

Testimony to the House Finance Committee

Chairman Ryan Smith

April 15, 2015

By Joseph A. Calabrese

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My name is Joseph Calabrese and I am the General Manager of the Greater Cleveland Regional Transit Authority, better known as RTA. I have been in the industry for nearly 40 years and have been at my post for just over 15 years. RTA is the largest public transportation agency in Ohio. My employees, who reside in 16 of Ohio counties, serve approximately 50 million customers each year in Cuyahoga and several neighboring Counties

Public Transit in Ohio is a \$900 million industry that supports many manufacturers, suppliers and jobs. Just on the public side, there are approximately 41,100 employees driving, fixing and supporting our buses, trains and paratransit services, with many more working in the private sector under subcontracts with these public agencies.

Public transit gets workers to work, students to school, connects important destinations, drives economic development and provides mobility to many Ohioans that have no other mobility option due to economic realities or disabilities.

First of all I want to compliment House Finance Subcommittee and Chair Cheryl Grossman and the members of the subcommittee for their interest and examination of public transit funding in Ohio.

Secondly, I want to thank Governor Kasich and ODOT Director Wray for commissioning the Ohio Statewide Transit Needs Study in 2014.

This comprehensive, year-long study concludes that the State of Ohio significantly under invests in public transportation. The study also says that more public transportation is needed in Ohio to serve the needs of its residents and that more public transit will help Ohio compete with other states for jobs and job talent.

The Study concludes that this need for more public transit services is critical in both the State's rural and urban areas. And also sounded the alarm for the significant backlog with respect to public transit infrastructure. For example, more than 1/3 of the 2,700 buses in the State are being operated beyond their useful life. The study recommends Ohio flexing additional federal dollars to assist with this needed replacement of buses and for other related infrastructure needs.

As a result of this underinvestment, at least two issues call for attention: one - significant mobility needs are not being met and two - employers are and will have increasing difficulty attracting and retaining workers.

In fact, although approximately 60% of all public transit trips are work-related, there are many Ohioans who can't work, because they can't get to work, due to inadequate levels of public transit service.

What is the severity of this underinvestment?

- Between 2002 and 2015, the State's annual GRF investment was reduced from \$43 million to \$8.3 million. As a result of these cuts in State Funding and the effect of the recession, many transit systems were forced to cut services by as much as 20% and raise fares as much as 50%.
- While the typical state provides 20% of the transit needs in their state, Ohio's investment is at 8/10 of 1 %.
- Not only does Ohio's per capita contribution of 62 cents per capita falls between the levels of South Dakota and Mississippi, but it compares very poorly to the \$57.71 average of our neighboring states of similar population which are Illinois, Pennsylvania and Michigan. While ODOT has tried to flex limited Federal dollars to transit infrastructure, Ohio's constitutional restrictions on the use of state collected gas tax funds has made it a difficult task to provide what is needed to transit.

Why should Ohio invest more in public transit?

- If Ohioans can't get to jobs, or to educational institutions, Ohio's economy will move backward, and not forward.
- The need and demand for transit is changing due to demographic changes and cultural preferences. Millennials, for example, are much more interested in living in cities where walking, biking and public transit are viable transportation choices. If the State of Ohio does not give them the amenities that they want, they will simply move to locations that will. I contend that Ohio can't afford to let that happen.
- In many portions of Ohio, access to healthcare is compromised due to inadequate public transit services. Health and human services are increasingly focused on serving people in their communities and encouraging the elderly to age in place. Implementing these programs require a corresponding investment in public transit.
- There are 27 rural counties in Ohio that do not have any public transit services today, literally stranding thousands of rural senior citizens and those who are economically disadvantaged.
- Public transit is playing an increasingly important role in attracting tourism and tourist dollars. In Greater Cleveland, we would not have been able to attract major tourism activities such as the Senior Games, Gay Games or the 2016 RNC without a comprehensive public transportation System. The significant challenge today is to continue the viability of our system due to lack of capital dollars to keep our infrastructure in a state-of-good-repair.

The Transit Needs Study calls for more transit, and more funding for transit from the State of Ohio over the next 10 years. We understand that it will likely be a marathon and not a sprint.

The study suggests that existing ODOT resources be further directed to transit infrastructure needs.

The study suggests a move to further regionalize transit services and enhance coordination.

The study suggests the establishment of a Blue Ribbon Funding committee to identify and forward a plan for dedicated statewide funding for transit.

I am here today to ask that you fully support the recommendations in the Statewide Transit Needs Study and fully support the Governor and ODOT's implementation of these recommendations.

The real question is not if the State of Ohio can afford to invest more in public transit, but if the State of Ohio can afford not to.

There is one additional item we ask for consideration. ORC 306 would permit public transit authorities to accept funds from philanthropic sources and foundations. Accepting such contributions is currently allowed for County Transit Boards, but is prohibited for Transit Authorities. Allowing the acceptance of resources from such entities will certainly not address the total funding crisis, but in certain unique circumstances, may provide some benefit.

Thank you for your time and attention.