



OHIO STATE HIGHWAY PATROL **Funding Task Force**

FINAL REPORT TASK FORCE **RECOMMENDATIONS** JUNE THIRTIETH TWO THOUSAND EIGHT

Presented to Governor Ted Strickland
and The Ohio General Assembly





Executive Summary	4
Ohio State Highway Patrol Funding Task Force Members	7
Operations Overview: Ohio State Highway Patrol	8
Ohio State Highway Patrol Budget Controls	14
Formal Recommendations	16

Table of Contents

Executive Summary

On March 31, 2007, Governor Ted Strickland signed into law Amended Substitute House Bill 67, the Transportation Budget Bill for Fiscal Years 2008 and 2009, marking the final transition of the Ohio State Highway Patrol (OSHP) off of motor vehicle fuel tax as its major funding source and establishing The Ohio State Highway Patrol Funding Task Force.

This 19-member task force was appointed by Governor Strickland to identify funding sources that will sustain a long-term funding solution to support the OSHP and its critical public safety mission. Previous to FY04, the Highway Patrol was primarily funded through the gas tax. For example, the Highway Safety Fund received \$188 million in FY02 and \$185 million in FY03 from the gas tax. The FY04/FY05 Biennium Budget contained language for a four year phase-out from the gas tax. To offset the loss of gas tax revenue, the Budget Bill provided for an \$11.00 fee increase for vehicle registrations, a \$12.00 fee increase for driver licenses, and a \$5.00 fee increase for temporary tags. In FY07, these fee increases amounted to \$174 million, as compared to what had been received from the gas tax in FY03 (\$185 million).

The Patrol's budget challenges associated with the phase out of the motor vehicle fuel tax have been clearly documented. While preparing his FY08/09 Biennium Budget, Governor Strickland made it the highest priority to ensure the OSHP was adequately funded so they could continue to offer the protection that Ohioans deserve.

With this current budget, a proposed revision to the gas shrinkage and evaporation discount for petroleum products was adopted to provide the additional financial resources to offset the structural deficit in the OSHP. While this move provided sufficient revenue to see the OSHP through FY08 and FY09, it was a short-term solution to address the Patrol's critical financial situation for the current biennium. The Governor, members of the General Assembly and critical stakeholders have worked closely through this process, and have remained committed to finding and adopting a long-term solution that adequately addresses the Patrol's continuing budget situation.

The FY08/FY09 Transportation Budget incorporated temporary budget language for the Highway Safety Fund to receive funds ranging from \$1.25 million to \$1.6 million per month from the gas shrinkage and evaporation discount. The Ohio Department of Public Safety has been receiving \$1.6 million per month in FY08, which equates to \$19.2 million per year. Temporary budget language for FY08 and FY09 will not be continued in future years unless the legislature once again approves the language to be included in the budget bill.

The cash shortage for the OSHP starts in FY10, with the projected loss of the evaporation discount, and continues to grow each year with rising costs. The projected deficit for FY13 is approximately \$405 million or \$101.2 million per year.

Under the leadership of its Chairman, Ohio Department of Public Safety Director Henry Guzmán, the Ohio State Highway Patrol Funding Task Force conducted a comprehensive review and analysis of the fiscal structure, budget priorities and operational needs of the Ohio State Highway Patrol. This report of the panel's findings includes substantive recommendations for a dedicated and stable long-term funding source to support the Ohio State Highway Patrol's operations in carrying out its mission. With the issuance of this report and its presentation to the Governor and members of the Ohio General Assembly, the Task Force shall cease to exist.

Executive Summary

State Highway Patrol Funding Task Force Creation

§555.17. There is hereby created the State Highway Patrol Funding Task Force. The Task Force shall study the method of funding the State Highway Patrol and shall issue a report of its findings to the General Assembly and the Governor by July 1, 2008. The Governor shall appoint the members of the Task Force. The Task Force shall include in the report a recommendation for a dedicated and stable long-term funding source for the State Highway Patrol. Upon issuing its report, the Task Force shall cease to exist.

Guiding Principles for Determining Solutions

Charged with recommending a dedicated and stable long-term funding source for the men and women of the Ohio State Highway Patrol, the Task Force's guiding principles were the following:

1. Any fee increase considered should be broad based and as low a rate as possible, thereby fairly applying to all who benefit from the Patrol's services.
2. All recommended sources of revenue should be sustainable.
3. It is desirable to keep Ohio's fees competitive with those of our border states.
4. Recommendations shall be adopted that will ensure continuation of the highest level service and protection to the public.

