

THE STATE OF WISCONSIN

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JOINT COMMITTEE ON FINANCE

Minutes of the Meeting Under s. 13.10

November 11, 2002

Co-chair Burke presided and called the meeting to order at 1:00 p.m.

Present: Senators Burke, Decker, Moore, Shibilski, Risser, Wirch, Darling, Rosenzweig
Representatives Gard, Kaufert, Albers, Duff, Ward, Huebsch, Huber, Coggs

[Secretary's Note: Senator Risser was designated by the Senate Majority Leader to take the place of Senator Plache for this meeting.]

I. Department of Employee Trust Funds

Moved by Representative Gard and seconded by Senator Burke to provide a supplement of \$3,372,300 SEG in 2002-03 from the Committee's program supplements appropriation under s. 20.865(4)(u) to the Department of Employee Trust Funds s. 20.515(1)(v) appropriation to fund additional costs associated with the Department's continuing activities to implement the retirement benefit improvement provisions contained in 1999 Wisconsin Act 11.

Ayes, 16; Noes, 0

[Secretary's Note: This supplementation amount is restated from the Department's original June 7, 2002, request of \$4,145,900 SEG to reflect modifications that update the computation of implementation costs relating to Act 11.]

II. Department of Transportation

Moved by Representative Gard and seconded by Senator Decker to require the Department of Transportation to submit a request to the Joint Committee on Finance that transfers amounts from the 2002-03 SEG, FED and SEG-L appropriations for state highway rehabilitation to the corresponding appropriations for southeast Wisconsin freeway rehabilitation equal to the amounts allocated to the rehabilitation of southeast Wisconsin freeways in the 2002-03 state highway

rehabilitation appropriations. Require the Department to submit its request no later than December 6, 2002.

Require the Department, in submitting the request, to also calculate the appropriate level of base funding for the 2003-05 biennium to be transferred by averaging the percentage of state highway rehabilitation funding used on the southeast Wisconsin freeway system over the previous six years, multiplied by the total statewide appropriations for state trunk highway rehabilitation in 2002-03. Specify that, for the purposes of this calculation, the amount of rehabilitation funding used on southeast Wisconsin freeways in 2002-03 shall be the amount of funding currently programmed by the Department on those freeways in 2002-03.

Require the Department, for the purposes of these calculations, to consider only amounts used or programmed on the freeways that were included as part of the southeast Wisconsin freeway system in the Southeastern Wisconsin Regional Planning Commission's 2002 study of the freeway system. Prohibit the Department from including in the transfer any amount that is now allocated for projects in other parts of the state.

Ayes, 15; Noes, 1 [Duff]

Moved by Representative Gard and seconded by Senator Decker to authorize the Department of Transportation to use the proceeds of up to \$140,000,000 in transportation fund-supported, general obligation bonds, authorized by 2001 Act 109, as needed to replace delayed or reduced federal formula funds estimated for 2002-03 in s. 20.395 for major highway projects, state highway rehabilitation projects, and southeast Wisconsin freeway projects.

Specify that the bonds may be used only in an amount necessary to maintain, but not exceed the level of federal formula funds in the Department's federal highway appropriations.

Require the Department to report the level of federal formula funds Wisconsin will receive, after the FFY 2003 transportation appropriations bill or an omnibus appropriations bill is enacted and formula funds are distributed to the states by the Federal Highway Administration.

Require the Department to propose a comprehensive federal plan incorporating specific levels of authorized bonding, if federal formula funds are less than 95% of the estimates in the appropriations under s. 20.395.

Ayes, 11; Noes, 5 [Burke, Moore, Risser, Albers, Coggs]

Moved by Representative Gard and seconded by Representative Huebsch to approve the Department of Transportation's request to provide \$10,000,000 SEG in 2002-03 for the maintenance and traffic operations appropriation [s. 20.395(3)(eq)] from the unappropriated balance in the transportation fund and to include this amount in the 2002-03 appropriation base for the purposes of the preparation of the 2003-05 biennial budget.

Require the Department, no later than March 31, 2003, to provide to the Joint Committee on Finance a report that evaluates statutory or program management options to use the private sector for state highway maintenance in all 72 counties, to maximize the productivity and improve the cost-effectiveness of delivering maintenance services. Specify that the report shall evaluate at least the following options:

1. Pilot programs that would allow, encourage or require some counties to reduce their permanent year-round staffing to a level needed to provide basic services on the state highway system, by contracting with the private sector to provide supplementary service on an "on call" basis.

2. Contracting with the private sector to perform defined sub-elements of the maintenance program over a large geographic area, such as weed and brush control, mowing, patching, or joint repair.

3. Contracting with the private sector to perform all state highway maintenance in entire counties, groups of counties, within state highway corridors, or any other logical geographic basis.

4. Modifying the manner in which the Department reimburses counties for equipment costs, including the reimbursement for the cost of equipment depreciation, to optimize the economic use of machinery on the highway and minimize long-term equipment costs by maximizing long-term maintenance in favor of frequent equipment turnover.

Specify that the report shall also include one table showing the level of state contracts with, and any supplementary funding provided to, each county for fiscal years 1998-02, and a second table showing winter maintenance costs for the same fiscal years.

Ayes, 8; Noes, 8 [Burke, Decker, Moore, Shibilski, Risser, Wirch, Huber, Coggs]

Moved by Senator Decker and seconded by Representative Kaufert to approve the Department of Transportation's request to provide \$10,000,000 SEG in 2002-03 for the maintenance and traffic operations appropriation [s. 20.395(3)(eq)] from the unappropriated balance in the transportation fund and to include this amount in the 2002-03 appropriation base for the purposes of the preparation of the 2003-05 biennial budget.

Require the Department, no later than March 31, 2003, to provide to the Joint Committee on Finance a report on modifying the manner in which the Department reimburses counties for equipment costs, including the reimbursement for the cost of equipment depreciation, to optimize the economic use of machinery on the highway and minimize long-term equipment costs by maximizing long-term maintenance in favor of frequent equipment turnover.

Ayes, 13; Noes, 3 [Gard, Duff, Huebsch]

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Daniel Caucutt, Secretary

Date: _____

Brian Burke, Co-Chair

Date: _____

Scott McCallum, Governor

Date: _____