



## **Advocates for Ohio's Future**

House Bill 62 - Interested Party Testimony

House Finance - February 28, 2019

(Written Only)

Chairman Oelslager, Vice Chair Scherer, Ranking Member Cera and Members of the House Finance Committee, my name is Kelsey Bergfeld, and I am the Coalition Manager of Advocates for Ohio's Future.

Thank you for the opportunity to provide comments on House Bill 62, the biennial transportation budget.

Advocates for Ohio's Future (AOF) is a nonpartisan coalition of nearly 500 organizations that promotes health and human service budget and policy solutions so that all Ohioans live better lives. Our coalition believes in investing in our state's most valuable resource—our people—to ensure that they are safe, healthy, and can access pathways to prosperity for themselves and their families.

People of all ages should have a safe and affordable place to live, healthy food, and access to essential support services in their communities including transportation. Unfortunately, these basic needs are not a reality for many Ohioans and our communities continue to weaken as our neighbors struggle.

Ohio's under-investments in public transit over the past several decades limits low income workers' ability to reach a diversity of jobs with sustainable wages and their ability to support themselves and their families. It also leaves too many people with disabilities and those who are aging essentially homebound, making it difficult for them to access the grocery store, doctor's office, and to meet their other needs with dignity.

The Statewide Transit Needs study of the Ohio Department of Transportation said the state should be spending up to \$185 million to support local transit agencies. Since then our state has further cut transit by narrowing the sales tax base, costing those agencies with a local sales tax \$39 million. The state should currently be providing at least \$125 million a year to support local, accessible public transit so Ohio can create more livable communities and attract economic growth and development. We encourage the committee to consider making a meaningful investment in accessible public transit across the state to ensure our neighbors have a reliable way to get to work, earn a decent living and take care of their families.

We are encouraged by Governor DeWine's leadership in proposing new revenue to meet the dire needs of Ohio's roads and bridges. Improving our infrastructure will improve our safety and save many Ohioans thousands of dollars in auto repairs due to crumbling pavement.

However, the gas tax is a flat or consumption tax, and impacts the earnings of low income Ohioans more heavily than the rich. One way to mitigate potential harm is to expand the state Earned Income Tax Credit (EITC). The EITC rewards work and makes a real difference for low income families.

**Advocates for Ohio's Future**

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Ohio already has an Earned Income Tax Credit, but it reaches too few low-income families. With the increase in the gas tax, Ohio should expand its Earned Income Tax Credit by making it refundable, eliminating the cap at \$20,000 for eligible families, and boost it from 10 percent of the federal credit to 20 percent. These changes would potentially benefit nearly 900,000 working Ohioans and offset the impact of the gas tax.

Ohio is stronger when transportation is affordable and accessible. Investing in public transit and reducing disproportionate impacts of tax increases on low income families will create more quality, livable communities and attract economic growth and development.

Thank you for the opportunity to submit testimony on House Bill 62.