

# Lack of Transportation:

A symptom of poverty and  
a cause of poverty

**A report from**  
**Athens County Job and Family Services**  
**and**  
**Hocking-Athens-Perry Community Action**  
**Program (HAPCAP)**

**April 2013**

*“I don’t have a license, the money to get my license, or the money to get a car. I have a 3 year old and I can’t make him walk out in the cold.”*

**Lack of transportation is a very significant problem for people living in poverty, particularly for people in rural areas such as Athens County, Ohio, where there is limited public transportation.** People who are unable to drive to work, cannot walk to work and have no bus system to rely on often lose their jobs or are unable to find work in the first place. In addition, lack of transportation makes it very difficult for people to go to school, shop for essentials, receive the healthcare they need, meet their work requirements for public assistance, keep their children involved with school/community events, or take part in other events or programs.

And while it can be hard enough for low income people to buy vehicles or keep them running, the State of Ohio makes it even more difficult when it suspends driver's licenses for a wide range of legal offenses. The majority of driver's license suspensions in Ohio, in fact, do not relate at all to a person's ability to drive safely. Having their licenses suspended often forces people to give up driving and likely lose their jobs or face the many problems related to not having transportation. In addition, many people who lose their licenses end up driving illegally in order to get to work or other appointments. They risk further fines by doing this, but they often have no other way to get to work or other places they have to be.

But while a lack of transportation is a huge problem for many people in Athens County, southeast Ohio and around the country, it is often a problem that is ignored. In addition, new legislation and policies are actually making the problem worse for families living in poverty.

This report examines some of the problems that low-income families face with just trying to pay to keep a car on the road, and shows the additional problems for individuals, families and the entire community caused by a lack of transportation. This report also looks at some of the things that are currently being done to help people without reliable transportation in Athens County, and discusses a few additional items that should be looked into.

A few simple initiatives would help to solve some of the transportation issues locally and across the state, and this report provides several recommendations of steps that can be taken on the local and statewide level.

Lack of transportation is often caused by poverty and it often keeps people in poverty. Steps need to be taken to alleviate this significant problem in Athens County and Ohio.

*“While I appreciate the help we get, it’s not enough. The government requires you to carry car insurance, but yet when you get help it’s not enough to pay for it. I know that a lot of people in Athens County are driving uninsured and with no valid license. We try to drive to work and get pulled over, and that’s more money to the courts and the car gets towed. It’s an endless cycle.”*

*“No transportation makes me an unreliable person.”*

## **The cost of owning and operating a car**

- High gas prices are a significant problem for people all across America, and they often make it prohibitive for people living in poverty to be able to drive. When it costs more than \$40 for a tank of gas, many people simply cannot afford to drive.
- Owning a car means much more than just paying for gas. Expenses such as maintenance, car insurance, license/registration fees and car payments all factor into whether or not a person or a family can afford a vehicle.
- According to research from AAA, the average cost of owning and driving a small car in America is \$8,946 per year. This cost includes the price of fuel, maintenance, tires, insurance, license/registration/fees, depreciation and finance charges.
- The average cost of owning and operating a vehicle for business purposes, according to the IRS, is \$0.565 per mile. If this same cost is applied to an individual owner, it means that the annual cost for owning and operating a vehicle that is driven for 10,000 miles would be \$5,650.
- According to the U.S. Bureau of Labor Statistics, the average annual cost of owning and operating a used car or truck in America is \$6,016.



Many low income families are forced to operate vehicles on a much more limited budget, which often leads to unreliable and unsafe vehicles, and/or illegal vehicle operation.

## **Gas Prices**

The average household in America spends a higher percentage of its monthly income on gasoline now compared to any time since the 1980s. A recent report from the U.S. Energy Information Administration explains that the average U.S. household spent \$2,912 on gasoline in 2012. This is just under 4 percent of the pretax income for the average U.S. household. The average U.S. household makes more than \$70,000 per year, and many Athens County and southeastern Ohio households make far less than that amount in a year.

