



BUILD INDIANA COUNCIL

Infrastructure Media Summary

February 16, 2016

House road funding plan hits bumpy stretch in Senate

NWI Times
Dan Carden
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INDIANAPOLIS — State Rep. Ed Soliday, R-Valparaiso, tried to sell his road funding plan Thursday to a skeptical audience of mostly Republican senators who seemed disinclined to support tax increases in an election year. Members of the Senate Appropriations Committee listened politely as Soliday explained that House Bill 1001 emerged from a five-year process of carefully evaluating Indiana's infrastructure needs and different ways to pay for improvements. He said the plan's \$1 per pack cigarette tax hike and 5 cents per gallon gas tax increase would be little noticed by most Hoosier motorists — who are getting a bargain paying an average of just \$108 a year in direct road taxes — but would go far in maintaining state and local highways for years to come. The committee chairman, state Sen. Luke Kenley, R-Noblesville, said he applauded Soliday "for having the courage to take this on this year." But Kenley did not come anywhere close to endorsing the proposal. Similarly, state Sen. Brandt Hershman, R-Buck Creek, chairman of the Tax and Fiscal Policy Committee, was puzzled by the GOP-controlled House balancing its roads tax increases with a gradual reduction in the income tax rate, since that would reduce funds available for all other state needs. The committee postponed any decision on whether to change Soliday's proposal or advance it to the full Senate. House members, many of whom already are on record voting for the tax increases, generally are not enthralled with the Senate roads measures that spend borrowed and surplus funds to make improvements in only the next four years. http://www.nwitimes.com/news/local/govt-and-politics/house-road-funding-plan-hits-bumpy-stretch-in-senate/article_d706eb7f-0789-598b-922e-78a7f7029afc.html

Don't raise Indiana's gas tax

Indianapolis Star
Justin Stevens, Indiana state director, Americans for Prosperity
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When times are good, you might as well cut them short, right? If that doesn't make sense to you, you're like most Hoosiers who are enjoying the lowest gas prices in eight years. Yet the Indiana House of Representatives is seizing this as an opportunity to raise taxes by nearly a half-billion dollars, including gas and wheel tax hikes of more than \$200 million. Their argument is as tired as their logic is flawed: The only way to pay for our infrastructure is by raising taxes on every Hoosier with a car. Here's a better solution: Use part of the state budget surplus we've spent years building, and be more responsible with the gas taxes we already pay. Falling gas prices have been a blessing to thousands of families across the state. Since June, Indiana gas prices have plunged from \$2.80 per gallon to around \$1.60 today. This has provided a lifeline to families struggling to make ends meet under the Obama economy. Now part of that relief is in jeopardy.

The House recently passed a bill that would raise our current gas tax of nearly 30 cents per gallon — already in the top-third of the country — by another 4 cents. Even worse, it would index the state gas tax to inflation, essentially guaranteeing annual tax hikes on every Hoosier with a car. No one wants crumbling roads and bridges. Reliable infrastructure is critical to every one of our lives. But raising gas taxes — and indexing it to inflation — is categorically the wrong way to do it. <http://www.indystar.com/story/opinion/readers/2016/02/14/indiana-gas-tax-increase/80250548/>

Red Line funding no sure thing for Indianapolis

Indianapolis Star

John Tuohy

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Indianapolis mass transit advocates shouldn't bank just yet on a \$75 million federal grant for a bus rapid transit system that President Barack Obama has recommended in the 2017 budget, fiscal experts said. The "small starts" grant to build the first leg of the Red Line relies, in part, on revenues from a tax on wholesale oil that House Republicans have declared "dead on arrival." Without that funding source, the Red Line and 30 other projects are in danger of being passed over, said Stan Collender, a budget expert for Qorvis Communications in Washington, D.C. "Nobody believes the oil tax will pass this year, so cities can't count on these grants in their budgets," Collender said. "It could happen, but I would give it less than a 50 percent chance." The grant would enable IndyGo, the city's bus agency, to kick-start the region's largest-ever mass transit project, a roughly \$800 million system of all-electric buses that would run faster and more frequently than standard buses. The \$75 million grant is for the first leg of the Red Line, a nearly 14-mile stretch from 66th Street in Broad Ripple to the University of Indianapolis on the south side. <http://www.indystar.com/story/news/2016/02/12/red-line-funding-no-sure-thing/80245932/>

