



H.B. 159

123rd General Assembly
(As Introduced)

Reps. Ogg, Pringle, Sulzer, Vesper, Ford

BILL SUMMARY

- Creates the North-South Turnpike Authority, and requires it to construct and maintain a North-South Turnpike System.
- Grants to the Authority the same powers, duties, and authority, including the authority to issue revenue bonds, as is granted under current law to the existing Ohio Turnpike Commission.

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CONTENT AND OPERATION

The Ohio Turnpike Commission was created by the General Assembly in 1949. The provisions that create the Commission and spell out its powers, duties, and authority, including the authority to issue revenue bonds, are located in Chapter 5537. of the Revised Code. The Commission currently operates the Ohio Turnpike, which traverses the northern portion of the state between the Indiana and Pennsylvania borders.

The bill creates the North-South Turnpike Authority through the enactment of statutes containing provisions that in most instances are identical to those in existing law that govern the Ohio Turnpike Commission, except that references to the "Ohio Turnpike Commission" and "Commission" in current law read in the bill "North-South Turnpike Authority" and "Authority," respectively. This analysis will review these statutes, and note those instances in which the bill differs from current law.

Definitions for terms used in the chapter governing the North-South Turnpike Authority

The bill contains definitions for 28 terms, including "project," "cost," "revenues," "financing expenses," "bond proceedings," "bond service charges," "bond service fund," "net revenues," "service facilities," and "tolls." These definitions are identical to the current definitions for these same terms as used in Ohio Turnpike Commission law. (Sec. 5538.01.)

Members of the North-South Turnpike Authority

The bill creates the seven-member "North-South Turnpike Authority," a body both corporate and politic, constituting an instrumentality of the state. In virtually all aspects, the Authority is identical to the Ohio Turnpike Commission. Unlike the Ohio Turnpike Commission, the nonvoting members of the Authority--one member of the Senate appointed by the President of the Senate and one member of the House of Representatives appointed by the Speaker of the House of Representatives--are not required to represent either a district in which is located or through which passes a portion of a turnpike project or is located in the vicinity of a turnpike project, since Authority turnpike projects are nonexistent. (Sec. 5538.02.)

Authority projects

The Authority is given the power to construct, maintain, repair, and operate a system of north-south turnpike projects at locations that are approved by the Governor, and that are in accordance with alignment and design standards that are reviewed by the North-South Turnpike Oversight Committee and approved by the Director of Transportation. The Authority also may issue revenue bonds of this state, payable solely from pledged revenues, to pay the cost of those projects. All projects of the Authority are part of the North-South Turnpike System. (Sec. 5538.03.)

Powers of the Authority

The Authority is given powers identical to those of the Ohio Turnpike Commission, including the power to do all of the following: (1) adopt bylaws for the regulation of its affairs and the conduct of its business, (2) sue and be sued in its own name, (3) construct, maintain, repair, police, and operate a North-South Turnpike System, and establish rules for the use of any turnpike project, (4) issue revenue bonds of the state, (5) fix, and revise from time to time, and charge and collect tolls, and (6) do all acts necessary or proper to carry out its express powers. (Sec. 5538.04.)

Grade separations, road locations, right of entry

The bill permits the Authority, when building a turnpike project, to make changes in existing roads and facilities, such as constructing grade separations at intersections of the project and public roads and railroads, and changing and adjusting the lines and grades of those roads and railroads, and of public utility facilities. The costs of these changes and adjustments as well as any resulting damage must be paid by the Authority. After proper notice, its authorized agents and employees may enter upon any lands, waters, and premises in the state for the purpose of making surveys, soundings, drillings, and examinations that are necessary or proper; any such entry is not a trespass.

The Authority also may make reasonable provisions or rules for the installation, construction, maintenance, repair, renewal, relocation, and removal of public utility facilities in, on, along, over, or under any turnpike project. (Sec. 5538.05.)

