

PASSING THE BUCK:

An Assessment of Capital Funding Needs in Illinois

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Executive Summary

Infrastructure investment has been debated at the federal, state, and local levels for decades, and for good reason. Infrastructure, including transportation, education, and other state facilities, not only serves as the backbone of a state's economy, but its construction also provides quality, middle-class jobs. This report by the [Illinois Economic Policy Institute \(ILEPI\)](#) explores past capital funding bills in Illinois and examines funding needs for transportation and state buildings and facilities.

Illinois is due for new capital funding.

- Historically, transportation, education, and public service agencies throughout Illinois could depend on a capital bill approximately every 10 years.
- A capital bill has not been passed since the 2008 bill known as "Illinois Jobs Now!"
- The federal infrastructure plan depends largely on state and local governments and private organizations for funding, thus Illinois lawmakers should be motivated to supply their own capital funding.

State buildings and facilities have significant maintenance and repair needs.

- Total deferred maintenance needs are over \$7.3 billion for fiscal year 2019.
- Deferred maintenance needs have grown by \$550 million per year.
- The Departments of Corrections and Health and Human Services alone account for over 50% of deferred maintenance needs, at over \$2 billion and \$1.9 billion, respectively.

Education facilities are also facing massive maintenance and repair needs.

- Higher education facilities, including public universities and community colleges, have additional deferred maintenance needs totaling more than \$5.5 billion for fiscal year 2019.
- The two-year capital needs for P-12 education facilities in fiscal year 2017 were \$7.5 billion, averaging approximately \$18.5 million per district.

Additional investment is necessary to bring transportation systems into a state of good repair.

- IDOT requires *an additional* \$11 billion through the year 2023 to bring all road miles into an acceptable condition and repair all backlog bridges.
- The Regional Transportation Authority's current capital needs total \$19.4 billion.
- Downstate transit systems require \$2 billion in capital improvements to both urban and rural systems over the next 10 years.

Over \$21 billion per year is necessary to address deferred building maintenance and bring the state's transportation systems into a state of good repair.

- Building facilities needs account for over \$16 billion per year, with state owned facilities accounting for 34% of total needs.
- Education needs stand at approximately \$9 billion per year – 44% of total needs.
- Almost \$5 billion per year is required just to address backlog on IDOT roads and bridges and statewide transit systems.

Capital investment in Illinois' infrastructure systems is crucial to promote a thriving and economically successful state. Despite this, funding has been inadequate in recent years. Education, health, and corrections facilities have been poorly maintained, roadways and transit systems have deteriorated and become congested, and classrooms have become overcrowded. In the end, the state's transportation, education, and public facilities are too important to allow continued neglect. It is time for lawmakers to seriously discuss viable funding options and sustainable, adequate capital funding to address these severe shortfalls.