



MORPC
MID-OHIO REGIONAL PLANNING COMMISSION

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Mid-Ohio Regional Planning Commission
Ohio House Finance Committee
Proponent Testimony
February 28, 2019**

Chair Oelslager, Vice Chair Scherer, Ranking Member Cera and members of the House Finance Committee, thank you for the opportunity to speak to you today regarding MORPC's support of House Bill 62, the 2020-2021 state transportation budget.

My name is William Murdock and I am the executive director of the Mid-Ohio Regional Planning Commission or MORPC. MORPC is a voluntary association of over 60 local governments across Central Ohio's rural, suburban, and urban areas. We provide programs, services, and funding related to transportation, land use, data, sustainability, and economic prosperity. Our role in transportation in our region is critical. MORPC serves as the federally designated metropolitan planning organization, or MPO, for transportation planning in the Columbus urbanized area. This means MORPC has transportation responsibilities and funding per federal law. We also work on transportation planning for rural areas throughout Central Ohio. Seven counties in our region, surrounding the MPO, recently formed the Central Ohio Rural Planning Organization (CORPO). We provide the staff and technical assistance which is valuable added transportation planning capacity for our rural and growing areas. It's also part of the rural transportation organization program with the Ohio Department of Transportation (ODOT). We also work with our communities to access other transportation programs from the Ohio Public Works Commission, Ohio Development Services, and more.

One of our chief public policy goals is to achieve an advanced, inclusive, and exceptional transportation system that connects Central Ohio's people and products to the world. In working to achieve this goal, we collaborate with districts of ODOT, local governments, businesses, and the community to implement transportation projects throughout our region from roads, safety and bridges to transit, trails, and advanced technology.

A Funding Crisis

Governor DeWine is facing a transportation funding crisis at the outset of his administration. As you have heard from ODOT Director Marchbanks and countless other transportation experts from across the buckeye state, the preliminary budget plan for fiscal years 2020 and 2021 were troubling. The vast majority of revenues are allocated for maintenance rather than increasing

capacity. This is demonstrated by the decreasing size of the ODOT capital program from a high of approximately \$2.4 billion in fiscal year 2014 to approximately \$1.7 billion in fiscal year 2020. In order to meet its requirement to present a balanced budget, ODOT projects an across the board 10% cut to discretionary funds. The anticipated reductions will eliminate funding for new projects aimed to adding capacity and relieving congestion on Ohio roads, as well as delay needed maintenance and upgrades to existing bridges and roadways. We applaud ODOT and our local governments for being creative and efficient stewards of funding for our system over the last few years, but these additional cuts jeopardize the ability to effectively maintain Ohio's roads and bridges and invest in what's necessary for growth.

Here in Central Ohio communities know first-hand of the unmet need for transportation funding requests. For example, MORPC currently has about \$25.8 million in federal funding available during our current round, but \$180 million in requests around Central Ohio that cannot be funded. It also has \$29 million in public-works dollars for Franklin County to address \$50 million in requests. These are not wish list projects, they are vetted, critical projects throughout the region. This existing funding gap represents a range of deferred maintenance, needed expansion, and upgrades critical to economic development and safety.

The transportation funding crisis complicates already pressing needs in safety. MORPC estimates the societal cost of serious accidents in Franklin County alone in 2017 was \$1.89 billion on top of the tragedies suffered by so many families with 91 fatalities and 710 serious injuries. This safety story repeats itself across the state and is why MORPC supports the \$250 million line item request in the budget for increasing funding for safety programs.

Reduced funding will also worsen economic costs of congestion. For our region, we estimate congestion to cost over \$921 million annually due to travel delay and excess fuel consumption as well as health impacts from reduced air quality. Poor road conditions from deferred maintenance cost each driver an estimated \$533 annually. The financial impact is especially hard on lower income workers and families. Making needed investments will make our roads safer and reduce the costs of congestion and poor road conditions and reduce unexpected costs of getting to work for many.

In short, we have a transportation funding crisis on our hands and we must act now. In order to address this issue, MORPC supports Governor DeWine's increase to the motor fuel users' fee. With the advent of alternative fuel vehicles the motor fuel users' fee may not be the most representative or fair fee, but it is the most convenient collection mechanism since it has been in place since 1925. We can discuss other funding mechanisms down the road, for now let's worry about repairing the roads in front of us. Adjusting the fee today is what's necessary to avoid further crisis. It allows us to continue to effectively leverage federal dollars. It keeps the system maintained and safe and to make the basic investments needed for economic development. It buys us time to develop new mechanisms.

At 28 cents per gallon, Ohio currently ranks 29th in the nation, while we are 6th in the country in total Vehicle Miles Traveled, at 118.6 billion miles annually. The only border state with a lower fee is Kentucky. We also support indexing the fee to inflation. The reality is our dollar from 2003 - the last time legislators voted to raise the fee - is worth 58 cents today. The bottom line is that inflation has cut the productivity of our dollars by nearly half, and essentially no additional revenues have been added. The purchasing power issue is a big one. The efficiency of new processes and materials and streamlined administration is important, but it can't keep up with

the loss of purchasing power for what needs to be spent to maintain our roads. Anyone who has had to recently replace a sidewalk or driveway knows how much more it costs than 15 years ago. You can patch it and delay it only so long before it becomes an even more expensive hazard. Our transportation system is no different.

