

Why Transportation MATTERS!

OTEC

October 20, 2010



Transportation**MATTERS**

For Ohioans. For Prosperity.

Why TransportationMATTERS

- Ohio's strategic location and our excellent transportation network have positioned Ohio as a powerhouse in the movement of goods.
- Ohio is the nation's 7th largest exporting state with \$45 billion in annual exports linked to more than 300,000 jobs.
- Ohio is within a day's drive of 60% of the U.S. Population!
- For every \$1 million invested in Ohio Transportation System, 22 jobs are created.



TransportationMATTERS
For Ohioans. For Prosperity.

Economic Value of Multi-modal Ohio



- Lake Erie and the Ohio River transport as much freight annually as the Panama Canal!
- Airports contribute more than \$10 billion annually to Ohio's economy.
- Ohio is 4th in active freight rail lines mileage. Railroads in Ohio employ more than 8,000 workers directly and pay approximately \$500 million in wages in the state.

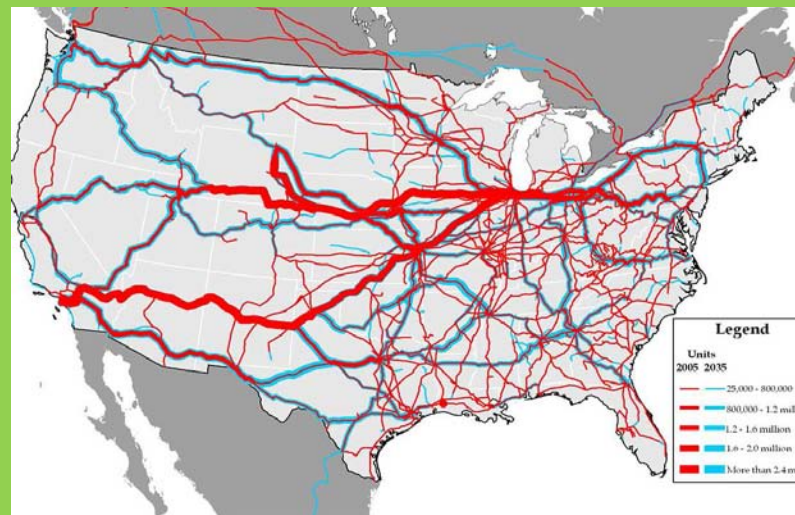
Economic Value of Multi-modal Ohio



- Ohio is 7th in highway miles. Traffic congestion contributes to employer tardiness and loss of productivity, costing Ohio businesses \$1,400,000 a year.
- Ohio has the 12th highest transit ridership in the nation, with 7 metropolitan areas having transit moving people.
- Ohio boasts 3000 miles of designated bike paths.

Estimated Growth

- Truck Traffic is Estimated to Grow 64 Percent (2000-2020)
- Train Traffic is Estimated to Grow 49 Percent (2000-2020)
- Air Freight is Likely to Double (2000-2020)
- Inland Barge Traffic is Estimated to Grow by 15 Percent



*source ODOT

Current Funding for Transportation

- Transportation Revenue Sources
 - Fuel Taxes
 - License and Vehicle Registration Fees
 - Sales Taxes
 - Tolls
 - TIF's
 - JEDDS
 - Community Authorities
 - Local Government Resources
 - Income and property taxes

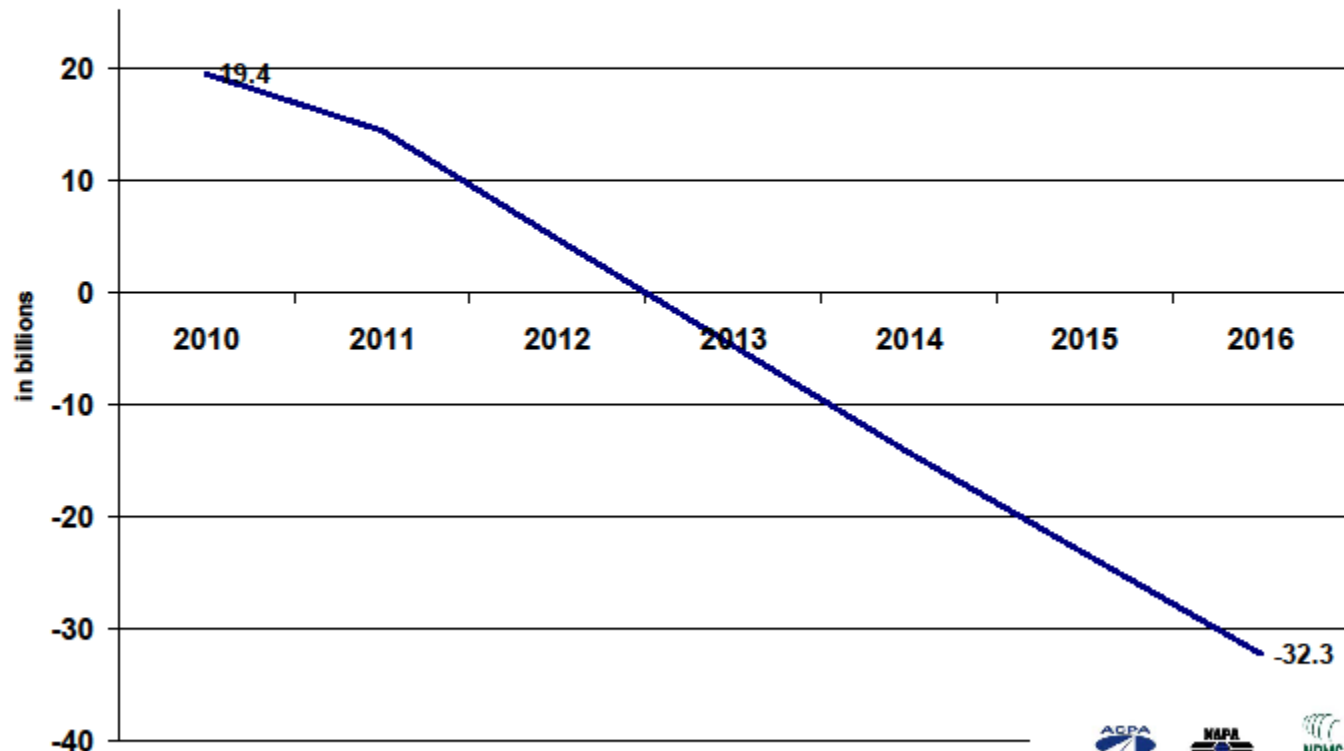


Federal Level (U.S. DOT)

