



A Moral Document

How the budget can bring out the best in Ohio

August 2024

Department of Transportation

Molly Bryden

The Ohio Department of Transportation (ODOT) receives funding from Ohio's operating budget and transportation budget. Ohio's transportation budget for FY2024-25 (HB 23) made \$11.47 billion in appropriations to ODOT, making up 85% of the total transportation budget. Capital investments make up the largest share of the state transportation budget (79.3%), followed by personal services (9.6%). ODOT was allocated an additional \$654.2 million in the FY2024-25 Main Operating Budget (HB 33).

Spending on highway construction and maintenance represents 90.7% of ODOT funding under the transportation budget. Remaining funding goes toward debt service,¹ administration, public transit, planning and research, the State Infrastructure Bank, rail, and aviation. Public transit funding accounts for only 1.7% of ODOT's budget appropriated by the transportation budget.

Public transportation budget

State investment in public transit is key to maintaining comprehensive, accessible public transportation systems for everyone. Transit makes our communities possible: It's how we take our kids to school, get to work on time, meet up with family and friends, and contribute to our communities. Without it, our communities and businesses suffer. However, Ohio has historically ranked near the bottom of the nation for the state share of public transportation funding. In fact, Ohio ranked 42nd in state funding for public transit per capita in 2022, and still has a long way to go to meet ODOT's recommendation of 10% of the transportation budget by 2025.

Ohio's public transit systems are funded by a mix of federal, state, and local sources, with 70% from local taxes (like sales, property, and earnings taxes). With additional contributions from local governments, local funding mechanisms account for more than 75% of transit funding in Ohio. In 2022, the largest share of Ohio's transportation budget (48%) was allocated to state roads and bridges, and the second largest (33.2%) went to counties, municipalities, and townships who own and maintain over 80% of all lane miles

¹ Debt service involves costs that ODOT incurred by issuing bonds to pay for highway construction and maintenance, other infrastructure projects, and transportation maintenance facilities.

in Ohio. Only 5% went to multi-modal transportation, which includes transit, airport, and rail development.

The FY2024-25 transportation budget appropriated \$37 million per year for public transit from the GRF, the only state-generated funding for public transit. This follows a jump from previous years, when GRF appropriations ranged between \$7.3 million and \$10.1 million between FY12 and FY19, with an average of \$7.8 million per year: just 66 cents per capita. Public transit preferences hinge on service reliability and affordability, both of which are insufficient in Ohio.

State lawmakers should increase state funding for public transit to reduce regional transit authorities' reliance on local funding sources, enhancing infrastructure upgrades and route expansions, and increasing ridership levels and fare revenue in turn. With historic federal infrastructure spending and tax credits available for fleet electrification, the legislature has a unique opportunity to accelerate the development of efficient, well-connected transit systems through state budgeting mechanisms.

The legislature should continue funding increases toward the department's goal of 10% transit funding by 2025. Lastly, the legislature should include additional funds for a state-wide needs assessment, which has not been completed since 2015, and would give a more in-depth understanding of our transit needs for the future.

In this section: *Public Transportation – State (ALI 775470), Public Transportation – Federal (775452), and Public Transportation – Other (ALI 775454).*

Line items and how to use them

A line item is a single appropriation in a budget that covers a specific topic, program, or pot of money. Every line item is associated with a six-digit code: the Appropriation Line Item (ALI) number. (For example, School Meal Programs are funded through ALI 200505.) If you know the ALI you're looking for, use your computer's search function to find it. You can also search for line items by name. In this report, we list relevant ALI numbers and names at the end of each section, in case you want to check them out for yourself.