

WRITTEN TESTIMONY

OF

**Dorval R. Carter, Jr.
President, Chicago Transit Authority**

HEARING ON

“Creating Equitable Communities through Transportation and Housing”

**House Appropriations Committee, Subcommittee on Transportation, Housing and Urban
Development**

March 25, 2021

Thank you very much, Chairman Price, Ranking Member Diaz-Balart, and other members of the Committee. Before I begin, I would also like to acknowledge my hometown Congressman, Vice-Chairman Mike Quigley, who is such a committed advocate for quality public transit in Chicago.

I am grateful for your invitation to share my thoughts regarding how transit can help contribute to creating more equitable communities and I look forward to discussing what I believe are the issues upon which we all must focus if our society is to achieve true equity in transportation.

Today, I will share my thoughts with you regarding how transit can help contribute to creating more equitable communities and discuss my thoughts on the issues upon which I believe we all must focus if our society is to achieve true equity.

A noted transit expert has described equitable transit policies as those that “reduce the burdens and mitigate the structural pains put on marginalized communities,” and in particular those that “improve access for, and reduce hardship to, racial and ethnic minorities, non-English speakers, women, people with disabilities, and low-income people, whose needs are not centered in public policy.”

This definition helps provide a useful context for understanding equity. Unfortunately, this is a dynamic that remains largely aspirational in nature and too infrequently practiced by numerous companies, agencies and organizations across the country.

As President of the CTA, I am a member of a group of transit agency CEOs, nationally, that must have uncomfortable conversations about confronting necessary expenditures in the face of inadequate funding in a way that does not shortchange low-income and minority customers. Our goal is to resolve issues that seem to have limits that bar an equitable result. The ideas and the resulting solutions from these honest discussions will yield a greater benefit for our transit constituency.

Inequity in transit has a troublesome history in America and, in my experience, mobility is a significant part of the equity discussion.

The term “mobility” has great significance in any discussion regarding equity in America, especially in communities of color and in low-income neighborhoods. For African-Americans who survived sharecropping and the racist laws of the American South, newfound mobility opportunities for cross-country travel meant that black people could freely travel north and west during the Great Migration, which spanned from 1915 until 1970, whether by car, bus or train—for cities like Chicago, Gary, Detroit, and New York City, among many other locales. This created potential for individuals and families to enjoy the socioeconomic mobility that physical mobility presented.

Today, mobility considerations remain at the core of the equity discussions that American transit agencies are having regarding how best to serve those who truly need the low-priced and widely available services of large transit systems. Inherent in those discussions is a question about accommodating the needs of people from minority and low-income communities—people for whom a bus or train is not a choice, but a lifeline; a reliable and low-cost mode of travel they absolutely need to live their lives.

But what happens when we—as elected and appointed officials at various levels of government, as an industry and as a society—fall short in our commitment to serve them?

We seek to protect our most vulnerable, in part, through legislation like the Civil Rights Act of 1964’s Title VI, which prohibits public transportation systems from engaging in “discrimination based on race, color or national origin in programs or activities which receive federal financial assistance.”

Title VI is our most effective legislative guard against inequity, but its ability to help create better equity outcomes lies in utilizing it as a ground floor—a bare minimum. Transit professionals must couple Title VI with proactive steps that will help improve access to transit and transit opportunities for minorities and low-income populations through policies, programs, and outreach.

My thinking about this issue has been shaped over the course of my career by some of the things I have seen and experienced in the transit industry. One such situation was a discrimination case that I was directly involved in—*Kent Jones v. Chicago Transit Authority*. In fact, I was a young staff attorney representing the CTA, the same agency that I lead today.

In *Jones*, the plaintiffs filed a discrimination complaint against CTA in 1988, demanding that CTA install wheelchair lifts onto our buses. The Illinois Human Rights Commission ultimately found for the plaintiffs, determining that CTA had violated the state’s Human Rights Act and that our system must be made accessible to people with disabilities. The court directed CTA to include lifts on our buses.

As a result of this case, CTA made key changes to benefit people with disabilities, recognizing that it was the right and equitable thing to do. Every time a CTA bus wheelchair ramp is deployed for someone who needs that accommodation or the special areas for persons with disabilities aboard our buses and trains, its existence can be directly traced to that case and the subsequently implemented Americans with Disability Act. Today, every CTA bus and over 70% of CTA's 145 rail stations are accessible – and CTA has issued a plan to reach 100% accessibility.

