

Ohio State Highway Patrol Funding Task Force

Tuesday, June 3, 2008

10:00 A.M. – 12:00 P.M.

Meeting Minutes

Members Present:

Henry Guzmán, Director, Ohio Department of Public Safety  
Pari Sabety, Director, Office of Budget and Management  
Richard A. Levin, Tax Commissioner, Ohio Department of Taxation  
Chris Runyan, President, Ohio Contractors Association  
Doug Scoles, Executive Director, Ohio MADD  
Brian Newbacher, Director, Public Affairs, AAA- East Central  
Mary Boneli, Senior V.P., Public Info., Ohio Insurance Institute  
Larry A. Davis, President, Ohio Trucking Association  
Mike Rankin, Registrar, Bureau of Motor Vehicles  
Jim Beasley, Director, Ohio Department of Transportation  
Richard H. Collins, Superintendent, Ohio State Highway Patrol  
Larry Phillips, President, Ohio State Troopers Association  
Donald L. Mader, Exec. Dir., American Council of Engineers  
Companies of Ohio  
Michael Cochran, Executive Director, Ohio Township Association  
Robert Hagan, Representative, Ohio House of Representatives (Staff  
designee present)  
Steven Buehrer, Senator, Ohio Senate (Staff designee present)

Minutes Recorder:

Nancy Crespo, Policy Liaison, Ohio Department of Public Safety

Meeting Agenda:

- 1.) Call to Order
- 2.) Approval of May 27, 2008 Minutes
- 3.) Updates from the previous task force minutes
- 4.) Presentations/Open Discussion
- 5.) Closing Remarks

## **Call to Order**

Director Guzmán called the meeting to order stating it was the 2<sup>nd</sup> meeting of the OSHP funding task force. He then requested John Lang give the roll call of all members present.

## **Approval of May 27, 2008 Minuets**

Director Guzmán informed the task force there were technical changes on page 5, in the last paragraph on line 5 as follows: "...right to the evaporation gas tax..." Another change was made on page 6 as follows: "Revenue Source 70 which reflects the interest the fund receives". Upon asking if there were any concerns, hearing no comments or questions he moved on.

Director Guzmán gave an update from the previous task force minutes. He said ODPS would respond to the follow up questions asked in the previous meeting. Director Sabety moved to amend the meeting minutes to reflect, more specifically, what she stated in the previous meeting regarding agencies funded by the General Revenue Fund (GRF). The meeting minutes were changed and approved.

Tom Hunter, Director of Communications, ODPS, gave the information to the task force website. Ms. Boneli asked if the website allows for public comment and was told it was being updated for public comments to be submitted.

Kathy Ludowese presented the Highway Safety Fund annual shortfall document. The document was created in response to Director Sabety's request regarding the summation of the problem. The document corresponds with the cash analysis distributed at the previous meeting. It was noted the amount the OSHP needs per year is \$81 to \$82 million.

Director Sabety pointed out that the task force's final recommendation should take into consideration the annual shortfall. The mission of the task force is to find a sustainable source of funding. The task force may consider increased fees or any other funding source they deem beneficial.

Director Guzmán said the next item was the staff count for the OSHP. Captain Dave Dicken, Finance and Logistic Services, informed the task force there were two internal ceilings under which OSHP operates. The professional ceiling consists of 1,583 and the administrative ceiling consists of 1,214. Captain Dicken said that currently the OSHP is 196 professional staff lower than the ceiling and they will be delaying the next cadet class possibly until FY2010. The OSHP will continue to conform to the hiring freeze and the regulations of the Office of Budget Management.

Mr. Davis asked if the OSHP plans on starting an academy class but not graduating the class in FY09. Captain Dicken said the OSHP will probably not start a class because the OSHP would not be able to predict how many people would retire due to a 2006 change in the pension plan that allows for a deferred retirement. Major Peyton Watts explained that an academy class takes 29 weeks to graduate.

Director Guzmán informed everyone of the National Comparison of state law enforcement agencies in their packet. He stated there is another chart they will receive that compares similar organizations to the OSHP. The OSHP ranks 45<sup>th</sup> in size compared to other states across the country.

Director Sabety asked how many patrol classes would exist. Captain Dicken said it depends on a number of factors. He informed the task force that back in the 70s they had many classes. Major Watts said there has been one class per year since 2000 and from 1997 to 2000 there were two to three classes per year. Director Sabety asked if they skip a class could the OSHP make up the difference at a later time. Captain Dicken said they have the ability to choose class size as well as the number of classes. Colonel Collins stated it is difficult to determine attrition numbers and sometimes the division may not have any retirements within a three month period. Senator Buehrer's aide, Abe Jacob, asked if the OSHP skips a year will they accept a larger number of candidates in the next class. Captain Dicken said they have flexibility to determine class size. Director Beasley suggested the OSHP develop a funding comparison for other states.

