

# The Road To Opportunity

Budgeting for Michigan's Infrastructure Needs  
Rachael Eubanks, State of Michigan Treasurer



**MICHIGAN HAS**

a diverse economy and communities, world-class culture and sports, great universities, and timeless natural beauty. However, to strengthen our state and improve our ability to compete in the 21st century, we need to rebuild our infrastructure and make foundational investments for the things that connect us all: roads, education, skills, and water.

**FORK IN THE ROAD**

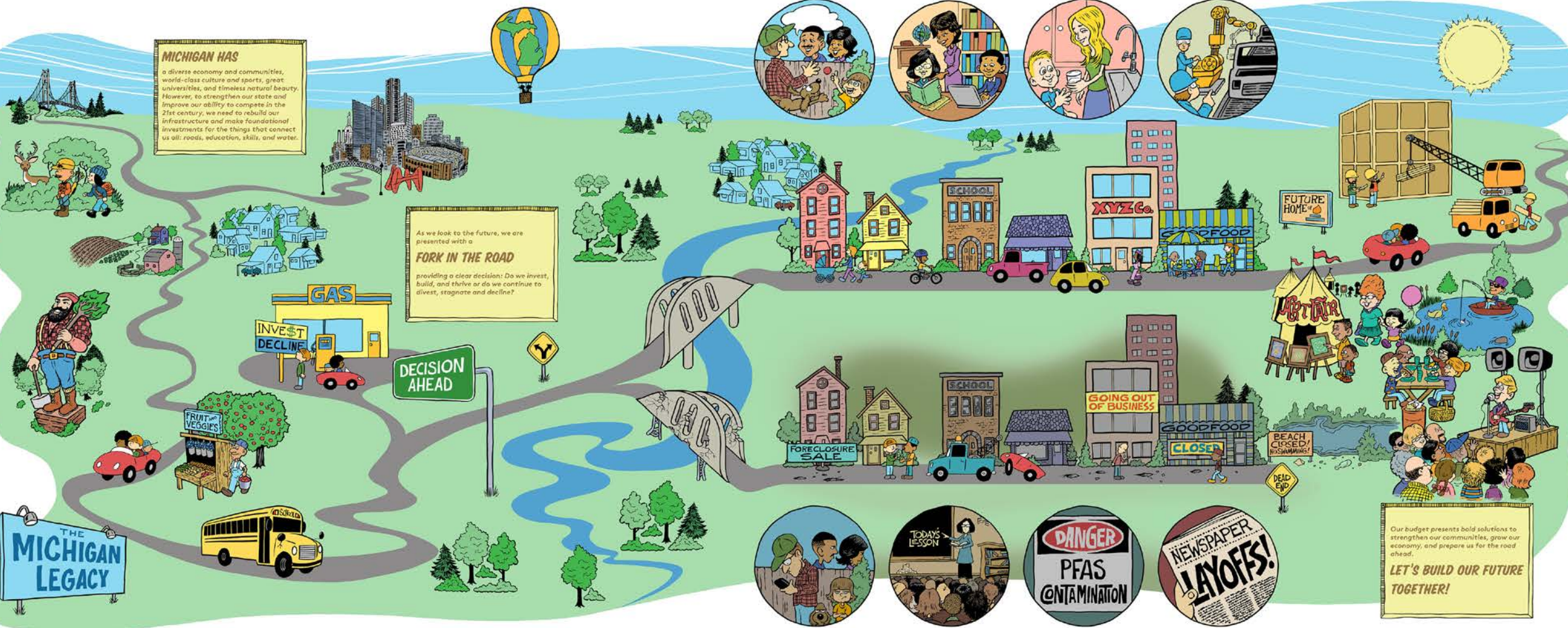
As we look to the future, we are presented with a providing a clear decision: Do we invest, build, and thrive or do we continue to divest, stagnate and decline?

**DECISION AHEAD**

**THE MICHIGAN LEGACY**

Our budget presents bold solutions to strengthen our communities, grow our economy, and prepare us for the road ahead.

