



Chicago Metropolitan Agency for Planning

Agenda Item No. 3.0

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Regional Tax Policy Task Force

Minutes

Friday, August 12, 2011

9:30 a.m.

Cook County Conference Room

233 S. Wacker Drive, Suite 800

Chicago, Illinois

- Members Present:** Frank Beal (Chair)-Metropolis Strategies, Zahra Ali-Cook County Department of Revenue, Barry Burton-Lake County, Karen Darch-Village of Barrington, Paul Fisher-CenterPoint Properties Trust, Larry Hartwig-Village of Addison, Tom Johnson-Taxpayers' Federation of Illinois, Mike Klemens-Illinois Department of Revenue, Chris Nash – City of Chicago, Daniel McMillen-University of Illinois, Michael Pagano-University of Illinois at Chicago, Donovan Pepper-Walgreen Co.
- Members Absent:** Paul Braun-Village of Flossmoor, Dan Long-Commission on Government Forecasting and Accountability, Laurence Msall-Civic Federation
- Others Present:** Dave Bennett - Metropolitan Mayors Caucus, Larry Bury - Northwest Municipal Conference, Michael Allison – Village of Vernon Hills, Ann Larson-Cook County Farm Bureau, Mitch Lifson – Illinois Department of Revenue, Mike Albin – DuPage Mayors and Managers Conference, William Lachman - Regional Transportation Authority, Rebecca McAlpine – Civic Federation, Peter Matuszak – Civic Federation; Bruce Carmitchel – Illinois Department of Transportation, Keith Sherman – Illinois Department of Transportation, Brittany Graham - McHenry County Division of Transportation, Holly Lown – Metra, Chalen Daigle - McHenry County Division of Transportation, Jodie Andrew - Village of Schaumburg, Chrissy Nichols - Metropolitan Planning Council
- Staff Present:** Randy Blankenhorn, Matt Maloney, Lindsay Hollander, Brett Baden, Alex Beata, Holly Ostdick

1.0 Call to Order

Chair Frank Beal called the meeting to order at 9:30 a.m.

2.0 Agenda Changes and Announcements

The Task Force discussed a chart provided by staff outlining the tax systems in northeastern Illinois and five other regions.

3.0 Approval of Minutes – June 17, 2011 and July 8, 2011

Motions to approve the minutes of the June 17 meeting and the July 8 meeting, as presented were made, seconded and with all in favor, carried.

4.0 Discussion of Transportation Funding and the State Motor Fuel Tax

The Task Force began the discussion of transportation funding with the issue of the “55/45” state transportation funding split between northeastern Illinois and the rest of the State. Keith Sherman, Illinois Department of Transportation, provided additional information on district funding allocations. The Task Force discussed how the current “55/45” split is not established in law. Several members expressed agreement with the CMAP Board’s adopted position that the “55/45” split should be changed.

The Task Force discussed the CMAP Board’s adopted position that the state motor fuel tax should be increased by 8 cents and indexed to inflation. Members mentioned a number of ideas regarding raising the MFT and raising revenue for transportation in general, including congestion pricing, making the MFT a percent of sales rather than a fee per gallon, and taxing vehicle miles traveled. The Task Force also discussed the effect of increasing the MFT on business and supply chain costs.

Lastly, the members discussed MFT revenue sharing with local governments. Members discussed other ways to allocate MFT revenue to local governments. In addition, the possibility of regionalizing purchasing for road projects was discussed. Also under discussion was how the revenue sharing formula is not based on need and how an allocation system could be structured based on need. Some members questioned whether the current system promotes coordination and planning. It was noted that there is regional planning and recommendation occurring presently as to road projects through the Council of Mayors process. Also noted was that many municipalities spend MFT and other funds for infrastructure projects pursuant to multi-year infrastructure plans.

5.0 State Individual Income Tax: Structure and Base

This item was tabled until the September 9, 2011 meeting.

6.0 Discussion of Scope of Work

The Task Force discussed the possibility of moving the November 10 meeting to November 18.

7.0 Other Business

There was no other business.

8.0 Public Comment

Mike Allison, Village of Vernon Hills, asked about possibility of CMAP doing presentations on the work of the Regional Tax Policy Task Force to councils of government throughout the region. The Chair and Randy Blankenhorn indicated that presentations have been done for some COGs, and that future presentations could be scheduled.

9.0 Next Meeting – September 9, 2011

10.0 Adjournment

The meeting adjourned at 11:20 a.m.