



Transportation Modernization Bill: HB 3823

Although this legislation does not address the full extent of the transportation system's maintenance needs, it does begin to dig out of a decades-old funding hole. Raising about \$2 billion in annual revenue, this legislation proposes to offset the impact of revenue increases with pro-consumer, pro-business reforms and to bond a portion of the revenue so the state may begin addressing its critical bridge need.

Funding

- Annual funding of
 - \$600 million for IDOT
 - \$240 million for local governments (a 40% increase over today's funding)
 - \$672 million for transit capital expenses
 - \$20 million for the Grade Crossing Protection Fund to fund better rail/highway grade crossings
 - \$2 million for construction trades training for disadvantaged populations
- Bond funding of
 - \$4 billion to IDOT to accelerate bridge improvements
 - \$1 billion for other needs (ports, federal grant match for local governments, transit)

Pro-Consumer, Pro-Business Reforms

- Phases out the state sales tax on motor fuel and replaces it with 10 cents per gallon motor fuel tax. This results in a savings to the consumer when gas is over \$2 per gallon, narrows the gap between neighboring states and Illinois especially when gas prices climb, and eliminates a state tax on a tax.
- Directs the Secretary of State to determine a schedule of registration fees based on the year of the vehicle. This provision ensures that drivers with older vehicles, who may drive fewer miles, get less miles per gallon, or be less able to afford registration fees will see a decrease in their registration costs.
- Eliminates the Commercial Distribution Fee. This fee puts Illinois at a competitive disadvantage for truck fleets, which is currently the sector employing the largest number of people.
- Provides funding for building trades training programs for disadvantaged populations.

Revenue Increases

- To address our state's significant pavement decline and bridge investment need, this legislation raises user fees which are Constitutionally protected, so taxpayers know their money will go to the transportation infrastructure.
- Increases the Motor Fuel Tax by 15 cents on July 1, 2019
- Increases registration fees and certificate of title fees by \$50 on January 1, 2020, but some drivers will see their fees go down on January 1, 2021 due to the move away from a flat registration fee.
- Triples electric vehicle registrations to ensure they contribute appropriately to the transportation system they use. Tripling the registration fee will make total electric vehicle fees comparable to total fees by gasoline or diesel powered vehicles.

Efficiency Reforms

- Directs IDOT to develop a Type II Noise Suppression program to address noise issues in communities affected by new or expanded roads.
- Directs local governments to develop and publish maintenance plans for their assets. This is based on IDOT's multi-year plan and will better position local governments to take advantage of federal funding opportunities in the future.
- Directs IDOT to annually review new construction technologies and determine if there is a cost-savings from implementing those technologies.