

BLM State Policy Position: Road Funding and Infrastructure

May 24, 2019



POLICY POSITION:

Business Leaders for Michigan reaffirms its support for a road funding solution that meets the following principles:

- Raises at least \$2B/year in new revenue to address the findings in BLM's 2017 report ([Investing in Michigan's Infrastructure: Building for Economic Growth](#))
- Raises revenue from the users of the infrastructure. General purpose taxes (e.g., sales and income taxes) that fund the balance of state government (e.g. General Fund revenue) should not be utilized.
- Phases in the increased revenue over a reasonable time period to scale up construction capacity.

These principles are consistent with BLM's previously approved infrastructure policy principles (see below).

BLM Infrastructure Policy Principles (adopted November 16, 2016)

Business Leaders for Michigan supports significant new funding to support long-term infrastructure solutions that meet the following policy principles:

1. Needs should be prioritized based on economic, health and safety risks, with transportation and water systems given highest priority.
2. Regional and cross-functional coordination and resultant efficiencies should be rewarded.
3. Public-private partnerships and alternative financing methods should be fully utilized.
4. Funding should be sufficient to ensure at least "good" and ideally "best" quality conditions.
5. Warranties on work should be required.
6. Funding should be both sustainable and dedicated.
7. Revenue should come from the users of the infrastructure – which means all of us. General purpose taxes (e.g., sales and income taxes) that fund the balance of state government should not be utilized.
8. User fees should reflect the true cost of service, including the replacement or rehabilitation of aging infrastructure.
9. A renewable bond program and/or regional assessment could be used to fund one-time or recurring needs that cannot be reasonably addressed through user-based funding. However, the revenue source should not adversely impact other critical priorities that help create jobs, such as job training, higher education and economic development.

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10. A statewide non-partisan, multi-infrastructure council composed of professional subject-matter experts should be established to recommend strategic prioritization of investments, maximize capture of federal dollars, facilitate public-private partnerships, oversee a coordinated asset management system and possibly coordinate projects of state significance.