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**Testimony to Senate Transportation, Commerce and Workforce Committee
March 14, 2017**

Chair LaRose and members of the Senate Transportation, Commerce and Workforce Committee, thank you for the opportunity to speak to you today about how Ohio roadways and infrastructure can be better funded – especially as it relates to local governments.

As the City of Delaware's representative on the board of the Mid-Ohio Regional Planning Commission, I chaired a task force that over six years examined local government's use of license plate fees as a means to take care of our roads and bridges, and the dedicated revenue stream these fees provide our region for those limited purposes. The task force recommended that permissive authority be granted to three entities - cities, townships and counties - by \$5 dollars each.

The license plate fee is paid when purchasing or renewing your license plate with the BMV. It is optional and can be levied by counties, municipalities and townships on vehicle registrations.

Revenue from the fee can only be used for the purpose of planning, constructing, improving, maintaining, and repairing public roads, highways, streets and bridges.

The total combined fee by all local governments (county, township or municipality) cannot exceed \$20. Unfortunately this has not been increased since 1987 – 30 years ago. Clearly, the revenue generated from license plate fees is not an “end-all, be-all” of local government funding. But at a time when costs to maintain these roads is at an all-time high, license fees are one more tool in our tool box to alleviate the strain on our funding.

We maintain that imposing license plate fees should remain an option – not a mandate – for local governments, but that the capped fee amount of \$20 should be increased by a modest amount in order to meet today's needs and be brought up to inflation.

As this committee considers granting Ohio counties an additional \$5 permissive authority, we request that equity be extended across all boundaries, and that Ohio municipalities and townships receive the same consideration.

Over the next 25 years, the estimated costs of maintaining locally owned roads and bridges are approximately \$41 billion.¹ The state has recommended that Ohio's local agencies, and even metropolitan planning organizations, will need to employ an array of strategies to close the projected funding gap to address transportation needs.² It only makes sense that the state explores giving more flexibility to local municipalities to use the optional license fee as

¹ Source: Access Ohio 2040, Ohio Dept. of Transportation; May 2014, at 11.

² Source: Access Ohio 2040, Ohio Dept. of Transportation; May 2014, at 11.

one of many tools. This option should be included as one of the Senate Transportation, Commerce and Workforce Committee's ultimate recommendations.

In the City of Delaware, the cost of construction materials has experienced substantial increases over the past 15 years. A ton of asphalt cost \$22 in 2000; in 2016, it costs \$72 – an increase of 227 percent. As a result, the purchasing power of all funds available for transportation improvements, including license fees, is now significantly reduced.

In addition, the demands on a city like Delaware to maintain state and federal highway links within our jurisdiction hinder our ability to adequately maintain our local system without additional funding. My city includes 49 lane miles of federal and state highway to maintain. This is a full 15 percent of our local road network, requiring \$1.25 million in resurfacing and maintenance dollars. The remaining 85 percent, or 264 lane miles of local streets, must be second in priority.

The fee you are being asked to consider is not mandatory, but a permissive fee. As currently occurs, local governments will vary on how they utilize this option. For this reason, granting additional permissive authority would not be an automatic increase across the state. It is simply one more option for local communities.

We look forward to a continued conversation on license plate fees as a viable option to increase transportation funding.

Thank you for this opportunity. I am happy to answer your questions.