



**INFRASTRUCTURE COUNCIL**

# Newsletter

**Andrew Cunningham** | Executive Director, Infrastructure Council | 217-520-2345



*December 16, 2022*

The Infrastructure Council is an initiative of the Illinois Chamber that brings together Chamber members with a focus on increasing infrastructure investments in a strategic and thoughtful way to boost the overall business climate in Illinois. Our focus is on the public and private systems that are essential to Illinois businesses.

[View Past Newsletters](#)

[Email Andrew](#)

---

## **IDOT Revenue Options Study**

The Climate and Equitable Jobs Act (CEJA) directed the Illinois Department of Transportation (IDOT) to determine how electric vehicle ownership trends will impact future transportation revenue. On Thursday afternoon, IDOT hosted its

second revenue options stakeholder input meeting at the Abraham Lincoln Presidential Library in Springfield.

During the meeting, the expected funding gaps that will arise from declining motor fuel tax revenue were discussed as well as several funding options of the future the Department sees as feasible.

Here are some basic facts presented at the meeting:

- Through CEJA, State law has set a goal to have 1 million electric vehicles on Illinois roads by 2030
- The auto industry is trending toward electrification over the next decade
- Numerous outside forces are impacting fuel consumption
- IDOT is seeking options to replace motor fuel tax (MFT) revenue.

To execute the study, IDOT performed a series of forecasts on the future of EV adoption in Illinois. Currently, there are 10 million passenger vehicles in the State and around 50,000 (.5%) are electric. Taking the medium forecasted scenario, around 60 percent of all new vehicle sales will be electric by 2035. This adoption scenario would create an annual \$500 million MFT loss for IDOT by 2030 and a \$2 billion revenue loss by 2050. In total, Between 2022-2050, the medium adoption scenario would create a \$36 billion MFT revenue gap. The Department noted that even with increased adoption the current EV surcharge in place won't provide enough replacement revenue.

The new revenue funding options were each evaluated using five guiding principles and a key objective.

- Objective: Financial Sustainability
- Social Equity
- User Equity
- User Convenience

- Administrative Efficiency
- Transparency

With varying degrees of achievability, these were some of the funding mechanisms presented that will be a part of the final report:

- Mileage-Based User Fee
- Weight-Distance Tax
- Increase EV Registration Surcharge
- For-hire Ride Tax
- Street Utility Fee
- Value-Based Fee
- Fuel-Economy Based Fee
- Age-Based Fee
- Auto Parts/Services Tax
- Tax on EV Electricity Consumption

The final report issued from the study is expected to be completed and presented in the Spring of 2023. No single funding mechanism will be recommended in the report, rather the most feasible options will be recommended and the usage of a combination of options may be suggested.

If you'd like to talk further about these proposals and provide your organization's thoughts, please do not hesitate to do so. Contact me by email at [acunningham@ilchamber.org](mailto:acunningham@ilchamber.org) or by phone at (217) 520-2345.

## **IDOT Disparity Study Public Introduction**

On Tuesday afternoon, IDOT hosted an introductory webinar on the disparity study for its Disadvantaged Business Enterprise (DBE) program. IDOT is seeking to ensure that DBEs and other businesses owned by minorities or

women have equal access to contracting opportunities and that IDOT's current initiatives remain legally defensible and administratively successful.

For the purpose of Tuesday's presentation, a disparity study involves compilation of evidence to determine whether DBEs have equal opportunities on IDOT projects. This includes statistical evidence of disparities, if any, between the availability of DBEs and their utilization on IDOT contracts and related subcontracts and throughout the Illinois economy as a whole.

The objectives of the study are as follows:

- Comply with the constitutional mandate and the DBE program regulations to ensure IDOT's DBE program remains narrowly tailored
- Provide a defense if IDOT's implementation of 49 C.F.R. Part 26 is challenged
- Develop accurate data for triennial and contract goal setting
- Gather feedback for program improvements
- Educate elected officials, IDOT staff, assist agencies and business owners on these issues

The Study period is October 1, 2016 – September 30, 2021 with all formally procured construction and engineering contracts \$50,000 or greater being analyzed.

The webinar described in this section was the public introduction to the study. Stakeholder and business interviews will occur in spring 2023 and a survey of business owners will take place in summer 2023.

The study is being completed by Colette Holt & Associates with the assistance of Sandi Llano & Associates, Inc. and WindGypsy Consulting. The expected

completion date of the study is summer 2024. You may contact the study team via email at [idot-study@mwbclaw.com](mailto:idot-study@mwbclaw.com) or phone: 855-692-3529.

View the study website for more information [here](#).

## Session Update

After conclusion of business earlier this month, the Senate released its [session calendar](#) for 2023. This week, the House released its 2023 [calendar](#). Lawmakers will return January 4th for the beginning of lame duck session. The 103rd General Assembly will be inaugurated on January 11th.

## Rulemaking

There was no rulemaking of note for this Council in the December 16th edition of the [Illinois Register](#).

## Legislative Update

[HB 5854](#), **Water Reuse** was filed. This bill creates the Water Reuse Task Force. Requires the Environmental Protection Agency to provide administrative and other support to the Task Force. Specifies voting and nonvoting members of the Task Force. Contains provisions regarding the Task Force's duties and reporting responsibilities. Requires the Task Force to recommend specified changes to administrative rules and to provide the recommendations to relevant State agencies. Provides that the Act is repealed on June 31, 2031. Contains other provisions. Effective June 1, 2023.

[HB 5856](#), **Build Illinois Bond Fund** was filed. This bill appropriates \$5,000,000 from the Build Illinois Bond Fund to the Illinois Community College Board for a grant to the City Colleges of Chicago for all costs associated with the construction and renovation of the City of Chicago Career and Technical Education Center.

## **Illinois Chamber Legislative Initiatives**

As we approach the end of the year, the Illinois Chamber is finalizing its legislative strategy for the Spring of 2023. If you have any legislative ideas or proposals that you'd like the Chamber to consider supporting or drafting please don't hesitate to reach out.

You can email me at [acunningham@ilchamber.org](mailto:acunningham@ilchamber.org) or give me a call at (217) 520-2345.

## **End of the Year - Thank You for Your Support**

The end of the year has come which means it is a natural time to reflect and look forward to the future. At this time, I'd like to thank each of you for being a part of the Illinois Chamber of Commerce and a part of our Infrastructure Council. I truly appreciate each of you and the input and contributions you provide for this group. In this coming year, as always, I am available for a phone call to discuss any of your organization's needs or legislative priorities.

Unless a major development occurs, this will be my final message until the new year. The lame duck session begins January 4th so there will certainly be plenty of action to start the month. With that, I wish you all a merry Christmas and a safe, happy holiday season.

## Articles of Interest

[ADM Receives Business Sustainability Award for Work to Expand Regenerative Agriculture](#)

[As Stellantis mulls Belvidere's future, Pritzker moves to sweeten new EV incentives](#)

[Black carp spreading through the Midwest threatens Illinois waterways](#)

[Congressional Negotiators Reach Framework for Deal on Funding Government](#)

---

## *Connect with the Chamber*

---

[Like Us on Facebook](#) [Follow us on Twitter](#) [Subscribe](#)



**ILLINOIS  
CHAMBER**

---

Not a member and want to learn more about the Illinois Chamber - click [here](#) to contact Lauryn Thornton. Click [here](#) to contact Jack Bernhardt.

IL Chamber Infrastructure Council | 215 E Adams St., Springfield, IL 62701

