

## ***Amalgamated Transit Union (ATU)***

### ***Statement on the Ohio State Transit Budget***

On behalf of the Amalgamated Transit Union (ATU), representing more than 3,500 transit workers throughout Ohio, including the cities of Cincinnati, Cleveland, Dayton, Steubenville, Toledo, and Youngstown, I am pleased to provide our views on the pending budget. The decisions that this committee makes will determine the fate of thousands of transit-dependent individuals in our state who are rightfully terrified that their ride to work, the doctor, the grocery store, and everywhere in between will soon be gone.

#### **Mobility Crisis**

Members of this committee are likely aware of the current crisis. Starting in July, the sales and use tax on Medicaid managed care organizations (MCOs) will no longer be collected by the state, in response to a federal mandate. Unless the Legislature can find a budget neutral solution — like many other states have done — transit agencies across Ohio could lose approximately \$500 million in 2018.

Although ODOT has requested a 33% increase in funding for public transit in each year of the new biennium budget, this is not nearly enough to make up for the MCO funds. In addition, this proposed increase of \$10 million a year in state funding for public transit would be in the form of competitive grants that many agencies might not get.

That, in a nutshell, is the problem of the day. However, the deteriorating state of transit in Ohio is not a new issue by any means.

#### **Background**

State transit funding has plummeted to levels not seen since Ronald Reagan was President in 1980. Total funding is \$7.3 million statewide, and it is now stagnant. Between 2002 and 2015, annual state transit funding was slashed by \$36 million, and it has dropped by more than 50% since 2009. All of this has occurred even though ODOT's own 2014 study identified major infrastructure and fleet replacement needs for the state's transit systems. Of the 3,250 transit vehicles in use in the state, 32% need to be replaced - a \$300 million expenditure, according to the study.

Unlike most states, Ohio has no dedicated source of funding (like gas taxes, lottery funds, vehicle registration fees, etc.) for transit. Therefore, we rely solely on General Funds, subject to the ups and downs of the budget process. We are near the bottom of the list in terms of overall dollars as well as the amount we spend per capita (65 cents). States that have virtually no transit even rank higher than us, including South Dakota, Arkansas, West Virginia, and Kansas. Even Wyoming, which may have more cows than people, invests more per person in transit than Ohio.

We have 60 transit systems (14 urban, 10 small urban, and 36 rural). Since there is simply not enough state funding to spread around to all agencies in the state, over the last five years, ODOT

has taken all \$7.3 million of its state funding and given it to the smaller systems in the state. The states' "Large Urban" transit systems, including RTA in Cleveland, SORTA in Cincinnati, COTA in Columbus and TARTA in Toledo receive "flexible" federal highway dollars (like CMAQ and STP) to keep them afloat in lieu of state funding. That money can be used for transit, and some of it can be turned into operating aid (with limitations).

Those are the cold, hard facts. However, from a workers' perspective, we believe that it is better to put a face on these gruesome numbers.

### **Who Suffers When the Bus Stops Running?**

Generally, when routes get cut, transit systems tend to look toward those with low ridership -- early morning, late night, and weekend service. People who work nontraditional hours, typically minorities who have no other means of transportation, are disproportionately affected. The single mom who now gets her kids up at 4:30 a.m. to catch two buses in time to get her children to daycare and then herself to work cannot be expected to wait an additional hour for that transfer bus to arrive, standing in the freezing cold with two kids. The person who cleans offices downtown in the wee hours of the morning should not have to sleep on the cold hard floor in the lobby of the building after finishing her work until the buses start running the next day.

In Cleveland alone, within three years, RTA could face a \$30 million budget deficit, driven by an annual loss of \$18 million in sales and use-tax revenue, the agency's largest funding source. That could mean that RTA, which already slashed service to the bone during the recession, will have to once again ask customers to pay more for less.

But it's not just the big cities that will be stranding passengers. The Stark Area Regional Transit Authority in Canton says it likely would have to make major cuts in bus service by the fall of 2018 if the General Assembly adopts the state budget that Governor Kasich has proposed. They will likely eliminate Saturday service, service after 9:00 p.m. and cut the number of trips by up to 40% for Pro Line ride by-appointment service for the elderly and riders with disabilities. The Authority still hasn't been able to restore the Sunday service it had to cut in 2009 because of the recession.

In Warren, people that utilize Trumbull County Transit (TCT) will continue to be without services due to budget cuts. The transit service had to make cuts after going over budget by close to one million dollars in 2016. Ridership increased in 2016 despite no increase in funding due to the hard work of officials that were committed to providing services to those that needed them around the county.

The Western Reserve Transit Authority in Youngstown just purchased seven new paratransit buses to provide door to door services for people with disabilities. They will replace buses with about 150,000 miles on them. However, will the Authority have the necessary funds to put those new buses into service? If they cannot, how will disabled persons in Youngstown get around? Will they just be homebound?

The lack of state funding for transit operations is crippling. For the larger systems, federal rules severely restrict the amount of funds that can be used to keep the doors open. Federal transit

money is mostly for capital projects only. The federal government has left it up to the states and local governments to come up with the money to pay for day-to-day expenses. For years, Ohio has simply ignored this. As a result, we have to continually raise fares and cut back services on people who cannot afford to dig deeper into their wallets to get to work.

### **Safety First**

While transit vehicles are built to last, there are limitations on what even the most skilled mechanics can do when the miles pile up. Potholes, weather conditions, and heavy usage take their toll on our buses quickly. When funds run dry, replacement parts come out of the scrap pile rather than the manufacturer. Corners get cut, and when it comes to critical safety features, lives are at stake. As you return home in your personal vehicles, think of the uneasy feeling you might have knowing that your mechanic used an inferior product when replacing your brakes. This is the plight of bus passengers and other vehicles and pedestrians in their wake on our roads if transit funding in Ohio is not immediately increased. Why are we waiting for a tragedy to occur before we do the right thing and provide our transit systems with the funding they need?

### **Conclusion**

It is time for the General Assembly to invest not only in our transit infrastructure, but also our citizens that rely on public transportation each day to live their lives. Without question, this is a self-inflicted mobility crisis, and we have officially reached rock bottom. The good news is that there is still time to dig our way out. Rather than turning a blind eye, let's lend a hand to our neighbors, friends, and family members who rely on the bus. It will be one of the smartest, safest, and most compassionate investments that we ever make.

Respectfully submitted,

Carly Allen  
Secretary  
Amalgamated Transit Union  
Legislative Conference Board