



STATE OF INDIANA
OFFICE OF THE GOVERNOR
State House, Second Floor
Indianapolis, Indiana 46204

Eric J. Holcomb
Governor

November 29, 2018

Dear Budget Committee members,

In accordance with House Enrolled Act 1002, enclosed you will find a strategic interstate tolling plan developed for the Indiana Department of Transportation.

As you well know, the decisions made by the General Assembly in 2017 have put Indiana in an enviable position. We are at the beginning of a road construction blitz. Indiana is investing billions of dollars into road and bridge improvements, as well as initiating major new construction, such as I-69 Section 6.

In addition, our Next Level Connections agreement, finalized in October, provides nearly \$800 million *more* for road construction and maintenance over the coming years. Indiana has more road construction underway now than ever before. You will find a chart on Page 2 of the strategic plan that shows state highway revenue projections over the next two decades, including road construction spending at record levels through the foreseeable future.

Therefore, I will not move forward with a plan to toll Indiana's interstate highways. The attached document is a how-to manual to implement such a plan. It provides a data-driven, financially sound approach that will remain viable for future decisions.

While I do not intend to move forward with the plan, there may be good reasons to revisit this report in the future. In the least, I do not want to foreclose a successor from considering tolling as an option for infrastructure improvements. Traditional means of funding infrastructure will diminish sometime in the future, and we must continue to analyze innovative funding methods to retain our position as a top state for highway infrastructure. I have directed INDOT to continue to assess all funding options and other mobility improvements that would modernize our interstate highways, including participation in federal programs that enable us to preserve the option for interstate tolling capability in the future.

Thank you for your leadership on this issue, and I look forward to working with you to keep Indiana as the Crossroads of America.

Sincerely,

Handwritten signature of Eric J. Holcomb in black ink.