMT, we begin by calculating
475 the state-specific marginal effect of remote work on VMT based on the results of our 2SLS modeling
476 (as shown in Equation 6):

$$\beta_i = \hat{\omega_1} + \hat{\omega_2} * \log(Z_i) \tag{8}$$

Here, β_i represents the marginal effect for state i, and Z_i represents the percentage of transit com-478 muters in state i. We incorporate Z_i to determine state-specific marginal effects for two key reasons: 479 firstly, in theory, the effects of remote work on VMT and transit ridership in a region depend on 480 the interplay between its impact on people's travel needs and the region's travel mode distribution. 481 with the percentage of transit commuters being a crucial indicator of this distribution. Second, 482 our 2SLS modeling results (as demonstrated in Column 2 and 5 of Table 2) indicate significant 483 variations in the marginal impacts of remote work on VMT and transit ridership with respect to Z_i , 484 and the inclusion of Z_i improves the model's R^2 . Given these considerations, we employ Equation 485 4 to represent region-specific marginal effects. 486

487

Subsequently, we compute CO_2 emissions per VMT in each state (EF_i) . This is defined as:

488

$$EF_i = E_i/V_i \tag{9}$$

where E_i represents the total on-road CO₂ emissions during 2020 and 2021 in state *i*, and V_i represents the total VMT in state *i* during the same period. The choice of the 2020 and 2021 time period is due to the unavailability of 2022 data on E_i . To obtain the data for E_i , we first collected information on the total motor gasoline and diesel fuel consumption for each state during 2020 and 2021 from the Federal Highway Administration's annual Highway Statistics Series Table MF-21 [57]. Subsequently, we converted this fuel consumption data into CO₂ emissions using the following conversion factors: 8.887 kg of CO_2 emissions per gallon of gasoline consumed and 10.180 kg of CO_2 emissions per gallon of diesel consumed [58]. Data for V_i was obtained from FHWA's annual Highway Statistics Series Table VM-2 [59], which tracks traffic involving six vehicle types: motorcycles, passenger cars, light-duty trucks, buses, single-unit trucks, and multi-unit combination trucks [60].

Finally, we compute the marginal effect of remote work on VMT-related carbon emissions (ME_{it}) by multiplying the state-specific marginal effect on VMT by the pre-pandemic (2019) average monthly VMT (V_i^{19}) and the emission factor:

503

$$ME_{it} = \beta_i * V_i^{19} * EF_i$$

[10]

It is important to note that fuel consumption per mile traveled varies depending on the type of 504 vehicle. In this analysis, due to data limitations, we could only assess the impact of remote work on 505 total VMT and apply the average emission factor, without distinguishing the effect on VMT related 506 to different types of vehicles. Therefore, the accuracy of our estimated marginal impacts on on-road 507 CO_2 emissions relies on the assumption that the change in VMT due to remote work maintains a 508 similar vehicle type composition as the VMT in 2020 and 2021 for each state. Given that remote 509 work could affect the travel of different types of vehicles differently, further analysis could enhance 510 accuracy by estimating the marginal effect of remote work on various VMT types and calculating 511 the total CO_2 impacts using different emission factors for each vehicle type. Additionally, emission 512 factors may change over time, so caution should be exercised when applying these results to infer 513 the CO_2 impact from 2022 onward. 514

Measuring the marginal effect of remote work on transit fare revenues. We compute the marginal effect of remote work on transit revenue fare for each MSA i, F_i , based on the equation: $F_i = \beta_i * P_i$. β_i represents the marginal effect of remote work on transit ridership estimated from the transit ridership 2SLS model (Equation 6): $\beta_i = \hat{\omega}_1 + \hat{\omega}_2 * log(Z_i)$, where Z_i denotes the percentage of transit commuters in MSA i. P_i denotes the average fare per passenger trip in MSA i, which is obtained from the National Transit Database [47].

521 Data availability

The data used for this study are sourced from publicly available databases, and detailed information about each variable's source can be found in the Data section of the Methods. The compiled datasets can be accessed on GitHub at https://github.com/zhengyunhan/remote_work_mobility.

