



OHIO TOWNSHIP ASSOCIATION

6500 Taylor Road, Ste. A

Blacklick, OH 43004

Phone: (614) 863-0045 Fax: (614) 863-9751

www.OhioTownships.org

House Bill 62 – Transportation Budget House Finance Committee February 19, 2019

Good afternoon Chairman Oelslager, Vice Chair Scherer, Ranking Member Cera, and members of the House Finance Committee. My name is Heidi Fought and I am the Assistant Executive Director of the Ohio Township Association. On behalf of Ohio's 1,308 townships, thank you for the opportunity to testify on HB 62 and engage in a larger discussion of Ohio's currently inadequate level of funding for our roads. This issue is vitally important to all townships in Ohio regardless of size, population, or budget. In addition, the OTA is a member of Fix Our Roads (FOR) Ohio - a diverse group of Ohioans committed to long-term, smart investment in the state's transportation future.

Well-maintained roads are crucial for township residents. Whether it's farmers taking goods to market, school buses taking children to school, refiners trucking water to a well for fracking, or first responders answering a 9-1-1 call, we want them all to travel on dependable, safe, well-maintained roads.

Ohio has one of the top ten largest highway systems in the U.S., the 2nd largest inventory of bridges, and the 4th highest volume of traffic. As the cost of roadway maintenance and construction has increased over the years, funding has remained relatively stagnant - especially for townships.

Of the over 122,000 miles of road in Ohio, townships are responsible for the maintenance of 41,387 miles of road (34 percent) and over 80,000 lane miles. Even with townships maintaining the largest portion of Ohio's roads, they only receive 5 percent of the motor vehicle user fee revenue. Additional money is imperative for townships to sufficiently maintain and service safe roadways for their residents, businesses, first responders, and the countless individuals that travel on them. The care and maintenance of the township road system in Ohio is the largest function of townships today.

Over the past 50 years, the number of people living outside municipal boundaries has increased 22 percent. This indicates more road usage within township boundaries on roads that are not built to sustain the traffic and which the township cannot afford to upgrade. In 2002, it cost \$24,000 to pave one mile of road in Allen County. By 2013, the cost of doing the same one mile of road had risen to \$62,000 - an increase of almost 160 percent. From 2010 to 2018, the cost of resurfacing a road in Butler County increased over 55 percent - from \$70,000 to \$109,000 per mile.

While traffic on township roads and the cost of road maintenance has increased, revenue available for transportation improvements has remained stagnant or, in many cases, decreased. For townships, this includes the reductions in Local Government Fund (LGF) revenue, the elimination of the estate tax in 2013, and the accelerated phase out of Tangible Personal Property (TPP) tax and electric deregulation reimbursements. Additionally, as cars become more efficient and the use of hybrid vehicles increases, motor vehicle user fee revenues are not enough to meet state and local transportation improvement needs.

The OTA encourages the Governor and the General Assembly to infuse additional dollars into Ohio's transportation infrastructure. This could include additional motor vehicle fees or gas surcharges (Ohio's 28-cent rate is around 6 cents lower than the national average), the creation of a dedicated fund supporting local government transportation needs, or, for townships specifically, the ability to place an additional five-dollar motor vehicle license fee on township residents to raise revenue locally. In 2017, counties were granted permissive authority to levy an additional five-dollar MVL fee. While this revenue is greatly needed at the county level, it is only available for county use. The OTA would encourage that this same permissive, local authority is extended to townships as well.

As the state considers its shortfall in transportation funding, it's important to remember the role local governments play in maintaining our roadways and the financial burden our communities have been shouldering to maintain safe roadways for our residents, first responders, and visitors. The OTA would again like to thank this committee for its time and consideration of the impact transportation funding has on local governments. Chairman, thank you for allowing me to testify today, and I would be happy to answer any questions the committee members may have.