



**Ohio Association of Regional Councils
Grace Gallucci, President
Testimony before the Transportation, Commerce and Workforce Committee
The Ohio Senate
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Chairman McColley, Vice Chair Uecker, Ranking Member Antonio and members of the Senate Transportation, Commerce and Workforce Committee, my name is Grace Gallucci, and I am the Executive Director of the Northeast Ohio Areawide Coordinating Agency (NOACA), the metropolitan planning organization that conducts transportation and environmental planning for Cuyahoga, Geauga, Lake, Lorain, and Medina Counties.

However, I appear before you today in my role as President of the Ohio Association of Regional Councils, also known as OARC. OARC comprises 24 agencies serving 1,500 municipalities, villages, townships and counties. OARC members coordinate and work to streamline statewide services at the regional level, leverage federal resources, and serve as stewards of the state's resources. Thank you for the opportunity to speak to you today about Ohio's transportation funding crisis and what we can do to address this approaching fiscal cliff.

A number of Ohio's regional councils are federally mandated Metropolitan Planning Organizations (MPOs) that bring local officials together to determine transportation priorities and allocate federal transportation dollars. Some regional councils are Regional Transportation Planning Organizations, which do similar activities in Ohio's

rural areas. But all regional councils, urban and rural, share one important goal: to identify and prioritize the vital transportation needs in their respective regions.

Our councils work collaboratively with board members, community leaders, business leaders, and residents to develop complete transportation plans, and coordinate these plans with regional economic development priorities. In this capacity we collaborate with districts of the Ohio Department of Transportation (ODOT) to implement these projects. Regional councils know first-hand of the growing list of unmet needs for transportation funding.

In every corner of Ohio, we know the projects that are vitally needed to move people, and get them where they need to go. Some projects reduce congestion, some rehabilitate our roadways, some improve safety, and some modernize our public transit systems. While the specific projects and priorities might vary by region, they are all crucial to the safety, quality of life, and economic well-being of Ohioans. Recent years' funding has not been sufficient to complete many necessary projects. The approaching transportation fiscal cliff will make it impossible to deliver the infrastructure that Ohioans need and deserve.

As you have likely heard from Ohio Department of Transportation Director Marchbanks and others, the preliminary budget plan for fiscal years 2020 and 2021 is troubling. 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 is expected to make significant across the board cuts to discretionary funds. The anticipated reductions will eliminate funding for new projects, delay improvements and safety projects of all kinds, and postpone needed maintenance and upgrades to our roads, bridges, and multimodal transportation infrastructure.

A cutback in transportation investment will have a negative ripple effect throughout Ohio's communities. The state cannot remain competitive if we do not invest enough to

maintain and improve our infrastructure. Reduced funding makes it more difficult to keep us safe and could delay improvements to the state's top crash locations. Reduced funding will also inhibit our communities' ability to attract and retain businesses, jobs, and skilled workers. Whether it's maintaining the system we have, or updating and modernizing our infrastructure, Ohio must address this funding problem. This is not a rural issue; this not an urban issue; this is an Ohio issue.

Keep in mind that this funding crisis is happening during a period of rapidly changing transportation technology. Ohio cannot be a leader in innovative and connected technologies with Drive Ohio and so many local efforts, if we can't fund the basics for our transportation network.

Recommendations

OARC recommends to the Senate Transportation Committee that you examine Ohio's current motor fuel user fee, which is a significant source of state construction revenue. With the advent of alternative fuel vehicles, some question the ability of a motor fuel user fee to fairly and equitably assess users of our transportation system. But at this time, we would note that this fee has been successfully and consistently used for many years as a proxy for usage. And to further the notion of a true "user fee", we would propose that any new revenues should be spent where they are generated. Rather than create a complex formula to distribute these dollars among counties, cities, and townships, these funds should be directed to address the specific transportation needs where they were assessed – thus fulfilling the driver's expectation of a "user fee".

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 encourage that the fee be indexed to keep up with inflation.

In addition, we encourage expansion of the permissive vehicle license fee for municipalities and townships. The last Ohio transportation budget (House Bill 26), gave

counties the authority to raise this fee by \$5 to help fund road paving and 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 believe it's important to give Ohio's municipalities and townships this tool to invest in basic and necessary repairs for their transportation networks.

This past summer, then-candidate Mike DeWine announced at an OARC forum that if elected, he would create a blue ribbon task force to study how to best pay for infrastructure fixes. We commend Governor DeWine for his leadership in forming this committee and recommending an increase in the motor fuel user fee. We also commend members of the Ohio House of Representatives for their thoughtful consideration of the state's infrastructure needs, and for their support for an increase in the user fee, along with increased funds for public transportation. We urge members of this committee, and all senators, to use OARC's members as a resource as we work to solve this issue together. We must act now to address Ohio's transportation funding crisis.

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