



Building on Momentum:

An Argument for State Investment in Public Transit in Ohio

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Greater Ohio Policy Center
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Background

Public transportation is a vital link for millions of Ohioans. In the four years preceding the COVID-19 pandemic, Ohio's 65 public transit agencies averaged more than 100 million trips per year, provided to residents in 84 of Ohio's 88 counties.

One-time investments from the federal government in 2020 and 2021 helped keep transit agencies solvent and will enable agencies to address maintenance backlogs and modernize vehicles over the next five years. However, transit systems—in rural and urban Ohio—continue to require operational support to adequately address the needs of existing riders and to plan for future riders.

Since FY2020, the Ohio General Assembly has invested a record \$141.5 million in Ohio's public transportation agencies. This has been an important down payment for Ohio's future, but now is not the time to pull back support for public transportation.

Expansion of transportation services—particularly in rural communities—will require investment by the state through GRF funds.

GOPC recommends that state policymakers increase GRF fund allocations to public transportation to at least \$75 million per year for system operations, or \$150 million for the biennium.



Why it is Important to Increase Funding for Transit Now

Between FY2009 and FY2019, state GRF funding for public transportation was reduced by 55%. By FY2019, Ohio's transit agencies were providing 20% fewer rides than a decade earlier, presumably because agencies did not have the resources to meet demand. In other words, fewer resources meant fewer rides, despite growing demand.

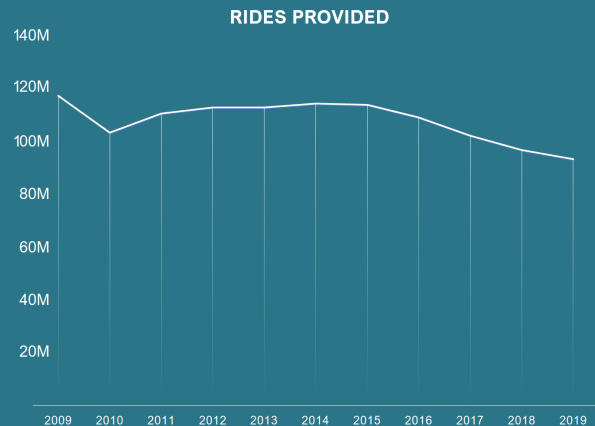
Shortage of reliable workers

Workforce challenges are complex but many employers in Ohio realize that access to reliable transportation is one significant factor that limits their pool of potential workers. A recent study by Fund for Our Economic Future called "Where are the Workers" found that 27% of unemployed individuals surveyed considered a lack of transportation an important barrier to finding and keeping a job. This lack of options impacts the bottom line of businesses when they cannot attract and retain dependable workers.

Several counties and cities around the state have established bus lines to serve job hubs. WorkLink in Butler and Hamilton counties, community foundation funding in Troy, Sandusky's Orange Line, and the Groveport Rickenbacker Employee Access Transit (GREAT) all connect workers to employment centers.

To continue to attract high-paying international companies to Ohio, local communities must be able to connect workers to jobs; state funding is critically needed to make those connections.

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Growing number of rural elderly and disabled residents need transportation

While some of Ohio's rural transit systems experienced ebbs and flows in ridership figures from 2009 to 2019, many systems experienced significant growth. The number of Ohioans needing public transportation is expected to increase as the state's population continues to age, especially in rural and ex-urban communities.

Rural Population Decline, Ridership Increases, 2008-2018

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total Population of 5 Counties	345,153	344,755	345,099	345,043	344,152	333,729	342,855	341,813	340,692	339,960	339,460
Change in Population Year Over Year	-	-0.12%	0.10%	-0.02%	-0.26%	-3.03%	2.73%	-0.30%	-0.33%	-0.21%	-0.15%
Total Ridership of 5 Counties	838,442	630,989	646,670	693,927	767,581	754,493	1,051,731	1,153,755	1,136,113	1,317,419	1,059,778
Change in Ridership Year Over Year	-	-24.74%	2.48%	7.31%	10.61%	-1.71%	39.40%	9.70%	-1.53%	15.96%	-19.56%

GOPC reviewed five rural counties, comparing population trends and transit utilization from 2008 through 2018. Each of the five counties reviewed (Athens, Columbiana, Darke, Ottawa, and Ross counties, experienced a loss of population over the decade reviewed, losing an average of 0.17% (or 2,336 persons) over the 11 years reviewed. However, each county also experienced an increase in the total number of riders on their public transit systems, with each system gaining an average of 3.79% over the same 11 year period. Data from the Ohio Department of Transportation and the U.S. Census Bureau.