- Federal Highway Trust Fund-roads and transit
- Trust fund is broke
 - HIRE ACT--\$19.5 billion transfer from general fund
- Federal Gasoline Tax
 - ✓ 18.4 cents a gallon
 - ✓ Last raised in 1993, 4.3 cents
 - ✓ \$1.75 billion in revenue per penny



Highway Trust Fund Highway Account – Year End Balance

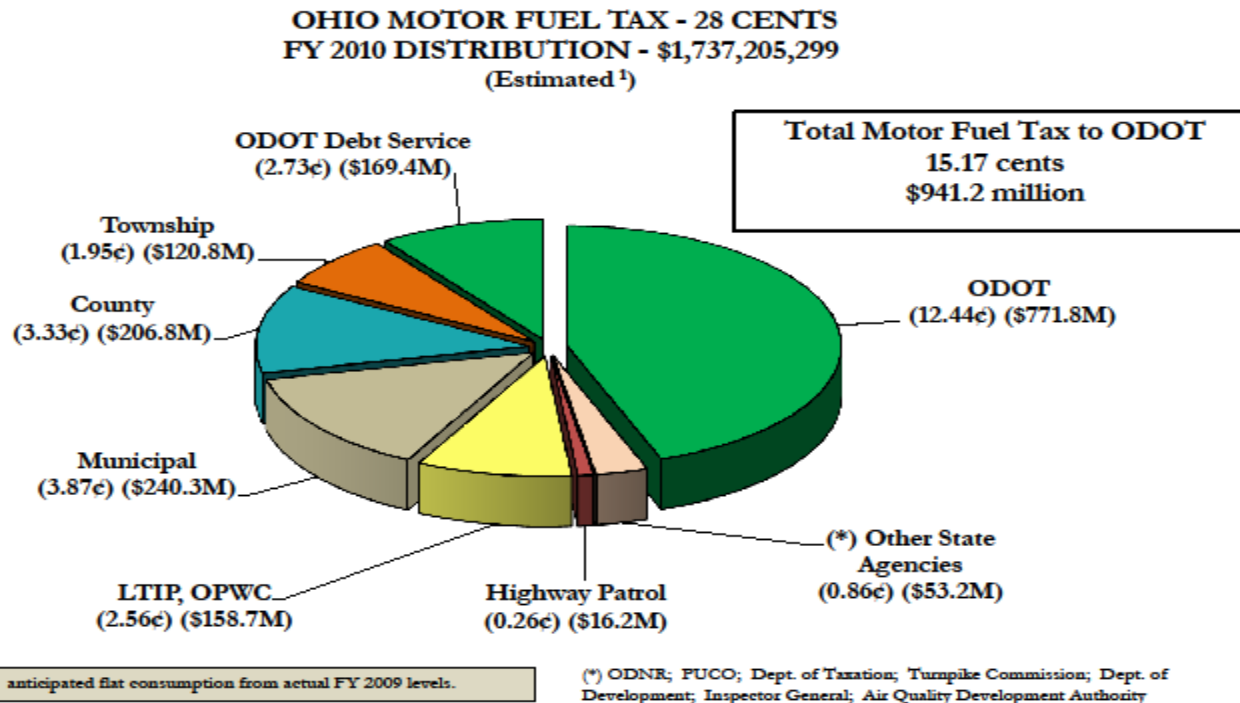


State Level (ODOT)

- General Revenue funds (aviation, transit)
- State Gasoline Tax
 - ✓ 28 cents a gallon
 - ✓ Last raised in 2006
 - ✓ \$62 million in revenue per penny to the state
- State gas tax revenues are flat
- State general revenue budget anticipated \$8 billion shortfall in next budget cycle



Estimated 2010 Ohio Motor Fuel Tax



1¢ = \$62 M to the State

Invest to compete



- On expensive infrastructure projects, the U.S. spends less than most countries:
only about two percent of Gross Domestic Product, compared to five percent for Europe and nine percent for China.
- There are estimates that the U.S. will have to spend as much as 5% of its GNP (or over \$600b/year) for infrastructure repair, replacement, and expansion for many years to come if it wants to remain competitive in the international economy.

Revenue...the billion \$ question

- Federal gasoline & diesel excise tax
- Tolling
- Bonding/National Infrastructure Bank
- P3
- VMT
- Freight-based user fee
- Oil barrel tax or futures tax
- Other proposals



Transportation Funding Matters

- Both our state and nation's surface transportation infrastructure is crumbling.
- SAFETEA-LU expired on Sept. 30, 2009, and the program is being extended continually which fosters uncertainty and inhibits business planning.
- Economic growth and competitiveness depends on it.
- Our freedom of mobility must be maintained.

TransportationMATTERS!

The mission of Transportation MATTERS is to advocate for full funding of a safe and efficient multi-modal transportation network that preserves and enhances Ohio's mobility, economic competitiveness and quality of life.

www.transportation-matters.org



Transportation**MATTERS**

For Ohioans. For Prosperity.