



Main Operating Budget Testimony (HB166)
House Transportation Subcommittee
Interested Party Testimony | Jason Warner, Greater Ohio Policy Center
April 10, 2019

Chairman Greenspan, Ranking Member Skindell and members of the House Finance Transportation, Subcommittee, my name is Jason Warner and I am the Manager of Government Affairs at the Greater Ohio Policy Center (GOPC). GOPC is a nonpartisan nonprofit organization that is valued for its data-driven research. Our vision is a revitalized Ohio.

I want to thank you for providing me with the opportunity to address House Bill 166, the main operating budget for fiscal years 2020 and 2021. I wish to limit my comments today to one specific area of the Ohio Department of Transportation line item in the budget – public transportation.

I wish to commend the legislature for the work that has been done to this point through the state transportation budget, which included a recommendation that funding for public transportation be substantially increased through the main operating budget. Specifically, House Bill 62 committed to funding public transportation to the tune of \$70 million per year – the largest commitment to public transit through state funding in a generation.

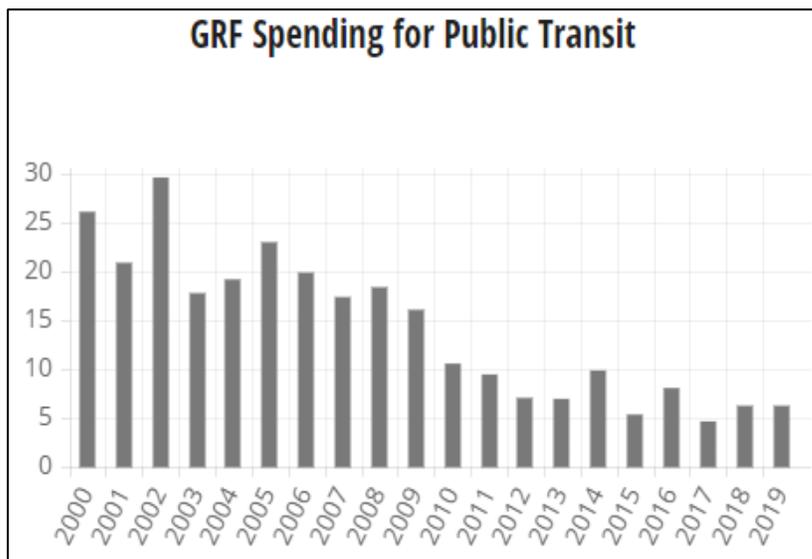
As in all things however, the devil is in the details. While the transportation budget commits Ohio to investing \$70 million in GRF funds to public transit, it is up to this committee and your legislative colleagues to live-up to that commitment and maintain that funding level through House Bill 166. I am here today to ask you to do just that.

More importantly, I also wish to address the language which was approved in House Bill 62 which commits to how that record funding is to be allocated. The transportation budget states that \$63.5 million of the funds approved through the state GRF are to be spent “for the same purpose as funding allocated under the FHWA flexible funding program in the FY2018-FY2019 biennium” with the remaining \$6.5 million being allocated for the same purpose as GRF funding in the FY2018-FY2019 biennium. While this allocation does promise more investment in transit for capital funding needs, this proposal does not move the needle in terms to operational funding.

As this committee has heard previously, the \$6.5 million in funding supports three initiatives, (1) a supplement for federal funding for the Public Transit Assistance Program, (2) support for the Elderly and Disabled Fare Assistance Program, and (3) operating costs for the ODOT Office of Transit. Since the early 2000’s, the transit line item within the budget has been cut by more than

80 percent, which has resulted in a major scaling back of the allocations for these critical programs.

Many systems across the state recognize the need to update their service routes and innovate how they do business. Yet, Ohio's transit systems are so stretched that many simply cannot find the resources to make these needed transitions, even though such transitions will result in more timely, relevant service, which would lead to more riders and farebox income. Increasing operational dollars available to Ohio's public transportation systems would enable these



needed evolutions to occur. Furthermore, without investment, Ohioans who rely on public transit as a means of accessing work and critical services will continue to suffer.

A recent study published by Cleveland State University found that further cuts in funding to the Greater Cleveland Regional Transit Authority (GCRTA) would put 16,500 jobs at risk. Outside of urban Ohio, a recent survey found that 45 percent of residents in rural Northern Kentucky and Southeast Ohio rely on methods of transportation other than a personal automobile as their primary means of travel – yet nearly a third of those surveyed indicated they had difficulty at times finding transportation.

With Ohio's senior population expected to increase 66 percent by 2030, most significantly in rural communities, it is imperative that we begin to make the important system improvements now that will help institute innovations that result in reduced costs and greater access to mobility options for all Ohioans.

Greater Ohio Policy Center recommends that the legislature increase the amount of funding for public transportation operations by \$30 million each year of the biennium, or provide ODOT with greater flexibility in determining how to allocate the previously recommended \$70 million approved in the transportation budget through GRF funding.

Where would the additional \$30 million in recommended funding come from? I have included with my testimony a white paper GOPC released last fall, *Fueling Innovation in Transit*. In that report, we outline 3 extensively vetted sources for additional transit funding. For the purposes of this Committee, I want to flag one of those sources: apply the state sales tax to parking facilities. Like the gas tax, we see this as a user-fee: a discretionary charge that a consumer chooses to pay. Consumers have many options if they do not wish to pay for parking.

I myself chose to walk here today from my office, rather than fight for the chance to secure a parking spot here around Capitol Square. Increasing mobility options also provide me with the option to scooter or ride a free, autonomous bus if I chose to do so. The Department of Taxation has previously estimated applying the sales tax to parking facilities, and found that such a user fee would generate \$33 million per year; the additional \$30 million we are asking for transit funding can be offset by broadening the sales tax to this discretionary service.

While we would prefer to see a total of \$100 million be appropriated for public transit (\$63.5 million for capital projects and \$36.5 million for operational program support), providing ODOT with greater flexibility in funding allocations will ensure that the department addresses the most critical of needs statewide. As an urban and rural state, Ohio requires a range of transportation options to facilitate the safe and efficient movement of people, good and services.

Members of the committee thank you for your consideration and continued support of public transportation as a fully accessible method of transportation for Ohio's residents.