Committing to Ohio’s Commuters:
The Transit Ticket to the New Energy Economy

Executive Summary

Transportation spending should reflect the positive role public transit can play in creating a more equitable, vibrant and sustainable Ohio. In this recession, investing in mass transit can be one part of a much needed economic infusion. Public transportation is not only more energy-efficient than passenger vehicle transportation, it also spurs economic development, employs people, assists firms and workers with transportation needs by providing a low-cost commuting option, reduces urban sprawl and congestion while increasing urban vitality, and is far less harmful to the environment than having every commuter drive a car. The Surface Transportation Policy Project estimates that for every $1.25 million spent on public transportation projects, approximately 51.3 jobs are created—nearly 19 percent more jobs than new roads or bridge projects create, and almost nine percent more than road or bridge repair and maintenance projects. Plus, Ohioans are currently sending at least $8 billion out of our state’s economy, each year, in order to import fuel for highway travel. High summer gas prices lured many Ohio drivers to mass transit in order to lower their cost of commuting. Unbelievably, at the same time ridership was increasing, further cuts were being made to the already inadequate state of public transit due to rising operating costs from increasing fuel prices and a lack of state investments in public transportation. In order for public transportation to become a viable option for Ohioans, riders need to feel confident they can rely on public transportation services to get where they need to go, in a timely fashion.

Transit passengers use public transportation services primarily to get to work. Respondents to a small survey we conducted of Ohio’s transit agencies reported that urban area transit riders use public transit services primarily to commute to work. According to Joe Calabrese, CEO of the Greater Cleveland RTA, 52 percent of Cleveland’s riders choose public transit over private vehicle commuting, while 38 percent are dependent on transit to get to work, see doctors, and get the health care they need. Calabrese adds that “[f]or the transit dependent, cutting services may leave them with no transportation choice at all.” In rural areas, disabled riders and senior citizens make up most of the ridership. According to Stephen Murphy, the Transit Manager for the City of Middletown, a number of these riders “would have serious trouble functioning in a dignified manner without our service.” Nationally, 59.2% of transit trips in 2007 were for work purposes, 10.6% for school, 8.5% for shopping or dining, 3.0% for medical or dental, 6.3% for personal business, and 6.8% for social trips. The vast majority of transit passengers are employed (72.1%), while 10.7 percent are students, and 6.7 percent are retired.

Volatile fuel prices hit working families hard in Ohio. According to the 2007 American Community Survey, 83 percent of Ohioans drive in their car alone to commute to work. At July’s fuel prices, an Ohio family earning the median income spent between 8.2 and 17.6 percent of pre-tax dollars, depending on geographical location and number of drivers in the household, just for essential trips like commuting to work, picking up groceries, and getting to health care appointments. High fuel prices hit Ohio’s low-income working families even harder. A single individual making the minimum wage, working 40 hours a week, would have earned $14,560 in 2008 (before taxes). If that individual lived in the Cleveland area, she would have had to spend 30 percent of her pre-tax income to drive a car for her essential trips, based on last summer’s high fuel prices. Nearly 46 percent of Ohio’s transit commuters earned less than $15,000 (in 2007 inflation-adjusted dollars). Not surprisingly, nearly 40 percent of employed public transit riders are transit dependent.

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Public Transportation could be a low-cost, environmentally friendly alternative to passenger-vehicle transportation, but the state of public transit in Ohio is lacking. As Ohioans turned to transit when gas prices increased, public transit systems were cutting services. High summer gas prices increased the demand for public transportation in Ohio, but simultaneously forced Ohio’s transit agencies to cut its already inadequate level of services because of the associated increase in operating costs. According to data collected on most transit agencies in Ohio, as fuel prices increased rapidly from May 2007 to May 2008, the number of public transit rides taken by Ohioans increased five percent. During the same period, the number of transit vehicles operated by these agencies declined six percent, while the miles travelled by transit vehicles declined eight percent. In a small survey of Ohio’s transit agencies, conducted in the fall of 2008, both urban and rural respondents unanimously reported an increase in ridership, but eight out of twelve transit authorities were reluctantly cutting or considering cuts in hours, routes, or vehicles in operation, while others were putting expansion plans on hold or considering fare increases, citing a lack of revenue to cover rising expenses.

State funding for public transportation in Ohio has declined significantly over time—almost 50% from 1998 through 2007 (when adjusted for transportation-related inflation). Ohio ranks 40th in the nation in state public transit spending as a percentage of total state transportation dollars expended. Less than one percent of Ohio’s state transportation dollars go towards public transit. Ohio spends less than half of what Indiana spends on public transportation, 5% of Illinois’ expenditures, and less than 3% of Pennsylvania’s spending. Ohio public transit relies instead on local funding sources such as sales and property tax revenues, which are difficult to procure and flagging due to the downturn in the economy.

Recommendations to improve the state of public transportation in Ohio include creating a dedicated source of funding for public transportation purposes, increasing state funding for public transportation, making public transportation a priority, and investing in “Clean and Green” technology. Ohioans should amend the state constitution to allow 20 percent of the state’s gas tax revenues to go towards increasing public transportation services. Economic development officials should require businesses seeking financial assistance from the state to locate in transit-accessible spaces where they will have access to a larger workforce. And the state should support the Ohio “Clean and Green” Initiative to purchase 500 clean and environmentally-friendly electric or bio-fuel propulsion buses over five years.