**LET'S BUILD OUR FUTURE TOGETHER!**



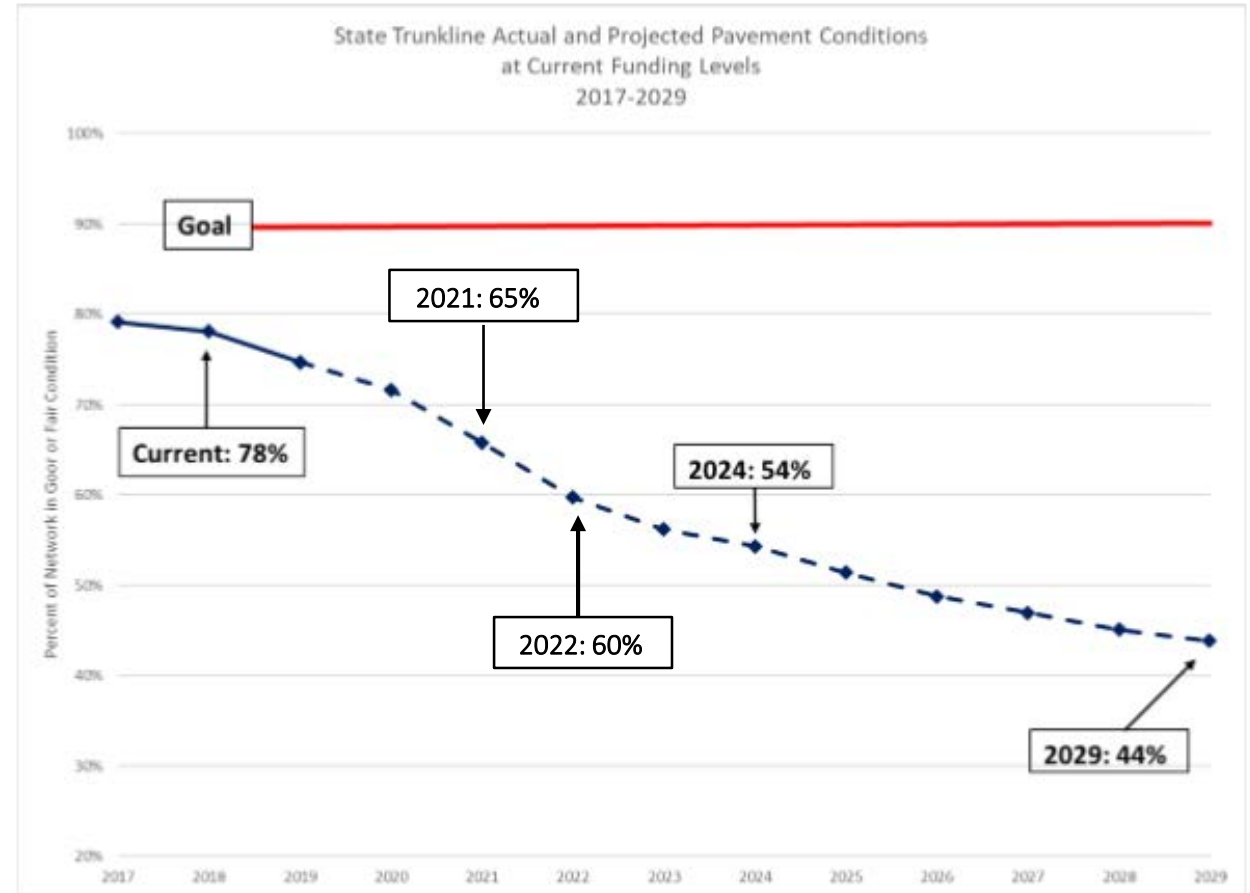


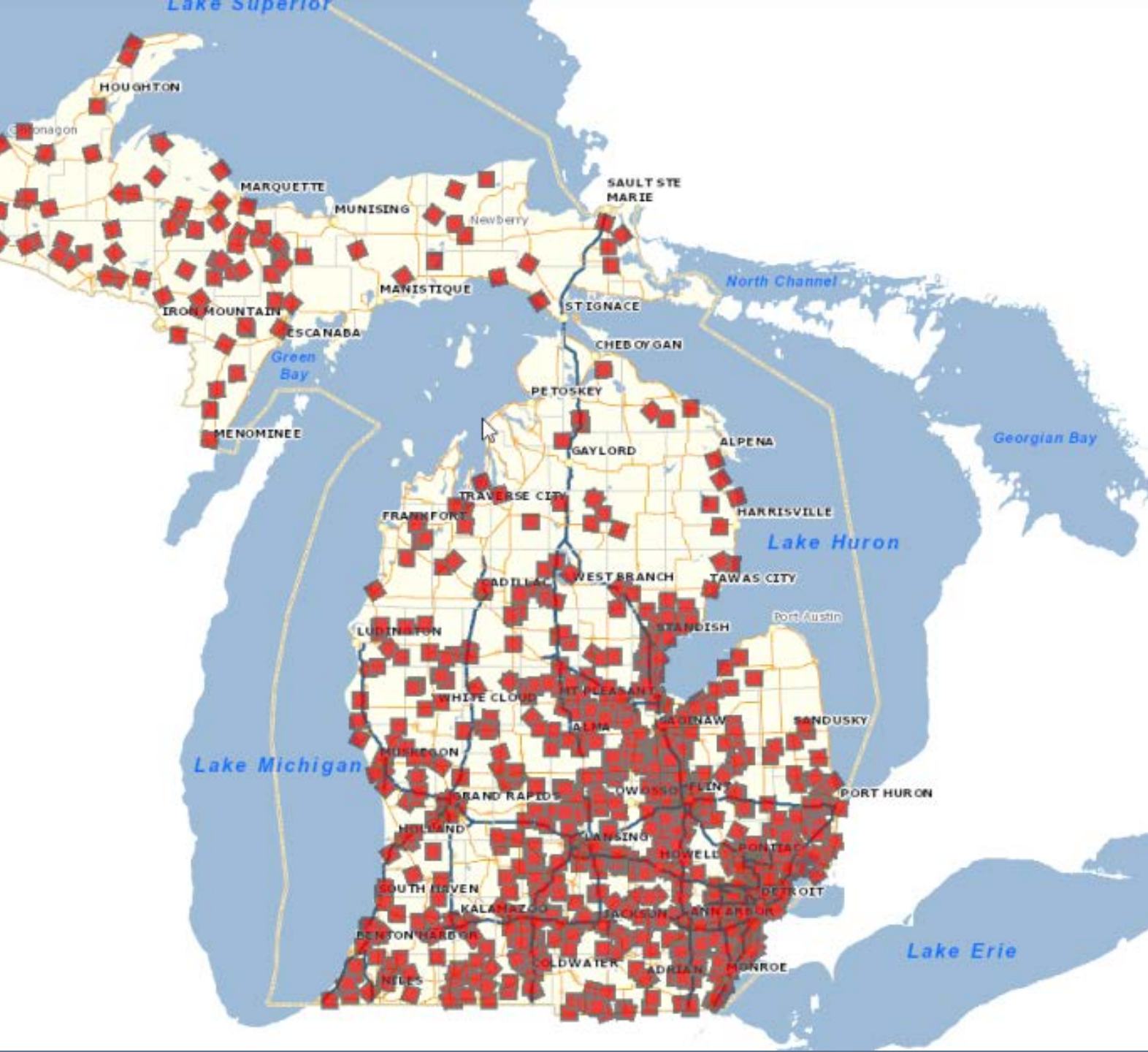


**TRY AGAIN**

**LET'S TALK!**

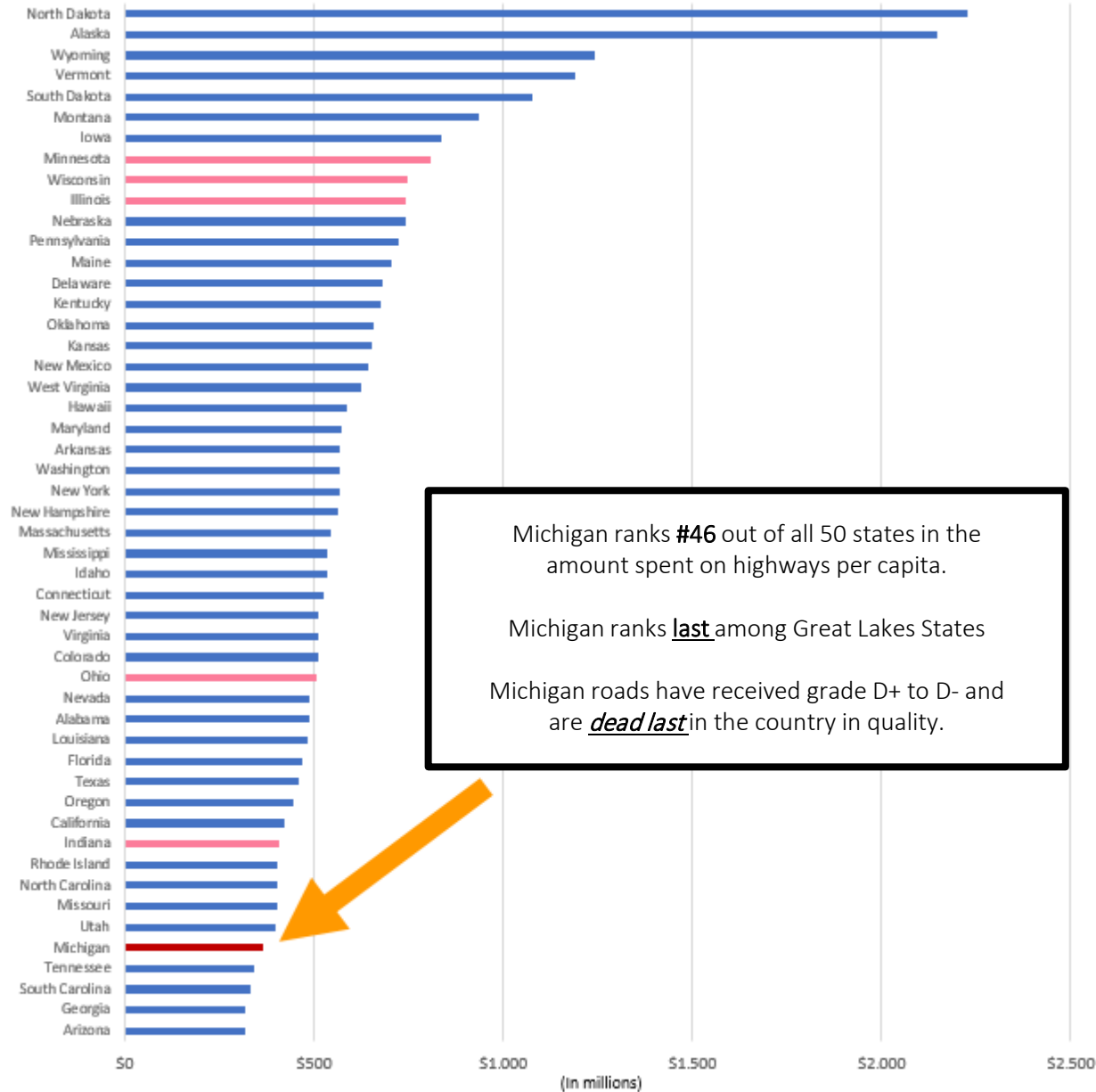