For many southeastern Ohio families, \$2,912 would be a much higher percentage of their household income, which would make it very difficult to own and operate a vehicle. Low-income households try to spend less than the average amount on gasoline because they can't afford it, but this means that they will not take part in some activities in order to save on gas. Low-income families also tend to own older vehicles that do not have good gas mileage. And because gas prices tend to rise quickly, increases in how much a household is paying for gas can have huge impacts on their budgets. Low-income families are already living on tight budgets, and when they suddenly have to spend more on gasoline it can leave them unable to pay all of their other bills for a month.

## Car Insurance

Across America, nearly one out of every seven drivers does not have car insurance, according to a report from the Insurance Research Council. This is more than 13% of all drivers.



In Ohio, 16% of all drivers have no insurance, according to figures from the Insurance Research Council. In addition, 28% of all American men between the ages of 18 to 34 and 45 to 54 have driven without car insurance, according to an InsuranceQuotes.com poll conducted by Harris Interactive. These drivers risk getting arrested and fined large amounts and having their licenses suspended, but they drive because they have to get to work or to appointments that are important to their families. They simply cannot afford insurance. The price of car insurance varies widely in America, but even the lowest prices are out of reach for many families and individuals.

- According to the Rocky Mountain Insurance Information Association, the average annual cost of auto insurance in the U.S. is \$791. In Ohio the average cost is \$619.
- A study from Insure.com states that the average annual price of car insurance in Ohio is \$1,099. This study does not give an average U.S. rate, but reports that the state with the lowest annual average is Maine, where the cost is \$889. The highest priced state for car insurance is Louisiana, where the average annual price is \$2,536.
- The U.S. Bureau of Labor Statistics states that the average annual cost of vehicle insurance in the U.S. is \$983.

## Driver's license suspensions

Hundreds of thousands of Ohio residents currently have their driver's licenses suspended, often for offenses that have nothing to do with driving.

According to figures from the U.S. Department of Transportation Federal Highway Administration, Ohio has more than 7.98 million licensed drivers. Currently in Ohio, more than 1 million of these drivers are facing license suspensions, according to figures provided by the Ohio Bureau of Motor Vehicles. In Athens County, according to the same figures, approximately 3,500 drivers have their licenses suspended. Reports from the Ohio BMV show that most drivers with license suspensions actually face more than one suspension. In fact, the average driver with a suspended license is facing 2.8 license suspensions.

These people still have to get to work, doctor's appointments and other appointments. They must choose between finding rides with other people (this is obviously preferable, but those rides can be hard to find), skipping going to work or their appointments, or driving illegally and risking further fines or legal problems. They have no other options.

*“I cannot afford rent when working full-time. It’s rent or food - rent or gas. I am behind on every bill I get. I have three kids. ..I spend at least \$600 a month on food and \$400 on gas.”*

*“I have had to on many occasions cancel my or my children’s appointments because of no transportation or gas money. It is a very hard and stressful thing because you have to wait forever to get back in there and usually it was an important appointment.*

*At one point when my son was younger I only had one vehicle. I couldn’t risk not having transportation to get back and forth to work, doctor appointments, etc. so I had to choose to use my bill money to get my car fixed. The next month I was behind on bills and it took me a while to get caught up again. I have to make decisions like this often.*

### **Income levels for people living in poverty**

According to the U.S. Census Bureau, 14.3 percent of all Americans are living in poverty. This is equal to 44.9 million people. In Ohio, 1.7 million people are living below the federal poverty level. In Athens County, more than 20,000 people (which is more than 30 percent of the population) live in poverty.

The majority of people living in poverty in Athens County and around the country have a difficult time paying their bills and trying to keep a car on the road.

According to a report from the U.S. Department of Agriculture, more than 44 million Americans currently receive Supplemental Nutrition Assistance Program (SNAP) benefits, formerly known as food stamps benefits. Of these recipients, approximately 6.5 million receive no other income besides the SNAP benefits.

