



Illinois Transportation Needs

- **Federal funds are a major component of Illinois' ability to compete for and serve this economic base.**
- **Congress is facing many challenges in the new highway/transit authorizing bill.**
 - **Funding Challenges:**
 - For the last year of SAFETEA-LU, highway funds could be cut by as much as 30% due to revenue shortfall in Highway Trust Fund. We know Congress is working on a fix and we urge action be taken to avoid draconian cuts to FY2009 highway funding.
 - For the longer term, additional revenue is needed if the new authorizing bill is to continue at reasonable funding levels. We will actively support increased revenues to restore the financial integrity of the Trust Fund, as long as "firewalls" or some similar mechanisms are retained to assure the transportation funding is put to work for transportation improvements.
 - **Challenges of Aging Infrastructure:** Much of Illinois' road and transit infrastructure is very old and requires extensive, ongoing repair. While there is great pressure for funding many special projects, it is critical that funding for basic system repair needs continues to grow so we don't lose ground in the face of large construction cost increases experienced since SAFETEA-LU was passed.
 - **Challenge of Retaining Illinois' Share of federal Funds:** Under SAFETEA-LU, Illinois received slightly more back in federal funds than it contributed. By any measure, Illinois' needs are great -- size of system, transit ridership, vehicle miles traveled, age of infrastructure, importance to national commerce. We need to continue Illinois' fair share in the next authorizing bill.
- **Transportation is critical to Illinois' economic success.**
 - Illinois is situated in the industrial and geographic center of the nation and is served by major transcontinental transportation networks including vast Interstate and rail mileage.
 - More than one-third of US rail and truck cargo moves to, from or through Chicago.
 - Nearly 300 of the Fortune 500 companies operate major regional or national distribution centers in Illinois.
 - Illinois has over 6,000 trucking establishments, employing 74,782 individuals, with a payroll of \$2.7 billion.

- **Transportation is critical to Illinois' economic success. (continued)**
 - Illinois ranks fifth among the states in the number of warehousing establishments (10,266), fourth in employees (215,919), and third in annual payroll (\$8.2 billion).
 - Illinois exports have increased by 54 percent since 2002.
 - Agriculture in Illinois accounts for nearly 7 percent of all US agricultural exports and generates more than \$8.3 billion annually in cash receipts.
 - Illinois' manufacturing sector, though smaller than it once was, is still large, with 962,500 jobs, from 11,800 manufacturers and approximately 19,000 manufacturing plants as of the year 2000.
 - All the above economic activity depends on efficient, modern transportation facilities.

- **Federal funds received by Illinois.**
 - The state's FY2008 highway construction program totals \$1.875 billion. Of that amount, \$1.26 billion is federal funds.
 - The more than 40 transit systems in Illinois expect to receive a combined total of \$450 to \$500 million in federal capital funds in 2008.

- **Illinois' aging infrastructure:** Significant funding needs to be directed toward the repair and modernization of Illinois' aging transportation systems.
 - Roads/Bridges - Interstate reconstruction/modernization is of particular concern for Illinois, with approximately 85% of the system more than 20 years old. Many miles are in need of reconstruction and safety upgrades, which are especially expensive in urban areas. Despite Illinois' priority on bridge repairs, the number of structurally deficient bridges under state jurisdiction grew by 30% between FY2003 and FY2006.
 - Transit - There are more than 40 transit systems in Illinois, ranging from small systems in rural areas to the nation's second largest transit system in northeast Illinois, providing approximately 2 million rides a weekday. According to Regional Transportation Authority's strategic plan, it would take an investment of \$10.3 billion over the next five years to maintain northeast Illinois' aging transit system. The five-year cost just to repair and replace aging vehicles and facilities outside northeast Illinois totals \$250 million.
 - Rampant Cost Increases - Complicating Illinois' ability to keep up with existing system repair needs is the continued growth in the cost of construction materials. For example, the national producer price index for highway and street construction shows a 21% increase in the 30 months between when SAFETEA-LU was signed into law and February 2008. During 2007 alone, IDOT reported the following cost increases in construction bids: 33% in asphalt; 10% in Portland cement concrete; and 30% in earthwork.
 - While there is great pressure for funding many special projects, it is critical that funding for basic system repair needs continues to grow so we don't lose ground in the face of construction cost increases.