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County Highway Needs vs. Motor Fuel Tax

- Motor Fuel Tax is the lifeline for Counties to maintain their highway infrastructure.
- County 2008 bid costs for annual highway maintenance material/work were 191% of 2000 costs.¹
- County 2008 MFT Revenue was 110% of 2000 MFT Revenue.²
- Result: MFT Revenue in 2008 could only afford to maintain 58% of the road mileage it maintained in 2000.
- The state MFT rate of 19¢/gallon generated \$632 million for Locals in state FY 2008.²
- That would have needed to increase to \$1,090 million just to restore the 2008 County maintenance ability to the 2000 level of maintenance.³
- **This equates to a 2008 Motor Fuel Tax rate of 33¢/gallon just to “tread water” with 2000 maintenance levels.**³

- This “tread water” scenario is well short of the level of needed maintenance.
- The shortfall of maintenance revenue for Counties and Townships\Road Districts was assessed by IACE in 2006 to be \$770 million per year.⁴
- This equates to \$1,513 million in MFT Revenue to Locals when including municipalities through MFT formula.³
- Adding this 2006 shortfall to the above inflationary need raises the Local maintenance needs to \$2,603 million.⁵
- **This equates to a 2008 Motor Fuel Tax Rate of 78¢/gallon to fully maintain existing infrastructure.**^{3,5}

- Even at that level, expansion or enhancement of the Local road and bridge system is not addressed.
- For example, the additional cost to upgrade infrastructure in order to provide 80,000# access on the County and Township\Road District system was determined by IACE to be an additional \$2,190 million per year in 2006.⁴
- This equates to \$4,303 million in MFT Revenue to Locals when including municipalities through MFT formula.³
- **Adding this to the above needs equates to a total 2008 Motor Fuel Tax Rate of \$2.08/gallon.**^{3,5}

¹ IACE - 2008 Statewide Survey of Bid Results for Predominant Items Bid for Annual Maintenance.

² IDOT publications “For The Record 2008” and “For The Record 2000”.

³ Under current statutory distribution formula, levels of motor fuel consumption and percentage of total MFT revenue distributed.

⁴ IACE - 2006 County and Road District Needs Study.

⁵ Additional revenue not adjusted for loss in purchasing power due to inflation 2006 to 2008.