



BUILD INDIANA COUNCIL

Infrastructure Media Summary

February 14, 2017

Indiana gas station owners to launch fuel tax opposition campaign

WISH-TV
Nick Natario
2/10/17

INDIANAPOLIS (WISH) – A new ad campaign is about to hit gas pumps across Indiana. Not for gas, coffee or snacks, but to target Hoosier lawmakers. The sign features a stack of cash, urging neighbors to speak out against a proposed road funding bill which would increase the price of gas. “It’s going to grab my attention,” Indianapolis resident, Monique Jackson said. “It’s silly,” Richard Mcomber said. “It’s not going to accomplish anything.” In the coming weeks, more than a thousand gas stations will feature the signs. They come from the Indiana Petroleum Marketers and Convenience Store Association. “This is unusual for us to do it,” Indiana Petroleum Marketers and Convenience Store Association Executive Director Scot Imus said. “We just think these increases are just too significant.” The jump comes from a Republican proposal to fix Indiana’s roads. The plan would increase the price at the pump by 10 cents a gallon; add a \$15 annual vehicle fee, and \$150 annual electric vehicle fee. “Any time we add price to the cost of fuel, we see less sales,” Imus said. The tax increase plan isn’t the only road proposal. This week, Democrats laid out a plan to cut government waste, use gas sales tax, and freeze wealthy tax breaks. It was rejected by a house committee. But minority leaders hope this campaign will change minds. “I don’t know what the effect of that is going to be yet, but certainly I don’t think it’ll be a non-zero effect,” Indiana House Minority Leader Scott Pelath said. “This isn’t the first campaign aimed at the road funding bill. <http://wishtv.com/2017/02/10/indiana-gas-station-owners-to-launch-fuel-tax-opposition-campaign/>

Fuel tax hike good solution to pay for road improvements

The Republic
2/10/17

Indiana lawmakers are faced with an important but difficult decision that taxpayers are keeping a close eye on: how to fund the ongoing maintenance and improvements to the state’s infrastructure of highways and roads. This is an issue the state has faced for years without coming up with a long-term solution. The financial bonanza that once was Major Moves funding resulting from the state leasing the Indiana Toll Road is past. What’s on the table now are ideas such as increasing the fuel tax, using money from the state’s General Fund, increasing the excise tax and creating more toll roads throughout the state. No one idea is an overwhelming slam dunk, which makes the decision difficult. However, the idea of using General Fund money raises the concern about creating a robbing-Peter-to-pay-Paul scenario. Taking money from another need, like education, for example, to pay for roads would address one problem while creating another. Creating more toll roads would produce more revenue, but only the users of those toll roads would be paying. Raising the excise tax would generate extra revenue, but just from Hoosier motorists. A fuel tax has the greatest potential as a user fee for those traveling on roads, applying not only to Indiana residents but also out-of-state visitors. Indiana

has not increased its gas tax in 14 years. Many residents, naturally, don't want to see any tax increase enacted, and that's understandable. But finding a way to fund needed road improvements without raising taxes and not creating additional problems with funding other needs is a monumental challenge and one that is unlikely long-term.

http://www.therepublic.com/2017/02/10/fuel_tax_hike_good_solution_to_pay_for_road_improvements/

Brian Howey column: A plan to combat 'road shingles'

The Herald Bulletin

2/9/17

Legendary Chicago columnist Mike Royko used to write about paying the “victim tax.” In general parlance, it meant getting mugged, having your car stolen or your apartment burglarized. Hoosier motorists have been on a similar trajectory. We pay the “axle tax” or the “rim tax” or the “muffler tax.” It's the collateral damage your car or truck takes from Indiana's deteriorating roads. My Subaru Outback has a plastic part dangling in the wheel well after a winter of pot hole dodging. But Gov. Eric Holcomb, House Speaker Brian Bosma and Senate President David Long have a plan. It's called House Bill 1002 and it will create a 20-year road plan with several new funding mechanisms. It includes a 10-cent a gallon gasoline tax hike (last increased in 2003), increases the diesel fuel tax (last increased in 1988), adds a \$15 annual vehicle fee, and an annual fee for electric vehicles. It transfers the remaining 4.5 cents of the sales tax on gasoline from the General Fund to the State Highway Fund. A 10-cent a gallon increase would mean \$4 more per month for the average Hoosier motorist, or \$48 a year. According to statistics from the Indiana Department of Transportation, the average Hoosier motorist spends \$491 annually on vehicle repairs due to road surface conditions. About 16 percent of Indiana's major roads are rated in poor condition. Indiana is home to 98,000 centerline miles. There are 18,984 bridges with an average age of 43 years. INDOT maintains roughly 6,000, locals maintain roughly 13,000. Of those, 9.8 percent (1,861) of bridges are “structurally deficient” and 10 percent are “functionally obsolete.” http://www.heraldbulletin.com/opinion/a-plan-to-combat-road-shingles/article_f4f06d4d-f04c-5e0f-abdd-b2eba876b85e.html

Bill puts all gas tax revenue on roads

The Journal Gazette

Niki Kelly

2/9/17

INDIANAPOLIS – Indiana House Republicans made a big change Wednesday to their road funding plan that will have a significant impact on the state's next two-year budget. The Ways and Means Committee approved the bill after accepting an amendment that would immediately divert about \$300 million a year collected from sales tax on gasoline to road funding. Right now, that money goes to general fund spending on a variety of state expenses, including schools and prisons. The original GOP plan phased in the shift of gas tax spending over four years to reduce the impact on the biennial budget that is being crafted. But with the amendment, the road funding plan creates a \$600 million hole in the budget. Several groups fighting a gas tax increase in the road funding bill said there should be no tax increases before every penny now collected at the pump is spent on highways and bridges. “I think we heard from members, we heard from the minority party, we heard from those who talked about opposition to the bill about every time you stick that gas nozzle into the car ... that every tax penny you pay should be dedicated to roads,” said Ways and Means Chairman Rep. Tim Brown, R-Crawfordsville. “That's something that resonated with a lot of our members.” But he declined to say how the loss in revenue to the general fund budget would be handled.

<http://www.journalgazette.net/news/local/indiana/Bill-puts-all-gas-tax-revenue-on-roads-17700214>

