



Chicago Metropolitan Agency for Planning

Agenda Item No. 4.0

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MEMORANDUM

To: CMAP Regional Coordinating Committee

From: CMAP Staff

Date: January 6, 2016

Re: Draft 2016 Agenda for the Illinois General Assembly

CMAP's Agenda for the Illinois General Assembly serves as a guideline to legislators or groups developing and considering legislation that impact CMAP's work. The agenda identifies general issues of interest to CMAP, which have historically been addressed by the General Assembly. Many other issues arise during the legislative session that are not listed in the agenda and will be addressed using the 2016 State Legislative Framework, a document reflecting GO TO 2040's key policy recommendations. CMAP staff communicates with legislators and staff regarding the agency's policy positions on specific bills throughout the legislation session.

This agenda will also include proposals to ensure CMAP's operations are not imperiled by future state budget crises. At this writing in January 2016, the State of Illinois had yet to adopt a budget for the current fiscal year, FY16. This impasse is taking a significant toll on our state and region, and CMAP has not been immune. Having weathered a crisis in which the agency nearly had to close its doors in November 2015, we are nonetheless hopeful that the state budget will be resolved and that the priorities described below will be addressed. At its January meeting, the CMAP Board will discuss potential legislative proposals to address the agency's long-term funding. That direction will be critical for finalizing CMAP's legislative agenda.

Given that the proposals to ensure reliable access to CMAP's operating funds are in draft form and in need of guidance from the Board, they are not included in this memorandum. The 2016 agenda largely reflects a continuation of CMAP's recent state agendas, identifying key policy opportunities to address state legislative reforms proposed by GO TO 2040. For this calendar year, staff is recommending the following priorities be pursued as appropriate with the Governor, Illinois General Assembly, relevant state agencies, and key partners.

ACTION REQUESTED: Discussion

DRAFT AGENDA FOR THE ILLINOIS GENERAL ASSEMBLY- 2016

Robust, Performance-Based Transportation Investments

Transportation funding in Illinois faces significant challenges. The traditional state revenue sources—the motor fuel tax and vehicle registration fees—have lost significant purchasing power over the last 20 years. Further, the motor fuel tax faces long-term threats to its viability as vehicles become more fuel efficient and travel behavior changes. The Chicago region’s transit system remains critically underfunded and lacks a stable source of non-federal capital funding. Similarly, freight issues must be better incorporated into capital programming processes.

Approximately every ten years, the state provides a major capital program for transportation and other purposes. While these resources are welcome and necessary, their timing is unpredictable and their duration is brief. The most recent program, Illinois Jobs Now!, relied in part on speculative, inadequate new revenue sources, reducing the state’s ability to finance the program. Contrary to GO TO 2040, these sources were also unrelated to use of the transportation system.

Investment decisions in Illinois are governed largely by arbitrary formulas, which do not reflect the most pressing needs throughout the state. A more transparent, performance-based approach would ensure that limited resources are steered toward the most critical projects, also shedding light on how investment decisions are made. Support from the Illinois General Assembly would aid IDOT’s ongoing efforts to fully implement performance-based funding.

CMAP supports increasing the motor fuel tax by 8 cents and indexing it to inflation in the near term but recognizes the need to develop a sustainable, long-term revenue source—based on transportation user fees—to replace the motor fuel tax.

CMAP supports new, sustainable revenues for transportation. CMAP also supports a dedicated source of capital funding for transit and a greater focus on improvements to the freight system.

CMAP supports legislative initiatives that encourage a commitment by transportation implementing agencies to use transparent, performance-based capital programming.

Innovative Tools for Transportation Investment

While enhanced transportation revenue sources would do much to move Illinois in the right direction, new tools are still needed to better manage the transportation system and develop complex projects. These tools focus on facility-specific approaches to raise revenues or finance

projects, ensuring a closer connection between benefits received and costs paid by users of the transportation system.

Through congestion pricing, express toll rates rise and fall with traffic levels, encouraging more efficient use of the system while also raising revenues. Value capture strategies recognize that transportation investments increase property values and business activity, tapping into these sources to pay for upfront construction costs. Public-private partnership (P3) strategies can reduce costs and accelerate project delivery by tapping into private-sector expertise and financing. But as GO TO 2040 explicitly states, such agreements must be carefully structured to protect the public interest.

CMAP supports legislative initiatives that require IDOT and the Illinois Tollway to implement congestion pricing on new highway capacity, and to allow them to strategically price components of the existing highway network.

CMAP supports legislative initiatives that enable multijurisdictional value capture districts for transportation, while also ensuring equity considerations for underlying jurisdictions and the region's taxpayers.

CMAP supports legislative initiatives that require increased transparency and safeguards to protect the State of Illinois from undue financial risk in P3 projects.

State Tax Policy

The Chicago region's ability to make infrastructure and community investments recommended in GO TO 2040 is significantly shaped by fiscal and tax policy decisions made at the state level. CMAP is specifically interested in how tax policy influences the region's overall economy, including the commercial, industrial, and residential development of communities. State tax policies can sometimes distort land use decisions rather than allow markets or quality of life factors to guide them, and the same policies can inadvertently foster unproductive competition among local governments over economic development opportunities, to little or no overall regional benefit.

CMAP supports comprehensive reforms of state tax policy to broaden the tax base and lower rates, encourage effective local land use decisions, and reduce the focus on intrastate and intraregional competition over economic development.

Water Supply Planning and Management

CMAP's Water 2050 plan emphasizes the need for better management of the region's water resources. The Lake Michigan Water Allocation Program, which provides water for nearly 70

percent of residents in the region, has undergone revisions that require the Illinois Department of Natural Resources (IDNR) and its regional partners such as CMAP to help implement new allocation rules and provide technical assistance to water utilities. However, the state currently does not have a dedicated revenue stream for a water supply planning and management program. With new funds, the state could formalize water planning within IDNR, support regional planning groups such as CMAP, and dedicate a portion to the Illinois State Water Survey's (ISWS) Illinois Water Inventory Program (IWIP).

CMAP supports new, sustainable revenues to support state and regional water planning for IDNR, ISWS, IWIP, and regional partners.

Transparency and Accountability

Data sharing through transparent, open governance improves efficiency and accountability. Further, CMAP relies on other agencies' data to complete its own work in planning, policy, and transportation programming. By sharing their data in a timely manner, usable format, and accessible location, public agencies also communicate clearly how they make decisions to establish policies, prioritize projects, and administer funding.

CMAP supports legislation to increase data and information sharing by requiring state and local agencies to make their programs and policies more transparent to the public.

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