

"Reasonably Expected" Revenue Sources Under Consideration for GO TO 2040

Revenue Source	Assessment of the Political or Policy Climate	CMAP Analysis of the Revenue Source to Date	Revenue Potential	How Revenues Could be Forecasted
State Motor Fuel Tax Increase	To date, the CMAP Board has formally supported an Illinois House Bill (House Bill 1 (Bradley)) amending the motor fuel tax law by raising the rate by 8 cents to 27 cents per gallon . A number of transportation policy advocates in northeastern Illinois have also advocated various similar measures for raising the State MFT tax, or indexing the rate to inflation. Currently, there are no bills pending in the Illinois General Assembly on this matter.	CMAP staff analyzed the revenue implications to northeastern Illinois of an 8-cent gas tax increase, in line with House Bill 1 (Bradley), which was a bill formally supported by the CMAP Board. This was presented as part of a larger memo about the State Motor Fuel Tax to the CMAP Board in May. The memo, which includes this analysis, can be found here: http://www.cmap.illinois.gov/WorkArea/DownloadAsset.aspx?id=15278	\$11.3 billion in 2008 dollars over the period 2009-2040 (this number will increase once put in "year of expenditure dollars")	Plan would have to assume year of MFT increase enactment, the size of the tax increase, and begin forecasting revenues from that point.
Vehicle Miles Traveled (VMT) Tax	The VMT tax is being given serious consideration by members of Congress as a long term solution to the problem of financing the Highway Trust Fund although the current Administration has come out against it. Established by Congress the National Surface Transportation Infrastructure Financing Commission concluded that a tax directly on miles driven is the most viable option to efficiently fund the federal surface transportation program in the medium to long term. Rep. Blumemauer introduced HR 3311 on 7/23/09 in the House calling for the Sec. of Treasury to establish a pilot project (No progress on the bill has been made to date). Proposed systems using GPS have generated strong concerns over privacy.	CMAP staff analyzed the possible ramifications of a VMT tax in the "Transportation Demand Management" strategy report. The report, which includes this analysis, can be found here: http://www.goto2040.org/WorkArea/DownloadAsset.aspx?id=14950	\$210M to \$673M in annual revenues, depending upon a range of potential "fee plans".	Plan would have to assume year of VMT tax enactment, as well as a potential "fee plan", and begin forecasting revenues from that point.
Congestion Pricing	Belief across political lines that congestion pricing is unpopular with public. New York failed in their cordon pricing initiative. No previously untolled interstates have been converted to tolls despite federal waivers allowing states to do so. MPC and Illinois Tollway are involved in a study of congestion pricing in northeastern Illinois. Several HOT and express lanes have been implemented in states like Colorado, Minnesota, and California. Cordon pricing has been successful in London and Stockholm.	CMAP staff has conducted internal analyses of the potential revenue ramifications of instituting congestion pricing on large parts of the system. This was largely a modeling exercise done in conjunction with the plan's "Innovate Scenario", which included a managed lanes strategy. While the revenue potential appears to be large, this analysis was largely conceptual in nature.	Project Specific	Congestion Pricing revenues should be estimated on the project-level and should be associated with particular projects.
Variable Parking Pricing	Difficult to assess the political climate due to the fact that this would be a local municipal sponsored initiative. Chicago tried to implement a variable parking fee structure as part of USDOT congestion grant but was not able to address commercial parking. New York is currently conducting a pilot project on variable parking pricing in several business districts.	Similar to congestion pricing, CMAP staff has conducted internal analyses of the potential revenue ramifications of instituting variable parking pricing on large parts of the system. This was done in conjunction with the plan's "Innovate Scenario", which included a parking pricing strategy. While the revenue potential appears to be large, this analysis was largely conceptual in nature.	Specific to Local Policy Decisions	There is currently no potential methodology in place for estimating the revenue impacts of variable parking pricing, other than a conceptual estimate using CMAP's travel model.

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Public-Private Partnerships	Strong support from federal agencies as an innovative finance mechanism. The City of Chicago has used PPPs for asset sales. Illinois lacks state enabling legislation that allows IDOT and Tollway to enter into PPPs. Most recently a State Senate bill (SB0108 Public-Private Partnerships for Transportation Act) but that failed to move and it is unclear if the bill will be reintroduced. Concern over protecting public interest as evident in Rep. Oberstar's draft STAA which includes the creation of a Office of Public Benefit.	The Volpe Center produced a strategy report on "Public Private Partnerships" for CMAP. The report is largely an overview of the range of different PPP arrangements, State and Federal policy on PPP's, and the potential role of the MPO. The report can be found here: http://www.goto2040.org/WorkArea/DownloadAsset.aspx?id=14844	Project Specific	PPP revenues should be estimated on the project-level and should be associated with a particular major capital project.
Increase in Federal Gas Tax	While the Obama Administration does not favor an increase during the current economic recession, there has been congressional support for an increase. Rep Oberstar views an increase in the MFT as necessary to provide short term stabilization of the HTF and to increase highway and transit funding. Sen. Durbin has called for an increase in the federal gas tax to provide for an adequately funded federal highway bill.	CMAP has assessed the state of the Highway Trust Fund, which is largely supported by the Federal Gas Tax , in some policy briefs over the last several years. Most recently, CMAP staff presented a policy brief regarding reauthorization principles to the Transportation Committee. That memo can be found here: http://www.cmap.illinois.gov/WorkArea/DownloadAsset.aspx?id=17258	Unknown, but Reasonable to Calculate If Assumptions Can be Made	The revenue potential of a federal gas tax increase can be forecast in house if assumptions about the tax increase can be agreed upon.