In Ohio, 1.7 million people receive SNAP benefits, and more than 250,000 of these recipients have no other income.

In Athens County, nearly one-third of all people live in poverty. For a single person, this means having an annual income that is at or below \$11,490. Any person with that income would have to spend nearly half of all the money earned in a year to pay for transportation.

Many people are living far below the poverty line, and would have to spend the majority of their annual income operating and maintaining a vehicle. It just is not viable to do so.

**An individual working full-time at the state minimum wage of \$7.85 an hour would earn \$16,328 a year before taxes are taken out.** If it costs \$5,650 to own and operate a vehicle for a year (that is the low estimate), an individual making minimum wage would have a little more than \$10,000 left to pay for taxes, rent, utilities, food and other expenses for the year.

**The average monthly Social Security benefit** for a retired worker in the U.S. is \$1,261, according to figures from the U.S. Social Security Administration. This means that the average annual Social Security income is \$15,132, which is just below the earnings for a full-time employee earning minimum wage. This means that a person receiving the average Social Security benefit would spend roughly one third of his or her annual income on a vehicle.

**For an individual receiving Supplemental Security Income (SSI)**, the maximum monthly benefit is \$710, and the maximum monthly payment for a couple is \$1,066. This means that the maximum annual SSI payment for an individual is \$8,520, while the maximum annual SSI payment for a couple is \$12,792. In both instances, a significant portion of the available income would be needed to pay for a vehicle, making it nearly impossible to pay other expenses.

**A family of three receiving Ohio Works First (OWF) cash assistance** can receive up to \$458 per month. This is equal to a maximum annual benefit of \$5,496. This means that most, if not all, of the payments would be needed just to maintain and operate a vehicle. Cash assistance recipients have work requirements, and in most cases the recipients need vehicles to get back and forth to the work assignments. Some counties have public transportation and recipients can get bus passes. But where bus service is not available, recipients require some type of gas allowance to help pay for the cost of transportation to and from the work assignments. Most county job and family service agencies offer small amounts, such as \$25.00 - \$50.00 per month. Some county agencies do not offer any gas assistance at all, making it virtually impossible for many recipients to make it to their work assignments.

## Isolating families and individuals

One additional problem caused by a lack of transportation is that it often isolates families and individuals.

People of all ages who live outside of the villages and cities in Athens County often have no way to interact with many other people if they don't have reliable transportation. They may be able to walk to the homes of a few of their neighbors, and they may be able to get a ride to church or the grocery store from time to time, but for the most part they are on their own.

These individuals and families mostly stay around their homes and do not get the social interactions that people of all ages need. Many senior citizens live alone out in the countryside and might not have visitors to their homes for days.

Many children only travel to school and back, and many have never even left Athens County. If you don't live this life, it's hard to imagine, but it's all too real to countless families living in poverty with no transportation and little hope of getting a car or getting out of poverty.

*My current transportation situation is if it's close to home I walk. For doctor appointments for me and my children I call RSVP or transportation, and when I need to go to the store, pay bills, and grocery shopping I have to pay people in order to go.*

*It is hard to get around when you have no vehicle or even if you do have a vehicle you can't get anywhere without gas.*

*I have had to choose between bills and fixing my vehicle a ton of times. In the end I had to fix my vehicle because without it I couldn't get to work to earn money to pay my bills or fix my car.*

*My kids have missed a lot of doctor appointments due to the fact we didn't have transportation. I have also missed welfare appointments due to the same fact.*

*I actually had a job where I made pretty good money, but my car blew up and I couldn't get to work every day. Sometimes I would have to go in late because my ride wouldn't be there on time. The boss got tired of it and they had to let me go.*



## **Transportation problems impact the community in several ways**

A lack of reliable transportation is hard on individuals and families, but it also causes numerous problems for the community.

One big problem is for employers. Many of the businesses and organizations in Athens County and southeastern Ohio have problems with employees who don't have a driver's license, don't have a reliable vehicle or don't have access to public transportation.

