

# A SHORT STORY ABOUT THE ROAD AHEAD

## 1. DEAR LAWMAKERS,

# THANK YOU.



For the attention to highway funding issues. Over the last two sessions, you:



Ended diversions from the Motor Vehicle Highway Fund

Dedicated part of the sales tax collected on fuel purchases to highways



Developed a new way for locals to adopt a wheel tax

Created and funded the Major Moves 2020 Trust Fund



## 2. THERE ARE STILL NEEDS.

The state is still **FALLING SHORT.**

In January 2015, INDOT testified that at current investment levels (approximately **\$667 MILLION** annually), Indiana's percentage of poor bridges and pavements will increase over the next 10 years. To keep assets from deteriorating, INDOT needs an additional **\$160 MILLION** annually. To reach a **recommended** service level, the agency needs an additional **\$260 MILLION** annually over 20 years.

Governor Pence's Blue Ribbon Panel on Transportation Infrastructure recommended a total of **\$7.35 BILLION** in future highway projects with statewide significance. The panel deemed **\$4.7 BILLION** critical and another **\$2.32 BILLION** good for Indiana. It recommended pursuing the remaining **\$331 MILLION** if funds become available.

The 2014 Indiana Transportation Infrastructure Survey, conducted by a coalition of road funding partners, identified a **\$413 MILLION** annual need in the next three to four years and a **\$579 MILLION** annual need in the next five to 10 years for local communities to meet their transportation infrastructure needs.

Indiana Metropolitan Planning Organizations (MPO) Council published a report in 2012 which found an annual funding shortfall of **\$936 MILLION** for maintenance and repair of roads and bridges not including major projects such as added travel lanes, grade separations and interchanges. The study was based on 39 urban and rural counties.

Purdue University Local Technical Assistance Program published a report in 2009 that identified **\$5.38 BILLION** in needed short-term funding for local roads and bridges, plus another **\$858 MILLION** in long-term funding for annual maintenance and reconstruction of the current system.

## 3. HERE ARE SOME SOLUTIONS.

### IMMEDIATE FIXES.

- **DEDICATE** more of the sales tax collected on fuel purchases to highway accounts.
- **INDEX** state gas and diesel tax.
- **RAISE** the state gas and diesel tax.
- Implement highway **USER FEES ON HYBRID** and **ELECTRIC** powered vehicles.
- Impose a new statewide vehicle **REGISTRATION FEE.**

### FUTURE SOLUTIONS.

- Implement **TOLLS** for specific projects or to fund overall road maintenance and improvements.
- Consider converting gas and diesel tax to a per-mile-driven **USER FEE** that could be based on vehicle weight, time of travel, distance traveled and other factors.

### THE BENEFITS.

- Make the roads **SAFE** for Hoosiers by filling potholes, smoothing gravel roads, replacing old, worn-out pavements and fixing our aging bridges.
- **BOOST ECONOMIC DEVELOPMENT** by keeping shipping costs down and moving products efficiently throughout the state.
- **CREATE JOBS** by making Indiana the place to be for logistic companies, manufacturing facilities and service providers.



Indiana Association of  
Cities and Towns

**Road  
Funding  
YES!** 



**IFB** INDIANA  
FARM BUREAU

