Senate Finance Committee
HB 96 Written Interested Party Testimony
Shannon Cox, Superintendent
Montgomery County Educational Service Center
May 29, 2025

Good morning, Chair Cirino, Vice-Chair Chavez, and Ranking Minority Member Senator Hicks-Hudson. Thank you for the opportunity to submit written testimony on the education provisions in proposed HB 96, and some requests for additions to the bill. My name is Shannon Cox, and I am the Montgomery County Educational Service Center (MCESC) superintendent. We serve the needs of school districts and private schools (and their respective students) in and around the Montgomery County area.

RideSmart Ohio:
MCESC has been actively engaged in the Pupil Transportation Pilot Program established in the previous biennial budget bill (HB 33) and clarified through HB 250 in the 135th General Assembly. We are working to address student transportation challenges through innovative solutions. The RideSmart Ohio initiative and Consortium Transportation routes have promise as cost-effective and efficient alternatives for school districts struggling with driver shortages, rising costs, and compliance issues.

Attached to this testimony is are updates that highlight the program's progress (one through the first two quarters of FY 2025, and an update that includes progress into the current quarter), key challenges, and recommendations for sustaining and expanding its impact. **We are asking the Senate to retain language from the House version of HB 96 to continue this vital pilot program and with that, a $500K ($250K per year) appropriation in the coming biennium (FY2026-2027).**

In addition to extending the pilot with continued funding to allow time for optimizing operational efficiencies, refining replicable models, and expanding reach, we recommend expanding Work Based Learning Transportation: **Recognize transportation to career training sites as an eligible service under the pilot program.** This could become part of the Montgomery County ESC Pilot.

We appreciate the opportunity to participate in the Pilot Transportation program as one of two ESCs in the state seeking unique solutions to the growing pupil transportation challenges. We are confident that with two additional school years to extend our success, we will have the data and experience to help solve Ohio's more significant pupil transportation issues.

MISSION

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DriveSmart Ohio:
Governor DeWine's proposed budget (HB 96) highlights the need for affordable driver training opportunities for students while in high school. We agree, and in fact, in 2024, MCESC developed its driver education program to serve the students in our ESC service territory. Since September of 2024, we have been serving students. Attached to this testimony is a summary of our success thus far, along with estimates for start-up costs for other ESCs that might agree to sponsor their own program. Because of the work we've already invested in DriveSmart, such a program has become a turnkey, plug-and-play service, eliminating months of planning for other parts of the state.

We urge the General Assembly to provide funding for ESCs that wish to provide this service in other parts of the state and state purchasing contracts for ongoing cost savings to keep the cost to parents and students at a minimum. **We estimate startup costs to be $225,000.00 in each region.**

ESC State Funding
The MCESC is in support of the request by the Ohio Educational Service Centers Association (OESCA) regarding the ESC funding portion of the Fair School Funding Plan (FSFP). We respectfully request that the data used to determine funding for the ESCs across the state be updated to more accurately reflect the current work of ESCs and the costs for providing services to districts and students. Currently, the ESC portion of the FSFP is based on FY 2020 data.

Educational Service Centers provide services to public school districts and private schools around the state. In addition to the many fee for service programs we provide, there are also statutory requirements for services we provide on behalf of the state. We multiply the state's investment through direct ESC funding by a factor of eight when it comes to efficiencies and savings for districts.

We urge the General Assembly to fully phase in the ESC component of the plan, including the appropriate update of cost data. The cost to the state for this update would be relatively small in education funding space, and with that, the state would realize a significant return on the investment.

Regional Services
The "as-introduced" version of HB 96 included some significant changes to Ohio's regional educational delivery system (ORC Section 3312). The administration's proposed changes would have a significant impact on ESCs and the work we do on behalf of the state. We have been in talks with the Department of Education and Workforce about our concerns related to the original proposed changes to our regional services system in HB 96. While we agree that some change may be needed, **we are pleased that the House version of the bill removed the proposed changes to section 3312 to allow further discussion among stakeholders before making changes to the current system. We urge the Senate to retain the House changes in this area.**

This concludes our written testimony. Please feel free to contact us with questions.

TRANSPORTATION PILOT

- Funding Period: Aug 13, 2024 –May 13, 2025
- Prepared by: Montgomery County ESC
- website: ridesmartohio.com
- contact: ridesmartohio@mcesc.org

RIDE SMART
OHIO
Powered by MCESC

The Montgomery County Educational Service Center (MCESC) has been actively engaged in the Pupil Transportation Pilot Program, working to address student transportation challenges through innovative solutions. The RideSmart Ohio initiative and Consortium Transportation routes have promise as cost-effective and efficient alternatives for school districts struggling with driver shortages, rising costs, and compliance issues. This legislative update highlights the program's progress, key challenges, and recommendations for sustaining and expanding its impact.