Task Force Chairman

Henry Guzmán, *Director*
Ohio Department of Public Safety

James Beasley, *Director*
Ohio Department of Transportation

Mary Boneli, *Senior Vice President*
Public Information, Ohio Insurance Institute

Steven Buehrer, Ohio Senate

Susan J. Cave, *Executive Director*
Ohio Municipal League

Michael Cochran, *Executive Director*
Ohio Township Association

Richard H. Collins, *Superintendent*
Ohio State Highway Patrol

Larry A. Davis, *President*
Ohio Trucking Association

Robert Hagan, Ohio House of Representatives

John Leutz, *Senior Policy Analyst*
County Commissioners Association of Ohio

Richard A. Levin, *Tax Commissioner*
Ohio Department of Taxation

Donald L. Mader, *Executive Director*
American Council of Engineering Companies of Ohio

Brian Newbacher, *Director of Public Affairs*
AAA East Central

Larry Phillips, *President*
Ohio State Troopers Association

Mike Rankin, *Registrar*
Ohio Bureau of Motor Vehicles

Chris Runyan, *President*
Ohio Contractors Association

Pari Sabety, *Director*
Ohio Office of Budget and Management

Doug Scoles, *Executive Director*
Ohio MADD

Jason Wilson, Ohio Senate

Ohio State Highway Patrol Funding Task Force Members

The Task Force acknowledges the important contributions of Ohio Department of Public Safety staff, whose technical and fiscal analysis was critical to this process. Special thanks is also given to the Office of Budget and Management's leadership and staff.

Operations Overview

The Ohio State Highway Patrol, a division of the Ohio Department of Public Safety, is an internationally accredited agency whose mission is to protect life and property, promote traffic safety and provide professional public safety services with respect, compassion, and unbiased professionalism.

The Patrol provides:

- Statewide traffic services to keep our roadways safe;
- Statewide emergency response services and support services to the public and the criminal justice community;
- Investigation of criminal activities on state-owned and leased property throughout Ohio; and
- Security for the Governor and other dignitaries.

In 2003, the Ohio State Highway Patrol adopted the National Highway Traffic Safety Administration's aggressive goal to reduce traffic fatalities to no more than one per 100 million vehicle miles traveled by the end of 2008. The Patrol's *LifeStat 1.0* program was a nationally recognized effort that set the standard for other law enforcement agencies across the country. In 2006, the Ohio State Highway Patrol's *LifeStat 1.0* program won the prestigious International Association of Chiefs of Police Webber Seavey Award that is presented to agencies and departments worldwide in recognition for promoting a standard of excellence that exemplifies law enforcement's contribution and dedication to the quality of life in local communities. Early indicators of the program's overall impact have been extraordinary, as traffic fatalities have been significantly reduced since the implementation of the initiative. In fact, Ohio roads were the safest on record in 2006, with traffic deaths hitting an all-time low in the state.

The division, not content to settle over this historic achievement, expanded the goal of the LifeStat program and embarked on a new mission to provide a more holistic view of the efforts, challenges, and accomplishments of the agency for every hour of every day.

Deemed *The 24/7 Initiative*, the goal of the program is to reduce serious traffic crashes and apprehend the criminal element through high-visibility, aggressive traffic enforcement and increased public awareness. Preliminary results of *The 24/7 Initiative* has been encouraging. Traffic fatalities are decreasing further and the Patrol has made significant inroads in making Ohio communities safer. Figure 1 (page 10) displays an overview of the services and value that the division provides to the citizens of the state. Figure 2 (page 11) provides current information on the Patrol's efforts to remove criminals from Ohio roads.

Like many other law enforcement agencies across the nation, the Ohio State Highway Patrol is faced with significant budget challenges with declining state and federal revenues and dramatic increases in fuel costs. Figure 3 (page 12) provides a comprehensive breakdown of budget sources for the primary state law enforcement agencies in Ohio's border states and in two states - Florida and Missouri - whose Highway Patrol organizations are very similar in operational structure and size. Figure 4 (page 13) provides a national comparison of where the OSHP ranks among state law enforcement agencies in population per officer, motor vehicle miles traveled per officer and registered vehicles per officer.