INDOT: Road, Bridge Funding in Bill Would Suffice

Inside INdiana Business

Dan McGowan

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INDIANAPOLIS -The Senate Appropriations Committee is hearing testimony on a major bill involving road and bridge improvements. House Bill 1001 calls for a hike in gas and cigarette taxes, as well as state surplus funds to generate \$1.3 billion to \$1.5 billion for what authors say is a long-term plan to maintain infrastructure at the state level. Indiana Department of Transportation Commissioner Brandye Hendrickson says the department's figures are calculated from Governor Mike Pence's 21st Century Crossroads Plan, which accounts for \$1 billion in funding. She said, even at the funding level proposed by Pence and coupled with recent spending announcements, the projects INDOT has lined up could be complete. Hendrickson says INDOT could meet its road and bridge condition targets by 2023 using the metrics presented in this bill. The goal is for fewer than 3 percent of bridges to be rated "poor" and 95 percent of pavement to be rated "fair" or better. The measure cleared the House last week by a 61-36 margin. It includes a four cent-per-gallon gas tax increase, seven cent-per-gallon hike on diesel and a \$1 state cigarette tax increase. "House Republicans worked diligently to develop and pass a comprehensive road funding package, which spurs economic growth and is fiscally responsible," said House Speaker Brian Bosma (R-88). <http://www.insideindianabusiness.com/story/31199571/indot-road-bridge-funding-in-bill-would-suffice>

House-passed cigarette and gas tax hikes debut in Indiana Senate

WNDU

Mark Peterson

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Thursday brought a series of 'man bites dog' moments at the Indiana Statehouse. A house passed road funding bill that calls for higher gas and cigarette taxes made its senate debut. Members of the Senate Appropriations Committee did not take a vote on the measure, but it did take hours of public comment. Most of the speakers concentrated on the proposed hike in the gas tax, and most speakers voiced support. "Indiana Soybean Alliance fully supports House Bill 1001 to increase funding for local roads," farmer Jeanette Merritt told committee members. "Farm Bureau has not exactly been a group that has been advocating for tax increases and it's a little bit of a surprise probably to some of you that Farm Bureau is in favor of raising the fuel tax," said Ed Yanos. Committee members also heard from representatives of the business community. "And when the business community comes to you and says, 'raise our taxes,' please listen. It really is a man bites dog moment," said Cam Carter with the Indiana Chamber of Commerce. "The need is urgent. Hoosiers are calling for action." Speaker after speaker went before the committee today to hop on the higher taxes bandwagon. One even argued that the proposed increase in the gas tax of some 4.5 cents a gallon would result in more gain than pain.

<http://www.wndu.com/content/news/House-passed-cigarette-and-gas-tax-hikes-debut-in-Indiana-Senate-368532411.html>

Transit Advocates Say Buses, Trails Should Be Part of Roads Debate

WIBC

Eric Berman

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As legislators tinker with road funding plans, mass transit advocates say not to forget them. Kim Irwin with the Indiana Citizens' Alliance for Transit says buses, rail and even bike trails and greenways are part of infrastructure too -- and they're the kind of infrastructure that attracts people. The group isn't looking for money in the road bills. But Irwin says they want to start legislators thinking about increasing transit funding next year in the state budget. Legislators last tackled mass transit in 2014, giving Marion and Hamilton counties permission to ask voters to approve an extra income tax to expand the IndyGo bus system. The transit group IndyConnect is gathering signatures to seek the Marion County referendum in November. Hamilton County Commissioner Christine Altman says there probably won't be a vote there till 2018. While Indianapolis has long experience with IndyGo, Carmel and Westfield haven't had mass transit. The proposed Red Line expansion would eventually stretch north to those cities -- the first phase, linking Broad Ripple to the University of Indianapolis, is scheduled to open in 2018 if the referendum passes. Altman says if that happens on schedule, it should boost support in Hamilton County.

<http://www.wibc.com/news/local-news/transit-advocates-say-buses-trails-should-be-part-roads-debate>