

Dear Senators,

I serve on the Trumbull County Senior Services Advisory Council (SSAC), which recommends legally compliant Senior Tax Levy expenditures. I am testifying as an individual, and including what the SSAC emailed the transportation committee.

Trumbull County has been using senior tax levy funds for twelve years by transferring levy funds to be used toward the entire transit system and its administration. (Page 26 of the request for Atty. general opinion attachments describes the transit board holding the senior tax levy funds hostage best on page 26 where it states, "***The TCTB cannot function without receiving that contribution from the Senior Levy. The TCTB has processed with the Federal Transit Administration using Mark Hess as its grant writer for a Federal Transit Administration reimbursement grant which is based upon receiving the \$635,000.00 as a local match required for the grant.***")

The SSAC and I questioned the legality of the transfer of senior levy funds to the Trumbull County Transit Board (TCTB), and asked that the Trumbull County Board of Commissioners request a prosecutors opinion in February, 2018. The answer was inconclusive in several aspects. We then requested that the commissioners seek an Attorney General opinion, so they did, in October of 2018.

Immediately thereafter, lobbying efforts, by the twelve year vendor to change the law for his benefit, began to ensure continued profit from the Senior Levy funds and grant revenue generated from the funds.

**This proposed legislation does not benefit the tax payers or senior citizens. It is an effort to legitimize an improper use of tax levy funds which has been ongoing in Trumbull County.**

This is an effort to change the law relative to utilizing local tax levy funds for leveraged grant funds ahead of a decision being rendered by the Ohio Attorney General. It is unfair and untimely change a law before an AG opinion comes out. Staff at the AG office disclosed that the opinion will be rendered soon.

*This is also an effort to undermine results of a federal complaint that is being investigated relative to misrepresenting the legality leveraged funds in an Federal Transit Administration (FTA) grant application. This, too, has been going on for years.*

**When funds for senior citizens are transferred to be used as leverage funds, the strings attached to those grants adversely affect the service delivery to the senior citizens. The transferred senior levy funds are then pooled for a larger countywide transit system in which rides cannot be prioritized, per FTA regulations.** *For example, a ride for a senior citizens who needs a blood transfusion, kidney dialysis or requires prescription refills can not be given priority over an able bodied young person who calls for a ride to the shopping mall. This is an all too common complaint in my county. Though senior citizen levy monies are used to*

**fund the transit system and generate the revenue, FTA rules also prevent ride fares from being waived for senior citizens.**

**Legalizing the transfer of senior levy funds to the a transit board prevents quality control. The Senior Levy administrator and/or levy councils cannot ensure seniors get rides they need, or the flexibility to manage the transportation needs of seniors.** For example, senior levy funds were sent to the transit board last year (against the SSAC recommendation). Currently, the vendor made too many trips and is owed other monies, the transit board FTA application has not been processed, and they are REFUSING medical rides to senior citizens, because they are “at capacity.”

What if a transportation levy fails in a county, as it did in mine? Under this proposed legislation, **senior levy funds can be diverted from senior services to sustain a transit board.** Up to 30% has been hijacked from from the Senior Levy funds and transferred to the transit board.

*Unfortunately, the above are not hypothetical circumstances “if” this legislation passes. This is what happens in my county because what is being proposed in this legislation is already going on without legislative authority! Please do not make this legal!*

**The amendment is unfair to the senior citizens, and it is unfair to the voters, who approved the senior levy, presuming that (per Ohio Levy law) only the “object of the levy” would benefit.** *The proposed legislation may be contrary to the current levy law, in that transit board administration can be funded, in large part, by senior levy funds and its generated revenue. The lack of required disclosure on the tax levy ballot for the proposed new use of senior levy funds violates the public trust.*

The cover letter of this amendment reads, “We have found a permissible funding source which can greatly increase the ability for local governmental entities to raise transit dollars.” **The truth is- there is no NEW funding source.** *For twelve years, Trumbull County has unlawfully funded public transportation using Senior Levy funds for the county wide public transportation purpose. Legal questions have been raised about their prior and continued use and are currently awaiting the AG opinion.*

**This proposed change sidesteps the AG opinion, opposes what the Trumbull County Senior Levy Council wants, and is contrary to Ohio Levy Law, in that it does not require disclosure on the ballot levy language reflective of the changed allowable use of tax levy funds.**

