CRC Suggests Pitching PA 51, Not Finding More Road Money

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Public Act 51 of 1951, the law that divvies up the state's road money, should be repealed and replaced with a "rational formula" that splits up the dollars based on needs and the costs of constructing and maintaining the roads and bridges in question, according to a Citizens Research Council (CRC) report.

CRC civil engineer and urban planner Eric Paul **DENNIS** said the "fiscal cliff" the state is allegedly bound to fall off of like a cavernous pothole on Interstate 75 was overblown. If existing money was moved around, there's enough to fix the roads.

"That doesn't mean we shouldn't be talking about funding at this time. Even if our nominal funding stays flat, inflation can eat away at purchasing power fairly quickly, but as we have these talks, let's keep all this in context. We don't seem to be in a panic situation quite yet," Dennis said.

Michigan's funding for roads came in at 30 of the 50 states.

He said much of the analysis showing Michigan ranking dead last in the nation for road funding was not the case. He said there was also data showing that Michigan is a well-funded state for roads.

"Neither method would necessarily be any more or less correct, but just reflect different methods of evaluation," he said.

When it comes to bridges, Dennis said the state had reduced the percentage of poor condition bridges by about half, with the 2024 data showing 11.3 percent in poor condition, which ranks about 43rd nationally.

The entire highway system condition, as rated by the CRC report, put Michigan at 40th in the nation.

One of the issues identified by the CRC report was how the data on road conditions was gathered by the Transportation Asset Management Council (TAMC) through a method called Pavement Surface Evaluation and Rating (PASER) that involves road staff driving on a road and issuing it a number between one and 10.

The method is meant for a small rural road agency that doesn't have as many assets. TAMC adopted the method and turned it into MiPASER because the data was inexpensive and easy to collect, Dennis said.

"One issue is that this is a rather subjective metric. There are a number of human biases that could impact this rating. TAMC data is often presented as though it is an objective and engineering quality metric, but it is neither," he said.

Dennis said that the pavement forecasts have not been accurate in that pavement has been predicted to crumble faster than it has.

This data was the basis for the $3.9 billion annual funding gap that is currently being argued about between the Legislature and Gov. Gretchen WHITMER (See "Gov: Gas Tax Boost 'Woud Have Fixed The Problem,' Confident Road Funding Deal Reached Soon," 4/14/25).

"Such funding gap estimates should be critically reviewed. They're based on this subjective metric that is of questionable reliability and forecasting quality," he said.

He said MiPASER, while OK for use on a small scale, can't truly rate a large-scale highway system.

The metric he pointed to as being reliable, standardized and objective is the International Roughness Index (IRI), which is required by the Federal Highway Administration.

The data from the IRI in Michigan showed an increase in good-condition roads at the same time as the MiPASER metrics showed a rapid decline in road conditions.

Dennis said when combining the data of being in 40th for highway system condition and 30th for funding, there was a disconnect because may of the other states weren't spending nearly as much on their roads and they were maintained much better. He pointed to Ohio, Indiana, Wisconsin, and Pennsylvania.

"I've looked at this in multiple ways, and available data seems to show pretty consistently that the correlation between overall funding and system conditions on a state-by-state basis is weak at best. Admittedly this was unexpected, but it seems to check out," he said.

He said he couldn't find a clear relationship between road funding and road conditions, but he did find there were some major inefficiencies with the system as a whole.

"You can be quite well-funded and have a very inefficient road program. On the other hand, it seems that a well-designed road program can help make sure that your plans and investment decisions are efficient and effective in making the most with whatever funding is available," he said.

Public Act 51 of 1951 was meant to address the lack of roads in the state and was written by the trucking industry, the American Automobile Association of Michigan, the Michigan Road Builders Association, and the Automotive Safety Foundation, Dennis said. It was supposed to sunset and change as a vehicle to maintain the built roads. After the passage of the Federal Highways Act and several extensions of the law the sunset was just removed.

“Here we are, nearly 75 years later, using a law written for a different time and very different priorities. There have been more than 300 amendments to Act 51, but it still retains much of the original formula,” he said.

That original formula distributes funding according to ownership of the roads. Michigan's highway system has 86 percent of its roads in good condition, while urban national highways in Michigan ranked 47 percent good condition.

The CRC is suggesting expanding local revenue funding and changing how the pavement system in the state is conducted.

The report also recommended coordination between the state and local agencies when planning infrastructure building.

“Admittedly, none of these would be simple or easy, but there appears to be substantial room for improvement in our state road program. So I’m going to close with a quote often attributed to Winston **CHURCHILL**. ‘We’re all out of money. It’s time to start thinking.’” he said.

MDOT provided *MIRS* with an office memorandum regarding how the department came to the conclusion for the annual transportation funding gap. PASER data was one of the three metrics used.

Along with PASER, MDOT said they use metrics named Remaining Service Life and Federal Pavement Condition Measure, which is made up of four metrics including IRI.

“Annually, MDOT produces a forecast of state trunkline pavement conditions based on the Remaining Service Life measure that illustrates future conditions under the existing level of funding,” the memo stated.

MDOT refuted the CRC report, stating their analysis doesn’t support their conclusion and said the nearly $4 billion gap was supported by several independent reports regarding the increased use of fuel-efficient and electric vehicles reducing the amount of money the state takes in.

The analysis, according to MDOT, also didn’t take into consideration the impact that poor condition roads have on the assets used to fix them.

The memo stated that the report just looked at the correlation between the pavement condition and level of investment, but did not take into consideration that the need for investment on poor condition roads was higher to move them to good condition.

“Such analysis would make it clear that states with poorer asset performance require significant funds to bring their existing assets into good condition, while states with good overall asset condition can leverage cheaper maintenance fixes to preserve asset condition and so require less overall funding,” the memo stated.

The MDOT memo stated no real analysis was done to compare the levels of funding with the pavement conditions in the other 50 states.

They said additional funding would cover more miles of road, repair more bridges and improve the quality of transportation across the state.