OHIO'S TRANSPORTATION FUNDING PROBLEM:

An Emerging Crisis

FOR HID FIX OUR ROADS OHIO

Better Transportation for Working and Living



Ohio's roads, highways and bridges are critical factors in to our state's overall prosperity. Unfortunately, Ohio's ability to maintain a safe, efficient and effective transportation infrastructure is in jeopardy as the state faces a major shortage of reliable funding for our roads and bridges. Unless action is taken soon, the system will continue to fall into disrepair and become further congested – damaging the overall vitality of our state and the safety of the people who live here.

Fix Our Roads Ohio (FOR Ohio) is a statewide coalition of Ohioans who share an interest in the future of our state's safety, economy and lifestyle. The coalition is working to educate Ohio citizens and our lawmakers on the critical needs of Ohio's transportation infrastructure and is advocating for a long-term, dedicated funding solution to invest in Ohio's roadways and bridges. We agree with Ohio Department of Transportation Director Jack Marchbanks, who has said, "We are facing a future where we will clearly not be able to maintain the quality of the system we have, let alone improve upon it. This will endanger the safety of every single person who travels Ohio's transportation network."

HOW DID WE GET HERE?

The primary source of road and bridge funding in the state is through the Motor Fuel User Fee, established in 1925. Currently, the federal fee is 18.4 cents per gallon and the state fee is 28 cents per gallon. The federal fee has remained unchanged since 1993, and the last ad-

justment to the state fee occurred in 2005. Due to inflation, the purchasing power of Ohio's 28 cents per gallon fee has significantly diminished to a value of only 18 cents in 2019 dollars.

To generate revenue in the short term, the Ohio Turnpike and Infrastructure Commission borrowed against future toll income by issuing bonds for \$1 billion in August 2013 and again in 2018 for \$550 million. The entirety of those funds will be encumbered for specific projects by the end of June 2019 and the state will be paying on the debt until 2048.

Due to the conclusion of the Ohio Turnpike Bond Program and the impact of inflation on the motor fuel user fee, the Ohio Department of Transportation's (ODOT's) projected capital program is dropping from \$2.4 billion in state fiscal years 2014 and 2015 to \$1.5 billion in state fiscal year 2020 which begins on July 1, 2019. That is a \$900 million reduction in just five years.

OHIO AT A GLANCE

- 2nd largest inventory of bridges
- **3**rd largest in freight volume
- 4th largest interstate highway system (based on lane miles)
- 6th in the country in total Vehicle Miles Traveled, at 118.6 billion miles annually

HOW DO WE FIX IT?

A lack of adequate funding to invest in Ohio's transportation system will negatively impact our state's economy and quality of life for every citizen. In a <u>case statement</u>, FOR Ohio offers a list of policy options for the DeWine Administration and the Ohio General Assembly to consider. Those include phased in increases to Ohio's Motor Fuel User Fee and indexing the fee so it keeps up with inflation, levying an annual fee on electric-powered vehicles, studying future funding alternatives that account for technological advancements and identifying a dedicated funding source to better support public transit.

THE COST OF INACTION

The anticipated shortfall in transportation funding will eliminate funding for new projects designed to add capacity and relieve congestion on Ohio roads. It will also delay other needed maintenance and upgrades to existing bridges and roadways. This will send a negative ripple through Ohio's economy as road conditions worsen and construction jobs are lost. Beyond these critical existing needs, the future of transportation will include advanced technology such as autonomous vehicles and smart mobility. Ohio has been a leader in the development of these innovations, however at current funding levels, the state will be unprepared to build the infrastructure for tomorrow when it's unable to maintain its existing system today.



OUR COALITION

Fix Our Roads Ohio (FOR Ohio) is a coalition of stakeholders that have united in an effort to educate state leaders on the critical needs of Ohio's transportation infrastructure, and to advocate for a dedicated funding solution that provides long term, smart investment in Ohio's transportation future.

LOCAL GOVERNMENT

Ohio Municipal League County Commissioners Association of Ohio Ohio Council of County Officials County Engineers Association of Ohio Ohio Township Association Ohio Mayors Alliance Northeast Ohio Mayors and City Managers Association Cuyahoga County Mayors and City Managers Association Central Ohio Mayors and Managers Association Ohio Rural Development Alliance Ohio Public Transit Association Ohio Fire Chiefs' Association

BUSINESS

Cincinnati USA Regional Chamber Columbus Chamber of Commerce Greater Cleveland Partnership Greater Akron Chamber Of Commerce Dayton Area Chamber of Commerce Toledo Regional Chamber of Commerce Youngstown/Warren Regional Chamber of Commerce Ohio Hotel and Lodging Association AAA Clubs of Ohio Dayton Area Logistics Association Ohio Restaurant Association Ohio Manufacturers' Association Clean Fuels Ohio UPS

TRANSPORTATION

American Council of Engineering Companies of Ohio Flexible Pavements of Ohio Ohio Trucking Association Ohio Aggregates and Industrial Minerals Association Ohio Contractors Association Transportation Advocacy Group of Northwest Ohio Ohio Association of Movers Ohio Prestressers Association American Society of Civil Engineers Ohio Concrete UNITED Equipment Dealers Association Ohio Equipment Distributors Association

REGIONAL COUNCILS

Ohio Association of Regional Councils Akron Metropolitan Area Transportation Study (AMATS) Belomar Regional Council and Interstate Planning Commission Brooke-Hancock Jefferson Metropolitan Planning Commission Buckeye Hills Regional Council Clark County-Springfield Transportation Coordinating Committee Eastgate Regional Council of Governments Erie County Regional Planning Commission **KYOVA** Interstate Planning Commission Licking County Planning Commission; Licking County Area Transportation Study Lima-Allen County Regional Planning Commission Logan-Union Champaign Regional Planning Commission Maumee Valley Planning Organization Miami Valley Regional Planning Commission (MVRPC) Mid-Ohio Regional Planning Commission (MORPC) Mid-Ohio Valley Regional Council Northeast Ohio Areawide Coordinating Agency (NOACA) Northeast Ohio Four-County Regional Planning & Development Organization Ohio Mid-Eastern Governments Association Ohio Valley Regional Development Commission **Richland County Regional Planning Commission** Stark County Regional Planning Commission Toledo Metropolitan Area Council of Governments (TMACOG) Wood-Washington-Wirt Interstate Planning Commission



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