



OHIO DEPARTMENT OF TRANSPORTATION

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Ohio Department of Transportation

FY 2018-2019 Budget Testimony

Ohio House of Representatives Finance Committee

Good morning, Chairman Smith, Vice Chairman Ryan, Ranking Member Cera, and members of the committee. I'm pleased to appear here today on behalf of Governor John Kasich to testify on the 2018-2019 biennial transportation budget.

It has been an exciting time at ODOT over the past six years. While many states have fallen badly behind in highway repairs and improvements, since 2011 we have invested \$12.6 billion in nearly 6,200 bridge and highway projects that improve safety and keep people and goods moving in Ohio, an investment not only in safety, but in our economy and quality of life.

Our department's mission is to provide for the easy movement of people and goods from place to place. And in pursuit of that mission and how we measure ourselves, ODOT carefully manages the currencies of time, safety, and money. We accomplish this mission by taking care of what we have, making our system work better, improving safety and enhancing capacity. Unfortunately roads and bridges don't get better with age and have to be maintained, repaired and eventually replaced.

In the past three years, ODOT has had a record annual capital construction program. Over 90 percent of that has been to preserve and maintain our existing system. Our primary responsibility is to protect the enormous investment the people of Ohio have made in their transportation system through many decades.

And we are meeting that responsibility with a smaller workforce. We have reduced staffing levels by over 500 positions since 2011, all through attrition. When I began my first appointment as ODOT director in 1991, we had just under 8000 employees. Today, we have just under 5000 people. That is the lowest head count since the department began the construction of the interstate highway system. We are doing more with less thanks to better training, better focus, better technology, and an ever-improving culture of professionalism and production.

Highway infrastructure is essential to our economy. In a state that makes things and grows things, it is essential to have the ability to move things efficiently and safely. Without maintaining our existing system and continually making improvements to our transportation network, commerce and safety will suffer greatly.

For more than a century, Ohio has been at the heart of transportation manufacturing, innovation and research. Those ties grow stronger with each passing year and the innovations developed here will continue to build on our state's historic role as a world leader in transportation technology.

Governor Kasich is committed to embracing this future with new investments and forward-looking policies to ensure that Ohio maintains its leadership position with smart mobility and other emerging technologies – ready to benefit from the business investments and jobs that follow. By being one of the first – and best positioned – states to embrace new technologies for drones, autonomous and connected vehicles, smart roads and smart mobility. Ohio can also be among the first to benefit.

When we talk about smart infrastructure or a smart mobility corridor, we're talking about sensors, cameras, Wi-Fi, and fiber. We're talking about infrastructure that can actually provide information to the vehicle and the vehicle's operator.

Transportation management in the 21st century is rapidly changing. We will meet new and future demands by embracing new technologies and using advanced data to make the system we have work better and more safely.

ODOT manages one of the largest transportation networks in the United States. With an average annual capital program in excess of two billion dollars, it is extremely important these funds are used as efficiently and effectively as possible to provide a safe and reliable system that meets the state's mobility and economic needs.

Through the years we have shown we cannot just build our way out of congestion. As I said earlier, we're spending over 90% of our capital construction dollars on preserving and maintaining what we already have. Using technology, technology that already exists, we can operate our system more efficiently and achieve better results; results that are measured in terms of through-put less delay.

But even more importantly, it's about safety. By taking advantage of technology, we can make our highways safer.

The Governor's budget introduces new traffic management techniques that will enhance traffic flow on state highways and keep traffic moving during rush hour peaks: variable speed limits and hard shoulder running.

During peak hours on many Ohio highways, excessive starting and stopping of motorists results in waves of backed up vehicles and the potential for increased accidents. It has been proven that during high periods of demand on roadways, a temporary, slower speed limit results in a smoother and more even flow of traffic. For example, Europe has seen crashes drop by nearly 30 percent since using variable speed limits and secondary crashes, the result of backed up traffic caused by an earlier crash, are down by 50 percent. A recent ODOT study shows promising results for using these innovative proposals, resulting in a 40 percent reduction of traffic delays in Cincinnati and

Columbus. Currently, the Ohio Department of Transportation is allowed to use variable speed limits in only two circumstances: school zones and highway work zones.

The Governor's budget would also give ODOT the authority to transform the shoulder into an additional lane during rush hour. This will allow us to strengthen our efforts to keep traffic and commerce moving. We plan to test this concept on I-670 here in Columbus beginning in 2018. Other states and countries have successfully used this technique, called Hard Shoulder Running, to increase capacity without the expense of building additional lanes. Today, only public transit buses in Ohio have the authority to use this lane. At this test site, dynamic new message signs above the roadway will alert motorists on when the extra lane is open.