Operations Overview

Figure 1: Ohio State Highway Patrol Services January – December 2007

Motorist assists (tire changes, stranded motorist transports, gas relays, etc):	409,164
OVI (impaired) drivers removed from roads:	24,730
Warnings issued:	443,708
Crashes investigated:	71,054
Hours spent investigating crashes:	251,834
Hours spent on patrol:	961,522
Hours spent investigating highway and state property crimes:	178,032
Stolen vehicles/auto thieves apprehended:	548
Commercial vehicles taken out of service for safety violations:	16,519
Trucks weighed:	4,828,373
School bus safety inspections:	46,672
Driver examination customers served:	983,340
Drugs seized by criminal patrol troopers	
Marijuana – 3,053,106 grams valued at:	\$23,270,990
Cocaine – 267,944 grams valued at:	\$26,794,400
Heroin – 6,425 grams valued at:	\$2,570,000
Ecstasy – 32,040 grams valued at:	\$640,800

Figure 2: Ohio State Highway Patrol Criminal Apprehensions January – May 2008

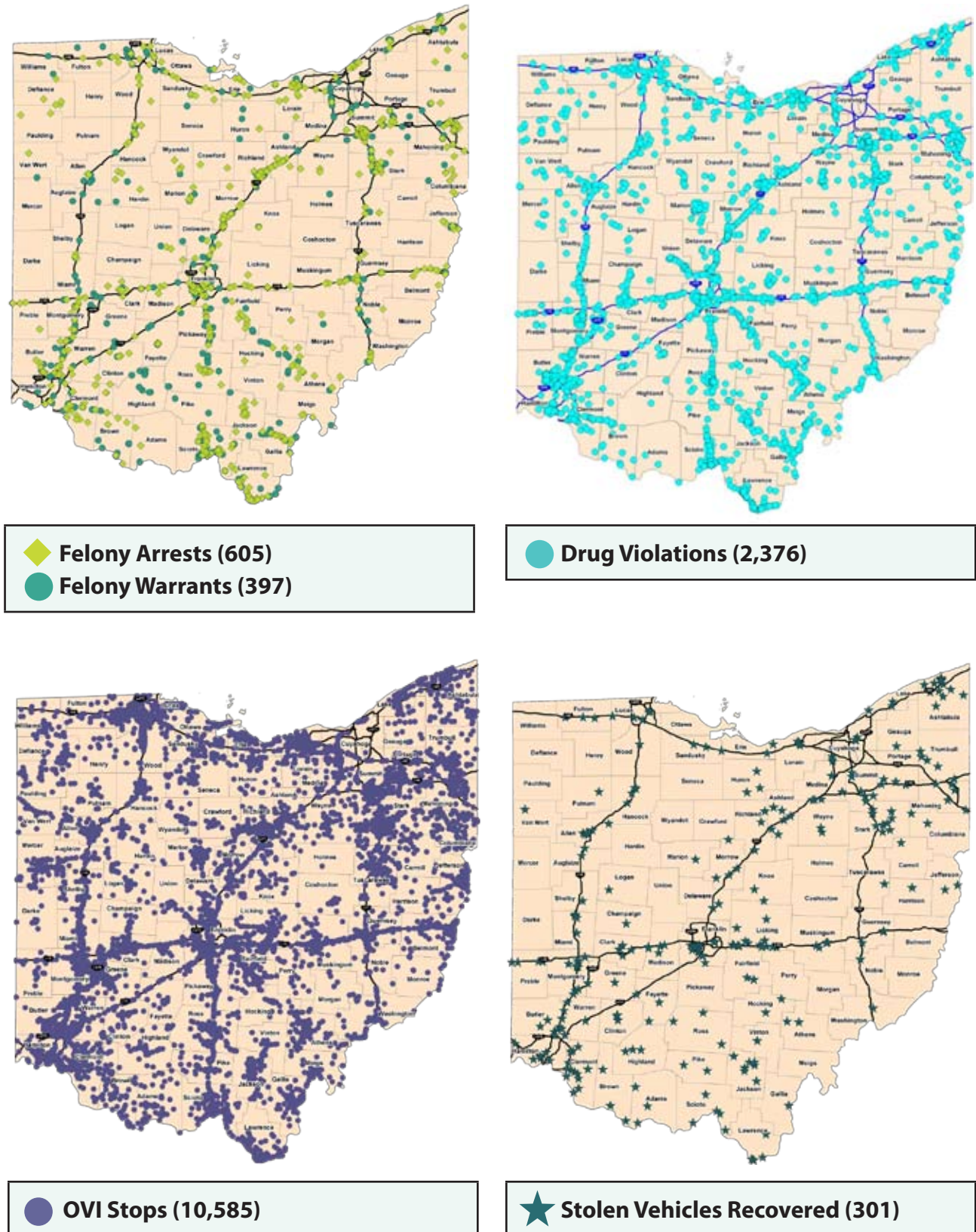


Figure 3: State Highway Patrol /State Police Budget Comparison

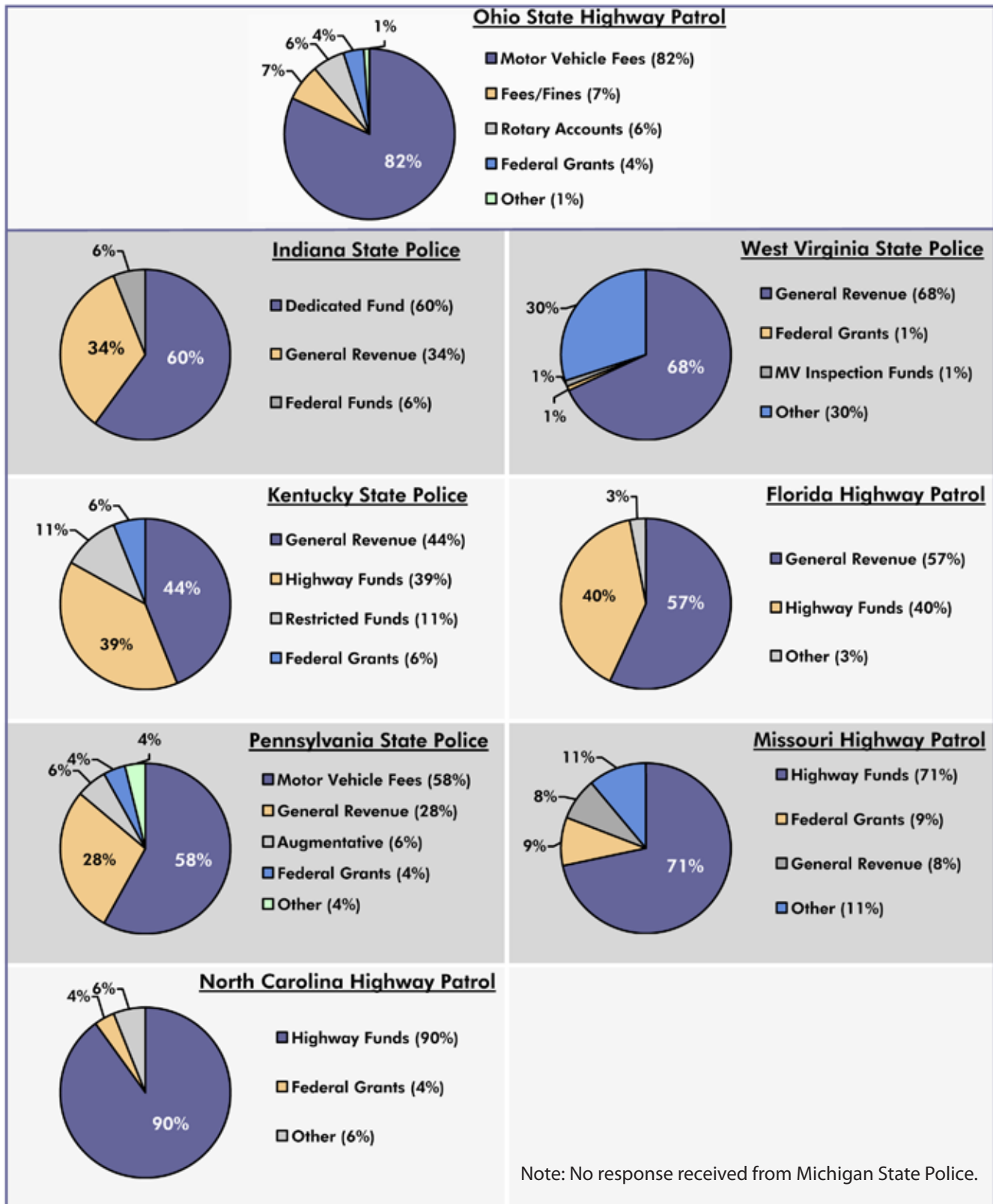


Figure 4: National Comparison: State Law Enforcement Agencies

POPULATION			VEHICLE MILES TRAVELED			REGISTERED VEHICLES		
Agency	Rank	Pop. per Officer	Agency	Rank	MVMT per Officer	Agency	Rank	Reg. Veh. per Officer
Delaware State Police	1	1278	Alaska State Police	1	11	Delaware State Police	1	1253
Alaska State Police	2	1554	Delaware State Police	2	14	Alaska State Police	2	1621
Vermont State Police	3	1902	Massachusetts State Police	3	21	Vermont State Police	3	1890
Massachusetts State Police	4	2556	Vermont State Police	4	23	New Jersey State Police	4	2033
Wyoming Highway Patrol	5	2575	Pennsylvania State Police	5	24	Massachusetts State Police	5	2195
West Virginia State Police	6	2758	New Jersey State Police	6	25	West Virginia State Police	6	2248
Pennsylvania State Police	7	2856	Connecticut State Police	7	26	Pennsylvania State Police	7	2347