CONSORTIUM ROUTE SUCCESSES

A consolidated route was established to transport students from two districts to the Ohio State School for the Blind and the Deaf.

Districts have seen cost savings by consolidating student transportation needs rather than maintaining separate routes.

Scaling this model can save districts thousands.

RIDE SMART
OHIO

	Typical Route to Columbus from Dayton Area (1 -2 students per district per bus)	Consortium Route to Columbus from Dayton Area (up to 9 students)
Miles one way	75	97*
Number of Weeks in a School Year (estimated)	36	36
Number of one ways/week for the driver (trips)	4	4
Number of hours/week for driver	6	6
Hourly rate for driver (estimated)	$25	$25
Standard mileage rate (estimated)	$0.67	$0.67
Cost per year in Miles (number of miles one-way x number of trips x standard mileage rate)	$7,236.00	$9,358.00
Driver Cost Per Year (number of hours per week x hourly rate x number of weeks)	$5,400.00	$5,400.00
Total Cost to operate the Route	**$11,124.00**	**$14,758.00**
Cost for 2 districts (1 Student Each)	$22,248.00	$14, 758.00 ($7,379 per student)
Cost for 3 districts (1 Student Each)	$33,372.00	$14, 758.00 ($4,919 per student)
Cost for 4 districts (1 Student Each)	$44,496.00	$14, 758.00 ($3,690 per student)
Cost for 5 districts (1 Student Each)	$55,620.00	$14, 758.00 ($2,952 per student)
Cost for 6 districts (1 Student Each)	$66,744.00	$14, 758.00 ($2,460 per student)
Cost for 7 districts (1 Student Each)	$77,868.00	$14, 758.00 ($2,108 per student)
Cost for 8 districts (1 Student Each)	$88,992.00	$14, 758.00 ($1845 per student)
Cost for 9 districts (1 Student Each)	$100,116.00	$14, 758.00 ($1640 per student)

**Shifts slightly as more districts add students to this route, with only minimal cost increases.

FLEET AND DRIVER DEVELOPMENTS

- Acquired minibuses; 9 passenger and 5 passenger wheelchair accessible minibus for larger consortium routes.
- Hired and retained 5 new drivers through targeted recruitment efforts.
- Implementation of safety measures that match and exceed the van driver requirements by the state including CPR:First Aid certification, strict vehicle inspections, and drug testing.

OPERATIONAL AND FINANCIAL IMPACT

	COMPETITOR	RIDESMART			
Scenario 1	1 STUDENT	1 STUDENT	2 STUDENTS	3 STUDENTS	4 STUDENTS
Passenger 1	15	15	15	15	15
Passenger 2			8	8	8
Passenger 3				7	7
Passenger 4					5
	15	15	23	30	35
Minimum Trip Cost	$77.00	$25	$25	$25	$25
Number of miles included in the base cost	12	6.25	6.25	6.25	6.25
Per mileage cost beyond that initial fee	$2.58	$2.50			
Cost To District	$84.74	$46.88	$92.00	$150.00	$192.50
Pay to Driver		$24.90	$55.20	$90.00	$105.00

	Current Ex.	Ride Smart
Round Trip Cost	$169.48	$93.75
Number of Days Trip is Made	176	176
Annual Cost	**$29,828.48**	**$16,500.00**
Cost Savings		**44%**

Feb. 2025 estimates given this 20-mile scenario and current costs. Subject to change. Does not apply to consortium routes.

RideSmart operates currently at no costs to districts. This has allowed us to evaluate and build a more cost effective alternative models to single passenger traditional bus transportation and private carriers. Creating a better option for unique transportation situations.

Goal 1: provide the safest transportation options for students.

Goal 2: return CDL licensed drivers to the driver pool reducing shortages.

Goal 3: reduce district cost by decreasing the reliance on expensive private transportation

Cost analysis models predict approximate savings on routes run through the ESC vs. Private Companies.

Extended time and funding needed to ensure sustainability and build a replicable scalable model.

Recommendations

- **Extend Pilot Program:** Provide additional funding to allow time for optimizing operational efficiencies, refining replicable models, and expanding reach.
- **Expand Work Based Learning Transportation:** Recognize transportation to career training sites as an eligible service under the pilot program
- **Increase State Support for Transportation Costs:** Investigate a reimbursement system similar to Oregon's model to reduce district transportation burdens for unique and specialized school placements.
- **Extend Transportation Responsibility:** Allocate funding to enable school choice, charter schools, private schools, etc. to manage their individual transportation, improving efficiency and flexibility.

