

A Survey of Infrastructure Conditions in the Seventh District



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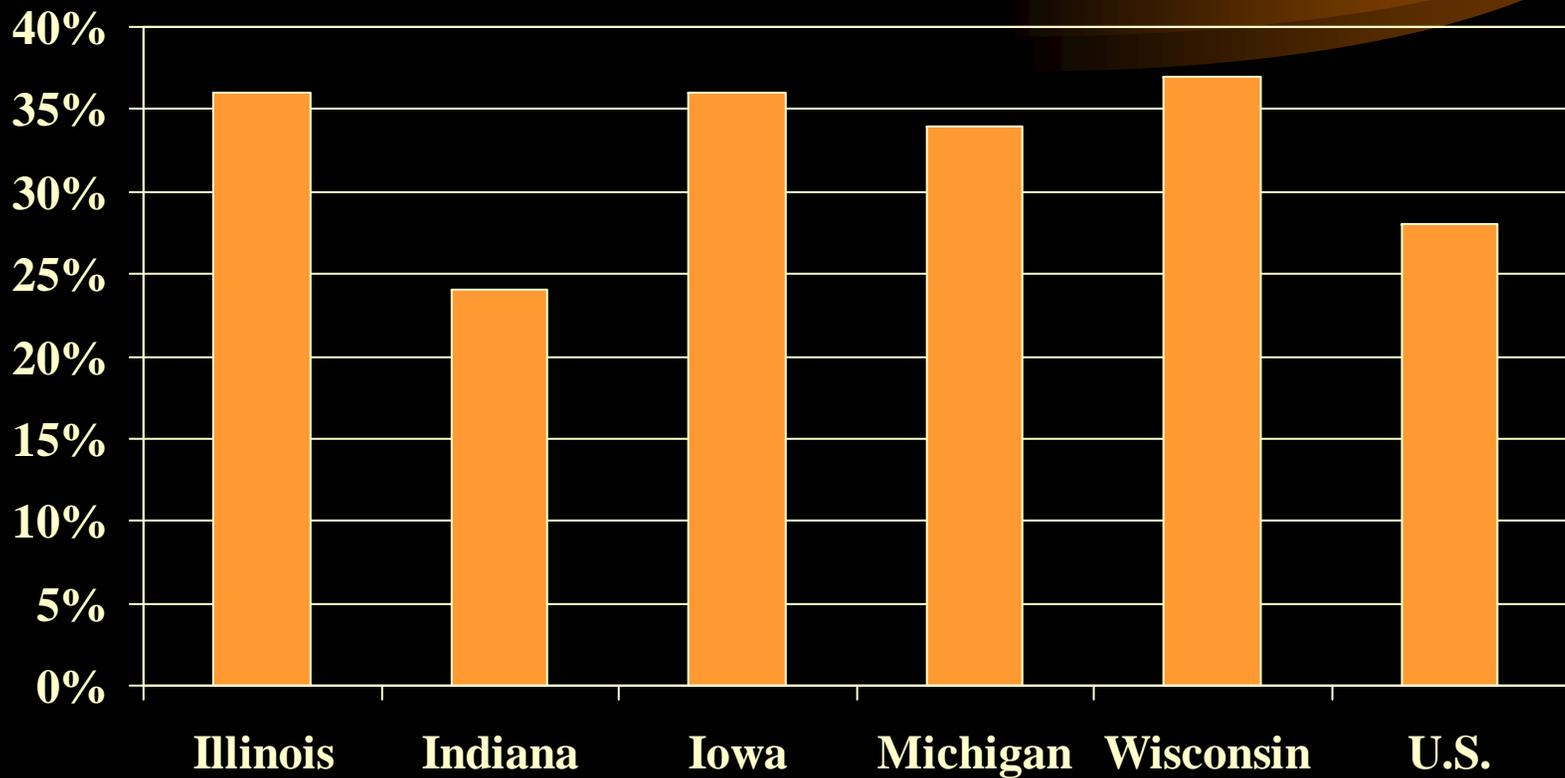
Federal Reserve Bank of Chicago

