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## Ohio Association of Community Action Agencies

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> Testimony before the Senate Committee on Finance May 27, 2025

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Good morning, Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson, and members of the Senate Committee on Finance. I am Phil Cole, Executive Director of the Ohio Association of Community Action Agencies. I thank you for the opportunity to testify in support of an amendment to Am Sub H B 96 to restore language relative to car repairs for low-income families which was in the bill as introduced by Governor DeWine but deleted by the House.

The Ohio Association of Community Action Agencies represents Ohio's forty-eight Community Action Agencies serving every county in Ohio. Community Action Agencies are the primary providers of services to eliminate poverty and to assist those who suffer its ravages as they work to become self-sufficient. Ohio's Community Action Agencies provide a variety of services to our low-income customers, including job training and placement, Head Start, Emergency Rent Assistance, affordable housing, health care, transportation, home weatherization, the Home Energy Assistance Program, and many others.

Community Action Agencies serve about 600,000 individuals annually and our revenues are between five hundred and six hundred million dollars each year. We employ over 9,000 Ohioans.

The language we hope to restore will allow Community Action Agencies to work in partnership with the Ohio Department of Job and Family Services, automobile dealers and ASE certified car repair businesses to offer car repair services to our customers.

This deletion occurred before we began to get clarity on the extent of the new work requirements being imposed by the U.S. House of Representatives in important low-income programs. If there are to be work requirements, I ask the General Assembly to do what we can to help low-income people get to their jobs.

The language in the DeWine Budget was \$2 million of TANF funding for each year of the biennium. ODJFS supports the restoration of this language. This support for low-income people will fit in well with the work requirements being planned for both Medicaid and SNAP. If people



will need a working car to get to their jobs so they can have health care and food, I pray we offer that help.

We request this because many of our customers, while low-income, are employed or seeking employment and transportation is necessary for most employment. With major companies coming to and expanding in Ohio, we want to be certain our customers have access to those opportunities.

Will this work? Yes. We are currently operating a pilot program with twelve Community Action Agencies using WIOA funds partnering with ODJFS. The pilot has \$3 million and a goal of servicing 902 vehicles.

With four months left in the pilot, we repaired 740 vehicles. Of that number, 532 were for people who were already employed: eighty-four were in job training and 124 were in job search activities. We ran the pilot through Workforce Area 1, and they are tracking all participants for us. They will track these people for one year. The program works, and we are proving it works.

Also, in the pilot, we require certified mechanics to do the repairs because ASE certification is the standard of excellence in the industry. We will continue that in this program. This ensures, too, that the great majority of these funds will be spent with small businesses, which would put the money back into our communities.

Also, in addition to the pilot program, fourteen of our agencies serve twenty-seven counties that currently have car repair programs and want to expand them because they cannot meet the need. Another twenty-eight agencies serving another fifty-one counties want to start a program because of the need in their communities. The funding in this amendment would not allow us to cover all those counties but it would get us started in some and, we hope, strengthen the program in others.

As we created the pilot, we calculated costs with a maximum of \$2,500 per car for repairs. There is no magic to this number. We looked at costs in Ohio, including inspections and other charges, and decided this was the correct maximum. Anything over that would be the responsibility of the owner.

When I polled these forty-two agencies, they estimated the annual demand to be just under 4,000 repairs per year.

Allow me to explain some of the demand we see around the State. Please keep in mind that most of our agencies currently with repair programs do not advertise them because of limited funding. This work comes to us by word of mouth.



- Lifeline Community Action, our agency in Lake County, currently has about 70 cars repaired annually, as that is what they can fund. They believe that number would at least double with dedicated funding.
- Highland County Community Action has repaired 111 total vehicles through April. Ninety-two clients maintained employment after the repairs, and ten clients obtained employment after the repairs.
- Impact Community Action in Franklin County does repairs when they have funding. This is a very informal on-demand program. They arranged repairs for forty-six customers over a 12-month period. The average cost was \$1,700.
- Step Forward, our Cuyahoga County Agency, arranges repairs for about 100 cars per year at an average cost of about \$3,000. They believe that number would expand to about three hundred with dedicated funding.

As we worked it out with ODJFS, we are requesting \$2 million per year for each year of the biennium to fund these local programs through our training arm, the Ohio Community Action Training Organization. We know the program works at helping people get and keep jobs. And, as I said earlier, work requirements are becoming a bigger part of some low-income programs. We hope to make getting to work and keeping a job as easy as possible.

I will be happy to answer your questions.

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