



House Bill 62
House Finance Committee
February 28, 2018

Chairman Oelslager, Vice-Chairman Scherer, Ranking Member Cera, and members of the House Finance Committee, my name is Tom Balzer and I am the President & CEO of the Ohio Trucking Association and the Ohio Association of Movers. I would like to thank you for this opportunity to present further testimony on House Bill 62.

The Ohio Trucking Association supports Governor DeWine's proposal to increase the fuel tax by 18 cents and indexing to the Consumer Price Index. As you heard from Ohio Department of Transportation (ODOT) Director Jack Marchbanks and numerous other local government groups, the state's infrastructure needs are great. The governor's plan will bring Ohio's fuel tax in line with that of our surrounding states. Which as I stated in previous testimony is the best policy for the state when it comes to parity with the International Fuel Tax Agreements in place to ensure that Ohio isn't missing out on revenue for our roads and bridges.

As you consider various funding options, it is important to note that the fuel tax is the most efficient form of collecting the fees used for infrastructure projects. This funding source is Constitutionally protected from being diverted to other needs. Other funding options have proven to cost more and could be difficult and time-consuming to implement. For these reasons, we urge your support for the governor's plan.

The committee has also engaged in discussions regarding registration fees and companies choosing to base plate their trucks in states other than Ohio. This body last session corrected a loophole in the law that actually penalized Ohio companies from base plating in Ohio and benefited out of state trucking companies. Thus, was a proposal that came from a cooperative effort by the Ohio Association of County Engineers and the Ohio Trucking Association. This was accomplished by increasing Ohio's registration fees on commercial motor vehicles while exempting them from the permissive taxes. This put both in-state and out of state trucking companies utilizing the International Registration Plan on the same fee structure and thus eliminated the incentive for base plating their commercial motor vehicles out of state. In other words, there is no difference in the registration fees paid by an in-state trucking company and an out of state trucking company doing the same percentage of their miles in Ohio.

While not in the current budget proposal, we would also urge the Ohio House of Representatives to consider an amendment that would update Ohio's regional heavy haul permit. Ohio's regional heavy haul permit was created with the passage of HB 51 of the 130th General Assembly and accounts for less than 5% of the overall permit buys. Regional heavy haul permits allow vehicles to travel up to five destinations under one

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permit. The routes are approved by ODOT and fees are collected for each additional destination. Unfortunately, when created, the regional heavy haul permit was limited to trips under 150 miles. This arbitrary 150-mile limitation is particularly unfair to trucking companies located outside central Ohio that are forced to travel beyond 150 miles to get to the other side of the state.

Please note, this is NOT a proposal to increase weight limits or traffic on local roads. Instead the amendment is designed to merely remove the arbitrary 150-mile limitation, and thus eliminate an unnecessary bureaucratic hurdle in the permitting process. The Ohio Trucking Association and ODOT have worked closely on this proposal, including an increase in fees which were adopted by rule last year with the intention to ease government bureaucracy associated with applying for these permits.

I would also like to address the issue of weighing of all axles simultaneously currently in law in Ohio. As the largest payer of fees associated with infrastructure investment, we are keenly aware of the need to protect this state's infrastructure. We support enforcement of Ohio's overweight permits; however, we do not want to see truck weighing become a barrier of commerce by inconsistencies in enforcement practices. We have already seen this in various situations around the state and eliminating the need for jurisdictions to invest in the appropriate equipment and training to do the job properly has, in our view, many unintended consequences. By requiring the weighing of all axles simultaneously it eliminates human error in the calculation of axle weights and prevents unnecessary safety risks for law enforcement and our drivers.

We would rather see the state of Ohio provide additional funding to the Ohio State Highway Patrol to make capital improvements to the existing weigh scales in this state that are desperately in need of investment to include the installation of weigh in motion technology.

Mr. Chairman, this concludes my testimony, and I would be happy to answer any questions.