Snyder wants $1B for roads by year's end

Chad Livengood, Detroit News Lansing Bureau *10:57 p.m. EST November 5, 2014*



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Detroit — Fresh from a re-election victory, Gov. Rick Snyder said Wednesday he will push lawmakers to raise at least $1 billion in new revenues for road repairs through fuel taxes and fees before the end of the year.

Snyder wants the Legislature to approve a comprehensive transportation funding package during the lame-duck legislative session in late November and early December before 36 outgoing lawmakers leave office at year's end because of term limits.

"We need to get that answer done and passed so that it becomes law," Snyder said in an interview with The Detroit News editorial board.

The Republican governor, who defeated Democrat Mark Schauer 51 percent to 47 percent in Tuesday's election, also said he's open to holding a special election next year to give voters the option of increasing the sales tax to fund road repairs.

Under such a scenario, voters would choose whether they want to pay more at the pump and Secretary of State's office, or pay more on all retail purchases subject to the 6 percent sales tax.

"I want to make it an option A or option B kind of situation," Snyder told The News. "Let's only do that after we've passed a solution."

The statewide average price of gasoline was $2.96 per gallon on Wednesday, 32 cents lower than a year ago.

Snyder said lower gas prices "could be helpful" in getting reluctant lawmakers to approve an increase in the gas tax by switching from a cents-per-gallon levy to percentage-based tax that is indexed with the price of fuel.

A package of bills imposing new warranty requirements on road builders, changing the way gasoline and diesel is taxed to generate more revenue, hiking fees for overweight commercial trucks and eliminating discounts on vehicle registration fees stalled out in the Senate in June.

The Republican and Democratic leaders of both houses of the Legislature expressed support Wednesday for resuming negotiations on road funding. But they continue to be at odds over the best path forward.

The House previously passed a $450 million package that has largely generated the same amount of revenue as current laws.

House Speaker Jase Bolger, R-Marshall, said Wednesday he will continue to push for removing the 6 percent sales tax from gasoline, which doesn't go toward roads.

To make that move, though, lawmakers would need to get voter approval for a 1-cent sales tax increase to replace about $1 billion in lost revenue for schools and cities.

"What I hear from people is they're willing to pay if they know where the money is going," Bolger said.

Senate Majority Leader Randy Richardville, R-Monroe, wanted to raise at least $1 billion in new revenue to fulfill an annual funding deficit for repairing the state's crumbling roads. But he couldn't get enough votes from Republicans or Democrats to pass a gas tax that would initially be set at 7 percent and gradually increase to 15 percent by 2019.

Richardville said he's not interested in passing a road funding bill that partially fixes the state's deteriorating pavement conditions.

“If we’re going to solve the problem, let’s do it right and let’s not do a little bit at a time,” Richardville said. “People are pissed off, and they’re tired of waiting for us.”

The biennial lame-duck session can be a prime time for both political parties to wheel and deal on legislation.

Both Republican leaders have two controversial priorities they could use as leverage in the road funding negotiations.

Richardville wants lawmakers to consider changes to legislative term limits, which would require voter approval, potentially in a special election next year. A 14-year veteran of the Legislature, Richardville is leaving office at year’s end after being termed out of both the House and Senate.

The term limits voters approved in 1994 limit a person’s lifetime service in the House to three two-year terms and a senator’s service to two four-year terms.

Richardville has floated a proposal to increase the limit to 12 years in both chambers and require incumbents to get voter signatures to seek re-election beyond six years in the House and eight years in the Senate.

“I think that’s a reasonable way of looking at it,” Richardville said.

Bolger said he’s “interested” in changing the way Michigan distributes its 16 electoral votes in a presidential election. Instead of the current winner-take-all rules, some Republican Party leaders have proposed a plan to divide up the electoral votes proportionally to a candidate’s percentage of the statewide vote.

Such an apportionment of electoral votes would help balance out-state voters’ choice for president with the candidate urban voters choose, Bolger said.

“If you’re going to make a change, you have to make sure that if you win the state, you win the (majority of) electors,” Bolger said. “I’m interested in that kind of change.”

Snyder said he has “no significant interest” in changing the way electoral votes are apportioned and expressed concern the lame-duck session may not be “a fair environment to do it in.”

Richardville has even less interest in the issue.

“I couldn’t care less about that,” Richardville told The News. “That’s not a priority of mine. It’s totally political.”

Democrats said legislation changing the distribution of Michigan's electoral votes could effectively torpedo road funding negotiations.

"I think if they start playing partisan games like that, it has a killing effect on all discussions," Senate Minority Leader Gretchen Whitmer, D-East Lansing.

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Road funding package

The legislation to increase state transportation funding by at least $1 billion annually would:

■Eliminate discounts on state vehicle registration fees.

■Switch from a cents-per-gallon gasoline tax to a percentage-based levy that is indexed with the price of fuel.

■Let state voters decide whether they want to pay more at the pump and Secretary of State's office, or pay more on all retail purchases subject to the 6 percent sales tax.

■Impose new warranty requirements on road builders.

■Hike fees for overweight commercial trucks.

Source: Detroit News research

Ed board victors

Winners in Tuesday's elections for the governing boards of the state's three largest universities and the State Board of Education:

■University of Michigan: Democrats Kathy White, board chairwoman, and Michael Behm

■Wayne State University: Democrats Marilyn Kelly and Dana Thompson

■Michigan State University: Democratic incumbents trustees George Perles, the former Spartans football coach, and Faylene Owen

■State Board of Education: Democrats Pamela Pugh Smith and Casandra Ulbrich, board vice president