

August 30, 2017

Honorable Elaine Chao
Office of The Secretary
U.S. Department of Transportation
1200 New Jersey Ave. SE.,
Washington, DC 20590

Dear Secretary Chao:

We, the undersigned members of the Federal Advisory Committee on Transportation Equity, write you today to express deep concerns with a recent action announced by the U.S. Department of Transportation (USDOT) and to urge a reversal of the action.

The [Advisory Committee on Transportation Equity](#) is a stakeholder group of individuals involved in transportation planning, design, research, policy, and advocacy. The Committee is charged by US DOT to provide you with “independent advice and recommendations about comprehensive, interdisciplinary issues related to transportation equity.”

Recently, the US DOT withdrew a rulemaking that created a pilot program that allows for geographic-based hiring preferences in administering federal awards, also known as local hiring. This action represents a significant and harmful departure from the US DOT’s past efforts to advance greater opportunity for all.

Local and targeted hiring programs are critical to fostering economic and social equity. These programs incentivize businesses that receive public dollars to hire workers from the local community, or from targeted populations in the community. Local and targeted hiring policies help companies find a steady supply of reliable workers, and help job seekers overcome racial discrimination and other barriers to employment. Local hire policies are effective strategies for bringing good job opportunities to disadvantaged communities and for ensuring that new investment helps to reduce poverty and unemployment. [Evidence has shown](#) that local and targeted hiring is most successful when coupled with community benefits agreements and active monitoring of the workforce hiring outcomes.

The US DOT’s narrow interpretation of statutes requiring “full and open competition” for the letting of contracts and a related memo from the [Office of Legal Counsel at the Department of Justice](#) have been major barriers to local leaders who would like to utilize local and targeted hiring on transportation projects that include any federal funding.

In 2015, the US DOT took an important step towards removing those stumbling blocks with the establishment of the [local hire pilot program](#), which allowed leaders to use local and targeted hiring under special conditions and at the discretion of US DOT. The pilot is an important tool for local leaders who want to partner with the US DOT to leverage their resources to deliver critical infrastructure and quality jobs for their residents.

The stated purpose of the pilot program is “to determine whether the use of such requirements ‘unduly limit competition,’ as provided in an August 23, 2013, opinion from the Department of Justice’s Office of Legal Counsel (OLC).” The purpose of the pilot program has not yet been achieved as the program has not been in existence/functioning long enough to produce results that can be reviewed to make a determination regarding its impact. To eliminate the pilot program before making such determination, ignores the purpose of the program and greatly impedes the ability of local communities to utilize local and targeted hiring provisions.

Therefore, we urge the US DOT to reverse the withdrawal of the local hiring program. Rather than rescinding the program, the US DOT should allow local leaders the full discretion to utilize local and targeted hiring as they deem appropriate on projects with federal funding.

In addition to this correspondence, we would like to discuss this matter in person and will contact your office to request a meeting. You may also contact the chair of this Committee, Honorable Michael Nutter at 202-496-7500, or via email Michael.Nutter@Dentons.com.

Sincerely,

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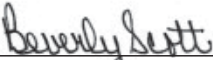
Michael Nutter
Former Mayor of Philadelphia

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Angela Glover Blackwell
CEO, PolicyLink

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Van Jones
President, The Dream Corps

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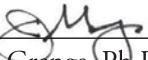
Beverly A. Scott, Ph.D.
CEO, Beverly Scott Associates, LLC

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Phillip A. Washington
CEO, Los Angeles County Metropolitan Transportation Authority

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Jacqueline Pata
Executive Director of the National Congress of American Indians

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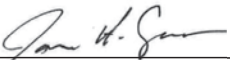
Joe Grengs, Ph.D.
Professor University of Michigan Urban and Regional Planning

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Billy Altom
Executive Director, Association of Programs for Rural Independent Living (APRIL)

X  _____

Robert Puentes
President and CEO, Eno Center for Transportation

X  _____

James Herbert Spencer
Professor James Herbert Spencer, PhD.

Cc:

Maria Lefevre - Executive Director for the Office of the Under Secretary of Transportation for policy for the Department of Transportation

Charles E. James, Sr. - Director Departmental Office of Civil Rights, Office of the Secretary,
U. S. Department of Transportation