### June 15, 2020

To: MCOTA MEMBERS From: Sherry Munyon

Request: Endorsement and Active Support of 2021 Legislative initiative to assist in the recruitment and

retention of volunteer drivers.

At the May meeting I presented a verbal request for involvement and leadership of MCOTA for active involvement and leadership of MCOTA regarding legislative initiatives to assist in retaining and recruiting volunteer drivers. The request is made on behalf of the Minnesota Public Transit Association and the Volunteer Driver Coalition.

- Craig Rempp, President of the Minnesota Public Transit Association
- My co-chairs at the Volunteer Driver Coalition are: Dawn Simonson, Metropolitan Area Agency on Aging; Mary Quirk, Living at Home Network and Lori Vrolson, Mn Assoc of Area Agencies on Aging.

<u>MPTA</u> is the only statewide coalition of transit systems and advocates for high-quality transit service that is accessible and available to everyone. Our mission is to support transportation alternatives that improve the quality of life for people in communities large and small, urban, suburban and rural.

<u>Volunteer Driver Coalition</u> includes nonprofit organizations, cities, counties, area agencies on aging, regional transportation coordinating councils, associations, and others that support the Coalition's advocacy initiative to strengthen volunteer driver programs in Minnesota. The Coalition strives to eliminate barriers facing volunteer drivers

 Members include Minnesota Association of Townships and Association of Minnesota Counties, Minnesota Council of Nonprofits, Minnesota Association for Volunteer Administration, Minnesota Public Transit Association and numerous other organizations and local governments. <a href="https://volunteerdrivermn.org/members/">https://volunteerdrivermn.org/members/</a>

## **Background:**

Organizations across Minnesota are facing increasing barriers to recruiting and retaining volunteer drivers. These drivers give older adults, people with disabilities, and others access to healthcare, delivered meals, and other key services. Our last complete year of data showed that over 168,000 rides were provided to over 77,000 individuals and covering 9.5 million miles.

Organizations that provide rides or transport for meals or donated organs have faced increasing barriers to recruiting and retaining volunteers. Programs face two major issues:

- Some auto insurance carriers are increasing their insurance rates on volunteer drivers, treating them like for-hire taxicab or Uber/Lyft drivers.
- Volunteers must pay federal and state income tax on mileage reimbursement received over the IRS-set rate of 14 cents per mile when the total reimbursement exceeds \$600 a year. (the reimbursement rate for business mileage is over 57 cents.

MCOTA Reports in 2017 and 2018 have identified the benefits and cost-effectiveness of volunteer drivers to our communities but has yet to initiate state or federal reform.

#### MCOTA action taken in 2019 was a resolution:

"Be it resolved: MCOTA recommended state laws affecting volunteer drivers and organizations that provide volunteer driver programs be clarified to ensure availability accessibility, efficiency and cost-effectiveness of transportation service."

This was a positive statement about the need for change; however, there has not been a process among the affected state agencies for policy adoption, and therefore did not allow state agency government liaisons to advocate for specific legislation.

# **STATE ACTION REQUEST TO MCOTA:**

MCOTA adopt support for Minnesota State Legislation that:

- 1) Defines a volunteer driver; and
- 2) Provides an income tax subtraction for volunteer drivers.

## **Statutory authority/obligation of MCOTA:**

- (1) (MCOTA) was established by the Minnesota Legislature in 2010 (Minn. Statute 2010 174.285) to "study, evaluate, oversee, and make recommendations to improve the coordination, availability, accessibility, efficiency, cost-effectiveness, and safety of transportation services provided to the transit public."
- (2) MS 174.285, Subd. 2 (10) Encourage volunteer driver programs and <u>recommend legislation to address liability and insurance issues.</u>

NOTE: With Special Session going on, there is still a chance that the income tax subtraction we advocated for during regular session will be included in the Omnibus Tax Bill. The provision is included in the House Omnibus Tax Bill.

We are not waiting to make our request to MCOTA until Special Session is adjourned. We know that our request for your support must be received early in order for each of you to take the request to your agencies to go through the process established for submitted legislative initiatives with the ultimate goal of the Governor adding this to the list of items he recommends the legislators act on in 2021.

## **FEDERAL ACTION REQUEST TO MCOTA:**

MCOTA adopt support for Congressional action to change the 14 cents per mile reimbursement for volunteers to match the business mileage reimbursement which is about 57 cents today – a stark difference. This request is to the Appropriations Committee in addition to the Minnesota Delegation.

MPTA, the Volunteer Driver Coalition and the national Community Transportation of America (CTAA) have all similarly advocated for the increase. This effort can be supported by the legislative liaisons from MnDOT and DHS and Revenue.

The Minnesota Public Transit Association and the Volunteer Driver Coalition thank you for reviewing our request and urge you to take positive action per statutory delegation.