

## **Trumbull County Senior Services Advisory Council**

2931A Youngstown Rd., SE • Warren, Ohio 44484

Ph. 330-675-7846

Fax 330-675-7865

---

March 7, 2019

Attached please find the proposed Ohio legislation to legitimize an improper use of tax levy funds which has been ongoing for twelve years in Trumbull County. I am writing to ensure your awareness that 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. Many believe this legislation request is unfair and untimely. It is also an effort to undermine results of a federal complaint that is being investigated relative to misrepresenting leveraged funds in an Federal Transit Administration (hereafter represented as FTA) grant application.

The attached letter, sent to Dr. Marchbanks, misrepresents the sentiments of the Trumbull County Senior Services Advisory Council (hereafter represented as SSAC) which recommends Senior Tax Levy expenditures in Trumbull County, Sean O'Brien's district.

The cover letter 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 Trumbull County. For twelve years, Trumbull County has 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 in this fashion and are currently awaiting that opinion.

Rather this is an attempt by Senator O'Brien, to change a law for the benefit of one contractor and a Transit Board that may be disbanded. This legislation is an effort to legalize Tax Levy Law probable violations prior to a requested Ohio Atty. General opinion being rendered, and to mitigate the potentially damaging outcome of Federal Transit Administration reviews of the Trumbull County Transit Board. We are disappointed by the antics of the Trumbull County Transit Board (hereafter represented as TCTB), the vendor Community Bus Service Inc. (hereafter represented as CBS), and now by Senator O'Brien, as is our community, (see attached articles).

This proposed change not only sidesteps the AG opinion, opposes what the SSAC members want, but it 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. What happens in Trumbull County, is that Senior Levy funds are redirected from the Trumbull County Commissioner budget to TCTB, and are used as leverage funds to bring in federal and state funds that is subsequently used to subsidize the cost of all public transportation, transit board administration, including lobbying activities by Mike Verich for the benefit of himself and CBS, as a contracted

---

*Appointed by the Trumbull County Commissioners  
Supported by the Trumbull County Senior Levy*

employee of TCTB. This is done without full support of our council, and was done last year contrary to our recommendation.

We believe it is underhanded to change a law for the profitability of one vendor, and to sidestep the AG opinion. To quote the vendor's CEO, Terry Thomas of CBS , who has 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," and "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.)

What is particularly troubling is that the lobbyist working on changing the law is a contracted TCTB employee of which TCTB receives the levy funds as the largest provider of its budget. Senior levy funds are being used for the administrative and consulting costs associated with overseeing the entire county wide public transportation system as opposed to only funding services for the senior population of Trumbull County as the ballot language reads.

At this point, not only does our 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 as match money.

We do not believe any Senators, aside from O'Brien, are familiar with the history and background for which this bill was introduced, the local political relationships, the current investigations and citations, and pending Ohio Atty. General opinion. We believe that Senator O'Brien's tactics are highly manipulative and misrepresent the local best interest. His letter also states, that he has "consulted with constituents and leaders," yet he never reached out to the SSAC whose funds are targeted for legal transfer if this legislation were to pass.

We oppose the attached bill for the following reasons:

- 1) Passing legislation to legitimize an unlawful practice ahead of a 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 public transit services.
- 4) We believe this legislation furthers the existing threat 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 its profits. It will harmfully impact these other services that already have waiting lists for service. It will not increase our senior transportation services. It will not improve our service delivery. And it will not decrease our senior transportation cost per unit.

- 5) The legislation seems to compete 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.

We respectfully request the following:

- 1) That the proposed legislation be defeated, or be altered to protect senior citizens, 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) include a 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 a transit authority or transit 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 the object of the levy is maintained and 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 additional countywide transit board 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.

Thank you for your time and consideration. We will be able to answer questions, or discuss any thoughts surrounding this matter. Additionally, someone from our council should be available to give testimony if requested.