Acquisition and disposition of property by the Authority

Under the bill, the Authority may acquire by purchase, lease, lease-purchase, lease with option to purchase, appropriation, or otherwise and in any manner and for any consideration that it considers proper, any public or private property necessary, convenient, or proper for the construction, maintenance, or efficient operation of the North-South Turnpike System. Appropriation of real property by the Authority is done in accordance with existing procedures. (Sec. 5538.06.)

Contract bids

When the cost to the Authority under any contract with a person other than a governmental agency involves an expenditure of more than \$10,000, the Authority must make a written contract with the lowest responsive and responsible bidder in accordance with current law, including public notice through newspaper advertisements. These provisions do not apply to contracts for the acquisition of real property or compensation for professional or other personal services. (Sec. 5538.07.)

Issuance by the Authority of bonds and refunding bonds

General bonding provisions

The bill gives to the Authority the same powers current law grants to the Ohio Turnpike Commission in the area of the issuance of revenue bonds, temporary bonds, and bond anticipation notes to finance turnpike projects. Under

the bill, issuance of bonds is accomplished through adoption of a resolution by the Authority. The maturity date of Authority revenue bonds cannot exceed 40 years, and the bonds may be issued in such form or form as the Authority may determine, including coupon, book entry, and fully registered form. The proceeds of the bonds of each issue must be used solely for the payment of the costs of the turnpike project or projects for which the bonds were issued.

Authority revenue bonds are lawful investments for a number of specified entities, including banks, savings and loan associations, insurance companies, and the various state retirement systems. (Sec. 5538.08.)

Issuance by the Authority of refunding bonds

The bill permits the Authority to provide by resolution for the issuance of revenue bonds of the state for the purpose of refunding any outstanding bonds and, if considered advisable by the Authority, for the additional purpose of paying costs related to any turnpike project. (Sec. 5538.09.)

Issuance of Authority bonds need not comply with other bonding laws

The issuance of bonds by the Authority does not have to comply with any other law applicable to the issuance of bonds. (Sec. 5538.10.)

Authority bonds not a debt of the state

The bill provides that bonds issued by the Authority do not constitute a debt, or a pledge of the faith and credit, of the state or of any political subdivision. Bond service charges on outstanding bonds are payable solely from the pledged revenues pledged for their payment as authorized by the bill and as provided in the bond proceedings. All Authority turnpike revenue bonds must contain on their face a statement to that effect. The bill does not authorize the Authority to incur indebtedness or liability on behalf of or payable by the state or any political subdivision of the state. (Sec. 5538.11.)

Trust agreement for security of bonds

The bill permits the Authority, in its discretion, to secure any bonds it issues by a trust agreement between the Authority and a corporate trustee, which may be any trust company or bank that has trust company powers within or without this state but is authorized to exercise trust powers within this state. Any such trust agreement may pledge or assign the revenues to be received but it cannot convey or mortgage any turnpike project, any part of a turnpike project, or any part of the eventual North-South Turnpike System. It also may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual

right of action by bondholders as is customary in revenue bond trust agreements of public bodies. (Sec. 5538.12.)

Contracts, bids for operation of service facilities, and tolls

The bill grants the Authority the power to fix, revise, charge, and collect tolls for each Authority turnpike project, and to contract with any person who desires to use any part of a project, except that no toll, charge, or rental may be made for placing in, on, along, over, or under a turnpike project equipment or public utility facilities that are necessary to serve service facilities or to interconnect any public utility facilities.

Contracts for the operation of service facilities must be made in writing, and be made with the bidder who submits the best bid as determined by the Authority. The Authority must advertise service facility contracts.

Tolls must be fixed and adjusted to permit the Authority to pay the cost of maintaining, improving, repairing, constructing, and operating the North-South Turnpike System, and to pay outstanding bonds. Tolls are not subject to supervision, approval, or regulation by any state agency other than the Turnpike Authority. (Sec. 5538.13.)

Disposition by the Authority of proceeds it receives

The bill requires all moneys received by the Authority, whether as proceeds from the sale of bonds or as revenues, to be held and applied solely as provided in the bill and in any applicable bond proceedings. Those moneys must be kept in approved depositories selected by the Authority. (Sec. 5538.14.)

