



# **BUILD INDIANA COUNCIL**

## **Infrastructure Media Summary**

**April 13, 2017**

### **Why Tolling Could Be Important to Indiana's Future**

Inside Indiana Business

4/12/17

Indiana is truly at a crossroads and could become one of the few states with the right tools in the toolbox to tackle long-term sustainable transportation funding for our roads and bridges. The current pending legislation can elevate Indiana to the forefront of long-range funding options by embracing tolling as a long-term funding tool for our interstate system. Indiana's current transportation revenue revolves around gas and diesel fuel taxes collected at the fuel pump. From 1963 to 2002, the fuel tax on gasoline has gone from 3 to 18 cents per gallon. Unfortunately, even with the increased fuel tax, fuel efficiency of vehicles has increased more than 66 percent and construction costs for highways has gone up more than 300 percent since the 1980s. Indiana currently generates over \$830 million a year in fuel taxes that along with registration fees and other miscellaneous fees make up the state allocated transportation revenue of \$1.4 billion. The state revenue is distributed to the Indiana Department of Transportation (INDOT) as well as local governments and metropolitan planning organizations (MPO) with a roughly 58 percent/42 percent allocation. Unfortunately, the needs for the entire transportation network far outweigh the available funding resources. INDOT alone needs more than \$1.2 to \$1.4 billion a year in additional revenue to continue to maintain the transportation network that's the backbone of our economic growth. Even with a potential fuel tax increase, the revenue generated by fuel tax will continue to decline due to increase of electric and higher fuel economy vehicles. <http://www.insideindianabusiness.com/story/35134342/why-tolling-could-be-important-to-indianas-future>

### **Indiana budget forecast gives stability but may kill cigarette tax proposal**

WISH-TV

Nick Natario

4/12/17

INDIANAPOLIS (WISH) – A new financial report offered a sigh of relief to Indiana lawmakers days before they have to vote on a budget bill. On Wednesday morning, Indiana's latest financial forecast showed the state is on track to generate \$200 million more over the next two years, than first expected. The entire two year budget is expected to be around \$16 billion dollars, so this gives lawmakers a slight bump. "The debate hasn't changed, it's just sharpened," State Sen. Luke Kenley (R-Noblesville) said. The focus now – what to do about shifting the gas sales tax to fix roads. "Do you feel when you fill up your tank and pay for gas, should all the tax that you spend on that product be dedicated to roads?" asked State Rep. Tim Brown (R-Crawfordsville). That's what the budget conference committee will spend the next several days debating. If the shift is made, it leaves a \$300 million dollar general fund gap. To make up the difference, House Republicans and Democrats want to increase the cigarette tax. "I think those aren't necessarily

dead based on a lot of feeling from the House side, and some of the Senate D's have had similar ideas," State Sen. Karen Tallian (D-Portage) said. With the forecast remaining relatively flat, Republican senators aren't sure the sales tax shift will happen. "There's certainly not enough revenue gain to justify moving the sales tax on gas over to road funding and creating a big hole in the budget," State Sen. Kenley said. "If you had an enormous revenue gain projected you could make the argument that you could afford to do that." Financial experts told legislators that the state is doing well because of strong manufacturing numbers and Indiana's population increase. However, lawmakers know a new federal administration could alter the future forecast. "Geo world political events could change it," State Rep. Brown said. "The price of oil could change it." Lawmakers used Wednesday as a work day. 20 conference committees took place, compared to four the day before. <http://wishtv.com/2017/04/12/indiana-budget-forecast-gives-stability-but-may-kill-cigarette-tax-proposal/>

### **Officials ponder transportation improvement plan**

Herald Argus

Jon Gard

4/12/17

La PORTE — Billions of dollars in Indiana transportation projects over the next four years are up for review — including about \$70 million in La Porte County. An open house Tuesday at the Indiana Department of Transportation district office in La Porte drew more than 60 municipal officials, engineers, planners and community leaders who pored over tables loaded with maps and spread sheets. The public session was part of a review of INDOT's four-year transportation improvement program, which identifies funding and scheduling of all state and local projects funded with federal highway or transit funding, along with 100 percent state-funded projects. These include highway, passenger rail, freight, public transit, bicycle and pedestrian projects. The last of six sessions is scheduled for Thursday in Indianapolis. Comments will be accepted through May 1 as officials add, delete or revise the scope of nearly 3,000 projects in the 2018-21 plan, which is amended every two years. "It's exciting to see the level of interest going in this community," Evers said. "The city has been very progressive in terms of basic infrastructure. I really think we've turned a corner here." Plans to improve the safety of U.S. 20, including the addition of turn lanes at Evergreen Plaza in Michigan City and construction of an interchange at Ind. 2 near Rolling Prairie are already on the books. But Evers said two triple fatalities this year between those two areas could call attention to the need for more "smart engineering solutions." [http://www.heraldargus.com/news/officials-ponder-transportation-improvement-plan/article\\_bc57238e-bdcc-5620-adde-79b00b0de9a1.html](http://www.heraldargus.com/news/officials-ponder-transportation-improvement-plan/article_bc57238e-bdcc-5620-adde-79b00b0de9a1.html)

### **Public Testimony: House Road Funding Bill Better Than Senate's**

WBOI

Brandon Smith

4/10/17

A preference for one chamber's version of the road funding bill has emerged as the public got what's likely its last chance this session to testify on the measure. During testimony from local officials, logistics and trucking industry representatives, union leaders, and others, a common theme materialized: they like the House version of the road funding bill better than the Senate's. Building and Construction Trades Council leader Pete Rimsans says the House bill creates a bigger return on investment. "We look at the difference between the House and Senate version being about 4,800 jobs," Rimsans says. The House bill would generate more than \$1 billion a year by 2021; the Senate plan, around \$800 million. The House plan shifts the sales tax on gasoline entirely to pay for roads; the Senate's does not. And the Senate proposal spreads its 10-cent gas tax increase over two years; the House's does it all at once. But some did speak in favor of at least parts of the Senate version. John Thompson owns logistics, energy, and engineering companies in Indiana. He supports the \$75 hybrid vehicle fee created in the Senate.

“All users need to pay their fair share,” Thompson says. House and Senate lawmakers will develop the bill’s final form over the next two weeks. <http://wboi.org/post/public-testimony-house-road-funding-bill-better-senates#stream/0>

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