



BUILD INDIANA COUNCIL

Infrastructure Media Summary

December 8, 2015

RICH JAMES: Getting fair funding for roads is no easy task

NWI Times

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State Rep. Jerry Bales, R-Bloomington, held the deciding vote as the clock ticked toward midnight on the final day of a legislative session some 35 years ago. Bales, who was obviously distraught, stood motionless, thinking about the threat he received earlier in the day. He was told it wouldn't be healthy for him to vote for a 1-cent increase on the per-gallon gasoline tax. Bales voted for the increase and was escorted out of the Statehouse by state troopers. One cent. A lousy penny. Yes, that's how difficult it can be for legislators who fool with the price of gasoline. All these many years later, state Rep. Ed Soliday, R-Valparaiso, is trying to do what should have been done before – fix the way Indiana funds local roads and state highways. But reaching a consensus will be akin to herding cats. Soliday hasn't played his hand but is talking in generalities about empowering local government to raise more money for streets, and turning state funding into more of a user system. Indiana may first have to deal with what it did to the gas tax just over a year ago. Instead of a flat 19 cents per gallon, the Legislature changed it to 7 percent of the statewide average price of gasoline the prior month. When the law took effect in June 2014, the tax increased from 19 cents to about 23 cents per gallon. Today it is closer to 14 cents. [RICH JAMES: Getting fair funding for roads is no easy task](#)

Editorial: Raise the gas tax

Kokomo Tribune

12/5/15

THE ISSUE

The state's gas tax, used to fund infrastructure, hasn't been changed in 22 years.

OUR VIEW

Indiana's leaders need to address this as roads and bridges continue to crumble.

As Tribune reporter Josh Sigler reported in his July 12 story on the issue, Indiana's gas tax hasn't changed in over two decades. The last time it was raised was in 1993, when it was upped from 9 cents to 18.4 cents. This was only the second increase since 1959, as it was also raised from 4 cents to 9 cents in 1990. This rate has not kept up with inflation. We did some simple math with the help of the website Measuring Worth, and here's what we found: A simple purchasing power calculator would say the relative value of 4 cents in 1959 dollars is 33 cents in 2014 dollars. (This answer is obtained by multiplying 4 cents by the percentage increase in the consumer price index from 1959 to 2014.) We would need to double our current rate just to keep with this figure. This shortfall is significant because, like the rest of the country, Indiana is doing quite poorly when it comes to infrastructure grading. As Josh's story pointed out, in 2013, the American Society of Civil Engineers gave the United States a "D" grade for its infrastructure, while Indiana received a slightly better grade, receiving a "D-plus." What's more, the state may be facing a half-a-billion-

dollar funding gap for upkeep on bridges and highways already in existence. And that's not counting future endeavors of the Indiana Department of Transportation. Something must be done, and fast. Our gas tax is simply not collecting as much as we once were. The old model is not going to work. Cars are more fuel efficient. People are driving more fuel efficient hybrids and electric vehicles. Fewer people are driving at all. Perhaps the gas tax should be tied to inflation. Raising the gas tax outright is another possibility. Charging a registration fee based on the number of miles driven is another suggestion. A public information campaign about dedicated funding to road fixes would also be key. (People would be more than willing to plunk down a few more cents per gallon if they knew the intended purpose.) [Editorial: Raise the gas tax - Kokomo Tribune: Opinion](#)

Key lawmaker says Indiana should look at more toll roads

WANE

12/5/15

Indiana needs to look at several long-term options to raise the \$1 billion a year needed to maintain state roads and bridges, including the possibility of charging tolls on interstate highways, the House transportation committee chairman says. "The truth of the matter is, it costs money to maintain roads," Chairman Ed Soliday, R-Valparaiso told The (Munster) Times. "From what we're hearing from the public, they're willing to pay as long as they know it's going for roads and bridges." Soliday said the Legislature's upcoming debate over ways to increase funding for roads funding around Indiana will involve a broad look at many options. Democrats have been attacking Republican Gov. Mike Pence for months over the condition of Indiana's poorly funded and low-ranked roads — and GOP House Speaker Brian Bosma has said the issue will be a top priority of the legislative session that starts in early January. Soliday said he isn't keen on the \$1 billion highway spending proposal that Pence announced in October or a competing \$2 billion plan from House Democrats. Soliday said his committee will discuss both proposals, but he doesn't think either one represents a sustainable road-funding method as they largely rely on one-time money spent over a four-year period. A multiyear study commissioned by the General Assembly recently concluded Indiana needs about \$1 billion a year to maintain state roads and bridges. Local governments annually need to come up with \$580 million to keep their highways in fair shape.