Rights of bondholders and trustees

Any holder of outstanding Authority bonds or bond coupons, and the trustee under any trust agreement, except to the extent the rights given by the bill are restricted or modified by the bond proceedings, may by suit, action, mandamus, or other proceedings protect and enforce any rights under the laws of the state or granted under the bill or the bond proceedings. A holder or trustee may enforce and compel the performance of all duties required by the bill or the bond proceedings to be performed by the Authority or an Authority officer, including the fixing, charging, collecting, and application of tolls. (Sec. 5538.15.)

Control of traffic on Authority projects; fines

The bill permits the Authority to adopt any bylaws and rules that it considers advisable for the control and regulation of traffic on any turnpike

project, for the protection and preservation of property under its jurisdiction and control, and for the maintenance and preservation of good order within the property under its control. No person may violate any Authority bylaw or rule. Authority rules governing the speed, axle loads, vehicle loads, and vehicle dimensions of vehicles on turnpike projects apply notwithstanding general statutory provisions that address these subjects. The rules must provide public police officers with ready access, while in the performance of their official duty, to all property under the jurisdiction of the Authority and without the payment of tolls. (Sec. 5538.16.)

Maintenance and repair of Authority projects; cooperation by governmental agencies; annual audit

The Authority must maintain and keep in good condition and repair each turnpike project that is open to traffic. All public or private property damaged or destroyed in carrying out the powers granted by the bill must be restored or repaired and placed in its original condition, as nearly as practicable, or adequate compensation or consideration must be paid or given to the property owners.

All governmental agencies may lease, lend, grant, or convey to the Authority at its request, upon terms that the proper authorities of the governmental agencies consider reasonable and fair and without the necessity for an advertisement, order of court, or other action or formality, other than the regular and formal action of the authorities concerned, any property that is necessary or convenient to effectuate the purposes of the Authority.

On or before April 1 of each year, the Authority must submit an annual report of its activities for the preceding calendar year to the governor and the General Assembly, setting forth a complete operating and financial statement covering the Authority's operations during that year. The Authority also must have its books and accounts audited by certified public accountants at least once each year, and the Auditor of State, at least once a year and without previous notice to the Authority, must audit the Authority's accounts and transactions.

The Authority must submit a copy of its annual audit made by the Auditor of State and its proposed annual budget for each calendar or fiscal year to the governor, the presiding officers of each house of the General Assembly, the Director of Budget and Management, and the Legislative Budget Office no later than the first day of that calendar or fiscal year. (Sec. 5538.17.)

Studies of Authority turnpike projects

Under the bill, the Authority must expend the moneys that it considers necessary for studies of any turnpike project, whether proposed, under construction, or in operation, and may employ consulting engineers, traffic engineers, and any other individuals or firms that the Authority considers necessary to implement properly the studies. The cost of the studies may be paid from revenues, eligible state and federal grants, state taxes available to the Authority and permitted by law to be spent for those purposes, or the proceeds of bonds. (Sec. 5538.19.)

Turnpike projects, property, income, and bonds free from taxation

The Authority generally is not required to pay any state or local taxes or assessments upon any turnpike project, or upon revenues or any property acquired or used by the Authority, or upon its income. Bonds issued by the Authority, their transfer, and the income from the bonds, including any profit made on the sale of Authority bonds, at all times are free from taxation within the state. (Sec. 5538.20.)

Authority turnpike projects to remain toll roads

The bill provides that when bond service charges on all outstanding bonds issued in connection with any turnpike project have been paid or provision for that payment has been made, as provided in the applicable bond proceedings, or in the case of a turnpike project in connection with which no bonds have been issued, the project must continue to be or be operated, and improved and maintained, by the Authority as a part of the North-South Turnpike System and as a toll road. All revenues received by the Authority relating to that project are to be fixed and adjusted so that the aggregate of revenues relating to that project and available for the purpose are in amounts to provide moneys sufficient, and those revenues are to be used, to pay the costs of maintaining, improving, repairing, constructing, and operating the Turnpike System and to create and maintain financial reserves. (Sec. 5538.21.)

