

REBUILDING MICHIGAN

In her State of the State address, Governor Whitmer will announce Rebuilding Michigan, a road bonding plan, to ensure the safety of Michigan drivers. We simply cannot afford to wait.

THE PROBLEM

Michigan has the worst roads in the nation. Our roads are dangerous, and the longer we wait to fix them, the more expensive it gets. But Republican legislators keep putting up roadblocks to road repairs, and drivers are paying the price.



THE GOVERNOR'S PLAN:

Rebuilding Michigan, the governor's bonding program, is a fiscally responsible plan that will add and expand 122 major new projects and nearly double the amount available to fix state trunklines and freeway/over the next five years and fix them right - with the right mix and materials. No politics. No tax increase. Just action.

This plan will:

- **Add and expand 122 major new projects over the next five years:** The governor's Rebuilding Michigan plan will add an additional \$3.5 billion in road funding, which means we'll add and expand 122 major new road projects and nearly double the amount available to fix roads over the next five years than if we wait.
- **Keep drivers safe:** If this isn't done now, many Michigan bridges and overpasses are at risk of collapses that could close roads and hurt or kill people.
- **Save money in the long run:** Funding roads and infrastructure now will save money in the long run by cutting down the need for more costly repairs later.
- **Get us to work now:** This plan means roads will start being fixed immediately rather than waiting for the legislature to act.
- **No increase at the pump:** The Rebuilding Michigan plan is financed without an increase at the gas pump.

What is bonding?

Bonding means the state Department of Treasury will sell state transportation bonds, which will be financed with existing gas tax revenue. This works like a long-term, low-interest loan to raise money now so we can get to work and start fixing Michigan's state roads.

What does the financing look like?

Financing depends primarily on actors in the bond market. Fortunately for Michigan, bonds are considered safe investments and MDOT's credit rating and bond capacity will be seen as attractive by investors.

Has anyone done this before?

Yes, governors from both parties have issued bonds to raise funds for road construction, including Governor Blanchard, Governor Engler, and Governor Granholm.