If we do not act on this issue there will be negative ripple effect throughout the state and Central Ohio is no different. There are many projects that will be affected. For example, the Columbus Innerbelt will not be completed. This long-delayed project is critical to the region and the state to maintain competitive infrastructure by relieving traffic congestion and adding capacity at the junction of two very significant interstates. In addition, this project would help keep us safe by making improvements at three of the state's top 10 crash locations. Another example is the Centerburg Intersection Improvements project in Knox County. Both roadways do not intersect the state route at a right angle and Updike Road is an offset intersection with SR 657. These conditions create safety issues that will be addressed with the improvements. We have provided lists of projects from throughout the region that will affect our ability to improve safety, create and maintain jobs, and ensure our role as a logistics hub stays strong.

Opportunities

Although we face a significant funding challenge we also view this budget as an opportunity to set up Ohio for long term success. For example, the two projects I mentioned earlier are Competitive Advantage Projects, which is a joint initiative between MORPC and Columbus 2020 - the economic development organization for the Columbus Region - to advance strategic infrastructure investments across the Columbus region. Simply put, we identified 43 priority projects needed for economic prosperity. The goal of the initiative is to prioritize important infrastructure projects in rural, suburban, and urban areas of our region to work toward making the projects a reality. We're working to ensure our communities across our region are strategically looking at what's necessary for the whole region to do better economically. Maintaining what we have simply won't allow us to compete nationally for jobs, we have to also invest in infrastructure that competes. Finding additional ways to incentive regional prioritization across the state would go a long way in improving Ohio's roads.

And in a major collaborative effort last year, a group of MORPC community leaders and elected officials – rural, urban, and suburban representing each level of local government - met to create a working document of state policy recommendations that address current transportation maintenance needs and also plans for future mobility needs. As Central Ohio's population grows largely from significant migration from outside of Ohio and natural growth and as infrastructure needs stretch beyond existing funding levels, finding long-term funding mechanisms is essential. Along with my testimony, I provided a list of these recommendations.

It's important to think about the future, but our communities can't stay competitive if they can't fix their own roads and bridges. Employers won't give your community a second look if you can't do the basics. That's why we support an amendment which is to be offered to this committee that would expand the permissive vehicle license fee cap for municipalities and townships. The last Ohio transportation budget (House Bill 26), gave counties the authority to raise this fee by just \$5 to help fund road and bridge maintenance. Over a third of Ohio's counties have done this. It's already being used to advance critical road and bridge projects by county engineers.

We think it's important to also give Ohio's municipalities and townships this same tool to invest in basic and necessary repairs for the roads and bridges they maintain.

Our workforce demands that we maintain our roads and bridges, but they also are asking for better and more affordable transit options whether to get to work or to give family members ways to get around the community. This demand is in every region of our state, and we request the committee take a step forward by creating dedicated funding sources for transit. Improving our transit system is a critical need and will assist people in rural and urban communities by connecting them to their job, hospitals, or places of worship. It would also provide needed services for older adults and for those unable to drive. Given the high concentration of job centers in metropolitan areas combined with the great needs for rural mobility, Ohio can no longer remain 41st in the nation for state assistance in funding transit. ODOT's own Transit Needs Assessment in 2014 recommended state funding for public transit by 2025 should equal \$185 million annually, 10% of the anticipated combined spending by Ohio's transit agencies (\$1.84B).

Also, finding new funding streams for rural and Appalachian communities of the state such as providing a dedicated capital funds to Rural Transportation Planning Organizations (RTPO) would better prepare these communities for both safety and economic growth. Now that areas across the state – including Central Ohio – have clearly identified their needs, it's time to invest more than just planning dollars. We support our partners at the Ohio Rural Development Association's recommendation for the creation of a pilot program allocating \$1 million to each RTPO, and with modified scoring criteria to advance critical infrastructure programs throughout rural Ohio.

Finally, this funding crisis is happening during a period of rapidly changing transportation technology. Ohio is poised to be a leader in innovative and connected technologies with Drive Ohio, Smart Columbus, the Smart 33 Corridor, and so many local and private efforts. This is a major focus for MORPC and our business and local government partners throughout Central Ohio. But we can't get to the future of transportation if we can't fund the basics for our roads and bridges.

We commend Governor DeWine and ODOT Director Marchbanks for their leadership in crafting a budget that addresses the state's urgent need for sustainable transportation funds. We strongly advocate for solutions to help all of Ohio's rural, suburban, and urban communities and each region's unique needs. We sincerely appreciate the committee's work and willingness to navigate such an important and critical issue.

Thank you for the opportunity to testify. I am happy to answer any questions.