That experience, very early in my career—where I was asked to work against the proper equity outcome—had the unexpected, but fortunate consequence of helping to prepare me to execute equitable policies and practices on the ground. Since that case, I've considered myself an advocate for people with disabilities and am firmly committed to working on issues related to transit equity. I learned, up-close, the profound effects of inequity and am now better equipped to not accept the rationalizations that people make to avoid addressing issues of equity.

Throughout my career as a transit professional, I have seen a spectrum of issues related to inequity, ranging from overtly racist policies to absolutely unintended consequences of otherwise good laws and regulations.

While the problems that have arisen from racist transit policies in past decades revealed race as a primary factor in denying individuals transit services, the issues that are generating systemic racism and inequities today are much more embedded into other, more fundamental policies and procedures that impact decisions— sometimes indirectly—that result in the challenges that are being discussed across the country.

Modern, systemic racism can be more subtle and much harder to immediately identify. In fact, I have come across many instances of these types of discriminatory practices in my own career.

While working at the Department of Transportation in 2010, the City Council of Beavercreek, Ohio—a small suburban town—worked to ensure that bus service provided by the Greater Dayton Regional Transit Authority would not stop in their community. The closest bus stop was a mile away, along a busy road. The City Council had decided that they did not want the service because they did not want others from more diverse areas to access the town's major mall and businesses, which also separated these individuals from available healthcare, education and jobs.

As a result of complaints from the community, we pursued enforcement against the city and were prepared to deny Beavercreek millions of dollars in Federal Highway Administration funding if they did not allow the buses to stop there. They relented. We were committed to seeing this decision reversed because the denial of this transportation option had a major impact on people's lives.

Conversely, an example of an unintended, but thoroughly inequitable consequence of an otherwise well-intentioned policy occurred on a project I worked on at the Department of Transportation's Federal Transit Administration in 2009. The City of Minneapolis sought to build a new light rail line with funding from the federal New Starts capital investment grant program—a competitive federal grant program supporting major investments in rail and other fixed guideway systems. The city had identified the stops the train would make and their proposed stops complied with FTA cost guidelines, which was necessary to justify funding for the project.

While the city properly satisfied the requirements of the application to receive a federal grant, FTA leadership was not aware that the city's significant Southeast Asian community—had been denied a stop near their large population because it would have been too close to another station that the city wanted. Community leaders reached out to FTA leadership and we launched an investigation.

After discussions with city officials, it became apparent that one of FTA's long-standing policies seemed to bar the station from being built. Large-scale rail projects like this one, with costs in the multiple billions of dollars, require a cost justification with parameters and cost-benefit analyses around what is being built, particularly if the federal government is asked to contribute 50 percent or more of the total cost. If a project did not meet the cost-benefit requirements, it would not receive FTA approval for a grant, which would effectively make the project infeasible. While the policy was intended to ensure that projects funded by the federal government were worth the cost of the federal investment, this policy simply had an unintended consequence.

In January 2010, following our investigation and subsequent discussions with the city, we changed the policy and the issue was rectified, allowing the station to be built. The station opened on June 14, 2014. Because we were advised of the issue, we were able to create a more equitable circumstance for a community that was at risk for being disenfranchised.

Still, it is notable that the FTA failed to recognize that the potentially inequitable impact of its own policy played a prominent role in the issue and that the public officials involved knew there was an issue, but did not object or raise it as a concern to the FTA. The issue was brought to FTA's attention because a community felt passed over—a clear example of what can happen when officials do not aggressively and proactively identify policies that may have inequitable outcomes and seek remedies to these scenarios.

While the examples I just discussed include decisions that elected and appointed officials made about transit, the most compelling statement government officials can make to signal their belief in equitable public transit is reflected in the decisions they make regarding transportation funding priorities.

The breadth of funding considerations that lawmakers are asked to make is vast. Considerations are constantly being made regarding which modes of transportation need more

or less funding and how best to allocate those dollars across the country. The budgets passed by federal and state legislatures are, by their very nature, policy documents that reflect the priorities and values of those who create them. We see this most pervasively in debates regarding the federal funding provided for highway construction versus public transportation.

