



BUILD INDIANA COUNCIL

Infrastructure Media Summary

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INDOT Touts \$1B Road Investment

Inside INdiana Business

Alex Brown

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INDIANAPOLIS - The Indiana Department of Transportation says more than \$1 billion was invested in various road and bridge projects in 2015. The state says it also gave more than \$220 million to support local transportation projects. INDOT says funds from Governor Mike Pence's Major Moves 2020 program allowed for aggressive investment to improve traffic flow, reduce travel time and enhance the condition of existing pavement and bridges. Some of the work led to 459 bridges being rehabilitated or replaced in 2015. "I want to thank the INDOT team for their dedication to modernizing and maintaining Indiana's transportation network," said Governor Mike Pence. "In 2015, we took significant steps forward in enhancing our highway system with the opening of a new section of I-69 in Southwest Indiana and the opening of the U.S. 31 freeway in Hamilton County among other projects. At the same time, we continued to invest in preserving bridges and improving pavement conditions all across the state." Pence added he is committed to securing additional funding for state and local roads and bridges in 2016. Last month, Pence announced plans for \$124 million in road improvements to State Road 37 in Hamilton County with construction expected to begin in 2018. Last year saw the opening of a new section of the I-69 extension connecting Bloomington to Crane. It also saw the opening of the new U.S. 31 in Hamilton County which, combined with other completed U.S. 31 projects, reduced travel time between Indianapolis and South Bend by 30 minutes, according to INDOT. INDOT added 1,720 miles of existing pavement was rehabilitated and 180 miles new of road were opened to traffic in 2015. <http://www.insideindianabusiness.com/story/30878050/indot-touts-1b-road-investment-in-2015> Also, <http://www.wbiw.com/state/archive/2016/01/indot-investment-in-roads-and-bridges-exceeds-1-billion-in-2015.php>

It's time to increase Indiana's fuel tax to fund roads

Indianapolis Star

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I support increasing the fuel tax to fund Indiana roads. The fuel tax has not kept up with the cost of road construction and maintenance for some time now — and investment in infrastructure and repairs have been deferred to the point of being hazardous. What's more, The Tax Foundation estimates that only about 28 percent of the cost of Indiana state and local roads are paid for by user fees, taxes and tolls. In other words, more than two thirds of road costs are being subsidized by other taxes. Fairness dictates that a larger portion of the cost of roads and highways be paid by the people who use them. Good governance also dictates that funding be more closely aligned with utilization. Roads are expensive to build and maintain — and subsidizing them by 72 percent means that there's a much greater demand than if drivers paid closer to the actual cost of using

them. Indiana is going broke building roads we can't afford — or afford to maintain — because we don't ensure the people who use them to pay for them. Heavily subsidizing roads also makes alternative forms of transportation, such as trains for freight and transit for people, less competitive. Increased road funding is absolutely required to address the serious backlog in maintenance and to rationalize the demand for roads versus the cost. The bulk of the increased revenue should come from fuel taxes, and now is the time to do it. We have record-low fuel prices, which will remain low for some time. An increase in the fuel tax now will be more politically palatable, and households and businesses alike will have much less adjustment to make. By the time crude oil prices normalize, consumers and businesses will have had some opportunity to improve fuel economy in the short term.

<http://www.indystar.com/story/opinion/readers/2016/01/03/s-time-increase-indianas-fuel-tax-fund-roads/78163488/>

FRIEDMAN: Pence lets ideology block opportunity

Indianapolis Business Journal

Shaw Friedman

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Did Indiana's governor allow ideology to drive yet another decision that might have cost Hoosiers dearly? Now, as state government struggles to find the means to finance badly needed infrastructure, it looks as if Pence's bent toward privatization prevented him from seriously considering retaking the Indiana Toll Road lease rights when he had the chance to do so. The governor specifically rejected advice from U.S. Sen. Joe Donnelly, who understood that the toll road operator's bankruptcy permitted a once-in-a-lifetime opportunity to retake this valuable revenue-generating asset for Hoosiers. With the toll road lease rights selling for \$5.75 billion in a court-supervised auction in March of this year (\$2 billion more than it was sold for eight years ago), it's a crying shame that Pence didn't consider exercising the state's rights to reversion. Remember, former Gov. Mitch Daniels convinced the Legislature to sell the lease rights in 2006 only by promising legislators that, if the lease holder ever went bankrupt, the state could reclaim the toll road. Sen. Brent Waltz, R-Greenwood, in fact wrote an op/ed last year pointing out that he had pushed for "an automatic reversion should the 'unthinkable' happen." He stated he was assured, as were his colleagues, that "the road would revert back to the citizens in the event of the bankruptcy of the lease-holding company." Donnelly pointed out that the bankruptcy filing gave the state maximum leverage it could have asserted in the bankruptcy court.

<http://www.ibj.com/articles/56443-pence-lets-ideology-block-opportunity>

Indiana's House Republicans Considering Tolls On Interstates

WFYI

Brandon Smith

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INDIANAPOLIS -- House Republicans will propose a comprehensive, long-term road funding measure. That bill will likely push the state to study tolling major interstates from border to border. But, some lawmakers are skeptical about that proposal's potential. A car driving across northern Indiana on the state's Toll Road pays nearly \$5 in tolls. House Roads Committee Chair Ed Soliday says tolling interstates 65 and 70, statewide, at the same rate would generate about \$365 million a year. That's enough, he says, to widen both interstates to six lanes statewide and cover maintenance costs virtually forever. Still, Soliday notes doing so is not a quick process. "You've got to get federal approval, for one thing, and technology is evolving all the time," Soliday said. "One of things you have to do is get legislative approval, any current road, to toll it." Senate Appropriations Chair Luke Kenley says he thinks tolling works well in some situations – citing the Ohio River Bridges Project between Indiana and Kentucky – but doesn't think it works in every scenario. "Some of these interstates, the process of getting tolls implemented is pretty tough," Kenley said. "So we'll have to look at that as one of the alternatives, but I'll be surprised if that

turns out to be a really strong contributor.” Even if the state began the process of implementing tolling right away, it likely wouldn’t begin for at least five years.

<http://www.wfyi.org/news/articles/indianas-house-republicans-considering-tolls-on-interstates>

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