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# POLICY BRIEF

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DEPARTMENT OF TRANSPORTATION  
UNITED STATES OF AMERICA

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## Union Cab of Madison Cooperative Commute to Careers Program Evaluation, 2018–2019

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### Executive Summary:

Individuals facing transportation barriers in the United States need affordable alternatives to private vehicles and traditional transit. New types of ridesourcing, microtransit, and other demand-responsive services may be substitutes for the door-to-door convenience of private vehicles. These emerging transit models are beginning to serve retail markets but could also expand to the human service transportation sector, which focuses on transportation disadvantaged groups: low-income workers, people with disabilities, and older travelers. In this program evaluation, we examine how a traditional taxicab company in Madison, Wisconsin has used grant funding to expand its services to provide affordable, on-demand employment transportation with the goal of developing a financially sustainable program. We ask what it takes for a traditional taxicab company to retool its business, including the fleet, driver training, operations software, and service models, to serve a larger share of the human service transportation market while competing with new ridesourcing technologies.

### Scope of Problem:

Workers in the U.S. mainly commute by automobile. In 2017, 76% of commuters in the US drove alone and 9% carpooled. Public transit represents only about 5% of all work trips and walking and cycling account for just over 3% of work trips. While private vehicles allow for tremendous mobility, they are expensive. For low-income workers, these costs can be prohibitive to car-ownership and, thus, limit flexible access to job locations. Low-income housing and entry-level and/or low-skilled employment opportunities are not necessarily co-located or served by high-quality transit service.

In Dane County, Wisconsin, 46,000 residents ages 15 and older do not drive, and more than 16,000 households do not have a car. Not driving (or not having a car) represents a fundamental challenge to accessing work and opportunities. The 2017 Wisconsin sample of the National Household Travel Survey shows that only 19% of non-drivers were employed, compared to 59% of drivers. Women and individuals with

lower incomes are overrepresented among non-drivers; about one-third have a medical condition that affects their travel needs, but only 6% report using specialized transportation services, and only 4% used reduced fare taxi service.

### Policy Alternatives:

Union Cab's Commute to Careers program has precedents in other pilot employment transportation programs looking to innovate within mobility on demand arena. Mobility on Demand (MOD) systems represent flexibility and mimic the use of private vehicles in that they provide door-to-door service upon request. These services may also reflect a substantial cost-savings to users when compared to private car ownership.

Public transportation systems can be cost-effective from the supply side when operating within urban areas and standard hours but quickly experience a decline in performance in low-

density areas and at off-peak hours. In a 2018 MOD workshop hosted by the U.S. Department of Transportation, participants identified the need for more MOD pilot programs to be implemented and evaluated, particularly in areas with poor or nonexistent public transit services, in order to further develop models that would benefit both users and operators. One takeaway from the conference was the recognition that the highly customized nature of local programs contributes to their success. This does, however, present a challenge in determining program evaluation methods that produce generalizable findings.

**Policy Recommendations:**

Traditional taxicab companies can successfully enter the employment transportation market. All the necessary partners may not already be organized to provide the program; therefore, a substantial amount of planning is

required. Program models should begin with a market and existing conditions analysis. Workforce development reports, regional planning documents, census data, and interviews with organizations can provide information. Programs should identify potential employers early in the process. Additional capacity may be needed; therefore, the taxicab company may need to recruit additional transportation partners to provide the service. All partners in the program should determine funding sources and financial models together as early as possible. These partners should also determine metrics to evaluate success. Before operating, consider the available internal organizational capacity to manage the program and troubleshoot problems as they arise. Consider all functions of the service provider organization. Marketing, outreach, and user interviews are also useful, and clear operating policies are essential.

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