Journal of Authority actions

The bill requires the Authority to journalize all of its final actions, and the journal must be open to the inspection of the public at all reasonable times (sec. 5538.22).

Liberal construction of Authority laws

Chapter 5538. of the Revised Code, which is the new chapter containing the provisions relating to the Authority, are declared to be necessary for the welfare of the state and its inhabitants, and must be liberally construed to effect its purposes (sec. 5538.23).

Authority Oversight Committee

The bill creates the North-South Turnpike Oversight Committee, utilizing language that is not identical to the current provisions that create the Turnpike Oversight Committee that oversees the Ohio Turnpike Commission. The new Oversight Committee consists of six members as follows:

(1) Three members of the Senate, no more than two of whom may be members of the same political party, one of whom must be the chairperson of the committee dealing primarily with highway matters, one of whom must be the Senate member appointed by the President of the Senate as the nonvoting Senate member of the Authority, and one of whom shall be appointed by the Minority Leader of the Senate. The remaining member, if any, is appointed by the President of the Senate. (Sec. 5538.24(A)(1).)

(2) Three members of the House of Representatives, no more than two of whom may be members of the same political party, one of whom must be the chairperson of the House of Representatives committee dealing primarily with highway matters, one of whom must be the House of Representatives member appointed by the Speaker of the House of Representatives as the nonvoting House of Representatives member of the Authority, and one of whom must be appointed by the Minority Leader of the House of Representatives. The remaining member, if any, is appointed by the Speaker of the House of Representatives. (Sec. 5538.24(A)(2).)

The chairperson of the House of Representatives committee is required to serve as the chairperson of the North-South Turnpike Oversight Committee for the first year of its existence. Thereafter, the chairpersonship annually alternates between, first, the chairperson of the Senate committee and then the chairperson of the House of Representatives committee. (Sec. 5538.24(A)(2).)

Each member of the new Turnpike Oversight Committee who is a member of the General Assembly must serve a term of the remainder of the General Assembly during which the member is appointed or is serving as chairperson of the specified Senate or House committee. If a committee member dies or resigns, or if a member ceases to be a Senator or Representative, or if the chairperson of

the Senate committee dealing primarily with highway matters or the chairperson of the House of Representatives Committee dealing primarily with highway matters ceases to hold that position, the vacancy must be filled through an appointment by the President of the Senate or the Speaker of the House of Representatives or minority leader of the Senate or House of Representatives, as applicable. Any member appointed to fill a vacancy occurring prior to the end of the term for which the member's predecessor was appointed holds office for the remainder of the term or for a shorter period of time as determined by the President or the Speaker. A member of the Committee is eligible for reappointment. (Sec. 5538.24(B).)

The North-South Turnpike Oversight Committee is required to meet at the call of its chairperson, or upon the written request to the chairperson of not fewer than three members of the Committee. At each meeting, the North-South Turnpike Authority must make a report to the Committee on Authority matters, including, but not limited to financial and budgetary matters and proposed and on-going construction, maintenance, repair, and operational projects of the Authority. (Sec. 5538.24(C).)

Under the bill, the members of the new Turnpike Oversight Committee serve without compensation, but the Authority reimburses the members for their actual and necessary expenses incurred in the discharge of their official duties as Authority members (sec. 5538.24(D)).

Authority may not employ lobbyist

The bill provides that notwithstanding any provision of law to the contrary, the Authority is prohibited from making any expenditure to engage the services of any person to influence either of the following:

(1) Administrative actions or decisions of the governor, the director of any state department, any member of the staff of any public officer or employee listed in new R.C. 5538.25, or any federal officer or employee (sec. 5538.25(A)(1));

(2) Legislation pending in this state or any other state, a subdivision of this state or any other state, or the federal government, including the executive approval or veto of that pending legislation (sec. 5538.25(A)(2)).

These provisions do not prohibit the Authority from designating officers or members of the Authority, or full-time, permanent employees of the Authority, to act as administrative or legislative agents for the authority (sec. 5538.25(B)).