We'll also better manage traffic by having better data. We recently announced the establishment of the Smart Mobility Corridor, a 35-mile stretch of four-lane, limited access highway between Dublin and East Liberty, northwest of Columbus. Work will start this summer. High-capacity fiber optic cable will be installed and will instantaneously link researchers and traffic monitors with data from embedded and wireless sensors installed along the roadway. Data collected by the sensors will provide frequent and accurate traffic counts, weather and surface condition monitoring, and incident management improvements.

When complete, the Smart Mobility Corridor will allow premier automotive testing, research and manufacturing facilities to test smart transportation technologies on a highway that carries up to 50,000 vehicles per day through rural and urban settings in a full range of weather conditions.

Gov. Kasich's new transportation budget also includes funding for two additional smart highway projects – on the Interstate 270 beltway in Columbus and Interstate 90 in northern Ohio. These smart highways, as well as the Ohio Turnpike, will provide state-of-the-art sites for innovators to test and refine jobs-creating technologies. An expanding network of smart highways will give Ohioans a safer, better driving experience and offer businesses reduced transportation costs, increased operating efficiencies and faster access to markets.

These efforts helped the City of Columbus win a \$40 million federal grant, along with significant third-party co-investment, to develop Ohio's capital city as a hub for intelligent transportation.

World-class research resources here in Ohio, like those at our great universities, NASA's Glenn Research Center, Wright-Patterson Air Force Base, the Battelle Memorial Institute and the Transportation Research Center, are leading the way with advanced technologies in transportation and related fields like artificial intelligence, robotics, cybersecurity and predictive analytics.

Funding in Gov. Kasich's new budget, matched by commitments from private-sector partners, will together invest up to \$45 million for expanded research capabilities at the Transportation Research Center in East Liberty. The TRC is a 4,500-acre independent testing facility – the continent's most advanced – offering the ideal environment for

autonomous vehicle and smart highway research, compliance and certification testing for vehicles and components, crash testing, emissions testing, dynamic testing and durability testing. The TRC is also home to the National Highway Traffic Safety Administration's only Vehicle Research and Test Center, another unique advantage for our state.

Transportation innovation and cutting-edge research in Ohio are by no means limited to automotive technology. Drone and unmanned aircraft technology is another promising arena where Ohio – “the Birthplace of Aviation” – is embracing the future.

The state recently committed \$1.5 million to a cooperative project with the U.S. Air Force Research Laboratory and Wright State University to develop a ground-based “sense-and-avoid-system” for unmanned aircraft at Springfield-Beckley Municipal Airport in Clark County. This project, with total state and federal investments of \$5 million, will empower drone operators, for the first time anywhere in the nation, to fly unmanned aircraft beyond their line of sight.

The governor's budget includes research funds and support to Ohio's Unmanned Aircraft System Center and Test Complex in Springfield to advance research that will give Ohio a major advantage as unmanned aircraft and drones become the basis for new industries and economic growth in ways we cannot yet imagine.

While moving people and goods more efficiently has enormous benefits, ultimately, the biggest benefit of this transportation transformation will be to create a transportation system that maximizes safety by reducing crashes, injuries and deaths.

Ohio is already considered a national leader in traffic safety. ODOT has one of the best Highway Safety Programs in the country, which provides over \$135 million annually to assist in improving high-crash and severe-crash locations. The department also works with law enforcement and other agencies to discourage distractions, speeding, drinking and driving, and encourage greater seat belt use across the state.

While we look at the future, we still have much work to do in order to maintain the roadway system we have.

ODOT maintains more than 43,000 lane miles and 14,000 bridges. These state maintained roads carry 57 percent of all traffic and 67 percent of freight traffic. That's why we spend more than 90 percent of our capital dollars on preservation.

The “Fixing America's Surface Transportation Act” or FAST Act passed by Congress at the end of 2015 will authorize an annual 2 percent increase in federal highway funds over a five year period. We also expect state transportation revenues to increase about one percent a year for the biennium. With inflation, the result is that we are essentially flat funded for this two-year budget.

However, we do plan to increase funding for public transit. We are currently flexing federal highway funds to assist local transit systems. It was \$23 million in fiscal year 2017. Our plan is to use additional federal funds to add \$10 million to this, increasing spending to \$33 million.

One of the most promising areas for Ohio's economic growth is transportation, a field on the verge of historic, life-changing advances with autonomous and connected vehicles, smart highways, sensor technologies and drones. Building on Ohio's long history of transportation innovation and the state's wealth of world-class research, development and manufacturing resources, the Kasich Administration is working on many levels to capitalize on these emerging technologies. By taking full advantage of our ability to lead in developing next-generation industries, Ohio is well positioned to attract major new investments in research, infrastructure and the jobs that will follow.

Thank you to our partners in the Ohio General Assembly. Without your support for the many innovative policies ODOT has sought to help build and maintain Ohio's transportation system, we would not be able to get the job done.

Thank you for your time and I look forward to working with you through this process. I will be happy to answer any questions the committee might have.