



BUILD INDIANA COUNCIL

Infrastructure Media Summary

December 17, 2015

Our Opinion: On the (local) road to improvement

South Bend Tribune

12/17/15

The state of Indiana has a long way to go, but it seems to be pulling out of neutral gear and driving toward addressing its poorly rated roads. In October, Gov. Mike Pence announced a spending plan, 21st Century Crossroads, to fund state-mandated highways and bridges. In response, Indiana House Democrats unveiled a proposal that would divert sales tax revenues on gasoline and special fuels to road maintenance. And now Senate Republicans have offered a plan to address one of the criticisms of the Pence infrastructure plan: the lack of local road funding. The proposal unveiled by Sen. Brandt Hershman, R-Lafayette, would give \$418 million to local governments to help improve their roads. The money would come from local income tax revenues that are currently held in reserve accounts by the state. Seventy-five percent of the money would go toward road improvements, but local governments could spend the other 25 percent any way they like. The increased interest in repairing Indiana's infrastructure has been attributed to the political pressure on Pence that came after an emergency closure this summer of an Interstate 65 bridge near Lafayette lasted for months. It helped bring attention to the long-neglected roads and bridges in Indiana, which spends less per capita than most states on highways and transit — and hasn't raised the state gas tax, a major source of highway funding, since 2003. http://www.southbendtribune.com/news/opinion/our_opinion/our-opinion-on-the-local-road-to-improvement/article_b62be8a5-ae65-52f5-9095-b2b8425efd4d.html

House GOP's road funding plan includes tax hike

Indianapolis Star

Tony Cook

12/16/15

Hoosiers could pay more for gas and cigarettes under a road funding proposal being crafted by Indiana House Republican leaders. The proposal also would provide for a study about turning I-65 and I-70 into toll roads. House Speaker Brian Bosma provided some details about the proposal during a legislative conference Downtown on Wednesday. The funding plan would index the state's fuel tax to inflation and gradually shift all of the 7 percent sales tax on gasoline to the motor vehicle highway fund, which is used for state and local road projects. Bosma said the plan would create a sustainable, long-term solution for maintaining Indiana's roads and bridges, but he acknowledged that some would consider it a tax increase. "It does create an adjustment in the tax," the Indianapolis Republican said. "It's a user fee. Most Hoosiers realize we've got to fund an infrastructure that's got a lot of wear and tear on it, and they're willing to do so, according to those I've spoken with and surveyed." The measure will be carried by House Roads and Transportation Committee Chairman Ed Soliday, R-Valparaiso. He said that even with increases to the gas tax, future fuel economy requirements for vehicles make that source only a temporary solution. That's

why the measure also will include a study of the pros and cons of tolling on I-65 and I-70, Soliday said. Those interstates carry a lot of out-of-state traffic and could generate \$365 million a year with toll rates similar to those on the Indiana Toll Road, he said.

<http://www.indystar.com/story/news/2015/12/16/house-gops-road-funding-plan-includes-tax-hike/77418472/>

www.buildindianacouncil.org