[Key lawmaker says Indiana should look at more toll roads | WANE](#)

Transportation bill increases highway funding without raising gas tax

Indianapolis Star

Maureen Groppe

12/4/15

WASHINGTON — President Barack Obama on Friday signed a transportation bill backed by Indiana's lawmakers to increase road and transit funding without raising the gas tax. The bill, which the House and Senate easily passed Thursday, will provide some planning certainty for the state after the 36 short-term bills passed since 2009. Indiana is more reliant on federal money than most states, getting 37 percent of its transportation funding from Washington compared with the national average of 25 percent. So the \$448.3 million in extra highway funding and \$29.7 million in extra transit funding over the next five years will help. But transportation lobbyist Laurie Maudlin said the additional funding will give the state only a little more than 10 percent of the \$1 billion the Build Indiana Council estimates is needed in additional funding each year to adequately maintain state and local roads. Like federal lawmakers, Indiana policymakers have been reluctant to raise the state's 18 cents-a-gallon gas tax, which has lost 22 percent of its buying power since 2003. Revenues from the 18.4-cent federal tax have eroded 40 percent since it was last raised in 1993. Rather than increase the tax, Congress is paying for about one-third of the bill's \$305 billion cost from a patchwork of other funding sources. The largest chunk comes from tapping surpluses held by Federal Reserve banks, a move that budget experts say is more an accounting gimmick than a real offset. The bill also provides for reducing Federal Reserve

dividends to banks, selling a portion of the Strategic Petroleum Reserve and allowing the Internal Revenue Service to use private debt collectors to help collect unpaid taxes, among other changes. [Transportation bill increases highway funding without raising gas tax](#)

Indiana expected to receive \$5B in federal highway funds

Indianapolis Business Journal

12/3/15

Indiana would receive at least \$5 billion in federal highway money over the next five years to tackle infrastructure projects under a congressional compromise hammered out this week as part of a long-term reauthorization of federal programs. The state would also receive about \$500 million over the same period for public transit programs. Both houses of Congress still need to vote on the funding measure, with the House expected to consider it Thursday afternoon. The House and Senate reached the deal this week on the \$281 billion transportation bill that would increase spending to address the nation's aging and congested highways and transit systems—a legislative feat that lawmakers and President Barack Obama have struggled throughout his administration to achieve. Members of Indiana's congressional delegation said the bipartisan compromise is not perfect. But Democratic U.S. Sen. Joe Donnelly said it is "without question the best solution to address our pressing need to repair Indiana roads and bridges and make sure that transit systems continue to run safely and efficiently." The five-year agreement, unveiled Tuesday, also would put an end to the cycle of temporary extensions and threatened shutdowns of transportation programs that have bedeviled Congress for the past seven years, making it difficult for states to plan long-term projects. The need for infrastructure improvements has become a politically prickly issue in Indiana of late, too, and will likely shape discussions in the next two legislative sessions and in the 2016 governor's race. [Web story template | 2015-12-03 | Indianapolis Business Journal | IBJ.com](#)

Will the State Road 37 project make its way to Noblesville?

WISH-TV

Nick Natario

12/3/15

A plan to fix congested traffic on State Road 37 may focus on Fishers right now, but Noblesville leaders expect to receive help as well. State Road 37 is a stretch of road in Hamilton County that not everyone enjoys. "It can be a hassle, especially the lights," Noblesville resident Andrew Stewart said. "The lights are very slow. If it's not idiots on the roadway, it's the lights." Next week, county officials say the state will roll out a \$124 million plan to make driving State Road 37 faster. A project that they say will focus on Fishers, and not Noblesville. That news is not sitting well with some drivers. "Everyone is wondering where our taxpayer money is really going," asked Stewart. "If it's not going to this project, then where is it going? Why can't the project get done?" "I really think it's a good thing that they didn't come this far," Noblesville resident Becky Bledsoe said. "I just think we have enough expense without having to add something else too." But Noblesville officials say not so fast. While the project may stop at 146th Street, officials said drivers will eventually be able to go to the State Road 38 intersection quickly because there won't be any lights. "From what I've heard, I guess, it's just more of a money factor, and that's why we're going to hopefully do it in phases. We just, from our city, hope that we can have discussions in the near future about the second part," Noblesville communications manager Robert Herrington said. [Will the State Road 37 project make its way to Noblesville? | WISH-TV](#)

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