HOUSE PLAN TO BUILD BETTER MICHIGAN ROADS

A strong foundation to build consensus & improve roads

INCREASED EFFICIENCY

- Increase Competitive Bidding for local road agencies
- Require MDOT to competitively bid out administration of an entire service region
- Allow townships to require competitive bids for projects if the township contributes 50 percent or more to the cost
- Improve efficiency in MDOT procedures
- Include value engineering

IMPROVED QUALITY

- Require all projects over $5 million to have a minimum 5-year warranty
- Require all road work to have warranties of an appropriate length
- Authorize MDOT to enter into P3 agreements
  - Begin use of innovative contracting methods like Performance Based Maintenance Contracting for state and local roads

TOTAL MINIMUM INVESTMENT

2015 ≈ $450M

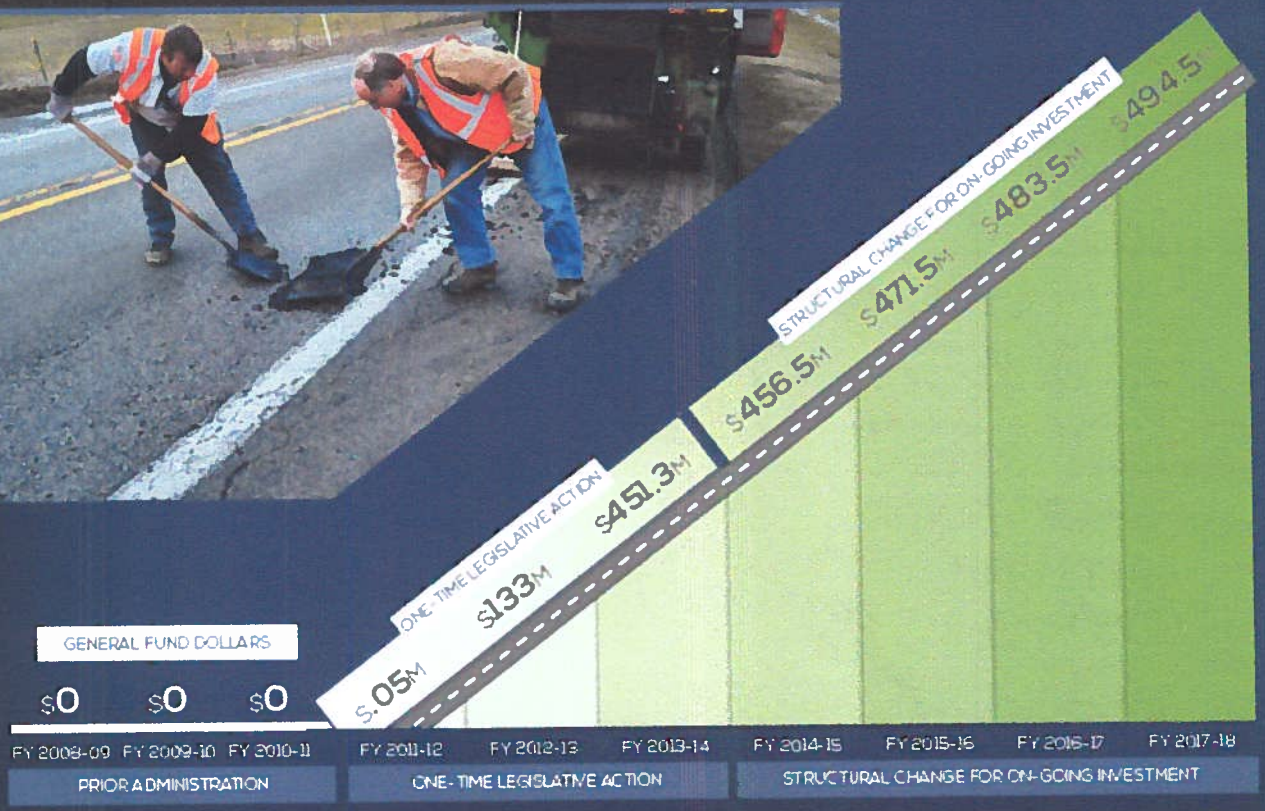
2018 ≈ $500M

INVEST CURRENT RESOURCES

	2015 Value
Unleaded – Repeal 19 cents per gallon, replace with 6% wholesale tax (revenue neutral at $3.55 per gallon)	$0
Dedicate late payment fees to road funding	$10M
Permanently dedicate all available revenue from existing 6% sales tax collected on gas and diesel to roads (Preserve all money currently dedicated to schools and locals)	$130M
Permanently dedicate 1% of existing 6% Use Tax revenue to roads	$239M

IMPROVED FAIRNESS

	2015 Value
Diesel – Repeal 15 cents per gallon, replace with 6% wholesale tax (revenue shown at $4.00 per gallon)	$47M
Simplify Vehicle Registration Code by ending special deals	$5M
Apply newly purchased vehicle value immediately upon transferring plate	$20M
Increase overweight/oversize permit fees to make them fairer for all road users	$4.5M

BUILDING A BETTER FOUNDATION FOR MICHIGAN ROADS

$1.2 BILLION