



BUILD INDIANA COUNCIL

Infrastructure Media Summary

November 29, 2016

Ken de la Bastide column: Is it time for a state wheel tax?

The Herald Bulletin
11/27/16

Among major issues facing lawmakers at the start of the 2017 session of the Indiana General Assembly is a long-range solution for infrastructure improvements to the network of roads. Lawmakers will be working on a two-year state budget during the upcoming session. Since this was an election year it was doubtful that the Republican Party, with supermajorities in both the House and Senate and an incumbent governor in the Statehouse, would pass any tax increases in the last session. Instead of coming up with a long-range funding plan to improve state and local roads through an increase in the gasoline tax or cigarette tax, lawmakers opted to provide \$800 million over two years. Once again, Republicans in the Legislature are considering hiking the state's 18-cent per gallon gasoline tax and a possible \$1 increase in the per-pack cigarette tax. There is also a 7 percent sales tax on gasoline and cigarettes, so Hoosiers are paying 32 cents in taxes on a gallon of gasoline priced at \$2. With more fuel-efficient vehicles on the roads and more Hoosiers purchasing alternative fuel vehicles, an increase in the gasoline tax will be one of diminishing returns in the future. http://www.heraldbulletin.com/opinion/columns/ken-de-la-bastide-column-is-it-time-for-a/article_2a60eaba-f690-5441-8e91-0711b534ffa7.html

City-County Council districts went big for transit tax

Indianapolis Star
John Tuohy
11/26/16

The referendum to raise income taxes for public transit in Indianapolis passed in 19 of 25 City-County Council districts, an indication that it could glide to easy approval when counselors consider it early next year. The six districts that voted against the tax are in Decatur, Perry and Franklin townships, according to Marion County certified election results. Those areas are also the least served by public transportation, and the councilors there didn't expect the referendum to pass. "This was a plan to get everyone to pay for something that was going to be used by only a few," said Jason Holliday, the District 20 councilor on the southwest side, where voters rejected the referendum by the widest margin: 59.6 percent. "It was taxation without representation, or service." The measure allows the council to increase income taxes by 25 cents for \$100 earned to raise \$56 million a year to improve service on IndyGo, the city's bus agency. The tax revenue would also pay for operations of three bus rapid transit lines, including the Red Line, which could be built next year. <http://www.indystar.com/story/news/2016/11/26/city-county-council-districts-went-big-transit-tax/94354730/>

Road funding tops Indiana Chamber of Commerce legislative agenda

NWI Times

Dan Carden
11/26/16

INDIANAPOLIS — The state's top business organization agrees with legislative leaders that passing a long-term infrastructure funding plan is the most important issue for lawmakers to tackle during the 2017 Indiana General Assembly. Indiana Chamber of Commerce CEO Kevin Brinegar said this week the state no longer can kick the can down the road with short-term road spending using only existing resources. "Based on studies, reports and simply traveling across the state, it's pretty apparent that what we desperately need is a long-term, sustainable, transportation infrastructure funding plan," he said. Brinegar indicated the chamber even could support plans that increase the gasoline tax, index it for inflation, impose additional taxes on electric vehicles that don't use fuel, toll an Interstate highway or reallocate to roads all the revenue collected through Indiana's 7 percent sales tax on gasoline. He pointed out that a typical Hoosier motorist currently pays about \$120 a year in taxes to use the state road network, likely less than what that person spends in just one month for telephone, television or Internet access. "That is just no longer sustainable," Brinegar said. "We need to completely fund both maintenance needs and important new projects, and ensure that every user pays their fair share." http://www.nwintimes.com/news/local/govt-and-politics/road-funding-tops-indiana-chamber-of-commerce-legislative-agenda/article_b72911d6-6a57-5efe-9b6e-570fd0e51cde.html

Abdul: Ideas for the upcoming legislative session
Indianapolis Star
Abdul-Hakim Shabazz
11/24/16

As Indiana lawmakers prepare for the start of the legislative session in January, I figured it couldn't hurt to offer a few ideas on how to deal with the big issues. Roads and Infrastructure: This is the biggest issue lawmakers will face when they convene in January. After an infusion of cash to local governments last session, lawmakers have spent the summer looking at long-term funding solutions. I have a modest proposal. It involves indexing the gas tax to inflation, which hasn't been done since 2002, and dedicating all of the sales tax on gasoline to roads and infrastructure. By doing so, Indiana would put hundreds of millions dollars back into its roads. And to spare Hoosiers the impact of a sharp increase in gas taxes and mitigate the impact of cuts to programs the sales tax on gasoline pays for, this would be implemented over a 10-year period. This gives the government and consumers plenty of time to absorb the impact of the changes in funding, and lawmakers can identify other sources of funding for those state programs. Also, with Mike Pence as vice president, the state now has a much better shot at getting a better return on its federal highway dollars. <http://www.indystar.com/story/opinion/2016/11/24/abdul-roads-jobs-sunday-sales/94341076/>

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