525 Code availability

The code used for conducting the analysis is accessible on GitHub at https://github.com/zhengyunhan/ remote_work_mobility.

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532 Author contributions

Y.Z. contributes to conceptualization, methodology, data curation, modeling, visualization, formal analysis, result interpretation, writing - original draft, writing - review and editing; S.W. contributes to formal analysis, result interpretation, writing - review and editing; L.L. contributes to formal analysis, result interpretation; J.A. contributes to result interpretation, supervision, project administration, funding acquisition; J.Z. contributes to formal analysis, result interpretation, supervision, project administration, funding acquisition.

539 Competing interests

540 The authors declare no competing interests.

541 Tables

		The rec	covery rates of:	
	V	MT	Transit	ridership
	(1)	(2)	(3)	(4)
Recovery rate of onsite workers	0.652***	0.818***	0.441***	0.544***
	(0.057)	(0.068)	(0.032)	(0.047)
	p = 0.000	p = 0.000	$\mathrm{p}=0.000$	p = 0.000
Reopening status	1.363^{**}	1.236**	8.882***	5.448***
	(0.667)	(0.558)	(0.652)	(0.533)
	p = 0.042	$\mathrm{p}=0.027$	$\mathrm{p}=0.000$	$\mathrm{p}=0.000$
GDP per capita (in thousand dollars)	0.360^{*}	-0.774	-0.318	12.473***
	(0.216)	(1.892)	(0.200)	(1.479)
	p = 0.096	$\mathrm{p}=0.683$	p = 0.113	p = 0.000
Unemployment rate	-1.010^{***}	-0.550^{***}	-0.442^{***}	0.064
	(0.138)	(0.156)	(0.071)	(0.119)
	p = 0.000	$\mathrm{p}=0.0005$	$\mathrm{p}=0.000$	$\mathrm{p}=0.592$
Transit service recovery rate	0.151^{***}	0.078^{**}	0.410^{***}	0.426^{***}
	(0.022)	(0.031)	(0.013)	(0.020)
	$\mathrm{p}=0.000$	p = 0.012	$\mathrm{p}=0.000$	$\mathrm{p}=0.000$
Transit fare	-0.540^{***}	0.949	-5.303^{***}	-3.970^{***}
	(0.173)	(0.904)	(0.358)	(0.712)
	$\mathrm{p}=0.002$	$\mathrm{p}=0.294$	p = 0.000	p = 0.00000
COVID cases per 1000 people	-0.039	-0.105^{***}	-0.057^{***}	0.022
	(0.025)	(0.031)	(0.014)	(0.016)
	p = 0.112	$\mathrm{p}=0.001$	p = 0.0001	p = 0.169
Vaccinations per person in the past 3 months	3.544^{***}	9.631***	-10.753^{***}	-10.404^{***}
	(1.006)	(1.027)	(0.905)	(0.739)
	$\mathbf{p}=0.0005$	$\mathrm{p}=0.000$	$\mathrm{p}=0.000$	p = 0.000
Vaccinations per person over the past 3-6 months	0.796	0.388	-4.524^{***}	-8.131^{***}
	(1.064)	(0.921)	(1.116)	(0.900)
	$\mathbf{p}=0.455$	$\mathbf{p}=0.674$	p = 0.0001	p = 0.000
Vaccinations per person over the past 6-9 months	3.373***	2.810^{***}	2.928***	3.408^{***}
	(1.154)	(1.051)	(1.066)	(0.882)
	p = 0.004	p = 0.008	p=0.007	p = 0.0002
Net migration rate	0.096	-0.112	1.095***	-0.005
	(0.407)	(0.397)	(0.243)	(0.183)
	$\mathbf{p}=0.815$	$\mathbf{p}=0.779$	p = 0.00001	$\mathbf{p}=0.977$
In (population in millions)	2.128^{***}	112.127^{***}	0.934^{***}	40.523***
	(0.234)	(30.602)	(0.173)	(15.607)
	p = 0.000	p = 0.0003	p = 0.00000	p = 0.010
State FE	NO	YES	/	/
MSA FE	/	/	NO	YES
Month FE	NO	YES	NO	YES
Observations	1,519	1,519	6,727	6,727
Adjusted B^2	0.570	0.739	0.388	0.697