Hearings and notice for changes in tolls

The provisions of the bill that relate to hearing and notice for changes in Authority turnpike project tolls differ slightly from current provisions relating to changes in Ohio Turnpike Commission turnpike project tolls, since Authority projects are nonexistent.

Requirement for public hearings

Under the bill, no change by the Authority in the toll rate structure that is applicable to vehicles operating on a turnpike project becomes effective unless the Authority complies with the notice and hearing requirements prescribed in the bill. The Authority is not permitted to take any action that expands, has the effect of expanding, or will to any degree at any time in the future have the effect of expanding the sphere of responsibility of the Authority beyond the North-South Turnpike System as it exists at that time unless the Authority complies with the notice and hearing requirements prescribed in the bill (sec. 5538.26(A)).

Timetable for hearings

Not less than 90 days prior to the date on which the Authority will vote to change any part of the toll rate structure that is applicable to vehicles operating on a turnpike project, and not less than 90 days prior to the date on which the Authority will vote to take an action that expands, has the effect of expanding, or will to any degree at any time in the future have the effect of expanding the sphere of responsibility of the Authority beyond the North-South Turnpike System as it exists at that time, the Authority must commence holding public hearings on the proposed change in the toll rate structure or the proposed action. If the Authority is proposing a change in the toll rate structure that is applicable to vehicles operating on a toll project, it must hold not less than three public meetings in three geographically diverse locations in this state that are in the immediate vicinity of the affected toll project. If the Authority is proposing to take an action that expands, has the effect of expanding, or will to any degree at any time in the future have the effect of expanding the sphere of responsibility of the Authority beyond the North-South Turnpike System as it exists at that time, it is required to hold not less than three public meetings in three locations in the immediate vicinity where the expanded responsibilities will arise.

The Authority must hold the third or, if it holds more than three hearings, the last hearing of any set of hearings required to be held under the bill not less than 30 days prior to the date on which it will vote to change part of the toll rate structure that is applicable to vehicles operating on a turnpike project or to take an action that expands, has the effect of expanding, or will to any degree at any time

in the future have the effect of expanding the sphere of responsibility of the Authority beyond the North-South Turnpike System as it exists at that time.

The Authority must inform the public of all the meetings required to be held under the bill by causing a notice to be published in a newspaper of general circulation in the county in which each meeting is to be held, not less than once per week for two weeks prior to the date of the meeting. (Sec. 5538.26(B).)

Effect of noncompliance with hearing requirements

Under the bill, if the Authority does not comply with the specified notice and hearing requirements and is proposing a change in the toll rate structure that is applicable to vehicles operating on a turnpike project, the proposed change in the toll rate structure does not take effect, any attempt by the Authority to implement the change in the toll rate structure is void, and, if necessary, the Attorney General is required to file an action in the court of common pleas of the county in which the principal office of the Authority is located to enjoin the Authority from implementing the change. The Authority cannot implement the proposed change until it complies with the notice and hearing requirements.

If the Authority does not comply with the notice and hearing requirements contained in the bill and is proposing to take an action that expands, has the effect of expanding, or will to any degree at any time in the future have the effect of expanding the sphere of responsibility of the Authority beyond the North-South Turnpike System as it exists at that time, the Authority cannot take the proposed action and, if necessary, the Attorney General must file an action in the court of common pleas of the county in which the principal office of the Authority is located to enjoin the Authority from taking the proposed action. The Authority cannot take the proposed action until it complies with the notice and hearing requirements prescribed in the bill. (Sec. 5538.26(C).)

Projects proposed by subdivisions and agencies

The bill requires the North-South Turnpike Authority, the Director of Transportation or the Director's designee, and another person designated by the governor to establish a procedure for a political subdivision or other government agency or agencies to submit a written application to the Authority, requesting the Authority to construct and operate a project within the boundaries of the subdivision, agency, or agencies making the request. This procedure does not become effective unless it is approved by the Authority and by the Director or the Director's designee and the designee of the governor and must require submission of the proposed project to the new Turnpike Oversight Committee if the project must be approved by the governor. (Sec. 5538.27.)

