Accelerate Illinois
Addressing transportation woes of residents and businesses

Mar. 20, 2015
@metroplanners
“Potholes! You cannot avoid them.”
—Andrea B., Peoria

In Peoria, Andrea B. drives to work on pothole-marked University Street—one of the busiest streets in the city. There’s no viable alternative to the daily experience of traveling on a street that has been filled with potholes for years.

Illinois drivers spend an extra $3.7 billion a year on repair bills for damage from poor road conditions.

Read story >>
Transportation revenues are declining

Illinois motor fuel tax receipts per capita
Other states are filling their gap

13 states have taken action to invest more in transportation since 2012.

18 more states are considering action in 2015.
Join our campaign for change
State Transportation Director
Michigan Dept. of Transportation

KIRK STEUDLE
@transpoman
Michigan Transportation Revenue: A Long & Bumpy Journey

Metropolitan Planning Council Roundtable

Kirk T. Steudle, P.E., Director
Michigan Department of Transportation
Michigan’s Strategic Location
Michigan’s TDL Advantage

• International Border Crossings
• Detroit is busiest commercial crossing in North America
• 35% of all US/Canada Trade goes through Michigan
• More than $835B in freight moves on Michigan highways, rail lines, & ports each year
Michigan’s Highway System

- Michigan has:
  - 10,000 miles on State highway system
  - 40,000 miles on Federal aid system
  - 120,000 miles total
  - 616 road agencies

MDOT’s I, US and M routes carry 52% of all traffic and 64% of commercial traffic.
Complicated Funding Distribution
The Problem: State Highways

Investment Level in Millions

Michigan Department of Transportation
Pavement Program Investment Level vs. Actual Trunkline Pavement Condition

* Due to a change in reporting requirements, $60 M in work on trunkline pavement was reported in FY2012 but not built until FY2013.
Michigan Federal Aid System Condition

2004-2013 Pavement Condition of Federal Aid Eligible Roads

Percent of Lane Miles

Good  Fair  Poor

Condition: Good, Fair, Poor

Graph showing the percentage of lane miles in good, fair, and poor conditions from 2004 to 2013.
Timeline

• 1990’s-2000’s – A decade of bonding
• 2008 – Transportation Funding Task Force (TF2) calls for funding increase, just as economy crashes
• 2009 – ARRA postpones the conversation
• 2011 – Governor Snyder’s Infrastructure message
• 2012 – House Working Group affirms TF2’s numbers
• 2013 – Governor’s State of the State call to action
• 2014 – Governor’s State of the State call to action
• 2014 – Bi-partisan transportation ballot proposal
• 2015 – Governor’s call to vote on ballot proposal
Governor Snyder’s 2011 Special Message on Infrastructure

• Modern, efficient transportation is critical
• Better roads drive better jobs
• Infrastructure is essential
• $1.4 billion shortfall
• Bold changes are needed to our funding system
• Time to seriously engage in this issue
The Response

• “But can’t we just…
  – get more money from D.C.?”
  – convert to toll roads?”
  – get rid of heavy trucks?”
• “Can’t transportation agencies just be more efficient?”
• Major reorganization and innovative cost-saving measures in 2011 save $55M annually
• Additional innovative cost saving measures over past 4 years are saving another $53M per year
  ▪ Asset management
  ▪ Energy efficiency
  ▪ Construction warranties
  ▪ Innovative contracts & finance
  ▪ New technologies
  ▪ Partnerships
• Plus $200M in one-time savings by bond refinancing & project innovations
Performance & Accountability

- Michigan Dashboard
- Infrastructure Dashboard
- MDOT’s Scorecard
- MDOT System Measures
- Asset Management Council
- FHWA Stewardship Agreement
- Good Government in Action

https://midashboard.michigan.gov/infrastructure
www.michigan.gov/mdot
Strong Partnerships

• Active stakeholder coalition has been essential
  – Broad membership
  – Financial commitment
• Justfixtheroads.com
MDOT Communication Tools

- www.michigan.gov/roadfunding
- www.michigan.gov/realitycheck
The Results

• Bi-partisan solution could yield $1.2B/yr
  – Remove sales tax on fuel
  – Increase fuel taxes
  – Amend Constitution to increase sales tax

• Increasing sales tax offsets removal at pump, but requires a vote of the people

• Statewide ballot in May: Voters will decide the ultimate fate of road funding
Fuel Taxes & Registration Fees

- Remove 6% sales tax from fuel
- Same price-based 14.9% fuel tax rate for gasoline & diesel
  - Gasoline: 19¢ plus sales tax → 41 cents
  - Diesel: 15¢ plus sales tax → 46 cents
- New Diesel-equivalent tax on Compressed Natural Gas
- Increase registration fees for trucks over 26,000 lbs. up to $1000, phased in over 3 years
Taxpayer Protection & Transparency

• Increase use of pavement warranties
• Increase competitive bidding by county road agencies
• Performance-driven maintenance contracting by 7 largest road agencies
• Early payment of STF debt service
  – Addresses past bonding in 1990s-2000s
Governor Snyder’s 2015 State of the State Message

THE REINVENTION OF MICHIGAN CONTINUES.
2015 STATE OF THE STATE ADDRESS

GOVERNOR RICK SNYDER

2015 AND FORWARD: A CALL TO ACTION

FIX THE ROADS
- Our roads are crumbling, 1 in 9 bridges is structurally deficient, and our safety is at stake. We can’t have a bandaid approach to patching up roads, and we can’t push this problem off for future generations. I support the bipartisan plan to fix our roads and bridges, protect our schools, and provide tax relief for lower-income Michiganders.
Moderated by MarySue Barrett
President, Metropolitan Planning Council
Moderated panel

Tom Kotarac  
Deputy Executive Director
Chicago Metropolitan Agency for Planning

Leanne Redden  
Executive Director
Regional Transportation Authority

Rebekah Scheinfeld  
Commissioner
Chicago Dept. of Transportation

Kirk Steudle  
State Transportation Director
Michigan Dept. of Transportation
Q&A
@metroplanners
JOIN US!
AccelerateIllinois.com