

OHIO HOUSE FINANCE COMMITTEE

Interested Party Testimony on HB 74

February 17th, 2021

Chairman Oeslager, Vice Chair Plummer, Ranking Member Crawley, and members of the committee, thank you for holding this hearing and for the opportunity to provide testimony.

Good afternoon, Chairman Oeslager. My name is Carrie Woody and I am the Director for Lancaster-Fairfield Public Transit in Fairfield County. I come to you today to testify on behalf of my public transit agency, my community, and to represent the other rural transit systems in Ohio to respectfully request that you keep public transit funding at the current level of \$70 million. Transit systems in Ohio rely heavily on this funding which I will detail out for you over the next few minutes, however, before I begin, I would like to give you a brief overview of what we do in Fairfield County.

As a rural 5311 agency, we provide demand response transportation throughout Fairfield County. For demand responsive transportation, anyone can call us to request a ride for any purpose and we will go curb to curb or door to door to get them where they want to go.

In addition, we offer five deviated-fixed routes. These routes create easier access to our industrial parks, medical facilities, retail and food service jobs with hourly stops Monday through Friday, yet allows us to deviate up to $\frac{3}{4}$ of a mile from the route to keep the transportation accessible for individuals with disabilities.

In 2019, we provided 129,764 rides with 25 buses for a total cost of \$1.8 million. State funding represented 11% of that operating budget (\$191,139). To give you an idea who is using our transportation, I will tell you that 44% were elderly and/or disabled passengers and over 30% of the total rides were work related. In 2020, even though a pandemic, we still provided 89,357 rides with 40% of those being for elderly/disabled passengers and over 40% for employment. So, as you can see, we provide a vital service for our community.

If you're not familiar with rural transit system or 5311 funding formula, we are required to have 50% of our total operating cost in local funds to match 50% federal funds. As I mentioned previously, in 2019 the state investment was 11% of the local funds. Unlike most of your urban transit systems like COTA, Cleveland RTA, Cincinnati, etcetera, as a rural transit agency we don't have a source of dedicated funding for a local match. You will find this to be consistent throughout most rural and small urban transit agencies. Since we don't have dedicated funding, we use a combination of local government funds (when we are able to get them), revenue from contracted services with human service agencies such as JFS or DD agencies, we sell advertising on our buses, use in-

kind matches whenever possible, and did you know that there are some rural agencies that even have bake sales to try and get additional local funds? As you can imagine, having such volatile funding from year to year makes it extremely difficult to create any type of long-range planning or to change how we operate. We never know how or where we are going to get our local funds to draw down our matching federal dollars or when those local funds could change or disappear.

With the \$70 million in State funding, transit systems across the state were finally able to start changing how we operate. For example, Lancaster-Fairfield was awarded funds to start commuter service along the 33 corridor to the Rickenbacker Industrial Park. This is a service we've wanted to implement for six years. We had been working with the Fairfield County Economic Development Director, the Mid-Ohio Regional Planning Commission, our local Ohio Means Jobs at JFS and employers to create this opportunity but just couldn't come up with the funds to implement.

In addition, we were able to purchase and implement an electronic fare payment system! Until last year, we were still archaic times with cash only fares! We had no way to accept credit cards or have any type of electronic passes. If you come from a social service background, you will know that benefits are distributed in EBT cards, so our passengers were paying \$5.00 to \$10.00 bank transaction fees to get cash to pay \$2.00 cash bus fares. Yes, I know this sounds ridiculous, but we didn't have the means to purchase and/or implement any other fare management system. Now those EBT cards

can purchase electronic fares without being overcharged in bank transaction fees.

Neither of these projects would have been made possible without the \$70 million in state funding for transit.

You will hear similar success stories throughout the state of what we've been able to do over the past two years thanks to this funding, including 13 other agencies that implemented electronic fare systems and numerous agencies that were able to add valuable service for their local communities, but for the sake of time, I won't list them all.

I would however like to address the Cares Act funding we received.

I feel there is a huge misunderstanding on how we utilized the Cares Act funding we received in 2020. As you now know, if we as rural transit agencies don't have local funds, we don't get our matching federal funds. When the State started closing businesses to help limit the spread of the virus, we were still operating. We were still taking essential employees to work; we were still taking medically fragile individuals to chemo and dialysis. We were still taking people to get food and medication. In addition, we were now taking individuals to get COVID testing. Our cost of doing business severely increased by purchasing necessary PPEs for our drivers, disinfectants, and electrostatic sprayers to keep buses safe, and were adding vehicles to routes to have passengers socially distanced. While the cost of business drastically increased, we were losing local revenues. Social service agencies were closed, so we weren't

receiving any contract revenue, local businesses were either closed or struggling to stay open, so we lost our advertising revenues, and local governments were struggling and therefor not able to help contribute to our local matches either. Had it not been for the Cares Act funding to replace our local revenues, we would have folded. There was no way for us to make up the loss of our local funds, and no way to cover the added expenses to keep our workers and passengers safe.

...and we aren't finished. We are so excited to have a vaccine and I know my staff is extremely anxious to get added to the list of recipients, but in addition to taking people to get tested, we are now being asked by our local health department, EMA, Board of Developmental Disabilities and Aging Agency to provide transportation to vaccination sites. This too is an added expense that does not come with added reimbursement without Cares Act funding.

In closing, I am hopeful that I was able to demonstrate why keeping State transit funding at \$70 million is so important to the smaller transit systems and why the Cares Act funding should not be considered when passing our State budget as one does not affect the other.

Mr. Chairman, I thank you and the Finance Committee for your time, your ears and your consideration. I am now open to any questions. Thank you.