

SR-68, As Adopted by Senate, July 15, 2009

Senator Kahn offered the following resolution:

Senate Resolution No. 68.

A resolution to urge President Obama to grant Michigan a waiver from federal matching requirements for federal-aid highway projects.

Whereas, The condition of Michigan's roads and infrastructure is deteriorating rapidly as dollars for construction and improvements dwindle. The Michigan Asset Management Council reports that the percentage of roads in poor condition increased from 25 percent in 2007 to 32 percent in 2008. This represents more than 17,378 lane miles of federal-aid-eligible roads. The costs of this continued deterioration are significant. In 2004, it would have cost about \$3.7 billion to bring all poor and fair federal-aid roads up to a good rating. Four years later, it would have cost \$7.2 billion, almost double what it would have cost in 2004. This represents \$3.5 billion in lost value of our road assets. Allowing this trend to continue will have significant financial and economic effects on the state economy, which has been mired in a recession since 2002; and

Whereas, Michigan is facing a crisis in infrastructure funding exacerbated by rising inflation in materials costs and a decline in fuel tax revenue due to spikes in gas prices, reduced travel, improvements in gas mileage, and the slow economy. Last year, Governor Granholm's Transportation Funding Task Force recommended raising transportation-related taxes and fees by over \$3 billion. If not, the Michigan Department of Transportation will lose almost \$600 million in federal aid beginning in 2011 and \$1.9 billion between 2011 and 2013. Losing those funds would greatly reduce highway improvement projects and cost the state an estimated 17,000 jobs; and

Whereas, Since the mid-1950s, when the interstate highway system was created, Michigan has been a "donor" state for transportation dollars, contributing a greater proportionate share to the Federal Highway Trust Fund than the share of federal transportation funds returned to Michigan. Currently, Michigan receives 92 percent of the share of the federal tax revenue that the state generates; and

Whereas, Granting Michigan a waiver from the federal matching requirement, much like the Obama Administration provided to every state under the American Recovery and Reinvestment Act of 2009, would help to alleviate the need for massive fuel and vehicle registration fee increases, act to stimulate the economy, and further diversify the state economy by attracting new businesses. Michigan Representative Candice Miller recognized this need when she recently introduced H.R. 3102 in Congress, a bill to increase the federal share of costs for transportation projects for the state of Michigan; now, therefore, be it

Resolved by the Senate, That we urge President Obama to grant Michigan a waiver from federal matching requirements for federal-aid highway projects; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the United States Department of Transportation, and members of the Michigan congressional delegation.