

# Transportation Infrastructure: Capital Needs

Presentation By:

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# State Transportation Capital Funding Down By 75%

<u>State Funding</u>	<u>FY03</u>	<u>FY08</u>
Highways	\$1.531 Billion	\$479 Million
Transit Bonds	\$356 Million	0
Airport Bonds	\$20 Million	0
Rail Bonds	\$20 Million	0
CREATE Bonds	0	0

# State Funding Down Because:

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- Bonds Depleted
- Highway User Fee Growth Stagnant
- Highway User Fee Revenues Diverted

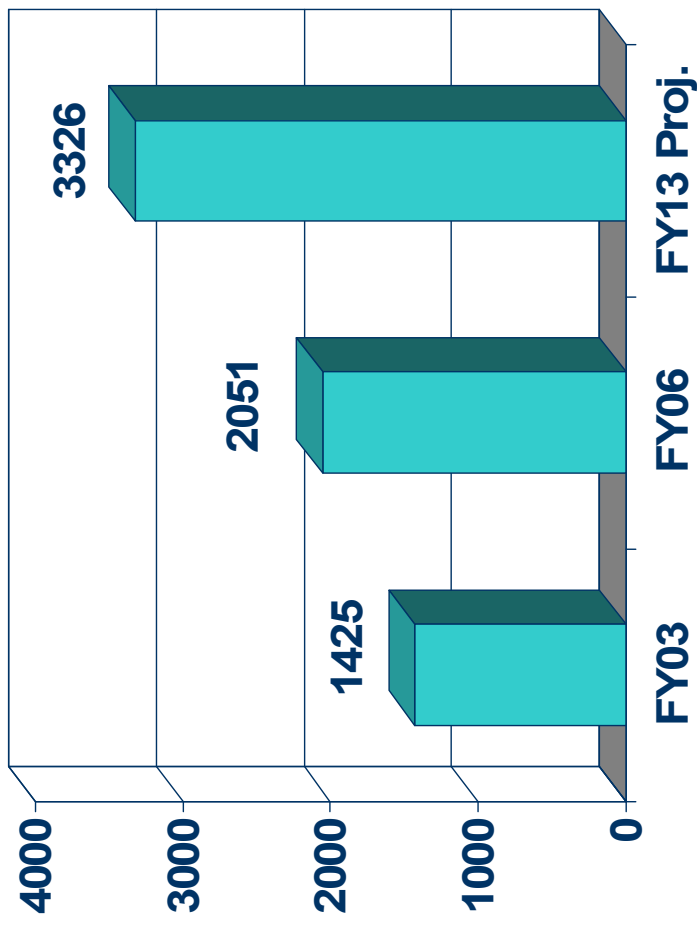
# Construction Costs Escalating

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- April 2003 To April 2008: Construction Costs Up 23%
- Dec. 2003 To Dec. 2007: PPI For Highway/Street Construction Up 47%
- Jan. 2007 To Jan. 2008: Diesel Fuel Costs Up 55%

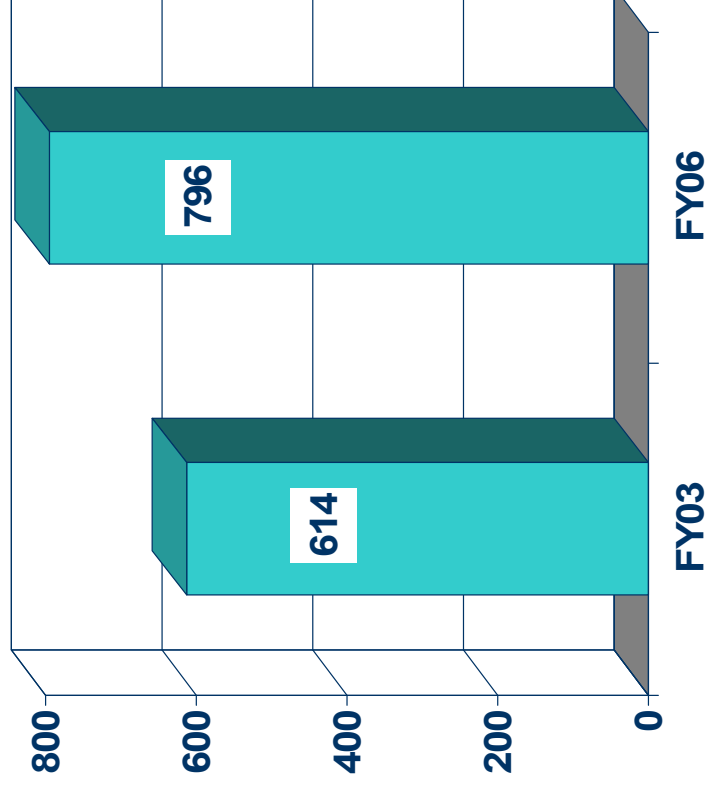
# The Result: State Highway Conditions Getting Worse