New Jersey State Police	8	2898	New York State Police	8	29	New York State Police	8	2394
Connecticut State Police	9	2906	West Virginia State Police	9	31	Connecticut State Police	9	2584
New Mexico State Police	10	3231	Maryland State Police	10	36	New Mexico State Police	10	2684
Nebraska Highway Patrol	11	3494	Rhode Island State Police	11	38	Colorado Highway Patrol	11	2684
Maryland State Police	12	3680	Nebraska Highway Patrol	12	38	Maryland State Police	12	2988
New York State Police	13	4023	New Mexico State Police	13	42	Nevada Highway Patrol	13	3390
Virginia State Police	14	4111	Virginia State Police	14	43	Wyoming Highway Patrol	14	3405
Maine State Police	15	4144	Louisiana State Police	15	45	Mississippi Highway Patrol	15	3461
Louisiana State Police	16	4313	New Hampshire State Police	16	46	Nebraska Highway Patrol	16	3498
Montana Highway Patrol	17	4457	Wyoming Highway Patrol	17	47	Maine State Police	17	3501
New Hampshire State Police	18	4457	Maine State Police	18	47	Virginia State Police	18	3613
Kentucky State Police	19	4484	California Highway Patrol	19	48	Arizona Highway Patrol	19	3635
Oklahoma Highway Patrol	20	4484	Kentucky State Police	20	50	North Carolina Highway Patrol	20	3697
North Dakota Highway Patrol	21	4608	Idaho State Police	21	51	Arkansas State Police	21	3705
Kansas Highway Patrol	22	4740	Kansas Highway Patrol	22	51	New Hampshire State Police	22	3833
South Dakota Highway Patrol	23	4827	Nevada Highway Patrol	23	51	Kentucky State Police	23	3856
Rhode Island State Police	24	4921	Illinois State Police	24	52	Rhode Island State Police	24	3857
South Carolina Highway Patrol	25	4938	Arizona Highway Patrol	25	52	Louisiana State Police	25	3957
Mississippi Highway Patrol	26	4976	Montana Highway Patrol	26	53	South Carolina Highway Patrol	26	4048
Idaho State Police	27	4986	Washington Highway Patrol	27	53	Oklahoma Highway Patrol	27	4130
Arkansas State Police	28	5074	South Dakota Highway Patrol	28	56	Kansas Highway Patrol	28	4221