Table 1: Impacts of onsite workers' recovery rate on VMT and transit ridership: OLS and fixed-effect results

Note: Robust standard errors reported in parentheses, and p-values from two-sided t-tests are listed under standard errors. *p<0.1; **p<0.05; ***p<0.01

Table 2:	Impacts of	onsite	workers'	recovery	rate on	VMT	and	transit	ridership:	2SLS	results
	1			J					1		

			The recove	ery rates of:		
		VMT			Transit ridersh	iip
	(1)	(2)	(3)	(4)	(5)	(6)
Recovery rate of onsite workers	$\begin{array}{l} 0.987^{***} \\ (0.192) \\ \mathrm{p} = 0.00000 \end{array}$	1.161^{***} (0.195) $p = 0.000$ -0.113^{***}		$\begin{array}{c} 2.259^{***} \\ (0.374) \\ p = 0.000 \end{array}$	2.025^{***} (0.374) $p = 0.00000$ 0.259***	
(accordy rate of onsite workers × log (percentage of transit commuters)		(0.035) p = 0.002			(0.028) p = 0.000	
Marginal effects of "the recovery rate of onsite workers" by geographical	division:					
New England		(1.126^{***} (0.207) p = 0.00000			2.582^{***} (0.387) p = 0.000
Middle Atlantic			p = 0.00000 1.009*** (0.226) p = 0.00001			p = 0.000 2.238*** (0.386) p = 0.000
East North Central			1.099^{***} (0.232) p = 0.00001			1.928^{***} (0.381) p = 0.00000
West North Central			$\begin{array}{c} 1.151^{***} \\ (0.206) \\ p = 0.00000 \end{array}$			2.616^{***} (0.385) p = 0.000
South Atlantic			1.066^{***} (0.243) p = 0.00002			1.826^{***} (0.383) p = 0.00001
East South Central			1.104^{***} (0.245) $p = 0.00001$			1.656^{***} (0.382) p = 0.00002
West South Central			1.305^{***} (0.274) p = 0.00001			2.172^{***} (0.381) p = 0.000
Mountain			0.973^{***} (0.232) $p = 0.00003$			1.634^{***} (0.385) $p = 0.00003$
Pacific			0.750^{***} (0.205) p = 0.0003			2.116^{***} (0.381) $p = 0.00000$
Controls	YES	YES	P = 0.0005 YES	YES	YES	P = 0.00000 YES
State FE	YES	YES	YES	/	/	/
MSA FE	/	/	/	YES	YES	YES
Month FE	YES	YES	YES	YES	YES	YES
Observations	1,519	1,519	1,519	6,727	6,727	6,727
Adjusted \mathbb{R}^2	0.715	0.717	0.716	0.691	0.695	0.696
First stage F-test	144.72^{***}			90.74^{***}		
Wu–Hausman test	1.5			30.26***		

Notes: Robust standard errors reported in parentheses, and p-values from two-sided t-tests are listed under standard errors (*p<0.1; **p<0.05; ***p<0.01.). The definition of geographical divisions can be found in the U.S. Census Bureau [56]. Coefficient for each region corresponds to the coefficient for the interaction term between "recovery rate of onsite workers" and that region. All models include the same set of control variables and fixed effects as presented in Columns (2) and (4) of Table 1. The full results are reported in Supplementary Table S8 and S9.

