
REDUCING TRANSPORTATION BARRIERS TO EMPLOYMENT

WorkForce Leadership Academy:

Cleveland | Cuyahoga

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WHAT WILL WE BE DISCUSSING TODAY?

- Problem Statement
- Problem Defined
- Approaches to resolve
- Recommendations



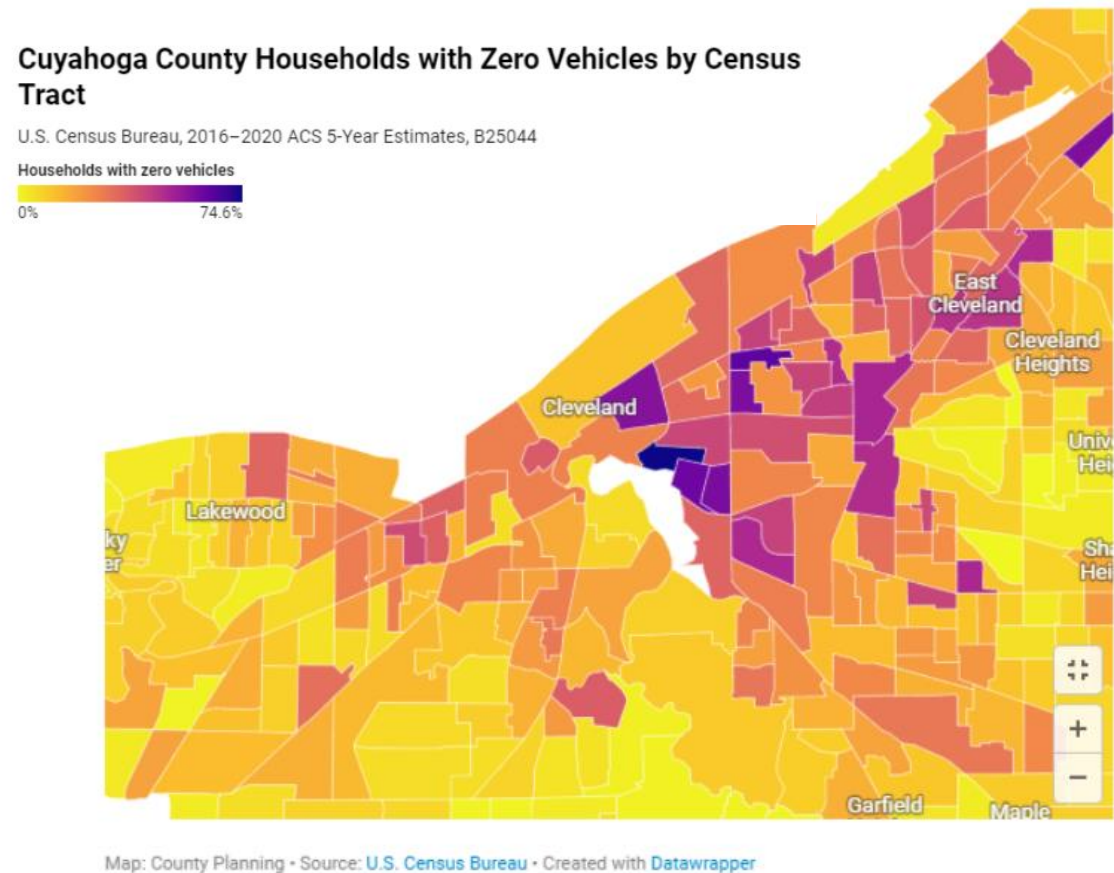
WHAT IS THE BIG DEAL ABOUT TRANSPORTATION AND EMPLOYMENT?



- With most American cities now decentralized, less than 26% of jobs are located within three miles of the city center.
 - Mean travel time to work 23.5 minutes in Cleveland.
 - Northeast Ohio's Black residents are disproportionately affected, as they are overrepresented in areas of economic distress, where rates of car ownership are low.
 - Significant cost to employers when employee turnover caused by transportation insecurity.
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DATA REGARDING LACK OF TRANSPORTATION AS A BARRIER TO EMPLOYMENT

- Vehicle ownership is lowest in the City of Cleveland, in which almost a quarter of all households do not have access to a vehicle, compared to 5.0% of households in the Outer Ring Suburbs without vehicle access.



HOW MIGHT WE QUESTION...

How might residents of Greater Cleveland have access to reliable transportation and agency in transportation choice?

We might...

Residents of Greater Cleveland might have access to reliable transportation and agency in transportation decisions....

WHAT?

If workforce ecosystem leaders ("If we...."):

- reduce or remove debt-based driver's license suspensions
- establish private/public transportation partnerships where employers partially fund work transportation for employees
- subsidize public transportation for community members with low income

HOW?