**Maintaining and Financing Public Infrastructure in Tough
Budgetary Times**

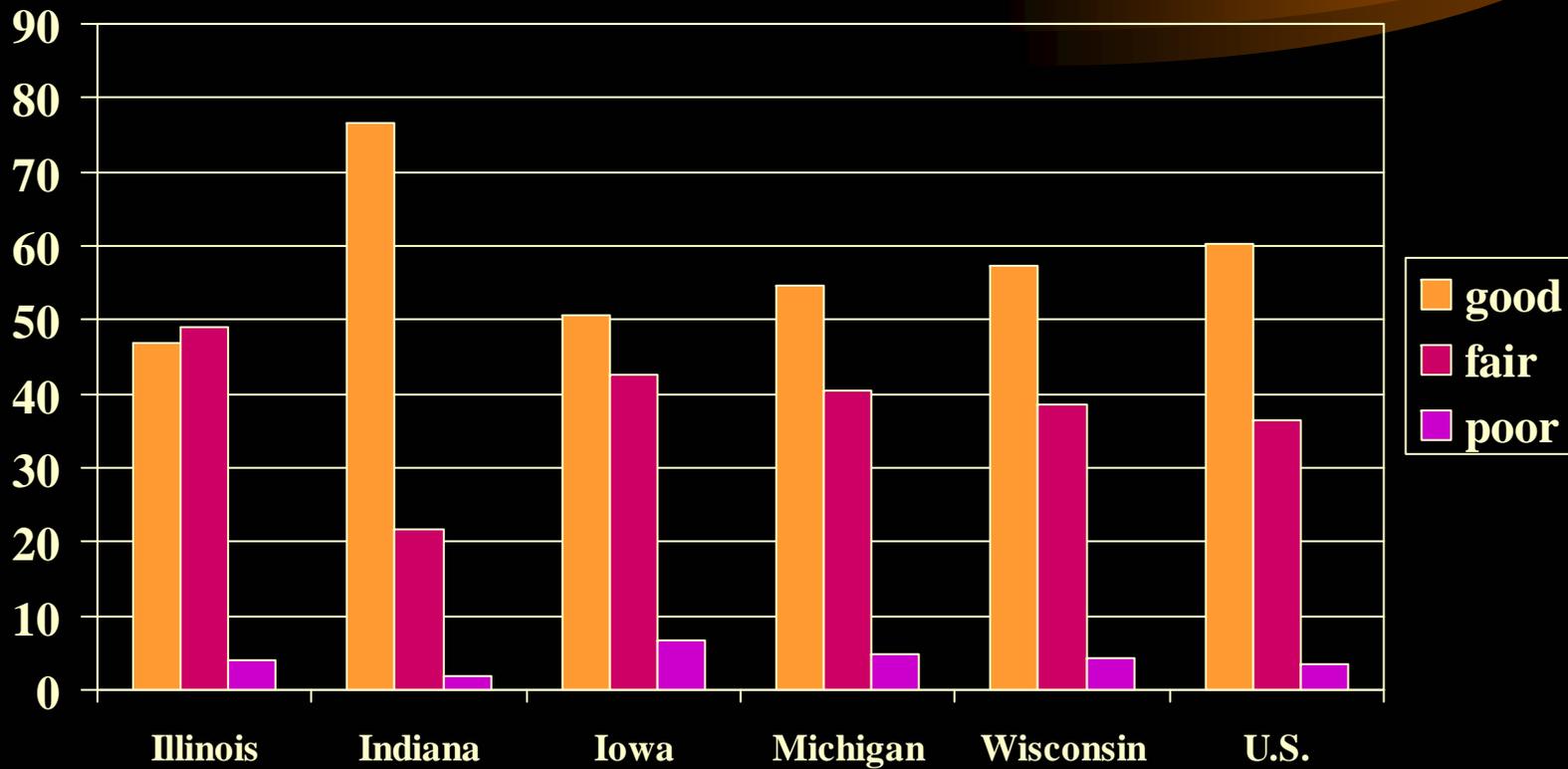
Federal Reserve Bank of Chicago and the National Association of State
Budget Officers