- Miles Of Bad State Roads More Than Double By 2013



# The Result: State Highway Conditions Getting Worse

- Structurally Deficient IDOT Bridges Up 30% Since FY03



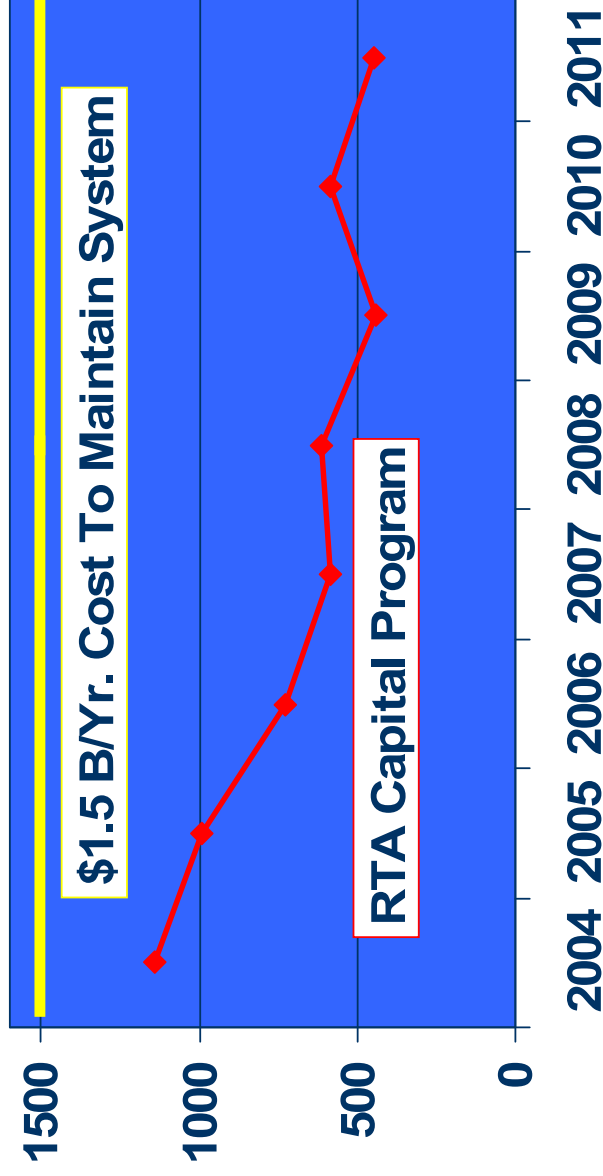
# The Result: Local Roads Deteriorating

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- Costs Growing 5 Times Faster Than Revenues
  - Maintenance Costs: Up 75% Since 2000
  - MFT Allocations: Up 14% Since 2000

# The Result: RTA System Deteriorating

RTA 2004-2011 Capital Program



# The Result: Downstate Transit Systems Deteriorating



## The Future: Evaluating Capital Proposals At State Level

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- Will miles of bad roads/bridges decrease or increase?
- Will all new capital dollars be used for capital projects?

## **The Future: \$600 M/Yr. More Needed To Keep Roads From Worsening**

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- \$200 Million/Yr: To Keep State Roads In Current Condition
- \$200 Million/Yr: To Reduce # Of Bad State & Local Bridges
- \$200 Million/Yr: To Reconstruct Interstates

# The Future: Dedicating Capital Revenues For Capital Projects

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- Funds More Projects For Less Revenue
- Allows Increase In MFT For Locals
- Provides Funding Dependability Needed For Selling Bonds

# Critical Time For Federal Funding

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- Current Bill Expires Sept. 30, 2009
- \$1.26 Billion For Highway Construction In FY2008
- \$450-500 Million For Transit Capital In 2008

# Federal Issues

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- Revenues To Fund Last Year Of SAFETEA-LU
  - \$3.2 Billion HTF Deficit Projected By End Of FFY2009
  - Highway Program Could Be Cut By As Much As 30%

## Federal Issues: Funding Levels In New Bill

- SAFETEA-LU Commission Finding:
  - Cannot Finance New Authorizations With Current Revenue Stream
  - Need To Invest \$225 Billion Annually From All Sources
  - Currently Spending Less Than 40% Of This Amount

# Federal Issues: Illinois Needs

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- Aging Infrastructure: Increase Basic Formula Programs To Keep Pace With Costs
- Illinois' Fair Share: Retain Illinois Share
  - Age & Size Of System
  - Transit Ridership & Vehicle Miles Traveled
  - Importance To National Commerce

# TFIC Is Committed

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- Transportation Key To Illinois' Economy -- Jobs, Mobility, Industry, Agriculture & Commerce. Therefore, TFIC:
  - Will Continue Efforts To Secure New Transportation Capital Program At State Level
  - Will Work With Illinois Delegation As They Begin Consideration Of New Federal Authorization Bill