# ROADS: MICHIGAN AT A CROSSROADS





CRUMBLING  
ROADS  
IMPACT US  
ALL:  
Major state &  
local roads in  
poor condition

FY 2015 Per Capita State and Local Expenditures on Highways



Michigan ranks **#46** out of all 50 states in the amount spent on highways per capita.

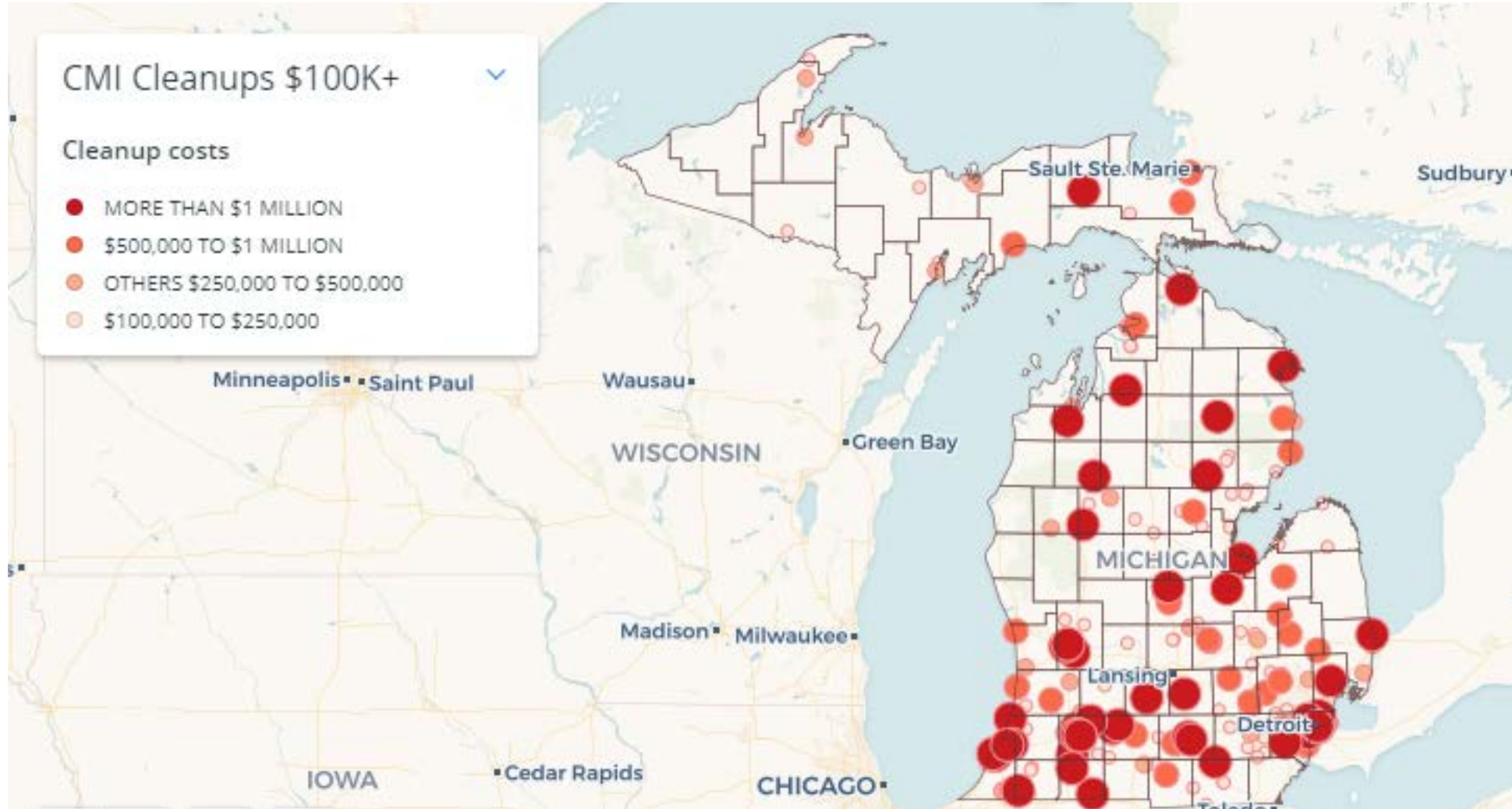
Michigan ranks **last** among Great Lakes States