Restrictions on the use of toll revenues generated by a particular project

The provisions of the bill that relate to the use of toll revenues differ slightly from equivalent current provisions located in the Ohio Turnpike Commission law.

The bill prohibits the Authority from expending any toll revenues that are generated by one turnpike project to fund in any manner or to any degree the construction, operation, maintenance, or repair of another turnpike project the location of which must be reviewed by the North-South Turnpike Oversight Committee and approved by the governor. In paying the cost of a turnpike project, the Authority may issue bonds and bond anticipation notes as permitted by the bill and may accept moneys from any source to pay the cost of any portion of the project, including, but not limited to, the federal government, any department or agency of this state, and any political subdivision or other government agency. Each turnpike project must be constructed, operated, maintained, and repaired entirely with funds generated by that project or otherwise specifically acquired for that project from sources permitted by the bill. (Sec. 5538.28(A).)

The Authority is prohibited from expending any toll revenues generated by one turnpike project to pay any amount of the principal amount of, or interest due on, any bonds or bond anticipation notes issued by the Authority to pay any portion of the cost of another turnpike project the location of which must be reviewed by the new Turnpike Oversight Committee and approved by the governor, or the cost of the operation, repair, improvement, maintenance, or reconstruction of any turnpike project other than the project that generated those toll revenues. (Sec. 5538.28(B).)

Penalties

The bill provides that whoever violates any Authority bylaw or rule (this prohibition is found in R.C. 5538.16(C)) is guilty of a minor misdemeanor on a first offense (punishable by a fine of not more than \$100); and of a misdemeanor of the fourth degree on each subsequent offense, which is punishable by a fine of not more than \$250, a term of imprisonment of not more than 30 days, or both (sec. 5538.99).

Submission of report by the Authority to the General Assembly

Within the section of current law that governs the distribution to individual members of the General Assembly of a number of reports that are submitted to the General Assembly, the bill adds a reference to the Authority's annual report to the General Assembly (sec. 101.68).

Scheduling of the sale of Authority bonds

Current law requires the Director of Budget and Management, in consultation with the Treasurer of State, to provide assistance in coordinating the scheduling of initial sales of certain publicly offered securities of the state, including the sale of bonds issued by the Ohio Turnpike Commission. The bill includes within the list of those publicly offered securities bonds issued by the Authority. (Sec. 126.11.)

Use of a driver's license as bond for certain traffic violations

Current law provides that if a person is arrested without a warrant for certain traffic violations and he has a current valid Ohio driver's or commercial driver's license, he may post bond by depositing the license with the arresting officer if the officer and person so choose, or with the local court having jurisdiction if the court and the person choose. If the arrested person fails to appear in court on the date and at the time set by the court or fails to satisfy the judgment of the court, the court may declare the forfeiture of the person's license. The specified traffic violations include a violation of any bylaw, rule, or regulation of the Ohio Turnpike Commission. The bill adds to this list of specified violations a violation of any bylaw, rule, or regulation of the North-South Turnpike Authority. (Sec. 2937.221(B)(3).)

The Ohio Highway Patrol and Authority turnpike projects

Power of the Patrol to enforce bylaws, rules, and regulations of the Authority

Under current law, the State Highway Patrol has the same authority as is conferred upon it by current law with respect to the enforcement of state laws on other roads and highways and on other state properties, to enforce on all turnpike projects the laws of the state and the bylaws, rules, and regulations of the Ohio Turnpike Commission. The Patrol, the Superintendent of the Patrol, and all State Highway Patrol Troopers have the same authority to make arrests on all turnpike projects for violations of state laws and of bylaws, rules, and regulations of the Ohio Turnpike Commission as is conferred upon them by current law to make arrests on, and in connection with offenses committed on, other roads and highways and on other state properties.

The bill adds to this jurisdictional provision the enforcement of the bylaws, rules, and regulations of the North-South Turnpike Authority. (Sec. 5503.31.)

