



TO: Members of the Senate Transportation, Commerce & Workforce Committee

FR: Kent Scarrett, Executive Director of OML
Matthew DeTemple, Executive Director of OTA

DT: March 14, 2017

RE: Am. Sub. HB 26 (Transportation Budget) and Permissive MVL Fees

The Ohio Municipal League (OML) and the Ohio Township Association (OTA) respectfully request an amendment to Am. Sub. HB 26, the Transportation Budget, which would give municipalities and townships the permissive authority to levy an additional \$5.00 permissive motor vehicle license fee. Included in the bill favorably reported by the House Finance Committee on Thursday is language granting counties the authority to levy an additional \$5.00 MVL fee. Our request would simply grant municipalities and townships that same permissive, local authority.

In May of 2014, ODOT released a report titled “Access Ohio 2040” in which it was estimated that the cost of maintaining locally-owned roads and bridges is approximately \$41 billion and local revenue is estimated to be significantly below the need.

Additional money is imperative for municipalities and townships to sufficiently maintain and service safe roadways for their residents and the countless individuals that travel on them. As you know, cities, villages and townships across the state continue to be challenged with fiscal constraints that have limited their ability to generate steady streams of revenue to support growing infrastructure issues and needs. Furthermore, costs for road construction, maintenance and repair have increased steadily over the last 15 years.

A majority of municipalities and over 400 townships have already enacted the fees currently permitted under the *Ohio Revised Code*. The revenue collected aids these communities in maintaining, repairing and replacing over 73,000 miles of local roads across the state. However, the need for additional funding is still prevalent, and local, elected officials need the ability to enact a local, permissive fee that will help address the funding needed to maintain Ohio’s transportation infrastructure.

In the 131st General Assembly the OML and OTA, along with other interested parties including CCAO and CEAO, worked together on a proposal that would allow all three political subdivisions to seek an additional \$5.00 permissive license fee increase. It was later introduced as HB 528, sponsored by former Representative Margaret Ann Ruhl. All three local government organizations felt it was important to work together in support of this initiative, as the ability of local communities to improve their infrastructure benefits the state as a whole.

Safe and reliable roads are needed in Ohio to create and maintain economic development and a quality living environment. By permitting municipalities and townships the authority to levy an additional permissive MVL fee, you are providing an option to local officials to relieve budget constraints and complete road maintenance projects that are long overdue.

We greatly appreciate your consideration of our request and for your continued support of Ohio’s municipalities and townships across the state. Should you have any questions or would like additional information on this matter, please do not hesitate to contact either of our organizations.