In these ways ("by..."):

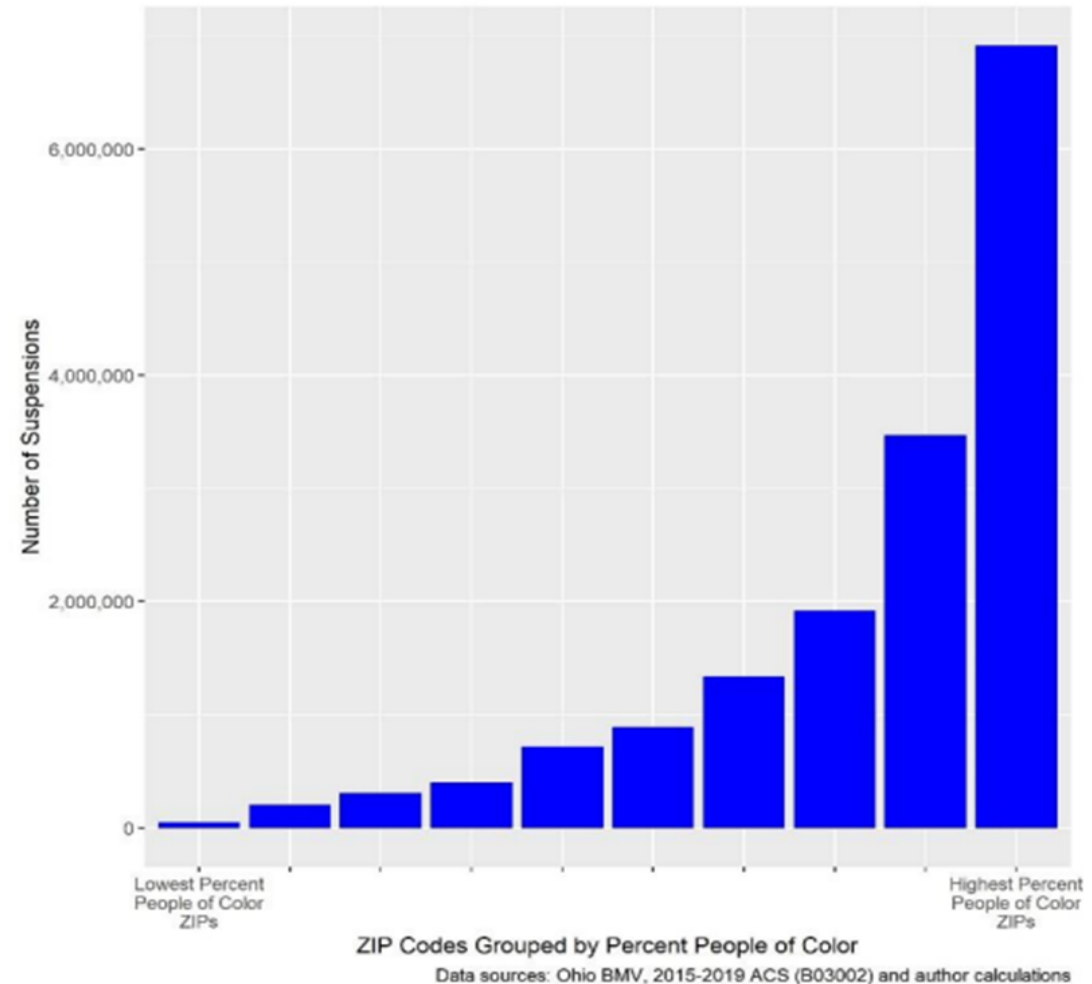
- reducing debt-based driver's license suspensions
 - establishing "first mile/last mile" partnerships between private employers, smaller cities, and public transportation providers
 - using State of Ohio Temporary Assistance for Needy Families (TANF) funds for transportation subsidy
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SYSTEMS CHANGE 1: REDUCING DEBT-BASED DRIVER'S LICENSE SUSPENSIONS

- “Debt-related suspensions” are suspensions that result from failing to pay money owed (and failing to appear in court) as opposed to driving dangerously, such as under the influence of drugs or alcohol.
 - In 2017, more than 3 million total driver’s license suspensions were on Ohio’s books. Of those, more than 2 million (about 60%) were for “offenses unrelated to safe and responsible vehicle operation” such as failure to pay child support or a court fine.
 - Drivers unable to pay these debts cannot get their licenses back, which for most Ohioans means they cannot drive to work to earn the money needed to pay down the debt, without risking even more driving restrictions, fines, fees, or even jail.
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- Ohio communities with a high percentage of people of color face more debt-related driver license suspensions than Ohio communities with fewer people of color.
- Graph shows the number of debt-related suspensions by groups of zip codes, from the mostly white (far left) to the highest percent people of color (far right). The zip codes in Ohio with the greatest percent people of color have the highest number of suspensions, while those with the lowest percentage of people of color have the fewest.

Figure 5: Number of debt-related suspensions by percent people of color for Ohio ZIP Codes, 2016-2020.