Working with elected officials and transit advocacy groups has taught me one thing, above all: Public transit funding decisions are a *direct* reflection of who we value in our society. The apportionment of public resources is a resounding statement regarding not only how we perceive our moral responsibility to one another, but a test for who we believe is worth investing in. Unfortunately, in many cases, the current state of transportation funding indicates a lack of value being placed on low-income and minority individuals.

While many of the people who use transit are riders who have chosen public transportation over a car, many *more* of those customers do not have that choice. They are from communities primarily populated by people of color and low-income individuals—people for whom these buses and trains are their sole realistic option for transportation. That is an important distinction. I want to challenge the thinking that public transit is well-funded across our country and that questions of equity are best grappled with at the agency level. That is *patently* untrue.

Older, legacy transit systems are facing perhaps the most fundamental question possible: Where are funds best used when they are relatively scarce, but direly needed? Consider that the most basic thing any transit system does is maintain its operations at a level that allows it to effectively and safely move people from Point A to Point B. That is a universal truth. For large, older, legacy systems, however, that is at a significant cost, frequently not covered at the farebox.

This concern has only grown during the COVID-19 pandemic. Findings from a study conducted for CTA by Argonne National Laboratory have shown that if CTA were subject to service cuts as a result of unrealized revenues, it would cause a ripple effect in the economy, resulting in shopping, dining, and entertainment revenue losses between \$112M and \$327M and thousands of jobs lost in industries that are already severely impacted by COVID. The combined economic impact is estimated between \$1B and \$3.4B.

Additionally, every minute the system is successfully operating its fleet across these large, urban areas, the other set of expenditures, like maintenance costs not directly and immediately associated with the cost of operating the fleet, are growing. Like any business, an agency can only borrow so much money for things like State of Good Repair costs and other incurred expenses. For that reason, too many agencies begin to incur backlogs of deferred maintenance.

When the public is given the opportunity to express their opinions about their support for transit, they have shown that there is significant support for adequately funding transit and the mobility equity benefits that come with that funding.

One strong recent example of what can happen when agencies are provided a substantial level of funding is the referendum known as “Measure M,” which was passed in Los Angeles, California and benefits LA Metro. This sales tax measure is expected to generate \$120 billion over 40 years to expand rail, rapid bus, and bike networks, and will contribute to everything from operations to street improvements to State of Good Repair needs.

Also, Seattle, Washington’s Sound Transit system recently proposed “Sound Transit 3,” a ballot measure to provide funding for an expansion of their regional transit system. Its successful passage provides resources for an expansion plan that includes 62 miles of new light rail and 37 new stations. It is another example where a majority of the voters made their appreciation for transit known.

The origins of an agency’s creation can also inform the financial stability of their operations. L.A. Metro and Sound Transit, for example, are modern transit systems in comparison to legacy systems like CTA, which was built 125 years ago. CTA itself was created 70 years ago, following the public purchase of several failed, private transit companies. The funding structure put in place at that time did not contemplate the realistic, future funding needs of a transportation system the size of CTA.

For the seven decades that have followed, this inadequate funding apparatus was never reimagined in terms of how Chicago public transit could be funded at a level that allowed it to effectively address its day-to-day operations, its necessary infrastructure and rolling stock needs, and the inevitable State of Good Repair investments, which now total more than \$13 billion dollars. In that regard, CTA is not alone in its lack of appropriate funding. According to the American Public Transportation Association —the national State of Good Repair need for the entire transit industry is in excess of \$100 billion.

This reluctance to fund transit in a way that provides quality, affordable and equitable transit service in a universal and guaranteed way reminds us that we—all of us—have to continue to work to make that a reality.

Since its inception, the United States of America has struggled with race, class and how to respect the basic humanity of—and rights afforded to—all of its citizens. Perhaps the most significant part of the American democratic experiment has been resolving the ongoing quandary of how best to advance and develop a nation that has at its roots a centuries-long legacy of slavery and Jim Crow laws, with the attendant horrific inequalities that are borne of that history.

As CTA President, I have made it a priority to work on focusing our agency’s collective vision regarding equity to ensure it takes center stage. In fact, we engage the equity question very directly and at every level of our organization. We do this by leveraging our relationships with prime contractors with an eye towards assisting riders, vendors and potential workers that have been traditionally disenfranchised—whether by past service decisions, lack of access to opportunities or otherwise—are now put on a level playing field.