The most obvious problem caused by this is that employees sometimes can't make it to work. If individuals have to rely on friends or family members for rides to work, or if they have to share vehicles with other people, problems will undoubtedly come up at times that make the employees late to work or unable to get to their jobs on certain days. This hurts business productivity and causes numerous problems for the employers. Many jobs also require employees to drive as part of their work, and it can be difficult for businesses and organizations to find qualified applicants to fill these positions.

The lack of reliable transportation can also cause problems for local healthcare organizations. Many patients often miss their appointments because they have no way to get there. In addition, some people without cars and without health insurance but needing to see a doctor now call an ambulance to take them to the emergency room. These non-emergencies cause numerous problems for the hospitals, and they also leave the patients with no way to get home after they have seen a doctor in the emergency room. Many Athens County residents also have no way to get to healthcare appointments with specialists who are based in other counties.

Schools also report problems caused by transportation problems in the community. If students need to arrive at school later or leave early, they often are unable to do so. In addition, students might not be able to make it to after-school activities unless they can get a ride with another student, and parents often are unable to attend conferences and other after-school events.

The U.S Department of Aging reports that the average American outlives his or her ability to drive by eight years. This creates a significant transportation gap for a large number of people in Athens County and around the country. Without any public transportation programs available, these senior citizens may have to leave their homes and move into long-term care facilities, which increases health care costs for the community. If the senior citizens remain in their homes, it likely creates a tremendous burden for family members to provide transportation for them.

*“As an elderly widow, car repairs are nearly out of the question for me. I am driving (when I can buy gas) a 1994 car that needs brakes, front end alignment and tires. I know there are agencies that provide transportation for doctor's appointments, but if this car isn't repaired I will have to go without food, and less important, companionship. There are a lot of issues I can bring up, but I don't even carry the insurance that makes my drive legal. I could go on and on, but I've covered the most important issues.”*

## State of public transportation in Athens County

Athens County has a limited public transportation system, but it has seen growth in recent years.

The most significant part of the system is the Athens city bus service. The buses travel all around the city and out to the village of The Plains. Currently, the buses do not travel anywhere else in the county. The bus system provides a valuable service to people living inside Athens and The Plains. The bus system does not offer any service on Sunday, though, and mainly only operates between 7 a.m. and 7 p.m. during the week, so it is not available at many times when people need transportation. In addition, many people without reliable transportation of their own cannot afford to live in Athens and live out in the county away from the bus system. These people need some sort of assistance to get to healthcare appointments, work, job interviews and other appointments.



Athens County does have some taxi services that provide transportation in the city and in the outlying areas, but this service is too expensive for many residents.

The GoBus system provides bus rides from Athens to Columbus or Cincinnati and back two times each day. The buses also make stops in cities along the routes to Columbus and Cincinnati. The cost of the bus is \$10 for a one-way ticket, which is a good rate to get to Columbus or Cincinnati. This is an excellent service that is very popular and helps a lot of people. It is less affordable, though, for people who need assistance traveling shorter distances such as Athens to Nelsonville or Nelsonville to Logan. The Hocking-Athens-Perry Community Action Program (HAPCAP) runs the GoBus program and is also now coordinating the city bus system in Athens.

HAPCAP started the Athens On Demand Transit in November for senior citizens, low-income area residents or individuals with disabilities. The service operates from 8 a.m. until 9 p.m. Mondays - Saturdays and provides transportation to and from medical appointments and social services appointments. As space is available, the program will also offer rides to work sites, grocery stores and other locations. The program currently has two minivans, while additional minivans will be added. If this valuable service can be expanded to provide additional transportation options, it will be a tremendous benefit to the community.

HAPCAP also operates a Mobility Management Program that helps to coordinate transportation services all across the county. Coordinator Lantz Repp works in a variety of ways to help Athens County residents access the different programs available while he also explores new opportunities to improve transportation options for all Athens County residents.