Respectfully,



Niki Frenchko  
Transportation subcommittee Chair  
Trumbull County Senior Levy Advisory Council

Senior Services Advisory Council (this letter approved at 3.6.2019 special meeting )





**Ohio Senate**  
Senate Building  
1 Capitol Square  
Columbus, Ohio 43215  
(614) 466-7182

**Committees:**  
Energy and Natural Resources, *Ranking Member*  
Agriculture, *Ranking Member*  
Judiciary  
Ways and Means  
Public Utilities  
Finance Subcommittee: General  
Government and Agency Review, *Vice Chair*

**Sean J. O'Brien**  
State Senator  
32nd District

February 14<sup>th</sup>, 2019

**Dr. Jack Marchbanks, Director**  
**Ohio Department of Transportation**  
1980 West Broad Street  
Columbus, OH 43223

Dear Director Marchbanks,

After consultation with constituents and leaders in our communities regarding transportation we have found the most pressing problem is a lack of funding. Accordingly, we have found a permissible funding source which can greatly increase the ability for local governmental entities to raise transit dollars. We have included with this letter language changes to the O.R.C. which will accomplish this goal. The idea is local entities using their monies for transit can apply for federal transit matching funds and, if granted by the federal government, greatly increase their original transit monies.

In order to allow for the local matching funds, there is a need to add language to the O.R.C. to allow this pooling of local money for federal matching funds. Therefore, we ask that you consider the inclusion of this permissive language in the transportation budget. The language is merely permissive. We believe it would have a significant impact on our funding for transportation in our area and throughout the state.

This is a simple, commonsense solution to transportation funding problems that have plagued our districts for years. By easing restrictions on which funds may be used as a match for federal transit money, this language will be enabling communities across the buckeye state the ability to raise significant transportation dollars. This change in the O.R.C. will give thousands of Ohioans the ability to get to work, school, medical appointments, and so much more, at no additional cost to the state.

Thank you for your consideration, and please do not hesitate to contact our offices with any questions or thoughts at all about this letter.

Sincerely,

Handwritten signature of Sean J. O'Brien in black ink.

**Sean J. O'Brien**  
Minority Whip  
32<sup>nd</sup> Ohio Senate District

Handwritten signature of Michael A. Rulli in black ink.

**Michael A. Rulli**  
State Senator  
33<sup>rd</sup> Ohio Senate District

I\_133\_0436

133rd General Assembly  
Regular Session  
2019-2020

. B. No.

**A BILL**

To amend section 3327.012 and to enact section 1  
306.051 of the Revised Code regarding county 2  
transit systems and regional transit 3  
authorities. 4

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

Section 1. That section 3327.012 be amended and section 5  
306.051 of the Revised Code be enacted to read as follows: 6

Sec. 306.051. (A) As used in this section, "social 7  
services" includes all of the following: 8

(1) Services for senior citizens; 9

(2) Services for persons with developmental disabilities; 10

(3) Services funded in whole or in part with federal funds 11  
provided for social services programs, including the community 12  
development block grant program established under Title I of the 13  
"Housing and Community Development Act of 1974," 42 U.S.C. 5301 14  
et seq; 15

(4) Other services that have the purpose of assisting the 16



x6hndvovuu2mogthofqhf4

overall social well being of individuals, families, and 17  
communities. 18

(B) Subject to division (C) of this section and regardless 19  
of whether a county transit system is operated by a county 20  
transit board or board of county commissioners, funds that are 21  
appropriated by a board of county commissioners and expended for 22  
social services in the county served by the board may be used as 23  
the local match needed to obtain state or federal funds 24  
available for the county transit system. 25

(C) Funds raised by a county tax levy may be used as local 26  
matching funds under division (B) of this section only to the 27  
extent that such use of the funds is consistent with the purpose 28  
for which the tax was levied. Funds may be used as local 29  
matching funds under division (B) of this section only to the 30  
extent that such use of the funds does not jeopardize the 31  
state's or county's eligibility to receive federal funds for one 32  
or more purposes. 33

**Sec. 3327.012.** Payments to school districts for 34  
transportation of school pupils shall be made on a current basis 35  
according to an estimate which shall be filed with the state 36  
board of education by respective school districts in accordance 37  
with rules which the state board of education shall promulgate. 38  
The sum due the respective school district as calculated from 39  
approved cost in accordance with the rules of the board of 40  
education shall be adjusted annually in the quarter next 41  
following the end of the school year. The superintendent of 42  
public instruction, subject to the approval of the state board 43  
of education, may contract with any firm, person, county transit 44  
system, regional transit authority, or board of education to 45  
provide pupil transportation services authorized by this 46

section. In no event shall the payment for such contract service 47  
exceed the average transportation cost per pupil, such average 48  
cost to be based on the cost of transportation of children by 49  
all boards of education in Ohio during the next preceding year. 50

Section 2. That existing section 3327.012 of the Revised 51  
Code is hereby repealed. 52