

Capital Bill Latest; Funding Sources Revealed

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Final negotiations for transportation and vertical capital programs are underway in Springfield. The following represents the most recent information available.

The proposed Capital Bill would feature \$9.3 billion in new and sustainable transportation funds over six years (and will continue beyond). The \$9.3 billion is expected to be pay-as-you-go funding for state and local roads and transit and \$11 billion in bonds for transportation over six years. Vertical infrastructure is still up in the air, and transportation funding sources and amounts appear to carry more of a consensus. On the vertical side, the Capital Bill would be \$3 billion in sustainable, pay-as-you-go funding over six years; approximately \$9 billion in bond proceeds is also expected for vertical.

The revenues which will supply the funding to pay for the transportation side are anticipated to include a motor fuel tax increase of 19 cents per gallon, with a diesel differential increase of 5 cents, both of which would be indexed. The plan also calls for transferring the current sales tax on motor fuel from the General Revenue Fund into transportation beginning in Fiscal Year 2022, at the rate of 1 percent per year, over five years. This could realize approximately \$600 million in additional revenue to the Road Fund. Registration fees will be increased by \$50 for standard gas vehicles and electric vehicles will pay the normal registration fee, plus an additional \$100 fee; truck registrations will increase by \$100; a commercial distribution fee will be eliminated; and the certificate of title will be based on the value of the car.

The following revenues are being considered for vertical construction: gaming (casino expansion, video gaming tax increase, and sports betting); a parking tax; online sales tax

parity; commercial real estate transfer tax; trade-in sales tax exemption elimination; and a cigarette tax increase.

IRTBA lobbyists and leaders are currently engaged in discussions with legislators and members of the Pritzker Administration to encourage support for the proposed transportation funding outline. **IRTBA urges all of its members to continue to call your legislators and demand a Capital Transportation Bill be passed for both the safety of our citizens and to ensure the economic competitiveness of our state this year and beyond.**

If you're not sure who your legislator is, [look it up here](#) by your home zip code. If you're a business owner, be sure to also call the legislator of the legislative district in which your business is based.