## **The limited transportation assistance programs show the need for more assistance**

Athens County Job and Family Services is able to provide transportation assistance to eligible Medicaid recipients for medical appointments and some social service appointments. State and federal funding is available to pay for this service for Medicaid recipients. The demand for assistance getting to these appointments is very high.

The agency provides transportation services through employees who use agency vans to pick up clients, local organizations that the agency contracts with to transport clients, and vouchers that are issued to clients to help them pay for the cost of gasoline to drive to their appointments.

In 2012:

- Athens County Job and Family Services employees provided direct transportation to 298 people during the year. Agency employees completed 1,274 one-way trips.
- The outside organizations that Athens County Job and Family Services contracts with transported an average of 443 people per month to their appointments. These organizations completed 27,930 one-way trips.
- 1,985 people received vouchers to help them pay for gasoline for their trips to their appointments. Athens County Job and Family Services issued a total of 18,255 vouchers.

In addition, the managed care companies that work with Medicaid recipients also provide transportation to and from healthcare appointments. ‘

- In 2012, the United Healthcare Community Plan provided 780 trips to medical appointments for Athens county residents.
- In 2012, the Molina company provided trips to medical appointments for 135 Athens County residents.
- In 2012, CareSource provided 596 trips to medical appointments for county residents.

All of these programs provide a great deal of assistance to a large number of low-income area residents and senior citizens who need to get to medical appointment, but it just a small part of the overall need for transportation assistance in Athens County.

*“I lost my job, my house, my car...lost everything... Now, I can't afford my medication, new glasses or to follow up with a doctor for my recent fainting spells. I lost my car in a few months ago. It's hard to get a new job with no transportation and when you don't know where you will be staying the next day.”*

*“When I worked at one job a few years ago my ride stopped taking me and I had to quit because it was too far to walk. If I had a car I would be able to apply for more jobs.”*

## Recommendations of a few steps to help alleviate the transportation problem

- Increased funding for public transportation.
- Collaboration between public and private agencies -
  - ✓ Formation of countywide transit authority to examine ways to improve public transportation. Such an organization could include representatives from local government, Ohio University, the business community, healthcare organizations, social service organizations and community residents.
  - ✓ Collaboration between public and private agencies to form a countywide transportation system. Currently, 80 federal programs provide funding for transportation. Increased coordination of local programs could help to bring more federal funds to Athens County to assist with transportation issues.
- Legislative initiatives to help families and individuals afford the price of transportation -
  - ✓ We support President Obama's call to increase the minimum wage. Allowing workers to make a living wage would make more affordable to own and maintain a vehicle.
  - ✓ Ohio Works First (OWF) cash assistance and SSI disability assistance both should be increased substantially. Increasing the assistance would help families and individuals afford a vehicle to get to job interviews, healthcare appointment and other appointments.
  - ✓ State and federal funding for public assistance programs such as the Prevention, Retention and Contingency (PRC) program needs to be restored. Before the budget cuts of the last few years, the Job and Family Services offices in Ohio were able to use PRC funding to help low-income families with car repairs or with the purchase of a vehicle to help them get to work. That funding has been eliminated and needs to be restored.
- Legislative initiatives to help Ohio residents keep/reclaim their driver's licenses and afford car insurance -
  - ✓ We call on the state of Ohio study the viability of a car insurance pool program. A car insurance pool could lower rates for low-income Ohio residents, help keep people from driving without insurance and allow more people to afford the expenses of a vehicle.
  - ✓ We support the Ohio Bureau of Motor Vehicles' initiative to allow Ohio residents to make payments on reinstatement fees so that they can get their driver's licenses back or keep their licenses.
  - ✓ Ohio laws need to be changed so that drivers do not lose their licenses for so many issues unrelated to their ability to drive. State laws also need to be changed to make it easier for safe drivers to regain their licenses.