September 25, 2002

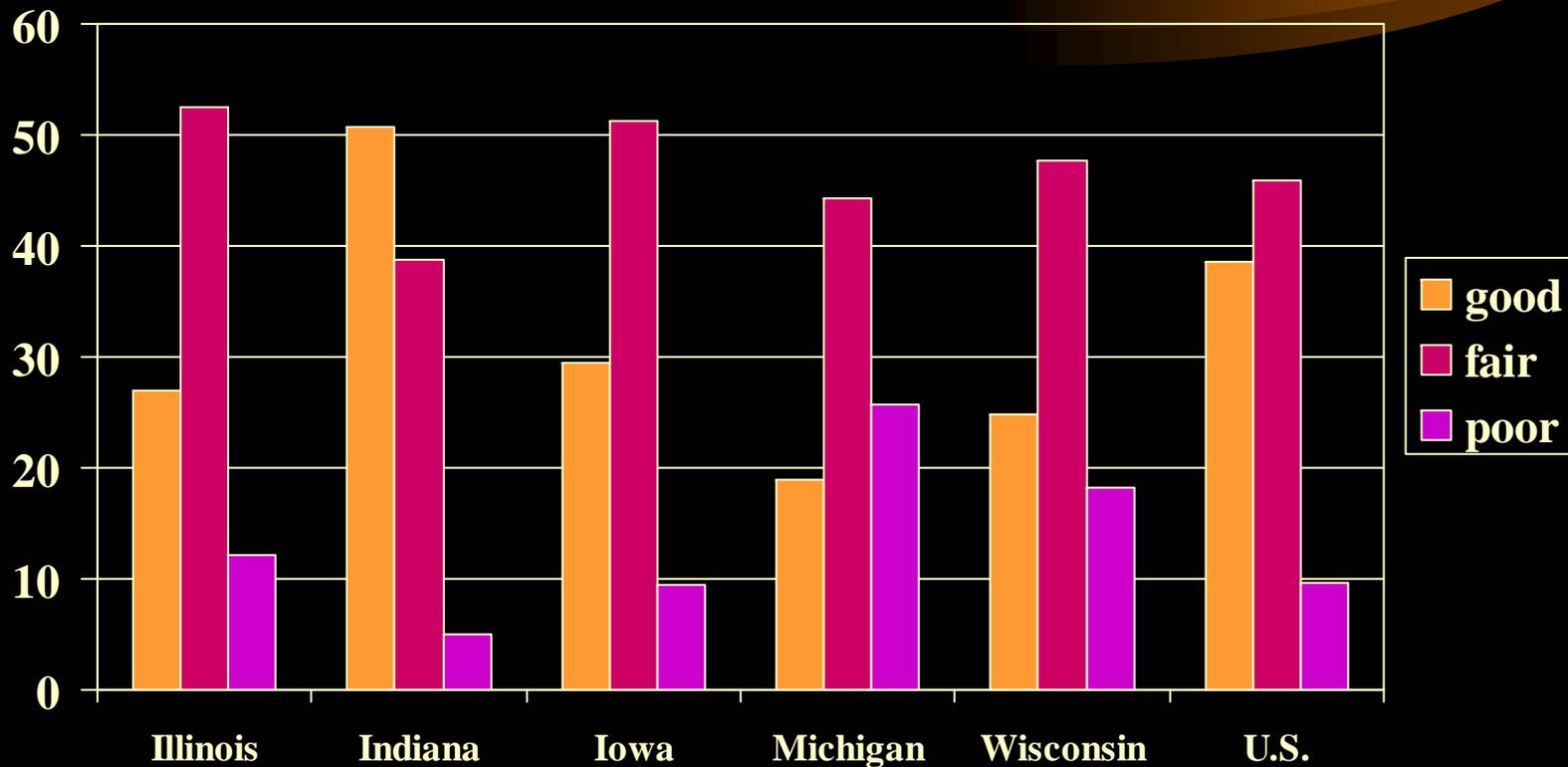
Road Conditions 2001--% of pavement in poor or mediocre condition



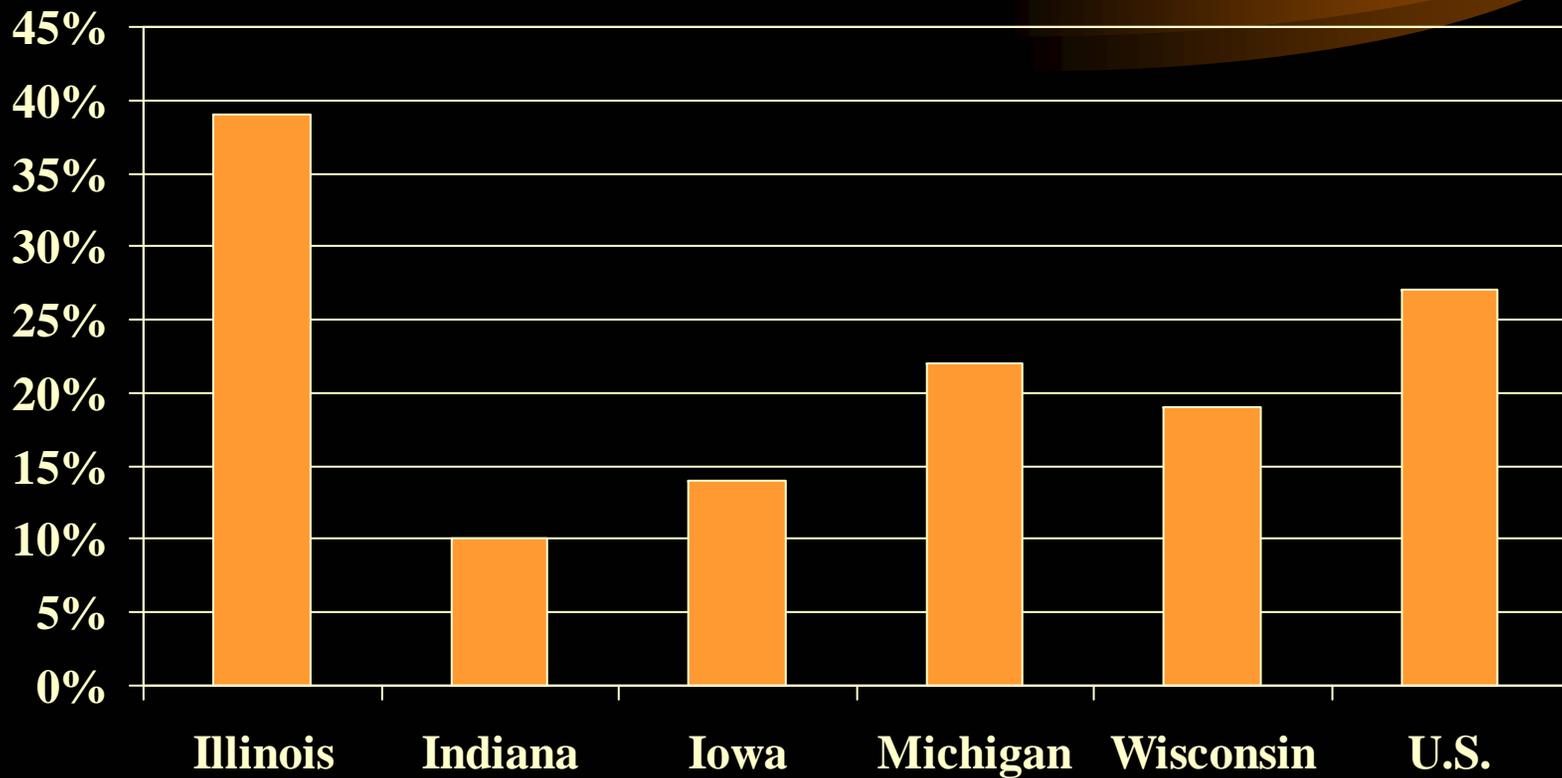
Rural Highway Pavement Condition, 2000 *(IRI index)*