North Carolina Highway Patrol	29	5107	North Dakota Highway Patrol	29	57	Indiana State Police	29	4492
Arizona Highway Patrol	30	5216	Utah Highway Patrol	30	57	Idaho State Police	30	4510
California Highway Patrol	31	5420	South Carolina Highway Patrol	31	57	Michigan State Police	31	4678
Missouri Highway Patrol	32	5501	Michigan State Police	32	58	Missouri Highway Patrol	32	4748
Indiana State Police	33	5558	North Carolina Highway Patrol	33	58	Illinois State Police	33	4992
Michigan State Police	34	5621	Oregon State Police	34	59	California Highway Patrol	34	5041
Utah Highway Patrol	35	5629	Arkansas State Police	35	59	Utah Highway Patrol	35	5048
Nevada Highway Patrol	36	5942	Oklahoma Highway Patrol	36	61	Oregon State Police	36	5134
Washington Highway Patrol	37	6068	Indiana State Police	37	62	Texas Highway Patrol	37	5198
Oregon State Police	38	6199	Missouri Highway Patrol	38	64	North Dakota Highway Patrol	38	5347
Illinois State Police	39	6299	Colorado Highway Patrol	39	67	Montana Highway Patrol	39	5433
Alabama Highway Patrol	40	6504	Texas Highway Patrol	40	69	South Dakota Highway Patrol	40	5537
Colorado Highway Patrol	41	6629	Mississippi Highway Patrol	41	70	Washington Highway Patrol	41	5582
Texas Highway Patrol	42	6829	Iowa Highway Patrol	42	71	Tennessee Highway Patrol	42	6176
Iowa Highway Patrol	43	6839	Ohio Highway Patrol	43	75	Alabama Highway Patrol	43	6695
Tennessee Highway Patrol	44	7138	Tennessee Highway Patrol	44	83	Ohio Highway Patrol	44	7571
Ohio Highway Patrol	45	7786	Alabama Highway Patrol	45	85	Iowa Highway Patrol	45	8043
Minnesota Highway Patrol	46	9210	Minnesota Highway Patrol	46	100	Minnesota Highway Patrol	46	8771
Florida Highway Patrol	47	9852	Florida Highway Patrol	47	110	Florida Highway Patrol	47	9238
Georgia Highway Patrol	48	11734	Wisconsin Highway Patrol	48	128	Georgia Highway Patrol	48	10562
Wisconsin Highway Patrol	49	11976	Georgia Highway Patrol	49	142	Wisconsin Highway Patrol	49	11299

