

## THE I-RIDE PROPOSAL

**WHY:** Illinois' transportation infrastructure is inadequate. If the state takes no action, 1-in-3 road miles and 1-in-10 bridges will be structurally deficient or obsolete by 2020. The total funding needed to maintain and operate the state system has been estimated at **\$5 billion per year**. Unfortunately, declining Motor Fuel Tax receipts and the looming budgetary problems of the federal Highway Trust Fund imperil the long-term revenue sources to maintain and modernize Illinois' system.

**WHAT:** The I-RIDE is a road user fee for each mile traveled by a vehicle that is equal to the damage caused by the vehicle to the infrastructure plus costs to invest in future needs. Utilizing a public-private partnership (P3) agreement, the I-RIDE allows individuals to choose their own pay-as-you-drive plan:

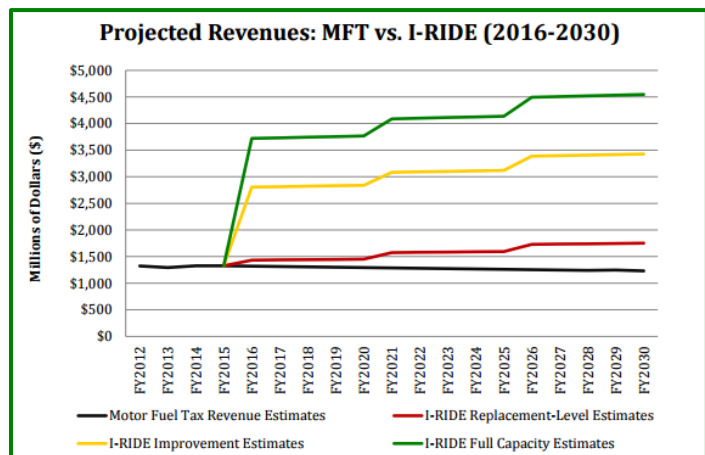
1. [The I-RIDE Smart Plan](#) – reports only miles traveled on public, non-tolled Illinois roads using modern technologies;
2. [The I-RIDE Convenient Plan](#) – records all miles traveled without the use of location services; and
3. [The I-RIDE Deluxe Plan](#) – charges motorists a flat rate equal to 30,000-50,000 miles per year, providing another alternative for those who do not want mileage reporting technology in their automobiles.

**How:** The I-RIDE rate schedule would depend on the goals of the policy:

1. [Replacement-level Rates](#) – To simply replace the Motor Fuel Tax, the required rate is 1.5 cents per mile.
2. [Improvement Rates](#) – To maintain and operate the system at acceptable levels, the required rate is 3.0 cents per mile.
3. [Full Capacity Rates](#) – To invest in a world-class transportation network, the required rate is 4.0 cents per mile.

**COSTS:** Under “full capacity” rates, the typical bill to an Illinois household will be \$65 per month (including Motor Fuel Taxes at the pump). This is lower than typical electricity, natural gas, cable/Internet, and cell phone bills.

**BENEFITS:** At just \$65 per month per household, the state is conservatively expected to generate an additional **\$2.6 billion** in annual funds. The I-RIDE would support **31,000 new jobs** every year, including 19,000 construction jobs. Full capacity funding would complete the CREATE program, reduce traffic congestion, and increase worker-to-firm connectivity.



**SUPPORT:** In 2014, 84% of Chicago residents said the city needs to “greatly improve” its roads, highways, and railroads. In 2010, only 26% of southern Illinois residents thought that the quality of infrastructure in their area is “good” or “excellent.” Finally, an Aug. 2015 poll of Illinois' top economics/policy professors found that 87% think Illinois should increase transportation infrastructure investment, with 69% saying that it would increase employment and boost the economy. 52% of the state's top economics/policy academics support switching to a road user charge compared to 20% who oppose.

**CONCLUSION:** The I-RIDE program allows the state to become a global leader in *smart, comprehensive infrastructure investment* policies that grow the economy. The I-RIDE is a *fiscally-responsible* policy that maintains an adequate, predictable, and sustainable revenue stream every year. By making those who actually drive on the roads pay for their usage, the I-RIDE also promotes *taxpayer fairness*. Moreover, in promoting the stability of infrastructure funds, the I-RIDE encourages *business location* in Illinois because firms can be certain that their products will be efficiently and predictably delivered to the market.

**The Illinois Road Improvement and Driver Enhancement program should be implemented.**

**FOR MORE:** Visit [www.illinoisepi.org](http://www.illinoisepi.org), [www.iiiffc.org](http://www.iiiffc.org), and [https://www.youtube.com/watch?v=6wPHPPMa\\_EI](https://www.youtube.com/watch?v=6wPHPPMa_EI).

- *The I-RIDE Proposal: A Smart, Reliable Policy to Fund Transportation Infrastructure* is available at: <http://goo.gl/HlzBr1>.
- *The Views of Economics and Policy Academics in Illinois* is available online at: <http://goo.gl/pPCnIK>.