One example is the \$2.5 billion Red Line Extension project on the city's Far South Side—by far, the most important project I will work on during my time as President. Currently, the Red Line stops at 95th Street, cutting off rail service 35 blocks short of the city's southern boundary. The effect of this disparity is that the mobility options for those who live in this area—largely minority and low-income people—are much more diminished than others across the city, which results in less access to jobs, education and other opportunities.

Residents of communities on the Far South Side have long called for an extension of the Red Line, but unfortunately, the project was delayed for years for numerous reasons.

Since 2011, however, the project, has made more progress than it had in several decades previous and we are currently moving through the extensive federal New Starts program.

Last year, I directed our staff to budget \$350 million for preliminary engineering and design work, which the community rightly saw as a statement of commitment to getting that project done. This investment will allow CTA to advance the project through FTA's project development stage, as we head towards getting the federal commitment to construct the project.

We are constantly engaging the community on myriad issues, from gathering residents' input on the alignment of the track, to working with local leaders to help disseminate project information into the neighborhoods. We are also working closely with the City of Chicago's Planning and Development and have asked them to create and implement an economic revitalization plan for this community, which has experienced significant disinvestment over many decades.

While most of what I have presented thus far relates to ensuring equity for customers, we also work diligently to ensure fairness in our construction projects and the job and contracting employees that come with them.

A great example of how we achieve this goal is through the work done by our Diversity Programs Department. This department develops, presents and pursues diversity initiatives relative to our infrastructure investments, like construction projects, and the related contracting and workforce needs.

Over the past eight years, we have completely revamped our approach to how we work with Small- and Disadvantaged Business Enterprises, or DBEs, including new programs and training for both contract awardees and potential vendors. As a result of our focus on equity, any company that competes for CTA construction contracts understands that we demand maximum participation levels for SBEs and DBEs, and for disadvantaged workers in all of our construction projects.

We also provide numerous programs that facilitate an extraordinary level of contact between our agency and any company seeking to do business with us, so that they can build a relationship with CTA even before they pursue a contract.

When a prime contractor secures a contract award with CTA on a major capital project, they are required to produce a detailed plan, explaining how they intend to support CTA's diversity goals. To be clear, it is insufficient for a company to say to us that they can do the proposed construction work or provide a related service, commit to hiring a certain percentage of DBE subcontractors and consider the matter settled. We require that they show us how they will be a good partner to CTA and how they will engage subcontractors and workers in communities they may otherwise ignore.

To be clear, at CTA, meeting our DBE goals is the floor, not the ceiling. A potential contractor's diversity plan is an important part of their overall proposal...and we evaluate their packages accordingly.

Through our efforts, we have created a new model for how government agencies can and should work with the community to provide job and contracting opportunities.

More than at any time in our history, we are engaging with the community to ensure decisions are made with a focus on the people we serve. We know that every dollar we spend, every investment we make and every decision we execute impacts our riders and the communities we serve. We are also concerned, at all times, that many of those same people are individuals that the system does not serve adequately.

As we collectively seek answers to how our systems will recover from this global pandemic, I believe that this health emergency provides for us a unique opportunity to think critically about how transit agencies, stakeholders and advocates can change some of the most vexing, fundamental questions before us today. I am not referring to getting past the immediate and medium-term hardships COVID-19 has created, but of altering structural, systemic issues that give rise to the inequities I have talked about here. There is a simple bottom line at the core of this discussion: As public transit is currently funded in the United States, the choice between providing basic service, on one hand, but also effectively concerning ourselves with—and successfully resolving—issues of inequity is incredibly difficult.

The COVID-19 pandemic has forced our society to really focus upon what our society views as the core responsibilities of government during this crisis. Early on in the pandemic, at an historic time in our country, American cities and states had to reckon with transit's importance to their economic and healthcare engines. Like police, fire and water services, public transit was now labeled by elected officials as an "essential service," critical to the ongoing functioning of the city. In this same respect, public transit employees joined the ranks of heroes working tirelessly to support their communities.

We are experiencing a time when society has been completely disrupted. Before the pandemic began, many transit agencies were pursuing better equity outcomes for their customers and the communities they serve. I believe, even now, that the transit industry can further build on those successes and seize this as a time when our country can use this disruption to make transit even better and, in doing so, have a great and equitable impact upon the customers we serve. It is my great hope that we do not waste this opportunity to reimagine our approach to transit decision-making and how we can ensure equity for everyone we serve, but rather, work together to envision a new, stronger, more equitable future for transit.

Thank you very much for your time and consideration.