



MEMORANDUM

To: CMAP Board

From: CMAP Staff

Date: January 6, 2016

Re: Alternative Long-Term Funding Options: State Legislative Proposals

CMAP's recent funding crisis and the on-going lack of a State of Illinois budget for FY16 have once again illustrated the vulnerability of our agency's ability to operate. Following the Board's preliminary discussion of this topic in November, staff has further explored funding alternatives. This memo describes two complementary changes that would require action by the Illinois General Assembly and the Governor. The first would involve reinstating and providing continuing appropriations for the Comprehensive Regional Planning Fund (CRPF). The second would give federal planning funds a complementary continuing appropriation, ensuring the federal formula funds matched by the CRPF are provided to Metropolitan Planning Organizations (MPOs). Together, the two proposed changes would ensure that the agency's fiscal health -- and therefore federal funds for infrastructure in the region -- would not be imperiled by future budget impasses.

Background on the Comprehensive Regional Planning Fund

In 2007, Public Act [95-0677](#) amended the Regional Planning Act (which had created CMAP) by establishing a Comprehensive Regional Planning Fund (CRPF). The legislation included language pledging to fund the agency's operations and match federal formula funds with state funding. A non-binding directive stated that "additional funding shall be provided to CMAP to support those functions and programs authorized by [the enabling legislation]" (70 ILCS 1707/62).

To support comprehensive planning statewide, the CRPF was funded at \$5 million in FY08 and FY09 from the General Revenue Fund. The legislation distributed 70 percent of the CRPF to CMAP, with other MPOs receiving the balance of funds based on their population. Five percent of the CRPF was reserved for the state's Rural Planning Agencies, which was also distributed by population. CMAP received \$3.5 million in the two years following its enactment. In FY10 the CRPF was not funded by the state, and in FY11 legislation transferred any remaining funds in the state CRPF to the state General Fund, dissolving the CRPF. Since that time, IDOT has provided the funding for CMAP to match federal formula funds from the Road Fund. Because these funds can be used solely for transportation-related activities, our reliance on them

severely constrains CMAP's ability to fulfill its mandate for comprehensive regional planning. CRPF funding, having derived from the General Fund rather than the Road Fund, was more flexible and allowed CMAP to engage in truly comprehensive planning activities including work on housing, regional economic growth, water resource management, community development, and environmental health.

Continuing Appropriation of Funds

Continuing appropriation authority means the Comptroller and Treasurer are authorized by statute to spend funds in the event that the legislature fails to appropriate or appropriates an insufficient amount for a specific purpose. Several funding items currently receive continuing appropriation authority, including funds for debt service, payments to the state retirement system, legislators' salaries, and legislative operating expenses. Staff recommends that the Board support a legislative request to revive the Comprehensive Regional Planning Fund and provide it with continuing appropriation authority. Furthermore, staff recommends that the Board support a legislative request that provides continuing appropriation of federal formula planning funds to the state's MPOs.

Summary

If successful, this strategy has the benefit of solving several core obstacles that hinder CMAP's ability to meet its comprehensive regional planning mandate:

- CRPF funding would enable CMAP to conduct non-transportation planning activities.
- CMAP could match and receive the federal planning funds it is entitled to each year, regardless of state budget troubles.
- The state could satisfy federal requirements to match planning funds and thereby avoid jeopardizing the \$2 billion in federal highway and transit funds that flow to Illinois each year.

This strategy also gives CMAP the ability to work with the other MPOs across the state, ensuring that the request has statewide appeal.

ACTION REQUESTED: Discussion

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