

Puri Addresses 'Restrictive' Nature Of MDOT Budget 5/10/24

Republicans hammered House Democrats' road funding plan this week, claiming that money is going to niceties like \$15 million for aerial drones and \$3 million for electric bikes, and not toward raising local road repair funding.

"The quality of our roads ranks near dead last nationally, yet Lansing Democrats are more focused on buying drones and E-bikes than filling potholes. Wasteful spending like this is what got us into this problem in the first place."

But House Transportation Appropriations Committee Chair <u>Ranjeev PURI (D-Canton)</u> said the Republicans' narrative that it's drone and e-bikes or more local road funding is a "false choice."

Roads are funded with very specific money coming in from the sales and gas tax, Puri said.

"It's one of the things that makes the MDOT budget very unique. There's not a whole lot of discretion in how you spend the money," he said. "It comes in from certain pots of money into the budget, and it has to be spent in certain ways. We didn't touch any of that. So it didn't matter if I was the chair or someone from the other party was chairing the budget. That would have been the same."

Puri said what his committee did do was find extra dollars to inject into the MDOT budget that historically would not have been there, and "start doing some new and exciting things."

He said the additional pilot projects, including a miles traveled fee assessment pilot to assess replacing the gas tax (See "Miles Travelled Tax Would Hit The Road In House, Senate Budgets," 4/24/24), are intended to begin seeking out new transportation revenue sources.

"All of those investments combined, don't take a dime away from legacy funding," he said.

"What we're trying to do is get ahead of the curve on some of the things that we know are coming up."

Puri said he can see how it looks like "we're kicking the can down the road" when it comes to local road funding, but there's not the money in the budget to address the bigger issue without first finding new revenue sources, like the mileage traveled fee assessment.

That method would be one way to raise top line revenue, he said, but another potential solution is to figure out where money is being spent and make cuts.

Puri said one example of that in this year's budget recommendation is establishing a program to study where legacy infrastructure is working in Michigan, and where it isn't.

He called it "road dieting," or addressing cases where legacy infrastructure no longer suits transportation needs and eliminating roads that no longer serve a purpose.

Puri said that overall, "it's not so much an issue of spending (as it is) about raising revenue," neither of which are going to change overnight.

"I think what I'm trying to do is understand what is in our buffet of options," he said.

"Unfortunately, with a deficit of \$3.9 billion annually, there's not one magic solution out there that will solve this. There's going to be a patchwork of different things, but (what) we're just trying to do with this budget is start kind of getting the feelers out there for what's available. What's viable for Michigan."