Urban Highway Pavement Condition, 2000 *(IRI index)*



Percentage of Freeways with Congestion, 1999

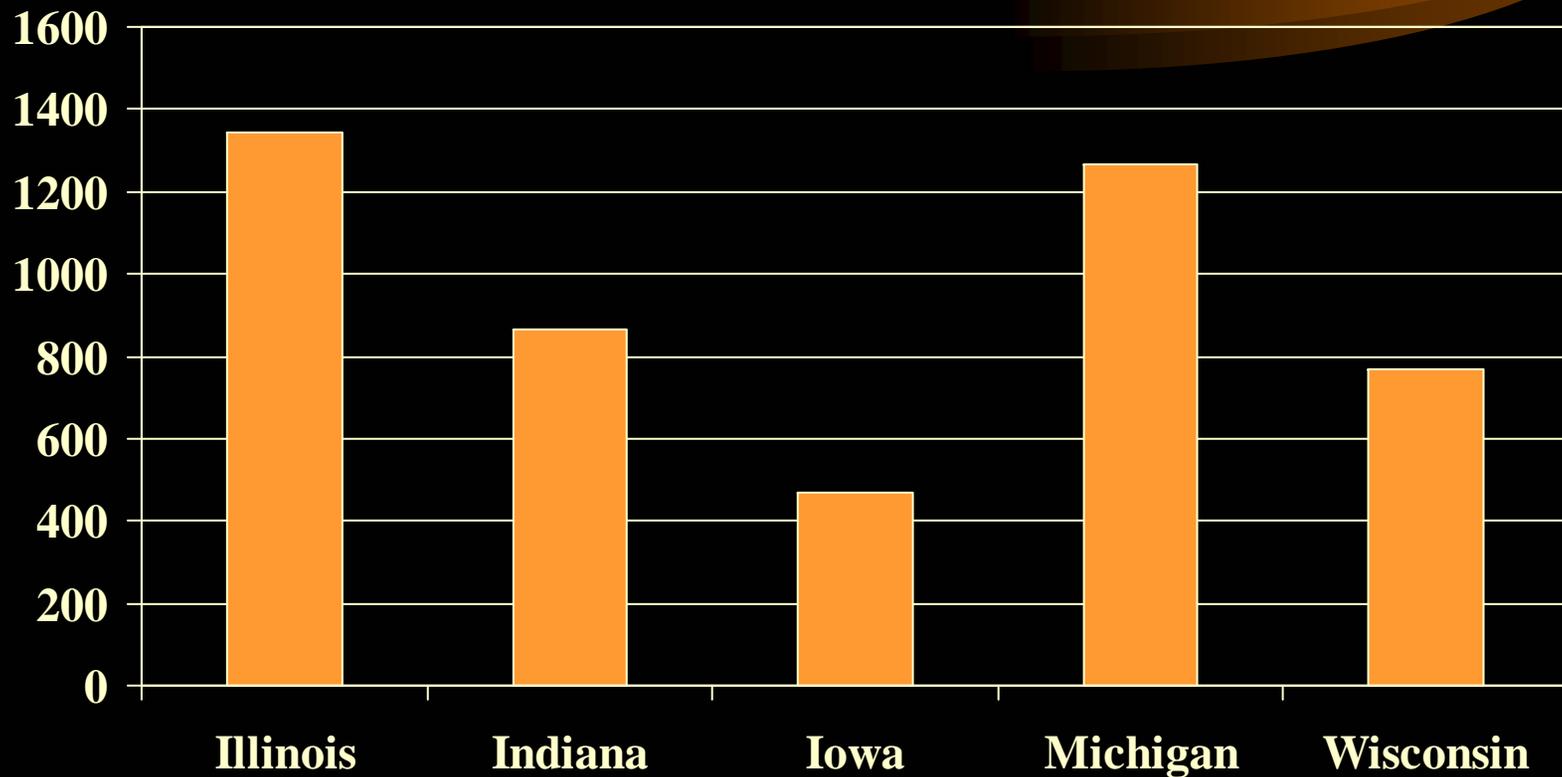


Vehicle repair costs attributed to road conditions
(total costs/cost per motorist)

