

Summary of House Bill 62 Transportation Budget Changes Impacting Ohio's Businesses

Topic	Outcome	Comments
Tax Rate	Gasoline moves from 28 cents to 38.5 cents and diesel from 28 cents to 47 cents per gallon. Rates go into effect on July 1, 2019	Gas tax increase expected to generate an additional \$535 million per year and diesel \$330 million per year.
Formula	Moves funding share from current 60% to state - 40% local to 55%-45%. Township formula reverts back to the 2003 formula.	Under new rates, local governments will receive \$381 million for roadway projects.
Public Transit	Current budget had \$33 million available for public transit.	Annual funding for transit increased to \$70 million.
Electric Vehicles	Implements an annual fee of \$100 for hybrids and \$200 for electric vehicles.	
CNG	Compressed natural gas (CNG) vehicles will have the diesel tax rate added to the cost of the fuel. Phased-in over five years.	Local transit vehicles receive similar credit against CNG tax now in place for diesel and gas taxes.
Electric Scooters	Regulation of their use left to the local governments.	
Registrar Fees	Maximum fee raised to \$5.25	
Levy	Permit municipalities and townships to levy an additional \$5 license fee.	Pays for additional roadwork projects or portion of cost in cooperation with ODOT highway projects.
License Plate	Front License plate still required through June 30, 2020	State of Ohio will study the issue and determine if the front plate will no longer be required after June 30, 2020
Traffic Cameras	Local entities using such cameras would lose Local Government Fund (LGF) equal to the fines collected. School zone enforcement is exempted. Local government required to pay legal cost of vehicle owners that contest the fine.	Locals need to report fine collection to Dept. of Taxation. Failure to do so allows state to withhold all LGF scheduled to go to that locality.
Misc.	(1) Stickers displaying gas taxes will be placed on the pumps or on signs near the pumps. (2) New Joint Legislative Study Committee will review future funding and new technologies.	Study Committee will hold hearings on alternative sources of revenue and evolving technology in transportation. A report is due on 12/12020.