- Additional programs could be created or expanded to help area residents with transportation problems -
  - ✓ Support of the development and marketing of additional park & ride locations.
  - ✓ Development of carpool programs for businesses and other organizations.
  - ✓ Continued development of bike path system to connect communities in Athens County.
  - ✓ Increasing support for car donation programs such as the By Car program that HAPCAP coordinates and such as a current initiative at Good Works, Inc. Both programs help low-income area residents acquire vehicles. Both programs have been successful and have had strong demand. Additional federal or state funding for programs such as these could have a huge impact on transportation needs in Athens County.
  - ✓ Working with local credit unions to encourage them to provide low-interest loans to low-income area residents who need to purchase vehicles.

**Additional comments from Athens County residents about transportation issues**

- *I get enough money from Ohio Works First cash assistance to pay my rent, which leaves all my other important bills out, or I have to choose what to pay to keep from being evicted or disconnected. My car insurance got cancelled and my license got pulled because of getting pulled over on my way to work off my hours for OWF. Being a single mom of a one-year-old and an eight-year-old, losing my job has been the biggest nightmare of my life. Not being able to get a job is the other, and trying to find a way to keep my bills paid and food on the table for my kids is the most important thing to me. I go hungry at times so they don't have to."*
- *No car, and when I have to walk to town I have to make sure I am back home in time to get my 3 younger kids off the bus. I don't have a license neither does my husband.*
- *For some reason I have horrible luck with vehicles. Perhaps it could be because I've had to buy cheap used vehicles which can be problematic at times with maintenance and actually keeping them running. Recently I had a flat tire when I was scheduled for a very important doctor's appointment. I knew it had been low on air but could not afford a new tire so I just kept putting air in it about every 2 to 3 days eventually it caught up with me on the morning of my appointment and I had to regretfully call and reschedule.*
- *I had an appointment when I was pregnant with my son. I have missed 2 or 3 appointments because I didn't have a ride. My doctor was getting a little upset because he has scheduled a C-section and was keeping checked up on me. I was 2 weeks late when I went for my C-section I had to pay \$15.00 to get to the hospital. I couldn't get my WIC all the time because I never had a ride.*
- *I have had to quit jobs because of lack of transportation. I was paying more than I was making on a taxi to and from work so I had to quit.*

Sources:

- <http://newsroom.aaa.com/2011/04/cost-of-owning-and-operating-vehicle-in-u-s-increased-3-4-percent-according-to-aaas-2011-your-driving-costs-study/>
- <http://www.irs.gov/newsroom/article/0,,id=232017,00.html>
- <http://www.bls.gov/cex/2011/Standard/age.pdf>
- <http://www.cnt.org/>
- <http://www.ircweb.org/>
- <http://www.insurancequotes.com/auto-insurance-uninsured-poll/>
- [http://bmv.ohio.gov/facts\\_figures.stm](http://bmv.ohio.gov/facts_figures.stm)
- [http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_10\\_5YR\\_S1702&prodType=table](http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_10_5YR_S1702&prodType=table)
- [http://ssa-custhelp.ssa.gov/app/answers/detail/a\\_id/13/~/average-monthly-social-security-benefit-for-a-retired-worker](http://ssa-custhelp.ssa.gov/app/answers/detail/a_id/13/~/average-monthly-social-security-benefit-for-a-retired-worker)
- <http://jfs.ohio.gov/factsheets/owf.pdf>
- <http://www.socialsecurity.gov/policy/docs/statcomps/supplement/2011/6a.pdf>
- <http://www.fns.usda.gov/pd/snapmain.htm>
- [http://www.rmiiia.org/auto/steering\\_through\\_your\\_auto\\_policy/Cost\\_of\\_Auto\\_Insurance.asp](http://www.rmiiia.org/auto/steering_through_your_auto_policy/Cost_of_Auto_Insurance.asp)
- <http://www.insure.com/car-insurance/car-insurance-rates.html>
- <http://www.fhwa.dot.gov/policyinformation/statistics/2011/>
- <http://www.bls.gov/cex/2011/Standard/age.pdf>
- <http://usatoday30.usatoday.com/news/nation/story/2011-09-11/uninsured-drivers/50363390/1>
- <http://www.eia.gov/todayinenergy/detail.cfm?id=9831>