

# CRAIN'S CHICAGO BUSINESS

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## **A road-usage charge could modernize our antiquated transportation system**

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As noted last month in an [op-ed](#) for Crain's by Howard Learner of the Environmental Law & Policy Center, the current Illinois motor fuel tax is simply not meeting our

state's and region's transportation needs. The recently adopted [ON TO 2050](#) comprehensive regional plan recommends at least a 15-cent increase of the MFT, which should also be indexed to inflation. In the near term, this would bolster the current gas tax, which the state has not raised since 1990, providing sorely needed revenues for infrastructure.

But the Chicago Metropolitan Agency for Planning differs with Learner on the potential for a road usage charge, otherwise known as a vehicle miles traveled VMT fee, to help [modernize](#) our state's antiquated funding system. The way people and goods get around is changing, and the gas tax will keep coming up even shorter year by year as vehicles grow more efficient. Inevitably, and possibly in the not-distant future, it will need to be replaced.

Illinois should conduct a pilot study to evaluate how a per-mile fee could be established and invested fairly. More than 20 states are actively evaluating the road usage charge and six states have begun or completed pilot studies with voluntary participation by drivers.

Compared to the gas tax, the road usage charge would be a fairer way to charge drivers for their actual use of the roads. Rather than a tax, it is a true fee for a service. It would also be more resilient to technological change, because it doesn't depend on a particular type of vehicle or fuel.

Current revenues are clearly insufficient to keep the transportation system in a state of good repair, let alone enhance it. CMAP calculates a \$24 billion gap over the next few decades to simply keep the system in the terrible condition it is in today. Across our region, nearly one in 10 bridges is rated "poor," as is one-quarter of every road mile. Regarding transit, about 25 percent of our rail cars have exceeded their useful life, with some dating back to the Eisenhower administration.

Each day, the system's deterioration takes a real toll on residents and businesses, harming quality of life and the economy. By *not* paying for infrastructure, as a region we ensure that the expense is passed along to *everyone* via missed economic opportunities and time stuck in traffic.

The road usage charge could help reduce emissions by, for example, setting a lower per-mile rate for higher-efficiency and lower-pollution vehicles. Variable rates would also help address the higher impacts from heavier vehicles. And a road usage charge is unlikely to discourage a transition to electric vehicles. For potential buyers, avoiding the cost of gas itself is a far greater savings incentive than merely avoiding the gas tax.

While electric vehicles aren't a large part of the market now, they could grow rapidly, which is desirable. But we would have a major drop in transportation revenue, leaving us worse off. Planning is about making sure we avoid problems rather than react to them.

There are legitimate concerns about a road usage charge. A pilot study will help us understand and address them. Regarding privacy, pilot studies elsewhere have let participants choose to submit an odometer reading rather than use a GPS device. Strict requirements can also be put in place for how any data is used, including safe-keeping with a third party, not the government.

Collecting usage fees from out-of-state drivers could be difficult at first. But as neighboring states adopt road usage charges, reciprocity could allow each state to give back to its neighbors for what its residents drive in the other states, something that isn't possible now.

With a pilot study, Illinois could consider how to address these and other concerns. We should take this opportunity to evaluate an important option to help put our transportation system — so central to metropolitan Chicago's economy and quality of life — on the path to stability at long last.

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Inline Play

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