Michigan roads have received grade D+ to D- and are **dead last** in the country in quality.

MICHIGAN RANKS  
IN THE BOTTOM 5  
IN  
INFRASTRUCTURE  
INVESTMENT



# DRINKING WATER: MICHIGAN AT A CROSSROADS





## 2030 GOAL

- **ROADS:** Get 90% of state roads in good/fair condition and provide additional resources for local roads.
- **DRINKING WATER:** 100% of communities with clean drinking water.



## THE SOLUTION

Phase in fuel tax of 15 cents per gallon every six months from October 1, 2019 through October 1, 2020

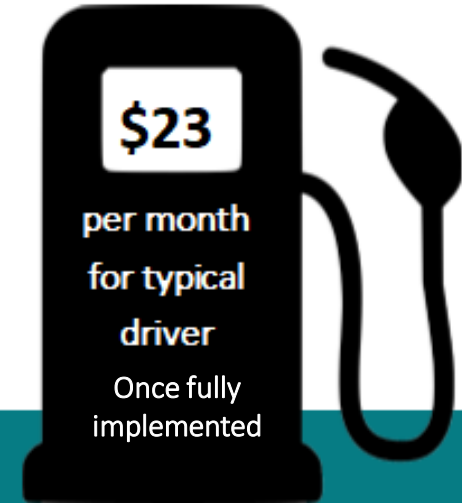
## RELIEF

- Increase Earned Income Tax Credit to ease transition for vulnerable families.
- Repeal the retirement tax.
- Lower the cost Michiganders spend on car repairs.

# Road to Opportunity



Gas Investment



Increased gas costs offset

**\$30**

Low income families will receive up to an additional \$30 per month from Earned Income Tax Credit.



**\$65**

Qualified retirees will receive an average of \$65 per month from the repeal of the Retirement Tax.

