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February 7, 2007

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Business-Labor Coalition Urges \$5 Billion New Annual Transportation Investment

*New investment in roads, rail, transit and airports vital to prevent job loss,
economic downturn, says Transportation for Illinois Coalition*

SPRINGFIELD – A coalition of leading business and labor groups today outlined a comprehensive package of transportation investments needed to keep Illinois competitive in the global race for economic growth and jobs, calling on lawmakers to invest an additional \$25 billion over the next five years to protect the state's most prized economic development asset.

An additional \$5 billion per year over five years would reverse years of decline in our transportation network and finance substantial improvements aimed at sustaining employment levels and sparking new economic growth and job creation, the coalition said.

"If we don't act this spring, the past few years of declining investment in our transportation infrastructure will put out of reach the possibility of adequately maintaining and enhancing our highway, transit, rail and air network," said Illinois State Chamber of Commerce President Doug Whitley and Illinois AFL-CIO President Margaret Blackshere in a joint letter sent today to the General Assembly.

According to a 2001 study by the Regional Economics Applications Laboratory (a joint project of the University of Illinois and the Federal Reserve Bank of Chicago), failure to invest in fixing the rail freight congestion problem in Chicago, for instance, will cost Illinois 17,000 jobs and \$2 billion in production by 2020.

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“Education and healthcare funding have grabbed the headlines, and they are issues that have a significant impact on all of us. But for many in the business, organized labor, not-for-profit and local government communities, the need for investment in the state’s transportation network is equally compelling,” said Blackshere and Whitley, co-chairs of the Transportation for Illinois Coalition (TFIC).

TFIC’s long-anticipated report is based on recently conducted or updated studies and analyses by private researchers and state agencies. Its recommended \$10.8 billion annual transportation program includes investment in both capital and operating expenses. Of the nearly \$10.8 billion in recommended annual investment, approximately \$5 billion would represent increases over current annual spending levels.

Recommended new outlays include:

- \$1.8 billion for state highways
- \$340 million for local roads
- \$2 billion in Regional Transportation Authority (RTA) capital
- \$61 million, downstate transit capital
- \$400 million, RTA operating
- \$35 million, downstate transit operating
- \$100 million, Chicago Regional Environmental and Transportation Efficiency program (easing freight rail congestion in northern Illinois)
- \$6 million, state rail freight
- \$260 million, intercity passenger rail
- \$20 million, airports outside Chicago

TFIC pledged to work with the General Assembly to come up with a plan to fund its comprehensive economic growth package, which would supplement federal dollars allocated for many of these programs. Among options on the table, it said, are reducing diversions of dollars from the Road Fund into other areas of spending, state and local bond issues and as-yet unspecified increased state or local revenue sources that will be determined during the legislative process.

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“The member organizations of the Transportation for Illinois Coalition understand that to deliver a transportation funding package that will address the real need for investment in Illinois’ highways and bridges, transit systems, freight and passenger rail systems and small airports, new revenue is necessary,” TFIC said in a fact sheet supplied to legislators. “TFIC will support a proper transportation funding package that includes new revenues.”

Illinois’ last comprehensive transportation funding program was Illinois FIRST, enacted in 1999. The remaining funds under Illinois FIRST were disbursed three years ago.

Speaking Monday, Chicago Federal Reserve president Michael Moskow said that Chicago and Illinois could lead a revived Midwest economy with sufficient transportation investment and planning. On the contrary, “ Failure to plan transportation and land use region wide can impede a critical asset... The overall result is relatively slower growth in the regional economy,” Moskow said.

TFIC is a diverse group of statewide and regional business, labor, industry and governmental organizations that have joined together in a united and focused effort to support a strong transportation alliance for Illinois. The Coalition takes a comprehensive approach and seeks to speak with one voice for all of Illinois when it comes to transportation funding needs at the federal and state level. This comprehensive approach involves all modes of transportation, including rail, air, water, highways and mass transit.

“No program is more critical to the economy of Illinois than funding for transportation needs,” TFIC says on its website (www.ilchamber.org/ic/inf/tfic/TFICHome1.asp). “From its origins as the railroad capital of the nation and its development as the hub of major east-west interstate highways, to hosting the world’s busiest airport, Illinois has served as the central conduit for the nation’s commerce.”

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