**Please protect tax payers, and do not allow levy funds to be used for purposed outside of the scope of the ballot language.** Our local senior levy funds grant revenue generated are are used used to subsidize the cost of all public transportation, board administration, including lobbying activities to benefit the twelve year vendor. *This was done last year contrary to our recommendation, and is done at the expense of quality transportation services in which senior citizens are priorities.*

*It is poor policy to change a law for the profitability of one vendor, and to sidestep the AG opinion. To quote the vendor, Terry Thomas of Community Bussing Services, who as been financially benefitting for twelve years from utilizing senior levy funds as leverage for grant funds that increase his profits in reference to what, “will be law,” “It’s gonna be done, and it won’t matter what the attorney general says.”*

<https://www.trumbullcountytransit.org/#meetings-archive>

(56-57 minute mark of the November 29, 2018 Trumbull County Transit Board meeting in the link attached.)

*Senior levy funds are used for the administrative and consulting costs associated with overseeing the entire countywide transportation system. **ALL levy funds and revenue generated should be legally compliant and benefit the object of the levy only.***

At this point, not only does the senior levy council and the board of commissioners question the use of these funds in this purpose, but the Federal Transit Administration has also begun questioning the legality of using Senior Levy Funds in the application.

**Please wait for the Atty. General Opinion, and eliminate this amendment.**

The Trumbull County Senior Services Committee and I oppose the attached bill for the following reasons:

- 1) **Passing legislation to legitimize an unlawful practice ahead of an pending Attorney General opinion is ill intended.**
- 2) **Passing legislation for the benefit of one board and one vendor violates the public trust.**
- 3) We believe **this legislation will encourage the same activity in our county, which is using Senior levy funds for non senior services**, such as administration for overall county transit services.
- 4) We believe **this legislation furthers the existing threat to to the integrity of Senior Tax Levies**. Necessary senior services, such as home delivered meals, in home care, and adult protection, provided by smaller organizations, may have their funding diverted to local transportation due to lobbying efforts by the vendor to capture more grant funds — thus increasing his profits. **It will harmfully impact other services that already have waiting lists. It will not increase our senior transportation services. It will not improve service delivery. And it will not decrease our senior transportation cost per unit.**
- 5) **The legislation competes with Tax Levy Law, and lacks transparency.** *It does not require disclosure on the local ballot levy for the change in allowable use for tax levy funds.*

The SSAC and I respectfully request the following:

- 1) **That the proposed legislation be defeated**, or be altered to protect senior citizens, and promote transparency as detailed below:
- 2) **That the proposed legislation be tabled until the AG opinion is rendered**, and modified to include the items below.
- 3) **Any proposed legislation include language that requires local levy ballot disclosure** of: a) the specific new activity being requested (example: “used as matching funds for transportation grants,”) and b) the maximum percentage of the levy funds raised that may be used for said activity. (As presented, 100% of funds may be transferred and used for new purpose)
- 4) Any proposed legislation, consistent with the purpose of the levy, should include language that prevents or extremely **limits grant funds raised with levy funds from being used toward administrative or professional consulting costs of the transit authority or board**. The maximum amount should be a pro rata share per unit of service consumed by the population that is the object of the levy.
- 5) Any proposed legislation should **include language that requires the separation of levy funds, and grant funds into a separate fund for accounting purposes to ensure that only the object of the levy is benefited.**
- 6) Any proposed legislation should **include language that explicitly defines that all grant funds raised must be used for senior services only**, again excluding countywide transit administration.
- 7) Any proposed legislation should **include language that will prevent taxes raised in prior years from being subject to use under current changes.** Only funds raised after a local tax levy, with proper disclosure could be used for leverage funds, per the new legislation. It should not be retroactive.

Thank you for your time, attention and consideration.

To add, proponents of the legislation (the vendor, his agents and politicians he supports) have been erroneously stating that this activity is done “All Over Ohio.” **IT IS NOT done anywhere else in Ohio, it never should have been done in Trumbull County, and it should NOT happen anywhere. If you defeat this legislation, the senior transportation in my community will improve.**

Respectfully,

*/s/ Niki Frenchko* LSW, MPA,

Enclosures: Transportation Amendment, Atty. General Opinion request w/documentation