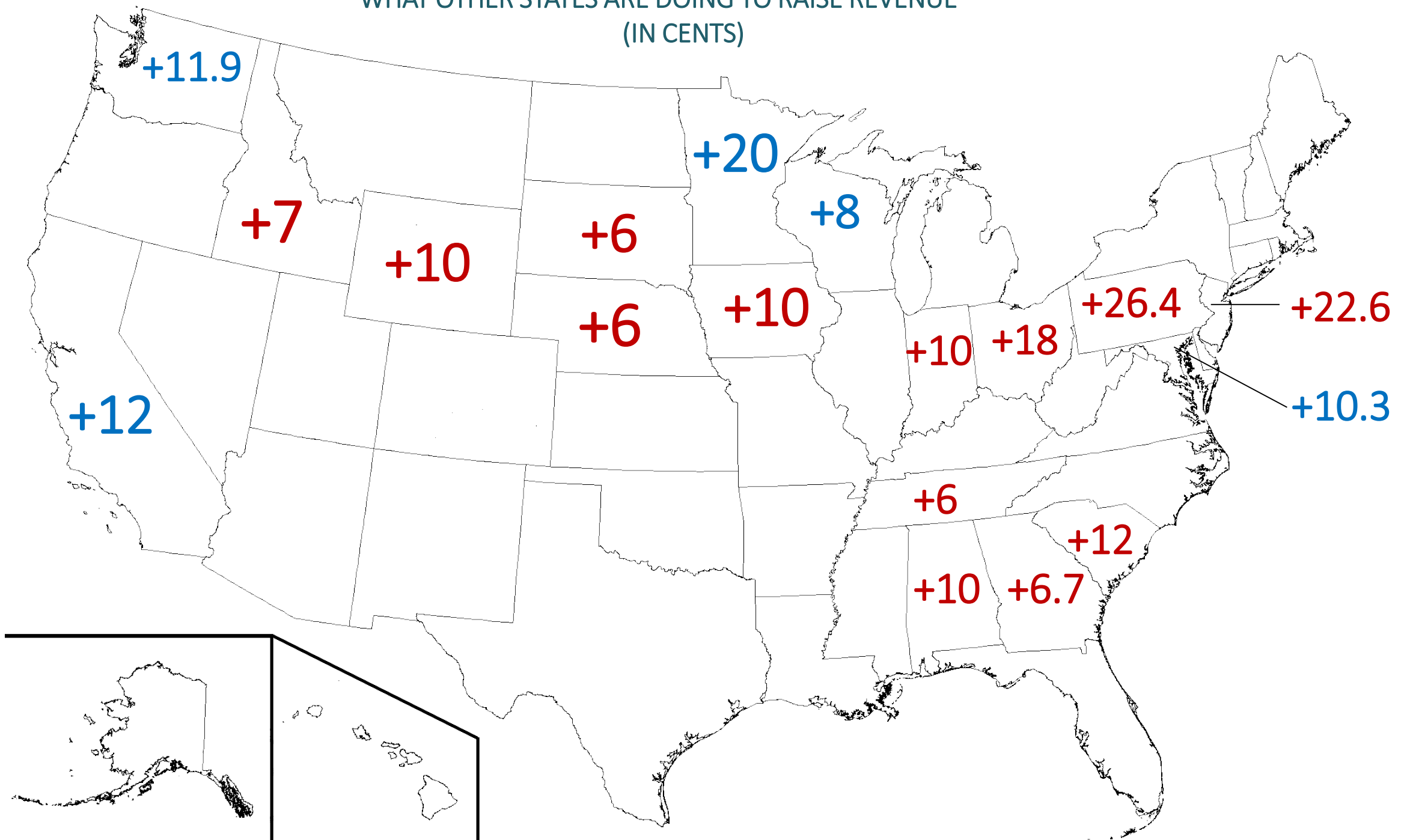


**\$646**

All drivers will see a reduction in auto repairs related to poor road conditions, estimated