Success of Ohio as a national pilot requires strong transit performance

In 2022, Ohio launched a pilot called Mobility Ohio. This project will create a one-stop hub for human service transportation, such as shuttling elders to the doctor or children to school. The pilot will consolidate fragmented programs scattered across 14 state agencies and make these services more cost-efficient; they currently cost the state ~\$500 million annually.

and an ineligible ride, providing non-human service transportation rides will be important for the overall success of the Mobility Ohio pilot. To ensure the success of this national pilot and position Ohio for future funds, Ohio’s rural transportation systems will require additional operating dollars from the state.

At the same time, Ohio’s urban systems are dramatically modernizing the way they serve their regions. More frequent service along highly populated corridors will reduce congestion, connect more workers to high-demand jobs, and make Ohio’s urban areas attractive to potential employers. Like their rural counterparts, Ohio’s urban systems will require state investments in operations to complement the federal capital investments.

The Maze of State Human Service Transportation

Our research to date has confirmed the complexity of HST programs administered in Ohio.¹

Statewide Stats



3,600+
Entities provide HST in Ohio



88
Counties administer HST funds locally



14
Ohio state agencies receive and administer federal HST \$



12+
Federal agencies provide HST \$ to Ohio via 130+ federal programs

Ohio has a variety of state human service transportation providers, operated by a variety of state, county, and locally-administered agencies. Image courtesy of Mobility Ohio.

Mobility Ohio is expected to increase demand for rides not covered by human service transportation contracts. Because most riders are not able to distinguish between an eligible human service ride

Current Funding for Public Transit

Local funding options

Farebox collections, local grants, or local government allocations support operating costs but typically do not fully cover the true cost of providing a ride, especially for systems that provide “dial-a-ride” services at a modest cost.

The limited availability of local funds also prevents systems from providing adequate match for competitive federal dollars, resulting in funds available to Ohio communities being “left on the table.”

State funding sources

Between 2010 and 2019, Ohio averaged less than \$8 million per year in state funds for transit (\$78.5 million for the decade). Beginning in 2019 (FY20), Ohio's General Assembly showed bold leadership and substantially increased state funding for transit to \$37 million annually (\$141.5 million in GRF from 2019 to 2022).

However, a substantial portion of the state's current funding, a set-aside of \$33 million per year of federal 'flex funding', has limited use. Most of the state and federal funds available to systems are for capital expenses, not operating expenses.

Federal funds are one-time dollars

In response to the COVID-19 pandemic, the federal government authorized special funding for transit systems nationwide, issued through a per-capita formula. The American Rescue Plan Act (ARPA) provided nearly \$414 million to Ohio's transit systems. These funds paid for personal protective equipment expenses and other operating costs. Importantly, the ARPA funds helped systems avoid job lay-offs and service reductions, which kept essential healthcare, service and manufacturing workers on the job.



In late 2021, the federal government enacted a new 5-year transportation budget, dubbed the Bipartisan Infrastructure Law (BIL). Between 2022 to 2027, BIL will invest \$1.2 billion in Ohio's 65 transit agencies to improve system safety, modernize fleets, reduce emissions, and improve services for communities that

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have historically had more limited access to transit.

While the ARPA and BIL investments are much needed, these one-time funds cannot replace state investment. Contracting state support for transit would negate the important gains Ohio's transit systems have made to modernize and expand service availability.

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Invest in Ohio's Future

Transportation is a vital component of Ohio's economic engine. In order to meet market demand for 21st century transportation options, Ohio must prioritize and diversify its transportation network to better connect workers to jobs and connect rural residents to resources and amenities in their region and beyond. Ohio must invest in public transit.

About Greater Ohio Policy Center

The Greater Ohio Policy Center (GOPC) is a statewide nonprofit organization with a mission to improve Ohio's communities through smart growth strategies and research. Our vision is a revitalized Ohio. GOPC is highly respected for its data-driven, nonpartisan policy analysis, research expertise, and policy development and regularly provides expert analysis to public, private, and nonprofit leaders at the local, state, and national level.

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