



# **BUILD INDIANA COUNCIL**

## **Infrastructure Media Summary**

### **September 29, 2016**

#### **Study Suggests Best Option to Fund Road Work**

Inside INdiana Business  
Dan McGowan  
9/28/16

INDIANAPOLIS - As gubernatorial candidates and members of the upcoming General Assembly continue to discuss funding solutions for major infrastructure needs, an IUPUI researcher believes a new study has identified the best long-term option. School of Public and Environmental Affairs Assistant Professor Jerome Dumortier, co-author of the research, says a vehicle mileage tax and other adjustments would help boost state and federal road work coffers. The study suggests revenue will continue to drop in states like Indiana, unless changes are made. Researchers say the revenue dip could exceed 50 percent by 2040 for states, such as Indiana, that do not adjust fuel tax rates along with inflation. Dumortier says changes like adding a vehicle mileage tax, indexing gas and diesel taxes to inflation and applying state sales taxes to fuel prices in addition to an inflation-adjusted excise tax might not even raise the cost for the average driver. The reason? "Think about the cost to fill up your gas tank as having two components: the fuel itself and the tax," he said. "The tax is relatively small compared to the cost of the fuel. Because your average car uses less fuel over time due to fuel-economy improvements, the cost associated with the fuel decreases significantly." As fuel efficiency continues to increase across the board, fuel taxes collected will continue to fall, but the authors say any changes to the current tax structure would be a tough sell. They say studies have shown a resistance to financing roads with vehicle mileage taxes, higher fuel taxes, sales and income taxes and tolls. "State and federal fuel taxes: The road ahead for U.S. infrastructure funding" will be published in the January edition of the journal Transport Policy. <http://www.insideindianabusiness.com/story/33270540/study-suggests-best-option-to-fund-road-work>

#### **Feds upgrade status of South Shore expansion**

NWI Times  
Dan Carden  
9/28/16

INDIANAPOLIS — The South Shore Line's West Lake expansion cleared a key hurdle Wednesday when the Federal Transit Administration applied the "project development" classification to the proposed commuter rail extension between Hammond and Dyer. The designation moves the project out of the "planning" phase and ensures that local funds spent on South Shore expansion, such as the Northwest Indiana Regional Development Authority's recent hiring of an engineering firm to do environmental studies, will be eligible for federal matching funds. "We are now closer than ever before to the largest commuter rail investment in Indiana history — an investment that will create thousands of jobs in Northwest Indiana and provide

world-class access to Chicago, the ninth-largest economy on the planet,” RDA CEO Bill Hanna said. U.S. Rep. Pete Visclosky, D-Merrillville, worked with the U.S. Department of Transportation, RDA and Northern Indiana Commuter Transportation District to advance the project. “It is another successful step forward to not just expand South Shore service, but to build a regional economy that provides innumerable benefits for current Northwest Indiana residents and future generations,” Visclosky said. NICTD President Michael Noland declared “this is great news,” and said it will keep West Lake on track. [http://www.nwitimes.com/news/local/govt-and-politics/feds-upgrade-status-of-south-shore-expansion/article\\_94c28e20-4151-5cb2-a84a-26f0f828c3c2.html](http://www.nwitimes.com/news/local/govt-and-politics/feds-upgrade-status-of-south-shore-expansion/article_94c28e20-4151-5cb2-a84a-26f0f828c3c2.html)

### **State’s Infrastructure Needs Must Be a Priority**

Inside INdiana Business

Kevin Brinegar, Chief Executive Officer, Indiana Chamber of Commerce

9/26/16

For Indiana to be the state we all want it to be – one that inspires business location and expansion, brings good-paying jobs to Hoosiers and allows for a high quality of life – a solid infrastructure framework must be in place that reflects both present conditions and is prepared for future developments. The Superior Infrastructure economic driver in our Indiana Vision 2025 plan champions that belief, with goals regarding transportation, energy, water and telecommunications – all things sometimes taken for granted but inherently critical to running a business and enjoying the comforts of daily life. Reliable roads and bridges doesn’t seem like a lot to ask for (especially for the Crossroads of America), yet it takes significant investment to keep them functioning, make enhancements and build anew. Frankly, our state has not done enough in recent years and has thus fallen behind. In 2016, the state Legislature opted to provide short-term funding with a task force set up for the next phase. We all should know at this point – based on studies, reports and simply traveling across the state – that what Indiana desperately needs is a long-term, sustainable, strategic policy plan. One that lasts decades, not a few years or election cycles. And above all, it must be based on the principles that enough revenue is raised to completely fund both maintenance needs and important new projects, and that every user pays their fair share. <http://www.insideindianabusiness.com/story/33230260/states-infrastructure-needs-must-be-a-priority>

---

[www.buildindianacouncil.org](http://www.buildindianacouncil.org)