• Source: The number of law enforcement officers was obtained from a 2007 OSHP survey of state law enforcement agencies.

• Population, vehicle miles traveled, and registered vehicles were obtained from National Highway Traffic Safety Administration's "Traffic Safety Facts 2006."

• Rates for vehicle miles traveled are per million. A brief comparison of updated officer figures for select agencies in 2008 did not significantly impact rankings (OSHP rankings were unchanged for population and registered vehicles, and moved from 43 to 41 for VMT).

• Hawaii does not have a state law enforcement agency.

Ohio State Highway Patrol Budget Controls

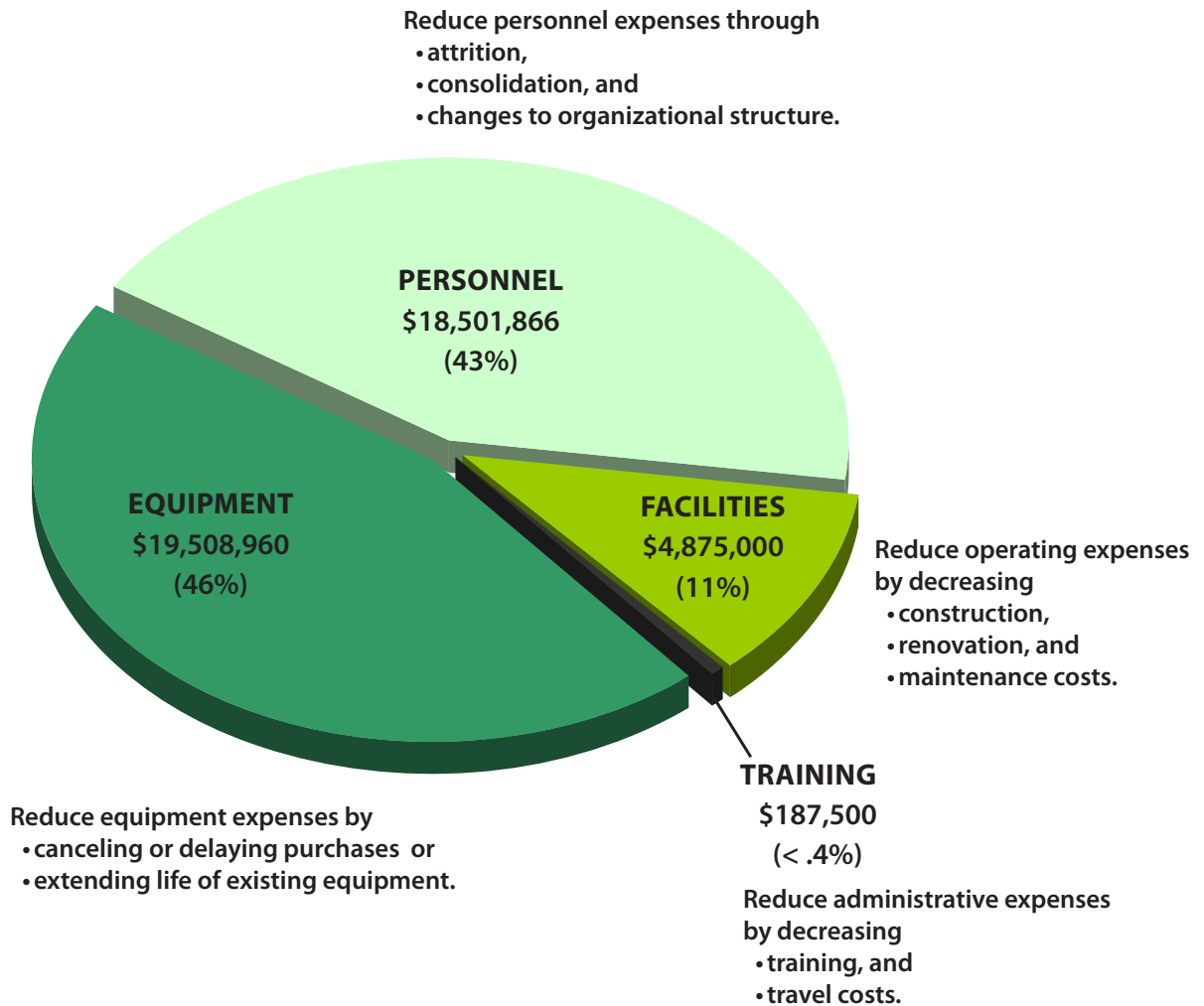
This biennium marks a critical point in the division's financial situation. Recent projections of the Highway Safety Fund's revenue indicate a potential shortfall that approaches \$143 million at the end of the next fiscal biennium. A series of proactive strategies have been developed for implementation.