Policing of Authority turnpike projects, reimbursement of costs

Current law permits the Director of Public Safety to enter into contracts with the Ohio Turnpike Commission with respect to the policing of turnpike projects by the State Highway Patrol. The contracts must provide for the reimbursement of the state by the Commission for the costs incurred by the Patrol in policing turnpike projects, including, but not limited to, the salaries of employees of the Patrol assigned to the policing, the current costs of funding retirement pensions for the employees of the Patrol and of providing workers' compensation for them, the cost of training State Highway Patrol troopers and radio operators assigned to turnpike projects, and the cost of equipment and supplies used by the patrol in such policing, and of housing for such troopers and radio operators, to the extent that the equipment, supplies, and housing are not directly furnished by the Commission. Each contract may provide for the ascertainment of such costs, and may be of any duration not in excess of five years. The contracts may contain any other terms upon which the Director and the Commission agree. The Patrol is not to be obligated to furnish policing services on any turnpike project beyond the extent required by the contract.

The bill permits the Director to enter into the same type of contracts with the Authority, and requires the contracts to provide for the same level of reimbursement. (Sec. 5503.32.)

Tax provisions relating to the Authority

Definition of "public highway" in the highway use tax provisions

For purposes of the state highway use tax (which currently stands at zero), "public highway" means any highway, road, or street dedicated to public use, except a highway under the control and jurisdiction of the Ohio Turnpike Commission. The bill excludes from this definition of "public highway" a highway under the control and jurisdiction of the North-South Turnpike Authority. (Sec. 5728.01(I).)

Motor vehicle fuel tax provisions and the Authority

Current law provides that one purpose of the state motor vehicle fuel tax is to enable the Ohio Turnpike Commission to construct, reconstruct, maintain, and repair Commission turnpike projects.

The bill provides that an additional purpose of the state motor vehicle fuel tax is to enable the Authority to construct, reconstruct, maintain, and repair Authority turnpike projects. (Sec. 5735.05(A).)

Distribution to the Authority of a portion motor vehicle fuel tax proceeds

Current law provides that on the last day of each month, from the balance in the State and Local Government Highway Distribution Fund an amount is paid to the Ohio Turnpike Commission that is equal to five cents multiplied by the number of gallons of motor fuel sold at stations operated by the Commission. This gallonage must be certified by the Commission to the Treasurer of State not later than the last day of the month following. These funds must be expended for the construction, reconstruction, maintenance, and repair of Commission turnpike projects, except that the funds may not be expended for the construction of new interchanges. The funds also may be expended for the construction, reconstruction, maintenance, and repair of those portions of connecting public roads that serve existing interchanges and are determined by the Commission and the Director of Transportation to be necessary for the safe merging of traffic between the turnpike and those public roads.

Similarly, the bill establishes that on the last day of each month, from the balance in the State and Local Government Highway Distribution Fund an amount must be paid to the North-South Turnpike Authority that is equal to five cents multiplied by the number of gallons of motor fuel sold at stations operated by the Authority. This gallonage must be certified by the Authority to the Treasurer of State not later than the last day of the month following. The Authority must expend the funds for the construction, reconstruction, maintenance, and repair of Authority turnpike projects, except that the Authority cannot expend the funds for the construction of new interchanges. The Authority also may expend the funds for the construction, reconstruction, maintenance, and repair of those portions of connecting public roads that serve existing interchanges and are determined by the Authority and the Director of Transportation to be necessary for the safe merging of traffic between the North-South turnpike and those public roads. (Sec. 5735.23(C)(3).)

Motor vehicle fuel use tax

A tax is imposed on the amount of motor fuel purchased outside of this state and consumed within this state for any vehicle that had been subject to the highway use tax. A refund is allowed for the tax on fuel purchased in Ohio for use in another state provided that state imposes a tax on such fuel and allows a similar credit or refund. This tax applies to fuel consumed on any highway under the control and jurisdiction of the Ohio Turnpike Commission.

The bill provides that this tax applies to fuel consumed on any highway under the control and jurisdiction of the North-South Turnpike Authority. (Sec. 5735.31(A).)

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	02-08-99	p. 171

H0159-I.123/rss