### **Presentations/Open Discussion**

Director Guzmán opened the floor to discussion. Ms. Ludowese walked the task force through a list of fee charts. She explained tier one fees were a list of existing transactions at their existing fee rate and the deputy registrars may receive a fee of \$3.50 which was not reflected in chart. Ms. Ludowese explained tier one fees may not be very volumous such as the motorized bicycle fee of \$19.00 which only has 100 transactions a year.

Ms. Ludowese explained that tier one distribution contains: transaction information, statue, total fee, ODPS portion, date of last fee change, fee breakdown. The FY07 revenue on the fee chart is the revenue received only by ODPS. The increases in the fee chart are how much revenue would be accrued in aggregate.

Director Guzmán informed the task force that these figures are not ODPS' recommendation but rather information so the task force can come to an overall solution. Ms. Ludowese informed the task force members that although anything listed on tier one may be considered, the more narrow tier two listing was established because the fees would be more likely to benefit as a sustainable

source. Tier two transactions would have less fluctuation by volume with a fee increase. As a result of their volume, registration for a noncommercial motor vehicle and registration for a noncommercial trailer (example utility trailer) made the list because of the amount of funds they could generate. Reinstatement fees did not make tier two because the historical perspective demonstrates that if fees went up, the percentage of people paying them may go down.

Most of the fees on tier two are on also on tier one. Some fees did not make it to tier two because they might not be as volumous. The fees on tier two are on the list because of stability and are more likely candidates for the task force to look at.

Ms. Boneli asked if motorcycles were considered vehicles and Mr. Kenneth Riggins informed the task force that motorcycles are included with regular applications. Colonel Collins suggested that tier two fees are guiding principles and any fees that the task force chooses should be broad based. Director Beasley stated that although some fees do not raise as high revenue as others, the task force should not ignore them. He suggested the task force choose both types of fees. Director Guzmán informed the task force they may consider tier one and tier two fees. It was noted that the fee chart was merely to help in leading the task force to see some options. Director Guzmán said they will produce the comprehensive list of fees generated within the ODPS.

Mr. Cochran asked how much of the fine money does the OSHP get from the issuance of tickets. Captain Dicken said that 50% of the fines go to the local government, 5% goes to a program for uses related to trauma and emergency medical services, and 45 % goes to the Treasurer of the State of Ohio. Of the 45% that goes to the Treasurer of the State of Ohio, some money goes to off highway funds for the OSHP, not directly funding the officer issuing the citation.

Mr. Runyan raised the question of sustainability stating if we would not see an increase in fees there would be no way to address future increases in the OSHP's budget for inflation. Director Guzmán stated this is why we must use a variety of options.

Ms. Ludowese suggested whatever funds are generated need to be enough to see the OSHP us through FY13. Mr. Newbacher said it might be helpful to have a comparison of other funding sources used in other states.

Mr. Runyan raised the question if the task force members should only use fees and suggested looking at innovative funding sources they had not touched on. Mr. Lang explained that as a result of the time crunch of when the report is due the fees were the best solution to the funding problem.

Director Guzmán asked if there were any more questions and stated that at the next meeting he will discuss operational controls within the Patrol. The OSHP has gone through and tried to find

what cuts they can make and some may be sustainable. Director Guzmán informed the task force that OSHP will provide this information.

Ms. Boneli asked if the OSHP was looking at ways to offer services online that may lower costs. Director Guzmán informed the task force that ODPS is currently working to cut costs by making services available online. Colonel Collins stated the OSHP is trying to put information online to be more efficient as well. The OSHP allows citizens to schedule driver examinations online and they are looking at many innovative steps. Director Guzmán said all divisions are trying to be more efficient. Many systems utilized by law enforcement and ODPS have been in existence for 30 years and system upgrades may cost significant amounts. An example was given of the deputy registrar system and the difference between the federal and state systems.

Mr. Runyan asked about the most recent academy class and whether or not there were positions to fill for the graduates. Colonel Collins said that the attrition rate was less than had been previously projected and upon the most recent graduation 15 cadets were not immediately assigned because they were over their established ceiling. The 15 cadets were assigned positions as positions were vacated. At this time, all cadets have been placed.

Director Sabety noted how the legislature has historically funded the OSHP thru public safety related fees. She stated when you look at the tier one distribution; one can see some fees are already allocated to the OSHP. The fees being reviewed by the task force regarding both driver and vehicle fees were not uncharted territory since the legislature had allotted certain fees in the past. Mr. Cochran asked what percentage of the gas tax went to the OSHP. Captain Dicken said when the OSHP was on the gas tax, 80% went to the OSHP. Director Guzmán referred everyone to the history document provided in the first meeting for further questions pertaining to the gas tax.

### **Closing Remarks**

Director Guzmán said the fee charts would be updated and provided to the members. Colonel Collins thanked the task force for working together and said that he is sure that they can come to a resolution. Director Guzmán ended the meeting by asking the task force members to review the tiered fee information provided for the next meeting and encouraged everyone to think outside the box for potential solutions that perhaps have not been addressed to date.