at \$646 per year



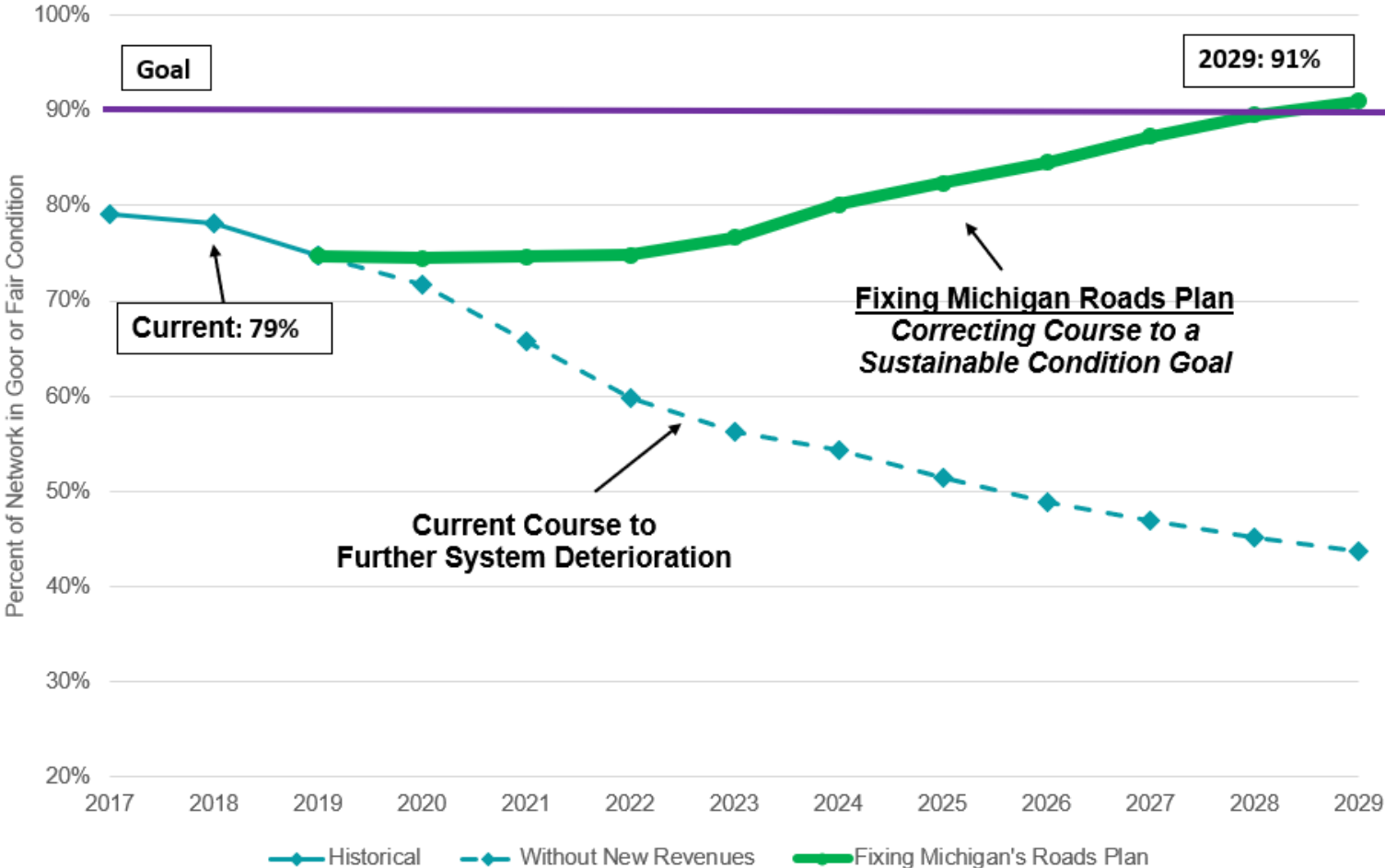
WHAT OTHER STATES ARE DOING TO RAISE REVENUE  
(IN CENTS)





