



Senator Steve Huffman
Senate Transportation Committee
February 16, 2022
Senate Bill 277

Chairman Kunze, Vice Chair Reineke, Ranking Member Antonio and members of the Senate Transportation Committee, thank you for having me here today to present sponsor testimony on Senate Bill 277, which would suspend the fuel tax increase enacted as a part of the transportation budget of the 133rd General Assembly (HB 62). The provision increased the tax on gasoline by 10.5 cents per gallon and by 19 cents per gallon for diesel fuel. According to data obtained from the Ohio Department of Transportation, the increased taxes are anticipated to generate the following amounts in FY 2021 to 2025.

FY	Increased Tax Revenue
2021	\$283,780,000
2022	\$289,520,000
2023	\$313,740,000
2024	\$338,360,000
2025	\$371,760,000
Total	\$1,597,160,000

It is also estimated that over the next five years the federal infrastructure bill recently passed by Congress and signed by President Biden will provide approximately 11.3 billion dollars to the state of Ohio to spend on our state's infrastructure. The chart included below in my testimony shows the allocation of funds the state is set to receive.

Highways	\$9,200,000,000
Bridges	\$483,000,000
Transit	\$1,200,000,000
Electric Vehicle Charging	\$140,000,000
Airports	\$253,000,000
Total	\$11,276,000,000

As all of you may have noticed, the price of gas has significantly increased over the past year. According to AAA, the average gas price in Ohio today is \$3.23 per gallon. One year ago the

average price of a gallon was \$2.42. While the cause of this increase could be debated by this committee, one thing we can all agree on is that this drastic increase is causing financial difficulties and stress for Ohioans. Particularly those who have lower levels of disposable income and means. Due to the large amount of money Ohio is set to receive from the federal government, Ohio's roads and bridges will not be adversely affected in any way by this legislation.

This legislation would cease the collection of the additional gas tax increases beginning July 1st, 2022 and would last for five years. After five years, the legislature would have the ability to allow the gas tax increases to go back into effect or act to extend the bill's provisions. The legislation would also suspend the annual hybrid and electric vehicle fee imposed by HB 62 of the 133rd GA for five years.

Since the introduction of this bill I have met with many stakeholders regarding this idea. A concern from some has been that even with the incoming windfall of money from the federal government, local governments will be adversely affected by the State not allocating sufficient funds. I am currently working on an amendment to address this issue by ensuring local entities will continue to receive the amount of funding lost by the 2019 fuel tax increase.

To close, this idea is not one of a partisan nature. In the United States Senate, Democrats Mark Kelly and Maggie Hassan have recently introduced a bill which would temporarily suspend the 18.4 cents per gallon federal gas tax. In doing so, the Senators' stated the legislation was necessary, "...to bring much-needed economic relief to families across the country." With the massive amount of federal dollars Ohio is set to receive the time is right to provide similar relief to Ohioans. Thank you for the opportunity to present testimony today. I am happy to answer any questions you may have.