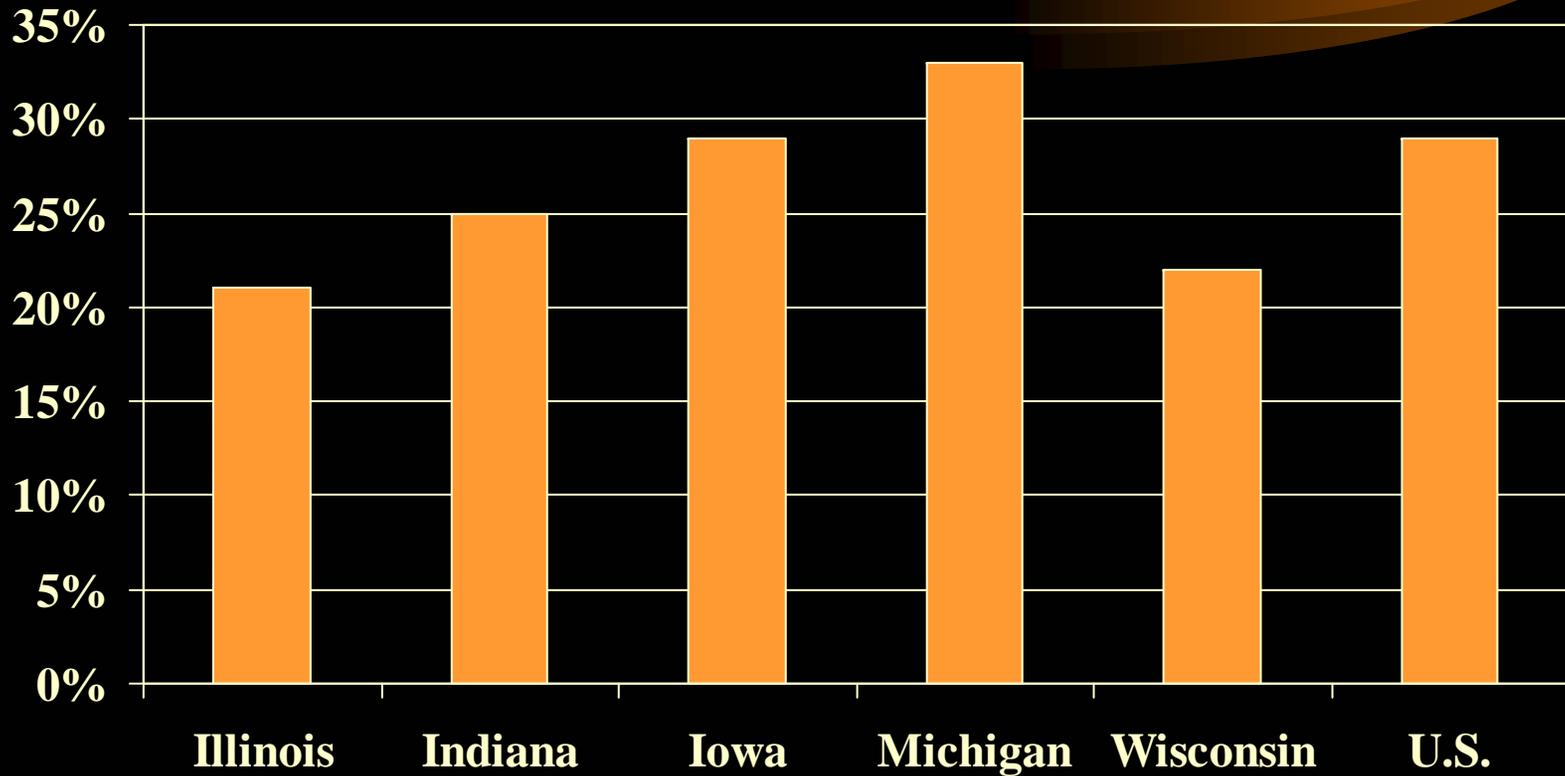


- Illinois--\$1.8 billion/\$224
- Indiana--\$912 million/\$236
- Iowa--\$532 million/\$275
- Michigan--\$1.8 billion/\$259
- Wisconsin--\$1.2 billion/\$319
- U.S. total--\$42 billion/\$222

