



BUILD INDIANA COUNCIL

Infrastructure Media Summary

February 2, 2017

How Much Are You Willing to Pay For Good Roads?

Inside INdiana Business

Jeff Rea

2/1/17

The debate is underway at the Indiana General Assembly about 2017 priorities. It's a budget year, so there is a long line of worthy endeavors hoping they find a spot in the biennial budget. Legislators are left with the task of prioritizing the State spending and ensuring the long term financial stability of the State. Perhaps no issue will get more attention than infrastructure funding. Experts estimate our roads and bridges need close to \$1 billion more annually for upkeep. That really would allow us only to take care of what we have, additional dollars would be needed for new projects. The simple truth is there is no way to accomplish this goal without it costing you and me a little more money. A variety of proposals are out there that seek to collect the needed funding from a variety of different sources. As with any proposal to raise taxes or fees, it likely will face some opposition. At the same time, it is expected many will step forward now in support. I'm one that believes the time is now to fund the State's 20 year transportation plan. The tolling of existing interstates will be one option that is studied. I'm a believer in this "user" fee, when I want the speed and convenience of the toll road, I utilize it. I think others around the State would follow suit. The Indiana Toll Road helped us pay for 20 Years of transportation needs. New toll roads will help address the next 20. <http://www.insideindianabusiness.com/story/34404232/how-much-are-you-willing-to-pay-for-good-roads>

Let's spend our gas tax money smarter

News-Sentinel

Justin Stevens

2/1/17

With the state legislative session now under way, one of the major issues confronting Indiana politicians will be funding much-needed roadwork and maintenance to our infrastructure. But whereas taxpayers in other states often have to cough up more of their hard-earned money to pay for it, the good news for Hoosiers is that the funds are already available. But some officials would prefer the state to raise more taxes to cover roadwork. Lawmakers recently proposed raising the gas tax another 10 cents over the current 18 cents. Even worse, this tax would be indexed to inflation, resulting in increases year after year moving forward. In addition, lawmakers proposed a new \$15 fee per vehicle and tolling on existing interstates. Before any tax hikes are discussed, politicians should find ways to make the best use of the money they've already collected. Indiana must continue to lead the way in infrastructure by making tough choices and designating all current gasoline tax revenue to roads. Gas tax income provides a regular stream of funding. We're also one of just 12 states that applies the state sales tax to gasoline purchases. Altogether, the 18 cents we pay to the state, the additional 18 cents we give to the federal

government, the 7 percent sales tax, and various other surcharges leave us paying nearly 50 cents per gallon above and beyond the price of gas. Couple that with a more than \$1 billion expected increase in revenue for the 2017-2018 budget and \$2 billion in reserves, and it's clear that we can find a way to pay for roadwork without having to dig deeper into our pockets. Strong budgetary conditions also provide flexibility for legislators to allocate tax money they've collected but haven't yet decided how to use. <http://www.news-sentinel.com/opinion/your-voice/Let-s-spend-our-gas-tax-money-smarter>

Driving toward a road funding plan

Greensburg Daily News

Rep. Randy Frye

2/1/17

As a member of the House Committee on Roads and Transportation and a user of Indiana's roads and bridges, I know our state needs a long-term investment plan to maintain and improve our roads. One of my goals this session is to support a sustainable and comprehensive funding solution that will keep Indiana's infrastructure functioning for years to come. Data shows that 21 percent of Indiana's bridges are structurally inadequate and functionally worn out. The condition of our deteriorating roads are resulting in Hoosier motorists spending nearly \$500 annually on vehicle repairs. Our local infrastructure is also impacted by the Ohio River that floods and causes damages to many of our roads. Our area is heavily travelled, since we connect Indianapolis to Ohio and Kentucky. Hoosier roads are the main arteries in our state's economy, supporting local businesses and communities. Over the last 12 years, Indiana has led with the right policies, cutting billions of dollars in taxes for Hoosier families and job creators. Indiana now ranks among the top states nationally for its economic climate. Now is the time to invest in Indiana's infrastructure without spending down critical reserves or cutting into the state's general fund, which pays for critical services like education and public safety. Over the next 20 years the state needs more than \$1 billion in additional funding per year to support its roads and bridges. Legislators must look to those who use and benefit from the state's infrastructure to help pay for maintenance and improvements. http://www.greensburgdailynews.com/opinion/columns/driving-toward-a-road-funding-plan/article_798c10b7-7539-5aab-9ebf-b9297a2bb876.html

Letter: Is increasing the gas tax really a good idea?

Dubois County Free Press

Anthony Nelson

1/31/17

Many Indiana legislators appear to be lining up to support HB 1002, which would immediately raise the state gasoline tax by 10 cents per gallon and would continue to raise the tax annually. The bill would also increase alternative fuel decal fees by 50% as well as increase fees on electric vehicles, and commercial vehicles with a gross weight of 26,000 pounds or more. (1) The bill is being sold to the public as being sorely needed to fix our aging infrastructure which is in dire need of repair. No one would argue that many of our roads and bridges are in poor shape. One only needs to drive across the Sherman Minton Bridge (Interstate 64) between New Albany and Louisville, a rotting, rusting eyesore badly in need of replacement, to see but one example of bridges needing repair or replacement. (Yes, a lot of money was recently spent on this bridge to strengthen and stabilize it, but it has been allowed to rust and rot since. Its concrete supports are literally crumbling!) Two other examples are the US 41 twin bridges between Evansville and Henderson, especially the much older northbound span. However, some research into the current use of the state's gasoline use tax, compared with what HB 1002 proposes to do with this tax, is instructive. Did you know that of the 11.6 cent per gallon tax you currently pay at the pump, that 98.848% of that money is deposited into the state's general fund? Only 1% goes into the motor vehicle highway account. The remainder goes into two different rail service funds. <https://www.duboiscountyfreepress.com/letter-increasing-gas-tax-really-good-idea/>

Amtrak takes over Hoosier State train

Journal & Courier

George Spohr

1/30/17

Amtrak is taking over the Hoosier State train starting March 1. On Monday, the Indiana Department of Transportation announced its contract with Iowa Pacific Holdings, which has operated the Hoosier State train since July 2015, would only remain in effect until the end of February. INDOT said Iowa Pacific wanted more money than was agreed upon in its contract. "They were looking for a minimum monthly subsidy that was outside the budget we had," INDOT spokesman Will Wingfield said. "Even under the existing contracts, their needs were beyond what we had budgeted." To date, INDOT has paid \$500,000 to Iowa Pacific to provide on-board service, marketing and equipment for the Hoosier State and \$3.9 million to Amtrak to run the actual train. It agreed to pay Iowa Pacific an additional \$300,000 to operate the train through the end of February. "It should be said we signed contracts in good faith with Iowa Pacific that was through the end of June, and then they came to us and said they we're unable to continue under those contracts," Wingfield said. INDOT didn't indicate what would happen to the Hoosier State if it's unable to find a long-term replacement for Amtrak. In a reply to a customer's question on Facebook, Iowa Pacific wrote that it was "unable to continue providing passenger train equipment and on-board services under the terms of its existing contract for the Hoosier State."

<http://www.jconline.com/story/money/2017/01/30/indot-yanks-hoosier-state-train-contract/97257928/>

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