These strategies are intended to provide minimal disruption to OSHP's core services while reducing expenditures by approximately \$43 million. These values are estimates and could be impacted by unforeseen circumstances in the future.

In addition, OSHP shall continue to work with ODPS and other partners to identify other operating efficiencies or budget controls that may become options as a standard operating practice.

The following reduction strategies were consolidated into four broad categories including: Personnel, Training, Facilities, and Equipment. A brief synopsis of each of the reduction strategies is provided on the following page.

OPERATING BUDGET REDUCTION STRATEGIES FY2008-FY2011



RECOMMENDATIONS: Summary

Charged with recommending a dedicated and stable long-term funding source for the men and women of the Ohio State Highway Patrol, the Ohio State Highway Patrol Funding Task Force reviewed more than 206 fees administered through the Ohio Department of Public Safety. Great consideration was given to sustainability and citizenry impact when determining this solution while ensuring the continuation of the highest level of service and protection to the public.

As a result of the review and analysis, the Task Force narrowed the prospective scenarios to a much more finite proposal for consideration. Although the Task Force has agreed upon a detailed recommendation that may best represent the inclusiveness of all the guiding principles established, other funding formulas may be considered in order to distribute

the impact upon those that benefit from the services of the Ohio State Highway Patrol. It is recommended that while the Department of Public Safety should continue to create efficiencies and budget controls within the division, future consideration may also include reviewing a change in the Title Fee structure that currently exists in the State of Ohio.

This recommendation is a broad based approach which allows Ohio to be competitive with other states while adequately funding the vital services provided by the Ohio State Highway Patrol. Working collaboratively, this recommendation addresses the critical funding issue while providing a practical and lasting solution that is in the best interest of the state, its citizens, and the Ohio State Highway Patrol.

TRANSACTION TYPE	PROPOSED FEE INCREASE	ESTIMATED OSP REVENUE
International Registration Plan (IRP) Registrations (from other states)	2.5%	\$1,740,880
Vision Screening	\$1.00	\$1,840,013
Temporary Tags	\$5.00	\$9,455,975
Late Renewal Transaction(s) Fines (Driver Licenses and Vehicle Registrations)	\$10.00	\$21,026,426
Vehicle Registrations (<i>Excluding</i> Commercial Trucks)	\$5.75	\$61,798,510
Vehicle Registrations (<i>Including</i> Commercial Trucks)	\$19.00	\$10,504,644
ESTIMATED TOTAL REVENUE GENERATED: \$106,366,448		

