

TEF NEWS RELEASE

Taxpayer Education Foundation

205 W. Randolph • Suite 1305 • Chicago, IL 60606

• taxpayereducation.org • E-mail: info@taxpayersunited.org

FOR IMMEDIATE RELEASE

May 8, 2019

Contact: Jim Tobin (312) 427-5128

(773) 354-2076

How To Fix Illinois Roads Without Increasing The State Gas Tax

In his in depth analysis of Illinois infrastructure, Cato Institute Senior Fellow Randal O'Toole, after clarifying that Illinois roads and bridges are actually in reasonably good condition, explores alternative funding for fixing and maintaining the state's roads and bridges. If large sums of taxpayer dollars had not been diverted to Chicago transit systems, serving only two percent of the state's population, there would have been plenty money for Illinois roads and bridges.

O'Toole believes that user fees are important for paying for roads and bridges and other transportation infrastructure because infrastructure that is funded out of user fees is in better shape than infrastructure funded out of taxes.

O'Toole points out that of the country's toll roads, paid by user fees, only two percent are structurally deficient. Of state roads, mostly paid by user fees but relying on some taxes, only about five percent are structurally deficient. Of local roads, mostly paid for by taxes and not user fees, about 12 percent are structurally deficient. The more one relies on taxes, the less maintenance one gets.

If facilities relying on user fees do not provide proper maintenance, people will stop using the facilities and will stop paying the user fees. In contrast, if resources are funded out of taxes, that money will go to wherever it's politically most valuable. Politicians find more value in building new and expensive lines rather maintaining the old ones.

For example, in Chicago, politicians want to build a five mile extension of the Red Line even though the rest of the Chicago elevated rail system is in such bad shape that they need, but don't have, thirty six billion dollars to restore that system!

Not only is the Chicago Transit Authority (CTA) in terrible condition, but it has a huge debt and huge unfunded pension and health care obligations.

More than 80 percent of transportation infrastructure needs in Illinois are transit, according to the Illinois Economic Policy Institute. Because almost all transit infrastructure in Illinois is in Chicago, more than 80 percent of transportation infrastructure needs in Illinois are in Chicago. Highway needs are much smaller and much more modest, and probably don't need a gasoline tax to fund them. Just stop diverting money to Chicago transit.

Bridge Condition by Owner



Source: Federal Highway Administration