

## **Governor's Proposed Capital Program FY2009**

### **Overview**

The Governor proposed a new \$25 billion, multi-year capital initiative, IL Works, for transportation, schools, education, etc. It is around the same size as the bill passed by the Senate last fall, although there are several differences in the transportation portion of the proposal.

IL Works would include \$11 billion in state funds, provided as follows:

\$7 billion - "Partial Lottery Concession"

\$3.8 billion - Bonds

### **Transportation Component of IL Works**

IL Works would provide \$1.720 billion in additional funds in FY09 for highways, local roads, transit, air and rail passenger projects. Funding beyond FY09 is not totally clear, but would include at least another \$3.7 billion for transportation. Mode-specific information is described below.

- **Highway Program - FY2009 Annual Program**
  - FY09 Base Level - \$1.95 billion
  - FY09 IL Works Additional Funding - \$1 billion
  - Total FY09 Program with IL Works - \$2.95 billion
  
- **Highway Program - FY2009-14 Multi-Year Program**
  - FY09-14 Base Level - \$10.175 billion
  - FY09-14 IL Works Additional Funding - \$4 billion
  - Total FY09-14 Program with IL Works - \$14.175 billion
  - Note: Capital bill passed by Senate last fall started with an FY08-13 base program level of \$10.875 billion, added \$4.25 billion in bonds, and produced a total six-year program of \$15.125.
  
- **Local Roads**
  - IL Works Additional Funding for FY09 - \$125 million
  - Total IL Works Additional Funding - \$250 million
  - Note: Capital bill passed by Senate last fall had \$500 million for local roads, double the amount in IL Works initiative. It is unclear whether the new local funds would be bonds, as in the Senate version, or would be pay-as-you-go.
  
- **Transit**
  - IL Works Funding for FY09 - \$400 million
  - Total IL Works Funding (FY09-11) - \$1 billion
  - Note: Capital bill passed by Senate last fall had only \$425 million total for transit.

- **Rail Passenger**
  - IL Works Funding for FY09 - \$160 million
  - Total IL Works Funding - \$160 millionNote: Capital bill passed by Senate last fall had \$160 million total.
  
- **Airports**
  - IL Works Funding for FY09 - \$35.5 million, divided \$25 million for airport program and \$10.5 million for south suburban airport expansion.
  - Total IL Works Funding - Estimated \$75 to \$90 million
  - Note: Capital bill passed by Senate last fall had \$75 million total.
  
- **Revenue Sources for Transportation Component**
  - Although not clearly specified, it appears that program will be mostly or all bonded. As a result, base highway program has been reduced by around \$700 million to accommodate cost of bonds.
  - Additionally, budget book indicates: "Public Transit and road projects in the Tollway region will be financed by the increase in commercial vehicle tolls on the Illinois Tollway." No more detail is given on the commercial vehicle toll increase proposal.