RECOMMENDATIONS: Temporary Tags

CURRENT							PROPOSED			
FY 07 QUANTITY	CURRENT FEE	DEPUTY FEE	OSP FEE FROM ORC 4503.182	FEE BALANCE	FEE TO BMV	% FEE TO BMV	FEE INCREASE	% FEE TO OSP	NEW \$ TO OSP	ESTIMATED REVENUE GENERATED
1,891,195	\$10.50	\$3.50	\$5	\$2	\$2	100%	\$5	100%	\$5	\$9,455,975.00
ESTIMATED OSP REVENUE GENERATED: \$9,455,975.00										

RECOMMENDATIONS: Late Fines

CURRENT				PROPOSED					
FY07 QUANTITY*	CURRENT FINE	CURRENT FINE TO OSP	CURRENT FINE % TO OSP	FINE	% FINE TO OSP	NEW \$ TO OSP	% FINE TO DR	NEW \$ TO DR	ESTIMATED REVENUE GENERATED
2,213,308	\$0	\$0	0%	\$10	95%	\$9.50	5%	\$0.50	\$21,026,426
ESTIMATED OSP REVENUE GENERATED: \$21,026,426									

*The actual number of FY07 transactions is 2,951,077.

To perform the calculations, the FY07 quantity is shown at a 25% reduction.

RECOMMENDATIONS: Vehicle Registrations

CURRENT											PROPOSED		
VEHICLE REGISTRATION TYPE	FY07 QUANTITY	CURRENT FEE	OSP FEE per ORC 4503.10	DEPUTY FEE	FEE BALANCE	FEE TO ODOT	% TO ODOT	FEE TO OSP	FEE TO BMV	% TO BMV	FEE INCREASE	% OF FEE	ESTIMATED REVENUE GENERATED
Passenger car	7,781,105	\$34.50	\$11	\$3.50	\$20	\$0	0%	\$0	\$20	100%	\$5.75	100%	\$44,741,353.75
Non-commercial Motor Vehicle (designed to carry no more than 3/4 ton, new and renewal)	1,542,513	\$49.50	\$11	\$3.50	\$35	\$0	0%	\$0	\$35	100%	\$5.75	100%	\$8,869,449.75
Non-commercial Motor Vehicle (designed to carry more than 3/4 ton but less than 1 ton)	43,196	\$84.50	\$11	\$3.50	\$70	\$0	0%	\$0	\$70	100%	\$5.75	100%	\$248,377
Motorcycle	374,275	\$28.50	\$11	\$3.50	\$14	\$0	0%	\$0	\$14	100%	\$5.75	100%	\$2,152,081.25
Motorized bicycle	4,168	\$24.50	\$11	\$3.50	\$10	\$0	0%	\$0	\$10	100%	\$5.75	100%	\$23,966
House vehicle	112,055	\$24.50	\$11	\$3.50	\$10	\$0	0%	\$0	\$10	100%	\$5.75	100%	\$644,316.25
Motor home	51,341	\$49.50	\$11	\$3.50	\$35	\$0	0%	\$0	\$35	100%	\$5.75	100%	\$295,210.75
Farm truck	29,484	\$26.50 - \$1,152	\$11	\$3.50	\$12 - \$1,138	\$0	0%	\$0	\$12 - \$1,138	varies	\$5.75	100%	\$169,533
Bus	9,644	\$24.50 - \$1,644.50	\$11	\$3.50	\$10 - \$1,630	\$0	0%	\$0	\$10 - \$1,630	varies	\$5.75	100%	\$55,453
Non-commercial Trailer License Tax (new and renewal)	541,587	\$19.50 - \$45.50	\$11	\$3.50	\$5 - \$31	\$0	0%	\$0	\$5 - \$31	100%	\$5.75	100%	\$3,114,125.25
Commercial Trailer	258,199	\$39.50	\$11	\$3.50	\$25	\$0	0%	\$0	\$25	100%	\$5.75	100%	\$1,484,644.25
Commercial Truck License Tax wt. classes 2 - 26, new and renewal	414,656	\$59.50 - \$189.50	\$11	\$3.50	\$45 - \$175	\$0	0%	\$0	\$45 - \$175	100%	\$19	100%	\$7,878,464
Commercial Truck License Tax (wt. classes 30 - 80, new and renewal)	138,220	\$369.50 - \$1,354.50	\$11	\$3.50	\$355 - \$1,340	varies	43%	\$0	varies	57%	\$19	100%	\$2,626,180
ESTIMATED TOTAL (excluding Commercial Trucks): \$61,798,510.25													
ESTIMATED TOTAL (only Commercial Trucks): \$10,504,644													
ESTIMATED TOTAL REVENUE GENERATED: \$72,303,154.25													



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