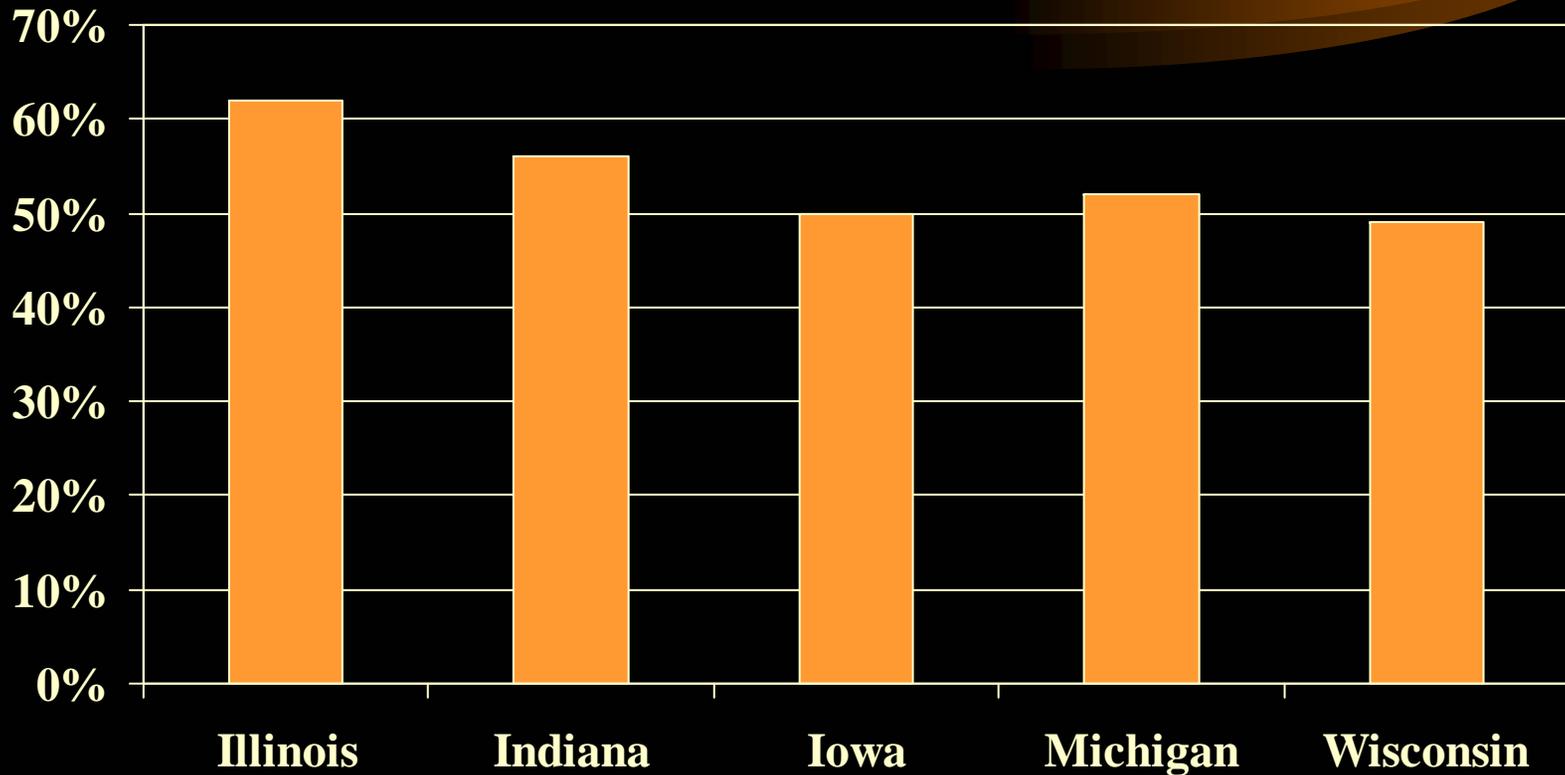
*Estimated Economic Benefit Lost from \$8.6 billion cut in
Federal Highway Program
(In Millions \$)*



Bridge Conditions, 1999
(percentage deficient or obsolete)



