

Illinois PIRG

Education Fund

Why is the Illiana is a Waste of Tax Dollars?

Although Americans have reduced their driving since the middle of the last decade, the state of Illinois continues to spend lavishly on new highways. The state of Illinois and Indiana have proposed to build a new [47 mile toll road](#) across the far southern extent of the Chicago metropolitan area at a cost of [more than \\$1 billion—and perhaps as much as \\$3 billion](#), despite few anticipated benefits and opposition from several local community groups. The seven-county metropolitan planning agency (CMAP) concluded in a [public memorandum](#) that the Illiana should not jump to first priority or even remain on the list of future transportation projects slated for public funds.



The Illinois Public Interest Research Group (IL PIRG) seeks to stop the expensive planning and bidding process that is already underway to build the massively wasteful Illiana. Stopping this boondoggle will enable future state funds to be used for other transportation priorities, such as repairing existing roads and bridges and providing better options for those choosing to travel without a car.

What's the plan for the Illiana?

The states of Illinois and Indiana are slated to spend Illinois' tax dollars on 47 miles of new four-lane highway to at the cost of \$1.35 billion, of which the Illinois' share (38.5 mi) - based on distance, would be at least \$950 million. However, the \$950 million from Illinois does not include an estimated additional \$1.5 billion of infrastructure and road upgrades in surrounding areas that authorities say would also be necessary to mitigate other effects from the road, affect traffic congestion and economic factors in the region. Furthermore, a study by the Illinois Department of Transportation (IDOT)'s own study stated that the Illiana project would make it necessary to construct an additional 33 miles of added lanes on I-80 and I-55, both in areas that are adjacent to the Illiana. These additional costs [would bring Illinois' total cost of the Illiana to at least \\$2.75 billion](#).

IDOT has been less than transparent about where the funding would come from. Due to limited federal and state funds, IDOT and Indiana's Department of Transportation agreed to plan and market the Illiana as involving a private partner that would play a significant role in financing, construction and maintaining the road in return for revenues from tolls charged to vehicles using the road. Similar public-private-partnership (P3) arrangements have sometimes been problematic, such as for the Chicago parking system privatization and the now-bankrupt Indiana Toll Road. The large financial risk

for Illinois lies in the high levels of new toll-paying traffic projected by proponents of the Illiana. To the extent that this traffic does not materialize, Illinois will be required to use [public funds](#) to meet the financing company's guaranteed annual payment.

6 Reasons to Oppose the Illiana:

- 1. Taxpayer risk** – The total cost to taxpayers could continue to climb much higher than originally advertised. The Illiana was sold as a model public-private partnership that would spread the risk equally between the public and an outside contractor. But Illinois Department of Transportation studies later estimated lower use of the road by 2040 – [fewer than 20,000 cars daily](#) – compared to the 300,000 cars that use the Dan Ryan Expressway every day. Private-industry interest waned. Instead of dropping the project, however, IDOT sweetened the pot for the road builders: reneging on a vow not to hit up taxpayers for Illiana, IDOT promised contractors at least a set amount no matter how much is collected in tolls.
- 2. Unrealistic trucking assumptions** – Freight businesses are losing their enthusiasm for the Illiana as the numbers come into focus. Proponents for the road assume that truckers will decide to detour 10 miles south from their present route and pay tolls projected at 53 cents to 79 cents per mile in order to use the Illiana. But more likely, they'll [stay on I-80](#) or use the local roads, as they do now without any additional costs.
- 3. Lack of transparency or meaningful public input** –The state refuses to be transparent regarding this process and continues to conduct confidential negotiations with private companies. Any [potential benefits](#) to Illinois for a P3 deal will not be known until IDOT reveals the winning bidder.
- 4. High future operating costs** – The cost to subsidize operation of the road, according to the Illinois Department of Transportation would be about 24 cents vehicle per mile – about four times more expensive than the per-mile cost of the existing Illinois Tollways due to IDOT's projection of less than 20,000 vehicles expected per day. Even this projection is optimistic: it assumes that truckers will have to pay \$37 to drive the length of the Illiana while right now on I-80 it is free to drive the same distance.
- 5. A danger to farmland, the Midewin Tallgrass Prairie and the Kankakee River-** The Illiana would seize 3,165 acres of farmland, impacting some of the best farmland in the world and relocating 29 family-owned farms, some which are over 100 years old. Additionally, the tollway would pollute the [Kankakee River watershed](#) and threaten wildlife in the Midewin Tallgrass Prairie and hurt ecotourism potential for the surrounding communities.
- 6. Other critical infrastructure will be delayed** – Spending on the Illiana will divert funds from other transportation [needs](#). CMAP has identified a lengthy list of projects across the state and the region that should be a higher priority for our tax dollars. Many will not receive funds or will face major delays if the Illiana is approved because the contract would require construction costs and subsidies to the private operator to take precedence over other projects. Federal Highway Administration [data](#) also shows that there are currently 2,311 structurally deficient bridges in need of repair throughout Illinois. Taxpayer dollars would be far better spent repairing existing infrastructure or improving other transportation options.

Spend Illinois Tax Dollars More Wisely Illinois' transportation spending must be allocated wisely. The state should stop plans for the unnecessary and wasteful construction of the Illiana.