	Dependent variable: recovery rate of onsite worke			
	State-month	MSA-month		
	(1)	(2)		
ercentage of suitable remote workers	-2.279^{***}	-0.240^{***}		
	(0.189)	(0.025)		
	$\mathrm{p}=0.000$	$\mathrm{p}=0.000$		
Reopening status	-0.201	1.000^{***}		
	(0.232)	(0.148)		
	p = 0.388	p = 0.000		
DP per capita (in thousand dollars)	-1.013	2.064***		
• • · · · /	(1.048)	(0.660)		
	p=0.335	p = 0.002		
Jnemployment rate	-0.962***	-1.240^{***}		
۰	(0.080)	(0.048)		
	p = 0.000	p = 0.000		
ransit service recovery rate	0.107***	0.034***		
	(0.016)	(0.005)		
	p = 0.000	p = 0.000		
ransit fare	1.422***	0.557***		
	(0.397)	(0.152)		
	n = 0.0004	(0.102) p = 0.0003		
OVID cases per 1000 people	p = 0.0004 -0.083***	p = 0.0003 -0.035***		
OVID cases per 1000 people	(0.008)	-0.055 (0.004)		
	(0.000) n = 0.000	(0.004) n = 0.000		
provinctions per person in the past 3 months	p = 0.000	p = 0.000		
accinations per person in the past 5 months	(0.522)	-0.929		
	(0.523)	(0.248)		
institutions non-non-new the part 2.6 months	p = 0.00000	p = 0.0002		
centations per person over the past 5-6 months	2.017	(0.222)		
	(0.000)	(0.222)		
againstians non named and the sect 6.0 such	p = 0.000	p = 0.000		
accurations per person over the past 0-9 months	2.090	(0.022)		
	(0.349)	(0.230)		
	p = 0.000	p = 0.007		
et migration rate	0.227	0.045		
	(0.170)	(0.073)		
	p = 0.181	p = 0.538		
(population in millions)	59.337***	53.086***		
	(12.673)	(6.162)		
	p = 0.00001	p = 0.000		
ate FE	YES	/		
SA FE	/	YES		
Month FE	YES	YES		
oservations	1,519	6.727		
diusted B^2	0.908	0.842		

Table 3: First-stage results of IV regression: estimating the effect of percentage of suitable remote workers on the recovery rate of onsite workers

Note: Robust standard errors reported in parentheses, all p-values from two-sided t-tests are listed under standard errors. *p<0.1; **p<0.05; ***p<0.01

542 Figure Legends

Figure 1: Relationships between the recovery rate of onsite workers and the recovery rates of VMT and transit ridership. a and b, Recovery rates of onsite workers plotted against VMT and transit ridership, respectively, with samples aggregated at the state level (for VMT) and the MSA level (for transit ridership). The correlation coefficient r and the slope of the best-fit line β are provided, along with the significance level from two-sided t-tests. The p-values from two-sided t-tests are smaller than 0.01 for r and β in all plots (*p<0.1; **p<0.05; ***p<0.01). The color represents the percentage of transit commuters, while the size of each point is proportional to the population of the state or MSA. Notably, regions with a higher percentage of transit commuters generally exhibit a lower recovery rate of onsite workers. c and d, Recovery rates of onsite workers plotted against VMT and transit ridership, respectively, with samples aggregated at the month-year level. Colors represent different time periods, illustrating that later time periods tend to have higher recovery rates of onsite workers, VMT, and transit ridership. The significantly positive values of r and β in all plots indicate a positive correlation between the recovery rate of onsite workers and the recovery rates of VMT and transit ridership.

Figure 2: Effects of the recovery of onsite workers on the recovery rates of VMT and transit ridership over time. The markers denote the coefficient of onsite worker recovery for predicting VMT (red squares) and transit ridership (green circles) across various year-quarters (see Methods for model details). The error bars represent the 90% confidence intervals. The dashed lines represent the trends of the effects. N = 1,519 (VMT) and 6,727 (transit ridership). The model includes the same set of control variables and fixed effects as presented in Columns (2) and (4) of Table 1. The full results are reported in Supplementary Tables S10 and S11.

Figure 3: Marginal effect of remote work on the reduction of on-road CO₂ emissions by state and that on the reduction of transit fare revenues by MSA. These two graphs show the reduction in monthly on-road CO₂ emissions by state (a) and the reduction in monthly transit fare revenues by 50 most populated MSAs (b) caused by a 1-percentage-point increase in the number of onsite workers. These estimates are calculated based on the effects of remote work on VMT and transit ridership, as estimated from the 2SLS models with sample sizes of N = 1,519(VMT) and 6,727 (transit ridership). The bars represent the point estimates, while the orange lines denote the 95% confidence intervals.

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