School Building Condition
(% of schools with at least one inadequate building feature)



*EPA estimates of Drinking Water
Infrastructure needs over the next 20 years*

- Illinois--\$5.3 billion
- Indiana--\$1.7 billion
- Iowa--\$2.3 billion
- Michigan--\$4.4 billion
- Wisconsin--\$1.9 billion
- U.S. total--\$137 billion

*EPA estimates of Wastewater Treatment
Infrastructure Needs over the next 20 years*



- Illinois--\$11.2 billion
- Indiana--\$5.3 billion
- Iowa--\$1.2 billion
- Michigan--\$5.1 billion
- Wisconsin--\$2.3 billion
- U.S.--\$139 billion

*Capital Management “report card” grade,
2001*

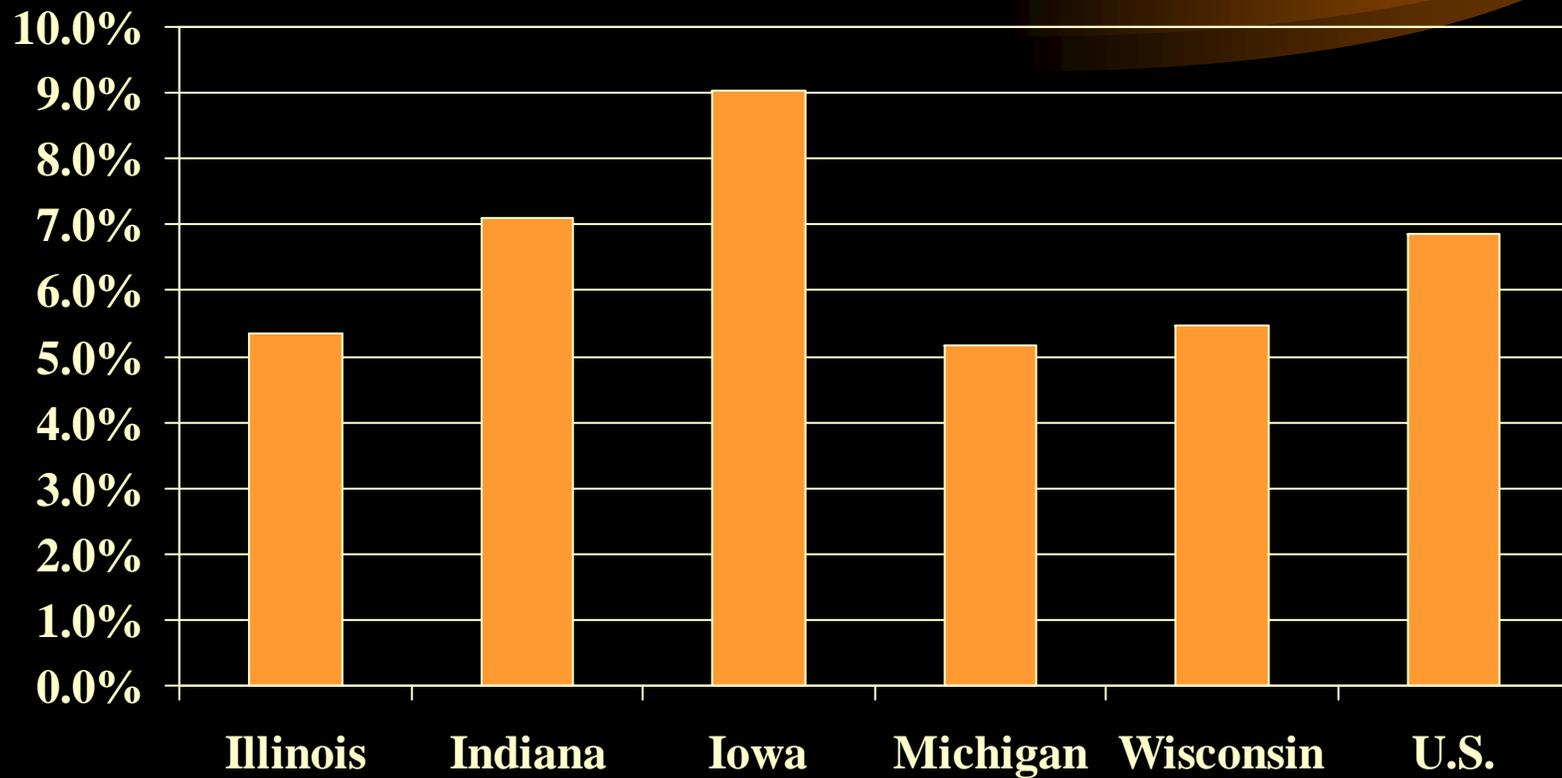


- Illinois-- B
- Indiana-- B-
- Iowa-- B+
- Michigan-- A-
- Wisconsin-- B+

State Capital Outlays in 1999

- Illinois--\$2.045 billion
- Indiana--\$1.319 billion
- Iowa--\$932.9 million
- Michigan--\$2.005 billion
- Wisconsin--\$1.122 billion
- U.S. total--\$68.508 billion