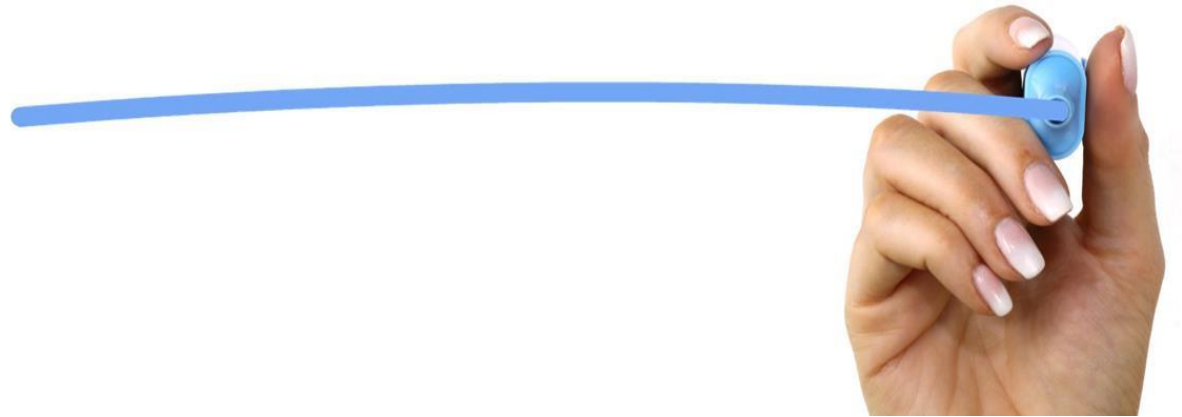


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- In the last five years, 22 states and Washington, D.C. have passed reforms to curtail debt-related driving restrictions.
 - States have taken different approaches to fixing this problem:
 - Montana and many other states no longer suspend, revoke, or prohibit the renewal of driver's licenses for failure to pay fines and fees.
 - Michigan limits suspensions based on a driver's failure to pay fines or fees to offenses that are public safety-related.
 - Maryland limits suspensions to a driver's failure to pay fines and fees in criminal cases.
 - New York no longer suspends a person's driver's license for failure to pay traffic fines.
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SYSTEMS CHANGE 2: PUBLIC/PRIVATE PARTNERSHIPS TO PROVIDE EMPLOYMENT TRANSPORTATION

- PUBLIC & PRIVATE EMPLOYERS CAN PROVIDE EMPLOYEES WITH BENEFIT OPTIONS TO REMOVE THE TRANSPORTATION BARRIER.

EMPLOYEE
BENEFITS





- PUBLIC & PRIVATE EMPLOYERS CAN PARTNER WITH ORGANIZATIONS TO HELP EMPLOYEES ACCESS TRANSPORTATION.



- PUBLIC & PRIVATE EMPLOYERS CAN RECEIVE TAX INCENTIVES TO REMOVE THE TRANSPORTATION BARRIER.



The Commuter Advantage program presents a unique opportunity for employees to enjoy an added discount on public transportation fares.



Average employee savings, transit vs. driving

Annual Savings with Commuter Advantage: FICA of 7.65 percent, Federal income taxes and State income taxes.



SYSTEMS CHANGE 3: USING TANF FUNDING FOR TRANSPORTATION SUBSIDY

- States use their TANF grants to fund monthly cash assistance payments to low-income families with children, as well as a wide range of services that are designed to address one or more of the program's four broad purposes:
 - Provide assistance to needy families so that children can be cared for in their own homes or in the homes of relatives
 - End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage
 - Prevent and reduce the incidence of out-of-wedlock pregnancies
 - Encourage the formation and maintenance of two-parent families
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PUBLIC FUNDING SOLUTIONS

Various states have utilized the flexibility of TANF funding to address the transportation issues of low in-come families.

- Direct payment
 - Access to a vehicle
 - Supportive cost/reimbursement
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PUBLIC FUNDING SOLUTIONS

- Virginia: Provides monthly reimbursement for transportation cost
 - Maryland: Provides access to used and donated vehicles
 - Massachusetts: Provides a \$80 dollar monthly stipend to cover transportations cost
 - New Jersey: Covers transportation costs including car repairs/maintenance, auto insurance, park cost
 - Kansas: Provides transportation allowances to cover incidental expenses. Provides transportation passes/tokens. Reimburse clients for milage, auto repairs and auto insurance. Coordinates with a private agency to provide previously owned cars. Subsidizes costs of transportation needy children to childcare.
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TANF ELIGIBILITY

Access to TANF funded programs is income based. To be eligible for this benefit program, applicants must be a resident of the state in which they apply, and a U.S. citizen, legal alien or qualified alien. Must be unemployed or underemployed and have low or very low income. Must also be one of the following:

- Have a child 18 years of age or younger, or
 - Be pregnant, or
 - Be 18 years of age or younger and the head of your household.
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CALL TO ACTION--NEXT STEPS?

- Legislative change-
 - Support draft legislation to reduce debt-based driver's license suspensions ([OPLC - Return to the Road Campaign](https://www.ohiopovertylawcenter.org/return-to-the-road-campaign)
<https://www.ohiopovertylawcenter.org/return-to-the-road-campaign>)
 - Employer/Agency action-
 - Employers should invest in partnerships with private transportation providers to get employees to work (first/last mile programs)
 - Employers should use commuter tax credits to subsidize transportation needs for employees
 - Counties should adjust annual public assistance plans to address transportation support
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