# FIXING MICHIGAN ROADS PLAN

State Trunkline Actual and Projected Pavement Conditions  
with Fixing Michigan Roads Plan Revenues  
2015 - 2029



# CLEANING UP OUR DRINKING WATER



\$120 million to improve our drinking water infrastructure

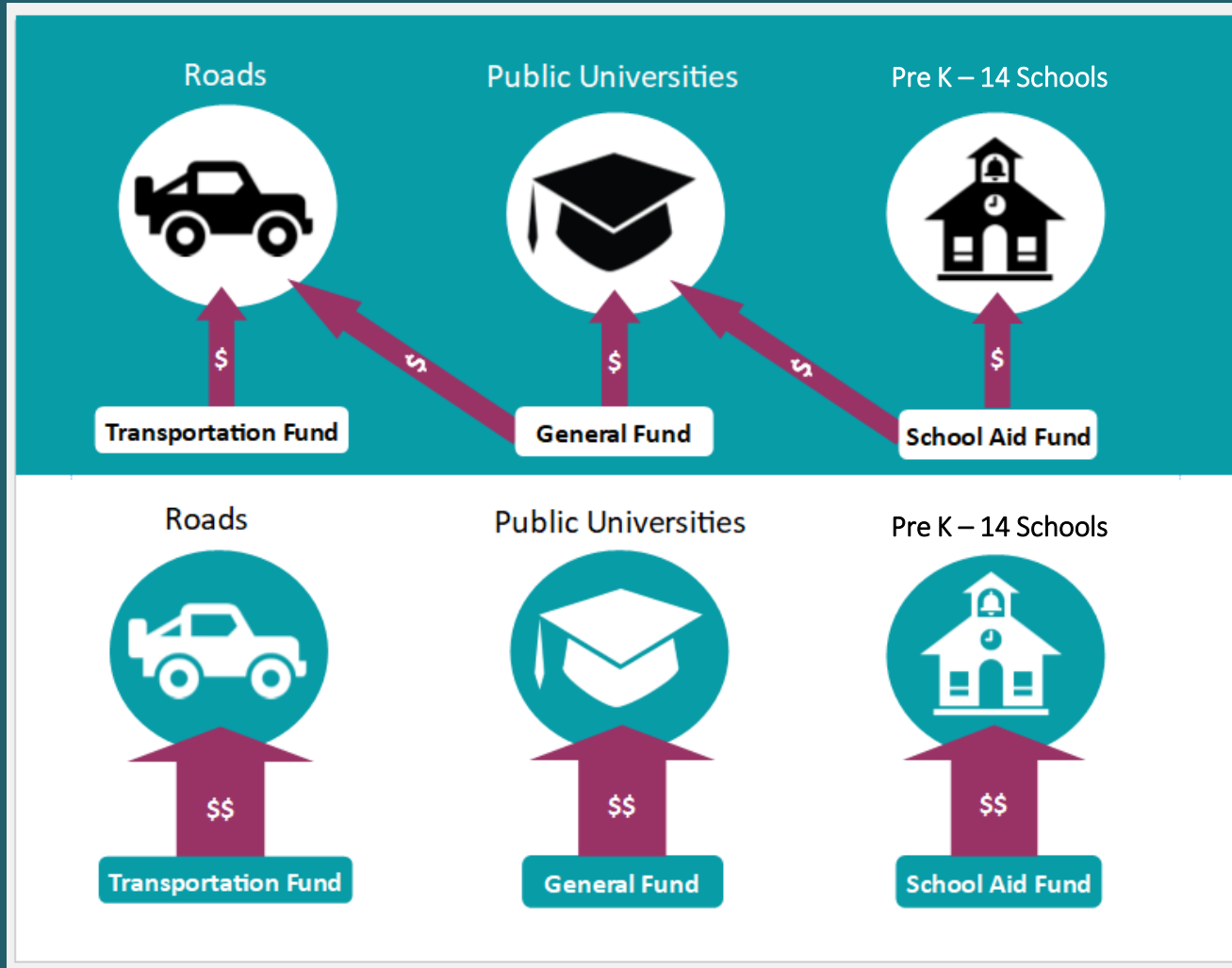


Funding for service line replacements, research and treatment for PFAS, and research to optimize water distribution systems.



\$60 million to install hydration stations in school buildings.

## Current Shell Game



## Future Fiscal Responsibility

# LONG-TERM BALANCE

- Returns funding to intended purposes:
  - Roads are funded by constitutionally dedicated restricted funds.
  - Public universities funded 100% by General Fund.
  - \$500m School Aid Fund returned to K-12 schools for needed investments.



# Gov. Whitmer proposes 45 cent fuel tax increase to fix Michigan's roads

By CHEYNA ROTH · MAR 5, 2019

PROGRAM Stateside Tweet Share Google+



CREDIT STEVE CARMODY / MICHIGAN RADIO

## Detroit Chamber backs Whitmer's gas tax hike

By Susan J. Demas · March 20, 2019



## Q&A: Michigan Gov. Whitmer on why gas tax increase is best plan to fix roads

Whitmer answers questions on roads plan

By Hank Winchester - Reporter, Kelley Kosuda - Producer, Ken Haddad  
Posted: 11:31 PM, March 31, 2019  
Updated: 11:31 PM, March 31, 2019

## Report: Michigan doesn't have money to fix deteriorating roads

Kristi Tanner, Detroit Free Press Published 9:46 a.m. ET March 12, 2019 | Updated 6:05 p.m. ET March 12, 2019

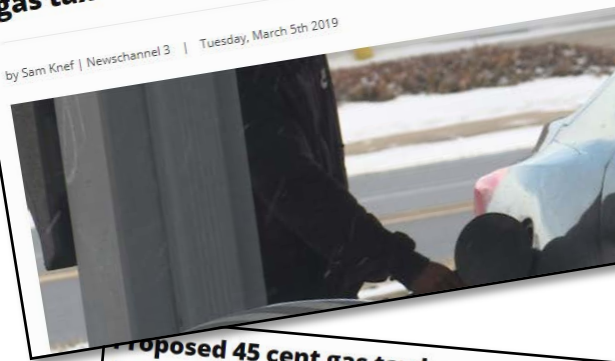
OPINION

## Opinion: Michigan won't tolerate gas tax hike

Lee Chatfield Published 11:00 p.m. ET March 30, 2019

### Michigan drivers agree the roads need fixing, some don't agree with gas tax

by Sam Knef | Newschannel 3 | Tuesday, March 5th 2019



### Michigan drivers dreading proposed gas tax hike



### Proposed 45 cent gas tax has experts disagreeing on whether or not it'll help Michigan

by WSBT 22 | Wednesday, March 6th 2019



### Rising price of fuel making gas tax hike a tougher sell for Gov. Gretchen Whitmer

Paul Egan, Detroit Free Press Published 12:31 p.m. ET March 26, 2019 | Updated 6:40 p.m. ET March 26, 2019

# MICHIGAN INFRASTRUCTURE COMMISSION (MIC)



Need a system of infrastructure that is **adaptable**, maximizes our **return on investment**, and needs to do a better job of **minimizing the disruption** that comes along with the installation and maintenance of infrastructure



Plan better, dig less and achieve more. Build smarter and close the digital divide.



Bring as many stakeholders together as possible on the front end, before major decisions start being made.