Request for FY26

This model aims to establish a cost effective ridership system for school districts, significantly reducing expenses compared to current single rider options. Without a major overhaul of school transportation funding, we continue to recommend that ridership funds follow the student to their enrolled school. This program would operate as a substantially lower cost fee for service option.

Additional Investment Costs FY26-27		
Transportation Consultant/Subject Matter Expert (as needed)	$30,000.00	Provides specialized expertise on transportation regulations, efficiency, and strategy to optimize program operations.
Lead Administrator Salary and Benefits	$100,000.00	overseeing operations, compliance, and strategic direction
Technical Support (multiple personnel part time)	$40,000.00	IT and software support to ensure the smooth operation of routing systems, driver applications, and communication tools.
Driver Recruitment and Training	$40,000.00	Efforts to attract and vet qualified drivers, ensuring safety, compliance, and readiness for various transportation needs.
HR and Onboarding	$25,000.00	Managing hiring, background checks, compliance paperwork, and initial training for new employees.
Expansion Strategy	$30,000.00	Planning and executing growth into new rapid response, workbased learning partnerships, and creating a replicable model.
Vehicles	$200,000.00	Acquisition, maintenance, inspections, insurance, and operational costs of fleet vehicles used for transportation services.
Indirect	$35,000.00	administrative support, legal support and other general expenses necessary to grow operations.
Total Additional Costs	$500,000.00	

Report: RideSmart Ohio & Transportation Pilot

Reporting Period: January 1, 2025 –May 13, 2025
Prepared by: Montgomery County ESC
Date: May 13, 2025

Program Summary

RideSmartOhio is continuing its mission to provide flexible, student-centered transportation solutions across the region. This quarter marks meaningful progress as we grow our pilot efforts into more sustainable, cost-effective, and community-driven models.

Highlights

- **Over 30 Student Trips Completed Utilizing the App:**
  RideSmartOhio successfully completed more than 108 trips during Q3, serving a range of student transportation needs across multiple districts. With over 1399 local miles in addition to the consortium miles to Columbus weekly.

- **Active Driver Roster:**
  - 5 active, trained drivers are currently operating within the system.
  - One driver was released this quarter to maintain RideSmartOhio's commitment to high standards of safety and reliability.
  - We participated in an additional job fair on March 15, 2025
  - We have three new drivers in the pipeline for training.
- **New Partnership with Dayton Public Schools (DPS):**
  RideSmartOhio secured a transportation contract with DPS. Through this partnership, the district identified two key populations to receive service:
  - Preschool students
  - Students attending the Ohio State School for the Blind and the Ohio School for the Deaf.
- **Expanded Services**
  - **Consortium Route for OSB and OSD.**
    - 3 new students from DPS starting on March 31st
  - **Foster Youth:**
    - We began transporting a student in foster care from the Trotwood area to their home school district in Mad River, aligning with McKinney-Vento supports and demonstrating the program's ability to serve high-need, mobile populations.

- ○ **PreSchool Transportation:**
  - ■ We are transporting a student on the autism spectrum to preschool services.

Emerging Requests & Expanding Need

RideSmartOhio has seen a growing number of additional transportation requests that highlight the gap in accessible options for students and families:

- **Parent Requests:**
  Several families have inquired about transportation to **preschool extended services**, particularly in households where guardians are working during the day, lacking personal vehicles or public transit access.

- **Industry & Workforce Partners:**
  Local businesses and industry partners have reached out to request transportation solutions for **student internships**, aiming to ensure students without reliable transportation are not excluded from career-readiness opportunities.

- **Adult Education:**
  RideSmartOhio has also been approached to support transportation for **adult reading classes**, where learners often face the same barriers as K-12 students in reaching critical services.

Strategic and Financial Progress

- **Long-Term Pricing Model Developed:**
  A long-term pricing structure was developed this quarter, designed to reduce transportation costs for school districts by nearly 50% compared to traditional options for most trip types. This pricing model has been shared with partner districts and is being refined based on use case scenarios and route demand.

Policy Engagement

- **Legislative Outreach and Recommendations:**
  Based on early outcomes from the pilot, RideSmartOhio presented a set of policy recommendations to local legislators. These recommendations focus on:
  - ○ Sustainable funding models
  - ○ Flexible driver pools

    ○   Simplified compliance for non-traditional routes

Looking Ahead to Q4

- Recruit additional drivers to meet growing district demand.
- Support implementation of new contracts and continue outreach to new districts.
- Continue discussions with state legislators and explore funding/grant opportunities for scaling the program.