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Indiana Finance Authority OKs New Toll Road Deal, Rate Hike.

Indiana Finance Authority approves a new deal with the vendor operating the Indiana Toll Road allowing 35 percent fee increases for large trucks as part of Gov. Eric Holcomb's plan to pump an additional \$1 billion into infrastructure.

INDIANAPOLIS (AP) — The board of the Indiana Finance Authority unanimously approved a new deal Thursday with the vendor operating the Indiana Toll Road, allowing 35-percent fee increases for large trucks as part of Republican Gov. Eric Holcomb's plan to pump an additional \$1 billion into infrastructure projects around the state.

The rate hike takes effect Oct. 5 and the state would receive \$400 million that same day from the Indiana Toll Road Concession Co. The rate increase applies to vehicles with three or more axles.

Indiana would receive a total of \$1 billion over three years. Indiana Public Finance Director Dan Huge told the board the new deal comes with a letter of credit, meaning banks have guaranteed Indiana will receive its future payments.

Holcomb did not attend the meeting. He was on a trade mission to Italy on Thursday.

The infrastructure plan Holcomb announced earlier this month would earmark \$600 million to speed up completion of the Interstate 69 extension in southern Indiana; \$190 million for projects on U.S. Routes 20, 30 and 31; \$100 million to boost rural broadband access; \$90 million for improving hiking and biking trails; and \$20 million to lure new direct flight routes to the state's airports.

Democrats say the new Toll Road rates amount to a tax increase for the trucking industry, but Holcomb has stressed that the new fees won't apply to passenger cars and would bring Indiana in line with what nearby states charge.

The trucking industry also has criticized the rate increases. Gary Langston, president of the Indiana Motor Truck Association, told the South Bend Tribune that they follow a large increase in state fuel taxes that went into effect last year. The combination of higher tolls and fuel taxes on truckers will ultimately hurt consumers and businesses since nearly all products travel to Indiana via trucks, Langston said.

Langston also predicted trucks will bypass the Toll Road, resulting in more congestion on toll-free highways and the possibility of more accidents.

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