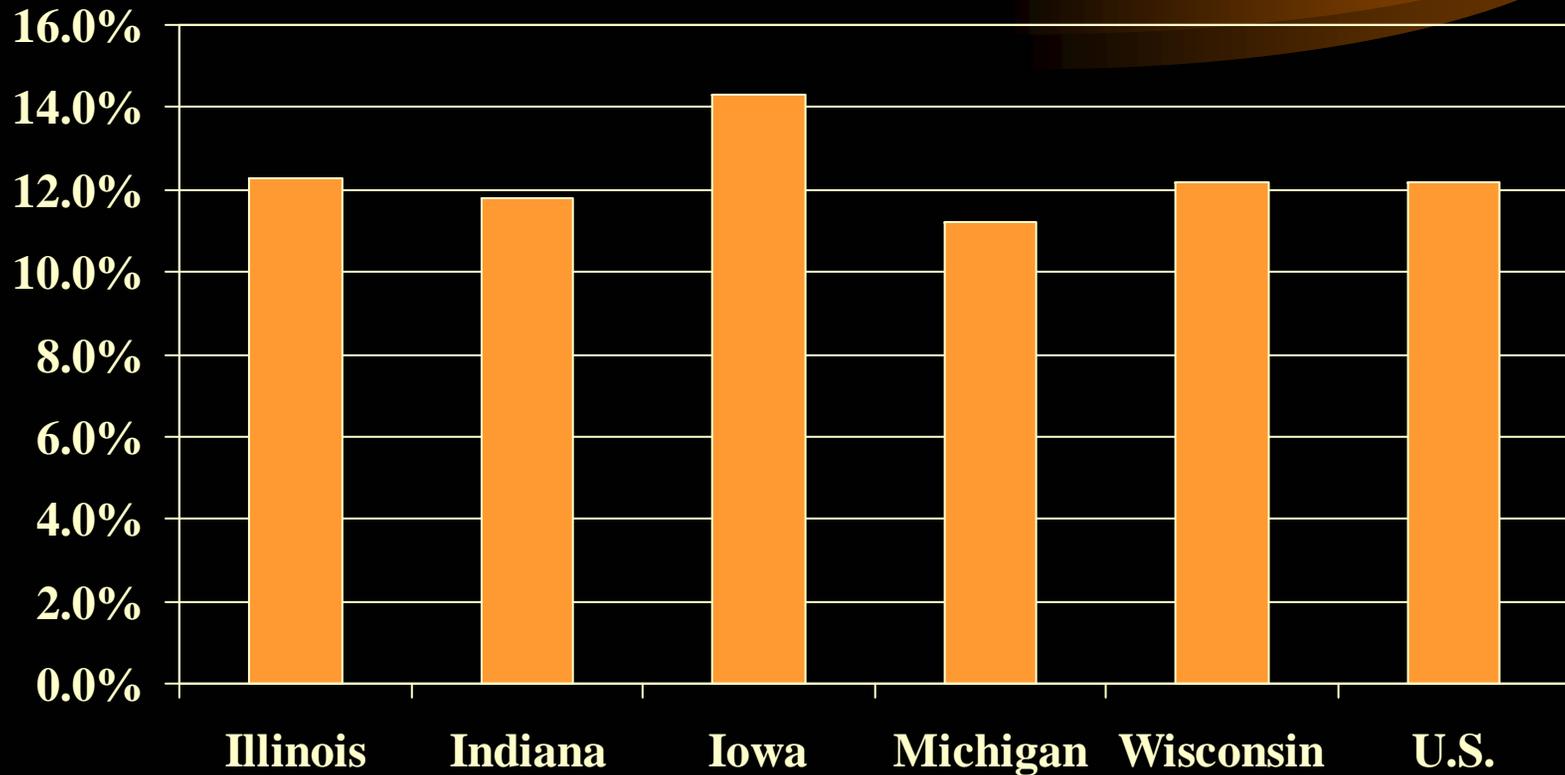
State Capital Outlays as a % of Total Expenditures, 1999



State and Local Capital Outlays, 1988-99

- Illinois--\$8.544 billion
- Indiana--\$3.484 billion
- Iowa--\$2.310 billion
- Michigan--\$6.390 billion
- Wisconsin--\$3.861 billion
- U.S. total--\$198.5 billion

State and Local Capital Outlays as a % of Total Expenditures



What does the evidence suggest?

- The region is no better or no worse than most of the nation when it comes to investing and maintaining infrastructure